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Milwaukee, WI 53211
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Brewers Hill Campus
100 E. Pleasant Ave.
Milwaukee, WI 53212
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January 10, 2002

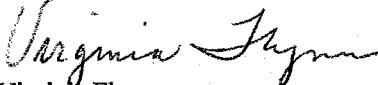
Dr Howard Fuller
Charter School Review Committee
200 East Wells Street Rm. 606
Milwaukee, WI 53202

Dear Dr. Fuller,

The Board of Trustees, parents and staff of Downtown Montessori Academy would like to request your permission to add a fourth grade for the next school year. We realize this was not part of our original contract, however, this addition would not increase our number of charter students. We would still remain under 160 students, which is our current contract agreement. We will begin the process of renewing our contract soon and anticipate requesting the ability to continue to slowly add more grades each year. We have a small class of four motivated third graders, who would like to continue their education at Downtown Montessori Academy. I am hopeful that we do not have to leave these families out as we finish the last year of our initial contract.

Please contact me if you have any other questions or concerns about this issue.

Thank you very much for your time and consideration.


Virginia Flynn
Downtown Montessori Academy

Virginia Flynn
Principal

E-Mail: dtnmonti3@aol.com

**CHARTER SCHOOL CONTRACT
BETWEEN
CITY OF MILWAUKEE
AND
DOWNTOWN MONTESSORI ACADEMY, INC.
WITH
AMENDMENTS OF JANUARY 1999**

THIS CONTRACT made this 10th day of January, 1999, by and between the City of Milwaukee, acting by its Common Council, (hereinafter, "CITY"), 200 East Wells Street, Milwaukee Wisconsin, 53202, and Downtown Montessori Academy, Inc. (hereinafter, "Charter School"), 100 East Pleasant Street, Milwaukee, Wisconsin, 53211.

Whereas, CITY, acting by its Common Council, is authorized by Section 118.40 (2r), Stats., to initiate a contract with an individual or group to operate a school as a Charter School under State of Wisconsin funding provisions set forth in sec. 118.40(2r)(e), Stats.; and

Whereas, on May 5, 1998, the Common Council of the City of Milwaukee passed File Number 971759, a substitute ordinance relating to designation of charter schools and establishing a Charter School Review Committee ("CSRC"); and

Whereas, File Number 971759, when approved by the Mayor of Milwaukee, resulted in the creation of Section 320-41 and Chapter 330 of the Code of Ordinances; and

Whereas, Section 320-41 and Chapter 330 of the Code of Ordinances spell out the powers and duties of the CSRC and set forth the procedures and criteria that the CSRC must use in considering, denying, and approving applications for charter school status; and

Whereas, Charter School has applied for charter school status; and

Whereas, On June 15, 1998, as required by Chapter 330, the CSRC held a public hearing on the application of Charter School for charter school status; and

Whereas, on June 23, 1998, the CSRC, applying the criteria set forth in Chapter 330, determined that the application of Charter School complied with the requirements of Sections 330-5 and 330-7, that Charter School will operate an educational program that has a reasonable prospect of providing Milwaukee children a good education, and that Charter School has an appropriate governance structure, sound system of management, adequate budget and budget process, and a qualified body of administration, teachers, staff; and

Whereas, On June 23, 1998, having made these findings, the CSRC recommended to the Common Council that the application of Charter School be approved; and

Whereas, On July 24, 1998 CITY authorized a Charter School Contract between CITY and Charter School for a five-year term commencing with the 1998-1999 school year and ending with the 2002-2003 school year, and

Whereas, The Charter School Contract entered into by the parties provided that Charter School shall serve a maximum of 75 pupils in grades K3 through K5, and

Whereas, The Charter School Contract entered into by the parties provided that Charter School was in the process of long range planning to expand its program to serve pupils in grades one through three and beyond, and

Whereas, The Charter School Contract entered into by the parties further provided that Charter School could not increase the maximum number of pupils attending Charter School, under sec. 118.40(2r)(c), Stats. or otherwise, and could not provide services to children in grades one through three without prior written approval of CITY, and

Whereas, Charter School has notified CITY that it would like to expand its program to serve pupils in grades 1 through 3, maintain two campuses and serve a maximum of 160, and

Whereas, CITY has approved the expansion proposed by Charter School.

Whereas, the parties have successfully negotiated a Charter School contract which, in accordance with sec. 118.40(2r)(b), Stats., contains all of the provisions specified under sec. 118.40(1m)(b)1. to 14., Stats. as well as additional provisions;

NOW THEREFORE, the parties agree as follows:

I. CHARTER SCHOOL HEREBY AGREES TO:

A. The name of the person who will be in charge of the Charter School and the manner in which administrative services will be provided.

Charter School shall be in the charge of the Principal, who shall administratively operate the school on a daily basis. Virginia Flynn shall be the Principal at the time of this signing. Charter School shall immediately notify CITY in the event a different person becomes in charge of Charter School or in the event there is a significant change in the duties of the person in charge. The principal's duties are described in the Charter School Application as:

...Virginia Flynn, as principal of the current Downtown Montessori School, supervises kindergarten and preschool Montessori teachers, specialty teachers, educational assistants, maintenance staff and also supervises interactions with independent contractors such as a dance teacher and music teachers who are permitted from time to time to offer group lessons to children at Charter School. Among the specialty teachers supervised by Ms. Flynn are art and music teachers with Bachelors Degrees. She also supervises assistant teachers, day care providers and other staff. Ms. Flynn hires and fires teachers, coordinates daily activities of children and staff, supplies documentation for state licensing of day care services, trains American Montessori Internationale interns, confers with parents of enrolled and prospective pupils, and the business manager. She is a manager of teachers and an acute observer of interactions between children and teachers as well as a provider of information to the business manager.

B. A description of the educational program of the school.

Charter School shall substantially adhere to the educational program described in the Charter School Application. Charter School shall ensure that all classrooms are equipped with all materials, equipment and supplies required to deliver a valid Montessori program, as interpreted by either Association Montessori International (AMI) or American Montessori Society (AMS). CITY reserves the right to consider a substantial change in the educational program of Charter School to be a violation of this Contract subject to termination under paragraph II.C.2. Charter School shall immediately notify CITY in the event there is a significant change in the educational program described in its Charter School as:

Section II. Educational Program

Charter School will have a Montessori kindergarten and early elementary curriculum, emphasizing hands-on individualized learning. In addition, it will offer music, art, and foreign language. Charter School intends to offer programs from 2½-year old kindergarten through third grade. Charter School will be staffed by certified Montessori teachers, a degreed art therapist and a music therapist. Wrap-around day care will be available at reasonable rates and qualifying for W-2 child care payments.

Charter School's planned academic program is based on the educational model developed by Dr. Maria Montessori. In a Montessori program, each child's inborn desire to learn is nurtured through the academic program that follows the natural plan of a child's development. Individual learning is emphasized by offering a series of increasingly challenging exercises aimed at allowing pupils to develop their skills in mathematics, language, geography, science, art, and music. Teachers serve as guides, with pupils working at their own pace. Montessori education develops confident children able to work together and respect one another. Added to the regular curriculum will be classes in art, music, and language. Computers will be available for usage to develop hands-on experience.

...

The child is exposed to a wide range of educational opportunities and activities in the Montessori environment. Areas of discovery include:

Practical Life

These activities foster order, activity and independence. Through them, the children learn to care for the person, to care for the environment, and develop grace and courtesy in socially related experiences.

Sensorial Materials

Sensorial materials help the children to refine the use of their senses and enable them to create order and clarity in their sense impression.

Mathematics

Montessori materials and supplies concretely represent quantities in a variety of ways. In the Montessori environment, the children not only

see the symbols for numbers but they can also hold each of the corresponding quantities in their hand. Later, by comparing various pieces of Montessori materials, equipment and supplies, they can demonstrate to themselves the basic operation of arithmetic. This activity gives them the satisfaction of learning by discovery rather than by being told. As a result, they develop an enthusiasm for the world of numbers.

Language

The development of language begins with speech and progresses into writing and reading. The sandpaper alphabet is used to teach the phonetic sounds. The geometric insets are used to develop the small muscles as a preparation for writing. The moveable alphabet, phonogram board and the grammar boxes are used to teach analysis of sentences.

Foreign Language

This is a sensitive time for language development. We will have Spanish taught by a trained language teacher.

Geography

The children's first impressions in geography are sensorial: globes, puzzle maps, flags and geographical land formations enable the children to learn about and become interested in the world in which they live. They also learn about other cultures and how others live.

Science

Experiments in botany and zoology are introduced. Nature studies are conducted both in and out of the classroom.

Art

Classes in art are regularly scheduled under the direction of a trained art teacher. Once the children have been introduced to a particular media, they are free to create within the limits of that media. In addition, art materials, equipment and supplies are always available in the classroom.

Music

Classes in music are regularly scheduled under the direction of a trained music teacher. Children are encouraged to express creativity to music through free expression and the use of Montessori music materials. They learn folk songs and foreign language songs. In addition, they are introduced to a variety of musical and rhythm instruments.

Computers

The school has a computer center with IBM compatible and Macintosh computers and a variety of educational software. The children are allowed to use them at various times of day.

Periodic Programs

Programs will be put on by parents and other community members to demonstrate career opportunities for the children.

Dance

Many of the children take weekly dance for additional fees.

Charter School shall guarantee that its educational program provides at least 875 hours of instruction each school year. Charter School shall guarantee that its educational program provides a sequentially progressive curriculum of fundamental instruction in reading, language arts, mathematics, social studies, science and health.

Charter School shall serve a maximum of 160 pupils (a maximum of 80 pupils at the East Pleasant Street campus and a maximum of 80 pupils at the East Kenwood Boulevard campus), all of whom may attend Charter School under this Contract so long as they are otherwise eligible to attend under sec. 118.40(2r)(c), Stats. Charter School shall serve children in grades K3 through grade three. Charter School agrees not to exceed the maximum number of pupils attending Charter School, under sec. 118.40(2r)(c), Stats. or otherwise, and not to provide services to children beyond grade three without prior written approval of CITY. Charter School shall provide any and all information regarding pupil attendance requested by CSRC or CITY at such times and on such forms as may be provided by CSRC or CITY.

C. The methods the school will use to enable pupils to attain the educational goals under sec. 118.01.

Charter School shall use the methods described in paragraph B above which is based on the educational model developed by Dr. Maria Montessori to enable pupils to attain the educational goals listed in sec. 118.01, Stats.

D. The method by which pupil progress in attaining the educational goals under sec. 118.01 will be measured.

Charter School shall perform a Montessori learning review of each child.

In the event Charter School expands to serve pupils in grades one or above, Charter School shall administer such examinations as may be required under sec. 118.40(2r)(d)(2), Stats. An annual academic report will be submitted to the CITY by June 30th. Charter School shall pay all costs incurred in the administration, scoring and reporting of results of all examinations, including those required under sec. 118.40(2r)(d)(2), Stats.

Charter School agrees to meet and work with CSRC to develop an accountability plan by which pupils' progress in attaining educational goals will be measured for purposes of paragraph II.C.3. of this Contract.

E. The governance structure of the school, including the method to be followed by the school to ensure parental involvement.

- GOVERNANCE STRUCTURE

Charter School is incorporated under Chapter 181 of the Wisconsin Statutes, without stock and not for profit. The IRS has determined that Charter School is exempt from federal income tax as an organization described in section 501(c)(3). Charter School has submitted to CITY the Articles of Incorporation and Bylaws of Charter School. If either the Articles of Incorporation or Bylaws are modified in any way, Charter School shall forward such modifications to CITY immediately upon said modification(s). Charter School describes the function of the Board of Directors ("Board") in its Charter School Application as:

The Board hires the principal. The principal in turn hires the teaching staff and a business manager

The Board maintains the ultimate responsibility for governance of the school. The principal is responsible for day-to-day management of the school, along with the teachers and the business manager.

- PARENTAL INVOLVEMENT

Parental involvement shall be an integral component of Charter School. Charter School shall hold parent-teacher conferences at least twice during the school year. Charter School may develop policies and procedures to encourage parental involvement and obtain the commitment of a parent or family member to such involvement. Charter School describes its method of ensuring parental involvement in its Charter School Application as:

The Board and staff understand the importance of parent involvement. All Trustees are current or former parents or staff at the Downtown Montessori School, which traditionally has had extensive parental involvement, including informational demonstrations of Montessori equipment, parents reading to children, parent assembly of playground equipment, and parental access to classrooms and teachers at any time. It is not the Board's intention to mandate a minimum level of parental involvement, but to actively encourage it, believing that involvement by choice is more meaningful than required involvement.

...

Charter School's policy is to strongly encourage parental involvement. This begins with a parent contract signed at the time of enrollment. The contract parents sign pledges a minimum number of hours per year of parental involvement. To date Charter School has not monitored the hours of parental involvement, but it is clear that many put in much more time. It is Charter School's wish to be inclusive of as many families as possible, rather than exclusive. Any standard of involvement stated by us would be regarded as a goal, rather than a mandatory requirement. Charter School would prefer to invest its staff efforts in encouraging

efforts rather than requiring them. Nevertheless, if a uniform indicator of parental involvement is adopted as a matter of policy for the City of Milwaukee Charter Schools, we will comply.

F. Subject to secs. 118.40(7)(a) and 118.19(1) and 121.02(1)(a)2., Stats. the qualifications that must be met by the individuals to be employed in the school.

Charter School shall ensure that instructional staff of Charter School all hold a license or permit to teach issued by the Wisconsin Department of Public Instruction (DPI). In addition to the above requirements, all Montessori teachers are required to have Association Montessori International (AMI) or American Montessori Society (AMS) Montessori training and certification.

G. The procedures that the school will follow to ensure the health and safety of the pupils.

Charter School shall comply with all health and safety laws or codes that apply to public schools. Charter School shall ensure that all of its pupils comply with Wisconsin immunization requirements.

H. The means by which the school will achieve a racial and ethnic balance among its pupils that is reflective of the CITY's school-age population.

Charter School shall periodically advertise its nondiscrimination policy. Charter School shall target its marketing efforts in neighborhoods which may be unrepresented in Charter School's pupil population.

I. The requirements for admission to the school.

Pupils who are enrolled in the Charter School Program shall reside in the City of Milwaukee and shall be eligible for enrollment in the Program only if the pupil meets one of the criteria set forth in sec. 118.40(2r)(c), Stats.

Pupils shall be randomly selected for admission to Charter School, except that preference may be given to continuing pupils and their siblings and for children of current employees of Charter School. Pupils 5 years old and older should have previous montessori experience.

Charter School shall annually maintain a waiting list that contains the names, addresses and phone numbers of all pupils who met the eligibility criteria set forth in sec. 118.40(2r)(c), Stats. but who were not admitted to Charter School. Pupil vacancies shall be filled from the waiting list.

Waiting lists from previous school years may not be carried over and used from one year to the next.

Charter School shall maintain pupil data base information pertaining to each Charter School pupil, including, but not limited to the pupil's name, address, home phone number, place and date of birth, parent(s) or guardian, immunization records, ethnic background, school of last attendance, number of siblings, and emergency contact.

J. The manner in which annual audits of the financial and programmatic operations of the school will be performed.

- **AUDIT REQUIREMENTS**

CSRC or designee and/or City Comptroller or designee shall have full access to all books and records during normal business hours and upon reasonable notice.

Charter School shall submit to CSRC or designee and/or City Comptroller or designee within 75 days after fiscal year end a complete set of audited financial statements including Balance Sheet, Income Statement and Statement of Cash Flows together with full footnote disclosure. The audit statements shall be prepared in accordance with generally accepted accounting principles and shall be prepared using full accrual accounting. The audit shall be conducted in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Notwithstanding other provisions of this contract, CITY retains the right, with approval of the Common Council, to terminate the Charter Contract should such auditor's opinions be anything other than unqualified.

Additionally, for every school year ending in an odd number, Charter School shall submit to CSRC or designee and/or City Comptroller or designee, an independent auditors' attestation opinion, pursuant to SSAE3, which opinion shall attest to pupil eligibility under the Charter School Program.

All management letters and all other reports of an independent auditor transmitting reportable conditions or advice to management must be submitted to CSRC or designee and/or City Comptroller or designee within 15 days of receipt.

Single audit reports, prepared in accordance with The Single Audit Act of 1984 if applicable, must be submitted to CSRC or designee and/or City Comptroller or designee within 75 days of fiscal year end.

For informational purposes, Charter School agrees to submit to CSRC or designee and/or City Comptroller or designee, within 15 days of receipt any audit, review, compilation, management letter or report of reportable conditions prepared by an independent certified public accountant in response to any other publicly funded program and any audit issued by any other government agency.

Within 75 days of the end of the third school year under this Contract, or at such other time as requested in writing by CSRC or designee and/or City Comptroller or designee Charter School agrees to retain an independent certified public accountant which accountant shall attest (using standards in SSAE3) to the accuracy, validity and reasonableness of academic achievement and programmatic results reported by Charter School to CSRC or designee and/or City Comptroller or designee during the term of this Contract. This information will be used in assessing any renewal options for a charter Contract. CITY retains the right, with approval of the Common Council, to terminate this Contract upon receipt and review of the attestation report.

K. The procedures for disciplining pupils.

Charter School shall establish its own disciplinary guidelines. Those guidelines are set forth in the Charter School Application as:

If a problem persists, a meeting is held with the principal, parents and child. If it seems necessary, there is a referral made to outside resources to assist behavior management therapy, which may occur within or outside the school.

- **CHILD DISCIPLINE POLICY**

The following is a brief statement on the method of child discipline used by Charter School. It is most important in dealing with children that a consistent environment be prepared for the child. Adult reactions to the child are tested daily. When actions of a child demand correction, it is most important that all adults involved with the child deal with the problem the same way.

The Montessori method encourages children to make choices and develop responsibility for their own actions. Discipline is used to help the child, not to punish. The method of corrective discipline endorsed by Charter School has grown out of the Montessori approach. When a child is involved in actions that are contrary to established rules, the object is to redirect the child to other activities.

Never, under any circumstances, use corporal punishment on a child, including verbal or mental abuse. This will be grounds for immediate termination. Withholding of snacks, lunches or outdoor activities for disciplinary purposes is prohibited.

All staff should serve as role models for the children, reflected in their conduct with the children, other staff, and parents. Each child will be dealt with positively, avoiding showing anger or raising the voice.

The "time out" procedure will be used only if redirection of the child does not work. The length of "time out" should be limited, and the child must sit in full view of staff.

L. The public school alternatives for pupils who reside in the CITY and do not wish to attend or are not admitted to the Charter School.

As required by sec. 118.40(6), Stats.: "Program voluntary. No pupil may be required to attend a charter school without his or her approval, if the pupil is an adult, or the approval of his or her parents or legal guardian, if the pupil is a minor." A pupil who is a resident of the City of Milwaukee who, or whose parents or legal guardian, does not choose to attend Charter School, may attend a school operated and managed by the Milwaukee Board of School Directors.

M. A description of the school facilities and the types and limits of the liability insurance that the school will carry.

Charter School shall maintain two campuses. In addition to the campus located at 100 East Pleasant Street, Milwaukee, Wisconsin 53211, Charter School shall operate its educational program in a second campus located at 2319 East Kenwood, Milwaukee Wisconsin 53211. Charter School represents that the East Pleasant Street facility is adequate to serve a pupil population of 80 and that the building meets all required fire and building safety codes. Charter School represents that the East Kenwood Boulevard facility is adequate to serve a pupil population of 80 and that the building meets all required fire and building safety codes. Charter School shall assume full responsibility for the cost of maintaining these facilities. CSRC shall view the East Kenwood campus to ascertain its appropriateness to operate the Charter School contracted for under this Contract.

In the event Charter School anticipates relocating its school, or establishing an additional campus, Charter School shall notify CSRC in writing at least 30 days prior to the anticipated relocation. Charter School shall ensure that any new facility meets all of the safety codes and standards required under this Contract, including, but not limited to, the occupancy permit referred to in this section, in accordance with applicable timelines. CSRC shall view any new facility to ascertain its appropriateness to operate the Charter School contracted for under this Contract.

Charter School shall obtain an occupancy permit for school usage to provide the educational program under this Contract prior to the start of the first day of pupil attendance. Failure to obtain the necessary permit by that date may result in termination of this Contract by the CITY.

Charter School shall comply with all laws and regulations pertaining to asbestos abatement that may apply to Charter School.

• **INDEMNIFICATION**

Charter School shall defend, indemnify and hold harmless CITY, its agents, board members, officers, and employees (the "indemnitee") from and against any and all claims, demands, actions, causes of action, damages and claims of any kind, including but not limited to those for bodily injuries, personal injuries or damages and reasonable attorney fees, arising out of or in any way related to or associated with this Contract or the operation of the Charter School Program, that is or may be brought or maintained by any individual or entity against the indemnitee, except those caused solely by the negligence of the indemnitee. This indemnification obligation shall not be reduced in any way by the existence or nonexistence, limitation, amount or type of damages, compensation or benefits payable under worker's compensation laws or other insurance provisions. Under no circumstances is CITY's recovery limited due to the fact that CITY is named as an additional insured under any of the Charter School's insurance policies.

• **INSURANCE**

Charter School shall obtain insurance coverage as described below:

Fidelity Bond

Bond Coverage in an amount not less than fifty percent (50%) of the total annual program costs for all Charter School employees and all employees of Charter school subcontractors responsible for financial decisions, including the CEO and CFO and Board Members of the Charter School and all of its subcontractors. Coverage for all Charter School employees, including the CEO and CFO and Board Members

- Limit per Loss \$500,000

Worker's Compensation

- Worker's Compensation - Statutory Coverage
- Employer's Liability Limits

Bodily Injury by Accident	\$100,000 each accident
Bodily Injury by Disease	\$500,000 policy limit
Bodily Injury by Disease	\$100,000 each employee

Commercial General Liability

Each Occurrence Limit	\$1,000,000
Personal & Advertising	
Injury Limit	\$1,000,000
General Aggregate	\$2,000,000
Products-Completed	
Operations Aggregate	\$2,000,000
Medical Expense	\$ 10,000

Commercial General liability shall be on an occurrence from covering the risks associated or arising out of the services provided under this Contract. This insurance is not to have any exclusions, sub-limits, or restrictions as respects coverage for sexual abuse and molestation, corporal punishment, athletic events, and use of gymnasium equipment.

Auto Liability

Business Auto Liability insurance including, but not limited to. Uninsured Motorists, Underinsured Motorists, and contractual liability for risks assumed in this Contract, covering the use of any vehicle in an amount not less than \$1,000,000 per accident. (Note: Verification of this coverage is needed only if vehicles will be used while providing service under this Contract.)

Combined Single Limit \$1,000,000 each accident

Umbrella

Each Occurrence Limit	\$4,000,000
General Aggregate Limit	\$4,000,000

The Umbrella shall provide excess employer's liability, general liability and auto liability coverage.

School Leaders Errors & Omissions

Aggregate Limit

\$1,000,000

All policies, with the exception of the School Leaders Errors & Omissions policy, shall be written on an occurrence form.

The CITY is to be named as an additional insured under all of the above mentioned insurance coverage with the exception of Worker's Compensation and School Leaders Errors and Omissions. A certificate of insurance evidencing the aforementioned insurance requirements is to be provided to CITY. Certification is to be provided either on the certificate of insurance or by separate letter from the insurance agent or broker that there are no exclusions, sub-limits, or restrictions in coverage as noted in this section. This certification including certificates of insurance is to be provided to the CITY office before services commence under this Contract. Said certificate is to include 60 days advance notice to the CITY prior to any change, termination, or cancellation of the insurance coverage. Insurance companies must be acceptable to the CITY and must have a current A.M. Best rating of A- or better.

The indemnification obligation, however covered by the insurance above, shall not be reduced in any way by existence or non-existence, limitation, amount or type of damages, compensation or benefit payable under Worker's Compensation laws or other insurance provisions. Under no circumstances is CITY recovery limited to the fact that it is named as an additional insured under the Provider's insurance policies noted above.

N. The effect of the establishment of the Charter School on the liability of the CITY.

As between Charter School and the CITY, there shall be no liability on the part of the CITY on account of the establishment or operation of Charter School.

No officer, agent, employee or volunteer of Charter School shall be deemed an officer, agent, employee or volunteer of CITY for any purposes whatsoever.

CITY shall not pay any amount whatsoever to Charter School on account of the establishment or operation of Charter School.

Any payments which may be due to Charter School for the operation of the Charter School Program are the responsibility of DPI. DPI is obligated under sec. 118.40(2r)(e), Stats. to make payment directly to the Principal of Charter School, in September, December, February, and June of each year Charter School participates in the Charter School Program under sec. 118.40(2r), Stats. If, for whatever reason, DPI fails to make any and/or all of such payments to Charter School, CITY, its officers, agents, and employees shall have no responsibility whatsoever to make such payments to Charter School.

Specifically, DPI shall pay to Charter School during each school year of this contract, an amount equal to the shared cost per member in the previous school year of MPS multiplied by the number of pupils attending Charter School under the Charter School Program, sec. 118.40(2r), Stats.

O. Fees for Contract Administration.

Charter School shall pay to CITY any and all reasonable fees that may be assessed from time to time by the CITY to process the application for a Charter School contract or to oversee the Charter School contract. Charter School shall make payment to CITY within 30 days of receipt of the next following payment from DPI to Charter School of invoice from CITY for such fees.

P. Nonsectarian.

Charter School shall be nonsectarian in its programs, admissions policies, employment practices and all other operations. Nonsectarian means that Charter School does not include a pervasively religious curriculum and is not sponsored, administered, or funded by any religious group or organization.

Q. Pupil Tuition and Fees.

Charter School shall not charge tuition for any pupil attending Charter School under the Charter School Program, sec. 118.40(2r), Stats. Charter School is entitled to charge tuition for pupils who are attending Charter School, but who are not doing so under sec. 118.40(2r), Stats.

Nothing in this Contract shall prevent Charter School from operating a Before and After-School Program, a day-care program, or a summer program nor from charging fees for children participating in those programs.

Charter School may require its pupils to purchase and wear uniforms, but Charter School may not profit from the sale of uniforms to pupils.

Charter School may assess reasonable pupil fees (not to exceed actual cost) for activities such as field trips and social and extra-curricular activities.

Charter School may charge a reasonable rental fee (not to exceed actual cost) for the use of personal use items such as towels, gym clothes, or uniforms.

Charter School may not prohibit an eligible pupil from attending Charter School under this Contract, expel or otherwise discipline the pupil, or withhold or reduce the pupil's grades because the pupil or the pupil's family cannot pay or has not paid fees permissibly charged under this section of the Contract.

Charter School may not charge fees for any of the following:

1. Instruction or registration.
2. Books.
3. Teacher salary.
4. Buildings, maintenance or equipment.
5. Courses credited for graduation.
6. Computers or microfilm readers.
7. Transportation required under s. 121.54(8), Stats.

R. Non Discrimination.

Charter School shall not discriminate in admissions or deny participation in any program or activity on the basis of a person's sex, race, religion, national origin, ancestry, pregnancy, marital or parental status, sexual orientation or physical, mental, emotional or learning disability.

Charter School shall not discriminate against any qualified employee or qualified applicant for employment because of sex, race, religion, color, national origin or ancestry, age, disability, lawful source of income, marital status, sexual orientation or familial status. Charter School shall require all subcontractors with whom Charter School contracts to comply with this same nondiscrimination in employment provision and shall require a similar provision to be included in all subcontracts.

Charter School shall comply with the following state and federal laws and regulations:

1. 42 U.S.C. 2000d et seq., Title VI of the Civil Rights Act of 1964 (prohibiting discrimination on the basis of race, national origin, and color).
2. Title IX of the Education Amendments of 1972, 20 U.S.C. secs. 1681 et seq. (prohibiting discrimination on the basis of sex).
3. The Age Discrimination Act of 1985, 42 U.S.C. secs. 6101 et seq. (prohibiting discrimination on the basis of age).
4. Sec. 504 of the Rehabilitation Act of 1973, 29 U.S.C. sec. 794 (prohibiting discrimination on the basis of handicap) and the Americans with Disabilities Act. 42 U.S.C. sec. 12101, et seq.
5. Family Education Rights and Privacy Act, 20 U.S.C. sec. 1232g and sec. 118.125, Stats., (regarding protection of pupil records).
6. The Drug-Free School and Communities Act of 1986, 20 U.S.C. secs. 3171 et seq.
7. All federal and state constitutional guarantees protecting the rights and liberties of individuals, including freedom of religion, expression, association, against unreasonable search and seizure, equal protection, and due process.

S. Background Screening.

Charter School shall perform background screening through the Wisconsin Department of Justice (and similar agencies of other states in the event of present or former out-of-state residence) on all Charter School full and part-time employees and volunteers and shall not assign any employee or volunteer to teach or work with pupils until Charter School investigates and determines that there is nothing in the background of the employee or the volunteer which would render the employee or volunteer unfit to teach or work with pupils of Charter School, including, but not limited to, conviction of a criminal offense or pending charges which substantially relate to the duties and responsibilities assigned to the employee and/or volunteers.

For purposes of this Contract, volunteer means a non-paid person who serves under the supervision of Charter School and who provides services on a regular and ongoing basis or for more than 5 hours a week. It does not apply to those parents and/or other adults

who are one-time volunteers for field trips or other one-time only activities in Charter School.

T. Right to Inspect and Receive Requested Information and Reports.

Charter School shall grant CITY or its designee the right to inspect Charter School facilities or to review any Charter School records at any time during the term of this Contract.

Charter School shall give such information at such times and on such forms as may be requested by CITY or its designee concerning any of the operations of Charter School.

Charter School shall generate and provide such reports at such times and concerning such matters as may be requested by CITY or its designee concerning any of the operations of Charter School.

U. Calendar.

Charter School shall operate under the calendar for the 1998-99 school year which is attached hereto as **Appendix A** and incorporated herein by reference. Charter School shall provide CITY with a school year calendar for an upcoming school year prior to the conclusion of the preceding school year.

II. TERM AND MODIFICATION OR TERMINATION OF CONTRACT

A. Term.

The term of the contract is five (5) school years commencing with the 1998-1999 school year and ending on the last regularly scheduled school day in the 2002-2003 school year. This Contract is contingent on the approval of the Common Council of the City of Milwaukee. This Contract shall become effective upon approval by the Common Council and execution by all appropriate persons.

B. Modification

This Contract represents the entire agreement reached between the parties. This Contract can be modified only upon mutual agreement reached between the parties and reduced to writing.

C. Termination.

This Contract may be terminated before expiration of its term upon any of the following circumstances:

- BY BOTH PARTIES:
 1. Both parties agree in writing to the termination.

- BY CITY:
 2. CITY determines that Charter School violated this Contract or Chapter 330 of the Milwaukee Code of Ordinances or no longer meets the requirements of sec. 330-15 of the Milwaukee Code of Ordinances.
 3. CITY determines that pupils enrolled in Charter School have failed to make sufficient progress toward attaining the educational goals under sec. 118.01, Stats.
 4. CITY determines that Charter School has failed to comply with generally accepted accounting standards of fiscal management.
 5. CITY determines that Charter School has violated sec. 118.40, Stats.
- BY CHARTER SCHOOL:
 6. Charter School does not receive a payment from DPI required to be made under sec. 118.40(2r)(e), Stats.

If this Contract is terminated under the first ground (because both parties agree in writing to the termination) the termination shall become effective on a date agreed to by the parties. If this Contract is terminated under the second through fifth grounds (because of a determination on the part of the CITY) the termination of this Contract shall not become effective until, at a minimum, the end of the semester in which notice of termination is given, unless, in the discretion of CITY termination should become effective sooner. If this Contract is terminated under the sixth ground (because of failure of Charter School to receive state funding) termination shall become effective on the date notice is received by CITY.

In the event of termination of this Contract, written notice by certified or registered mail, return receipt requested, shall be provided which shall list the reason(s) for termination and the effective date of the termination.

III. CONTRACT ADMINISTRATION, NOTICE AND PROVIDING OF INFORMATION

Unless specified otherwise in this Contract, acts of discretion including, but not limited to, any approval required under this Contract or determination to termination of the Contract, to be made on behalf of the CITY, are to be made by the Common Council of the City of Milwaukee.

Unless specified otherwise, whenever under this Contract notice must or may be given to the other party, or whenever information or reports may or must be provided to the other party, the party who may or must give notice or provide information or reports shall fulfill any such responsibility under this Contract if notice is given or information or reports is provided to:

TO CITY:

Charter School Review Committee
200 East Wells Street, Rm. 606
Milwaukee, WI 53202
Attn: Mr. David Riemer
Department of Administration

TO Charter School:

Ms. Virginia Flynn, Principal
Downtown Montessori
100 East Pleasant Street
Milwaukee, WI 53211

A party to this Contract shall immediately give written notice to the other party if the contact person for purposes of notice and providing information is modified.

IV. STATUTES

Whenever under this Contract reference is made to a provision in the Wisconsin Statutes and such provision is subsequently amended by the Wisconsin Legislature, such reference in the Contract shall be deemed to be amended to conform to the new law.

V. SEVERABILITY

If any term or provision of this Contract shall be found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of this Contract, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties herein set forth.

VI. CHARTER SCHOOL APPLICATION

The CITY reserves the right to hold Charter School to any of the representations or assurances made by Charter School in its Charter School Application or other papers submitted in support of its Charter School Application, regardless of whether such representations or assurances are contained in this Contract. Charter School's failure to the representations and assurances made in Charter School Application and other supporting papers shall constitute a violation of the contract. Charter School Application and other supporting papers shall be kept on file in the office of the Department of Administration, 200 East Wells Street, Room 606, Milwaukee, Wisconsin 53202.

VII. APPENDICES

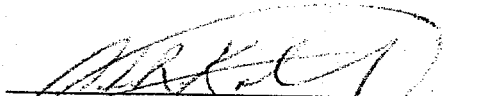
The following documents are hereby made apart of this Contract and Charter School agrees to abide by all the terms and conditions herein.

Appendix A: Charter School Calendar for 1998-1999 School Year

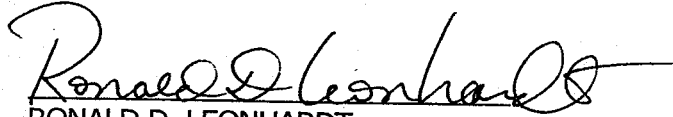
In the event an inconsistency exists between this Contract and any appendix, this Contract shall be controlling.

APPROVED:

**CITY OF MILWAUKEE,
acting by its Common Council**




JOHN R. KALWITZ, President



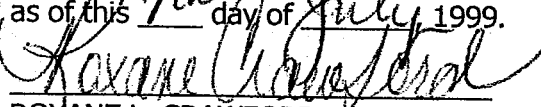
RONALD D. LEONHARDT
City Clerk

COUNTERSIGNED: 6-14-99 JAK



W. MARTIN MORICS
City Comptroller

DEPUTY

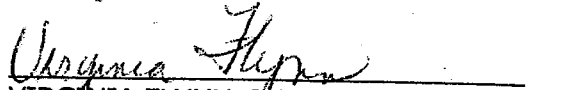
Approved as to form and execution
as of this 7th day of July, 1999.


ROXANE L. CRAWFORD
Assistant City Attorney

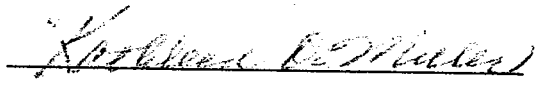
RLC:skk:01/06/99
16940

APPROVED:

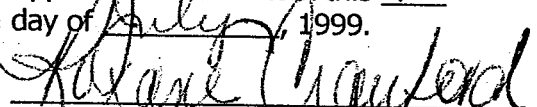
**CHARTER SCHOOL:
Downtown Montessori Academy, Inc.**



VIRGINIA FLYNN, Principal
100 E. Pleasant St., Milwaukee, WI 53211



Kathleen DeMullen
Board of Trustees

Approved as to content this 7th
day of July, 1999.


ROXANE L. CRAWFORD
Assistant City Attorney