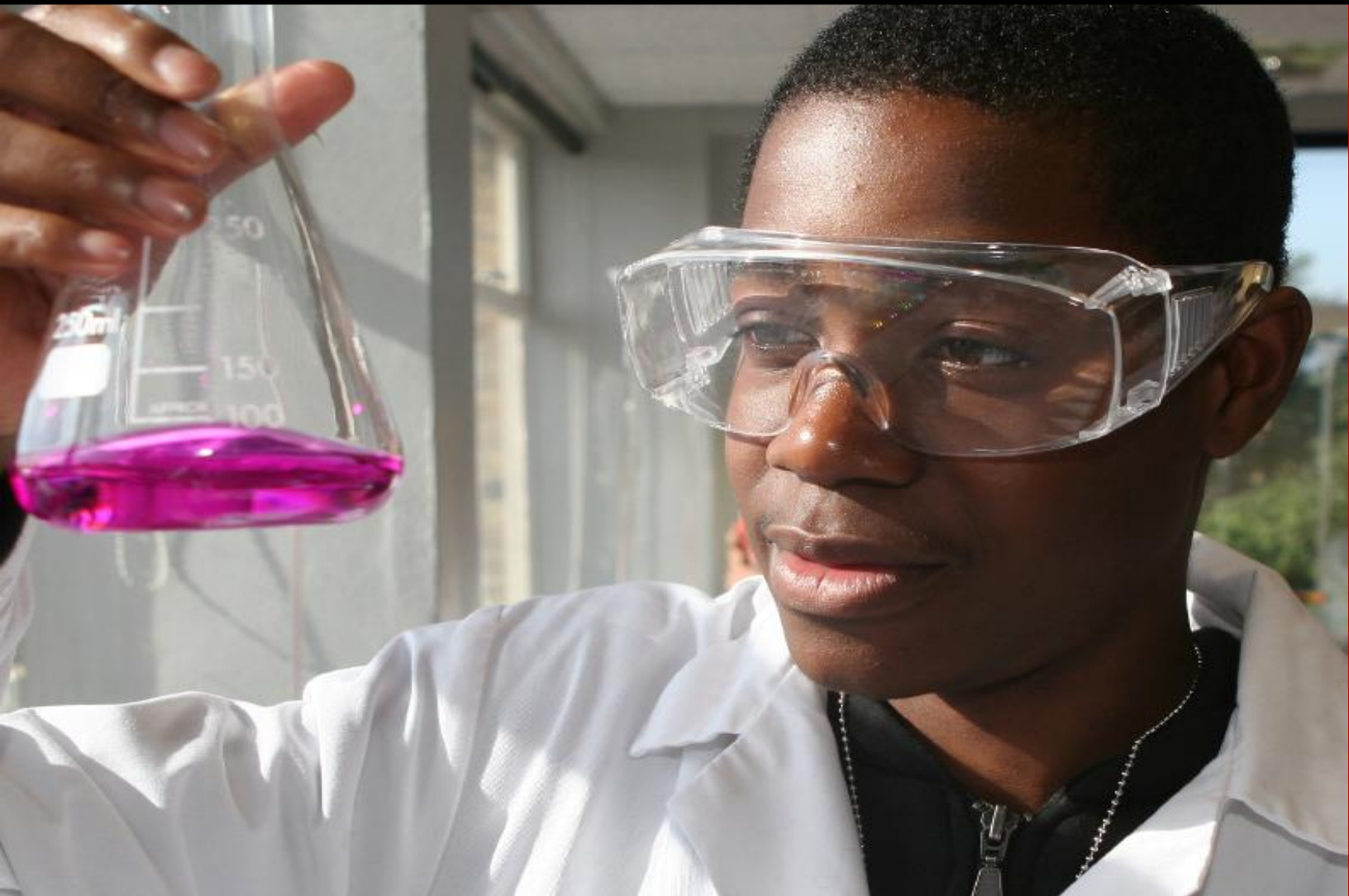




Madison Preparatory Academy for Young Men



Urban League of
Greater Madison

DPI Planning Grant Application:
Key Points and Modifications

March 28, 2011

Madison Prep Draft Budget 1.2 – Review of Key Points

On February 14, 2011, the first draft of the Madison Prep budget was submitted with the DPI Planning Grant application to the Planning and Development Committee. After feedback from both the Board of Education and the community, as well as continued work internally at the Urban League, we presented a second draft of the Madison Prep budget at the February 28, 2011 full Board of Education meeting.

Draft Budget 1.2 reflects the following modifications to the original draft budget:

- ❑ Student enrollment was increased to 120 young men (90 in first draft) in year one to accommodate growing interests in the school. This will include 60 students per grade in grades 6 and 7 in 2012-13.
- ❑ Administrative, teacher and support staff salaries were lowered after receiving information about their level of pay at MMSD middle and high schools.
- ❑ Special education and English as a Second Language (ESL) program costs projections were lowered after reviewing school level expenditures in the district and attempting to extrapolate costs for these line items.

For 2010-11, MMSD informed ULGM that the district projected receiving \$376,752,536 in revenue for educating 25,434 students. As a result, MMSD administrators reported to ULGM that the district's per pupil expenditures for this school were projected to be **\$14,812**.

ULGM requests equitable and fair funding for Madison Prep. The cost for the first year of operating Madison Prep is projected to be \$2,386,675 with a cost per pupil of \$19,817. Madison Prep's projected revenue from MMSD per pupil charter payments during year one is **\$14,476** per student. This requested per pupil charter school payment from MMSD for school year 2012-2013 is \$336 less than what MMSD currently spends. In Year Five of operations, when Madison Prep has achieved some economies of scale, the request for per pupil charter school payments to the district drops to **\$13,394**, or \$1418 less than the district currently spends.

Yet in the March 14, 2011 memo from the Superintendent to the Board of Education (Appendix MMM-9-12, March 28, 2011), district administration stated that only \$5541.05 would transfer to Madison Prep for each student who elected to attend the school. This figure would leave Madison Prep with a \$1,072,246.50 budget gap for 2012-2013. While ULGM realizes that the budget repair will impact the district's average per pupil expenditure, we will continue to request funding that is equitable to other MMSD schools.

How will MMSD benefit from Madison Prep?

Wisconsin has three kinds of charter schools: instrumentality, non-instrumentality, and independent (2r) charter schools. According to Wis. Stat. 118.40, instrumentality and non-instrumentality charter schools must be authorized by a school district, while independent (2r) charter schools may be authorized only by several non-district entities in the Milwaukee area. However, proposed legislation (2011 Senate Bill 22) would potentially change the landscape of charter school authorization in Wisconsin. This bill would allow for the development of independent (2r) charter schools outside of the Milwaukee area by creating a state authorizing board, allowing for CESA authorization, and granting authorizing power to all University of Wisconsin campuses.

Even with the impending passage of this new legislation, the Urban League feels strongly in continuing to seek authorization by MMSD. Authorization by MMSD as a non-instrumentality charter school would establish Madison Prep as an *MMSD school*, albeit operating independently. We not only believe that this will be in Madison Prep's best interest, but also in the district's best interest.

By authorizing Madison Prep as a non-instrumentality charter school, MMSD benefits in several ways:

- **MMSD will be able to offer an alternative setting to students for whom a traditional coeducational middle and high school is not the best placement.**
- **Related to the point above, MMSD would not lose any current of its current students if Madison Prep were authorized as a non-instrumentality charter school in the district.** If Madison Prep were authorized as an independent (2r) charter school, students who attend Madison Prep would not be counted in MMSD's third Friday count.
- **MMSD will be able to claim Madison Prep's student achievement data in its reporting.**
 - To illustrate this, consider MMSD's ACT data. For the graduating class of 2010, only 76 African American students took the ACT. Assuming that 40% of Madison Prep's students are African American, as ULGM predicts, there would be 24 young Black men in the first graduating class (2017-2018). When all 24 African American students in this class take the ACT, Madison Prep alone will have led to a 31% increase in the number of African American students in the district taking the ACT.
 - Consider the ACT data again for a second illustration. For MMSD's graduating class of 2010, fewer than 6 of the 76 African American students who took the ACT were deemed "college ready." Assuming once more that 40% of Madison Prep's first graduating class is African American, the school will have prepared 24 young Black men to demonstrate their college-readiness on the ACT. In this way, Madison Prep will have helped the district reach a 400% increase in the number of African American students who will be deemed "college ready."
- **MMSD will be able to learn from and partner with Madison Prep in the recruitment and retention of diverse and culturally competent educators.**
- **MMSD will be able to utilize Madison Prep for professional development of teachers, administrators, and staff who work in other MMSD schools.**
- **MMSD will be able to tout Madison Prep as the only public International Baccalaureate school in Dane County.**
- **MMSD will be able to offer families the only public single sex school in Wisconsin.**

Non-instrumentality Status: Essential to Madison Prep's Success

Public charter schools were founded in the United States to serve two primary functions: (1) serve as incubators of innovation in teaching and learning that inspire change in traditional public education and better prepare children to succeed and lead in America's future economy and (2) to provide whole-school models for eliminating longstanding racial and socio-economic achievement gaps and prepare all children for college and 21st century careers. To ensure these public schools had every opportunity to succeed and could be nimble in their educational approach and response to student's needs and interests, they were given increased autonomy from traditional public governance structures by their state legislatures in exchange for greater accountability for student achievement.

What is a non-instrumentality charter school?

A non-instrumentality charter school differs from an instrumentality charter school in the manner of administration. Non-instrumentality charter schools provide the greatest level of autonomy in Wisconsin because they are operated as independent "public" schools by nonprofit organization under contract with local school boards. They are not operated by the school district and its employees are not employees of the school district.

Where is the accountability of a charter school?

A non-instrumentality charter school has three levels of accountability: The local school board reviews the test results of the charter school every year. If the charter school fails to produce notable results in the education of the students, the school board can refuse to renew the contract or close the school. Additionally, the Wisconsin Department of Public Instruction reviews the annual state achievement tests results of students and holds the charter school accountable if results are not produced.

The Urban League of Greater Madison is pursuing non-instrumentality public charter school status for Madison Preparatory Academy for Young Men, and will establish the school as a separate 501(c)(3) within the boundaries of the Madison Metropolitan School District. As a non-instrumentality, Madison Prep will have maximum flexibility to ensure its success and be able to:

- Recruit and hire its leadership, faculty and staff on its own timeline and with its own procedure, utilizing its own contacts and strategies. The school will be able to target its recruitment efforts to attract a more diverse teaching pool than MMSD presently has and attract teachers experienced in the International Baccalaureate curriculum and Harkness teaching methods.
- Set salaries and performance bonuses in accordance to its unique budget parameters and compensation plan, rather than be tied to MMSD's salary schedules and benefits plan.
- Set its own personnel and organizational policies that support the school's unique mission, goals and instructional program.
- Ensure that its curriculum remains in-tact and immune to fluctuations in commitment on the part of constantly changing school board members and district leadership.
- Operate a longer school day and year, demand greater participation of parents in the education of their children, and provide students with a more robust set of learning experiences than is provided to children in traditional MMSD schools.
- Ensure maximum accountability for the performance and recognition of its staff and student.

Madison Prep's non-instrumentality status will also play a critical role in its fundraising ability. Many private foundations that seek to invest in charter schools simply will not do so for those that are "instrumentalities" of a district. True or not, Instrumentality charter schools are often seen by prospective donors as more like magnet schools – district schools with a specific curricular focus – than the laboratories for innovation that non-instrumentality charter schools are supposed to be.

Modifications to the Madison Prep Planning Grant Application

- On February 14, 2011 the Urban League presented its Planning Grant Application/detailed proposal for Madison Preparatory Academy for Young Men to the MMSD Board of Education’s Planning and Development Committee. The Committee voted 3-0 to pass consideration of the grant application/detailed proposal to the full Board for their February 28, 2011 regular meeting. During that meeting, as well as the subsequent Planning and Development Committee meeting on March 14, 2011, the Urban League answered Board member questions regarding the grant application/detailed proposal, including the five year budget for Madison Prep. These discussions, as well as internal analysis as the Urban League, has led to several modifications to the original planning grant applications. These are outlined below.

Information Required	Original Response	Modification/Addition	Page Number(s)
<i>Item 15. Amount Requested</i>	\$175,000	\$225,000	Page 1 - grant application
<i>Projected Enrollment</i>	Total at grades 6-12=315 Each grade=45	Total at grades 6-12=420 Each grade=60	Page 3 – grant application Page 7 – narrative Page 17 – narrative Page 19 – narrative
<i>Plans to establish a governing board</i>	See page 13 of narrative (Item 4.a.)	Addition: In mid March, a committee of five community members was formed to begin discussing the Madison Prep Board of Directors’ purpose and profile, among other issues.	Page 13 – narrative
<i>Local plan for use of discretionary funds</i>	See Planning Grant application submitted on February 14, 2011	See attached Local Plan for Use of Discretionary Funds (IV-A) and Budget Summaries for Phase I and II (VI-B).	Pages 4-7 – grant application