
TO: Dr. Dean Gorrell, Verona Area School District
FROM: Jon E. Anderson
DATE: December 23, 2009
RE: Expanding Horizons, Inc. (One World Academy)

Thank you for giving us the opportunity to review the proposed charter school contract (the "Proposed Contract") between VASD and Expanding Horizons, Inc. (hereinafter "EHI"). EHI has proposed creating a school to be known as the One World Academy (hereinafter "OWA"). The purpose of this memorandum is to provide you with our initial observations concerning the Proposed Contract.

There are two primary ways that a charter school can be established in Wisconsin. One way is through petition, and the other is by school board initiative. The Proposed Contract is not a petition under the statute. Under the petition approach, a petition is directed to a school board to establish a charter school. The petition must be signed by at least 10% of the teachers employed by the school district, or by at least 50% of the teachers employed at one school of the district. The purpose of the teacher signature requirement, if a petition is used, is to gauge the level of support of the professional staff for the proposed school. The Proposed Contract seeks to have the school board establish the charter at its own initiative. *See* paragraph 2 of the Recitals (at page 1). The language of the Proposed Contract is, however, not entirely accurate, as the Verona Area School District is not authorized to initiate and enter into a contract, but rather, the school board is authorized to do so.

In our view, the School Board should evaluate additional information before it moves further with respect to the approval of a Proposed Contract with EHI.

First, and perhaps most importantly, the School Board needs to establish a comfort level with the concept of a Mandarin language-immersion education school from a curricular standpoint. The recitals (page 1) suggest that the organizers of EHI have extensively explored the establishment of a charter school on the basis described in the Proposed Contract. The information should, therefore, be available for review as part of the school board's due diligence.

Secondly, the School Board will need to have some measure of comfort that the school will have a sufficient number of students to effectively operate. Gauging support for this type of school can be difficult. It is clear that the organizers intend to not only enroll students of the Verona Area School District, but to use the open enrollment law (Section 118.51 Wis. Stats.) to enroll students from other school districts. Some critical mass is obviously required to effectively operate a fiscally sound school program. The organizers may have information

concerning the interest level relative to this matter. That information should be shared and fully vetted.

Other Observations.

1. The organizers are seeking a five (5) year charter. This is the maximum term allowable under the statutes. The term length is an essential part of the contract and will depend on the Board's comfort level with the points raised above.
2. The Proposed Contract calls for the charter school to be an "instrumentality" of the Verona Area School District. Because of this, the school district will be required to be the employer of all personnel for the charter school. This concept is contemplated by the proposed agreement. The proposed agreement, however, at Section 2.5, provides that "administrators" employed by (or at) OWA shall function within the provisions of the Master Agreement between the Verona Area School District and the Verona Area Education Association. The administrative staff are not covered by the VAEA collective bargaining agreement.
3. The Proposed Contract provides that the school will carry the same insurance coverage as the Verona Area School District. It does not address the issue of whether and to what extent the school will bear the additional cost, if any, of providing that insurance coverage. (Section 2.8)
4. The Proposed Contract (at Section 3.7) provides for the creation of an international learning curriculum. The contract provides that the Governance Council shall submit to the VASD (presumably the School Board) for approval an implementation plan incorporating curriculum that includes language immersion and international education objectives. It seems that this information ought to be provided to the School Board prior to its approval of the charter to determine whether the program is worthy of approval.
5. The Proposed Contract provides that the Governance Council and teaching staff will be responsible for enumerating measurable educational objectives regarding the programs of the school. These measurable educational objectives should also be established in advance to provide for accountability and to facilitate oversight (Section 3.8).
6. Section 3.10 provides for the possible growth of OWA moving from a phased in K-5 school to a K-8 school. The expectations for and conditions upon future growth should be clearly defined in advance to avoid misunderstandings.
7. In the area of assessment (3.13), the School Board will have to determine whether "meeting or exceeding District average" is sufficient differentiation to warrant approval of the school. Moreover, in Section 3.14, it states that the OWA (Governance Council and/or teachers) will develop "qualitative and quantitative self-assessment tools" for yearly evaluation of program effectiveness. These tools should be established in advance again for purposes of ensuring accountability.

8. Section 3.16 provides that students will be held to a high “standard of conduct” and will follow “student guidelines” as developed by the Governance Council. The School Board should review these essential documents concerning student expectations in advance of approval.
9. Section 3.18 addresses transportation, referencing a geographical area that is undefined in the Proposed Contract. That phrase, “One World Academy boundaries,” needs to be clearly defined. Definition is needed here because it forms the basis for the School District’s obligation to provide transportation.
10. Section 3.19 deals with the proposed charter school’s exemption from certain sections of the Wisconsin State Statutes that do not specifically apply to charter schools. The Proposed Contract references Chapters 118 through 121. A better approach may be to specifically enumerate the statutes that apply or those provisions that do not apply to avoid confusion. (Interestingly, Wisconsin statutes exempt charter schools from Chapter 115 to 121, unless otherwise explicitly provided.)
11. The parties should discuss and develop a clear understanding of which school board policies will apply to OWA. The school will be a public school and instrumentality of the VASD.
12. There is a potential issue with respect to the structure of the Governance Council in that it has an even number of members. An even number of members will allow for tie votes. (*See* Section 4.2.)
13. In Section 4.2, the school “director” is presumably the “administrator” referred to elsewhere in the Proposed Contract. Consistency needs to be had in terms of the description of the school leader.
14. Also in Section 4.2, subsection 5, it is not clear who the “applicants” are that will be required to undergo a background check. Are they referring to someone other than members of the Governance Council at this point?
15. Section 4.3 is designed to establish some measure of autonomy for the Governance Council. This provides that the Governance Council and classroom teachers will work together to have autonomy in determining policies relating to the day to day operations of OWA. It also provides that the Governing Council (presumably the Governance Council) will be the final arbiter of all One World Academy policies. Again, determining how these policies complement or conflict with School District policies and expectations is important prior to moving forward with approval. This is a critical area. The boundaries and limitations of the discretion and autonomy of OWA and its Director and Governance Council need to be clearly stated and agreed upon.
16. Section 4.3.2 provides that the Governance Council would have autonomy in determining all expenditures from VASD funds, etc. Again, it needs to be

determined whether such autonomy would be consistent with the expectations of the VASD in light of the fact that this charter is an instrumentality of the school district.

17. Section 4.3 details the provisions for selection of staff. It appears that the School Board has the final say in terms of hiring of staff, and that all staff must hold proper licensure. It also provides that all licensed instruction staff must be members of the Verona Area Education Association, and will be subject to all provisions of the master agreement. This provision is not legal as written. In Wisconsin teachers cannot be required to join a labor organization (see 111.70 Wis. Stats.) I suspect that the intent here is that all licensed staff must be members of the bargaining unit represented by the Verona Area Education Association. Individual employees have the right to choose or not choose to be members of the association.
18. It also appears that there may be a potential conflict between the VAEA Master Agreement and the Proposed Contract in regard to the definition of standards for transfer. This may be an area that needs to be clarified with the VAEA concerning teacher qualifications.
19. Section 4.3.3 references “One World Academy staff expectations” as being attached as Addendum B. This Addendum is not attached, and probably needs to be reviewed to determine if there are any other issues with respect to the relationship between the Charter, the collective bargaining agreement with the VAEA and School District policies.
20. Section 4.3.4 addresses a number of Director responsibilities. The Director is responsible for Discipline of students. The relationship between the OWA code and that of the VASD needs to be clarified.
21. Section 4.3.4 also charges the Director (along with staff) to “market” the school. What does this mean?
22. Section 4.5 addresses facilities and spells out certain school district responsibilities. The Proposed Contract does not clearly spell out what the facility needs are initially and what they may be over the proposed 5 year term. Is a separate facility contemplated or will existing facilities be used? How will facility costs be allocated?
23. What is a “significant program change” under Section 4.6?
24. Section 5.1 addresses diversity and is a required element of a Charter. The statute focuses on the school district but the Proposed Contract references the “greater Verona Area School District.” Discussion and definition is needed in this important area.

25. Section 5.5 addresses class sizes. The “every effort” commitment creates a financial obligation. Class size is also addressed in the Proposed Contract with reference to school district policy. Are these provisions consistent?
26. Section 5.6 addresses admissions and details a lottery system. The provision also established preferences and personally identifies and gives preference to children of certain “founders.” This is an unusual provision and should be reviewed.
27. Section 6.1 obligates the VASD to provide financial support services. What will this involve? Is there adequate staff on board to handle the contemplated assistance? Who will pay for such services?
28. Article VI also details certain operational and programmatic goals for OWA. This is the meat of any Charter. Care must be exercised here to ensure that the VASD can measure and evaluate the school’s attainment of what it promises. Accountability is an essential element of a Charter. Defining how progress is to be measured is key to ensure a high performing school..
29. Section 6.4 is a critical section. Budgeting and careful fiscal planning are central to school board oversight and to the evaluation of a financially viable school. The Board needs to see the budget and financial plan as part of its due diligence. Attachment A was not included in the draft.
30. Section 6.5 obligates the school board to provide appropriate staff and space for OWA. This must be discussed and more definition provided. Failure to do this will lead to future problems.
31. WIAA regulations and school district policies should be reviewed as to the commitments made in Paragraph 6.6
32. What is a complaint “of substance” as referred to in Section 6.7?
33. The requirement of an annual meeting (Section 6.8) is a good idea but we expect that in practice, at least initially, many more meetings will be necessary.
34. Care must be used in drafting expectations concerning the revocation of this Charter. What process will be required? Will there be an opportunity to cure? Are the substantive standards for revocation identified here adequate or all inclusive? Should other events or situations trigger revocation? See Section 6.8.
35. Has EHI incorporated? Has it already obtained 501(c)3 status? If not when will it do so?
36. Has anyone checked to see if use of the name One World Academy is appropriate or stated differently, will use of that name infringe on the protected rights of another person?

These are our initial observations. Thanks again for asking for our review. Please advise if we can be of further assistance or if you have specific questions concerning this matter.

JEA:mem

4498679_1