

CARMEN SCHOOLS OF SCIENCE AND TECHNOLOGY
Charter Renewal Application
November 11, 2016

Carmen Schools of Science and Technology (“Carmen”) is pleased to submit this application to renew its current charter contracts with Milwaukee Public Schools (“MPS”) for Carmen South, which includes Carmen Southeast, and Carmen Northwest. The request is that upon renewal, these two contracts be combined into a single five-year contract authorizing three distinct schools operating at three different locations.

Ten years ago, when Carmen received approval to open its first school, Carmen High School of Science and Technology, now known as Carmen South, we could not have imagined how much the Carmen-MPS partnership could or would grow in the subsequent years. Carmen South opened with a single 9th grade class in 2007 and added new 9th grade classes each year until the first four-year cohort graduated high school in 2011.

In late 2011 Carmen’s leadership began discussions with then Superintendent Thornton about expansion to meet the growing demand for Carmen seats. Initially, Carmen sought to expand its charter on the south side, where student applications to the school far exceed available seats. Dr. Thornton asked Carmen’s leadership instead to consider expansion on the northwest side, where academic performance of MPS high schools had been particularly low. The possibility of expansion to another part of the city was appealing because Carmen’s goal in establishing a charter school always had been to support systemic educational reforms in Milwaukee Public Schools. Thus it is important to show that the Carmen educational model can be scaled and applied in multiple demographic contexts.

The year before expansion discussions with Dr. Thornton began, the district had moved out the entire 9th and 10th grade classes from Northwest Secondary School and was considering phasing out and closing the school. With the expected closing of Northwest Secondary’s middle school program, as well as the Burroughs Middle School the year before, MPS encouraged Carmen to open a grades 6-12 school, instead of just a high school, to help the district meet the perceived regional need for seats at the middle school level. Because neither MPS nor Carmen wanted to displace students already in the Northwest Secondary building, Carmen agreed to modify its plan to open with just 6th and 9th grade cohorts and add an 8th grade cohort to enroll any interested rising 8th graders that would potentially remain at Northwest Secondary after it closed. Shortly after MPS authorized Carmen to open a middle school on the northwest side, the school board authorized two other charter middle schools to open in the same year in the same northwest region.

Carmen Southeast opened in August 2016 in part to accommodate an annual wait list of over 300 students at Carmen South. Carmen Southeast leases space at MPS Pulaski High School and is sharing best practices from the Carmen educational model with Pulaski High School in an effort to create two high performing high schools in one building.

I. PERFORMANCE OF CURRENT CHARTER SCHOOLS

A. Educational Performance

1. Faithfulness to Carmen Educational Program Outlined In the Contract

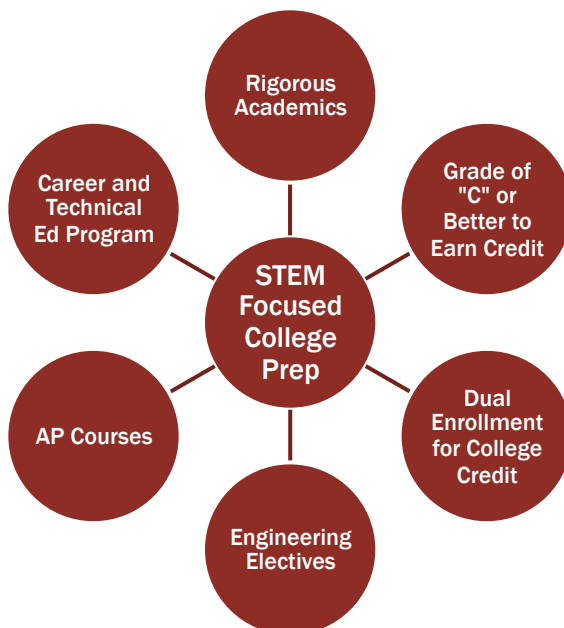
The mission of Carmen Schools of Science and Technology is to graduate all students as critical thinkers and self-directed learners prepared for success in college, meaningful careers, community involvement, and family life. To achieve its mission, Carmen created an educational model with three core components: (a) college preparatory curriculum that emphasizes STEM; (b) multiple intervention opportunities to support the average Carmen student who enters middle or high school two or more years behind in literacy and math skills; and (c) a college and career-readiness program that includes an advisory curriculum run by teachers, student internships in the workplace, character education, and related elements.

a. STEM Focused College-Prep. The educational model operating at the newer Carmen Northwest and Carmen Southeast schools is the same as the one originally implemented at Carmen South. Studies have consistently shown that the single factor with the highest correlation to a student actually completing a college education is the academic rigor of his or her high school curriculum as manifested in the number and types of academic courses completed. ACT research also shows that students taking these courses also score higher on the ACT and those meeting the college readiness benchmarks are more likely to pass courses in the first year of college.

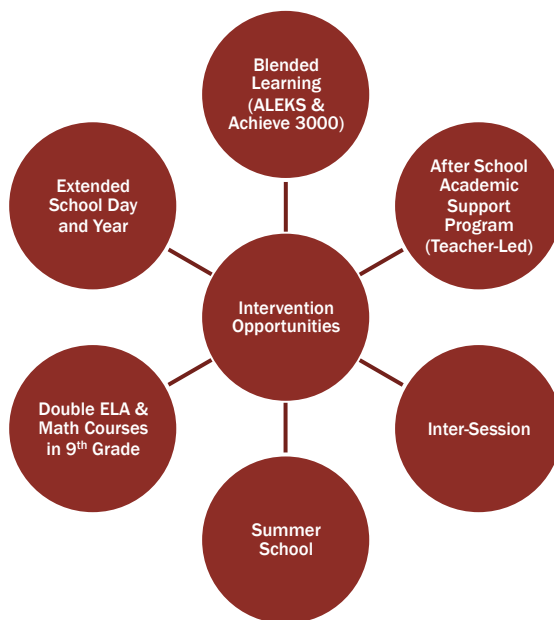
Carmen's academic course and credit requirements for graduation are more rigorous than any public or private high school in Milwaukee. To graduate from a Carmen high school, students must take five yearlong college preparatory courses in English and four yearlong courses in each of the following subjects: mathematics (beginning with Algebra 1), laboratory science, and history/social sciences. In addition, all students must take at least three years of Spanish (native speakers will master reading and writing in their native language through courses in Spanish for native speakers) and one year of fine arts, theatre arts and/or music. The middle school students at Carmen Northwest also take three years each of college prep English, math, laboratory science and social studies. Electives in the arts are also required. Students at any Carmen campus can choose between 8-10 different Advanced Placement (AP) courses representing all core subject areas as well as Psychology and Spanish.

Carmen also offers four Project Lead the Way engineering courses. In 2016 at Carmen Northwest, and by 2017 at both Carmen's south side campuses, a new career and technical education program was launched to address southeastern Wisconsin's job growth in Information Technology and health care careers. In a unique partnership with MATC, Froedtert and the Medical College of Wisconsin, and the Milwaukee Bucks, Carmen Northwest students and low-income adults from the community are taking medical assistant, certified nursing assistant, health care customer service and any of three Information Technology related technical diploma and certification pathway courses at Carmen for dual credit at MATC. These courses are taken as electives and supplement the college preparatory course requirements. Once two courses are

completed, students will enter paid health care oriented apprenticeships at Froedtert and IT apprenticeships at Froedtert, the Bucks and other area corporations.



b. Intervention Opportunities. While the core academic components of Carmen's education model are critical to student success, reaching all students requires supplementary programs and individualized approaches that complement and support core academics. Three week mid-year inter-session and summer session terms, an extended school year and school day, additional time and courses for English and Algebra in 9th grade, an after school academic program taught by teachers, and on-line personalized learning for enrichment and improvement of math and literacy skills are examples of resources available to students to ensure they can remain at or above grade level in all subject areas and meet their annual growth goals.



c. College and Career Readiness. Carmen adopted two proven educational models, the ACT College Readiness Standards and Curriculum Framework and the internationally-recognized Alverno College's abilities-based educational model which articulates developmental outcomes in eight ability areas that students must achieve over the course of a liberal arts education and strategies for how to assess student mastery of the abilities. All students new to Carmen undertake an 80-hour academic and sociocultural Bridge to Middle or High School Program in August before the start of the regular school year. Each student also sets individual annual growth and development goals defining objectives and strategies for achieving the school-wide goal of attending and completing a college education and being prepared for a family-sustaining career.

Other non-academic requirements include participating in 20 hours of community service per year and student internships and career-based apprenticeships at local corporations or nonprofits.



All Carmen teachers are licensed by the Wisconsin Department of Public Instruction (DPI) in the subjects they teach. In the most recent school year (2015-2016), 81% of Carmen's teachers held initial or professional educator licenses; 9% held DPI emergency licenses; and 10% DPI charter permits. All teachers with emergency or charter permits were in the process of completing post-baccalaureate teacher licensure programs. New teachers undertake 80 hours of training before returning teachers start in August, then new and returning teachers participate in additional professional development for 8-10 more days while helping the school's leadership team run the Bridge Program in late August. Carmen employs a modified Charlotte Danielson framework to evaluate teachers. STEM and literacy specialists support the school principal in providing coaching services to all teachers, regardless of level of experience. Coaching is based on individual teacher professional development goals. Progress toward individual teacher goals is

monitored by regular classroom visits and debriefs (i.e., at least bi-weekly), the results of which are documented using an on-line tool.

2. Meeting the Goals and Measurable Objectives Outlined In the Contract

Each of the key measurable objectives for Carmen Schools are given below with the actual outcomes in italics.

a. Student Outcomes

- Middle school students will meet or exceed MPS performance on Wisconsin statewide tests measuring academic achievement in English Language Arts and Math. [*Carmen Northwest: 2013-2014: WKCE was administered in November so there is no full academic year data for Carmen's middle school to compare with MPS. 2014-2015 Badger test: Carmen MS ELA 24.1%, MPS MS ELA 24.4%; Carmen MS Math 16.4; MPS MS Math 13.9 (Source: DPI). 2015-2016 Forward Test: Carmen MS ELA 17.6; MPS MS ELA 18.8; Carmen MS Math 13.8; MPS MS Math 10.9 (Source: DPI).]*]
- Middle school students will meet or exceed growth expectations on local MPS MAP and STAR tests. [*Carmen Northwest: 2014-2015: MAP was administered in beginning and end of year and gap closure rates for the middle school were as follows: Carmen gap closure for Reading 18.4%, and MPS gap closure for Reading 5%; Carmen gap closure for Math 23%, MPS gap closure for Math 5%. 2015-2016: STAR was administered in beginning and end of year and gap closure rates for the middle school were as follows: Carmen gap closure for Reading 17.5%, and MPS gap closure for Reading 3.8%; Carmen gap closure for Math 73.6%, and MPS gap closure for Math 2.7% (Source MPS).]*]
- Students attending Carmen's middle school will be prepared for Carmen's high school. [*Carmen Northwest: August 2016 is the first year that a class of 8th grade graduates from Carmen Middle School entered Carmen High School at the Northwest Campus. Pre-ACT tests that ACT published to replace Explore and PLAN were administered in September 2016. Students who spent two or more years at Carmen middle school scored significantly higher on the exams (i.e., more than 1 point or one year) than students who enrolled in Carmen's 9th grade from other schools as shown in the table below.]*]

| PreACT Subject | Average Incoming Score 9 th Grade Students Spent 3 years in MS | Average Incoming Score 9 th Grade Students Spent 2+ years in MS | Average Incoming Score 9 th Grade Students Spent 0 years in MS |
|----------------|---|--|---|
| English | 11.1 | 11.7 | 8.7 |
| Math | 14.5 | 14.7 | 13.8 |
| Reading | 13.7 | 14.0 | 11.9 |
| Science | 13.6 | 14.1 | 12.6 |
| Mean Composite | 13.4 | 13.8 | 11.8 |
| | | | |

- The average annual growth of students in reading, English Language Arts, science and math is at least one point (i.e., one year of growth) as measured by beginning and end of year Explore, PLAN, ACT assessments given in grades 9 (Explore), grade 10 (PLAN), and grade 11 (ACT). [*Carmen South: met goal in English and Math for all grades in all years; met goal for Reading in all grades and all years except grades 9 and 10 in 2012-13 and 2013-2014; met goal for Science in all grades and all years except grade 10 in 2013-14, 2014-15 and 2015-16. Carmen Northwest: met goal in English, Reading, Math and Science for all grades tested in all years.*]
- ACT scores for Carmen students will meet or exceed those for MPS students. [*Carmen South: juniors at Carmen South scored 20.7 on the statewide ACT in March 2016, the highest of all public schools in Milwaukee (MPS and non-MPS), compared to 16.5 for MPS; Hispanic students, the largest racial subgroup at Carmen South, outperformed MPS on the ACT by 3.6 points (i.e., 20.7 vs. 17.1) and eliminated the statewide achievement gap for Hispanic students; the average score for all students at Carmen South also was higher than the score for all students in Wisconsin (i.e., 20.7 for Carmen vs. 20.1 for Wisconsin). Carmen Northwest: the first cohort of juniors at Carmen Northwest took the statewide ACT in March 2016; the average score was 17.9 and the average score for MPS was 16.5; African American students, the largest racial subgroup at Carmen Northwest, outperformed MPS on the ACT by 2.5 points (i.e., 17.7 vs. 15.3) and all African American students in Wisconsin by 2 points, cutting the achievement gap in half.*]
- 60% of students take at least one AP course and exam before they graduate from high school. [*Carmen South: exceeded goal all years of contract. Carmen Northwest: results not yet available because the first graduating class is still in senior year.*]
- 20% of students pass at least one AP exam before they graduate (Wisconsin 2011 average is 18%). [*Carmen South met objective in all years of contract; 85% of students in the Class of 2016 passed at least one AP exam while in high school; Carmen Northwest; not applicable because first class of seniors still taking courses.*]
- 90% of students in each graduating class are admitted to a four-year college and 100% will be admitted to a post-secondary educational or certification program. [*Carmen*

South: 100% have been admitted to a four year college in each of the last four graduating classes, through Class of 2016. Carmen Northwest: data not yet available, however over 78% of students in the Class of 2017 have applied to more than one four-year college as of October 31, 2016 and 100% are expected to have applied to more than one college by January 1, 2017.]

- 75% of students in each graduating class who receive sufficient financial aid to be able to attend college graduate from college within six years in fields that will enable them to become civic leaders, authors, artists, scientists, teachers, doctors, or be successful in any other family-and community-sustaining career as measured by continued data collection after graduation. [*Carmen South: Not yet applicable because the first cohort graduated in 2011 so won't have six years out data until 2017; since 2011 when the first class graduated, between 82-90% of graduates enrolled in college the year after high school graduation, compared to 39% from MPS and 60% of Wisconsin students. Carmen Northwest: not yet applicable.*]
- Students who attend University of Wisconsin system schools are required to take remedial English or math classes at a rate 10 percent or more lower than MPS graduates overall. [*Carmen South: Percent of students enrolled at UW system schools that were required to take remedial courses in either math or English are as follows: Class of 2011: 0 of 7 students enrolled = 0%; Class of 2012: 0 of 6 students enrolled = 0%; Class of 2013: 1 of 7 students enrolled = 14.3%; Class of 2014: 1 of 8 students enrolled = 12.5%; Class of 2015: 5 of 20 students enrolled = 25%; Class of 2016: 3 of 17 students enrolled = 17.6%; these rates of taking remedial courses in college are significantly lower than MPS rates, by more than the 10 percentage point goal. Carmen Northwest = not yet applicable.*]

b. Human Capital and Operations

- 90% of teachers remain from one year to the next excluding life circumstance moves and staff not invited back. [*Carmen South: highest return rate over the last four years was 100% and lowest rate was 73%; Carmen Northwest: highest return rate over the last three years was 90% and the lowest rate was 72%.*]
- 90% of open teacher positions are filled by June 15 each year. [*Carmen South and Carmen Northwest: At least 80% of open positions have been filled by June 15 each year and 100% have been filled by August 1 each year. Over the past three years, the number of applications for a single position have gone down, consistent with results in other Milwaukee area districts.*]
- Revenues and expenses are within 10 percent of financial projections. [*Carmen South and Carmen Northwest: goal has been met each year.*]

c. School Culture

- The school-wide average daily attendance rate exceeds the average daily attendance rate for MPS high school students in the first year of operation and all subsequent years. [*Carmen South: increased attendance rate each year of the contract, from 96.1% in 2012-2013 to 96.8% in 2015-2016. Carmen Northwest: increased attendance rate each year of the contract from 92.1% in 2013-2014 to 94.5% in 2015-2016. Both schools significantly exceeded MPS rates for the same grade level cohorts.*]
- The school-wide average daily attendance rate is 90 percent or higher in year one, 92% or higher in year 2, 94% or higher in year 3 and subsequent years. [*Carmen South: goal is met. Carmen Northwest: goal is met.*]
- The school mobility rate (defined as the number of students who enter a school after 3rd Friday divided by the 3rd Friday count number) is the same as or lower than the MPS mobility rate. [*Carmen South: the high school mobility rate has been significantly lower than MPS for each year of the contract, e.g., 3.8% for Carmen South and 19.3% for MPS in 2012-2013 and 0.0% for Carmen South and 19.5% for MPS in 2015-2016. Carmen Northwest: the middle/high school mobility rate has been significantly lower than MPS for each year of the contract, e.g., 3.7% for Carmen Northwest and 15.2% for MPS in 2013-2014 and 4.3% for Carmen Northwest and 16.4% for MPS in 2015-2016.*]
- The school graduation rate is the same as or exceeds the MPS graduation rate. [*Carmen South: the 4- and 6-year graduation rates for Carmen South are significantly higher than for MPS as shown in the table below. The relatively low 4-year rate at Carmen compared to the 6-year rate reflects the fact that as many as 25-30% of seniors have had to stay a fifth year at Carmen because of the policy that requires students to re-take courses that they don't pass with a "C" or higher during the regular school year or in summer school. This policy has helped increase the number of students attending college and led to much lower than MPS rates of students taking remedial courses in college. Carmen Northwest: not applicable until the first class graduates in 2017.*]

| Year | Carmen 4-Year Rate | MPS 4-Year Rate | Carmen 6-Year Rate | MPS 6-Year Rate |
|-----------|--------------------|-----------------|--------------------|-----------------|
| 2011-2012 | 76.6 | 61.8 | n/a | 72.7 |
| 2012-2013 | 70.6 | 60.5 | 97.1 | 73.4 |
| 2013-2014 | 68.3 | 60.9 | 90.5 | 72.9 |
| 2014-2015 | 78.1 | 58.2 | 100.0 | 73.4 |

B. Financial Performance

Carmen increased its network-wide net assets by over \$1.8M in fiscal year 2016 (FY 16), including over \$1M in cash and equivalents. This increase in assets is largely due to new investments supporting the growth of Carmen. In June 2015, Carmen received a \$3M commitment from the Charter School Growth Fund ("CSGF"). These unrestricted funds may be used at any of Carmen's campuses to support the costs of growth and expansion. In addition, Carmen received targeted commitments for Carmen Northwest and Carmen Southeast from other philanthropies.

At the individual campus level, Carmen South has maintained a healthy balance sheet and has accrued carry over funds that currently exceed \$400K (excluding grant commitments that are not exclusive to Carmen South), providing approximately 40 days of working capital. Carmen South was fiscally self-sustaining for five years on MPS per pupil and Title I allocations until a central management team was built that could provide academic, financial, and human resources support and oversight for Carmen South, Carmen Northwest and Carmen Southeast and two more planned schools. Eighty eight percent of Carmen South's FY16 expenses were covered by FY16 public revenue sources with the remainder covered by a planned use of carry over funds and expansion grant revenue. Carmen anticipates that grant or carry over funds from prior years will not be required to support Carmen South as the network grows and achieves greater efficiency in the absorption of shared expenses, such as insurance, general operations, and academic oversight.

Carmen Northwest showed a small (approximately \$79K) decrease in net assets during FY16 due to the planned release of grant funds from restriction that had been booked in previous years. Eighty two percent of FY16 expenses were covered by FY16 public revenue sources with the remainder covered by grants. Carmen Northwest is still in the enrollment growth phase (i.e., currently at 640 students and will grow to 800 within next three years) and Carmen continues to raise funds in order to fund start-up equipment and operational costs. By FY19, Carmen anticipates that this campus will be sustainable primarily with public revenue. Carmen is also in the process of building a working capital fund for Carmen Northwest and aims to have a fund with 30-45 days of cash on hand within the next 3-5 years.

Carmen's FY16 audit is in the process of being finalized and will be provided to MPS no later than 11/30/16 as per the timeline approved by MPS.

While the addition of new campuses and student seats creates significant start up expenses for Carmen, the Head of Schools and the Board of Directors have been very successful in attracting national and local start up funding to supplement per pupil allocations. In the past year alone, Carmen was awarded grants of \$3.5 million from the Charter School Growth Fund, \$700,000 from the Burke Foundation, \$750,000 from the M and I Foundation, and \$2.3 million from the U.S. Department of Education for start up expenses for Carmen Northwest, Carmen Southeast and other planned expansion efforts that cannot be supported by per pupil funds alone.

C. Organizational Performance

1. Well-Functioning Organizational Structure

a. Parent Involvement. All Carmen campuses have staff dedicated to parent engagement. Staff plan activities, conduct outreach to families, and serve as a point of contact for parents. These workshops and events are designed not only to engage parents in the day-to-day of their child's education, but also to prepare them for their student's future college enrollment. The vast majority of Carmen parents did not attend college and do not know what to expect or how best to support their student.

Carmen also has a strong focus on parent-teacher conference participation. During October 2016 parent/student/teacher conferences, 95% of parents participated at Carmen South, 85% at Carmen Northwest, and 99% at Carmen Southeast during the scheduled time frame. Students' advisors are required to schedule follow up meetings with any parents who did not attend during the required time frame. Each Carmen student has an advisor, usually a teacher, who guides them through most or all of their high school experience, including monitoring academic performance and community service activities, and supporting the student through the college application process. The advisor meets with advisees daily, and also teaches a curriculum that helps his/her advisees develop the character traits, the 8 Abilities, and the problem solving and communication skills the students are expected to develop. Parents often cite the advisory program as among Carmen's greatest strengths.

b. Staffing. Carmen's model includes both low teacher:student ratios (approximately 15:1 at both Carmen South and Carmen Northwest) and a support system of school staff including special education teachers, licensed social workers, deans who oversee culture and discipline, and curriculum and instruction directors who coach instructors and support alignment of curriculum. At the network level, Carmen staff oversee and guide academics, college and career transitions, provide operational support including human resources, admissions, fundraising and other activities. This enables principals and their school leaders to maintain students and achievement as their primary focus.

c. Health and Safety. Ensuring a safe and healthy school environment is essential to providing an atmosphere that is conducive to learning. All Carmen schools are located in MPS buildings where MPS provides building maintenance services. Carmen supplements the work of MPS with cosmetic and other approved building improvements that help to ensure that buildings are appealing and comfortable. School Social Workers are employed at all campuses at a student:SSW ratio of 300:1. The SSWs provide support on social-emotional matters, including support for parents of Carmen students.

d. School Enrollment. Carmen South has operated at full capacity (350+) for more than two years and maintained a 9th grade waiting list exceeding 300 students over the last three to five years. Carmen Southeast opened in August 2016 with 171 9th grade students, more than half of whom had been on the Carmen South waiting list. This is an excellent first year enrollment compared to the 180 enrollment budgeted, since Carmen Southeast was not approved to open in the Pulaski campus until late October 2015, after marketing efforts for Carmen South and Carmen Northwest and high school fairs at area elementary and middle schools had already taken place.

Carmen Northwest middle/high school continues to grow towards full enrollment capacity of about 800 students as the school's reputation becomes established on the northwest side. Carmen Northwest middle school currently enrolls 181 students (capacity is 240) and 457 high school students (capacity is 560). Among other things, annual school enrollment projections have to take into account the rates at which students leave from September to September. Carmen South's annual student September-to-September enrollment retention or "keep" rate has averaged 90% in recent years. The student keep rate also has increased at Carmen Northwest, with approximately 80% of students enrolled in September 2015 remaining enrolled in September 2016.

In the first three years of both Carmen South and Carmen Northwest, September-to-September keep rates were lower than they are today. The largest losses come in the 9th to 10th grade transition. While all MPS high schools have their largest losses from 9th to 10th grade, a unique reason for such losses at Carmen Schools is that Carmen students must earn a grade of “C” or higher to receive credit for a semester course. The reason for this core component of the Carmen educational model is that once a student is in college, if his or her GPA drops below a 2.0, it is standard practice for the college to put the student on academic probation and, if the student’s GPA does not rise to a 2.0 or higher by the end of the next semester, he or she will be required to leave the college. Students who don’t earn a “C” or higher at Carmen by the end of the semester must take an additional 30 hours of instruction during a mid-year inter-session term or summer term, which is basically an extended semester where students have the opportunity to raise their failing grade to a “C” but no higher.

In the early years of the launch of a Carmen high school, when there are only 9th or 9th and 10th grade students, and before culture and tradition are established, some freshmen after failing to improve their grades in summer school transfer to other MPS schools where credit is offered for “D” grades earned at Carmen. By the time Carmen South and Carmen Northwest grew to include all grades 9-12, the keep rates went up at both schools, as the Carmen culture became established and older students began to model for the younger students how to be successful and not fail courses in the first place. This requires that students regularly do the required work both in and outside of school and take advantage of resources such as attending the after school academic program taught by their teachers and the on-line personalized learning opportunities with individualized growth targets in reading and math.

The main reason for the lower than expected middle school enrollment at Carmen Northwest is that Carmen does not provide bus transportation. Lack of bus transportation has never been a problem for the south side campuses or for the Carmen Northwest high school, which had maintained a waiting list by June of 2016. Over-enrollment in Carmen’s 9th grade class in August 2016 compensated somewhat for the lower than desired 6th grade enrollment, but it was not possible to enroll all of the students on the Carmen Northwest high school wait list because the freshman class sizes would have become unacceptably high. The Carmen Northwest middle school enrollment strategy is to enroll mostly 6th grade students with limited 7th and 8th grade transfers because the purpose of the middle school is to reduce the achievement gap for students entering high school and this requires two or more years in attendance the Carmen middle school. More fiscal and human resources are being devoted during 2016-2017 for middle school student recruitment, including assigning two different people to address middle school and high school enrollment. Through a combination of increased enrollment in middle school and high school and higher annual keep rates, Carmen Northwest expects to phase in another 150 students in grades 6-12 over the next three years to approximately 800 students, where the school can fiscally self-sustain on per pupil and Title funds.

e. Discipline Policies. Carmen Schools overall have lower suspension rates than MPS. Carmen Northwest had higher than desired numbers in its first two years of operation, particularly in the middle school, and these have reduced as the school has grown out to grades 6-12. Carmen has an alternative discipline policy to the MPS. Carmen leadership works with the Office of

Contracted Services and MPS Student Services to address disciplinary action regarding any student who undertakes a level 4 violation of the MPS disciplinary code.

f. School Facilities. Carmen operates three schools in buildings leased from MPS. Two are in former MPS middle schools and one is in an MPS high school facility. Carmen South has shared space with ALBA, an MPS instrumentality charter school, for ten years in the Walker Complex. Carmen Southeast shares a facility with MPS Pulaski High School. In the shared facilities, a facilities committee consisting of members of each school's leadership team and the building engineer addresses issues that arise around the use of shared spaces (e.g., cafeteria, auditorium, gyms) and any other matters relevant to day to day operations and scheduling of events. Carmen Northwest is in its fourth year of operation at the former Northwest Secondary School and does not share the facility with another school. In all of the buildings it leases, Carmen is responsible for the costs of any aesthetic improvements to the building and MPS is responsible for any major repairs to the facility. Carmen intends to continue operating its schools in these three leased facilities during the term of the new charter contract.

2. Parent and Student Satisfaction

Carmen administers written surveys and conducts in person focus groups with parents on an annual basis. Parent surveys are given out during October and March parent/student/teacher advisor conferences. Also, the Head of Schools conducts focus groups with parents at each school fall and spring to provide opportunity for a more open-ended dialogue about each school's strengths and areas in need of improvement. Results are consistently positive, with academic rigor, small class sizes, support for college access, and relationships with teachers being the most often cited strengths of all Carmen schools. Parents have raised concerns about not receiving regular communication from the school (e.g., some like emails but others don't use email; some don't receive letters that were mailed; some want more auto call reminders etc.), that not enough parents participate in the available workshops for parents or celebratory events (e.g., holiday parties, talent shows, honor assemblies etc.), and that enforcement of the dress code is not consistent.

3. School Governance Structure

Carmen maintains an active Board of Directors with nine current members. The Board meets bi-monthly to review financial statements, academic progress, and set and review strategic initiatives. An Executive Committee, consisting of the Board Chair, the Board Treasurer, one other board member, and the Head of Schools meets every other month alternating with the regular board meetings. Each distinct school (i.e., Carmen South, Carmen Northwest, and Carmen Southeast) is also advised by a School Improvement Committee (SIC), which is also required by the Carmen By-Laws. The SIC includes parents, students, principals from K-5 and K-8 schools that send students to Carmen's middle and high school, university representatives, community based organizations that serve the schools' neighborhoods, and the school leadership team members. The SIC is a committee of the Board of Directors and it is charged with reviewing annual school performance data, setting goals for the schools annual education plan, and monitoring progress to goals.

The Board of Directors has three strategic goals for the next five years:

1. Increase opportunities for Milwaukee students to attend a Carmen school.
2. Share Carmen's educational model and best practices with other schools to promote systemic reform of secondary school education throughout Milwaukee.
3. Serve as an educational anchor in each neighborhood served by creating partnerships with other schools and community-based organizations that will allow for strong birth through 12th grade education pathways and promote neighborhood revitalization and economic development.

In support of these initiatives, Carmen Board members help identify and build relationships with potential community-based partners, support fundraising efforts to support new school start up costs, serve as ambassadors to the community on Carmen's work, and participate in contract and lease negotiations. Carmen Board members also facilitate tours of Carmen schools for key community stakeholders and participate in neighborhood initiatives. Carmen Board members represent different areas of expertise, including members who are actively involved in the communities served by Carmen, members with legal and financial expertise, and those with non-profit management knowledge.

II. PLANS FOR CONTINUED SUCCESS OF THE CHARTER SCHOOLS

A. Education Performance

1. Proposed Enrollment

Current enrollment numbers and estimated projected enrollment for each school for the five-year term of a new contract beginning in 2017-2018 are as follows:

| | <i>2016-17</i> | <i>2017-18</i> | <i>2018-19</i> | <i>2019-20</i> | <i>2020-21</i> | <i>2021-22</i> |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Carmen South (Grades 9-12) | <i>361</i> | 360 | 360 | 360 | 360 | 360 |
| Carmen Northwest (Grades 6-12) | <i>638</i> | 700 | 750 | 800 | 800 | 800 |
| Carmen Southeast (Grade 9 in 2016 Grades 9-12 by 2019) | <i>171</i> | 360 | 520 | 665 | 730 | 775 |
| TOTAL | <i>1,170</i> | 1,420 | 1,630 | 1,825 | 1,890 | 1,935 |

2. Proposed Changes to the Educational Program

Carmen Schools is not proposing any substantive changes to the original middle and high school educational programs as summarized above in Section I. A. 1. and outlined in the existing charter contracts for Carmen South and Carmen Northwest.

3. Goals and Measurable Objectives

Carmen expects to be held accountable to most of the same goals and measurable objectives written in the original application and summarized above in Section I. A. 2. Certain statewide and district academic achievement measures in the current Carmen South and Northwest charter contracts are no longer applicable. For example, the district now uses STAR instead of MAP test data for measuring closure of achievement gaps and annual growth targets for students in grades K-8. The Wisconsin Forward exam has replaced the WKCE.

Students at Carmen should not be held accountable to meeting or exceeding MPS performance outcomes in the first year of operation for any test administered before students spend a full academic year at Carmen. For example, the current contract would hold incoming 6th grade students accountable to such a standard for the WKCE that was administered two months after they started at a Carmen middle school. DPI does not hold schools accountable for any test administered before students spend a full academic year at the school.

At the high school level, MPS students now take the ACT Aspire test in grades 9 and 10 and the ACT in grade 11, instead of the WKCE in grade 10. High school freshmen in MPS are no longer required to take MAP and MPS high schools only administer MAP as a progress-monitoring tool for freshmen who are in Tier 3 RtI. Also, Carmen leadership believes that the goal of having 75% of students who can afford to attend a four-year college graduate from college within six years, as too ambitious and also the “can afford” part is too hard to document. Over the 10 years Carmen South has operated and worked to send all of its students to college, we have learned that 30% of the Hispanic students are undocumented and do not qualify for federal financial aid. Also, the national average for graduating after six years for all low-income students is under 30%. Another reason for adjusting the four-year college Carmen will work with MPS leadership to establish a six-year college completion goal that is feasible, but still significantly exceeds MPS outcomes and statewide outcomes for low-income students.

B. Financial Performance

Carmen’s primary financial goal is to reach sustainability on public funds. When Carmen South was the only school, it operated solely on per pupil, IDEA, and Title funds for four years. Each school has been launched with start up funds raised for furniture, equipment, instructional materials, technology, and aesthetic improvements to leased buildings. For each new high school opened, Carmen has to raise about \$4,500 for each new pupil must be raised in grant dollars or from individual donors to support these start up costs. Our financial model allows that once each school grows to full enrollment, it can operate on the public per pupil, IDEA, and Title funds. Since opening the second school, Carmen created a small management team to oversee finances, operations, and implementation of the Carmen model with fidelity across all school sites. This approach allows each school principal to focus on teaching and learning. Having studied other successful charter operators of similar size from other parts of the country, it is clear that the best way to launch schools at the pace Carmen has been doing so is to staff a central leadership team in the early years in anticipation that the costs will be absorbed at each site once it reaches full enrollment. Carmen reaches greater efficiency by scaling enrollment to a level where operational costs are most efficient. Carmen anticipates reaching the goal of public revenue sustainability by

the 2020-2021 school year. Carmen also is working to maintain 45 days of working capital funds for all schools and anticipates reaching this goal within 3-5 years.

C. Organizational Performance

1. Plans for Strengthening Parental and Community Involvement

Growing and strengthening parental and community involvement are ongoing goals for all Carmen schools. Both Carmen South and Carmen Northwest maintain strong connections with neighborhood organizations and parents and the new Carmen Southeast is setting the foundation for the same level of connectedness. Also, last year when the charter contract for Carmen Southeast was in development, Carmen successfully brought together parents and students from both Carmen South and Carmen Northwest to support the expansion of Carmen Schools. The growth of Carmen on the south side, with the recent opening of Carmen Southeast, opens new opportunities to build community relationships. One of Carmen's newest Board members is helped found the 27th Street Business Improvement District (BID) and is facilitating the development of relationships between neighborhood businesses and Carmen Southeast and Pulaski High School. The Carmen-Pulaski partnership has established the shared goal of creating more opportunities for students from both schools to gain career development opportunities and exposure with neighboring businesses.

On the northwest side, Carmen continues to be an active partner in the Choice Neighborhood Initiative. A critical goal of this initiative is the development of strong birth to 12th grade educational pathways. Many neighborhood families currently send their children to elementary schools well outside of the Choice Neighborhood boundaries. One of the district's objectives in locating Carmen at the former Northwest Secondary building was to provide a strong middle school where students from the nearby K-5 schools could attend. MPS, Carmen, the Housing Authority of the City of Milwaukee, and the Silver Spring Neighborhood Center are working together to ensure that more students from the neighborhood attend the nearby MPS and Carmen campuses and to provide more before and after school activities for the students.

2. Changes in School Governance Structure

There are no proposed changes to the current school governance structure. There are currently 9 members on the Carmen Board of Directors and this number is expected to rise to 13-15 over the next few years to assist with fundraising efforts to support start up expenses related to expansion.