



July 6, 2017

To: Members of the Board of Education  
Jennifer Cheatham, Superintendent

From: Dylan Pauly  
General Counsel

Subject: Charter Contract with Isthmus Montessori Academy Charter School

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We are in the stages of finalizing the negotiations with the Isthmus Montessori Academy Charter School on the provisions of their initial charter contract. The final draft of the contract will be presented to the Board for consideration at the July Regular Meeting.

Many provisions of the current draft mirror the language in the District's current charter school contracts. The following information highlights the provisions that are unique to Isthmus Montessori Academy Charter School, either due to their unique start-up model (multiple grades, transition from an existing school/program) or changes to Wisconsin charter statutes (the student lottery).

General Information:

- Term- Five years, July 1, 2018 through June 30, 2023
- Parties- Madison Metropolitan School District (District) and Isthmus Montessori Academy Charter School (IMACS) Academy Governance Council (Council) (includes provision that the Council obtain 501(c)(3) status)
- School location- 1402 Pankratz Street, Madison WI

Areas to Highlight:

- Lottery/Attendance Area (Section 9)-

We have been working closely with DPI to understand their current interpretation of the charter school student lottery and admissions preference provisions of Wisconsin Stat. sec. 118.40, which were modified as part of the previous biennial budget bill. Currently DPI is taking the position that a charter school is permitted to run only a single, random lottery. They are further taking the position that, while you can have an established attendance area for a charter school that is smaller than the entire district, residency within the identified attendance area is an eligibility criteria. This means that students who reside outside of the attendance area would not be eligible to attend the school.

Given DPI's position on these issues, we have designated the entire district as the "attendance area." Therefore, any District resident is eligible to apply for admission into IMACS. In order to address issues related to access and school demographics, we have

also created a “transportation zone,” which is comprised of the MMSD-defined geographic attendance areas for Lakeview, Gompers, Emerson, Mendota, Hawthorne and Sandburg Elementary Schools. IMACS students who reside in these attendance areas and who live greater than 1.5 miles away from IMACS will be eligible for transportation. The use of the “transportation zone” is a novel concept and one that we are still in the process of consulting with DPI about.

Finally, to address concerns about the distribution of students across grade bands, we have established specific capacities for each grade band. For example, during Year 1 the total student capacity is 170 students; the capacity for 4k/5k is 40 students. The use of grade band caps will help with continuity and predictability of enrollment over the first five years of IMACS. Just as the issues of attendance area are novel, the initiation of a new school with more than one grade-level and elementary and secondary students is novel for the District and so we have had to work to develop new ways of conceptualizing the start-up.

- Budget/Finances (Section 18)-

As with our previous charter school contracts, this contract references a five-year budget model but cautions that it is neither final nor binding and is subject to change with the District’s changing financial conditions.

Two additions that are unique to this contract are the repeated references to IMA, Inc. and the fundraising caveats. The contract repeatedly states that IMACS and IMA, Inc. funds must be maintained separately. It further states that IMA, Inc. cannot use any District funds for any purpose. Additionally, the contract holds IMACS responsible for its fundraising commitments by withholding District funds if the IMACS is unable to meet its fundraising commitments. This is done on a deferred basis. If IMACS misses its fundraising commitment in Year 2, an equivalent amount in District funds will be withheld in Year 3. The failure to meet fundraising commitments two years in a row could result in a “good cause” termination of the contract prior to its expiration.

Finally, the issue of 3K is addressed in a manner that allows IMACS and IMA, Inc. to establish a 3K program that is embedded within the 4K/5K program but maintains IMA, Inc.’s financial responsibility for the program. Specifically, the District will hire, evaluate and run all of the HR functions for the staff member but IMA, Inc. will reimburse the District the cost of that person plus a 2.5% administrative fee.

- Student Performance Expectations (Sections 4, 23, 25)-

Student performance and outcomes will be monitored primarily through the District’s School Improvement Plan (SIP) process. The first year will be used to establish the school’s student performance baselines. Minimum expectations regarding improvements to student performance (proficiency and growth) will be established using the District wide SIP process. IMACS, as with all schools, can set student performance goals that exceed the District minimums established through the SIP process, but cannot set goals that are less aggressive.

If the school does not meet its annually established student performance goals during the term of the contract, such shortcomings shall be considered a rebuttable presumption of nonrenewal.