

EXECUTIVE SUMMARY

MISSION, VISION, AND GROWTH IN INDIANA

Mission Statement

Rocketship Education Indiana (RSIN) will eliminate the achievement gap by graduating our students at or above grade level in Language Arts and Math.

Vision Statement

RSIN seeks to create a future in which thousands of children from Indiana have graduated from four-year colleges and return to their communities in Indiana to eradicate the last traces of the achievement gap.

Strategic Vision and 5 Year Growth Plan

In order to eliminate the achievement gap in Indiana, we believe that RSIN must scale quickly, yet with a focus on quality. Indianapolis has been identified as a target city due to the widespread educational disparities that exist between students from low-income communities and their higher-income peers.

In order to bring Rocketship’s Public School Model to Indiana, RSIN must establish a regional structure that is financially sustainable as well as operationally efficient and effective. We intend to open elementary (K-5) charter schools in an initial cluster of eight schools in Indianapolis, which will enable regional collaboration and sharing of resources in order to bring the highest quality education to the students each school serves. In order to build a solid foundation for our regional cluster in Indiana, we have developed a strategic plan that involves opening schools systematically to ensure both high quality and significant impact in the community. RSIN plans to open its first school in the fall of 2015 in Indianapolis and dedicate its first years to growing slowly, focusing on the region’s initial success. Due to the regional founder’s significance in the success of a new region, this timeline may be modified based on our ability to identify and select a highly-qualified candidate for the regional founder role. Each subsequent school will open according to the timetable below only if previous schools meet a set of performance metrics that will be mutually developed through collaboration between RSIN and the Indiana Charter School Board. While we recognize the first school opening is several years out, we are submitting our charter applications now so that we can leverage the charters, pending approval, in order to secure start-up funds, facilities, and begin aggressive school leader recruitment.

School Year	New Schools	Total Students Served
2015	1	400
2016	1	900
2017	1	1,500
2018	2	2,500
2019	3	4,000
Total	8	4,000

EDUCATIONAL NEED AND TARGET POPULATION

RSIN expects to serve a student population that is reflective of Indianapolis’ underperforming schools. Consequently, we anticipate that a significant portion (approximately 80% or higher) of our students will come from traditionally under-served communities. Additionally, as part of its mission and charter, RSIN explicitly seeks to educate the most underserved students in communities in Indianapolis, and will conduct recruitment, admissions, and marketing activities accordingly. In the year before opening, we will work with the Indiana Charter School Board to identify highest need areas and conduct extensive community engagement in these areas. As an open-enrollment school, we will accept any eligible student. We do not shy away from enrolling low income or special education students – we consider “at-risk” students to be our target student population and at the core of the design of our educational program.

COMMUNITY ENGAGEMENT

RSIN will embrace partnerships with local groups and organizations, especially those in the neighborhoods surrounding the school and including those who might provide services to our students. We hope to involve multiple groups from the community in order to enrich our program, bringing the neighborhood and the city into the school. Targeted community engagement for each school will begin once a neighborhood is identified.

To give families information about the school and offer them a chance to meet the school leader and ask questions, several family meetings, open to all, will be scheduled in the months prior to a new school opening. These will occur in the evening and will be held at various locations around the neighborhood. The meetings will be advertised with flyers around the neighborhood, in the newspaper, and in community newsletters.

Examples of activities included in the community engagement plan includes:

- Attending local church services;
- Holding parent resource sessions and read-alouds at local libraries;
- Attending community organization meetings, meeting with leaders of local preschools and other non-profits;
- Attending community fairs & celebrations;
- Going door to door and meeting neighbors;
- Visiting the homes of students who are accepted to the school; and
- Hosting community clean-up days; and offering adult education opportunities after school hours (nutrition, literacy, and computer classes).

Once a school is opened, community meetings will take place on a monthly basis. In order to keep our families highly involved in their child's education, 75% attendance is expected at all community meetings.

EDUCATION PLAN/SCHOOL DESIGN

What it Means to be an Educated Person in the 21st Century

The goal of RSIN is to provide an environment in which children will develop into confident, self-motivated, competent, productive, and lifelong learners. Vested with these skills, these children will become responsible young adults. Students will possess the habits, skills, and characteristics necessary to succeed in school and beyond, as contributing citizens of the 21st century. Specifically, RSIN believes that an educated person in the 21st Century should possess the academic and life skills listed below. Each Rocketship Charter School seeks to impart these skills by the time that a student has completed the Rocketship Education program.

Academic Skills

Critical Thinking: the set of skills required to succeed at higher levels of Bloom's taxonomy, including the analysis of data, synthesis of information and evaluation of arguments.

Problem Solving: building on a foundation of strong critical thinking, problem solving involves using insight and creativity to solve complex problems such as applying familiar strategies in multiple or unfamiliar contexts.

Meta-Cognition: the ability and disposition to explore the thinking and learning process, explain how and why a particular strategy was chosen, and to explain the rationale behind a particular viewpoint, including supporting one's claims with evidence.

Life Skills

Sense of Self: an understanding of one's own strengths, abilities, emotions, and identity that contribute to positive self-esteem and a sense of purpose.

Relationship and Social Skills: understanding and appreciating the emotions and perspectives of others and developing positive relationships among diverse groups, including peers and adults; developing the ability to cooperate effectively, resist social pressure, resolve conflicts and seek help appropriately.

Commitment to Learning: pursuing goals and taking responsibility for self-development academically, socially, and emotionally; having a sense of curiosity, interest and involvement in learning and advocating for one's own learning at Rocketship and beyond.

How Learning Best Occurs

Every child possesses a wide range of learning skills. RSIN believes that learning best occurs when students are taught a comprehensive curriculum through innovative instructional design that promotes learning in a challenging and exciting way, and most importantly when students are taught to love reading and become proficient readers (Walberg, 1981).

The unique RSIN culture is fostered from the beginning of each school year as a RSIN staff member makes a home visit to every RSIN family. These home visits are incredibly powerful and ensure that a positive relationship is created between the families and RSIN staff. To express his/her level of commitment to the RSIN mission and support of the RSIN culture, every parent or guardian of a Rocketeer signs a letter committing to these RSIN values with the Principal. Once the relationships between teachers and families are established through home visits and parent commitments, the RSIN staff is able to continue this personal flow of information with each family throughout the year to ensure even higher academic success may be realized throughout the school year.

Learning Best Occurs When There is a School-wide Expectation of High Achievement

At RSIN, every teacher will be striving for significant gains with each of their students. Rocketship defines significant gains according to two metrics. First, we aspire for every child to demonstrate 1.5 years of growth in literacy skills on Pearson's Developmental Reading Assessment (DRA). We believe that many of our at-risk students will come to school 1.5 years behind, due to a lack of literacy habits at home (Zill, N. & West, J., 2000). By making 1.5 years of progress in literacy each year as measured by the DRA an expectation and goal, we can bring our students to grade level by second grade and graduate students at or above grade level. In addition to the DRA, Rocketship uses Northwest Evaluation Association's Measures of Academic Progress (NWEA MAP) assessment to measure growth in Reading and Math. Our teachers strive to have a classroom average of one year of growth according to the MAP assessment. We believe that this type of school-wide growth year after year is fundamental to our success in fostering academic progress for every student at our school and therefore is component of the way that teachers at RSIN will be evaluated and compensated. High expectations are an important part of a school culture and lead to higher student achievement (Cotton, 1989).

Learning Best Occurs When Teachers Are Subject Matter Specialists

RSIN will be structured differently from a traditional elementary school. Teachers will be in compliance with state licensing requirements and we will use a teaming approach with our instructional staff. This teaming approach means that teachers have their own instructional home-room, however, the students move to different teachers throughout the day. Each student will have a Humanities teacher each day that focuses primarily on literacy instruction integrated with social studies instruction; and a Math/Science teacher that is focused primarily on math instruction that is integrated with science instruction. Many researchers have found that an early focus on these core skills have long-term effects on student achievement (Adams, 1990; Schenk et. al, 1980; McGill-Franzen, 1987). Advantages of elementary

schools that follow the teacher teaming focus include deeper content knowledge, a team structure allowing for better collaborative focus, improved teacher retention, easier transition to middle school, and more flexibility in student grouping (Chan and Jarman, 2004; Bowser, 1984; Findley, 1966; NEA, 1965). We believe that specialization will allow teachers to focus deeply on their subject matter and their students, helping them to intervene with struggling students earlier and more effectively.

Learning Best Occurs When Teachers Are Highly Motivated

The Rocketship Model is constructed to combat the enormous turnover among new teachers that plagues our public schools. It is estimated that half of new teachers leave the profession within five years (Ingersoll, 2001). We believe that teachers need a career path which rewards their success both with more responsibility and significantly greater compensation. Rocketship seeks to elevate the profession of teaching by paying teachers at least 20% more than surrounding districts and creating a career path for teachers, which recognizes student performance as a primary factor in advancement. A career path like Rocketship's has several advantages, including employee retention, succession planning, and better career development (CA State Dept. of Employee Development, 2003). The teacher career path consists of both opportunities to advance in compensation and level of responsibility in the classroom, and opportunities to move into leadership positions within the network. The Academic Dean is a highly-trained expert in teacher coaching and elementary instructional content, with both outstanding classroom results and leadership abilities. Additionally, the Assistant Principal is responsible for cultivating a strong college preparatory environment of high expectations and for driving a high-performing academic experience in Learning Lab. In addition to the added level of support and capacity these roles bring to the school as a whole, for the individuals, these positions provide an attractive career path as well as impactful leadership experience. We believe this career path will motivate young teachers to make the investment in development of their teaching practice and advance to the position of Academic Dean or Assistant Principal.

Learning Best Occurs In a Culture of Caring

We believe that specialization will lead to better teachers who will increase the academic progress of our students. We also believe that our implementation of specialization will allow us to care for our students more effectively than a traditional elementary school. The advantage of this structure is that it allows for both content-area teachers to collaborate in identifying instructional best-practices that best meet the needs of the groups of students they share. This collaboration will allow them to detect both academic and emotional problems earlier and divide the work of home visits and other time-intensive interventions with the students that need their help most. In designing our school model, we leveraged J.M. McPartland's Staffing Patterns and the Social Organization of Schools (McPartland, 1992) to determine ways to increase both academic and emotional well-being of students through teacher specialization.

Learning Best Occurs When the Curriculum is Individualized

RSIN believes that individualization should be a core component of all schools. The RSIN model is a full Response to Intervention model, providing three tiers of intervention for students in need of additional assistance. Bi-monthly interim assessment results are analyzed to identify students who are failing to make adequate progress in reaching the school's goal for significant gains. Individualized Learning Plans ("ILP") are then generated for students demonstrating a need for intervention services. The Rocketship RtI program is further outlined in the Educational Program Section.

Learning Best Occurs When Students Have Extra Time to Practice

RSIN will offer all students the opportunity to participate in our Learning Lab on a daily basis, for several hours each week. The purpose of the Learning Lab is to provide students with additional practice in Humanities and Math/Science at exactly their current level of instruction.

The Learning Lab is a combination of a computer lab and tutoring center. The Learning Lab has a full-set of leveled books where students can read independently at their “just right” level (the top of their independent reading level) as well as at computers running assignable online programs that allow students to access instruction at exactly their current level of understanding. We have selected the programs used in Learning Lab based of their ability to adapt to each student’s skill level. If a student is struggling with a particular concept, our adaptive programs adjust the pacing and content the student presented in order to target additional practice until the concept is mastered.

Learning Best Occurs in a Well-Run School

RSIN’s Regional Support Office (RSO) provides the Critical Systems and support for RSIN. RSIN’s RSO trains school staff on how to effectively use the Critical Systems that allow for the continued successful practices at RSIN. Critical Systems licensed to the school include:

- Operations Toolkit for streamlining compliance reporting;
- Teacher Recruiting;
- Teacher Development Framework;
- Leadership Development Program;
- Budgeting and Financial Management Systems;
- Centralized Operations Management including Attendance, Facilities and Maintenance;
- RSIN-negotiated vendor contracts for food service, software, computers, curriculum, special education service providers;
- Rocketship Education Response to Intervention model including curriculum and staffing
- Full Scope and Sequence for core subject areas;
- Rocketship Education UbD Units for Science and Social Studies (explained below);
- Systems for many operational issues including attendance, food service management, assessments and assessment data management; and
- Learning Lab model including management of centers and staffing methods.

NETWORK GOVERNANCE AND LEADERSHIP

The Rocketship Education National Governing Board is ultimately responsible for the operation, fiscal health, and academic achievement of RSIN, and its schools. Rocketship Education will form a local advisory board, consisting of civic, non-profit, and community leaders – all of whom will be expected to ensure the schools in Indiana are being stewarded in a manner reflective of the communities in which they exist. The advisory board will guide the Regional Support Office (RSO) in terms of how Rocketship Education Indiana and schools are working with the community and how the model is being modified to meet community-specific needs within the region. The Advisory Board will offer guidance, advice, and input on local strategy as the regional entity implements the Rocketship Public School Model in Indianapolis. In addition, the Advisory Board Chairperson will have seat on the Rocketship Education National Governing Board, ensuring a governing link to the local community and a voice on the national scene.

RSIN schools will carry out most operational, financial, political, and academic planning functions through the RSIN RSO. This regional organization will be led by the Regional Founder, who will be the Principal of the first school in year one and will move to the Regional Vice President role as the second school opens. RSO staff will consist of three main functions, Business, Academics, and Community Development and will be staffed with subject area specialists who have a commitment to educational reform in Indiana and the communities our schools serve.

SECTION I: EVIDENCE OF CAPACITY

FOUNDING GROUP

Founding Group Membership

The founding group has been working tirelessly with the Rocketship Education National Office, which was founded in 2006 in San Jose, California, to promote the mission, vision and educational philosophy of Rocketship Education, a national network of high-performing charter schools. This group has chosen to bring the effective and proven model of technology-infused instruction to students in Indiana based on the achievement gap that currently exists in Indianapolis and the Indiana Charter Schools Board's desire to bring innovative, high-quality operators to high-need areas throughout the state.

Currently, Rocketship Education has five elementary schools in San Jose, California, with two more opening in the fall of 2012. With a network Academic Performance Index (API) of 868, Rocketship is California's top performing charter school network serving low-income students. The founding group's collective capacities in school leadership, governance, curriculum, business management, and parent and community engagement has already fostered dramatic results for at-risk students in California. The founding group wishes to further Rocketship's mission to eliminate the achievement gap by opening high-performing Rocketship schools in Indiana. Local community and civic leaders have been recruited to join the Rocketship Education Indiana (RSIN) Advisory Board to ensure that the specific needs of the communities our schools serve are being met.

Key Members

The founding group consists of:

- **John Danner**, Co-founder and CEO-As the founder of a successful internet technology company, elementary school teacher, and founder of a KIPP school in Nashville, John provides vision and direction for the ongoing development of the national organization and the Rocketship Public School Model.
- **Preston Smith**, Co-founder and Chief Achievement Officer-Preston has successfully founded several schools in the Bay Area and is an expert in school leadership development and school design. He will play an integral role in the management of the national organization and its relationship with the Indiana schools.
- **Aylon Samouah**, Chief Schools Officer-Aylon has led key teacher development initiatives at Teach For America and has fostered success in the national expansion of SCORE Educational Centers. He leads the design of the academic program and ensures that the Rocketship Public School Model promotes student achievement in all schools within the network.
- **Rich Billings**, Chief Financial Officer-Rich has led the financial and business development of several charter school organizations. He oversees all business aspects of Rocketship Education including, finances, operations, and facilities development.

RSIN Regional Founder and Regional Support Office (RSO) staff will be recruited and selected upon approval of the charter application. Please see the School Leader and Leadership Team section for further details on the desired qualifications for each of these roles.

Founding School Leader

While a Principal has not been hired, we acknowledge that a strong school leader is one of the most important ingredients for a successful region. Among the most important components of success for new schools are the talents and capabilities of its leader and his/her ability to replicate Rocketship's school model and culture. One of the highest priorities as we continue our search for a high-quality leader is that the candidates are familiar with and committed to that region's neighborhoods and communities. We are currently in the process of recruiting individuals and have been in contact with organizations in Indiana,

such as Teach For America Indianapolis, to identify top-quality educators with an interest in opening Rocketship schools in Indiana.

After a candidate is selected, we devote significant time and energy to develop them as a founding regional leader through the Rocketship Network Leadership Program. While participating in this multi-year program, candidates will have an opportunity to hold multiple leadership positions at existing Rocketship schools in the Bay Area and receive targeted professional development throughout the program. This candidate will be green-lit 18 months prior to the first school's opening by the Rocketship Board of Directors after they have demonstrated success in managing Rocketship schools in the Bay Area.

Lead Person Following Charter Approval

In order to ensure the new region and first school is set up for success, a Rocketship Education National Office VP of School Start-up will serve as new region project manager. This role is funded through National Office start-up funds as well as local start-up philanthropy that will be raised by the Rocketship Development Team. The qualifications of this individual include past success in opening new charter schools and regions as well as significant project management skills. This person will be assigned at least eighteen months prior to the first school's opening and act as the liaison between the National Office and the RSIN Regional Support Office team as they work to establish a highly efficient and effective region in Indiana.

Regional Administrative and Management Team

In order to ensure academic success of each school, Rocketship Education Indiana (RSIN) will have a Regional Support Office (RSO). The RSO team will manage all non-academic functions of the cluster of schools, allowing the principal to focus on instructional management. Recruitment and hiring for the founding RSO team will take place immediately following green-lighting by the Rocketship Education National Governing Board.

Thirteen months prior to the first school opening, the RSO team, consisting of a Director of Business, Director of Community Development, and Director of Achievement will begin work. This Regional Team launches the new cluster by conducting community engagement and student recruitment; recruiting and hiring outstanding teachers; and building academic, operational, and financial systems, which all combine to ensure success of the entire cluster of schools. As additional schools open, the RSO team will continue to provide support services for schools. These roles are recruited and hired by the Rocketship Education National Office and compensated through regional start-up funding secured prior to green-lighting. Ideal candidates will either live in the communities they will serve or have a strong connection to the education reform movement in Indiana.

GOVERNANCE

Governance Structure and Composition

All Rocketship Education Indiana (RSIN) schools will be governed by the National Governing Board of Rocketship Education, a 501(c)3 organization on file with the Internal Revenue Service. This board is currently an eleven member board and is composed of members with significant and varied experience in operating successful schools and businesses. RSIN's local affairs will be monitored by a three to five person local advisory board, all of whom will be expected to ensure the schools in Indiana are being stewarded in a manner reflective of the communities which they exist. This advisory board will consist of civic and community leaders from the communities served by RSIN and the president of the advisory board will have a seat on the Rocketship Education National Governing Board.

The Rocketship Education National Governing Board is ultimately responsible for the operation, fiscal health, and academic achievement of RSIN. National Board Members have a responsibility to solicit

input from, and opinions of the local advisory board, regarding issues of significance. The advisory board, in turn, has the responsibility to maintain close contact with parents of students, faculty, and staff. The primary method for executing their responsibilities is the adoption of policies that offer guidance and interpretation of the charter and procedures to assist staff in facilitating the implementation of such policies. In addition, by the chair of the Rocketship Indiana Advisory Board having a seat on the Rocketship National Governing Board, we will ensure a governing link to the local community and a voice on the national scene. The Directors shall serve staggered three year terms such that no more than two-thirds (2/3) of the Directors' terms shall expire in the same year. This staggering of terms will create a natural flow for future elections and ensure that the RSIN Board does not experience full turnover at once.

The Board will meet on a regular basis (e.g., quarterly and more often as needed). Rocketship's Board of Directors may initiate and carry out any program or activity that is not in conflict with or inconsistent with any law and which is not in conflict with the purposes for which charter schools are established. New directors will be elected as defined in the Bylaws. Qualifications of current and future board members should include, but not be limited to:

- Operation of charter schools;
- Real estate expertise;
- Legal expertise;
- Financial expertise;
- Significant involvement in the communities served by RSIN; and
- Subject and professional development knowledge in Humanities and Math.

Pre-Existing Nonprofit Organization

The Rocketship Education Board of Directors will ensure that all meetings are held in compliance with Indiana Public Access Laws, including the Open Door Law. Agendas will be posted at least 48 hours in advance at any location where Rocketship conducts ongoing business in Indiana. The board meeting will be broadcast at an accessible location (in or near existing schools) so that any interested community member may witness the proceedings, as required by law.

Governing Board Responsibilities

The Rocketship Education Board of Directors will be responsible for the operation and fiscal affairs of the Charter School including but not limited to:

- Setting the enrollment and grade-level configuration for all schools, including increasing enrollment to maximum levels, subject to authorization from the Indiana Charter School Board;
- Approval of annual school budget, calendar, salary schedules, major fundraising events, and grant writing;
- Negotiation and approval of a Memorandum of Understanding ("MOU") or other contracts with the Indiana Charter School Board;
- Approval of all financial policies that set the processes and controls for contracts, expenditures, and internal control;
- Oversight of personnel actions (e.g. hiring, discipline, dismissal) (subject to the disclosure and recusal of the employee Board member) All personnel actions other than those relating to the Principal shall be preceded by recommendation by the Principal;
- Approval of bylaws, resolutions, and policies and procedures of school operation;
- Approval of all changes to the school charter to be submitted as necessary in accordance with applicable law;
- Participation as necessary in dispute resolution;
- Monitoring overall student performance;

- Evaluation of Rocketship Indiana Regional Vice President (subject to the disclosure and recusal of an employee Board member);
- Monitoring the performance of the Charter School and taking necessary action to ensure that the school remains true to its mission and charter;
- Monitoring the fiscal solvency of the Charter School;
- Participation in RSIN annual independent fiscal audit;
- Participation as necessary in student expulsion matters pursuant to RSIN policy; and
- Increasing public awareness of the Charter School.

Procedures

The Board of Directors will meet regularly to review and act on its responsibilities. It is anticipated that the Board will meet at least quarterly, and as required. The meetings will cover academic performance of the schools, performance of the Regional VP, the financial health of the schools, among other topics. As long as quorum exists as defined by the Corporate Bylaws, measures voted on by the Board of Directors may be passed with a simple majority of present members. Subcommittees are created on an as-needed basis. Current examples include Executive Committee, Business Committee, Development Committee, and Achievement Committee. The Board of Directors meetings will be headed by a Board Chairman.

Ethics and Conflicts of Interest

The Board has adopted policies and procedures regarding self-dealing and conflicts of interest (See Conflicts of Interest Code, which is included in the Bylaws, Attachment 4). The Rocketship Education Board of Directors may initiate and carry out any program or activity that is not in conflict with or inconsistent with any law and which is not in conflict with the purposes for which charter schools are established.

Advisory Bodies

Local Advisory Board

RSIN's local affairs will be monitored by a three to five person local advisory board. This advisory board will consist of civic and community leaders from the communities served by RSIN and the president will have a seat on the Rocketship Education National Governing Board and will be responsible for providing regional updates to the National Governing Board. Advisory board members will be recruited on an ongoing basis. Qualifications of advisory board members should include:

- Knowledge of the local political landscape;
- Non-profit leadership;
- Experience in human capital management;
- Experience with local real estate development;
- Legal Expertise; and/or
- Financial Expertise.

School Site Council

The School Site Council (SSC) will be composed of the principal, teachers, classified staff, and parents from each school. The SSC will seek to empower and inform parents in the education of their children, the allocation of school resources, and the building of community and culture at their specific school. Additionally, Rocketship's SSCs will not only be an open forum for parents, but will also have opportunities for parents' professional development (through guided exposure to data and analyses, and training around budget review).

Grievance Process

The following grievance policy outlines the steps to be used by any persons who have questions or concerns about the actions of a teacher, staff member, or principal at a Rocketship School. We encourage

families and staff to resolve problems collaboratively and respectfully. Teamwork, respect, and prompt resolution of conflicts are very important to Rocketship Education.

Resolution of concerns should always start with the person with whom you have a concern. If the problem or conflict is unresolved, it is essential that the school principal be included in the process of resolving concerns.

Step 1: Contact the teacher or staff member involved. Try to discuss over the phone or have a face-to-face conference at a time that is mutually agreeable. Remember that such meetings should not interfere with the teacher's instructional time nor disrupt order at the school.

Step 2: If the concern is not resolved in Step 1, contact the school principal. Be prepared to give details about the concern and steps that have been taken to resolve the problem. The principal and the complainant shall attempt to resolve the dispute informally.

Step 3: If the problem is not resolved informally, the school principal will set up a formal meeting to discuss the issue with the involved parties within 30 days. The principal shall consider all the facts and arrive at a resolution of the complaint.

Step 4: If the complainant is dissatisfied with the principal's decision, the complainant may contact the Regional Vice President. Be prepared to give details about the concern and steps that have been taken to resolve the problem. The Regional Vice President will set up a formal meeting to discuss the issue with the Regional Vice President, principal and the complainant within 30 days. The Regional Vice President shall consider all the facts and arrive at a resolution of the complaint. The Regional Vice President shall not get involved in a complaint until steps one through three have been completed.

Step 5: If the complainant is dissatisfied with the Regional Vice President's decision, the complainant may petition the Rocketship Education Board of Directors in writing, using the form attached. The Board will not get involved until steps 1 through 4 have been attempted. If the Board receives a complaint prior to the completion of Steps 1-4 it will inform the Regional Vice President and provide him/her with the relevant information.

Step 6: An Appeals Ad hoc committee of the Board of Directors shall review the complaint. After considering all the facts and circumstances, the Appeals Ad Hoc Committee shall determine how best to resolve the matter and send written confirmation of such resolution to the complainant. To reach such resolution, the Appeals Ad Hoc Committee, if deemed necessary, may (1) contact the complainant by phone to discuss the complaint; and/or (2) issue a request to meet with the complainant to discuss the complaint in person. The Appeals Ad Hoc Committee shall attempt to resolve the matter within 30 days of receipt of the complaint, and shall send the complainant written confirmation of the resolution.

Step 7: If the complainant is dissatisfied with the Appeals Ad Hoc Committee's decision, the complainant may petition the Board Chair in writing within 30 days of the Appeals Ad Hoc Committee's written resolution described in step 5. The Board Chair shall review the complaint and send written confirmation of the resolution to the complainant within thirty days. The Chair's decision shall be final.

School Management Contracts

Rocketship Education will provide all services to its schools.

NETWORK VISION, GROWTH PLAN & CAPACITY

Growth Plan, Strategic Plan & Desired Impact

Rocketship Education is a national non-profit elementary charter school network dedicated to eliminating the achievement gap and enabling its students to achieve grade-level proficiency by the time they graduate from elementary school, well positioned on their pathway to college. Through deep parental involvement, exceptional teaching and its unique school instructional model that combines outstanding classroom teaching with individualized online learning for every student, Rocketship is transforming elementary school education, while operating its schools solely and sustainably with traditional government funding. In our efforts to achieve educational reform, we intend to demonstrate that the Rocketship Model can be a vital, strategic contributor to the elimination of the achievement gap in high-need neighborhoods across the country. We are currently engaging with our first set of expansion cities and aspire to open clusters of schools in 50 cities, effectively changing the lives of 1 million students.

Over the next 15 years, Rocketship will open 50 regions across the United States serving disadvantaged elementary school students. Each regional cluster will begin by opening 8 schools that we expect to grow into region-wide networks of 20 to 100 schools, depending on the capacity of a region. By operating at this scale, Rocketship will eliminate the achievement gap in each of the communities we serve while operating its schools solely and sustainably with traditional government funding.

In the next five years, Rocketship aims to open schools in ten new regions across the country. Each region will open according to the same timeline as articulated above—eight schools in five years. When selecting new regions, we assess the need by identifying how many at-risk students reside in the geographic area and then consider other factors such as political environment, charter-friendly legislation, and presence of a local Teach For America region. Indiana has remained high on our list of target regions based on the aforementioned factors as well as the State Superintendent’s support of recruiting high-performing charter networks to open schools in Indiana. In the next five years, we intend to operate schools where student achievement is significantly higher than surrounding schools. Ultimately, we hope to eliminate the achievement gap that exists between students from low-income communities and their peers from higher-income communities.

Rocketship 5 Year Expansion Plan-Total Open Schools Per Region					
	2012-2013	2013-2014 <i>(1 new region)</i>	2014-2015 <i>(2 new regions)</i>	2015-2016 <i>(3 new regions)</i>	2016-2017 <i>(4 new regions)</i>
Bay Area	7	11	16	21	26
Milwaukee	-	1	2	3	5
Region #3	-	-	1	2	3
Region #4	-	-	1	2	3
Region #5	-	-	-	1	2
Region #6	-	-	-	1	2
Region #7	-	-	-	1	2
Region #8	-	-	-	-	1
Region #9	-	-	-	-	1
Region #10	-	-	-	-	1
Region #11	-	-	-	-	1
Total Per Year	7	12	20	31	47
Estimated # of Students	3,500	6,000	10,000	15,500	23,500

Organizational Capacity

Members of Rocketship’s executive leadership team have collectively fostered the growth of schools, nonprofits and for-profit businesses, all with great success. These past experiences have led to a strategic growth plan that is both aggressive—based on the urgency to eliminate the achievement gap—and tactical—growth is only allowed to move forward if the portfolio of existing schools is meeting set performance metrics. Each year, the Rocketship Education Board of Directors holds a meeting to assess

network health and green-light new regions and additional schools in existing regions. This growth plan has been vetted and approved by some of the country's leading charter school growth funders, namely Charter School Growth Fund, The Walton Family Foundation, and New Schools Venture Fund.

Lessons Learned

We have learned that the most significant barrier that exists to opening new schools is the lack of high-quality talent for leadership positions within our schools. In order to mitigate this issue, Rocketship has created the Network Leadership Program, which is a three year pathway for promising teachers to learn, practice, and refine leadership skills, all while internalizing the Rocketship Public School Model. We feel that by growing our leaders from an internal pipeline, we are able to gain several years of insight into the candidate's strengths and skill set and the candidate has several years to become familiarized with running a Rocketship school.

Another challenge the entire education industry faces is teacher attrition. We have addressed this using several strategies. The network leadership program provides a professional trajectory that few teachers are able to experience. This, coupled with higher compensation—averaging 20% above surrounding district's teacher salaries—helps our teachers feel rewarded for their hard work. Finally, through the Learning Lab, we are able to provide structured time for students to have independent practice and remediation so that teachers can focus on higher-order thinking in their classrooms. Each of these strategies helps motivate our teaching staff and keep them challenged in their roles without burning them out. As a result, the Rocketship network has an average of 90% of Teach For America corps members returning for a third year in the classroom after their initial commitment; twice the national average. For the 2011-2012 school year, the Rocketship network has an overall teacher retention rate of 82%. We believe this rate is a positive reflection of our program, while there is still room for improvement.

Anticipated Challenges

Rocketship Education has devoted a significant amount of time planning the logistics of opening schools in Indiana. While we feel confident in our ability to successfully execute on this plan, there are two key challenges that we have identified as focus areas in our planning. The first challenge we face is leadership development. As mentioned previously, Rocketship is aware that a school is only as great as its leadership and the skill set of a school leader has an even greater impact when founding a new school. In order to mitigate this issue, we have continually developed our Network Leadership Program in order to build and expand our internal leadership pipeline that will produce highly qualified candidates for founding school leader positions in Indiana. In addition, we have been working with Teach For America and other national organizations to identify individuals who are interested in joining Rocketship's Network Leadership Program in San Jose and then move to Indiana to assist our regional founder as instructional or administrative staff at our first school. While school leadership is still a significant risk, we believe that the steps we have taken in planning and recruitment will ensure a successful regional roll-out.

Another challenge we face as we look towards opening schools in Indiana is facilities acquisition. This is understandably one of the most significant challenges that all charter schools face across the country. Not only are a small number of existing school facilities in high demand, local zoning and development processes can make new construction or major renovations highly complicated with a long timeline. Rocketship is poised to successfully address the facilities challenge due to our collective experience and a deliberate new region startup timeline. As we are planning our national growth, we can build on our experience through the successful development of five new-construction schools in San Jose, California. This experience will be very useful as we begin to analyze the real estate market in our target neighborhoods in Indiana and identify whether we will acquire existing facilities or begin the new-construction process. Another asset we have is our extended startup timeline. Because we build eighteen months into our new region startup process, and conduct in-depth real estate research for our green-

lighting process prior to that, we have significant time to become familiar with local nuances in facilities development and to create a viable facilities plan.

NETWORK MANAGEMENT

Organizational Leadership Roles and Responsibilities

The Regional Support Office (RSO) will be established in a region soon after green-lighting, at least 13 months prior to the first school opening. Three pivotal roles will make up the RSO during the initial start-up phase and will expand as necessary to support the eight-school cluster. During year 0, the RSO staff will report to the Rocketship Education National Office. Four months prior to the first school opening, the RSO team will report to the Founding School Leader. It is anticipated that the Founding School Leader will become the Regional Vice President, pending exemplary job performance, as the cluster grows to scale. The four main leadership roles in the new region will be:

- **Founding School Leader**: ultimately responsible for the success of the initial school and the region as a whole. This person will foster a successful school opening for the first school in the region. As they transition to the Regional Vice President role, they will guide the overall success and development as the regional cluster.
- **Director of Achievement**: academic leader of the region. This person will ensure collaboration amongst instructional roles across the entire cluster. They will also guide the development and implementation of the Indiana-specific instructional model.
- **Director of Community Development**: political and community relationship leader. This person will manage relationships with all external stakeholders including the authorizer, local community based organization leaders, and local politicians. They will also establish and maintain strategic community partnerships.
- **Director of Business**: financial and operational leader. This individual will ensure the schools and region runs efficiently, maintains proper finances, and remains compliant with local and state regulations.

Shared Services

The cluster of eight schools in a region allows the schools to share services provided by the content area experts on the Regional Support Office Team. The RSO is charged with managing all functions of schools so that the Principals can remain focused on instruction at all times. Once a region grows to scale, the entire cluster—including the RSO—is financially sustainable based solely on per-pupil state and federal funding. Funds for the RSO come from management fees that each school provides. The RSO will pay the Rocketship Education National Office licensing fees for use and continued development of intellectual property such as Learning Lab design and infrastructure, the Network Leadership Program, and teacher development curriculum.

Regional Support Office Functions

In order to streamline the business functions of each school to ensure operational and fiscal efficiency, Rocketship Education Indiana (RSIN) Regional Support Office (RSO) shall provide the following services to schools:

- (a) creating the School, including, but not limited to, any and all required legal and financial filings;
- (b) creating, preparing and submitting the School's charter;
- (c) researching, locating and preparing a suitable facility (the "Facility") for the operation of the School;
- (d) researching, providing or preparing for any future expansion of the Facility to accommodate growth of the School;

- (e) providing professional development training for certain employees of the Company prior to the commencement of the school year and continuing throughout the school year as necessary;
- (f) providing office services, such as accounting, payroll, human resources and billing;
- (g) supervising the annual budget;
- (h) developing and executing fundraising opportunities;
- (i) working with the Charter Authorizer, ICSB and other agencies as necessary, including complying with reporting requirements and any other general inquiries received from these agencies;
- (j) supervising the parent coordinator and parent involvement generally;
- (k) marketing for student enrollment;
- (l) assisting with public relations;
- (m) writing grants for state and other funding;
- (n) providing guidance relating to the curriculum;
- (o) providing support for information technology;
- (p) securing working capital financing for the school
- (q) providing financial support as needed; provided, however, that such support be agreed to by the parties in a separate writing;
- (r) providing any other operational or educational needs relating to the School that the RSO may reasonably request of Managers; and
- (s) collecting Special Education funds and managing the Special Education program budget on behalf of all Rocketship Education schools in Indiana and therefore having the authority to determine the allocation of Special Education dollars based on Special Education needs at each site.

Function	Network/ Management Organization Decision-Making	School Decision-Making
Performance Goals	Chief Schools Officer	Principal
Curriculum	Reg. Dir. of Achievement	Principal
Professional Development	Chief Schools Officer	Principal/Academic Dean
Data Mgt/Interim Assessments	Chief Schools Officer	Principal/Assistant Principal
Grade Level Promotion Criteria	Reg. Dir. of Achievement	Principal
Culture	Chief Schools Officer	Principal
Budgeting, Finance, and Accounting	Chief Financial Officer	Regional Director of Business
Student Recruitment	Reg. Dir. of Community Dev.	Reg. Dir. of Community Dev.
School Staff Recruitment and Hiring	Reg. Dir. of Achievement	Reg. Dir. of Achievement
HR Services (payroll, benefits, etc.)	Director of HR (National)	Regional Director of Business
Development	Reg. Dir. of Community Dev.	Reg. Dir. of Community Dev.
Community Relations	Reg. Dir. of Community Dev.	Reg. Dir. of Community Dev.
Information Technology	Reg. Dir. of Achievement	Reg. Dir. of Achievement
Facilities Management	Regional Director of Business	Regional Director of Business
Vendor Management / Procurement	Regional Director of Business	Regional Director of Business
Other operational functions, if any	Regional Director of Business	Office Manager

**SECTION II: SCHOOL DESIGN
EDUCATION PLAN**

The Rocketship Public School Model

Individualized instruction is essential to drive student achievement at every level. Individualized instruction comes in two forms at Rocketship Education Indiana (RSIN): online instruction and in a Response to Intervention (RtI) program that offers tutor-led, small-group interventions for the lowest-performing quartile of students, both which take place in the Learning Lab. Online learning and tutors help to make a child's classroom work more productive because (s)he has more instructional time dedicated to filling specific skills gaps. The individualized instruction that students receive in Learning Lab allows teachers to have more classroom time to focus on extending children's critical thinking skills. In addition, the Rocketship Individualized Scheduling Engine (RISE) broadens the information available to teachers so that they can fully understand student's learning needs through data reflecting progress in online instruction and classroom assessments. RISE includes an array of comprehensive reports showing students' progress on both teacher-created classroom assessments as well as online programs in The Learning Lab. Further details on RISE can be provided upon request.

The Rocketship Public School Model holds significant advantages in academic achievement, teaching quality/leadership, and financial sustainability. By providing opportunities for independent practice, assessment, and small group intervention, Learning Lab enables teachers to maximize classroom time for instruction, guided practice and extending critical thinking skills. RISE provides tools for Assistant Principals to use when scheduling tutors and also targets specific online programs for students' basic skills acquisition, independent practice, assessment and remediation/acceleration. In addition to significant academic benefits, the Rocketship Public School Model also creates significant cost savings by allowing students to experience basic skills acquisition through technology and small group tutors. These savings are reinvested in programs and people to drive school quality and also enable RSIN to operate solely and sustainably on traditional public school funding and without the need for philanthropy. All Rocketship Schools in Indiana will follow the Rocketship Public School Model.

Benefits of the Rocketship Public School Model for At-Risk Students

RSIN anticipates serving a student population that is highly reflective of the neighborhood in which the school is located. The Rocketship Public School Model leverages several strategies that are proven to be highly effective in improving outcomes for at-risk student performance, including Special Education Students and English Language Learners. These strategies include:

- *Early Detection:* Rocketship uses assessments in Reading, Writing, and Math to help identify struggling students within the first six weeks of school, and every two months thereafter.
- *Individual Learning Plans:* Rocketship uses the ILP system to track a student's needs and progress over time for students falling below our academic expectations. The ILP is used with at-risk students to allow teachers and tutors to collaborate on best practices and successful past interventions with each student. The ILP is updated with objectives for students determined to be academically at-risk and focuses on the skills and strategies that will enable them to make expected grade-level gains.
- *Focused Instruction:* The standard Rocketship instructional approach is for teachers to differentiate their plans for groups of students in order for all students to master the same grade-level standards. For example, in Writer's Workshop, there may be a group of second graders still working on the basics of capitalization and punctuation. Others will be focused on more advanced grammatical issues in their writing like subject/verb agreement or plurals. Still others will be working on creating better Story Maps to make it easier for them to write a new story. By differentiating for subgroups in each lesson, teachers meet the individualized needs of every learner.
- *Direct Intervention:* The data on Rocketship Individualized Scheduling Engine (RISE) helps identify the lowest quartile of students and allows Assistant Principals and teachers to schedule those students for direct intervention with tutors in the Learning Lab.

- *Ongoing Assessment:* Data is gathered both through frequent interim assessments performed in the subject areas and from students' progress on the online programs in Learning Lab. Teachers can access this data on RISE. The extensive reports available on RISE provide teachers and school leadership with the tools they need to track all of their students.
- *Teacher Collaboration:* Teachers gather as grade level teams, as content area specialists, and with tutors regularly to compare student data collected through RISE, discuss students, and discuss instructional strategies, interventions and enrichment. This is realized through a schedule that includes early dismissal day, one day a week, to give staff time for professional development.

Curriculum

The RSIN curriculum follows Common Core State Standards for the subject areas of: English/Language Arts (includes Writing) and Mathematics. Alignment to any additional state standards will be ensured prior to the first school opening. The curriculum follows State standards for Science, Social Studies, Art and Music. We place most of our emphasis on the subjects of Humanities and Math/Science for our students. Our primary educational goal is to ensure grade-level proficiency in Literacy and Math by second grade and achievement above grade level by the time students leave RSIN in fifth grade. Students will also take Science, Social Studies, and Arts at all grade levels to broaden their understanding of the world and to create avenues to exercise different facets of their intelligence. The curriculum at RSIN is aligned with Common Core State Standards with the goal that students will not only achieve the objectives specified in the charter but will also master the academic content standards in core curriculum areas as adopted by the State Board of Education. Teachers will be encouraged to assist their students in exceeding minimum standards.

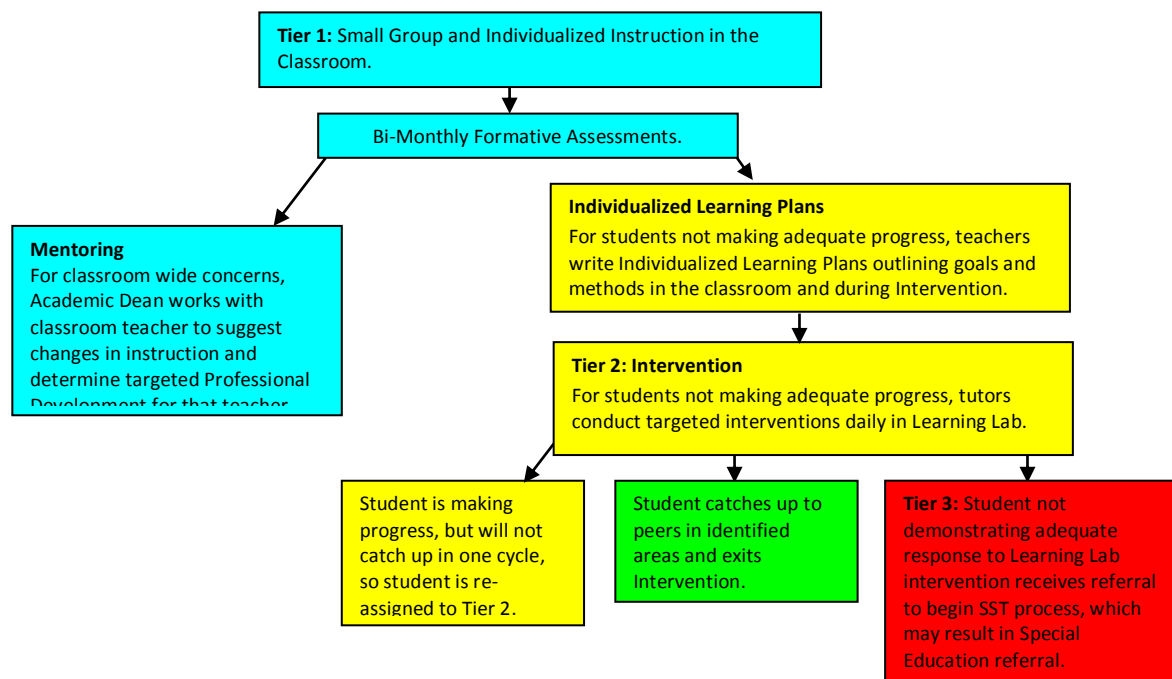
The remainder of this section provides an overview of our Response to Intervention (RtI) approach and academic philosophy for each area of study. RtI describes both a service delivery model and eligibility criteria for specific learning disability (IDEA 2004). In a report prepared by the National Joint Committee on Learning Disabilities (2005), the Committee identified three core components of RtI: "(1) Application of scientific, research-based interventions; (2) measurement of student's response to these interventions; and (3) use of RtI data to inform instruction" (pg. 2). The term RtI also describes an eligibility criterion for special education. This criterion is found in IDEA 2004 Sec 614(b)(6)(B). The law states; "In determining whether a child has a specific learning disability, a local education agency may use a process that determines if the child responds to scientific, research-based intervention as a part of the evaluation procedures..."

RSIN's Three-Tier Response to Intervention Approach

All students are assessed upon entry to determine performance relative to grade level standards. We do this using a number of different measures. In order to group students by performance level, Rocketship assessment data identifies students through performance quintiles: Advanced, Proficient, Basic, Below Basic, and Far Below Basic. In Humanities classes, teachers administer the Developmental Reading Assessment ("DRA"), the NWEA MAP assessment for Reading, the CORE Phonics Inventory, and other assessments that are relevant to their grade level (i.e. Sight word recognition for Kinder & 1st grade.) Math teachers give grade level math assessments created to measure student progress towards end-of-the-year objectives as well as the NWEA MAP assessment for Math. All of this data is used to identify our students who fall into the Below Basic or Far Below Basic quintiles. Further details on Rocketship's RtI program will be provided upon request.

The Rocketship Individualized Scheduling Engine (RISE) will facilitate communication between teachers and tutors, by providing more timely status updates of a student's progress, and by enabling teachers to easily specify remediating content and activities during RtI that are targeted to meet the student's specific learning needs. RISE enables teachers to further individualize instruction during a student's Response to

Intervention (RtI) sessions with tutors. At the end of RtI sessions, tutors will have the opportunity to leave notes regarding a student’s progress, in order to provide teachers with more timely updates. Both tutors and teachers are then able to make better use of RtI sessions, to assist each child with his / her specific learning needs. More timely, targeted interventions help to accelerate each student’s progress and increase the likelihood of successful remediation. Content from the RtI tab is linked and integrated with the student’s Individualized Learning Plan. Further detail on the design of RISE will be provided upon request.



Progress Monitoring

While teachers are continually assessing students’ progress at the end of each lesson, our teachers formally reassess to show student progress on an 8 week cycle. This is translated visually by the staff into Assessment Walls for each class, showing which students fall into each quintile from Far Below Basic to Advanced. This data is then used to adjust classroom instruction and to identify students in need of more focused support to make adequate progress.

Teachers will also collect data from RISE. This platform allows educators to sort and place students into different small groups, by using different criteria, which allows teachers to assign student groupings based on real-time achievement data.

Individualized Learning Plan

Teachers write an Individualized Learning Plan for students whose achievement falls below Basic. ILP’s include assessment information, measurable goals that are realistic yet ambitious for an 8 week period, and explicit goals and their corresponding practices for tutors to accomplish with each student in Learning Lab or after school interventions.

Assessment data, RtI content and the integration of results from online learning programs are important inputs into the student’s Individualized Learning Plan. Automatically filling in data on the Individual Learning Plan and incorporating it into RISE will enable teachers to use the ILP as an interactive tool which reflects the student’s progress throughout the school period. Using an online ILP, teachers, tutors and Learning Lab staff can adjust their instructional practice in real-time using targeted content and

activities. As the figure below illustrates, the ILP is organized by Common Core Standards, and is automatically populated with relevant learning content associated with each of these standards. Examples of RISE and the ILP will be provided upon request.

Three tiers of targeted intervention are provided to ensure that all students receive the assistance they need to be successful.

Tier 1

Teachers implement the ILP in the general education classroom. Teachers assess student progress after 8 weeks of instruction. Students who do not respond adequately to the initial instruction receive additional modifications and support in the general education classroom and may be placed in Tier 2. These modifications may include adjustments in intensity, duration, and frequency of instruction. Teachers may meet with smaller groups more often for longer periods of time. Teachers may adjust instructional strategies and materials as well.

Tier 2

Students not responding adequately to the goals laid out in the ILP in the general education classroom *or* identified as significantly below grade level in the first round of assessments are given a revised ILP directing their work in an additional period each day during small group tutoring (intervention) time. During this time, they work directly with a tutor on the specific skills they are lacking. For example, if a student in first grade is stuck at a DRA level 6, they will need practice with sight words, blending long vowel words, chunking multisyllabic words into syllables, describing main characters using adjectives, and making strong connections between the text and their own life. Intervention tutors are provided with a very specific 8 week plan containing suggestions from the classroom teacher and Assistant Principal in terms of strategies and approaches to use to get a student to meet their target at the end of 8 weeks. These suggestions are combined with existing tutoring curriculum to create targeted approaches for intervention. In eight weeks, teachers assess again, measuring to see if meaningful progress has been made by the Intervention students. If the student still is not making adequate progress, we may conduct a Student Services Team Process and revise the Individualized Learning Plan.

Tier 3

If the student fails to make progress in both Tier 1 and Tier 2 interventions after 2 cycles (16 weeks), they enter into the SST process, which may result in assessment Special Education programs. A majority of our special education professionals work directly for Rocketship Education, including paraprofessionals and resource specialists. This gives us more control to ensure that Special Education students' Individualized Education Plans are aligned with ambitious academic goals consistent with goals for students at all Rocketship schools.

Professional Development

The process of looking at interim assessment data and formulating a proper ILP takes practice for teachers and is an area in which we spend time both in formal professional development and in mentorship between the Academic Dean/Assistant Principal and each teacher. Our teachers will spend a significant amount of time with the Academic Dean analyzing overall class performance to know areas in which they need to develop their skills. Equally important is the deep knowledge that a teacher builds over time of the specific types of problems that students may have and the best ways to overcome these problems. Teachers will focus on more effective diagnosis of students' problems and development of effective scaffolding for these students while building the Individualized Learning Plans.

Curriculum Implementation

Reading

By individualizing instruction through the Response to Intervention model we help our students make rapid gains in literacy skills. Reading is central to all parts of the RSIN curriculum, especially in grades K-2. We will also actively prioritize Reading above other subject areas in the early grades and for students who are still struggling in later grades.

We are firm believers in the findings of the National Reading Panel (“NRP”), which reviewed all of the available high quality research with measurable results and a study size and student composition indicating that they could be generalized to the entire population of American students. They found five general areas of reading instruction which were crucial for developing excellent readers: phonemic awareness, phonics, fluency, vocabulary, and text comprehension. We expect that even our Academic Deans will spend a significant amount of time building their skills in each of the five areas of Reading. The Common Core Language Arts standards are likewise organized around these areas for the early grades.

The Imagine It! program is a resource that Rocketship teachers will leverage when planning the whole-class portion of our Humanities block. RSIN will use Pearson’s Developmental Reading Assessment (“DRA 2”) assessments to diagnose current reading ability with students. DRA 2 contains running record assessments measuring a student’s fluency and comprehension which establishes a baseline reading ability. These assessments drive decisions about whether students need additional classroom support or tutoring during Learning Lab.

Instructional Strategies for Reading

During our Humanities block, time will be split between whole-class Reading instruction using resources such as the Imagine It! curriculum; writing, as described in the next section; small-group Guided Reading instruction; and in the upper grades an additional focus on shared reading using chapter books. During whole-class Reading instruction, textbook-based activities may include Read Alouds, Choral Reading, Shared Reading, and Explicit Phonics instruction. During Guided Reading time, teachers work with groups of four or five students; when students are not working with the teacher, they will rotate through a variety of literacy centers, practicing skills relevant to their stage of development. From experience, we expect that a significant amount of small group time in K-2 will be spent on oral language acquisition and fluency for our ELL students, and on phonemic awareness and phonics skills leading to grade-level reading fluency. In grades 3-5, students who are performing at grade-level will have mastered most aspects of oral language, phonics, and phonemic awareness, and we will be focused more on deep vocabulary investigation and comprehension of fiction and non-fiction texts. Across all grade levels, teachers will work vigorously to develop students’ reading fluency, which is a key to their ability to develop more of their concentration to analysis of the text.

In addition, in fifth grade, all RSIN students will be expected to complete an Extended Analysis Project. The Extended Analysis Project is similar to an honor’s thesis, which will require the student to utilize their academic skills of math, reading, writing, and possibly other areas as well. The students will present their projects at the conclusion of the year, which will be their opportunity to demonstrate their overall learning, knowledge, and capacity as independent, life-long learners as well.

Writing

Children begin writing their first day at RSIN. RSIN leverages the Northwest Regional Educational Laboratories (“NWREL”) Six Trait Writing Model to guide their writing instruction. This model identifies six qualities seen in outstanding written works. These traits include:

- **Ideas**: The content or main theme-can be seen as the heart of the message.

- Organization: The internal structure of the writing.
- Voice: The personal voice of author comes through-his gives a sense of a real person speaking.
- Word Choice: The use of precise, colorful and rich words to communicate.
- Sentence Fluency: The writing flows together often with a rhythm or cadence.
- Conventions: Mechanical correctness, including spelling and grammar.

We have adapted a six-trait rubric developed by NWREL to provide students with specific feedback on their writing. The rubric emphasizes the development of ideas, organization and voice, which supplements students' and teachers' natural tendency to emphasize word choice, sentence fluency, and grammatical conventions.

The NWREL 6 Traits Writing model will give the RSIN staff a solid foundation of key traits to focus on in their application of writing and also provides the staff with a specific model of instruction. However, teachers often require further support depending upon their experience levels. Consequently, RSIN will utilize other writing strategies such as Step Up to Writing and Lucy Calkins Units of Study. For example, Step Up to Writing provides rather simplistic models and strategies to help students to organize their ideas prior to generating writing. Thus, this model will be especially helpful to use for new teachers on staff at RSIN who are beginning their writing instruction. Additionally, the color-coded organization system for expository writing has proven quite effective in helping ELs to better prepare for the task of producing organized and effective writing.

More experienced staff at RSIN will be able to supplement the NWREL 6 Traits writing instruction through the use of Lucy Calkins Units of Study. These units of study focus on very specific strategies and elements of strong writing. They give students a chance to take ownership over idea generation and ultimately lead to writing that is more interesting, unique, reflective of a student's voice, and higher student engagement in the process of writing. The Lucy Calkins Units of Study will allow the students at RSIN to further develop their writing skills while also giving our staff at RSIN the opportunity to grow and develop more as writing instructors.

Instructional Strategies for Writing

Writing will be taught as part of the Humanities block and instructional strategies will vary by grade level. For beginning writers in Kindergarten, shared writing linked to a read-aloud book will be more common. By second grade, we expect to conduct a structured writer's workshop with students in all stages of development including brainstorming, organizing, drafting, editing, revising, and creating an illustrated final draft. In all grade levels, students will develop the ability to distinguish between expository and narrative writing and the different strategies and purposes behind each style of writing. Each grade level will introduce or extend students' understanding of various genres of writing including narrative, informative/explanatory, and opinion.

Math

Students will master the basic skills, computational fluency, and conceptual understanding required in Common Core State Standards through lessons aligned with resources such as Harcourt's GO Math! program, John Van de Valle's Elementary and Middle School Mathematics, and the work of Marilyn Burns and Cathy Fosnot. Within the context of the Common Core State Standards, students will constantly be challenged to reason and communicate mathematically, in addition to demonstrating proficiency in all required math standards. Specifically, teachers will focus on developing students' number sense and algebraic reasoning abilities. This approach is supported by the recently released "Final Report of the National Mathematics Advisory Panel" (USDE, 2008, p. 17). Even young students can begin to understand numbers conceptually, and can recognize relationships among mathematical concepts (Building a Foundation for Learning in the Elementary Grades, NCISLA VOL. 1, NO. 2, Fall 2000).

According to research conducted at the University of Texas, Austin, “Number sense not only leads to automatic use of math information, but also is a key ingredient in the ability to solve basic arithmetic computations.” (Gersten, 1999) As a result, they are more prepared for the rigors of higher math. Important elements of number sense among young children include linking symbols to quantities, understanding part-to-whole relationships, and being able to make calculations with the same fluency that we stress in reading, so that they can devote more of their thinking to visualizing and tackling difficult word problems.

As students progress, this will be constantly monitored and evaluated by the central organizing theme of preparing them for Algebra, which will drive much of our Math instruction. Some of the main concepts that we will help our students internalize to be ready to perform Algebra include understanding multiple representations of data, functions, working with missing information through the use of variables, and inductive reasoning used to prove equations. We strive to hire teachers who are generally more fluent and more passionate about the teaching of Math as an area of specialty. Additionally, our Academic Deans will find relevant professional development experiences for our math teachers to improve their practices including observations of highly skilled teachers, conferences and workshops, and exploring professional literature as well.

Instructional Strategies for Math

In order to focus on deeper comprehension of mathematical concepts, we will strike a balance between building computational fluency and using discussion to help students explain why they reached an answer. Students will focus not only on finding the correct answers, but will be expected to articulate how the answers were derived. Our methods will include hands-on activities, classroom discussion about mathematical reasoning, and sufficient calculation practice to make arithmetic operations automatic. This conceptual instruction is further made possible through the supplementation of the Harcourt GO Math! program with Van de Walle, Burns, and Fosnot instructional strategies. These supplementary resources aim to provide our students with a strong conceptual understanding as well as the rote mathematical practice provided within the GO Math! program.

In addition, math instructors will be focused on developing mathematical units that are backwards planned and focused on the standards that are selected as the “power” or primary math standards for a grade level. This will allow RSIN to focus on creating units that are focused on depth of instruction and conceptual instruction as well.

Hands-On Learning through Science and Social Studies

Science and Social Studies provides an opportunity for students to learn by doing. Using leading strategies for effective ELD instruction during Science and Social Studies, we intend to accelerate students’ Cognitive Academic Language Proficiency (“CALP”) development by supporting acquisition of academic vocabulary. Rocketship Indiana has a strong Science and Social Studies curriculum which blends hands-on inquiry with leveled readers targeted at a student’s reading level. We use the McTighe and Wiggins Understanding by Design (“UbD”) approach. This approach provides a framework for creating units of study based on state standards. UbD has been shown to develop students’ reasoning and interest in Science and Social Studies. To develop our curriculum using a UbD framework, we start by backwards mapping State standards to identify the main objectives in Science and Social Studies. Every new teacher at Rocketship will have access to a set of UbD units they can use which address State Standards, or they can create new ones to add to our library. Upon approval of this charter application, Rocketship Indiana will work to ensure that all Rocketship UbD lessons map to Common Core and state standards.

Science and Social Studies also provide opportunities to reinforce several very important skills. One of the most important skills a student can learn from these classes in the primary grades is how to effectively

read non-fiction text in the content areas (Pressley, 2002). Students will be faced with a multitude of classes throughout the rest of their lives where this skill will be central to their understanding of the content and ultimately their enjoyment and performance in the subject. The critical skills of determining the organization of a non-fiction text, identifying and understanding key vocabulary terms, and actively summarizing are skills that are not easily learned when reading fiction. At Rocketship Indiana, we balance our reading in early grades to include both fiction and non-fiction and focus directly on the skills necessary to master non-fiction as they are presented in Science and Social Studies.

Science

Science instruction will be embedded in Math classes through the use of thematically integrated, standards-based UbD units. Integrating Math and Science gives students the context through which to understand how mathematics relates to the physical world. Moreover, science naturally integrates into various aspects of math. Consequently, this integration of subject matter ensures that students will have greater exposure to skill areas like reading expository texts, using scientific notebooks, graphing, organizing data, and many other math and literacy skills that correlate with science.

The science curriculum at Rocketship Indiana has been primarily organized through the implementation of UbD units. At Rocketship Education, we have done extensive work to group science standards into robust UbD Units that cover science topics in depth. We believe in focusing on depth instead of breadth in the teaching of science. Consequently, our units cover standards from various grade levels, grouped together into a manner that allows our students to understand at a very high level the concepts behind the standards and how this information relates to their own lives. By taking this approach, our teachers create 8-12 week long units that are relevant and engaging to students as opposed to rushing through many small units on varying topics. This allows students to learn material in a much deeper way, and consequently, they are able to apply these lessons in future grade levels and later in life. Moreover, each unit reviews science standards from previous units. Thus, as students mature, they are better able to master various concepts through this spiral approach.

For example, our Animal Adaptations & Habitats unit includes state standards from several grades. Students review concepts taught in the first grade Food Webs unit and are given a solid foundation that allows for an even greater understanding of the fifth grade Plant and Animal Systems unit. By grouping similar standards together we are giving students a chance to explore a concept in more depth. However, all of our units build upon each other. So, a first grader will receive a strong introduction to states of matter that will be reviewed and added to in the 5th grade unit on Chemistry.

We believe that Science offers a broad array of concepts crucial to student understanding. Students will discover and learn about the natural world by using the methods of science as extensions of their own curiosity and wonder. Students will acquire knowledge of the life, earth and physical sciences from a balanced curriculum, which includes building on their understanding of science concepts to learn about the logic of the scientific method and applications of science to the world around them. Students will develop critical thinking skills of science: observing, comparing, organizing, inferring, relating, and applying.

All students will be exposed to life, earth, and physical sciences in a curriculum that is based on state standards. Our desired outcomes from science are an understanding of the process of scientific inquiry, curiosity about the world around them, skills to comprehend informational text, and increased self-esteem from producing a tangible work-product as a result of their understanding.

Instructional Strategies for Science

Rocketship Indiana teachers teach three Social Studies and/or Science units a year. Depending on the grade level, there may be two science units and one social studies unit, or vice versa. Social Studies

and/or Science units are taught 4-5 times a week for roughly 45 minutes a day. During this block of time students are engaged in investigations, reading non-fiction leveled texts related to their topics, writing both narrative and expository pieces relevant to the unit, and learning using a variety of English Language Learner instructional strategies including pictorial input charts, expert groups, cognitive content dictionaries etc. The culmination of two Social Studies and/or Science units a year is an Exhibition Night, where students present their leanings to their parents and community members.

Students primarily work in cooperative groups, and often use hands-on materials to reinforce their understanding of scientific concepts. In order to facilitate a research and inquiry-based instructional model, teachers implement and reinforce clear rules and procedures for science inquiry. These procedures ensure the safety of students, while allowing them to learn and investigate in a dynamic and collaborative environment.

Teachers incorporate fictional and expository text into their science instruction. In addition to the use of leveled readers, students will regularly be required to write both fiction and non-fiction text in relation to their experiments. For example, students studying extinction (see related course objectives, below) might write fictional stories about an extinct species, and will write lab reports on their investigations with rock layers and fossils. Math will also be integrated into Science through the use of graphs, charts, or drawings to show findings. Students will regularly be required to orally articulate their findings.

In addition, at Rocketship Indiana we believe that students need to be exposed to their natural world. There are a plethora of things that can be learned from students spending time in nature, which is often difficult for many of our students as they grow-up in an urban environment. Consequently, RSIN intends to provide a unique and important component of the science curriculum through exposing our students to overnight camps. These camps may occur in 4th and 5th grades. Through partnerships with several nature organizations, we hope to be able to expose our students to several important scientific standards and help them gain a deeper understanding of these concepts.

Additionally, as we anticipate serving students who need more language-acquisition practice, our teachers employ a wide variety of instructional strategies to make high level content knowledge both accessible and engaging to all students. Part of the students' homework during these units is to discuss with their families what they have learned in class that day, giving them additional language practice. By drawing a picture, labeling it, and re-teaching the information to someone at home students are getting a chance to practice their academic language outside of the normal school day.

Social Studies

Social Studies instruction will be embedded in the Humanities block through the use of thematically integrated, standards-based UbD units. Social Studies are an opportunity to integrate aspects of our curriculum like Reading and Writing in a context that naturally requires them. Our use of the UbD framework to design Social Studies curriculum makes the concepts and academic vocabulary accessible to our students regardless of current reading level.

Key content outcomes for Social Studies include knowledge and cultural understanding, democratic principles and civic values, and academic and social skills necessary for effective participation in diverse societies. Key skills we hope students will learn include the integration of multiple skills to solve a complex problem, the ability to use informational text to find the answer to a meaningful question, mastery of academic vocabulary, and increased reading and writing skills. This curriculum will be aligned with the State Framework.

Instructional Strategies for Social Studies

Teachers will build upon students' curiosity about themselves and their world by presenting history as an exciting and dramatic series of events and issues. Students will engage in problem solving as they acquire, evaluate, and use information in a variety of ways. Frequent opportunities will exist for all students including English Learners to share their language, cultural ideas, customs, and heritage, thereby providing multicultural dimensions to the curriculum. The teachers will provide equal access to the core curriculum for all students through a variety of appropriate strategies. The teachers will facilitate the exploration of values critical to understanding the democratic process.

Arts (Art and Music)

The curriculum will be aligned with State standards and will include dance, drama/theater, music and visual arts. Arts will be integrated into the Humanities block, often as part of Social Studies content. All students, including English Language Learners and Students with special needs, will have equal access to the visual and performing arts core curriculum, with modifications to meet their individual needs. Integrated instruction will be delivered by the regular classroom teacher, as well as by the enrichment staff. State standards, will guide the integration of arts into the curriculum. Through a process of unpacking and prioritizing content standards for the four core content areas, teachers will identify opportunities to integrate the arts into those curricular areas, and will build unit clusters that maximize student exposure to and engagement in the arts.

Variance from Current Program

The Rocketship Public School Model has demonstrated success in improving student achievement in at-risk student populations in San Jose, CA. We believe the basic structure of the Educational Program has been fundamental in our students' success. Two changes that are anticipated as we open schools in Indiana are the integration of Indiana-specific standards outside of the Common Core State Standards and culturally-specific programs. Upon approval of the charter application and green-lighting, the RSO Director of Achievement will lead efforts to ensure that both of these components are integrated into the Rocketship Public School Model so that state and community-specific needs are met.

Pupil Performance Standards

Rocketship Education Indiana (RSIN) is dedicated to ensuring all students succeed at mastery of both Common Core State Standards as well as state specific standards which may not be covered by Common Core. Our curriculum scope and sequence maps are based on Common Core State Standards to ensure a logical progression of learning objectives are presented to our students. RSIN will ensure that all state standards that are not covered under Common Core will be integrated into the education plan. We feel that by creating a backwards plan starting from rigorous, nationally-recognized standards, we are ensuring that our learning standards are both rigorous and streamlined to ensure academic success.

Student Promotion Policies

Rocketship Education Indiana (RSIN) students must demonstrate sufficient mastery of material in all subject areas in order to earn promotion to the next grade. Promotion from one grade to another will be based on the following evaluative criteria:

- Students must achieve a score of 65% or higher on the grade level math benchmark and be at least at DRA level 3 in Kinder, 12 in 1st grade, 20 in 2nd grade, 30 in 3rd grade, 34 in 4th grade, and 40 in 5th grade.
- Students must demonstrate growth on NWEA and state standardized tests.

The above criteria will help Rocketship to identify students that are at risk for retention, but all final decisions will be made in conjunction with parents, and approved by the principal. Promotion Policies will be included in the Family Handbook, which is provided to each family upon enrollment.

Promotions and Retentions of Students with IEP’s: The IEP Team will consider promotion on a case-by-case basis in the event that a student with an IEP does not meet the school determined requirements for progression to the subsequent grade. Factors the IEP Team, including the School Leader, should consider before recommending retention for a student:

- Chronological age (less than 2 years beyond appropriate age of peers for grade level)
- Attendance, including documentation of efforts to track/improve attendance of student
- Grades/grade level assessments, including progress toward growth targets
- Participation in summer remedial program, including such factors as progress toward growth targets, grades, work completion, etc.
- State test scores indicating growth between initial assessment and retake at the end of summer remediation, level of performance in relation to targeted achievement score
- Previous retentions
- Parent permission

School Calendar

Rocketship Education Indiana’s (RSIN) academic calendar will generally follow the academic calendar for nearby public schools. The school year will contain at least 175 instructional days. RSIN parents/guardians will be responsible for sending their children to school and providing an explanation for absences. RSIN will have attendance policies to encourage regular attendance and to report trancies to appropriate local authorities. The attendance policy is articulated in our Parent Handbook, which will be provided upon request.

Bell Schedule and Instructional Minutes

RSIN days will run from 8 a.m. to 4 p.m. For students enrolled in the Response to Intervention Program, RSIN may offer a school day from 8 a.m. to 4:45 p.m. The number of instructional minutes offered for all grades will meet or exceed the State’s requirements. This table delineates subject areas and minutes by grade level.

	Humanities	Math/Science	Learning Lab	Total Daily Minutes
K	200	100	120	420
1	200	100	120	420
2	200	100	120	420
3	200	100	120	420
4	240	100	120	460
5	240	100	120	460

RSIN’s Learning Lab is an integral component to each student’s learning experience at Rocketship. The Learning Lab is supervised by the Assistant Principal and combines online curricula, independent reading, and tutoring (based upon an RtI model) that strengthen basic skills at the appropriate level for each student. This highly differentiated set of instructional methods translates into increased student mastery of basic skills and generates data that teachers can rely on in their own classroom instruction. All aspects of our vision—basic skill mastery, higher order thinking, and personal growth—are reinforced throughout the school day in both classrooms and the lab setting, but our vision is for Learning Lab to complement classroom instruction provide the “lift” in basic skill acquisition and practice so that teachers can focus primarily on higher order thinking and personal growth. Particularly during classroom instruction, we expect Rocketeers to be engaging with rigorous academic content at high levels and pursuing this content with urgency and passion. Please refer to the School Culture section for a glimpse into the day in the life of a second grade student at Rocketship. Below is an overview of how Learning

Lab is integrated into the students’ instructional day. Further detail about Learning Lab will be provided upon request.

	1 st Grade Class 1	1 st Grade Class 2	1 st Grade Class 3	1 st Grade Class 4
1 st Period	Humanities Teacher A	Humanities Teacher B	Math-Teacher C	Learning Lab
2 nd Period			Learning Lab	Math-Teacher C
3 rd Period	Math-Teacher C	Learning Lab	Humanities Teacher A	Humanities Teacher B
4 th Period	Learning Lab	Math-Teacher C		

School Culture

Core Values

Rocketship Education Indiana (RSIN) strives to promote a safe and healthy environment so that all students are able to learn and excel. We believe that students thrive in the security created by shared expectations, consistency and a culture of purposeful and organized urgency. This culture is built upon the foundation of shared expectations and rituals found in the Rocketship 100 culture items. Expected behavior is made explicit through the core values of the school, and is reinforced in every classroom and all common spaces. There is a common language at Rocketship that reminds Rocketeers of the common vision for their success both academically and behaviorally. This foundation is built upon the school’s core values:

Responsibility: In order for students to feel empowered they need to take responsibility for their own education. This means they recognize that their actions have consequences and it is within their power to influence events in a positive manner. Rocketeers are expected to be responsible for their homework, their decisions and their own learning. This value ensures that students are responsible learners and active participants in both creating the culture of and the academic achievement of RSIN. At Rocketship, the goal is not only for students to achieve higher levels of academic success, but also for students and families to recognize their own personal responsibility regarding the success of themselves, their teammates and Rocketship as a whole.

Empathy: In order to ensure a positive sense of self and a respect for difference, we teach our Rocketeers to be empathetic. This means that students learn to think about the world through another’s perspective. Rocketeers are expected to act in a manner showing a great deal of regard for the feelings of those around them. In order to truly teach this intangible skill, Rocketship staff and faculty will model by striving to meet the needs of all students and families and understanding their unique circumstances, and ensuring that students are not only taught but also listened to in a manner that is compassionate and understanding. By teaching our Rocketeers to be empathetic to those around them we are ensuring fewer disagreements that take our focus away from where it should be, student achievement and ultimately shaping individuals who can not only be successful in the world around them, but also respected for how they interact with others.

Respect: In order for students to feel safe we all need to be active participants in creating a respectful environment. This means that students realize the impact they have on the people and places around them. Rocketeers are expected to be respectful to each other, the staff and faculty of Rocketship and their families and communities. It is incredibly important that the students of Rocketship recognize that they are a significant part of an entire community and it is their duty to respect and contribute to this community in a productive and positive manner. By teaching our students the importance of respect we are not only educating them but ensuring a more considerate world for us all.

Persistence: In order to put our Rocketeers on the path towards college very early on, we teach them what it means to be persistent. This means more than hard work, it means never giving up no matter what. Rocketeers are expected to be persistent in their homework, in class, and with any problem solving they should encounter. By developing this skill early on we are unlocking the potential of all our students. There is a long road between Kindergarten and college graduation, but once a Rocketeer knows that we can ALL be excellent with constant effort and persistence, then the barriers begin to fade away. This core value reminds our Rocketeers that success does not come easily, but it does come – through persistent effort.

Whole- School Culture

Rocketeers are exposed to our core values all day, every day. Each day starts with the Rocketship Launch, where all classes gather to say the Rocketeer Creed (our daily promise to live by these core values), and sing a song that highlights one core value per month. Additionally, within classrooms teachers use the language of the core values to recognize positive examples, and redirect student behaviors not in line with the core value expectations for students. Daily, students reflect on their own exhibition of these core values as they fill out their behavior reports and give themselves a score for that day's efforts. This level of consistency allows students to learn to be a Rocketeer very quickly, and builds the skills and mindsets necessary to succeed in middle, high school, college and beyond. Consistency also ensures that all students, including English Language Learners, are included in the school culture and held to the same set of high standards regardless of academic skill level.

By creating a transparent and consistent culture, we have found that students demonstrating unproductive or distracting behaviors are at a minimum. However, we are committed to ensuring ALL Rocketeers succeed both academically and culturally. Thus, we have a clearly articulated behavior and classroom management plan for all teachers.

Students who enter the school mid-year are acculturated by partaking in Rocketship Launch from their first day. New students may also be introduced to a 'buddy student' for their first few days so they can learn school-wide processes and procedures and internalize the Rocketship culture.

A Day in the Life of a Second Grade Student at Rocketship

The student we are shadowing, Jose, has a typical schedule for a Rocketship second grader. He arrives at school at 7:30 a.m. for breakfast. At 8 a.m., Jose begins his day in Humanities class with Ms. Winters. Humanities class lasts 3 hours and 20 minutes and includes Literacy and Social Studies. Ms. Winters organizes her Literacy lessons around Science and Social Studies themes. Right now, they are studying the rock cycle. Jose researches various forms of rock and further investigates the rock cycle using books that Ms. Winters provides. Another member of his group is working on writing up the research in a paper.

After about an hour of research, Ms. Winters gets the whole class together on the carpet to do a read aloud of a book about various types of rocks. In the final hour of class, Ms. Winters breaks the class of 20 students into five groups. Four groups work on centers and one sits with Ms. Winters in a small group. Each center has differentiated options so that each student can feel challenged as they independently practice concepts. In the last centers rotation, Jose spends about 20 minutes with Ms. Winters. This is his favorite time, because they read books together that are exactly at his level. Jose has been able to track his improvement in reading through his progress in Accelerated Reader and on the DRA.

At 11:20 a.m., Jose eats lunch and goes to recess. At 12:00 p.m., Jose goes to Mr. Carman's math class. Jose always loves when they do Speed Math to practice their addition and subtraction, but his favorite part is when Mr. Carman writes a word problem on the board and everyone works in groups to try to

solve it. After whole-group warm up activities, Mr. Carman teaches a whole-group lesson and then breaks the students into groups for centers and small-group work with him.

At 1:40 p.m., Jose goes to the Learning Lab. He focuses on two subjects in Learning Lab: Literacy and Math. He starts with a Math block and when he logs on to the computer, the system puts him into a program called DreamBox. Rocketship Individualized Scheduling Engine (RISE) has selected target standards and skills that are best for Jose to practice during this time using the DreamBox curriculum. When he finishes his work in Math, it's time for Jose to go with his Literacy tutor, Ms. Gonzalez. Most of Jose's classmates stay on the computer doing Literacy programs during this time. Ms. Gonzalez is one of the school's Individualized Learning Specialists, which means that she spends part of her time coaching students who are working on computer programs as well as spending part of her time tutoring small RTI groups. When Jose works with her, he also gets to work with three other classmates: together, they practice sound-spellings that the group is having trouble with and then read a story and retell the important events. This is a skill that Jose needs to master in order to move up on the DRA and he knows that his teacher wants him to be practicing it. Jose has shown tremendous growth due to this regularly scheduled extra practice time.

As part of Learning Lab, Jose also goes to Enrichment Center. Jose has forty minutes to play outside with his friends. Jose also goes to see Coach Jessica, who teaches P.E. Coach Jessica is leading a game of basketball today, and she is also coaching on how to dribble the ball.

At 4:00 p.m., Jose gets picked up by his mom. He loves to work on his homework with his mom after dinner.

A Day in the Life of a Rocketship Teacher

Sally Green is a teacher in the Humanities department, teaching two Humanities classes to Kindergarteners. At 7 a.m. Sally arrives at school to get ready for the day. At 8 a.m. Sally teaches her first Humanities class. Recently, she has been working with her Academic Dean to master Guided Reading, Literacy Centers, and Writer's Workshop, but her students are really starting to make progress. She loves that RISE readily provides data on their literacy performance. It helps her make data-driven decisions about how to group and instruct her students to maximize their achievement. She conducts her whole-class reading lesson based on the current theme of plants. Sally finishes her Humanities class with Writer's Workshop and Guided Reading. In Writer's Workshop, Sally does group writing of a paper on plants and then has the students work independently to create their own illustrations and a couple of sentences about what they have learned in their journals. In the last hour, Sally breaks the class up in the last hour for Guided Reading, using centers and lessons she has created with the other Kindergarten Humanities teacher.

Around 11:20 a.m. Sally eats lunch with her colleagues. At 12:00 p.m. Sally teaches her second Humanities class. She repeats the whole-class lesson from the first class based on the current theme of plants. Sally conducts the same Writer's Workshop as her first class and then conducts Guided Reading based on the levels of the students in this class. Ms. Springer, the Academic Dean comes to her class during Guided Reading to observe. Sally has gotten her Centers working well and is focused on making the most out of the 20 minutes she has with each group of students. Being able to plan one lesson each day is really nice because it lets her spend more time working on individual plans for struggling students.

At 3:40 p.m. Sally is done teaching for the day. It is up to Sally to decide how she uses her time for planning and collaboration. Since she and her Kindergarten Humanities partner are finished planning for next week, she goes home for the day. She loves that the Principal holds her accountable for her planning and collaboration based on deliverables rather than making sure she is at school during certain hours. Every week, the school has one early release day at 2:00 p.m. which gives the staff three hours to analyze

student data and work on professional development in the areas that the staff has agreed they want to focus on.

Supplemental Programming

Rocketship Education Indiana's (RSIN) extracurricular programs contribute to the values and goals of the school by providing more time for basic skills work, the opportunity to explore a variety of art forms, exposure to the rich history of our won city, and the excitement of an overnight camping trip that furthers student learning. Exposure to a broad base of cultural elements and experiences is our goal for extracurricular activities at RSIN. A well-planned program and local field trips expose students to a wide variety of activities and experiences. Extracurricular programming, in concert with a strong school-wide culture, promotes a positive, success-focused school that is supportive of students' mental, emotional, and social development.

Learning Lab Enrichment: As part of Learning Lab Students are exposed to a variety of dance, movement, music, and art experiences, during 30 minute blocks.. This time is devoted to building on the Rocketeer Core Values while strengthening our bodies and talents. In addition to helping out students develop lifelong fitness habits, the PE curriculum is an opportunity for the coach to reinforce students' determination, persistence, and teamwork.

Local Field Lessons: With the knowledge that most of our students have not explored the cultural resources in their city, Field Lessons will expose students to the artistic, academic, and civil life of Indiana. Additionally, we want our students to have the experience of attending concerts, dance performances, sports events, and lectures in order to practice the skills learned inside our school building in the outside environment. Opportunities for outside events will be used to motivate students who will earn their ticket to attend these special events.

Overnight Camps: RSIN intends to provide a unique and important component of RSIN science curriculum by exposing our students to overnight camps. These camps occur in 4th and 5th grades and some occur in grade as well. In order to make this possible, RSIN will work to create partnerships with several nature organizations, in order to expose our students to several important scientific standards and help them gain a deeper understanding of these concepts.

Fees for Extracurricular Activities: RSIN strives to select extracurricular activities that can be covered by the school's budget. If the school community decides to participate in any extracurricular or co-curricular activity that has associated costs that are outside of the school's budget, fundraising activities may be held in order to solicit donations to cover those costs. Under no circumstance will a student be denied participation to any extracurricular or co-curricular activity due to their inability to pay for such activities.

Special Populations

Overview

Rocketship understands that charter schools in Indiana serve as their own LEAS for special education purposes and is familiar with the LEAs obligation to serve all SWDs in currently existing Rocketship schools located in California. As the LEA, Rocketship assumes responsibility, at a minimum, to conduct Child Find, provide compliant evaluations and re-evaluations within mandated timelines, and deliver a Free Appropriate Public Education (FAPE) in the Least Restrictive Environment (LRE). Rocketship holds high expectations for the success of all students and is committed to promoting a school culture in which "all staff embraces all students," the most important tenet underlying the success of SWDs and struggling students.

Application and Enrollment Policy

Rocketship schools abide by all civil rights and applicable laws during the student enrollment process; do not consider disability or non-disability status during either the application or enrollment process; and do not engage in “counseling out” tactics to dissuade parents of students with disabilities (SWD) from applying. Admission is based solely on availability of student enrollment space in a “general education” classroom. Following the public random drawing, students who are not awarded one of the open enrollment spaces are placed on a wait list, in the order in which they have been picked at the drawing for acceptance during the school year.

Rocketship charter schools strive to achieve a student population that is comparable to the community population in which the schools are located. Rocketship realizes the great level of need that students in the Indianapolis area will bring as they enroll and is committed to a system of early identification and support toward prevention and increased academic achievement for all students.

Students with Disabilities

Identifying Students with Disabilities

Rocketship schools engage in ongoing Child Find activities, including locating, evaluating and identifying students with disabilities both applying and enrolling in Rocketship schools. Rocketship publications and marketing materials contain information about Rocketship’s commitment and policy to identify and serve all students, including struggling students who could need more intensive support to access the general education curriculum.

Tracking and Retrieving Records

In addition to informing parents and the community through marketing materials and publications, Rocketship searches city and state level databases to track, access, review, adjust as necessary, and implement all IEPs within 30 days of enrollment. Rocketship ensures general education teachers are provided with the IEP goals and objectives and accommodations and modifications that they are responsible for addressing in general education classes.

Early Identification

Rocketship conducts a continuous and proactive effort to identify students with special needs and meets all requirements mandated by IDEA 2004 and Indiana’s State Board of Education Special Education Rules, Title 511, Article 7, Rules 32-47 (Article 7). Rocketship provides to parents a user-friendly information sheet describing ways to access services at enrollment and makes information about early identification available for parents in the school office throughout the school year.

Staff receives intensive training before school opens on Child Find responsibilities and activities, including functions of the school building level team; RtI processes/procedures; screening requirements; and referral for evaluation by teachers, parents, agency representatives, and other qualified professionals. Rocketship schools honor both verbal and written requests for an evaluation of a student and convenes the IEP Team, as appropriate, to determine next steps and/or develop a Student Evaluation Plan for tests and measures needed to assess a student in all areas of suspected disabilities and to secure parent permission to begin the evaluation process.

Pre Referral activities: Comprehensive and Coordinated Early Intervening Services (CCEIS) & Response to Intervention (RtI)

Rocketship recognizes that the reauthorization of Article 7 that went into effect in August 2008 places expanded emphasis on parent participation in both the early intervention and special education processes. Including parents as equal partners in all phases of intervention is underscored by the Indiana State Board of Education’s Family Involvement Policy which states: “Our vision for the education of Indiana’s students centers on the understanding that family involvement is crucial for the academic achievement of every child.” Parent involvement and satisfaction continue to be priority focus points for the State

Superintendent who has currently distributed a state-wide survey for parents to provide input on the primary issues challenging special education from the family perspective.

Rocketship Education Indiana (RSIN) charter schools will comply with Article 7 by establishing a school level team in each school who will be responsible for implementing a process of “Comprehensive and Coordinated Early Intervening Services” or CCEIS. Chaired by a knowledgeable educator or social worker and comprised of an administrator(s), general education teacher(s), math and reading literacy specialists, school nurse, social worker, parent, student, as appropriate, and clinical providers, special education teacher(s), and agency representatives, as needed. The CCEIS team will work cooperatively to empower students, parents, teachers and school leaders to support student success in school by:

- reinforcing and promoting high expectations for academic achievement and meaningful interventions and teaching strategies through RtI processes; and
- addressing the physical health problems and psycho-social and mental health concerns that may represent barriers to student learning, social awareness and resiliency.

Rocketship’s RtI system identifies struggling students, including SWDs suspected of having another disability, and provides referred students dedicated targeted, supplemental instruction. The CCEIS team oversees a problem solving process that facilitates the analysis of student concerns presented by school leaders, teachers, counselors and clinicians, the nurse, other school staff, parents, and social service agency representatives.

Rocketship’s RtI process has been designed as a system of interventions that are closely aligned with the hybrid model of individualized instruction and guided by student outcome data. The CCEIS team monitors Tier I interventions; drives the cooperative development, case management and documentation of Tier II interventions; and proactively recommends, monitors and graphs Tier III interventions for students unresponsive to less intensive strategies.

Rocketship’s model for academic RtI intervention starts with daily in-class interventions such as Small Group Instruction, Guided Reading, Centers, and Writer’s Workshop. Monthly Formative Assessments and progress monitoring inform the need for Tier II interventions such as teacher analysis with specialist consultation and support; changes in classroom practice; more intensive small group and individual interventions using secondary, scientifically-based tools and materials; and Learning Lab Intervention strategies, which could include changes in methodology, design or delivery of learning.

Rocketship’s model for behavior interventions start with a carefully crafted, school-wide “Code of Classroom Conduct”, school-wide positive behavior guidance and management support, standard classroom management plan, and tracking/monitoring of absenteeism and tardiness. Rocketship offers specific programs, strategies and group counseling designed to promote mental health wellness and prevention of threats of violence, bullying, peer conflicts within the classroom and school, gang related conflict, drug and alcohol abuse, unhealthy sexual behavior and pregnancy, and inappropriate use of technologies.

Rocketship conducts clinical screenings of socio-emotional/behavior functioning and tracks intervention outcomes through graphed presentation of individual student performance as compared to peers.

Rocketship’s model for medical and physical health interventions includes plans to apply to become a Medicaid eligible provider and begins with nursing services that support immunizations for all students, in-school medical treatment, medication disbursement and monitoring, and vision and hearing screenings. Rocketship will develop and monitor student health plans. Rocketship is proactive in identifying and addressing school-wide health concerns through programs and counseling groups.

Evaluation in All Areas of Suspected Disabilities

When RtI interventions are not effective, the school will provide the parent(s) with written notice that their student has not made adequate progress, despite the additional support, and ask for the parent(s)' consent to conduct an educational evaluation. If written consent is provided, the school's multidisciplinary team (M-Team) will conduct a comprehensive educational evaluation and convene the Case Conference Committee (CCC) within 20 days from the date that parental consent was given in accordance with the timeline regulations contained in Article 7. The CCC will determine whether or not the student is eligible for special education and related services based upon the evaluation results and other information.

The M-Team will conduct the educational evaluation using appropriate and nondiscriminatory assessment tools noted in Student Evaluation Plans developed in a meeting by CCEIS team members including the parent, IEP Team personnel, and the Special Education Coordinator. The CCEIS team provides the M-Team with all requisite screening, academic, behavior, and health information in addition to RtI interventions and outcomes to ensure holistic and comprehensive assessment of student needs within mandated timelines.

Rocketship will engage an employed social worker and contract clinical providers during the start-up year to serve as members of the CCC. Rocketship's CCC, designed to comply with the requirements set forth in Article 7, will be chaired by a special education teacher or the Special Education Coordinator. The CCC composition includes parents, general educators, the school leader/designee, the LEA representative, clinical providers, and others with specific knowledge of the student as indicated.

Rocketship expects CCC members to increase opportunities for special education student success, respect and consider the input of teachers and other clinicians and specialists, remain engaged in thoughtful problem solving, and share responsibility for meaningful special education outcomes. The CCC ensures parents are provided information about their rights and makes both students and/or parent(s) feel welcome, comfortable, and respectfully accepted as full partners in developing a meaningful IEP and implementing educational instruction and services. Rocketship conducts parent surveys throughout the course of the school year to determine level of satisfaction with special education evaluation and services.

Serving Students with Disabilities (SWDs)

An Integrated Service Delivery System

Rocketship organizes special education program and services to provide integrated service delivery in each school. The integrated service delivery approach requires schools to align educational services for students with special education needs within existing structures (grade levels, groupings, looping, Learning Lab, etc.) rather than exclusively through special and segregated programs. Special and general education teachers work collaboratively to bring appropriate instructional supports to each child in the general school setting. Rocketship delivers specialized instruction and support based on culturally relevant differentiation and instruction through universal access of content-driven curriculum.

Rocketship schools promote school-wide understanding that the majority of special education students have the same cognitive potential their general education peers do and can and should meet or exceed academic standards. General education teachers are expected to take ownership of the academic success of both general and special education students without discrimination.

The Special Educator as Technical Expert and Case Manager

Rocketship employs qualified special education teachers, who serve as technical experts in inclusion classes and Learning Lab. The special educator as technical expert model has been proven effective in high performing schools where both general and special education students are achieving AYP. The model centers on the special education teacher, who also serves as the case manager directly responsible

and accountable for ensuring the academic progress, individual case compliance, and provision of FAPE for no more than 15-18 special education students. All other special education staff, providers and consultants wrap support and expertise around the teacher/case manager, make tools and resources readily available, and remove barriers hindering student achievement and success.

Special educators/case managers strive to educate SWDs in the least restrictive setting, co and team-teach in general education classes as needed, consult to school staff, train and empower general education teachers to modify lesson plans, advise staff on behavior management techniques, and ensure accommodations are implemented (during school and at Rocketship extra-curricular activities such as field trips, etc.) and adjusted as students become more proficient. Most importantly, special educators will monitor student achievement through benchmark assessment analysis, monitor attendance and discipline incidents and teacher input, and proactively call for additional support when a student's needs are not being met.

The teacher/case manager, supported by the Special Education Coordinator and related service providers, is expected to lead the IEP Team in implementing and updating meaningful IEPs based on accurate and qualitative Present Levels of Performance (PLOPS), curriculum-based indicators of classroom success, and learning strengths supporting continuing progress in the least restrictive setting. The teacher/case manager reports progress each advisory period, assumes responsibility for updating and maintaining compliant student files, enters data into the state level reporting system, collects a portfolio of student work demonstrating achievement of IEP goals, communicates regularly with parents, provides continuous feedback to students, relies on advice and support from the clinicians and consultants, and refers to the CCC to help reinforce and/or redirect individualized programming.

Continuum of Instruction Options

In addition to wrap around support in general education classes, Rocketship provides SWDs flexible instructional opportunities that include large group, small group, and one-to-one instruction for students with more significant needs in the Learning Lab. Special educators provide or work with reading and math specialists and Learning Lab tutors to provide a continuum of instruction options for all struggling students. Special educators integrate the benefits of on-line learning opportunities for students with disabilities- the materials and delivery platforms, through full access to Rocketship's hybrid instructional model.

Special educators collaborate with general educators to provide struggling students with both push-in and pull-out support to pre-teach or re-teach lessons in core subject areas, fill in learning gaps, build compensatory strategies, promote effective study and organization skills, and remediate deficit skills using the Learning Lab as well as alternative scientifically-based instructional methods and tools to supplement the Learning Lab tools when necessary.

Rocketship provides resource support for students whose needs require specialized instruction 40% to 79% of time in school per hours mandated on IEPs; qualified special educators and well-trained paraprofessionals work together to provide support for students with IEPs mandating intensive services (in regular education less than 40% time in school).

Integrated Clinical Service Delivery

Rocketship will contract with certified/licensed clinicians to provide speech and language services, occupational and physical therapy services, counseling services, and vision and hearing services, as needed to address IEP goals for related services. Rocketship will also contract with clinical evaluators to provide educational evaluations to determine initial and on-going eligibility for special education. Rocketship will hire a licensed, certified social worker and a trained Behavior Intervention Case Manager (BICM) to provide counseling and in-class behavior support for SWDs with socio-emotional and

behavior goals on IEPs, conduct functional behavior assessments, and develop and monitor Behavior Intervention Plans in collaboration with special educators/case managers.

Rocketship expects both employed and contracted clinicians to integrate therapeutic services within the hybrid model, collaborate closely with special educators/case managers, maintain positive communication with parents, consult to general education teachers on classroom strategies, and stay abreast of best practice research. Rocketship is developing clinical standards of practice to guide providers in writing IEP goals based on current assessment data, reporting on progress achieving specific goals, reporting on session content, and aligning service delivery with classroom lesson content. Most importantly, Rocketship's special education coordinators and teachers/ case managers monitor clinical service delivery to ensure therapeutic outcomes are transferred to practical classroom application.

RSIN charter schools will expect the school social worker to establish collaborative community connections to family, child welfare and court agencies that provide family outreach and mental health supports. Rocketship staff will establish processes and procedures to access emergency psychiatric interventions and psychiatric consultations as needed.

Progress Monitoring

Rocketship's reliance on frequent benchmark assessments to ascertain early, actionable insights into students' strengths and weaknesses empowers special educators to monitor and track the academic progress of SWDs. The Teacher Dashboard, currently being developed by Rocketship, will broaden the performance management information available to teachers in driving academic growth. Special educators analyze performance data, including behavior indicators, to inform any changes needed to the IEP and/or recommendations for targeted program adjustments and enhancements.

Special educators/case managers and clinical providers use performance data and student portfolio samples to write quarterly progress notes detailing progress made toward achieving IEP goals and objectives and write annual IEP goals. In addition to the Annual Review meeting, Rocketship's CCC convenes quarterly to discuss student performance with parents and students.

Special education/case managers, in collaboration with general education teachers, begin their school year with a home visit to all students on their caseload. Education Specialists are available and in contact with parents by e-mail, phone and home/school communication notebooks on a regular basis throughout the year.

Program Budget and Staffing

Rocketship's special education budget is based on the number of SWDs enrolled and their eligibility classifications as funded through the special education funding allocations. In addition, Rocketship will apply for IDEA Part B funding to support special education in areas identified by Indiana's State Improvement Plan.

RSIN will hire a Special Education Coordinator (SEC) to serve on the school's management team, advocate for special education students and staff, and supervise the special education service delivery system. Rocketship's SEC will assume ultimate accountability for the academic success of SWDs, program compliance, and state level special education reporting requirements. The SEC, in collaboration with the special education team, will also responsible for ensuring parents are informed of their due process rights and promote Early Dispute Resolution strategies in cases of disagreement and conflict including use of the Facilitated IEP, Mediation and the right of parents to use an IDEA State Complaint. Aware of the significant administrative, documentation and compliance –related responsibilities of special education, the SEC will not carry a student caseload if and when the special education population exceeds 25 to 30 SWDs.

Rocketship will hire enough certified (or in certification process) special educators/case managers to support robust ISD program; adding teachers as the number of SWDs increases after the start-up year. In addition to the SEC and special educators/case managers, Rocketship's special education team will include a credentialed social worker and/or school psychologist, a behavior intervention case manager (probably during year two as the population of SWDs increases), and instruction assistants/paraprofessionals.

Para professionals, as needed, will be responsible for providing individual and small group instruction for students with special needs, students with typical learning needs, students with behavioral needs, and students with emotional needs in the general education environment including, but not limited to: the classroom, recess, the lunch area, and learning lab during RtI or in the classroom setting.

Students with Section 504 Plans

As not all children will qualify for SPED services, Rocketship follows Section 504 of the Rehabilitation Act of 1973 and Title II of the Americans with Disabilities Act (ADA), where discrimination is prohibited based on a disability. Any student, who has an objectively identified disability, which substantially limits a major life activity including, but not limited to learning, is eligible for accommodation(s) by the school.

Students suspected to be in need of accommodations are referred to the CCEIS team, which serves as the 504 Team, for assessment of needs and interventions. The CCEIS team will include the parent/guardian, the student (where appropriate) and other qualified persons knowledgeable about the student, the meaning of the evaluation data, placement options, and accommodations. This team reviews the student's existing records; including academic, social, and behavioral records, and is responsible for making a determination as to whether a recommendation for 504 services is appropriate.

If the student has already been evaluated for special education but found ineligible for special education instruction or related services, the CCC will refer the student back to the CCEIS team with those evaluations to determine eligibility under Section 504. The CCEIS team is responsible for maintaining 504 files that contain the checklists and information required supporting a student's need for a 504 Plan. The CCEIS team is responsible for informing teachers of 504 accommodations and updating the 504 Plan annually with current data and teacher input.

Transportation for Students with Disabilities

Rocketship will provide transportation to any student if required by a written statement in the student's IEP, and only with the written consensus of the IEP team as needed, for any eligible child to and from school and all school related activities. Rocketship will contract with a transportation service provider to fulfill these portions of the IEP. A transportation assessment will guide the determination.

Students with Limited English Proficiency

Rocketship schools are experienced in addressing the needs of students with English as a second language. Staff carefully considers the cultural and instructional needs of students with English as a second language and makes available to parents and students, as appropriate, verbal and written translation of all materials, notices, documents, reports and communications. Assessments are conducted in a student's native language, or with translation as appropriate, whenever a student's English language development level may require such assessment in order to better understand a student's learning needs.

Rocketship follows all applicable laws in providing general education instruction and special education services to eligible ELL students, as well as ensuring parent procedural safeguards. Staff monitors student progress, evaluates program effectiveness on an ongoing basis, and ensures appropriate practices for re-classification to fluent English proficient status. ELL students at Rocketship school are served in

the general education classroom with appropriate small group instruction and individualization in the classroom or the Learning Lab to support developing English proficiency and academic growth.

Intellectually Gifted Students

The Rocketship Public School Model's focus on individualized instruction inherently meets the needs of intellectually gifted students. Research shows that high-ability learners see a positive impact on their academic achievement as well as social-emotional development when provided with opportunities for accelerated learning experiences (Steenbergen-Hu and Moon, 2010). Because of differentiated in-class instruction as well as differentiated online instruction, intellectually gifted students are continually presented with opportunities to learn, grow, and feel academically challenged at Rocketship. In-class differentiated instruction manifests in a variety of instructional practices that are supported through region-wide professional development and are a topic of discussion during one-on-one coaching meetings. All students participate in guided reading groups with their classroom teacher, during which intellectually gifted students are able to use higher-order thinking when discussing on-level literature with their teacher and similarly leveled peers. Additionally, all Rocketship students in their final year complete an Extended Analysis Project prior to leaving for middle school. For this project, students have the opportunity to work with a one-on-one adult mentor to conduct research and analysis on a topic of their choice. Historically, intellectually gifted students have thrived during these projects because their teachers and mentors are able to push their thinking on a particular topic and they are given the opportunity to develop and articulate their stance on this topic.

Another important way in which Rocketship addresses the needs of intellectually gifted students is through the suite of adaptive online programs offered during Learning Lab. Providing gifted students with academically challenging curriculum fosters improved academic results for these students (Delcourt et. al, 2007). For example, Raymond is a second grader and has continually demonstrated advanced math abilities during his time at Rocketship. Due to the adaptive nature of Dreambox, an online math program currently in use during Learning Lab, Raymond has successfully completed the primary section of the program, which covers standards through the middle of third grade. The Rocketship Individualized Scheduling Engine (RISE) has provided this data to his math teacher so they can push him further during independent practice and extension in the classroom and Raymond has been automatically enrolled in the intermediary DreamBox section to continue on his learning path. Due to the individualized nature of adaptive online learning programs used during Learning Lab and teacher's ability to identify student mastery in particular standards through RISE, our most advanced students can accelerate their learning at a pace that is most relevant to their particular needs. Please see Instructional Design and School Schedule sections for further details about Learning Lab.

Student Recruitment

Rocketship Education Indiana (RSIN) shall strive to achieve a student population from Indianapolis which understands and values RSIN's mission and vision statements and is committed to RSIN instructional and operational philosophy.

No test or assessment shall be administered to students prior to acceptance and enrollment into the Charter School. The school shall be nonsectarian in its programs, admission policies, employment practices, and all operations, shall not charge tuition, and shall not discriminate against any student on the basis of actual or perceived disability, gender, nationality, race or ethnicity, religion, sexual orientation, or any other characteristic that is described in state law or association with an individual who has any of the aforementioned characteristics. Admission to the Charter School shall not be determined by the place of residence of the student, or of his or her parent or guardian, within the State, except as provided in state law.

The application process only involves the completion of a student interest form, which includes basic student and family identification information for the purposes of entry into public random drawing. Upon selection for admission pursuant to public random drawing, the registration process will include the following:

- Student enrollment form which contains student name, address, and other identifying and demographic information
- Proof of Immunization
- Home Language Survey
- Completion of Emergency Medical Information Form
- Proof of minimum age requirements, e.g. birth certificate
- And other documentation as required by State law

RSIN feels strongly that success for students requires a commitment from both students and parents to the mission and vision of RSIN as set forth in the Charter. During the registration process, all parents or guardians shall be asked to sign a Commitment Letter indicating they understand RSIN philosophy, program, and volunteer policy. Students will not be denied admission or dis-enrolled for failing to sign the Commitment Letter. Upon enrollment, all families will receive a copy of the Parent Handbook.

RSIN shall admit all students who wish to attend the Charter School subject only to capacity. Applications will be accepted during a publicly advertised, open application period each year for enrollment in the following school year. Following the open application period each year, applications shall be counted to determine whether any grade level has received more applications than availability. In the event that this occurs, RSIN will hold a public random drawing to determine enrollment for the impacted grade level, with the exception of existing students (2nd year forward) who are guaranteed enrollment in the following school year.

Enrollment preferences in the case of a public random drawing shall be allowed in the following order of preference:

1. Currently enrolled students
2. Siblings of currently enrolled students
3. Other eligible residents of Indiana

Students qualifying for more than one preference group will be considered part of the highest preference for which they qualify. At the conclusion of the public random drawing, all students who were not granted admission due to capacity shall be given the option to put their name on a wait list in the order of their draw in the public random drawing. This wait list will allow students the option of enrollment in the case of an opening during the school year.

Non-Discrimination

RSIN shall strive, through recruitment and admissions practices, to achieve a racial and ethnic balance among its students that is reflective of the general population residing within the territorial jurisdiction of the City of Indianapolis.

RSIN will implement a strategy that includes, but is not necessarily limited to, the following elements or strategies which focus on achieving and maintaining a racial and ethnic balance among students that is reflective of the general population residing within the territorial jurisdiction of the City of Indianapolis. The strategy includes printing and distributing materials in English, Spanish and other languages reflecting the needs of the community, and:

- An enrollment process that is scheduled and adopted to include a timeline that allows for a broad-based application process.

- The development and distribution of promotional and informational material that reaches out to all of the various racial and ethnic groups represented in the territorial jurisdiction of the City of Indianapolis.

Outreach Activities for Spanish Speaking Families

As part of outreach to Spanish speakers, RSIN provides:

- Flyers in both English and Spanish about upcoming RSIN meetings
- General information sheets, and other key documents, including the school vision and mission statement in Spanish
- Information in Spanish on the Rocketship Education website
- Spanish translators at all general meetings

RSIN will analyze the success and/or weakness of its outreach initiatives. RSIN shall utilize the data from the programmatic audit to make any necessary revisions to the Outreach initiatives.

Student Discipline

All of our teachers are trained in the behavior management style of Lee Canter, utilizing behavioral narration in order to redirect off-task students. Behavioral narration provides an off-task student with explicit examples of expected actions and helps to redirect the student in a non-confrontational manner. If behavioral narration fails to redirect the student, teachers then have a quick check-in with the student, giving immediate feedback and another opportunity to follow directions. Our teachers also employ a school-wide classroom management tool, the Rocketship clip chart system in order to promote school-wide behavioral expectations. These behavior management initiatives contribute to Rocketship’s school-wide culture of high expectations, reinforcing the idea that a student is held to the same high standards throughout the entire school day.

In extreme instances, students may be referred to the Student Action Team (SAT) where teachers can collaborate with their peers to create targeted behavioral interventions. If the student continues to exhibit problem behaviors after these interventions, they may be referred for an Student Support Team (SST) meeting. Please refer to Attachment 15 for further details outlining Rocketship’s discipline policy.

PARENTS AND COMMUNITY

Demand for Rocketship Schools

Rocketship Education Indiana (RSIN) has met with several community-based organizations—including Stand for Children Indiana, Teach for America Indianapolis, 100 Black Men of America - Indianapolis, and the Indiana Public Charter Schools Association—to gain a sense of the demand for the Rocketship Public School Model in Indianapolis. Based on current student achievement results in Indianapolis and our historical enrollment trends in communities with similar need, we feel confident that we will meet or exceed enrollment projections for the network in Indiana.

Parent Engagement

One of the most important lessons related to successful school openings that Rocketship has learned from opening schools in San Jose, California is about how best to engage parents and stakeholders and mobilize community support. A new charter school can evoke a mix of hope and anxiety from targeted school communities. While parents are eager for high quality school options, many are skeptical of a new provider and its intentions. To mitigate these concerns, Rocketship Education Indiana (RSIN) is committed to communicating transparently and respectfully with the community from the onset, as both customers and partners. If the RSIN application is approved, and once a takeover facility is identified, RSIN staff and leadership will aggressively canvas and engage the community. Staff will hold a series of open meetings for parents and community members – after school and on weekends. In addition, the

organization will sponsor community outreach nights so parents and community members can be informed of the new vision for this school.

As RSIN is being established to serve the needs of the students and their families, there are a number of ways that parents may participate in the leadership of the school. RSIN will encourage parents to create a Parent/Teacher Council ("PTC") to facilitate communication among parents, teachers and the Board as well as to promote cultural and social activities within the school community. The PTC will:

- Serve as a forum for the discussion of matters of interest and concern to the parents of RSIN students;
- Act as a communication channel between the parents and other interested individuals and groups, both within and outside the school community;
- Coordinate and sponsor committees, clubs and other activities that enhance the intrinsic value of RSIN and contribute to the fulfillment of its mission. These committees will work with various bodies within RSIN, providing support activities as appropriate;
- Coordinate PTC fundraising activities to support any special programs outside of the Rocketship Model and oversee the allocation and disbursement of funds raised by the PTC; and
- Report as needed to the RSIN Board of Directors at its regular meetings and provide ongoing advice to the Board as requested by the Board or deemed necessary by the PTC.

Additional Opportunities for Parent Involvement

Parents, students and teachers meet regularly to plan and assess the student's learning progress and determine goals. In addition, other parental involvement opportunities include:

- School and staff evaluations: parents fill out a survey each year evaluating the strengths and weaknesses they identify with the program to be reviewed by staff and faculty for consideration of ongoing improvement of RSIN.
- Volunteer opportunities: the Principal(s) will maintain a list of various opportunities for parents to volunteer at RSIN. As part of the Commitment to Excellence, families are asked to commit to 30 hours of volunteer time per year. While this commitment is not a requirement, it is strongly recommended as a method to foster family-school partnerships. In order to fulfill their commitment, parents have the opportunity to help in classrooms, lead extracurricular activities, assist in event planning, attend field trips and serve on parent committees.
- Fundraising: parents and community members work with RSIN to raise additional resources to support students and the school program.
- Advocacy: parents and community members communicate the school design and outcomes to the public, educators and policy makers and advocate for necessary policies and resources..

Community Resources

RSIN intends to partner with various community-based organizations in order to provide parents and students opportunities to enrich student learning. Following green-lighting, the Director of Community Development, in concert with other RSO staff, will research and develop relationships with potential partner organizations. For example, our existing schools in San Jose, CA have partnered with the local YMCA to provide enrichment programming during Learning Lab and after school. Once the location of the school is identified, the Director of Community Development will be able to identify organizations and services which each specific community will benefit from.

PERFORMANCE MANAGEMENT

Rocketship Education Indiana (RSIN) is dedicated to documenting student achievement of the state content standards each year through state-mandated student assessments. As is required by state law, students will participate in state standardized testing and all other mandated accountability programs. Through these assessments, RSIN shall demonstrate student mastery of Common Core State Standards

and any state standards not included by the Common Core State Standards. Standardized assessments allow us to compare our students' performance with the rest of the state. In the absence of a State mandated test in any year, RSIN may administer another nationally standardized test. In addition, the Charter School may provide internal learning performance accountability documentation. This internal documentation may include, but is not limited to: scores from the DRA, Individual Education Plan (“IEP”) goals, Accelerated Reader, State standardized reading test, Individual Learning Plan (“ILP”) goals, and other methods by which student progress may be assessed.

Assessment Assumptions

Our assessment methods are based on the following beliefs:

- In order to have a complete picture of a student’s growth, differentiated assessment methods must be used. Assessments for individual students should focus on individual mastery of specific content standards and learning objectives.
- There should be an appropriate relationship between a desired student outcome and the means used to assess it. Assessments should be aligned to the prioritized standards and student objectives.
- Assessment should promote and support reflection and self-evaluation on the part of students, staff, and parents.

Primary Interim Assessments

	Core Local Measures For All Years of School Operation:	Description of Outcome
National Assessments	NWEA: MPG (Northwest Evaluation Association: MAP for Primary Grades)	Grade-level literacy and math skills proficiency based on national norms
	NWEA: MAP (Northwest Evaluation Association: Measures of Academic Progress)	Grade-level literacy and math skills proficiency based on national norms
Literacy	DRA 2	Reading fluency (accuracy, speed, use of expression) and comprehension
	CORE Phonics Survey	Letter identification and basic phonics skills
	High Frequency Words (Sight Words)	Ability to identify high frequency (sight) words that occur in texts.
	Rocketship Writing Assessment	Ability to write at grade level (rubric based on 6+1 traits: ideas, organization, voice, word choice, sentence fluency, conventions, presentation)
Math	Rocketship Math Benchmark	Aligned to Common Core standards for Mathematics.
	Rocketship Math Unit Assessments	Based on key skills from each unit of instruction

Measuring Student Progress

Because of the importance of data to our RtI model, RSIN will be a data-driven school. RSIN uses RISE and the Data Analysis Form as outlined below. State standardized test data and data from the NWEA MAP assessment will be used at the beginning of the year to help teachers understand the baseline achievement of their students along with specific areas of strength and weakness. To correctly assess whether students are on track to make significant gains during the year, we will administer the NWEA assessment in September, January, and June of each year, as well as conducting additional bi-monthly

assessments of each student in Reading, Writing, and Math. Following are the current methods we plan to use to assess students. Our Reading assessment is based on DRA. Our Writing assessment is a rubric at each grade-level based on Six Traits. Our Math assessment is designed internally with a bank of questions derived from our focus standards at each grade level. We are currently working to correlate the NWEA assessment and these internal assessments with performance on end of year state standardized test and ELL testing to correctly measure progress and give teachers detailed data about areas in which each student needs improvement.

The staff will be trained on how to interpret test data, and will be engaged in critical analysis of the data in order to determine how the school can address any performance deficiencies or negative data trends. The data analysis will be tied to professional development on instruction, so that teachers can enhance their understanding of student performance in light of normative data, and modify their instructional designs accordingly. In this way, staff will continuously be challenged to rethink current pedagogical practices to meet the changing needs of students.

Use and Reporting of Data

As discussed further in the professional development section, teachers will spend much of their time developing the expertise to use data to understand student challenges and then to develop the skills they need to individualize instruction and overcome these challenges. Monthly student data will be used for early identification of at-risk and high-performing students.

Student progress towards skill mastery will be documented three times annually in standards-based report cards. In addition to the standards-based report card items, we add summary metrics in Humanities and Math/Science based on our bi-monthly assessments to aid parents in understanding where their children are on the path to reaching or exceeding grade level proficiency. Parent-teacher conferences will be held at least once per school year and more often on an as-needed basis. Teachers will share students' academic, social, and emotional progress with parents. Upper grade students will be given the opportunity to participate in conferences to reinforce their participation in the learning process. Additionally, the school will report student results regularly to the authorizer and state.

Student assessments are designed to align to the mission, exit outcomes, and the curriculum described in the charter. RSIN collects annual data from the assessments listed above and will utilize the data to identify areas of necessary improvements in the educational program.

The RSIN planning team has familiarized itself with the academic reporting requirements of the Charter School Review Committee and is prepared to provide that information and use the data in making decisions about organizational change and student learning. In addition to the required reporting to the Charter School Review Committee, RSIN will develop an annual performance report based upon the data compiled. The report will also include:

Summary data showing student progress toward the goals and outcomes from assessment instruments and techniques as described in this section. This data will be displayed on both a school wide basis and disaggregated by major racial and ethnic categories to the extent feasible without compromising student confidentiality. RSIN shall comply with all state and federal public records laws and regulations.

A summary of major decisions and policies established by the Board during the year include:

- Data on the level of parent involvement in RSIN governance (and other aspects of the school, if applicable) and summary data from an annual parent and student satisfaction survey.
- Data regarding the number of staff working at the Charter School and their qualifications.
- A copy of the Charter School's health and safety policies and/or a summary of any major changes to those policies during the year.

- Information demonstrating whether RSIN implemented the means listed in the charter to achieve a racially and ethnically balanced student population.
- An overview of RSIN admissions practices during the year and data regarding the numbers of students enrolled, the number on waiting lists, and the numbers of students expelled and/or suspended.
- Analyses of the effectiveness of RSIN internal and external dispute mechanisms and data on the number and resolution of disputes and complaints.
- Other information regarding the educational program and the administrative, legal and governance operations of RSIN relative to compliance with the charter generally.

Network-Wide Performance

The Regional Director of Achievement will own the data collection for each school in the network and will be supported by the Academic Dean. This data will be reviewed annually by the board and be one of the main indicators of network health. Student progress towards goals will be one of the major considerations as to green-light additional schools in the region.

Information Management System: Rocketship Individualized Scheduling Engine

Rocketship Individualized Scheduling Engine (RISE) provides a unified “view” into each student’s academic performance, and consists of a dashboard of student progress for each student. RISE tracks progress based on Common Core State Standards, and allows educators to:

- Identify a student’s specific learning challenge early, by assessing the student’s mastery relative to predefined goals.
- Quickly drill down to identify the underlying skills deficits which are preventing mastery.
- Review and coordinate the student’s progress in mastering basic skills in Learning Lab.
- Facilitate communications and updates between teachers, Learning Lab staff and tutors, on the student’s progress – in the classroom, in Learning Lab and in tutorials.
- Provide more data-rich ways to evaluate and improve teacher effectiveness.

By using RISE, teachers can augment their important classroom work – instruction, guided practice, and critical thinking skills enhancement – with targeted and individualized independent practice, assessment and remediation that occurs in Learning Lab, with homework and with tutors (as needed).

Both educators and students benefit in multiple ways from RISE. First, since all educators are using the same consistent interface to assess, prioritize, monitor and manage student learning, teachers can make collaborative, more fully informed decisions about each student’s individual learning needs. In addition, use of RISE as the repository for a student’s Individual Learning Plan ensures that each student’s out-of-class time is maximized to address his / her own individual learning needs. Finally, the students benefit from having the perspective and collaboration from multiple educators to boost their academic progress.

Key benefits of RISE include:

- Real-time feedback on student progress. Real-time assessments – from tutors, Learning Lab, from online curricula and external online assessments – are available for teachers to track and prioritize each student’s progress.
- More effective lesson planning. RISE information gives teachers useful content and context for planning lessons based on students’ current levels, enabling teachers to re-allocate instruction time for key topics, and regroup students based on mastery, as appropriate.
- Data-driven assessments of teacher effectiveness. Teachers and administrators have access to more assessment data. With more ways to assess students, teachers gain more insights into the effectiveness of their teaching methods and practices.

Using RISE on Data Analysis professional development days, teachers at Rocketship Education are able to fully analyze their student achievement data and progress. Moreover, following this analysis, they are quickly able to find solutions and next steps involving the multiple resources (tutors, online curricula, in-class interventions, focusing on a particular instructional objective with the Academic Dean, etc.).

Data Analysis Professional Development

A key component of professional development at Rocketship Education involves Data Analysis. At Rocketship Education, interim assessments are given every eight weeks. Following these assessments, the teachers, Academic Dean, and Principal at Rocketship Education have a full day of professional development that is focused on the analysis of the interim assessment data. The teachers are able to review their assessment data in multiple manners, which include RISE, Assessment Walls, and the Data Analysis Form. Please see the Professional Development section for more information about how data analysis is integrated into professional development opportunities for teachers and school leaders.

Corrective Action Plan

During each year of operation, RSIN expects to meet targets and metrics that are mutually agreed upon by Rocketship Education and ICSB. Additionally, our internal goals include ambitious student achievement targets that exceed the state expectations for growth in the first year. We expect to meet our own internal and external goals in our first year of operation and continue to see significant growth each year thereafter. Because of a well-organized use of backwards planning with clear and measurable goals in all areas of operation and curriculum, we thoroughly expect to see results that will recognize RSIN as a leader and role model of academic excellence. In the event that our school does not meet our own internal goals and standards for student performance, we will immediately take corrective measures, utilizing all resources (the board of directors, theory, research, and faculty/staff input) to re-focus ourselves on our vision and mission thus taking action to make the necessary changes to produce desired results. A detailed corrective action plan will be provided upon request, but some possible turn around measures include:

- Conduct a self-study to identify the school’s most pressing needs
- Adopt a research-based reform program
- Organize school into small learning communities
- Create incentives for students to study and achieve
- Schedule change
- Move toward full interdisciplinary instructional programs
- Establish a safe and orderly learning environment
- Work to ensure that all teachers are fully certified and highly qualified
- Re-evaluate school-wide and personal goals

SECTION III: IMPLEMENTATION PLAN
HUMAN CAPITOL

Year	Year 1	Year 2	Year 3	Year 4	Year 5
Number of elementary schools	1	2	3	5	8
Number of high schools	-	-	-	-	-
Total schools	1	2	3	5	8
Student enrollment	400	900	1,500	2,500	4,000
Management Organization Positions					
Regional Vice President	-	-	-	1	1
Regional Director	-	1	1	1	1
Regional Director of Business	1	1	1	1	1

Manager of Business	-	-	-	1	1
Regional Director of Achievement	1	1	1	1	1
Manager of Achievement	-	-	-	1	1
Regional Dir. of Community Development	1	1	1	1	1
Manager of Community Development	-	-	-	1	1
Director of SPED	1	1	1	1	1
Speech Therapist	1	1	1	2	3
School Psychologist	-	-	-	1	2
Occupational Therapist	-	-	-	1	2
Total back-office FTEs	5	6	6	13	16
Elementary School Staff					
Principals	1	2	3	5	8
Assistant Principals	1	2	3	5	8
Academic Dean	1	2	3	5	8
Classroom Teachers (Core Subjects)	12	27	45	75	120
Instructional Learning Specialist	6	12	18	36	48
Resource Specialist (SPED)	1	2	3	5	8
SPED Para Professional	1	2	3	5	8
Teacher Aides (Support Staff)	4 (2 FTE)	9 (4 FTE)	15 (6 FTE)	25 (10 FTE)	40 (16 FTE)
School Operations Support Staff (Office Mgr)	1	2	3	5	8
Total FTEs at elementary schools	26	55	87	151	232
Total network FTEs	31	61	93	164	248

Staffing Plan and How it Supports the Success of the School's Educational Program

By utilizing the Rocketship Public School Model, Rocketship Education Indiana (RSIN) will have significant advantages in academic achievement, teaching quality, and financial sustainability. The model enables teachers to maximize classroom time for instruction, guided practice, and extending critical thinking skills, while allowing them to schedule tutors and technology for students' basic skills acquisition, independent practice, assessment and remediation/acceleration. The Rocketship Model also creates significant cost savings, which are reinvested in programs and people to drive school quality. RSIN's staffing plan provides ample support for teachers through the Principal and Academic Dean roles. Individualized Learning Specialists will run the Learning Lab component of our instructional model and will be supervised by the Assistant Principal. All staff of RSIN will be at-will employees. Please refer to the chart in the previous section for a roster of instructional and non-instructional staff of RSIN.

Network Growth: School Leader Development and Identification

Rapid growth of our regional cluster—eight schools in five years—is key to Rocketship Education's mission to eliminate the achievement gap, yet availability of qualified school leadership candidates has been identified as one of our biggest challenges to growth. To mitigate this issue, we have created a robust Network Leadership program that allows us to open schools with school leaders who have demonstrated success in leadership roles within existing Rocketship schools. Due to our green-lighting timeline, school leaders of new schools must be identified and approved by our Board at least eighteen months prior to the school's opening. For more information on the Rocketship Network Leadership Program, please see the Professional Development section below.

Recruitment Plan

Since teachers and school leaders are the pillars of any successful school model, RSIN’s vision for how teachers and school leaders lead, innovate within, and experience Rocketship is critical to achieving the school’s mission. RSIN seeks to elevate the teaching and school leader professions to be attractive and sustainable as long-term careers for passionate leaders of all backgrounds. Moreover to best serve students, RSIN attracts diverse talent and invests heavily in teacher and leadership development to further build expertise from within the Charter School. Recruitment of teachers and non-instructional staff will be spearheaded by Rocketship Education’s Talent Recruitment Team, Regional staff, and the Principal. Partnerships are also cultivated with local organizations, such as Teach For America Indianapolis, to identify, recruit, and hire the best candidates. The milestones that guide our teacher recruitment cycle begins in November to identify and select teachers for the following school year. Applications are due in March and final selections are made by June. All milestones are flexible and adapted based on need and interest.

Teacher’s Instructional Skills, Experience, and Development

RSIN core teachers at all levels shall meet or exceed all “highly qualified requirements” under the No Child Left Behind Act (“NCLB”). Accordingly, a teacher of core academic subjects must meet the following qualifications:

- (1) A bachelor’s degree;
- (2) A State credential; and
- (3) Demonstrated core academic subject matter competence.

Each year, Teachers will be evaluated based on their ability to make significant gains. It is expected that some teachers will be able to make significant gains in a single year, others may take two or three to reach this level of expertise, and still others may not be capable. In addition to significant gains, Teachers must show a strong ability to work with and mentor their peers in order to be prepared to take on the role of Academic Dean.

Job requirements for a Teacher:

- Demonstrated mastery of classroom skills including classroom management, planning, assessment and instructional practice either as a Teacher or while teaching outside of RSIN;
- Hold a multiple-subject teaching credential;
- Demonstrate the potential to make significant gains in the subject they will teach as a Teacher
- Job responsibilities of Teachers include:
 - A full day of teaching, primarily within the academic area in which they focus their teaming;
 - Mentoring and instructional advice for their peers, especially Teachers, to help them develop the skills needed to progress as teachers.
- Upon initial hire, teachers will receive 90% to 110% base salary commensurate with that of teachers in the chartering district, plus up to an additional 10% merit bonus. A component of Teacher pay and the criteria for considering their advancement to Academic Dean will include the following:
 - Personal achievement of significant gains for students which they have directly instructed;
 - Parent and Academic Dean satisfaction with their teaching;
 - Peer and Academic Dean satisfaction with their mentoring and instructional leadership.

Staff Selection

Each candidate at RSIN will go through a rigorous screening and selection process that ensures that the RSIN will secure a diverse and talented staff. The process involves the several steps that allow school leadership to gain a deep understanding of the applicant’s professional skill set and mission alignment. At the same time, we provide several opportunities for the applicant to gain a deep understanding of the Rocketship educational program through case studies, classroom observation, and structured

conversations with school leadership. Specific steps in the selection process, including the process for conducting criminal background checks are outlined in the Personnel Policy, which will be provided upon request

Professional Development

RSIN has developed a comprehensive Professional Development Plan that is outlined below. Teacher development is supported by the Academic Dean position at each school. School leaders are supported by the Regional Vice President and will actively engage in the Rocketship Education Network Leadership Program.

Evaluation

Each employee's performance will be evaluated by the Principal on a regular basis. If unsatisfactory performance is identified in the evaluation, the employee will be placed on an improvement plan that involves discrete goals and a timeline for improvement. If the employee fails to meet improvement goals, they will be removed from their position. Details of the evaluation and removal policy are included in the Personnel Policy, which will be provided upon request. RSIN Regional Support Office will recruit, as necessary to fill any mid-year vacancies.

Compensation and Benefits

In order to reward our teachers for their hard work and incentivize continual improvement, we aim to compensate teachers up to 120% of nearby district salaries. Teacher compensation also includes a 10% performance bonus that will be awarded based on teachers meeting a specific set of benchmarks, mainly their student's achievement of significant gains. Included in the compensation package is access to a comprehensive health insurance plan and retirement benefits. RSIN does not plan to use employee contracts.

Position	Salary Range
Principal	\$80,000-\$120,000
Assistant Principal	\$70,000-85,000
Academic Dean	\$65,000-\$80,000
Teacher	\$40,000-\$60,000
Office Manager	\$45,000-\$55,000
SPED Resource Specialist	\$50,000-\$60,000
SPED Paraprofessional	\$35,000-\$45,000

Professional Development

At Rocketship Education Indiana (RSIN), we believe that professional development is a critical component to the success of our teachers and staff, but more importantly, it is a critical element to student achievement. Rocketship Education's professional development model involves multiple resources, which are detailed below.

School Leader Professional Development: Rocketship Network Leadership Program

The Rocketship Network Leadership Program is an accelerated multi-level program designed to support and prepare school leaders to open and successfully run high-performing Rocketship schools. Because of Rocketship's ambitious regional and national growth plans and our capacity to grow quickly, we seek leaders who can excel at the school level and who also have the potential to run clusters of schools as network leaders in the future. We offer three exciting tracks to school leadership in our network:

Rocketship Emerging Leaders: A Two or More Year Pathway to School Leadership

Rocketship Emerging Leaders work as classroom teachers while engaging in individual leadership projects and participating in ongoing leadership workshops with a small selective cohort.

Rocketship Rising Fellows: A Two-Year Pathway to Becoming a Principal

Rocketship Rising Fellows may be placed as Assistant Principals or Academic Deans at existing Rocketship schools and receive ongoing training and support to prepare them to participate in the Principal Fellowship program.

Rocketship Principal Fellows: A One-Year Pathway to Becoming a Principal

Rocketship Principal Fellows work as Assistant Principals and prepare to lead their own Rocketship school the following year. Additionally, they receive training and support that includes external school visits around the country and opportunities to intern as principal of a Rocketship school for multiple weeks during the year.

Participant Selection and Placement Process

In evaluating program candidates, we prioritize leadership potential and ability to drive results over all other characteristics. Whether candidates are just beginning your leadership pathway or are experienced senior managers looking to make the transition to Rocketship, our program is designed to provide targeted professional learning opportunities and coaching in order to run a successful Rocketship school. Given the emphasis we place on potential over years of experience, applicants are encouraged to apply to the Rocketship Network Leadership program and as part of the application process Rocketship's Leadership Development team works with each applicant to identify the most appropriate Network Leadership track.

Teacher Professional Development

Teachers at RSIN will be focused on developing a deep understanding behind the Charter School's approach to their subject area. Typically, the learning objectives will include:

- a focus on the pedagogy which shapes the curriculum in their instructional focus area (humanities and/or math/science);
- a focus on the organizational culture, values and leadership skills necessary to lead students and families to significant gains (Rocketeer Core Characteristics);
- an understanding of the instructional practices outlined in the teacher Vision of Excellence and how to use them;
- a personalization of professional development through the PGP (Professional Growth Plan) process;
- an understanding of how to use student data to identify learning challenges, especially during Data Analysis Days;
- techniques for individualizing their planning and instruction;
- observation of excellent schools or instructors and learning their techniques/strategies; and
- a commitment to students and families in the attainment of ambitious academic growth goals.

To develop the necessary subject expertise for our teachers as well as provide ongoing support for Academic Deans, Rocketship Education partners with several outside professional development organizations and higher education institutions to conduct in-depth professional development in Humanities and Math. Currently, these organizations include Doug Lemov with Uncommon Schools, Formative Learning, Real Time Coaching with Lee Canter, and various others. Rocketship Education is constantly reflecting on student achievement data and teacher instructional needs in order to further develop the professional development program and coordination of resources in order to ensure that all

student, teacher, and school needs are addressed in order to realize significant gains in student achievement.

Summer Professional Development

Professional development at Rocketship Education begins several weeks prior to the start of school, typically in August. During this time, the schools focus on various items, including school culture, classroom management, planning (daily lesson plans, unit planning, and year-long planning), building culture within the school team, home visits and parent investment/empowerment, instructional techniques, and data. These first few weeks in the summer create a critical foundation for the staff at a school to build a collaborative culture of trust, but to also focus in-depth on creating a strong school culture and aligning on school and grade level goals for the year. Moreover, this additional time in the summer grants the Academic Dean, Assistant Principal, and Principal the opportunity to better on-board new Rocketship Education staff or new teachers in general. This systematic onboarding equips teachers with an understanding of the cultural expectations of the school, classroom management techniques, how to properly assess their student achievement and progress, and grants them additional time to familiarize themselves with the curricula and scope and sequence of instructional objectives for the year. This additional time solely reserved for professional development ensures that Rocketship Education schools are able to commence with a cohesive, collaborative team of educators that have already begun to invest parents and families in this work, while also being much more thoroughly prepared instructionally to ensure that the academic year is successful from day one.

Ongoing Professional Development

Rocketship Education's commitment to teacher professional development is further evidenced in the amount of time that is set aside throughout the year for teacher development. More than 150 hours, or almost three weeks, is set aside throughout the calendar year for staff professional development as a school in addition to summer programming, including each Friday afternoon, which is reserved for professional development. The professional development that occurs on Fridays is facilitated and organized primarily by the Academic Dean at each school site. The Academic Dean has access to a professional development scope and sequence that provides each school with a suggested timeline for introducing, learning, and practicing key components of the Vision of Excellence and the Rocketship Education professional development program. We are currently working to ensure that the scope and sequence is also differentiated by teacher experience level. However, the Academic Dean and school site retain the ability to deviate from the scope and sequence map in order to address more immediate or local needs of the school site. These may include items like addressing a school culture item, reviewing local school data and addressing any local instructional needs, and various other items that may arise.

Vision of Excellence and Professional Growth Plan

The core of Rocketship Education's professional development is the Vision of Excellence and Professional Growth Plan. The Vision of Excellence captures our best thinking on what it takes to be a successful beginning and veteran teacher at Rocketship Education. For beginning educators and experienced teachers new to Rocketship, we have developed the Rocketship Top Ten which outlines the most foundational teaching practices in the areas of instructional planning and classroom management and culture necessary for success at Rocketship. We believe that reaching proficiency in these ten areas helps teachers develop the necessary skills and experiences to then tackle more advanced teaching practices and to integrate fully into the Rocketship school community. The Vision of Excellence captures the ideal student outcomes that Rocketship teachers strive to achieve with their Rocketeers, the student evidence that tells our teachers when they are on the right track towards reaching these outcomes, and the instructional best practices they'll need to employ to reach this vision.

The Vision of Excellence is divided into two main domains of teacher practice which are further divided into a series of pillars and discrete teacher actions. The culture of achievement domain is comprised of

four main pillars of teacher work: investing Rocketeers in vision and goals, establishing rigorous classroom expectations and routines, creating a Rocketeer learning environment and investing in Rocketship families and the Rocketeer community. The rigorous instruction and mastery domain is comprised of two pillars of teacher work: facilitating rigorous instruction and employing an outcomes-driven approach. Each of these components has been strategically decided upon and created based upon other teacher development tools including the Teaching as Leadership framework developed by Teach for America, Charlotte Danielson's Framework for Teaching, and others. In addition, the sub-components of each section have been decided upon and based upon proven pedagogical practices such as Lemov's Taxonomy, Lee Canter, Project GLAD (Guided Language Acquisition Design) and others.

The Professional Growth Plan (PGP) is a coaching tool that captures a teacher's year-long and short-term student achievement SMART goals, professional development priorities and performance against the Rocketship Core Characteristics. The PGP is revisited at the start of every student data cycle to ensure that teachers and their coaches are making data-driven decisions that will have the greatest positive impact on student achievement. Another component of the PGP is the five Rocketeer Core Characteristics (Mission Driven, Innovative, Collaborative, Disciplined Thinker and Personally Responsible) that are at the foundation of the culture of RSIN. These core characteristics are an important part of the PGP as RSIN is focused on developing great teachers, which requires not only instructional knowledge and development, but also further development and alignment with the core of what makes a teacher successful at RSIN.

Every teacher at RSIN has a Professional Growth Plan that is focused on their professional growth and development as a teacher and is individualized to their needs. The Professional Growth Plan is initially introduced at the beginning of the school year after a teacher's primary coach has the opportunity to observe the teacher multiple times and after the results of our beginning of year diagnostic assessments are available. The two sources of begin to indicate the professional development priorities for each teacher. The teacher's coach then meets with the teacher in a one to one (1:1) meeting during which the coach and teacher collaboratively determine professional development priorities based on the menu of teacher actions in the Vision of Excellence and Rocketship Top Ten as well as the Core Characteristics. They will also set short-term SMART goals and determine focus students for the upcoming data cycle in this meeting. Finally, coaches and teachers determine their next steps to address these priorities and record them in the PGP tool. Following several coaching cycles and the results of the subsequent interim assessments, these priorities may shift as teachers meet their previous professional development goals. An example of the Vision of Excellence as well as the Professional Growth Plan for Rocketship teachers will be provided upon request.

The Academic Dean's Role in Professional Development

In order to fully be able to implement the Professional Growth Plan and professional development of teachers, Rocketship Education has an Academic Dean at each school. The Academic Dean is an experienced teacher who serves as a mentor for Rocketship teachers and their focuses are professional development of staff members in addition to running academic and behavior support processes such as Student Success Teams. Thus, a majority of the Academic Dean's time is spent on professional development and focuses on the coaching of teachers and teacher development methods. While Academic Deans are by definition masters of their academic area, successfully coaching other teachers is a completely different skill than successfully teaching children. While we believe that our Academic Deans will have already shown a predisposition to coaching based on the positive evaluations they had to receive from peers in order to be promoted, we will provide extensive professional development for new Academic Deans to help them learn our academic systems and the best techniques for mentoring their associated teachers. It is also crucial that Academic Deans stay current in their field both through internal professional development, external professional development opportunities, and by being involved in

professional organizations like the International Reading Association and National Council of Teachers of Math.

The Academic Dean invests in the professional development of teachers through the execution of their PGP through multiple methods. These methods include pre-conferences prior to a lesson, observing lessons, videotaping lessons, post-conferences after a lesson, regular one to ones with teachers to reflect on their practice, modeling lessons, co-teaching, and various other techniques as well. Teachers are expected to meet with their Academic Dean at least once every two weeks for at least an hour after-school. However, these meetings often occur more regularly and allow the Academic Dean to invest additional time in the teacher's mentorship. The Academic Dean is also responsible for planning ongoing professional development on a weekly basis. Every Friday is a shortened day, allowing the staff to come together for 3 hours of professional development and/or collaboration time each week. Deans plan for and facilitate these meetings, including such topics as data reflection, investing families and students in growth targets, improving management strategies, or simply sharing resources and planning for the next Social Studies or Science unit.

Although the Academic Dean plays a significant role in the development of staff, he or she does not act as the evaluator of any staff members. At Rocketship Education, we have divided the roles of mentor and evaluator. The Academic Dean is responsible for daily mentoring of teachers. In order to create a stronger relationship of trust and teamwork, Deans follow the objectives of the PGP for guiding teachers, but evaluation of each teacher at mid-year and end of year for promotion purposes will be the responsibility of the Principal with significant input from the Academic Dean.

Other Professional Development Activities

Rocketship Education offers additional professional development activities for staff as well. These activities include providing teachers with a substitute and thus, the opportunity to observe other teachers within the Rocketship Education network or nearby schools that also produce excellent student outcomes. In addition, outside professional development providers are brought to schools depending on the needs and resources of a school. In addition, teachers are given the opportunity to apply to the Leadership Development program, which provides additional professional development in the area of leadership, but also allows teachers to grow in other areas as well. Moreover, through the leadership development program, teachers are assigned Embedded Leadership Opportunities that are focused on a multitude of tasks like coaching a teacher, helping to facilitate professional development days, organizing parent involvement, and many, many more activities.

Professional Development Program Evaluation

In order to ensure ongoing effectiveness of our Professional Development Program, we conduct a staff survey after each professional development session. We survey a variety of factors—how well the session was facilitated, how well the teacher can translate the session content into immediate action on Monday, the extent to which the session built a stronger culture among participants, how relevant the content is, etc. We also ask teachers to list their top takeaways from the session which gives our professional development facilitators an initial sense of whether teachers walked away learning the key lessons we intended them to. In addition to surveys, our Academic Deans conduct follow-up observations to see if teachers are translating topics covered in the professional development sessions into action in their classroom instruction. As a network, we have gathered feedback through a teacher development focus group where we get opinions on past professional development structures and sessions and to get input on various professional development pilot programs. By continually monitoring the effectiveness of professional development at Rocketship, our model continues to evolve and our impact on student achievement continues to increase.

START-UP & OPERATIONS

Transportation

Rocketship plans to strategically open schools in communities that have a high density of at-risk students. Because we strive to open neighborhood schools, we do not plan on providing transportation, except when required by law. If a student qualifies for transportation under the McKinney-Vento Homeless Assistance Act, 42 USC 11431 or the Individuals with Disabilities Education Act and 511 IAC 7-43-1(u), Rocketship staff will meet with the parents/guardians of the student to make arrangements that meet the needs of the students and the requirements articulated by the respective laws. Any RFP issued and contract signed will comply with all applicable laws and regulations. Field trips and other special events will be booked with transportation vendors on a one-off basis.

Safety and Security

Rocketship Education has made student health and safety a priority through the development and implementation of detailed policies on health and safety and through the adoption and implementation of the aforementioned Student Discipline Policies and Procedures. The Safety Plan is a detailed document that was created in collaboration with consultants specializing in School Safety Plans and will be provided at the authorizer's request.

Technology

The Learning Lab is an integral part of the Rocketship Public School Model and is heavily reliant on school-provided technology. Each Learning Lab will have 100 desktop computers and one laptop for each teacher or administrator. All computers will be connected to the internet on the school site with a minimum connection speed of 55mbps. Basic software is required for the computer because all of the online storage and programs are cloud-based. This means that program updates are automatic and data protection and recovery is inherently provided by the cloud-based programs. All student data is confidential and only able to be accessed by Rocketship staff that has direct contact with that student in an instructional or tutoring environment. Rocketship schools will follow all Federal Educational Rights and Privacy Act (FERPA) regulations.

Technology support will be provided during regular school hours by a local technology consultant, who will be used on an as-needed basis to handle low-level and hardware issues. Major issues will be escalated to the National Office Technical Support Team. Each new computer is labeled upon receipt and entered into a tracking database that includes model information, date of purchase and location. Families will not be responsible for purchasing or obtaining any technology. Since the Learning Lab takes place as a part of the overall program on the school site, the school will provide internet and be financially responsible for any lost or impaired equipment.

FACILITY PLAN

Rocketship National Expansion and the Facilities Team will begin the process of identifying the first facility following approval of the charter application and prior to the National Board green-lighting. Historically, we have used local brokers to assist us in navigating the local real estate market. We are open to exploring three options of facilities acquisition: new construction, leasing or buying an existing underutilized school district facility, or renovating a commercial building. Rocketship Education will be responsible for financing the acquisition, development and construction of all facilities. The Rocketship Facilities Team has demonstrated market leading expertise at securing financing from private and public investors and will devise an optimal strategy based on the specific facility that is chosen

Following green-lighting, the Rocketship staff will work with local developers to obtain and prepare the first building for occupancy. Green-lit schools will have an eighteen month timeline before school opening. Rocketship has successfully developed five facilities on empty lots in the Bay Area. Additionally, Rocketship staff has prior experience financing and managing significant renovation projects for charter schools. Because each school is green-lit eighteen months prior to opening, all eight

schools will follow the same development cycle and process. All facilities will comply with state and local health and safety requirements as described in IC § 20-26-7, 20-24, and as required by the Indiana State Department of Health, Office of the State Fire Marshall, Department of Public Works, and the corresponding local agencies.

BUDGET & FINANCE

Financial and Accounting Plan

Accounting Software: The Director of Regional Business will use Intacct, an online accounting program to ensure that the books and records are kept accurately, completely and in compliance with financial policies. Intacct has the ability to provide real-time information on the financial position of the school to the Principal, Regional Director of Business and the Board of Directors. Intacct's nonprofit management module has the ability to produce reports in accordance with GAAP and FASB and in keeping with best practices around fund accounting.

The Accounting System: The school has established accounting methods to identify, assemble, classify, record and report transactions. The methods are set up to: (1) identify and record all of the organization's transactions; (2) describe the transactions in enough detail to allow classification for financial reporting, and (3) indicate the time period in which transactions occurred in order to record them in the proper accounting period. The fiscal year is from July 1st to June 30th. The organization's audited financial statements must be approved by the Board and provided to the appropriate oversight entities according to all applicable requirements and deadlines. Furthermore, the Board of Trustees approves the School's budgets prior to the beginning of each fiscal year. The budgets are drafted for Board review and approval following the third quarter and prior to the close of the fiscal year.

The Accounting Cycle: The school's accounting system is designed to accurately process, record, summarize, and report transactions of the organizations. The component bookkeeping cycles fall into one of four primary functions:

Revenue and cash receipts

Key steps in this area include:

- Processing cash receipts
- Depositing Funds
- Recording cash receipts in the general ledger and subsidiary records
- Performing month-end reconciliation procedures for all account balances
- Processing general ledger integration for private donations/revenue

Purchases and cash disbursements

Key steps in this area include:

- Processing purchases (credit card, check, and reimbursement)
- Processing invoices
- Issuing checks
- Recording checks in the general ledger and in cash disbursement journals
- Performing month-end reconciliation procedures

Payroll

An outside service provider will perform the payroll process. The Regional Director of Business will coordinate with the payroll processor to ensure that payroll is processed accurately and in accordance with state and federal rules and regulations. Key steps in this area include:

- Obtaining and gathering payroll information
- Submitting information to the vendor for processing

- Performing semi-monthly reconciliation
- Preparing W-2s, the W-3, and other annual payroll tax returns

General Ledger and Financial Statements

The general ledger process consists of posting the period's transactions to accounting software, which produces the financial statements. Rocketship Education Indiana (RSIN) Director of Regional Business will reconcile bank and credit card accounts, payroll, review general ledger and prepare for the annual audit. Key steps in this area include:

- Preparing monthly journal entries
- Reconciling bank accounts and other general ledger accounts
- Reviewing general ledger activity and posting adjusting journal entries
- Producing monthly and annual financial statements
- Producing the annual budget

Property and Equipment

RSIN Director of Regional Business is responsible for maintaining an inventory of all school equipment and furniture inventory and will account for depreciation based on the School's inventories. Depreciation associated with the fixed assets will be calculated based on its useful life and using a straight-line depreciation method. The Director of Regional Business and the Principal are responsible for ensuring that accurate inventories are maintained. For example, school laptops are maintained in this inventory list and each employee gets a company-issued laptop for work use. Upon receiving any property that qualifies as a fixed asset, the following is recorded:

- Name and description
- Serial number, model number, or other identification
- Vendor name and acquisition date
- Location of the equipment
- Purchase Date
- Vendor
- Disposal Date
- Disposal Reason

Budget Creation and Annual Reports

The Rocketship Education Finance Team has reviewed and discussed the budget to make sure it accurately reflects the school design of RSIN. This budget capitalizes on available information from individuals who have already been through the process of chartering and opening a school and validated against the historical performance of schools currently in operation.

On an annual basis, the Regional Director of Business will conduct the budgeting process which begins in March. In March, the Regional Director of Business will analyze the year-to-date and projected performance of the school relative to the budget for the year focusing on anticipated variances especially if they are detrimental to overall financial performance. The Regional Business will then update the 5 year financial projection model for the school using current projections on state and federal revenue levels, enrollment, compensation and other expenses adjustments and variances in working capital. This budget will then be distilled into a one-year budget which will be presented to the principal and Regional Director. The Regional Business Director will collaborate with the Regional Director and Principal to align resource allocations with the strategic priorities of the school while ensuring the long-term financial health of the school.

By mid-April of each year, the Regional Director of Business presents a preliminary budget to the Board Business Committee for their feedback and review. The final budget is presented to the full board

approximately three weeks later after incorporating feedback from the Business Committee and other school constituencies (parents, teachers, etc.).

Each month, the Regional Business Director will review the year to date financial performance, projected financial performance and variances with the Principal and Regional Director. Additionally, the Regional Business Director will meet to discuss financial performance with the Board Business Committee. The Annual Financial Report will be compiled by the Regional Director of Business by August of each year and sent to the Board for approval. The approved Annual Financial Report will be submitted to the authorizer as required, on an annual basis.

Fundraising

RSIN will be able to operate solely on state and federal funds and therefore has no fundraising needs. Start-up funding to cover Regional Support Office costs until the region is at scale will be completed by the Rocketship Education National staff prior to green-lighting of the first school.

Annual Audit

The RSIN RSO and all schools will engage in an annual audit of financial and administrative operations. The organization will adhere to the accounting, auditing, and reporting procedures and requirements that apply to public schools operating in Indiana.

SECTION IV: PORTFOLIO REVIEW & PERFORMANCE RECORD

Portfolio Review

Rocketship currently operates five schools in San Jose, California, serving 2,500 students and plans to open two additional schools in San Jose in 2012. Among 2,000 low-income elementary schools in California, the first three Rocketship schools are all in the top 5% statewide and are the top performing low-income elementary schools in San Jose and Santa Clara County. Rocketship schools have results rivaling wealthy school districts (such as Palo Alto) while serving 80%+ low-income students and 70%+ English Language Learners.

High Performing School Reflection

Although all schools are performing extremely well, one school to highlight that has shown strong performance in Rocketship Education's portfolio is Rocketship Sí Se Puede Academy (RSSP). The school was founded in 2009 by a very strong Founding School Leader who was on the founding instructional team at Rocketship's first school, Mateo Sheedy Elementary. The Principal's prior experience at Rocketship and deep knowledge of the model led to a California Academic Performance Index (API) score of 886 in its first year of operation, which placed RSSP as the top scoring first-year school in the state. This exceptional opening was a direct result of top-tier instruction, high-quality leadership, and the individualized instruction taking place in Learning Lab. While the school's API was slightly lower in its second year at 859, the score still surpassed both internal and external expectations of a second year charter school within the Rocketship network.

Moreover, a clear lesson that was learned from this second year dip in scores was the need for Rocketship to further develop a 'bench' and plan in regards to the succession of schools and development of leaders. In the 2010-2011 school year, Rocketship Sí Se Puede had several staff members, including school leaders and some teachers that were preparing to be promoted in the 2011-2012 school year to new leadership opportunities. Consequently, in the second semester, these individuals focused a great deal on preparing for these roles and less on their previous school specific responsibilities, which had a slightly negative effect on API results. It became clear that there was a need to be much more explicit and purposeful in planning for individuals to grow into leadership roles, but also to do so in a manner that allows these individuals to focus explicitly on their current responsibilities and roles, which has an

immediate effect on student achievement and results. All of these aspects have positively affected existing and future Rocketship Schools.

This year, the Founding School Leader began her role as the Bay Area Regional Director and was succeeded by a successful RSSP teacher who participated in the Network Leadership Program. The new principal demonstrated significant leadership capacity as a teacher at RSSP and has been thriving in his new role at the helm of the school. Rocketship's Network Leadership Program and internal talent pipeline has demonstrated the ability to produce strong leaders at RSSP and the school is projected to demonstrate a top-tier API again this school year. This school's success has led to further development of the Learning Lab model, increased regional network support, and an emphasis on internal leadership development. Currently, the Rocketship Si Se Puede campus is poised to achieve a 900+ API, which would be a significant indicator in regards to the school's progress and success in ensuring that a significant number of students are advanced or proficient according to the California state exam.

Improving School Reflection

A school in our network that had a more challenging opening was Rocketship Los Sueños Academy (RLS). This school opened in 2010 and faced significant challenges through the first semester, especially in regards to overall school culture. By December of 2010, network leadership decided that a significant change was needed, especially in regards to leadership. Several conversations were had with other charter networks like KIPP, YES, Aspire, and Uncommon Schools who were clear with us that the opening of a new school was very predictive of the school's success over the next few years. Moreover, if a school did not open strong, it often required multiple years for the school to get back 'on-track.' All of these factors led to the decision to engage in a mid-year leadership transition. During this transition, the RLS' Principal Fellow stepped up and into the principal role and immediately created an action plan for getting the school back on track. Significant progress was observed through the new Principal's leadership and the first year API was 839.

This difficult school opening has prompted several network-wide initiatives that have ultimately had a positive impact across all schools. An Assistant Principal role was added at RLS along with the principal transition and has been instituted at all schools at the start of the 2011-2012 school year. This role not only creates the depth that is necessary to ensure successful school openings, but also gives school leaders the opportunity receive adequate training and experience prior to opening a school. Similarly, the selection process for principals has been further refined to account for the unique challenges of a 'start-up' school, rather than those faced when 'taking over' an existing school from a current Rocketship school. A clear theory of action and strength in classroom and school culture is now required for individuals on start-up track. In addition, regional team staffing has been bolstered to provide more in-school support for leaders, teachers, and Learning Lab staff. This additional support and professional development is targeted to ensure both successful school openings as well as continued success as our schools grow to scale and continue to provide a high-quality education to all of the students we serve. Although Rocketship Los Sueños still has additional student achievement goals to realize in the 2012-2013 school year, it is currently on-track and we are confident that the API will rise beyond 850, which will meet the network goals for a second year campus.

Contracts, Revocations, & Compliance Violations

To date, Rocketship Education has not had any contracts with charter schools terminated. No charters have been revoked, not renewed, shortened, or conditionally renewed and the organization has not had any compliance violations that have led to formal authorizer intervention in the last three years.

Past Litigation

In 2011, charges were brought against Rocketship Education for wrongful termination by a previous employee. The charges were settled with mediation in early 2012 and did not proceed to court.

PROPOSAL OVERVIEW AND ENROLLMENT PROJECTIONS

Please provide information for the applicant group's **designated representative**. This individual will serve as the contact for all communications, interviews, and notices from the ICSB regarding the submitted application.

IMPORTANT NOTE: *The full application, including this form, will be posted on the ICSB website. Applicants are advised that local community members, including members of the media, may contact the designated representative for questions about the proposed school(s).*

Legal name of group applying for charter(s):	Rocketship Education
Names, roles, and current employment for all persons on applicant team:	Kristoffer Haines, Sr. Director of National Development, Rocketship Education
	Kevin Bechtel, Manager of National Development, Rocketship Education
	John Danner, Chief Executive Officer, Rocketship Education
	Preston Smith, Chief Achievement Officer, Rocketship Education
	Aylon Samouah, Chief Schools Officer, Rocketship Education
	Richard Billings, Chief Financial Officer, Rocketship Education
Designated applicant representative:	Kevin Bechtel
Address:	420 Florence St, Suite 300
	Palo Alto, CA 94301
Office and cell phone numbers:	702-321-0489
Email address:	kbechtel@rsed.org

Provide the requested information for each school included in this proposal.

(You may add lines to the table if needed.)

Proposed School Name	Open ing Year	School Model (e.g., college prep, dropout recovery)	Geographic Community *	School District(s) in Proposed Location	Grade Levels at Full Enrollment
Rocketship Indianapolis Public School 1	2015	College Prep	Indianapolis	Indianapolis Public School District	K-5
Rocketship Indianapolis Public School 2	2016	College Prep	Indianapolis	Indianapolis Public School District	K-5
Rocketship Indianapolis Public School 3	2017	College Prep	Indianapolis	Indianapolis Public School District	K-5

Rocketship Indianapolis Public School 4	2018	College Prep	Indianapolis	Indianapolis Public School District	K-5
Rocketship Indianapolis Public School 5	2018	College Prep	Indianapolis	Indianapolis Public School District	K-5
Rocketship Indianapolis Public School 6	2019	College Prep	Indianapolis	Indianapolis Public School District	K-5
Rocketship Indianapolis Public School 7	2019	College Prep	Indianapolis	Indianapolis Public School District	K-5
Rocketship Indianapolis Public School 8	2019	College Prep	Indianapolis	Indianapolis Public School District	K-5

NOTE: * Please indicate the city/town and, if known, potential address or neighborhood of location. Virtual operators should indicate the relevant geographies the operator intends to serve.

Proposed Grade Levels and Student Enrollment

Provide the following information for each charter school included in this proposal. Specify the planned year of opening for each, the grade levels served, and both the planned and maximum number of enrolled students by grade level for each year. (You may duplicate the table as needed.)

Proposed School Name:	<i>All schools follow the same growth model.</i>	
Academic Year	Grade Levels	Student Enrollment (Planned/Maximum)
Year 1	K-3	400
Year 2	K-4	500
Year 3 (At Capacity)	K-5	600

Do any of the proposed schools expect to contract or partner with an Education Service Provider (ESP) or other organization for school management/operation?* Yes No

If yes, identify the ESP or other partner organization:

Will an application for the same charter school(s) be submitted to another authorizer in the near future?

Yes No

If yes, identify the authorizer(s): Tennessee Achievement School District

Planned submission date(s): April 2012

Please list the number of previous submissions for request to authorize this(ese) charter school(s) over the past five years, as required under IC § 20-24-3-4. Include the following information:

Santa Clara County Board of Education-2007, 2009, 2011; Franklin McKinley School District-2010; San Jose Unified School District, 2011; Milwaukee Common Council, 2011; Louisiana Board of Secondary and Elementary Education, 2011; California State Board of Education, 2012.

Authorizer(s)-Submission Date(s):

ROCKETSHIP EDUCATION TENNESSEE

Attachment 1

Leadership Team and Governing Board Resumes and Biographies

JOHN DANNER
EXECUTIVE DIRECTOR, ROCKETSHIP EDUCATION

420 Florence Street, Suite 300
Palo Alto, CA 94301
(877) 806-0920 extension 101

June 2005 to Present **Rocketship Education** **Palo Alto, California**
Founder and CEO

Founded this non-profit Charter Management Organization to create high-performing literacy-focused elementary schools serving inner-city students. Performed all fund-raising, created banking relationships, built board of directors, established curriculum. Rocketship intends to open its first elementary school in August, 2007.

July 2005 to Present **KIPP Academy Nashville** **Nashville, Tennessee**
Director

John introduced KIPP to Nashville and after two years of local political resistance, was able to establish KIPP Academy Nashville with principal Randy Dowell. John recruited KAN'S first teacher and a Reading Master Teacher. John oversaw the first year's budgeting and accounting processes to help KAN achieve a solid financial position during its first year of operation. KAN's teachers and students were named "Nashvillians of the Year" by the Nashville Scene newspaper in December, 2005 for showing Nashville that high expectations can be achieved by fully committed teachers and students.

August 2002 To May 2005 **Nashville Metro School District** **Nashville, Tennessee**
Teacher

Taught fifth grade in a high-risk middle school in 2002. Moved to second grade in 2003 and taught 2nd grade English Language Learners (ELL) in 03-05 at Glengarry Elementary in South Nashville and served as ELL Coordinator for the school. Achieved 2.5 years of reading progress for students during his two years at Glengarry. Instituted a data-driven model for assessing students' current reading skills and basing instruction on student need. Instituted a leveled classroom library for independent reading resulting in high correlations between independent reading and progress in reading development. Purchased curriculum software for his classroom allowing ELs to focus on vocabulary acquisition, phonemic awareness, and phonics.

August 2001 To May 2005 **Tennessee Charter School Association** **Nashville, Tennessee**
Director (01-03), Chairman (03-05)

John became a director of the TCSA and helped to pass the first charter school law in the state in 2002. Subsequently, the TCSA helped twelve charter schools to begin operations over the next four years. John was involved in state and local political advocacy and assisted schools in operating in compliance with Tennessee education and charter school law.

March 2000 To August 2001 **Sacred Heart Nativity School** **San Jose, California**
Co-Founder, Chief Financial Officer

Member of the founding team of this tuition-free Jesuit middle school. Focused on budgeting, fundraising, building renovation, recruitment of staff, and educational partnerships. The school's goal is to create the next generation of leaders for this Latino community. Sacred Heart Nativity targets students achieving below grade level, brings them to above grade level by end of eighth grade, and achieves admission for the students into college preparatory schools. School approach includes low student-teacher ratio, extended school hours, extensive extracurricular.

September 1995 **NetGravity Corporation** **San Mateo, California**
To October 1999 **Chairman and Chief Executive Officer**

Founder and Chief Executive of this Internet advertising technology company. Took the company public in June of 1998. Built company to 150 employees and \$30M annual revenue. Raised \$180M in three private rounds and two public rounds of financing. Sold company in October 1999 for \$750M to DoubleClick (DCLK).

1988-1995 Software Engineer/Manager Silicon Graphics, Inc. Mountain View, California
 Oracle Corp. Redwood Shores, California
 Tandem Computers Cupertino, California

Education: Bachelor of Science, Electrical Engineering, Stanford University, 1988.
 Master of Science, Electrical Engineering, Stanford University, 1992.
 Master of Education, Education Policy, Vanderbilt University, 2003.

Affiliations: Fellow, Aspen Institute Crown Fellowship Program
 Director, The Learning Center pre-school in Palo Alto.
 Entrepreneur in Residence, New Schools Venture Fund.

PRESTON SMITH

CHIEF ACHIEVEMENT OFFICER, ROCKETSHIP EDUCATION

4163 Partridge Drive
San Jose, CA 95121

(408) 313-0265
preston@rsed.org

HIGHLIGHTS

- Over 10 years of experience in public education (both, traditional school districts and charter school systems).
- Co-founder of Rocketship Education, an organization dedicated to eliminating the achievement gap and serving 1 million students across the United States by 2030 through the implementation of the innovative hybrid model.
- Founding Principal of Rocketship Mateo Sheedy Elementary School. In 2008, after two years of operation, Rocketship received an API score of 925 and was the third ranked high-poverty (50% free and reduced meals) school in California.
- Founding Principal of L.U.C.H.A. Elementary School, a small autonomous school in the Alum Rock Union Elementary School District. In 2006, after three years of operation, L.U.C.H.A. received an API score of 881 and was the fourth ranked high-poverty (50% free and reduced meals) school in California.

PROFESSIONAL EXPERIENCE

Rocketship Education

Co-founder and Chief Achievement Officer
Team of 12

(May 2009 – Present)
Operating Budget: \$15MM

- Oversee growth from 400 students to over 2,000 students and subsequently, a budget that increased from \$4 million to almost \$16 million
- Expand impact in the Bay Area Region through partnerships with local school districts and other charter authorizing agencies
- Build and support the academic team (over 10 individuals) in their efforts to create college preparatory elementary schools
- Drive professional development of staff, various achievement related projects and the continued expansion of schools, to maintain a growth rate of 60% and open at least 20 schools locally and nationally in the next five years
- Oversee the academic progress and accomplishments of students (teachers are effective in their ability to ensure 1.5 years of significant gains for each student, each year)
- Manage Rocketship's Integrated Service Delivery (SPED) Program
- Assist with the academic and curricular design of the Rocketship model, a blend of online learning and in-class instruction

Founding Principal, Rocketship Mateo Sheedy Elementary School
Team of 25

(July 2007 – May 2009)
Operating Budget: \$4MM

- Opened first Rocketship school that served 160 students (78% English Language Learners, and 87% of the students were eligible for free and reduced-price meals) in the founding year and 323 students in the following year
- Recruited and lead a team of 25 highly qualified teachers and school leaders to achieve outstanding

results:

- In its second year of operation, Rocketship Mateo received a 925 API, based on the California state assessment, which was the top ranked elementary school in San Jose and Santa Clara County for low-income students and the third best ranked school in the state for low-income students, better than 99% of the state's public schools

L.U.C.H.A. Elementary School

Principal

(July 2004 – June 2007)

Team of 15

Operating Budget: \$3MM

- Founded L.U.C.H.A., a small district school, with a team of parents and teachers
- Oversaw the growth of L.U.C.H.A. Elementary School from 120 students to over 250 students and, subsequently, a budget that increased from \$1 million to almost \$3 million
- Led L.U.C.H.A. to successive increases in API scores according to the California State Exam from an initial API of 753 to 881 in the final year. This API score was the fourth highest in the state for low-income elementary schools in California
- Helped to create a consortium of small schools within San Jose, which led to collaborative efforts on professional development and mentoring of principals

Founding Design Team Leader

(October 2003– April 2004)

- Recruited the team of parents and teachers that helped to design L.U.C.H.A. Elementary school
- Oversaw the development of policies and practices related to curriculum, budget, and evaluation processes within the school
- Organized parents and community members in various activities in order to ensure that the small schools were created and established within a low-performing district

Clyde Arbuckle Elementary School

First Grade Teacher

(August 2001 – June 2004)

- Served as a Teach for America teacher at Arbuckle Elementary School
- Oversaw the development of the first grade team and served as the team leader from 2002 to 2004
- Led 18 out of 20 students to receive proficient scores on their writing exams during the 2002-2003 and 2003-2004 school years
- Organized parents and families of students in weekend and week-night activities, which led to greater parent involvement and student achievement

Teach for America Institute

Second Grade Teacher

(July 2001 – August 2001)

- Selected from over 4,000 applicants to become a Teach for America corps member
- Participated in a five-week summer institute that was an intense professional development “boot-camp” for teachers

EDUCATION

- **San Jose State University**, Master of Arts—Education (Administration and Supervision), 2006
- **San Jose State University**, Graduate Student—Teaching Credential, 2002, Teaching Professional Clear Credential
- **University of North Carolina at Chapel Hill**, Bachelor of Arts, Latin American Studies, 2001, graduated with Honors, *Phi Beta Kappa*.

HONORS & SCHOLASTIC ACHIEVEMENT

- Aspen Institute NewSchools Fellow 2011

- Finalist for the Sue Lehmann Award for Excellence in Teaching (only six are awarded to over 1,000 Teach for America corps members)
- Recruited by a People Acting in Community Together (PACT) community organization to lead in the creation of a new, small autonomous school in San Jose, CA
- Teacher of the Year at Clyde Arbuckle Elementary School (2002-2003 school year)
- Member of the Phi Beta Kappa Fraternity

GROUPS AND ASSOCIATIONS

- Association for Supervision and Curriculum Development
- California Charter School Association
- Charter School Growth Fund
- CES: Coalition of Essential Schools
- Association of California School Administrators
- Western Association of Schools and Colleges (WASC)
- San Jose Writing Project

LANGUAGES

- Spanish proficient

RICHARD W. BILLINGS
CHIEF FINANCIAL OFFICER, ROCKETSHIP EDUCATION
830 Stanyan Street, Apt 2; San Francisco, CA 94117
(202) 494-0314 billings.richard@gmail.com

EXPERIENCE

- | | |
|-----------------------------|--|
| 2010—Present
2009 – 2010 | <p>ROCKETSHIP EDUCATION San Jose, CA</p> <p><i>Chief Financial Officer, Board Member for Launchpad Development Company (LDC)</i>
<i>Senior Director of Finance and Accounting</i></p> <ul style="list-style-type: none">• Direct team of 12 to manage all non-instructional aspects of Rocketship and its schools including finance, payroll, accounting, operations, facilities, HR, and special education compliance• Manage annual budgeting and 5-year strategic planning process to ensure the short- and long-term financial health of Rocketship and Launchpad, Rocketship’s real estate and facilities affiliate• Direct compliance reporting, monitoring and relationships with external constituencies for the 18 entities that comprise Rocketship, Launchpad and its affiliates• Manage the Executive, Business and Audit Committees of Rocketship’s Board of Directors• Secured \$10MM in financing to construct the facilities for Rocketship’s third and fourth schools, \$10MM in equity as part of Rocketship’s Series B fundraising and \$1.8MM in working capital financing |
| 2009 | <p>ENVISION SCHOOLS San Francisco, CA</p> <p><i>Director of Strategic Planning through the Broad Residency Program</i></p> <ul style="list-style-type: none">• Managed the relationship with and support of Envision Schools Colorado, an Envision franchise in Denver set to open its first school in August 2009; serve as consultant on school and CMO start-up• Directed the deliverables and workstreams of three colleagues assigned to the Denver project• Responsible for developing and achieving Envision’s FY10 strategic objectives, including determining Envision’s growth strategy and designing and implementing a performance management system |
| 2007 – 2008 | <p><i>Director of Finance</i></p> <ul style="list-style-type: none">• Founding member of Finance and Accounting Department; managed the implementation and integration of Envision’s financial accounting system when the function was brought in-house• Secured \$2MM in revolving capital financing for Envision’s ongoing operations• Collaborated with and serve as primary contact for Principals regarding budgets, financial protocols, fiscal management, forecasting and financial planning• Coached school leadership teams and support office budget managers on how to make fiscal management decisions that best support educational outcomes• Hired, developed and managed three accounting and payroll staff• Directed financial reporting process to ensure compliance with district, state and federal funding standards and foundation grant provisions• Generated school-level and consolidated financial projections: revenue, cash flow, spending variances, funding needs; present monthly reports to Principals, Support Staff and Board to ensure financial visibility• Designed financial accounting policies, procedures, and systems; gained acceptance of school leadership teams and support office staff leading to successful implementation• Managed Envision’s FY2008 audit process with no reported findings |

2006 *Intern through Education Pioneers Fellowship Program*

- Redesigned Envision's complex, multi-school, multi-year financial model; generated financial projections instrumental in obtaining \$7 million grant from the Bill and Melinda Gates Foundation

2003 – 2005 **EPISCOPAL HIGH SCHOOL** Alexandria, VA
Teacher, Coach and Academic Advisor

- Created, designed and taught curricula in Precalculus and Multivariable Calculus
- Redesigned strategic focus and positioning of summer programs for school's 5-year plan; strategy estimated to increase summer revenue by 10% and admissions applications from target student population by 25%
- Appointed Director of Precalculus courses; managed course development and responsibilities of two other teachers, resulting in lowest level of students requesting Precalculus tutors in 15 years

2001 – 2003 **CHARLES RIVER ASSOCIATES** Washington, DC
Associate—Energy and Environment Practice

- Performed quantitative economic and financial analyses of regional energy markets to advise Fortune 500 energy and commercial banking clients on their valuation methodologies and risk management strategies
- Managed 4-person team working on-site with client to integrate and analyze two large datasets on financial hedges and transactions; workproduct was critical to successful settlement of \$75 million litigation case
- Appointed by partners to lead undergraduate recruiting: presented at colleges, interviewed candidates and served as voting member of six-person committee that determined offers
- Designed and managed training program for 20 new hires on analytical techniques and financial modeling

2000 – 2001 **PA CONSULTING GROUP**
Washington, DC
Analyst—Global Energy Practice

- Created optimization program incorporating real options, logistical arbitrage and asset liquidity to optimize \$7.7 billion gas company's supply decisions and risk management strategy
- One of two junior staff invited by PA's partners to leave firm in order to start CRA's Energy Practice

EDUCATION AND OTHER

2008-2010 **GRADUATE OF THE BROAD RESIDENCY IN URBAN EDUCATION**

2005 – 2007 **KELLOGG SCHOOL OF MANAGEMENT** Evanston, IL
NORTHWESTERN UNIVERSITY

Honor Society Master of Business Administration degree with High Honors, June 2007, Beta Gamma Sigma

- Served on Board of Directors of Illinois Network of Charter Schools; member of Finance Committee

1996 — 2000 **HAVERFORD COLLEGE** Haverford, PA
Bachelor of Arts in Mathematical Economics with Honors, June 2000

AYLON SAMOUHA
CHIEF ACHIEVEMENT OFFICER, ROCKETSHIP EDUCATION

330 West Grand Avenue #801 □ Chicago, IL 60610 □ (973) 727-5541 □ asamouha@gmail.com

EXPERIENCE

ROCKETSHIP EDUCATION 2011-present

Chief Schools Officer *Palo Alto, CA*

- Manage design and strategy teams in charge of all aspects of academic model, teacher training, school leader training, and instructional technology
- Build Learning Lab 2.0 to maximize student results through a personalized academic experience
- Develop organizational expansion strategy and manage “green-lighting” for new schools and expansion regions
- Manage national efforts for teacher and school leader recruitment
- Evolve school model to enable high quality scalability to hundreds of schools
- Serve on the executive staff within Rocketship and on the Achievement Committee of the National Board

TEACH FOR AMERICA 2006-2010

Senior Vice-President, Teacher Preparation, Support, and Development *Chicago, IL*

- Manage 350 full-time and 850 part-time staff to exceptional results in student achievement, teacher effectiveness, and staff effectiveness goals serving 8,500 teachers (corps members) across 39 regions; including operating 8 pre-service institute sites and in service teacher development over the two-year corps commitment
- Develop long-term strategic plan for teacher training, corps member culture, staff development, and student achievement measurement systems while maximizing \$35 million annual budget and growing the corps from 5,000 to 8,500 over the last 4 years
- Manage 20 full-time operations staff to maximize cost efficiency, technology solutions, and infrastructure across institute and regional program.
- Foster a staff and corps member culture rooted in core values, mission, and continuous improvement.
- Manage cross-organizational projects and relationships with regional operations, program leadership, and home office teams.
- Build strong partnerships with external stakeholders: district partners, charter schools, board members, and foundations
- Serve on the Program Committee charged with the organizational strategic and operational decisions for the corps member program continuum.

KAPLAN INC. – SCORE! EDUCATIONAL CENTERS 1997 – 2006

Chicago, IL

Vice-President, East Operations *11/05 – 12/06*

- Led 600 employees across 66 centers to serve 29,000 families and exceed revenue goal of \$30 million.
- Work directly with President and Executive Vice-President to establish growth strategies, increase employee retention, and improve service nationally.
- Foster a company culture of high educational standards, employee development, and effective business leadership to ensure continuous growth and educational impact.
- Directly develop Regional Directors for executive leadership within SCORE! and Kaplan, Inc.
- Host and author seminars at Kaplan Leadership Conferences for company leaders internationally.
- Manage sales call center for the Northeast and build business case for national roll out.

Chicago, IL

Vice-President, Center Strategy *10/04 – 11/05*

- Designed field operations reorganization spanning region management, training, and recruitment; implemented within two-month timeframe.
- Overhauled and managed the professional development and training department; implemented field trainers.
- Managed all real estate operations including expansion strategy, lease renewals, and facility designs.

- Developed intermediate and long-term growth strategy for curriculum, employee retention, real estate operations, and membership pricing as part of the executive committee (CEO, EVP, VP Business Affairs)
- Authored and communicated internal PR for the organization at large through region manager meetings, company retreats, and formal written communication.
- Collaborated with department heads on all company pilots and rollouts including technology, product design, training, human resources, and finance.

New York, NY

Region Director, Northeast Territory 6/02 – 9/04

- Led 300 employees to serve 10,000 families in the Tri-State area; achieved highest revenue and contribution levels in company history.
- Grew the market from 30 to 43 centers – opened new market in Philadelphia, PA and expanded urban presence by 160% in New York City.
- Pioneered the integration of Supplemental Educational Services (under NCLB) in the New York centers to become the biggest provider of SES services in 2003.
- Groomed three of five Region Managers for promotion to Region Director.
- Facilitated biannual three-day retreats for 100 full-time directors – established consensus on company vision, employee development, and long-term planning.

Englewood, NJ

Region Manager, New Jersey Region 9/99 - 6/02

- Led 120 employees across 13 centers – exceeded \$2.8 million revenue budget by 11% in 2000, increasing same store sales by 20% in 2001.
- Created professional development strategy for the region, later adopted nationally; personally developed three Region Managers, four Senior Directors, and nine Center Directors.
- Authored and delivered over 30 region-wide training seminars in sales, service, management, leadership, and operations to all 40 full-time employees.

Westfield & Englewood, NJ

Center Director/Senior Director 12/97 - 8/99

- Opened the first center in the New Jersey region, growing revenues faster than any of the previous 42 centers and generating double the first-year revenue expectations.
- Managed 29 staff from three centers in operations, marketing, professional development and recruitment – exceeded \$1.3 million revenue budget by 18%.
- Developed company-wide customer referral marketing strategy based on performance success in region, leading to year-over-year increases in referrals for the entire company.

EDUCATION

Columbia University, Columbia College New York, NY

Bachelor of Arts in English May 1997

- Dean's List 6 semesters
- Six-month Intensive Language and Literature Program, Paris, France

ADDITIONAL

- Speaker on numerous panels including the President's Conference in Israel, University of Chicago Business School, and Teach For America Alumni events
- Fluent in Hebrew and proficient in French
- Accomplished jazz guitarist – released two CDs; perform in NYC/Chicago clubs; weddings
- Co-Founded "Prisoners of Conscience" – a fundraising organization for human rights activists; assisted member of Kenyan Parliament in becoming a visiting scholar at Columbia University Law School in 2001
- Board Member, Giving Open Access to Learning (G.O.A.L.), 2003-2006
- Student of Yoga

ROCKETSHIP EDUCATION INDIANA

Attachment 2
Principal Job Description

Principal: The Rocketship Education Board of Directors intends to hire a Rocketship Education-trained Principal who will be responsible for creating a school capable of achieving the RSIN mission and goals. This will include leading the Charter School in all aspects of its day to day operations, working with the Board of Directors, the PTC, ICSB students, parents, and community members and the other governing bodies specified by local and state law. Rocketship Education is actively searching for the Founding Principal for Indiana. The candidate must be identified at least eighteen months prior to opening the first school in order to be green-lit by the Rocketship Education Board of Directors.

The principal is the instructional, cultural, managerial, and community leader of the school. The principal sets the vision for the school and ensures that the school is a high-achieving college preparatory environment where all students finish the fifth grade at or above grade level. Additionally, the principal directly manages, supports, and develops the Assistant Principal, the Academic Dean, and the Office Manager. The Principal serves as the manager of all teachers, and also coaches a few classroom teachers directly, which includes conducting observation cycles, modeling lessons, and providing support and resources aimed at increasing teacher effectiveness and leadership. The principal is also responsible for engaging and empowering parents to become lifelong advocates for their children's education.

Key Responsibilities:

- Foster a rigorous and college preparatory environment that ensures high levels of student achievement annually through the relentless use of data to drive and refine instruction
- Manage, support, and develop other members of the school leadership team including the Assistant Principal, Academic Dean, and Office Manager
- Manage self and others in a manner that creates a healthy, high-achieving environment where staff feel challenged, supported, and valued and there is open communication about professional growth and future career opportunities
- Foster a school culture and environment of constant reflection and professional growth so that all staff continues to emerge as leaders within Rocketship and quickly assume leadership positions within the organization
- Foster Rocketship school culture where students, educators, and members of the school community demonstrate Rocketship's beliefs, values, and behaviors
- Create a school community that fully involves parents in student achievement through multiple outlets including home visits, regular community meetings, and parent/family meetings and also empowers them to become active advocates for their Rocketeer's education and achievement
- Promote collaborative problem solving and open communication between teachers, learning lab staff, students, and families
- Develop classroom teacher practice and leadership through direct observation, coaching, and training (2+ teachers)
- Design and lead staff meetings
- Oversee and/or contribute to the design and implementation of staff professional development and collaborative planning time
- Lead the execution of community meetings and events
- Lead and/or support other school site and network-wide initiatives as needed to foster strong school culture, academic excellence, and network growth

- Provide leadership toward, creative and positive data driven behavioral innovations and instruction for high risk students, their teachers and their families

Required Skills and Experience:

- 2+ years of experience teaching in an urban city classroom and realizing significant gains
- Strong leadership skills and personal drive
- Relentless pursuit of high expectations
- Organized
- Passion for urban children and their families
- Ability to build partnerships with community organizations
- Strategic planning experience
- Ability to engage and empower parents and families
- Strong communication skills
- An entrepreneurial spirit and a proven track record
- Experience in building and maintaining outstanding school culture
- Results-oriented and data-driven
- Ability to develop others
- Adaptable and able to thrive in a dynamic, fast-paced environment

Rocketship Education is working diligently with Indiana-based community partners to identify principal candidates.

ROCKETSHIP EDUCATION INDIANA

Attachment 3

School Administrator Job Descriptions

School Administrators' Resumes

While school administrators are not yet hired, Rocketship Education will begin actively recruiting candidates to fill the following positions after the Rocketship Education National Board of Directors green-lights the region, eighteen months prior to the first school opening. Below are the descriptions of each key position in the Regional Support Office who will support the founding principal in opening a successful first school and regional cluster.

Rocketship Education Regional Director of Achievement

The Position and Responsibilities

The Rocketship Education Director of Achievement (RDA) is a full-time, exempt position reporting to the Regional Vice-President. The RDA is responsible for maximizing student outcomes, school/parent culture, instructional and school leader development in partnership with regional directors, principals, and national academic functional teams. The RDA will manage the Regional Manager of Achievement and will provide parallel support to Deans and Assistant Principals in the form of training, coaching and building a community of practice. The regional office of achievement plays an instrumental role in ensuring academic and instructional excellence in schools and collaborating with the national academics to team to shape overall programmatic strategy.

Coaching and Training

- Support and coach Deans and AP's to realize outcomes for teachers through the Rocketship coaching cycle and formal Professional Development.
- Support and coach Assistant Principals to realize the vision of Learning Lab through robust management of student outcomes; effective implementation of Learning Lab curricula/systems/tools; and strong training/coaching/management of Instructional Learning Specialists.
- Implement network fellows training to prepare the next generation of school leaders towards achievement-gap closing schools
- Support and coach AP's and Deans to ensure that student data/evidence lead to effective instructional and programmatic decision-making within schools.
- Lead weekly sessions for Deans and Assistant Principals that: provide professional development opportunities, venues to create communities of practice; and serve as time to disseminate regional and national information and initiatives.
- Coordinate and manage relationships (contracts, scope, schedules) with external vendors (ex: GLAD) who provide professional development and trainings to school staff.

Curriculum and Tools

- Drive implementation of common core scope and sequence.
- Research, procure and/or foster collaboration of necessary curricular tools.
- Drive the creation of regional tool creations including but not limited to: regional unit plans models and regional lesson plan models.

Assessment and Data

- Manage the administration life cycle of all entire Rocketship assessment suite
- Identify and implement supplementary testing as needed
- Lead analysis of region-wide student data and trends to inform and drive professional development and instructional decisions

Communication

- Own relationship and serve as primary point of contact between schools and Rocketship National office to facilitate the transfer of information regarding Achievement pilots, best practices, initiatives, tools, and feedback
- Draft and create weekly Rocketship School Leader Launcher that provides schools with performance management tools, communicates national and organizational updates, and provides opportunities for culture building.

External Relationships

- Serve as the point of contact with entity responsible for teacher certification and act as liaison between entity and regional and national offices
- Manage relationship with TFA staff members who support RSED teachers throughout the corps experience

Qualifications

The successful candidate will have the following skills and experience:

- Track record of success driving student achievement in an elementary or secondary school in a teacher, coach or administrator role.
- At least two years successful experience in a role coaching, managing, or conducting professional development for teachers.
- Significant experience using data to drive student achievement.
- BA Required, Master Degree Preferred.
- Possess the core characteristics required of every Rocketeer – mission-driven, innovative, disciplined thinker, collaborative, and personally responsible.
- Deep commitment to Rocketship’s mission to eliminating the achievement gap in our lifetimes.
- Demonstrated proficiency in strategic and project planning, incorporating the perspective and participation of multiple stakeholders.
- Strong communication, influencing, and negotiation skills.
- Ability to manage multiple critical deadlines and adapt quickly and confidently in a fast-paced environment.
- Strong analytical and problem-solving skills.
- Management experience preferred.
- Experience with strategic planning and project planning strongly preferred.

Compensation

Commensurate with experience

Hiring Process

Please submit a cover letter and resume via email to jobs@rsed.org and include the position title in the subject line. Rocketship Education will invite select candidates for interviews. Interviews will continue until the position is filled. Hiring is contingent upon successful completion of employment verification and hiring process.

Rocketship Education Regional Director of Business

Position and Responsibilities

Rocketship is currently preparing to open schools in regions outside of the San Francisco Bay Area; pending our board's final approval in early 2014, a Rocketship elementary school in the region will open its doors in fall 2015. The Regional Business Director will be an integral part of the startup team: a full-time, exempt position that will lead all business functions for this and future schools in the region and report to the Regional Director with dotted line reporting to RSED's Director of Operations. During the 2014-15 school year, the Regional Business Director will be responsible for preparing for all non-achievement related aspects of the school opening, including:

- Prepare to implement Rocketship's operational/business processes and procedures in the region, adapting as needed based on local compliance regulations and other local factors. Establish vendor relationships as required.
- Project manage and ensure efficient and successful school start, including managing all required federal/state filings, overseeing procurement, and coordinating with Launchpad, authorizer, departments at RSED, and school leaders
- Coordinate lottery process and waitlist management
- Build clear understanding of state-specific compliance reporting requirements
- Research state credentialing requirements; create relationships with local credentialing offices
- Recruit Office Manager and other non-instructional staff
- Travel between Bay Area and the region as needed, with split of time across locations TBD

In 2014-2015 onward, the Regional Business Director will own managing and ensuring successful completion of all non-achievement related work for all schools in the region. This includes:

- Support Regional Director and Regional Vice President in running the day-to-day non-academic operations (e.g. finance, facilities, HR, IT, student data, NSLP, attendance, school startup, planning)
- Serve as liaison between national office departments and schools to ensure implementation of best practices in school operations
- Manage the regional budget and assist principals in managing their individual school budgets
- Implement trainings and provide support for school site staff to maximize efficiency and reduce time spend on non-achievement-related matters
- Continue to coordinate lottery process and waitlist management, and project managing school startups
- Serve as main point of contact for external constituencies (authorizers, funders, school board members) on business-related matters (MOU negotiations, audits, funding and financing relationships, etc.)
- Liaise with Launchpad (Rocketship's real estate partner), ensuring appropriate facilities
- Manage monthly Principal business meetings and weekly Office Manager meetings on all relevant aspects of finance and operations

- Be the primary point of contact for all non-instructional related issues at the schools, including Operations, Finance, HR, Legal and Facilities
- Serve as dotted-line manager for school Office Managers

Required skills and experience:

- 4+ years of experience as a project manager, preferably in an educational setting
- Experience in a fast-paced, highly analytical, entrepreneurial environment
- Ideal candidate will have worked in management consulting, financial services, corporate strategy, or internal operations – and potentially also have experience as a classroom teacher
- 2+ years of experience managing others in a professional environment
- Comfort level and enjoyment in dealing with people in both senior and junior level staff roles – within and beyond Rocketship
- Strong interpersonal and relationship-building skills
- Strong communications skills
- Experience with budgets and strong quantitative skills
- Excellent planning, analytical and critical thinking skills
- An evident passion for Rocketship’s mission, matched with a strong work ethic
- A team player who is detail oriented, organized, resourceful, proactively manages multiple critical deadlines and adapts quickly and confidently in a fast-paced environment

Education and technical requirements:

- Bachelor’s degree required; Master’s degree (business, law, policy) strongly preferred
- Proficiency in Microsoft Word, Excel, and PowerPoint, and the ability to quickly learn new IT applications

Rocketship Education Regional Director of Community Development

With the capacity to expand to eight schools throughout the region over a five year timeline, Rocketship must build our community engagement and empowerment in expansion regions outside of the Bay Area while also forming and managing the local political and civic landscape in the region. As one of three leaders reporting directly to the Regional Founder, the Regional Director of Community Development will play a critical role in building the premier network of high-performing charter schools within the region. With the support and guidance of the National Development Team, the Regional Director of Community Development will act as the primary local political strategist, while also guiding the development and expansion of Rocketship's community engagement and advocacy model in the region.

The Regional Director of Community Development will lead the regional efforts to build political capacity and currency within the region by partnering effectively with parents, community and faith-based organizations, private sector institutions, local school district leadership, civic leaders and public officials as key collaborators and stakeholders in closing the achievement gap. This is a hands-on, senior-level regional role as a leader in a small but rapidly growing entrepreneurial organization so the Director must bring management experience as well as a roll-up-your-sleeves attitude and work ethic.

The Regional Director of Community Development will:

- Build and lead the mission-critical Regional Community Development team by developing and managing team performance and integrating strong accountability systems, as well as professional development plans and support for team members;
- Foster relationships and develop stakeholders and supporters with community based organizations, faith leaders, elected officials, civic, and community leaders that lead to positive engagement of the community and neighborhoods where Rocketship has and will have a presence;
- Lead the successful implementation and development of Rocketship's student recruitment model in order to ensure that all schools open fully enrolled with robust waiting lists (at least 25%);
- Lead the development and implementation of Rocketship's parent empowerment and advocacy model and strategies that lead to meaningful parent-led advocacy and activism. Advise on school-level strategies in support of parent empowerment;
- Develop and refine a strategic plan for regional growth to ensure that Rocketship can open the approved eight schools through 2017-18 school year and additional schools beyond, along with a consortium of key local charter leaders and other CMOs;
- Identify and recruit supporters to develop a broad-based coalition (i.e., school personnel, community based organizations, businesses, universities, etc.) that can be leveraged on an ongoing basis to advocate for key policy outcomes that support Rocketship's mission;
- Partner and collaborate with Rocketship facilities and real estate group to effectively navigate the political processes that are necessary to ensure that Rocketship can continue to open brand-new school facilities;
- Assist the CDO in influencing State policy that positively impact Rocketship operations;
- Build political knowledge and capacity among school leaders that will result in their ability to leverage school and community resources to better support area schools;
- Manage effective communications with local media and drive awareness through outstanding communications among regional, education and local thought-leaders and media outlets as the proven leader of successful, scalable reforms in public education in the United States.

- Lead all charter renewal and application processes that result in all high performing Rocketship schools being successfully renewed and further grow Rocketship's impact in the region;
- Collaborate with the National Development team to construct and refine the playbook for all future regions to use in developing their regions;

Required Qualifications

This is an outstanding opportunity to play a critical role in public education reform in the region and beyond. The Regional Director of Community Development must believe that no student's life is subject to the destiny of demographics.

The successful candidate will have the following skills and experience:

- The ability to position Rocketship in the policy arena as an agent for positive change through strong communication and strategic skills;
- Three or more years in the education field, a significant portion of which should be in policy resulting in a sophisticated understanding of local and state education politics;
- Two or more years as a manager, including a demonstrable track record of assembling effective teams, strategic planning, communicating a vision and setting priorities, as well as managing team execution, delegating, mentoring others and developing emerging leaders;
- Demonstrated ability to interact and cultivate support among diverse constituencies, including public officials, key external agencies and stakeholders;
- A significant network of local and district education officials to aid in Rocketship's local work and expansion;
- Verbal and written fluency in a second language required. Spanish Preferred
- A bachelor's degree.

The *ideal* candidate will also possess *some combination* of the following:

- In-depth experience running political campaigns for individuals and/or issues;
- Experience inside or working with an urban, public school district;
- Experience with Regional politics;
- A results-oriented, goal-driven, team approach to work;
- Confidence and persuasiveness compelling enough to bring divergent groups together;
- A communications background;
- Experience working in a high-growth (100% annual growth) start-up environment;
- A sense of urgency; and
- An advanced degree, preferably in Education or Public Policy.

Other

Compensation: commensurate with experience

ROCKETSHIP EDUCATION INDIANA

Attachment 4

Governance Documents

501(c)(3) Letter of Determination

Articles of Incorporation

Bylaws

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date:

DEC 05 2006

ROCKETSHIP EDUCATION INC
C/O JOHN DANNER
550 KINGSLEY AVE
PALO ALTO, CA 94301

Employer Identification Number:
20-4040597
DLN:
17053074009026
Contact Person:
DONNA ELLIOT-MOORE ID# 50304
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
JUNE 30
Public Charity Status:
170(b)(1)(A)(ii)
Form 990 Required:
YES
Effective Date of Exemption:
FEBRUARY 16, 2006
Contribution Deductibility:
YES

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Information for Exempt Organizations Under Section 501(c)(3) for some helpful information about your responsibilities as an exempt organization.

Letter 947 (DO/CG)

ROCKETSHIP EDUCATION INC

We have sent a copy of this letter to your representative as indicated in your power of attorney.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lois G. Lerner".

Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Enclosures: Information for Organizations Exempt Under Section 501(c)(3)

ROCKETSHIP EDUCATION INC

INFORMATION FOR ORGANIZATIONS EXEMPT UNDER SECTION 501(c)(3)

WHERE TO GET FORMS AND HELP

Forms and instructions may be obtained by calling toll free 1-800-829-3676, through the Internet Web Site at www.irs.gov, and also at local tax assistance centers.

Additional information about any topic discussed below may be obtained through our customer service function by calling toll free 1-877-829-5500.

NOTIFY US ON THESE MATTERS

If you change your name, address, purposes, operations or sources of financial support, please inform our TE/GE EO Determinations Office at the following address: Internal Revenue Service, P.O. Box 2508, Cincinnati, Ohio 45201. If you amend your organizational document or by-laws, or dissolve, provide the EO Determinations Office with a copy of the amended documents. Please use your employer identification number on all returns you file and in all correspondence with the Internal Revenue Service.

FILING REQUIREMENTS

In your exemption letter we indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. Form 990 (or Form 990-EZ) is filed with the Ogden Submission Processing Center, Ogden UT 84201-0027.

You are required to file a Form 990 only if your gross receipts are normally more than \$25,000.

If your gross receipts are normally between \$25,000 and \$100,000, and your total assets are less than \$250,000, you may file Form 990-EZ. If your gross receipts are over \$100,000, or your total assets are over \$250,000, you must file the complete Form 990. The Form 990 instructions show how to compute your "normal" receipts.

Form 990 Schedule A is required for both Form 990 and Form 990-EZ.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. There are penalties for failing to timely file a complete return. For additional information on penalties, see Form 990 instructions or call our toll free number.

If your receipts are below \$25,000, and we send you a Form 990 Package, follow the instructions in the package on how to complete the limited return to advise us that you are not required to file.

If your exemption letter states that you are not required to file Form 990, you are exempt from these requirements.

Letter 947 (DO/CG)

ROCKETSHIP EDUCATION INC

UNRELATED BUSINESS INCOME TAX RETURN

If you receive more than \$1,000 annually in gross receipts from a regular trade or business you may be subject to Unrelated Business Income Tax and required to file Form 990-T, Exempt Organization Business Income Tax Return. There are several exceptions to this tax.

1. Income you receive from the performance of your exempt activity is not unrelated business income.
2. Income from fundraisers conducted by volunteer workers, or where donated merchandise is sold, is not unrelated business income.
3. Income from routine investments such as certificates of deposit, savings accounts, or stock dividends is usually not unrelated business income.

There are special rules for income derived from real estate or other investments purchased with borrowed funds. This income is called "debt financed" income. For additional information regarding unrelated business income tax see Publication 598, Tax on Unrelated Business Income of Exempt Organizations, or call our toll free number shown above.

PUBLIC INSPECTION OF APPLICATION AND INFORMATION RETURN

You are required to make your annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return, or the date the return is filed. You are also required to make available for public inspection your exemption application, any supporting documents, and your exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

FUNDRAISING

Contributions to you are deductible only to the extent that they are gifts and no consideration is received in return. Depending on the circumstances, ticket purchases and similar payments in conjunction with fundraising events may not qualify as fully deductible contributions.

CONTRIBUTIONS OF \$250 OR MORE

Donors must have written substantiation from the charity for any charitable contribution of \$250 or more. Although it is the donor's responsibility to obtain written substantiation from the charity, you can assist donors by providing a written statement listing any cash contribution or describing any

ROCKETSHIP EDUCATION INC

donated property.

This written statement must be provided at the time of the contribution. There is no prescribed format for the written statement. Letters, postcards and electronic (e-mail) or computer-generated forms are acceptable.

The donor is responsible for the valuation of donated property. However, your written statement must provide a sufficient description to support the donor's contribution. For additional information regarding donor substantiation, see Publication 1771, Charitable Contributions - Substantiation and Disclosure Requirements. For information about the valuation of donated property, see Publication 561, Determining the Value of Donated Property.

CONTRIBUTIONS OF MORE THAN \$75 AND
CHARITY PROVIDES GOODS OR SERVICES

You must provide a written disclosure statement to donors who receive goods or services from you in exchange for contributions in excess of \$75.

Contribution deductions are allowable to donors only to the extent their contributions exceed the value of the goods or services received in exchange. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as fully deductible contributions, depending on the circumstances. If your organization conducts fundraising events such as benefit dinners, shows, membership drives, etc., where something of value is received, you are required to provide a written statement informing donors of the fair market value of the specific items or services you provided in exchange for contributions of more than \$75.

You should provide the written disclosure statement in advance of any event, determine the fair market value of any benefit received, determine the amount of the contribution that is deductible, and state this information in your fundraising materials such as solicitations, tickets, and receipts. The amount of the contribution that is deductible is limited to the excess of any money (and the value of any property other than money) contributed by the donor less the value of goods or services provided by the charity. Your disclosure statement should be made, no later than, at the time payment is received. Subject to certain exceptions, your disclosure responsibility applies to any fundraising circumstances where each complete payment, including the contribution portion, exceeds \$75. For additional information, see Publication 1771 and Publication 526, Charitable Contributions.

EXCESS BENEFIT TRANSACTIONS

Excess benefit transactions are governed by section 4958 of the Code. Excess benefit transactions involve situations where a section 501(c)(3) organization provides an unreasonable benefit to a person who is in a position to exercise substantial influence over the organization's affairs. If you believe there may be an excess benefit transaction involving your organization, you should report the transaction on Form 990 or 990-EZ. Additional information can be found in the instructions for Form 990 and Form 990-EZ, or you may call our

ROCKETSHIP EDUCATION INC

toll free number to obtain additional information on how to correct and report this transaction.

EMPLOYMENT TAXES

If you have employees, you are subject to income tax withholding and the social security taxes imposed under the Federal Insurance Contribution Act (FICA). You are required to withhold Federal income tax from your employee's wages and you are required to pay FICA on each employee who is paid more than \$100 in wages during a calendar year. To know how much income tax to withhold, you should have a Form W-4, Employee's Withholding Allowance Certificate, on file for each employee. Organizations described in section 501(c)(3) of the Code are not required to pay Federal Unemployment Tax (FUTA).

Employment taxes are reported on Form 941, Employer's Quarterly Federal Tax Return. The requirements for withholding, depositing, reporting and paying employment taxes are explained in Circular E, Employer's Tax Guide, (Publication 15), and Employer's Supplemental Tax Guide, (Publication 15-A). These publications explain your tax responsibilities as an employer.

CHURCHES

Churches may employ both ministers and church workers. Employees of churches or church-controlled organizations are subject to income tax withholding, but may be exempt from FICA taxes. Churches are not required to pay FUTA tax. In addition, although ministers are generally common law employees, they are not treated as employees for employment tax purposes. These special employment tax rules for members of the clergy and religious workers are explained in Publication 517, Social Security and Other Information for Members of the Clergy and Religious Workers. Churches should also consult Publications 15 and 15-A. Publication 1828, Tax Guide for Churches and Religious Organizations, also discusses the various benefits and responsibilities of these organizations under Federal tax law.

PUBLIC CHARITY STATUS

Every organization that qualifies for tax-exemption as an organization described in section 501(c)(3) is a private foundation unless it falls into one of the categories specifically excluded from the definition of that term [referred to in section 509(a)(1), (2), (3), or (4)]. In effect, the definition divides these organizations into two classes, namely private foundations and public charities.

Public charities are generally those that either have broad public support or actively function in a supporting relationship to those organizations.

Public charities enjoy several advantages over private foundations. There are certain excise taxes that apply to private foundations but not to public charities. A private foundation must also annually file Form 990-PF, Return of Private Foundation, even if it had no revenue or expenses.

ROCKETSHIP EDUCATION INC

The Code section under which you are classified as a public charity is shown in the heading of your exemption letter. This determination is based on the information you provided and the request you made on your Form 1023 application. Please refer to Publication 557 for additional information about public charity status.

GRANTS TO INDIVIDUALS

The following information is provided for organizations that make grants to individuals. If you begin an individual grant program that was not described in your exemption application, please inform us about the program.

Funds you distribute to an individual as a grant must be made on a true charitable basis in furtherance of the purposes for which you are organized. Therefore, you should keep adequate records and case histories that demonstrate that grants to individuals serve your charitable purposes. For example, you should be in a position to substantiate the basis for grants awarded to individuals to relieve poverty or under a scholarship or education loan program. Case histories regarding grants to individuals should show names, addresses, purposes of grants, manner of selection, and relationship (if any) to members, officers, trustees, or donors of funds to you.

For more information on the exclusion of scholarships from income by an individual recipient, see Publication 520, Scholarships and Fellowships.



LAW OFFICES OF SPECTOR, MIDDLETON, YOUNG & MINNEY, LLP

February 17, 2006

ATTORNEY/CLIENT PRIVILEGED &
CONFIDENTIAL COMMUNICATION

Via First Class Mail

PAUL C. MINNEY
JAMES E. YOUNG
MICHAEL S. MIDDLETON
DANIEL I. SPECTOR
LISA A. CORR

John Danner, CEO
ROCKETSHIP EDUCATION, INC.
550 Kingsley Avenue
Palo Alto, CA 94301

Re: Filed Articles of Incorporation for Rocketship Education

AMANDA J. MCKECHNIE
JESSICA J. HAWTHORNE
VICTORIA K. LIN
JESSICA ADAMS ROBISON
TIMOTHY M. WEIR
JERRY W. SIMMONS
ADAM J. SUSZ
MARISA L. RUBITZ
CHASTIN H. PIERMAN
JULIE D. ROBBINS

Dear John:

On February 16, 2006, our office filed articles of incorporation for Rocketship Education. Please retain the enclosed original document in your corporate records.

If you should have any questions or concerns regarding this matter, please feel free to contact me.

Sincerely,

LAW OFFICES OF SPECTOR, MIDDLETON,
YOUNG & MINNEY, LLP

Adam J. Susz
ATTORNEY AT LAW

ENCLOSURES

CALIFORNIA SECRETARY OF STATE
BUSINESS PROGRAMS DIVISION



DOCUMENT FILING REQUEST

THIS DOCUMENT IS BEING PROCESSED FOR:
(Client Information)

Date: 2/16/05

Name Rocketship Education

Telephone: (916) 646-1400

Street Address 550 Kingsley Ave

Waiting

City Palo Alto State CA Zip Code 94301

Mail Back

Attn: John Danner

Telephone Notification

CORPORATION NAME - PLEASE PRINT LEGIBLY

Rocketship Education

RECEIVED
SACRAMENTO, CALIF.
FEB 16 PM 3:08
SECRETARY OF STATE
IPB + [unclear]

SECRETARY OF STATE USE ONLY

T <u>0474443</u>	CERT <u>2</u> C/F _____ C/GS _____
AMOUNT REC'D <u>15</u>	ARTS <u>X</u> AMDT _____ DISS _____ MERG _____
<input type="checkbox"/> CASH <input checked="" type="checkbox"/> CHECK <input type="checkbox"/> MONEY ORDER <input checked="" type="checkbox"/> CREDIT CARD	DS _____
Check/Money Order # _____	

S/I _____

LR _____ LEGAL REVIEW NOTES: _____

A nonprofit public benefit corporation is required to furnish an additional copy of a corporate document for forwarding the Office of the Attorney General. One of your copies has been sent by this office in compliance with Section 5120(d), California Corporations Code.

HANDLING FEE IS APPLICABLE FOR ALL DOCUMENTS PROCESSED
IE REMITTED BY SEPARATE CHECK AS THIS FEE WILL BE RETAINED

PLEASE MAKE CHECKS PAYABLE TO THE "SECRETARY OF STATE"

State of California
Secretary of State



I, BRUCE McPHERSON, Secretary of State of the State of California, hereby certify:

That the attached transcript of 2 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

FEB 16 2006

BRUCE McPHERSON
Secretary of State

FEB 16 2006

ARTICLES OF INCORPORATION
OF
ROCKETSHIP EDUCATION
(A California Nonprofit Public Benefit Corporation)

I.

The name of the Corporation shall be Rocketship Education.

II.

The Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public and charitable purposes. The specific purposes for which this Corporation is organized are to manage, operate, guide, direct and promote one or more California public charter schools.

The Corporation is organized and operated exclusively for educational and charitable purposes pursuant to and within the meaning of Section 501(c)(3) of the Internal Revenue Code or the corresponding provision of any future United States Internal Revenue Law. Notwithstanding any other provision of these articles, the Corporation shall not, except to an insubstantial degree, engage in any other activities or exercise of power that do not further the purposes of the Corporation. The Corporation shall not carry on any other activities not permitted to be carried on by: (a) a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code; or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

III.

The name and address in the State of California of this Corporation's initial agent for service of process is:

John Danner
550 Kingsley Avenue
Palo Alto, CA 94301

IV.

All corporate property is irrevocably dedicated to the purposes set forth in the second article above. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to any of its directors, members, trustees, officers or other private persons except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered, and to make payments and distributions in furtherance of the purposes set forth in Article II.

No substantial part of the activities of the Corporation shall consist of the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not

participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

Subject to the provisions of the nonprofit public benefit provisions of the Nonprofit Corporation Law of the State of California, and any limitations in the articles or bylaws relating to action to be approved by the members or by a majority of all members, if any, the activities and affairs of this Corporation shall be conducted and all the powers shall be exercised by or under the direction of the board of directors.

The number of directors shall be as provided for in the bylaws. The bylaws shall prescribe the qualifications, mode of election, and term of office of directors.

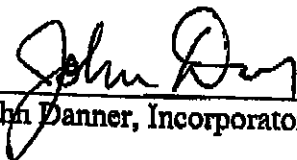
V.

The authorized number and qualifications of members of the corporation, if any, the different classes of membership, the property, voting and other rights and privileges of members, and their liability for dues and assessments and the method of collection thereof, shall be set forth in the bylaws.

VI.

Upon the dissolution or winding up of the Corporation, its assets remaining after payment of all debts and liabilities of the Corporation, shall be distributed to a nonprofit fund, foundation, or association which is organized and operated exclusively for educational, public or charitable purposes and which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

Dated: 2/6/05



John Danner, Incorporator



2853527



MP

State of California Secretary of State

N

STATEMENT OF INFORMATION (Domestic Nonprofit Corporation)

Filing Fee \$20.00. If amendment, see instructions.

IMPORTANT — READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

1. **CORPORATE NAME** (Please do not alter if name is preprinted.)

ROCKETSHIP EDUCATION

This Space For Filing Use Only

DUE DATE: MAY 16, 2006

COMPLETE PRINCIPAL OFFICE ADDRESS (Do not abbreviate the name of the city. Item 2 cannot be a P.O. Box.)

2. STREET ADDRESS OF PRINCIPAL OFFICE IN CALIFORNIA, IF ANY.	CITY	STATE	ZIP CODE
		CA	

NAMES AND COMPLETE ADDRESSES OF THE FOLLOWING OFFICERS (The corporation must have these three officers. A comparable title for the specific officer may be added; however, the preprinted titles on this form must not be altered.)

3. CHIEF EXECUTIVE OFFICER/	ADDRESS	CITY AND STATE	ZIP CODE
4. SECRETARY/	ADDRESS	CITY AND STATE	ZIP CODE
5. CHIEF FINANCIAL OFFICER/	ADDRESS	CITY AND STATE	ZIP CODE

AGENT FOR SERVICE OF PROCESS (If the agent is an individual, the agent must reside in California and Item 7 must be completed with a California address. If the agent is another corporation, the agent must have on file with the California Secretary of State a certificate pursuant to Corporations Code section 1505 and Item 7 must be left blank.)

6. NAME OF AGENT FOR SERVICE OF PROCESS			
7. ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL	CITY	STATE	ZIP CODE
		CA	

DAVIS-STIRLING COMMON INTEREST DEVELOPMENT ACT (California Civil Code section 1350, et seq.)

8. Check here if the corporation is an association formed to manage a common interest development under the Davis-Stirling Common Interest Development Act and proceed to Items 9, 10 and 11.

NOTE: Corporations formed to manage a common interest development must also file a Statement by Common Interest Development Association (Form SI-CID) as required by California Civil Code section 1363.6. Please see instructions on the reverse side of this form.

9. ADDRESS OF BUSINESS OR CORPORATE OFFICE OF THE ASSOCIATION, IF ANY	CITY	STATE	ZIP CODE
---	------	-------	----------

10. FRONT STREET AND NEAREST CROSS STREET FOR THE PHYSICAL LOCATION OF THE COMMON INTEREST DEVELOPMENT (Complete if the business or corporate office is not on the site of the common interest development.)	9-DIGIT ZIP CODE
---	------------------

11. NAME AND ADDRESS OF ASSOCIATION'S MANAGING AGENT, IF ANY	CITY	STATE	ZIP CODE
--	------	-------	----------

12. THE INFORMATION CONTAINED HEREIN IS TRUE AND CORRECT.

TYPE OR PRINT NAME OF PERSON COMPLETING THE FORM	SIGNATURE	TITLE	DATE
--	-----------	-------	------

**BYLAWS
OF
ROCKETSHIP EDUCATION**

(A California Nonprofit Public Benefit Corporation)

**ARTICLE I
NAME**

Section 1. NAME. The name of this corporation is Rocketship Education.

**ARTICLE II
PRINCIPAL OFFICE OF THE CORPORATION**

Section 1. PRINCIPAL OFFICE OF THE CORPORATION. The principal office for the transaction of the activities and affairs of this corporation is 550 Kingsley Avenue, Palo Alto, State of California. The Board of Directors may change the location of the principal office. Any such change of location must be noted by the Secretary on these bylaws opposite this Section; alternatively, this Section may be amended to state the new location.

Section 2. OTHER OFFICES OF THE CORPORATION. The Board of Directors may at any time establish branch or subordinate offices at any place or places where this corporation is qualified to conduct its activities.

**ARTICLE III
GENERAL AND SPECIFIC PURPOSES; LIMITATIONS**

Section 1. GENERAL AND SPECIFIC PURPOSES. The purpose of this corporation is to manage, operate, guide, direct and promote one or more California public charter schools. Also in the context of these purposes, the Corporation shall not, except to an insubstantial degree, engage in any other activities or exercise of power that do not further the purposes of the Corporation.

The Corporation shall not carry on any other activities not permitted to be carried on by: (a) a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code; or (b) a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code. No substantial part of the activities of the Corporation shall consist of the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office.

**ARTICLE IV
CONSTRUCTION AND DEFINITIONS**

Section 1. CONSTRUCTION AND DEFINITIONS. Unless the context indicates otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these bylaws. Without limiting the generality of

the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, and the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

ARTICLE V DEDICATION OF ASSETS

Section 1. DEDICATION OF ASSETS. This corporation's assets are irrevocably dedicated to public benefit purposes. No part of the net earnings, properties, or assets of the corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or to any director or officer of the corporation. On liquidation or dissolution, all properties and assets remaining after payment, or provision for payment, of all debts and liabilities of the corporation shall be distributed to a nonprofit fund, foundation, or corporation that is organized and operated exclusively for charitable purposes and that has established its exempt status under Internal Revenue Code section 501(c)(3).

ARTICLE VI CORPORATIONS WITHOUT MEMBERS

Section 1. CORPORATIONS WITHOUT MEMBERS. This corporation shall have no voting members within the meaning of the Nonprofit Corporation Law. The corporation's Board of Directors may, in its discretion, admit individuals to one or more classes of nonvoting members; the class or classes shall have such rights and obligations as the Board of Directors finds appropriate.

ARTICLE VII BOARD OF DIRECTORS

Section 1. GENERAL POWERS. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations of the articles of incorporation or bylaws, the corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors ("Board"). The Board may delegate the management of the corporation's activities to any person(s), management company or committees, however composed, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

Section 2. SPECIFIC POWERS. Without prejudice to the general powers set forth in Section 1 of these bylaws, but subject to the same limitations, the Board of Directors shall have the power to:

- a. Appoint and remove, at the pleasure of the Board of Directors, all corporate officers, agents, and employees; prescribe powers and duties for them as are consistent with the law, the articles of incorporation, and these bylaws; fix their compensation; and require from them security for faithful service.
- b. Change the principal office or the principal business office in California from one location to another; cause the corporation to be qualified to conduct its activities in any other state, territory, dependency, or country; conduct its activities in or outside

California; and designate a place in California for holding any meeting of members.

- c. Borrow money and incur indebtedness on the corporation's behalf and cause to be executed and delivered for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.
- d. Adopt and use a corporate seal; prescribe the forms of membership certificates; and alter the forms of the seal and certificates.

Section 3. DESIGNATED DIRECTORS AND TERMS. The number of directors shall be no less than three (3) and no more than nine (9), unless changed by amendments to these bylaws. All directors shall be designated by the existing Board of Directors. All directors are to be designated at the corporation's annual meeting of the Board of Directors. The Board of Directors shall consist of at least three (3) directors unless changed by amendment to these bylaws.

Except for the initial Board of Directors, each director shall hold office unless otherwise removed from office in accordance with these bylaws for two (2) years and until a successor director has been designated and qualified.

Terms for the initial Board of Directors shall be three (3) seats for a term of two (2) years. The initial Board of Directors shall be as follows:

<u>NAME</u>	<u>EXPIRATION OF TERM</u>
John Danner	February 16, 2008
Don Shalvey	February 16, 2008
Eric Resnick	February 16, 2008

Section 4. RESTRICTION ON INTERESTED PERSONS AS DIRECTORS. No more than 49 percent of the persons serving on the Board of Directors may be interested persons. An interested person is (a) any person compensated by the corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as director; and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of this paragraph shall not affect the validity or enforceability of transactions entered into by the corporation. The Board may adopt other policies circumscribing potential conflicts of interest.

Section 5. DIRECTORS' TERM. Each director shall hold office for two (2) years and until a successor director has been designated and qualified.

Section 6. NOMINATIONS BY COMMITTEE. The Chairman of the Board of Directors or, if none, the Chief Executive Officer will appoint a committee to designate qualified candidates for election to the Board of Directors at least thirty (30) days before the date of any election of directors. The nominating committee shall make its report at least seven (7) days before

the date of the election or at such other time as the Board of Directors may set and the Secretary shall forward to each Board member, with the notice of meeting required by these bylaws, a list of all candidates nominated by committee.

Section 7. USE OF CORPORATE FUNDS TO SUPPORT NOMINEE. If more people have been nominated for director than can be elected, no corporation funds may be expended to support a nominee without the Board's authorization.

Section 8. EVENTS CAUSING VACANCIES ON BOARD. A vacancy or vacancies on the Board of Directors shall occur in the event of (a) the death, resignation, or removal of any director; (b) the declaration by resolution of the Board of Directors of a vacancy in the office of a director who has been convicted of a felony, declared of unsound mind by a court order, or found by final order or judgment of any court to have breached a duty under California Nonprofit Public Benefit Corporation Law, Chapter 2, Article 3; (c) the increase of the authorized number of directors; or (d) the failure of the members, at any meeting of members at which any director or directors are to be elected, to elect the number of directors required to be elected at such meeting.

Section 9. RESIGNATION OF DIRECTORS. Except as provided below, any director may resign by giving written notice to the Chairman of the Board of Directors, or to the Chief Executive Officer, or the Secretary of the Board of Directors. The resignation shall be effective when the notice is given unless the notice specifies a later time for the resignation to become effective. If a director's resignation is effective at a later time, the Board of Directors may elect a successor to take office as of the date when the resignation becomes effective.

Section 10. DIRECTOR MAY NOT RESIGN IF NO DIRECTOR REMAINS. Except on notice to the California Attorney General, no director may resign if the corporation would be left without a duly elected director or directors.

Section 11. REMOVAL OF DIRECTORS. Any director may be removed, with or without cause, by the vote of the majority of the members of the entire Board of Directors at a special meeting called for that purpose, or at a regular meeting, provided that notice of that meeting and of the removal questions are given in compliance with the provisions of the Ralph M. Brown Act. (Chapter 9 (commencing with Section 54950) of Division 2 of Title 5 of the Government Code).¹ Any vacancy caused by the removal of a director shall be filled as provided in Section 12.

Section 12. VACANCIES FILLED BY BOARD. Vacancies on the Board of Directors may be filled by approval of the Board of Directors or, if the number of directors then in office is less than a quorum, by (a) the unanimous consent of the directors then in office, (b) the affirmative vote of a majority of the directors then in office at a meeting held according to notice or waivers of notice complying with Corporations Code Section 5211, or (c) a sole remaining director.

Section 13. NO VACANCY ON REDUCTION OF NUMBER OF DIRECTORS. Any reduction of the authorized number of directors shall not result in any directors being removed before his or her term of office expires.

¹ Rocketship Education Inc. shall begin operating under the terms of the Brown act when it becomes a public agency by virtue of operating a California public charter school.

Section 14. PLACE OF BOARD OF DIRECTORS MEETINGS. Meetings shall be held at the principal office of the Corporation. The Board of Directors may designate that a meeting be held at any place within California that has been designated by resolution of the Board of Directors or in the notice of the meeting. All meetings of the Board of Directors shall be called, held and conducted in accordance with the terms and provisions of the Ralph M. Brown Act, California Government Code Sections 54950, et seq., as said chapter may be modified by subsequent legislation.²

Section 15. MEETINGS; ANNUAL MEETINGS. All meetings of the Board of Directors and its committees shall be called, noticed, and held in compliance with the provisions of the Ralph M. Brown Act ("Brown Act"). (Chapter 9 (commencing with Section 54950) of Division 2 of Title 5 of the Government Code).

The Board of Directors shall meet annually for the purpose of organization, appointment of officers, and the transaction of such other business as may properly be brought before the meeting. This meeting shall be held at a time, date, and place as may be specified and noticed by resolution of the Board of Directors.

Section 16. REGULAR MEETINGS. Regular meetings of the Board of Directors, including annual meetings, shall be held at such times and places as may from time to time be fixed by the Board of Directors. At least 72 hours before a regular meeting, the Board of Directors, or its designee shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting.

Section 17. SPECIAL MEETINGS. Special meetings of the Board of Directors for any purpose may be called at any time by the Chairman of the Board of Directors, the Chief Executive Officer, the Secretary of the Board of Directors, or any two Directors. The party calling a special meeting shall determine the place, date, and time thereof.

Section 18. NOTICE OF SPECIAL MEETINGS. In accordance with the Brown Act, special meetings of the Board of Directors may be held only after twenty-four (24) hours notice is given to each Director and to the public through the posting of an agenda. Pursuant to the Brown Act, the Board of Directors shall adhere to the following notice requirements for special meetings:

a. Any such notice shall be addressed or delivered to each Director at the Director's address as it is shown on the records of the Corporation, or as may have been given to the Corporation by the Director for purposes of notice, or, if an address is not shown on the Corporation's records or is not readily ascertainable, at the place at which the meetings of the Directors are regularly held.

b. Notice by mail shall be deemed received at the time a properly addressed written notice is deposited in the United States mail, postage prepaid. Any other written notice shall be deemed received at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or is actually transmitted by the person giving the notice by electronic

² As stated in footnote #1, Rocketship Education Inc. shall begin operating under the terms of the Brown act when it becomes a public agency by virtue of operating a California public charter school.

means to the recipient. Oral notice shall be deemed received at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient whom the person giving the notice has reason to believe will promptly communicate it to the receiver.

c. The notice of special meeting shall state the time of the meeting, and the place if the place is other than the principal office of the Corporation, and the general nature of the business proposed to be transacted at the meeting. No business, other than the business the general nature of which was set forth in the notice of the meeting, may be transacted at a special meeting.

Section 19. QUORUM. A majority of the voting directors then in office shall constitute a quorum. All acts or decisions of the Board of Directors will be by majority vote based upon the presence of a quorum. Should there be fewer than a majority of the directors present at any meeting, the meeting shall be adjourned. Voting directors may not vote by proxy.

Section 20. TELECONFERENCE MEETINGS. Members of the Board of Directors may participate in teleconference meetings so long as all of the following requirements in the Brown Act are complied with:

- a. At a minimum, a quorum of the members of the Board of Directors shall participate in the teleconference meeting from locations within the boundaries of the school district(s) in which Rocketship Education, Inc. operates;
- b. All votes taken during a teleconference meeting shall be by roll call;
- c. If the Board of Directors elects to use teleconferencing, it shall post agendas at all teleconference locations with each teleconference location being identified in the notice and agenda of the meeting;
- d. All locations where a member of the Board of Directors participates in a meeting via teleconference must be fully accessible to members of the public and shall be listed on the agenda;³
- e. Members of the public must be able to hear what is said during the meeting and shall be provided with an opportunity to address the Board of Directors directly at each teleconference location; and
- f. The agenda shall indicate that members of the public attending a meeting conducted via teleconference need not give their name when entering the conference call.⁴

Section 21. ADJOURNMENT. A majority of the directors present, whether or not a

³ This means that members of the Board of Directors who choose to utilize their homes or offices as teleconference locations must open these locations to the public and accommodate any members of the public who wish to attend the meeting at that location.

⁴ The Brown Act prohibits requiring members of the public to provide their names as a condition of attendance at the meeting.

quorum is present, may adjourn any Board of Directors meeting to another time or place. If a meeting is adjourned for more than twenty-four (24) hours, notice of such adjournment to another time or place shall be given, prior to the time schedule for the continuation of the meeting, to the directors who were not present at the time of the adjournment, and to the public in the manner prescribed by any applicable public open meeting law.

Section 22. COMPENSATION AND REIMBURSEMENT. Directors may receive such compensation, if any, for their services as directors or officers, and such reimbursement of expenses, as the Board of Directors may establish by resolution to be just and reasonable as to the corporation at the time that the resolution is adopted.

Section 23. CREATION OF POWERS OF COMMITTEES. The Board, by resolution adopted by a majority of the directors then in office, may create one or more committees, each consisting of two or more voting directors, to serve at the pleasure of the Board. Appointments to committees of the Board of Directors shall be by majority vote of the authorized number of directors. The Board of Directors may appoint one or more directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee shall have all the authority of the Board, to the extent provided in the Board of Directors' resolution, except that no committee may:

- a. Take any final action on any matter that, under the California Nonprofit Public Benefit Corporation Law, also requires approval of the members or approval of a majority of all members;
- b. Fill vacancies on the Board of Directors or any committee of the Board;
- c. Fix compensation of the directors for serving on the Board of Directors or on any committee;
- d. Amend or repeal bylaws or adopt new bylaws;
- e. Amend or repeal any resolution of the Board of Directors that by its express terms is not so amendable or subject to repeal;
- f. Create any other committees of the Board of Directors or appoint the members of committees of the Board;
- g. Expend corporate funds to support a nominee for director if more people have been nominated for director than can be elected; or
- h. Approve any contract or transaction to which the corporation is a party and in which one or more of its directors has a material financial interest.

Section 24. MEETINGS AND ACTION OF COMMITTEES. Meetings and actions of committees of the Board of Directors shall be governed by, held, and taken under the provisions of these bylaws concerning meetings, other Board of Directors' actions, and the Brown Act, if applicable, except that the time for general meetings of such committees and the calling of special meetings of such committees may be set either by Board of Directors' resolution or, if none, by

resolution of the committee. Minutes of each meeting shall be kept and shall be filed with the corporate records. The Board of Directors may adopt rules for the governance of any committee as long as the rules are consistent with these bylaws. If the Board of Directors has not adopted rules, the committee may do so.

Section 25. NON-LIABILITY OF DIRECTORS. No Director shall be personally liable for the debts, liabilities, or other obligations of this corporation.

Section 26. COMPLIANCE WITH LAWS GOVERNING STUDENT RECORDS. Rocketship Education, Inc. and its Board of Directors shall comply with all applicable provisions of the Family Education Rights Privacy Act ("FERPA") as set forth in Title 20 of the United States Code Section 1232g and attendant regulations as they may be amended from time to time.

ARTICLE VIII OFFICERS OF THE CORPORATION

Section 1. OFFICES HELD. The officers of this corporation shall be a Chairman of the Board of Directors ("Chairman of the Board" or "Chairman"), a Chief Executive Officer, a Secretary of the Board of Directors ("Secretary"), and a Treasurer of the Board of Directors ("Treasurer"). The corporation, at the Board's direction, may also one or more Vice-Presidents, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be appointed under Article VIII, Section 4, of these bylaws. The officers in addition to the corporate duties set forth in this Article VIII shall also have administrative duties as set forth in any applicable contract for employment or job specification.

Section 2. DUPLICATION OF OFFICE HOLDERS. Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as either the Chief Executive Officer or the Chairman of the Board.

Section 3. ELECTION OF OFFICERS. At the annual meeting of the Board of Directors, the Board shall elect from its own members, a Chairman of the Board, a Secretary, and a Treasurer, who shall serve one (1) year terms.

Section 4. APPOINTMENT OF OTHER OFFICERS. The Board of Directors may appoint and authorize the Chairman of the Board, the Chief Executive Officer, or another officer to appoint any other officers that the corporation may require. Each appointed officer shall have the title and authority, hold office for the period, and perform the duties specified in the bylaws or established by the Board.

Section 5. REMOVAL OF OFFICERS. Without prejudice to the rights of any officer under an employment contract, the Board of Directors may remove any officer with or without cause. An officer who was not chosen by the Board of Directors may be removed by any other officer on whom the Board of Directors confers the power of removal.

Section 6. RESIGNATION OF OFFICERS. Any officer may resign at any time by giving written notice to the Board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any

rights of the corporation under any contract to which the officer is a party.

Section 7. VACANCIES IN OFFICE. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these bylaws for normal appointment to that office, provided, however, that vacancies need not be filled on an annual basis.

Section 8. CHAIRMAN OF THE BOARD. The Chairman of the Board shall preside at the Board of Directors' meetings and shall exercise and perform such other powers and duties as the Board of Directors may assign from time to time. If there is no Chief Executive Officer, the Chairman of the Board shall also be the chief executive officer and shall have the powers and duties of the Chief Executive Officer of the corporation set forth in these bylaws.

Section 9. CHIEF EXECUTIVE OFFICER. Subject to such supervisory powers as the Board of Directors may give to the Chairman of the Board, and subject to the control of the Board, and subject to Chief Executive Officer's contract of employment, the Chief Executive Officer shall be the general manager of the corporation and shall supervise, direct, and control the corporation's activities, affairs, and officers as fully described in any applicable employment contract, agreement, or job specification.

The Chief Executive Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The Chief Executive Officer shall send or cause to be given to the directors such financial statements and reports as are required to be given by law, by these bylaws, or by the Board. The books of account shall be open to inspection by any director at all reasonable times.

The Chief Executive Officer shall (a) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the Board of Directors may designate; (b) disburse the corporation's funds as the Board of Directors may order; (c) render to the Chairman of the Board, and the Board, when requested, an account of all transactions and of the financial condition of the corporation; and (d) have such other powers and perform such other duties as the Board, contract, job specification, or the bylaws may require.

Section 10. SECRETARY. The Secretary shall keep or cause to be kept, at the corporation's principal office or such other place as the Board of Directors may direct, a book of minutes of all meetings, proceedings, and actions of the Board, and of committees of the Board. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was annual, regular, special, or emergency and, if special or emergency, how authorized; the notice given; and the names of the directors present at Board of Directors and committee meetings.

The Secretary shall keep or cause to be kept, at the principal California office, a copy of the articles of incorporation and bylaws, as amended to date.

The Secretary shall give, or cause to be given, notice of all meetings of the Board, and of committees of the Board of Directors that these bylaws require to be given. The Secretary shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the Board of Directors or the bylaws may require.

Section 11. TREASURER. The Treasurer's duties shall include (a) overseeing and validating audits; (b) federal and state annual information return filings; and (c) corporate filings. The Treasurer shall also preside at the Board of Directors' meetings and shall exercise and perform such other powers and duties as the Board of Directors may assign from time to time.

Section 12. VICE-PRESIDENTS. If the Chief Executive Officer is absent or disabled, the Vice-Presidents, if any, in order of their rank as fixed by the Board, or, if not ranked, a Vice-President designated by the Board, shall perform all duties of the Chief Executive Officer. When so acting, a Vice-President shall have all powers of and be subject to all restrictions on the Chief Executive Officer. The Vice-Presidents shall have such other powers and perform such other duties as the Board of Directors or the bylaws may require.

ARTICLE IX CONTRACTS WITH DIRECTORS

The Corporation shall not enter into a contract or transaction in which a director directly or indirectly has a material financial interest (nor any other corporation, firm, association, or other entity in which one or more of this Corporation's directors are directors have a material financial interest) unless all of the following apply:

- a. The director with a material financial interest in the proposed contract or transaction fully discloses his/her financial interest in such contract or transaction in good faith and said disclosure is noted in the Board of Directors meeting minutes.
- b. The director with a material financial interest in the proposed contract or transaction recuses himself/herself from any participation whatsoever in the proposed contract or transaction (i.e., the interested director who recuses himself/herself shall refrain from voting on the matter and shall leave the room during Board discussion and when the final vote is taken).
- c. Such contract or transaction is authorized in good faith by a majority of the Board of Directors by a vote sufficient for that purpose.
- d. Before authorizing or approving the transaction, the Board of Directors considers and in good faith decides after reasonable investigation that the corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances.
- e. The corporation for its own benefit enters into the transaction, which is fair and reasonable to the corporation at the time the transaction was entered into.

This Section does not apply to a transaction that is part of an educational or charitable program of this corporation if it (a) is approved or authorized by the corporation in good faith and without unjustified favoritism and (b) results in a benefit to one or more directors or their families because they are in the class of persons intended to be benefited by the educational or charitable program of this corporation.

ARTICLE X

CONTRACTS WITH NON-DIRECTOR DESIGNATED EMPLOYEES

Section 1. **CONTRACTS WITH NON-DIRECTOR DESIGNATED EMPLOYEES.** The Corporation shall not enter into a contract or transaction in which a non-director designated employee (e.g., officers and other key decision-making employees) directly or indirectly has a material financial interest unless all of the requirements in the Rocketship Education, Inc. Conflict of Interest Code have been fulfilled.

ARTICLE XI LOANS TO DIRECTORS AND OFFICERS

Section 1. **LOANS TO DIRECTORS AND OFFICERS.** This corporation shall not lend any money or property to or guarantee the obligation of any director or officer without the approval of the California Attorney General; provided, however, that the corporation may advance money to a director or officer of the corporation for expenses reasonably anticipated to be incurred in the performance of his or her duties if that director or officer would be entitled to reimbursement for such expenses of the corporation.

ARTICLE XII INDEMNIFICATION

Section 1. **INDEMNIFICATION.** To the fullest extent permitted by law, this corporation shall indemnify its directors, officers, employees, and other persons described in Corporations Code Section 5238(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that section, and including an action by or in the right of the corporation by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this bylaw, shall have the same meaning as in that section of the Corporations Code.

On written request to the Board of Directors by any person seeking indemnification under Corporations Code Section 5238 (b) or Section 5238 (c) the Board of Directors shall promptly decide under Corporations Code Section 5238 (e) whether the applicable standard of conduct set forth in Corporations Code Section 5238 (b) or Section 5238 (c) has been met and, if so, the Board of Directors shall authorize indemnification.

ARTICLE XIII INSURANCE

Section 1. **INSURANCE.** This corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees, and other agents, to cover any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising from the officer's, director's, employee's, or agent's status as such.

ARTICLE XIV MAINTENANCE OF CORPORATE RECORDS

Section 1. MAINTENANCE OF CORPORATE RECORDS. This corporation shall keep:

- a. Adequate and correct books and records of account;
- b. Written minutes of the proceedings of its members, Board, and committees of the Board; and
- c. Such reports and records as required by law.

ARTICLE XV INSPECTION RIGHTS

Section 1. DIRECTORS' RIGHT TO INSPECT. Every director shall have the right at any reasonable time to inspect the corporation's books, records, documents of every kind, physical properties, and the records of each subsidiary as permitted by California and federal law. The inspection may be made in person or by the director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents as permitted by California and federal law. This right to inspect may be circumscribed in instances where the right to inspect conflicts with California or federal law (e.g., restrictions on the release of educational records under FERPA) pertaining to access to books, records, and documents.

Section 2. ACCOUNTING RECORDS AND MINUTES. On written demand on the corporation, any director may inspect, copy, and make extracts of the accounting books and records and the minutes of the proceedings of the Board of Directors and committees of the Board of Directors at any reasonable time for a purpose reasonably related to the director's interest as a director. Any such inspection and copying may be made in person or by the director's agent or attorney. This right of inspection extends to the records of any subsidiary of the corporation.

Section 3. MAINTENANCE AND INSPECTION OF ARTICLES AND BYLAWS. This corporation shall keep at its principal California office the original or a copy of the articles of incorporation and bylaws, as amended to the current date, which shall be open to inspection by the directors at all reasonable times during office hours. If the corporation has no business office in California, the Secretary shall, on the written request of any director, furnish to that director a copy of the articles of incorporation and bylaws, as amended to the current date.

ARTICLE XVI REQUIRED REPORTS

Section 1. ANNUAL REPORTS. The Board of Directors shall cause an annual report to be sent to the Board of Directors (i.e., itself) within 120 days after the end of the corporation's fiscal year. That report shall contain the following information, in appropriate detail:

- a. The assets and liabilities, including the trust funds, or the corporation as of the end of the fiscal year;
- b. The principal changes in assets and liabilities, including trust funds;

- c. The corporation's revenue or receipts, both unrestricted and restricted to particular purposes;
- d. The corporation's expenses or disbursement for both general and restricted purposes;
- e. Any information required under these bylaws; and
- f. An independent accountant's report or, if none, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the corporation's books and records.

Section 2. ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATIONS. As part of the annual report, or as a separate document if no annual report is issued, the corporation shall, within 120 days after the end of the corporation's fiscal year, annually prepare and mail or deliver to each director a statement of any transaction or indemnification of the following kind:

- a. Any transaction (i) in which the corporation, or its parent or subsidiary, was a party, (ii) in which an "interested person" had a direct or indirect material financial interest, and (iii) which involved more than \$50,000 or was one of several transactions with the same interested person involving, in the aggregate, more than \$50,000. For this purpose, an "interested person" is either:
 - (1) Any director or officer of the corporation, its parent, or subsidiary (but mere common directorship shall not be considered such an interest); or
 - (2) Any holder of more than 10 percent of the voting power of the corporation, its parent, or its subsidiary. The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the corporation, the nature of their interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

ARTICLE XVII BYLAW AMENDMENTS

Section 1. BYLAW AMENDMENTS. The Board of Directors may adopt, amend or repeal any of these Bylaws by a majority of the directors present at a meeting duly held at which a quorum is present, except that no amendment shall change any provisions of the Charter(s) of the California public charter school(s) operated by Rocketship Education, Inc., or make any provisions of these Bylaws inconsistent with that/those Charter(s), the corporation's Articles of Incorporation, or any laws.

ARTICLE XVIII FISCAL YEAR

Section 1. FISCAL YEAR OF THE CORPORATION. The fiscal year of the

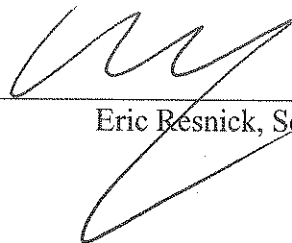
Corporation shall begin on July 1st and end on June 30th of each year.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of Rocketship Education Inc, a California nonprofit public benefit corporation; that these bylaws, consisting of 14 pages, are the bylaws of this corporation as adopted by the Board of Directors on February 28, 2006; and that these bylaws have not been amended or modified since that date.

2/28/06

Date



Eric Resnick, Secretary

ROCKETSHIP EDUCATION INDIANA

Attachment 5
Statement of Assurances

INDIANA CHARTER SCHOOL BOARD: CHARTER SCHOOL APPLICANT
Statement of Assurances


The charter school agrees to comply with all of the following provisions: (*Read and check*)

- 1. A resolution or motion has been adopted by the charter school applicant's governing body that authorizes the submission of this application, including all understanding and assurances contained herein, directing and authorizing the applicant's designated representative to act in connection with the application and to provide such additional information as required.
- 2. Recipients operate (or will operate if not yet open) a charter school in compliance with all federal and state laws, including Indiana Charter Schools Law as described in all relevant sections of IC § 20-24.
- 3. Recipients will, for the life of the charter, participate in all data reporting and evaluation activities as required by the Indiana Charter School Board (ICSB) and the Indiana Department of Education. See in particular IC § 20-20-8-3 and relevant sections of IC § 20-24.
- 4. Recipients will comply with all relevant federal laws including, but not limited to, the *Age Discrimination in Employment Act* of 1975, Title VI of the *Civil Rights Act* of 1964, Title IX of the *Education Amendments of 1972*, section 504 of the *Rehabilitation Act* of 1973, Part B of the *Individuals with Disabilities Education Act*, and section 427 of the *General Education Provision Act*.
- 5. Recipients will comply with all provisions of the Non regulatory Guidance—Public Charter Schools Program of the U.S. Department of Education, which includes the use of a lottery for enrollment if the charter school is oversubscribed, as well as with applicable Indiana law. See also relevant sections of IC § 20-24.
- 6. Recipients shall ensure that a student's records, and, if applicable, a student's individualized education program as defined at 20 U.S.C. § 1401(14) of the *Individuals with Disabilities Education Act*, will follow the student, in accordance with applicable federal and state law.
- 7. Recipients will comply with all provisions of the *No Child Left Behind Act*, including but not limited to, provisions on school prayer, the Boy Scouts of America Equal Access Act, the Armed Forces Recruiter Access to Students and Student Recruiting Information, the Unsafe School Choice Option, the Family Educational Rights and Privacy Act (FERPA) and assessments.
- 8. Recipients will operate with the organizer serving in the capacity of fiscal agent for the charter school and in compliance with generally accepted accounting principles.
- 9. Recipients will at all times maintain all necessary and appropriate insurance coverage.
- 10. Recipients will indemnify and hold harmless the ICSB, the Indiana Department of Education, the State of Indiana, all school corporations providing funds to the charter school (if applicable), and their officers, directors, agents and employees, and any successors and assigns from any and all liability, cause of action, or other injury or damage in any way relating to the charter school or its operation.

11. Recipients understand that the ICSB may revoke the charter if the ICSB deems that the recipient is not fulfilling the academic goals and/or fiscal management responsibilities outlined in the charter.

Signature from Authorized Representative of the Charter School Applicant

I, the undersigned, am an authorized representative of the charter school applicant and do hereby certify that the information submitted in this application is accurate and true to the best of my knowledge and belief. In addition, I do hereby certify to the assurances contained above.

<u>PRINT NAME & TITLE</u>	<u>DATE</u>
<p>KRISTOPHER WARDEN, SR. DIR. OF NATIONAL DEVELOPMENT</p> <p><u>SIGN NAME</u> </p>	<p>4/4/12</p>

ROCKETSHIP EDUCATION INDIANA

Attachment 6
Board Member Information

CHARTER SCHOOL BOARD MEMBER INFORMATION

(To be completed individually by each proposed board member for the charter holder)

Serving on a public charter school board is a position of public trust and fiduciary responsibility. As a board member of a public school, you are responsible for ensuring the quality of the school program, competent stewardship of public funds, and the school's fulfillment of its public obligations and all terms of its charter.

As part of the application for a new charter school, the Indiana Charter School Board requests that each prospective board member respond individually to this questionnaire. Where narrative responses are required, brief responses are sufficient.

The purpose of this questionnaire is twofold: 1) to give application reviewers a clearer introduction to the founding group behind each school proposal in advance of the applicant interview, in order to be better prepared for the interview; and 2) to encourage board members to reflect individually as well as collectively on their common mission, purposes, and obligations at the earliest stage of school development.

Background

1. Name of
charter school on whose Board of Directors you intend to serve:
Rocketship Education
2. Your full name: Shawn Carolan
3. Brief educational and employment history. (No narrative response is required if resume is attached.)
 Resume is attached.
4. Describe any of your previous experiences that are relevant to serving on the charter school's board (including other board experience, or any experience overseeing start-up or entrepreneurial ventures). If you have not had previous experience of this nature, explain why you have the capability to be an effective board member.
I have spent the majority of my career in the technology industry primarily focused on connected software and services. The last 10 years have been spent with Menlo Ventures, a Bay Area Venture Capital Firm. I have represented Menlo Ventures on the boards of several high-performing private sector startups and can lend my experience in the technology sector as Rocketship continues to expand and develop the Public School Model.
5. Do you understand the obligations of a charter school's Board of Directors to comply with Indiana's Public Access laws, including the Open Door Law for Board meetings?
 Yes Don't Know/ Unsure

Disclosures

1. Indicate whether you or your spouse knows the other prospective board members for the proposed school. If so, please indicate the precise nature of your relationship.
 I / we do not know any such trustees. Yes
2. Indicate whether you or your spouse knows any person who is, or has been in the last two years, a school employee. If so, indicate the precise nature of your relationship.

I / we do not know any such employees. Yes

3. Indicate whether you or your spouse knows anyone who is doing, or plans to do, business with the charter school (whether as an individual or as a director, officer, employee or agent of an entity). If so, indicate and describe the precise nature of your relationship and the nature of the business that such person or entity is transacting or will be transacting with the school.

I / we do not know any such persons. Yes

4. Indicate if you, your spouse or other immediate family members anticipate conducting, or are conducting, any business with the school. If so, indicate the precise nature of the business that is being or will be conducted.

I / we do not anticipate conducting any such business. Yes

5. If the school intends to contract with an Education Service Provider or management organization, indicate whether you or your spouse knows any employees, officers, owners, directors or agents of that provider. If the answer is in the affirmative, please describe any such relationship.

Not applicable because the school does not intend to contact with an education service provider or school management organization.

I / we do not know any such persons. Yes

6. If the school contracts with an education service provider, please indicate whether you, your spouse or other immediate family members have a direct or indirect ownership, employment, contractual or management interest in the provider. For any interest indicated, provide a detailed description.

N/A. I / we have no such interest. Yes

7. If the school plans to contract with an Education Service Provider, indicate if you, your spouse or other immediate family member anticipate conducting, or are conducting, any business with the provider. If so, indicate the precise nature of the business that is being or will be conducted.

N/A. I / we or my family do not anticipate conducting any such business. Yes

8. Indicate whether you, your spouse or other immediate family members are a director, officer, employee, partner or member of, or are otherwise associated with, any organization that is partnering with the charter school. To the extent you have provided this information in response to prior items, you may so indicate.

Does not apply to me, my spouse or family. Yes

6. Indicate any potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board. None. Yes

Certification

I, Shawn Carolan, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for Rocketship Education Charter School is true and correct in every respect.



Signature

3/9/12
Date

Shawn Carolan

Managing Director at Menlo Ventures and Series A investor in Siri

Summary

I have a passion for helping build companies of lasting value

Specialties

Digital Media, Internet, Consumer, Mobile, Broadband, Gaming

Experience

Founder and CEO at H&L

January 2011 - Present (1 year 3 months)

We seek to liberate knowledge workers
more at -- <http://www.handl.it>

Having a blast getting the product launched in my 50% time!

Board of Directors at Rocketship Education

July 2010 - Present (1 year 9 months)

Leading the way for using the hybrid model to revolutionize elementary education and eliminate the achievement gap.

Board of Directors at YuMe Networks

January 2010 - Present (2 years 3 months)

Board of Directors at Roku

2008 - Present (4 years)

Board of Directors at PlayPhone

August 2006 - Present (5 years 8 months)

Board of Directors at TeleNav

January 2006 - Present (6 years 3 months)

1 recommendation available upon request

Board of Directors at IMVU, Inc.

2005 - Present (7 years)

Managing Director at Menlo Ventures

September 2002 - Present (9 years 7 months)

Investing in great companies related to Internet, mobile, consumer electronics, and digital media

3 recommendations available upon request

Board of Directors at PLAYSPAN

September 2007 - February 2011 (3 years 6 months)

Board of Directors at Siri

January 2008 - April 2010 (2 years 4 months)

Purchased by APPL April 2010. Looking forward to seeing what the collective brain comes up with!

Board of Directors at CinemaNow, Inc.

July 2004 - October 2008 (4 years 4 months)

Management Consulting Summer Associate at Booz Allen Hamilton

2001 - 2001 (less than a year)

Manager, Software Architecture at Open Port Technology

May 1997 - August 2000 (3 years 4 months)

Research Scientist at DEMACO, Inc. (division of SAIC) at SAIC

1996 - 1997 (1 year)

Fellow at University of Illinois Center for Computational Electromagnetics

1996 - 1997 (1 year)

Systems Engineer Intern, Cellular Infrastructure Group at Motorola

1996 - 1996 (less than a year)

Intern, Technical Planning & Wireless Data Applications at 360 Communications

1995 - 1995 (less than a year)

Intern, Wireless Data Group at Motorola

1994 - 1994 (less than a year)

Intern, Quality Assurance Engineering at Digital Appliance Controls

1993 - 1993 (less than a year)

Education

Stanford University Graduate School of Business

MBA, 2000 - 2002

University of Illinois at Urbana-Champaign

MS, Electrical Engineering, 1996 - 1997

University of Illinois at Urbana-Champaign

BS, Electrical Engineering + CS Minor, 1993 - 1996

Interests

Soccer, snowboarding, hanging out with my wife and kids

Shawn Carolan

Managing Director at Menlo Ventures and Series A investor in Siri



4 people have recommended Shawn

"Great board member and investor to have! If you need to know more, contact me!"

— **Hp J.**, *CEO, TeleNav*, worked directly with Shawn at TeleNav

"I met with Shawn when I was with mDog mobile portal and was very impressed by him. I had not had very much experience in procuring venture capital and he did not hold that against me. He listened to my pitch and offered suggestions. We did not end up doing a deal, but he has been helpful in suggesting other possible partners. He is a very smart guy and has an understated confidence that you don't often see. He is open to hearing about new ventures and will give you very effective input on how to position your deals. I recommend him without question. I am glad I was introduced to him."

— **John H.**, *Vice President of Sales, mdog*, was with another company when working with Shawn at Menlo Ventures

"I've done the Sand Hill Shuffle and sat down with many of the top VC firms, but my experience with Shawn and the entire Menlo Ventures team stands out. Smart, candid, unpretentious, efficient, nice. We didn't end up doing a deal, but I was left with an impression of the highest respect and admiration for Shawn and his colleagues."

— **Bill A.**, *CEO, ClearPlay Inc.*, was with another company when working with Shawn at Menlo Ventures

"I had the opportunity to interface with Shawn when he was with Menlo and I found him to be extremely professional, great nose for business opportunities, and open-minded to looking at new horizons and technologies."

— **John M. K.**, *CEO, Phonex Broadband*, was with another company when working with Shawn at Menlo Ventures

[Contact Shawn on LinkedIn](#)

CHARTER SCHOOL BOARD MEMBER INFORMATION

(To be completed individually by each proposed board member for the charter holder)

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As part of the application for a new charter school, the Indiana Charter School Board requests that each prospective board member respond individually to this questionnaire. Where narrative responses are required, brief responses are sufficient.

The purpose of this questionnaire is twofold: 1) to give application reviewers a clearer introduction to the founding group behind each school proposal in advance of the applicant interview, in order to be better prepared for the interview; and 2) to encourage board members to reflect individually as well as collectively on their common mission, purposes, and obligations at the earliest stage of school development.

Background

1. Name of
charter school on whose Board of Directors you intend to serve:
Rocketship Education

2. Your full name: Jonathan Chadwick

3. Brief educational and employment history. (No narrative response is required if resume is attached.)
 Resume is attached.

4. Describe any of your previous experiences that are relevant to serving on the charter school's board (including other board experience, or any experience overseeing start-up or entrepreneurial ventures). If you have not had previous experience of this nature, explain why you have the capability to be an effective board member.
I have significant experience in financial management of various for-profit technology companies. I can contribute my finance and accounting expertise to the Rocketship Education Board.

5. Do you understand the obligations of a charter school's Board of Directors to comply with Indiana's Public Access laws, including the Open Door Law for Board meetings?
 Yes Don't Know/ Unsure

Disclosures

1. Indicate whether you or your spouse knows the other prospective board members for the proposed school. If so, please indicate the precise nature of your relationship.
 I / we do not know any such trustees. Yes *Member of RSED Board*

2. Indicate whether you or your spouse knows any person who is, or has been in the last two years, a school employee. If so, indicate the precise nature of your relationship.
 I / we do not know any such employees. Yes

3. Indicate whether you or your spouse knows anyone who is doing, or plans to do, business with the charter school (whether as an individual or as a director, officer, employee or agent of an entity). If so, indicate and describe the precise nature of your relationship and the nature of the business that such person or entity is transacting or will be transacting with the school.
 I / we do not know any such persons. Yes

4. Indicate if you, your spouse or other immediate family members anticipate conducting, or are conducting, any business with the school. If so, indicate the precise nature of the business that is being or will be conducted.
 I / we do not anticipate conducting any such business. Yes

5. If the school intends to contract with an Education Service Provider or management organization, indicate whether you or your spouse knows any employees, officers, owners, directors or agents of that provider. If the answer is in the affirmative, please describe any such relationship.
 Not applicable because the school does not intend to contact with an education service provider or school management organization.
 I / we do not know any such persons. Yes

6. If the school contracts with an education service provider, please indicate whether you, your spouse or other immediate family members have a direct or indirect ownership, employment, contractual or management interest in the provider. For any interest indicated, provide a detailed description.
 N/A. I / we have no such interest. Yes

7. If the school plans to contract with an Education Service Provider, indicate if you, your spouse or other immediate family member anticipate conducting, or are conducting, any business with the provider. If so, indicate the precise nature of the business that is being or will be conducted.
 N/A. I / we or my family do not anticipate conducting any such business. Yes

8. Indicate whether you, your spouse or other immediate family members are a director, officer, employee, partner or member of, or are otherwise associated with, any organization that is partnering with the charter school. To the extent you have provided this information in response to prior items, you may so indicate.
 Does not apply to me, my spouse or family. Yes

6. Indicate any potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board. None. Yes

Certification

I, Jonathan Chadwick, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for Rocketship Education Charter School is true and correct in every respect.



Signature



Date

Jonathan C. Chadwick.



Jonathan Chadwick is Skype's Chief Financial Officer, overseeing our finance and strategy functions.

The Skype division was established when Microsoft closed the acquisition of Skype in October 2011. Skype connects hundreds of millions of people through voice, video and chat on multiple platforms around the world at work and at home.

The Skype Finance team is responsible for the Skype integration as well as business partnership, controllership, financial planning, and strategic planning leadership across the division.

Jonathan joined Skype in early 2011 from McAfee, where he was the Executive Vice President and Chief Financial Officer, responsible for finance, manufacturing, procurement and IT.

Prior to McAfee, Jonathan spent 13 years in various finance roles at Cisco Systems. He oversaw Cisco's finance teams for the service provider, enterprise, commercial, small business, and consumer customer segments. In addition, he headed teams that led business architecture planning and new business model introduction across Cisco. He has also been Cisco's Corporate Controller and head of Corporate Finance.

Jonathan is a Chartered Accountant in England and holds an honors degree in electrical and electronic engineering from the University of Bath, UK.

Jonathan is a member of the board of directors at F5 Networks and at Rocketship Education, a nationally acclaimed charter school organization.

CHARTER SCHOOL BOARD MEMBER INFORMATION

(To be completed individually by each proposed board member for the charter holder)

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Background

1. Name of
charter school on whose Board of Directors you intend to serve:
Rocketship Education
2. Your full name: Gilbert Marcus Cole
3. Brief educational and employment history. (No narrative response is required if resume is attached.)
 Resume is attached.
4. Describe any of your previous experiences that are relevant to serving on the charter school's board (including other board experience, or any experience overseeing start-up or entrepreneurial ventures). If you have not had previous experience of this nature, explain why you have the capability to be an effective board member.
I have spent my career in the field of law as both a lawyer and as a Professor of Law. I have served on the boards of the Central Pacific Region of the Anti-Defamation League of B'nai B'rith and on the editorial board of the Cato Supreme Court Review. I was also Chairman of the Board of B.U.I.L.D. (Businesses United in Investing, Lending, and Development), a non-profit focussed upon teaching business and financial literacy to students in inner-city public schools.
5. Do you understand the obligations of a charter school's Board of Directors to comply with Indiana's Public Access laws, including the Open Door Law for Board meetings?
 Yes Don't Know/ Unsure

Disclosures

1. Indicate whether you or your spouse knows the other prospective board members for the proposed school. If so, please indicate the precise nature of your relationship.
 I / we do not know any such trustees. Yes
2. Indicate whether you or your spouse knows any person who is, or has been in the last two years, a school employee. If so, indicate the precise nature of your relationship.

I / we do not know any such employees. Yes

3. Indicate whether you or your spouse knows anyone who is doing, or plans to do, business with the charter school (whether as an individual or as a director, officer, employee or agent of an entity). If so, indicate and describe the precise nature of your relationship and the nature of the business that such person or entity is transacting or will be transacting with the school.

I / we do not know any such persons. Yes

4. Indicate if you, your spouse or other immediate family members anticipate conducting, or are conducting, any business with the school. If so, indicate the precise nature of the business that is being or will be conducted.

I / we do not anticipate conducting any such business. Yes

5. If the school intends to contract with an Education Service Provider or management organization, indicate whether you or your spouse knows any employees, officers, owners, directors or agents of that provider. If the answer is in the affirmative, please describe any such relationship.

Not applicable because the school does not intend to contact with an education service provider or school management organization.

I / we do not know any such persons. Yes

6. If the school contracts with an education service provider, please indicate whether you, your spouse or other immediate family members have a direct or indirect ownership, employment, contractual or management interest in the provider. For any interest indicated, provide a detailed description.

N/A. I / we have no such interest. Yes

7. If the school plans to contract with an Education Service Provider, indicate if you, your spouse or other immediate family member anticipate conducting, or are conducting, any business with the provider. If so, indicate the precise nature of the business that is being or will be conducted.

N/A. I / we or my family do not anticipate conducting any such business. Yes

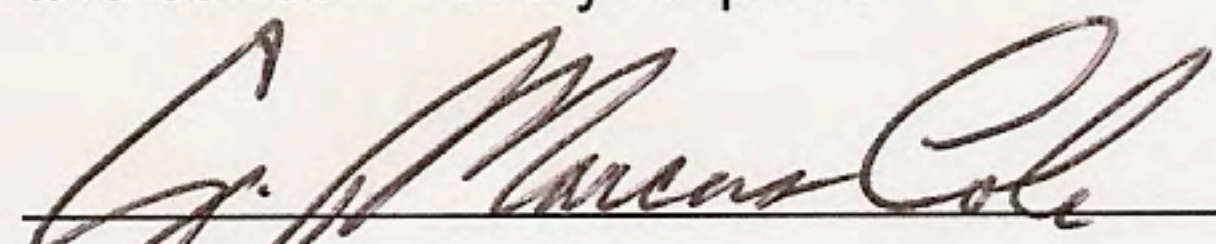
8. Indicate whether you, your spouse or other immediate family members are a director, officer, employee, partner or member of, or are otherwise associated with, any organization that is partnering with the charter school. To the extent you have provided this information in response to prior items, you may so indicate.

Does not apply to me, my spouse or family. Yes

6. Indicate any potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board. None. Yes

Certification

I, Gilbert Marcus Cole, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for Rocketship Education Charter School is true and correct in every respect.



Signature

3/25/12
Date

G. MARCUS COLE

The Wm. Benjamin Scott and Luna M. Scott Professor of Law

STANFORD UNIVERSITY

Stanford, California 94305

E-Mail: gmcole@stanford.edu

ACADEMIC APPOINTMENTS

STANFORD LAW SCHOOL

The Wm. Benjamin Scott & Luna M. Scott Professor of Law *October 2007 to Present*

Associate Dean for Curriculum and Academic Affairs *September 2003 to September 2007*

Professor of Law & Helen L. Crocker Faculty Scholar *September 2003 to September 2007*

Associate Professor of Law *May 2000 September 2003*

Assistant Professor of Law *July 1997 to May 2000*

- Subjects: Contracts, Bankruptcy, Venture Capital, Banking, and other commercial law courses.
- Seminars: Rules Without Regulation, Gender & Race Issues in Commercial Law, the Commercial Law of Intellectual Property, and the Stanford Law & Public Policy Colloquium.
- Former Senator, Stanford University Faculty Senate.
- Stanford University Committees on Graduate Studies and Law School Dean Search.
- Stanford Law School Committees on Appointments, Admissions, Placement, and Curriculum.
- Member, United States Court of Appeals, 9th Circuit Bankruptcy Judicial Advisory Committee.

UNIVERSITEIT VAN AMSTERDAM AMSTERDAM CENTER FOR LAW & ECONOMICS

Fellow

August 2008 to Present

THE HOOVER INSTITUTION ON WAR, REVOLUTION AND PEACE

National Fellow

August 2002 to August 2003

NORTHWESTERN UNIVERSITY SCHOOL OF LAW

CHICAGO

Visiting Professor of Law

August 2001 to August 2002

- Subjects: Contracts, Bankruptcy, and Venture Capital.

UNIVERSITÄT WIEN GRADUATE PROGRAM IN LAW & BUSINESS

VIENNA

Visiting Professor of Law & Economics

April 2010 to Present

- Seminars: Comparative Venture Capital Law, and Introduction to U.S. Business Law.

KOREA UNIVERSITY

SEOUL

Adjunct Professor of Law

June 2010 to Present

- Lectures: Comparative Law and the American Legal System

BUCERIUS LAW SCHOOL HOCHSCHULE FÜR RECHTSWISSENSCHAFT

HAMBURG

Visiting Professor of Law

Spring 2007, 2008, Fall 2008, Spring 2009, 2010 & 2011

- Subject: Comparative Venture Capital Law.

RESEARCH PAPERS

- *Is Mobile Telephone Banking Really “Banking?”* (forthcoming 2012) (examining the economics and political economy of mobile telephone banking in Africa and India, and analyzing whether the regulatory environment in which it exists is appropriate).
- *The Average Consumer Fallacy*, WAKE FOREST LAW REVIEW (forthcoming Summer 2012) (demonstrating that non-price terms in form contracts, including “hidden” terms, are often beneficial to non-drafting, “one-shot” players and consumers because of competitive forces).
- *The New Forum-Shopping Problem in Bankruptcy* (with Todd Zywicki) Utah Law Review (2010) (detailing the procedural device permitted by the bankruptcy judge in the “Anna Nicole Smith” case, which enables a state court litigant to circumvent state law outcomes by filing the same case in a federal bankruptcy court).
- *What Is the Government’s Role in Regulating and Promoting Morals . . . Seriously?* HARVARD JOURNAL OF LAW & PUBLIC POLICY, December 2007 (employing the taxonomy of Lon Fuller’s “Morality of Law” to argue that government regulation of morals is inefficient, and is deeply rooted in the immoral royal adultery that led to the English Reformation and the fusion of the Church of England with the state).
- *Protecting Consumers From Consumer Protection: Watters v. Wachovia Bank*, 6 CATO SUPREME COURT REVIEW 251 (2007) (arguing that the economics and proliferation of pernicious state consumer protection laws favor federal preemption of state banking regimes and enhance, rather than undermine, jurisdictional competition and federalism).
- *Law and Order Without Coercion*, 22 JOURNAL OF PRIVATE ENTERPRISE 37 (2007) (challenging the “public goods” and “common pool” justifications for government regulation, and surveying the literature on the historical and contemporary examples of complex private systems achieving order and coordination without government intervention).
- *Shopping for Law in a Coasean Market*, 1 NYU JOURNAL OF LAW & LIBERTY 112 (2005) (employing Ronald Coase’s *The Theory of the Firm* to compare the relative agency and monitoring costs of adjudication and legislation as characterized in Friedrich Hayek’s LAW, LEGISLATION, AND LIBERTY).
- *“Delaware is Not a State”: Are We Witnessing Jurisdictional Competition in Bankruptcy?”* 55 VANDERBILT LAW REVIEW 1845 (2003) (presents results of interviews with lawyers and judges, and their explanations for the sudden growth in Delaware corporate bankruptcy filings, and analyzes these explanations in light of the literature on jurisdictional competition).
- *Limiting Liability Through Bankruptcy*, 70 UNIV. CINCINNATI LAW REVIEW 1245 (2003) (employs the history of bankruptcy law prior to the development of corporate law to examine the operation of bankruptcy as a limited liability device for business entities, thereby explaining the most troublesome modern cases involving the circumvention of non-bankruptcy law).
- *A Modest Proposal for Bankruptcy Reform*, 5 THE GREEN BAG 2D 269 (2002) (presents a tongue-in-cheek argument, in the spirit of Jonathan Swift, for the reinvigoration of debtors’ prison in light of the failure of stigma and shame to check the spread of consumer bankruptcy).
- *The Venture Capital Investment Bust: Did Agency Costs Play a Role? Was it Something Lawyers Helped Structure?* 76 CHICAGO-KENT L. REV. 211 (2001) (with Joseph Bankman) (presents results of interviews with venture capitalists, entrepreneurs, and institutional investors, explaining why venture capital firms continued to raise and invest funds when the fund managers claim to have known that the market for technology investments was overvalued prior to the technology market crash of April 2000).

RESEARCH PAPERS (continued)

- *The Federalist Cost of Bankruptcy Exemption Reform*, 74 AM. BANKR. L.J. 253 (2000) (characterizes bankruptcy as an institution with federalist origins and structure which is important for the preservation of other, non-bankruptcy institutions and values, which are in turn threatened by bankruptcy exemption reform).
- *A Calculus Without Consent: Mass Tort Bankruptcies, Future Claimants, and the Problem of Third Party Non-Debtor “Discharge.”* 84 IOWA L. REV. 753 (1999) (questions the non-consensual nature of third party non-debtor “discharge” plans in complex Chapter 11 cases, and the consequent circumvention of non-bankruptcy law through these devices).

RESEARCH PAPERS IN PROGRESS

- *The Preference for Preferences: Liquidation and Dividend Preferences in Venture Capital Contracting*, (forthcoming 2012) (presents results of interviews with venture capitalists and their lawyers, explaining the pervasiveness of preferred stock with liquidation and dividend preferences as transactions-cost-lowering asset control devices similar to blanket security interests in debt finance).
- *Predatory Lending Laws and Their Victims*, (empirical analysis of 2006 Illinois Predatory Lending Act, which requires loans in select poor neighborhoods to be reviewed by the Cook County Mortgage Review Board, resulting in higher loan costs for low income borrowers, and lower home prices for low income home owners).
- *Secured Credit as Asset Partition* (examines the historic and contemporary uses of secured credit as an indispensable asset partitioning device, challenging recent scholarship declaring this function to be the essential role of organizational law).
- *Blessed Be Bankruptcy* (examines the consequences and complexities of bankruptcy filings by Roman Catholic Archdiocese in response to tort suits arising from priest misconduct).

BOOK CHAPTERS

- *Johns-Manville and the Dawn of Asbestos Mass Tort Bankruptcies*, in BANKRUPTCY STORIES (Robert Rasmussen, ed. 2007).
- *The Federalist Cost of Bankruptcy Exemption Reform*, in FOUNDATIONS OF BANKRUPTCY LAW (Barry E. Adler, ed., 2005).

OPINION and COMMENTARY

- *Consumer Bankruptcy Is Insurance For Which the Insured Need Not Pay or Save*, BOSTON REVIEW (September/October 2005).
- *Discourse in the Garden of Good and Evil*, 37 J. BLACKS IN HIGHER ED. (Autumn 2002).
- *Confessions of an Undesirable Downtown Shopper*, PITTSBURGH POST-GAZETTE, Sunday, July 16, 2000.
- *Medallion Monopoly Drives Taxicab Racism*, 9 LIBERTY & LAW 4 (February 2000).

BOOK REVIEWS

- *Towards a Post-Apartheid Future: Political & Economic Relations in Southern Africa*, Gavin Maasdorp & Alan Whiteside, editors, 13 NW. J. OF INT'L L. & BUS. 711 (1993).
- *Rethinking the Regulation Reflex: ANARCHY, STATE AND PUBLIC CHOICE*, by Edward Stringham, 20 J. AUSTRIAN ECONOMICS 1 (forthcoming 2009).

BRIEFS

- *Waters v. Wachovia Bank, N.A.*, Supreme Court of the United States, No. 05-1342, Brief of Economists and Scholars Marcus Cole, Christopher Demuth, Richard Epstein, Robert Litan, Michael Staten, Peter Wallison and Todd Zywicki in Support of Respondents (arguing that consumer protection laws actually harm the very people they purport to protect).
- *Bush v. Holmes*, Supreme Court of Florida, Case Numbers SC04-2323, SC04-2324, and SC04-2325, on behalf of *amicus curiae* the Black Alliance for Educational Options, the Hispanic Counsel for Reform and Educational Options, the Center for Education Reform, and the Reason Foundation (defending the Florida Opportunity Scholarship program by illustrating its demonstrated benefits for African-American and Hispanic children throughout Florida, and showing parallel improvements in the educational experience of children in similar programs other states).
- *Marshall v. Marshall*, U.S. Court of Appeals, 9th Cir., No. 02-56002, Brief of *Amicus Curiae* in Support of Appellant-Cross Appellee Elaine T. Marshall (arguing that a state-law claim, raised as a counterclaim in a bankruptcy proceeding, is not a “core proceeding” under the Bankruptcy Code for which bankruptcy judges enjoy expansive powers enabling them to overturn state court determinations of that state-law claim).
- *In re Integrated Telecom Express, Inc. (NMSBPCSLDHB, L.P. (“The Landlord”) v. Integrated Telecom Express, Inc. et al.)*, U.S. Court of Appeals, 3rd Cir., No. 04-2411, Brief of *Amicus Curiae* in Support of Appellant (with Robert K. Rasmussen and David A. Skeel, Jr.) (Opposing a solvent company’s use of bankruptcy to evade breach of contract damages).
- *In re Owens Corning*, U.S. Court of Appeals, 3rd Cir., No. 04-4080 Brief of *Amicus Curiae* in Support of Appellant (with Robert K. Rasmussen, Barry Adler, Ronald Mann, Susan Block-Lieb, Marcel Kahan, and David Skeel, Jr.) (arguing that substantive consolidation be reserved for the rare circumstances where the corporate form has been used to deceive creditors).
- *Lucent Technologies, Inc. v. Shubert*, U.S. Court of Appeals, 3rd Cir., No. 07-2569, Brief of *Amicus Curiae* in Support of Appellant (with Robert K. Rasmussen and Edward R. Morrison) (arguing that a publicly-traded company is neither a “per se insider” nor a “non-statutory insider” of a debtor for purposes of bankruptcy).

PROFESSIONAL HONORS and ACTIVITIES

- “Outstanding Instructor of the Year,” Northwestern University School of Law May 2002
- Board of Advisors, The Independent Institute, Oakland, California January 2007
- Editorial Board, CATO SUPREME COURT REVIEW, The Cato Institute, February 2002-Present
- John M. Olin Fellow, University of Southern California Law Center, March-April 1998
- Junior Faculty Fellow, Property & Environment Research Center, Bozeman June 1999

SELECTED PRESENTATIONS

- ***Keynote Address: What We Do and Don't Know About Banking Regulation and the Financial Crisis***, The Hayek Institute, Conference on Austrian Economics, Vienna, Austria, October 1, 2010.
- ***iBootstraps: Is Mobile Telephone Banking Really 'Banking'?***, Notre Dame Law School, September 27, 2010.
- ***iBootstraps: Is Mobile Telephone Banking Really 'Banking'?***, Stanford Law School Faculty Workshop, September 15, 2010.
- ***The 'Average Consumer' Fallacy***, Wake Forest Law Review Symposium on Contract Law, March 26, 2010.
- ***God, Government, or Me: Who Decides What's Moral?*** The Veritas Forum, Tulane University, February 8, 2010.
- ***Chipping Away at Chapter 11: How Judicial Inaction and Forum Shopping are Injecting Insecurity into the U.S. Bankruptcy Process***, Washington Legal Foundation, October 7, 2009.
- ***Anna Nicole Smith Goes Shopping: The New Forum Shopping Problem in Bankruptcy***, Stanford Law School Faculty Workshop, August 19, 2009.
- ***Protecting Consumers From Consumer Protection: An Empirical Analysis of American Consumer Protection in Mortgage Markets***, Universiteit van Amsterdam Center for Law and Economics, Amsterdam Law School, October 3, 2008.
- ***Protecting Consumers From Consumer Protection: Watters v. Wachovia Bank***, Cato Institute Constitution Day Conference, Washington, D.C., September 17, 2007.
- ***The Law and Economics of the Regulatory State***, Cato University, San Diego, July 25, 2007.
- ***Law and Order Without Coercion***, Cato University, San Diego, July 25, 2007.
- ***Property, Contract, & a Free Society***, Cato University, San Diego, July 24, 2007.
- ***The Christian Libertarian's View of Government's Role in the Regulation and Promotion of Morals***, The Federalist Society National Student Symposium, "Law & Morals," Northwestern University School of Law, February 24, 2007.
- ***The Essential Role of Politics in Judges and Judging***, Council on Public Policy, Bucerius Law School, Hamburg, Germany, February 7, 2007.
- ***Director and Creditor Liability in the "Zone of Insolvency" and in "Deepening Insolvency,"*** American College of Business Court Judges, Brookings Institution, November 17, 2006.
- ***The Preference for Preferences: Liquidation and Dividend Preferences in Venture Capital Contracts***, University of Florida Center for Technology Law, November 16, 2006.
- ***The End of Chapter 11***, Conference on Empirical Legal Studies, University of Texas at Austin, October 27, 2006.
- ***Rules Without Regulation***, Plenary Lecture, The Association For Private Enterprise Education, Las Vegas, Nevada, April 4, 2006.
- ***Rationalizing the Irrational Contract: The Harm of Predatory Lending Laws***, Stanford Law School Faculty Workshop, September 20, 2006.
- ***The Social Cost of Behavioral Law & Economics***, Civil Society Institute Lecture, Santa Clara University, October 26, 2005.
- ***The Preference for Preferences***, University of British Columbia Faculty of Law, Vancouver, Canada, October 24, 2005.
- ***Director Liability in the Zone of Insolvency***, Stanford Faculty Workshop, August 17, 2005.
- ***What Public Choice Theory Can Tell Us About Public Interest Litigation***, Institute for Justice National Public Interest Student Law Conference, Georgetown Law Center, July 31, 2005.

SELECTED PRESENTATIONS (continued)

- *The Social Cost of Behavioral Law & Economics*, The Table, Carefree, Arizona, June 1, 2005.
- *Juror and Moderator, Stanford-Yale Junior Faculty Forum, Bankruptcy Panel*, Stanford Law School, May 28, 2005.
- *The Preference for Preferences: Liquidation and Dividend Preferences in Venture Capital Contracting*, Harvard-Texas Conference on Commercial Law, Austin, Texas, April 8, 2005.
- *Moderator: The Future of Black Lawyers in Large Law Firms*, Stanford Black Law Students Association, Stanford Law School, February 19, 2005.
- *The Law & Economics of Regulation*, Cato University, San Diego, California, July 27, 2004.
- *Law and Order Without Coercion*, Cato University, San Diego, California, July 26, 2004.
- *Property, Contract, & a Free Society*, Cato University, San Diego, California, July 25, 2004.
- *Shopping for Law in a Coasean Market*, The Table, Carefree, Arizona, June 4, 2004.
- *The Preference for Preferences*, Stanford Law School Faculty Workshop, June 2, 2004.
- *Panel Chair: Bankruptcy & Creditors' Rights*, American Law & Economics Association, Northwestern University School of Law, Chicago, May 7, 2004.
- *The Preference for Preferences*, Willamette Law Review Symposium, "Venture Capital After the Bubble," Portland, Oregon, March 5, 2004.
- *The Rise of Black Conservatives*, Stanford Law School Federalist Society and the Stanford Law School Black Law Students Association, February 24, 2004.
- *Moderator: Private Property vs. Environmentalism – Enemies or Allies?* Federalist Society for Law & Public Policy, 23rd Annual National Symposium, "Private Law: The New Regulatory Frontier for Liberty," Vanderbilt Law School, Nashville, Tennessee, February 21, 2004.
- *The Tragedy of Compassion in American Bankruptcy*, Santa Clara Law Review Symposium, "Relief From Debt As Part of the Safety Net," Santa Clara, California, January 30, 2004.
- *The Law and Economics of Regulation*, Cato University, San Diego, August 6, 2003.
- *Law and Order Without Coercion*, Cato University, San Diego, California, August 4, 2003.
- *Property, Contract, & A Free Society*, Cato University, San Diego, California, August 2, 2003.
- *Private Dissolution and Restructuring of Failed Technology Firms in Silicon Valley*, the Hoover Institution Economics Seminar, Stanford, May 12, 2003.
- *Limiting Liability Through Bankruptcy*, Florida State Law Faculty Workshop, April 9, 2003.
- *Third Party Non-Debtor "Discharge" and Releases in Chapter 11 Cases*, American Bar Association, Annual Meeting Luncheon, Los Angeles, April 3, 2003.
- *Moderator: Crime, Punishment, and Human Dignity*, 22nd Annual Federalist Society Symposium, Notre Dame Law School, February 22, 2003.
- *Birds, Baptists, and Bootleggers: Economic Analysis and the Roots of Regulation*, Cypress Semiconductor Freedom Seminar, San Jose, California, September 27, 2002.
- *"Delaware is Not a State": Are We Witnessing Jurisdictional Competition in Bankruptcy?*, University of San Diego Law School Faculty Workshop, April 19, 2002.
- *Third Party Non-Debtor "Discharge" and Releases in Chapter 11*, American Bar Association, Annual Meeting, Boston, April 4, 2002.
- *Intellectual Property as Executory Contract in Bankruptcy*, American Bar Association, Annual Meeting of the Section on Business Law, Boston, April 4, 2002.
- *Limiting Liability Through Bankruptcy*, Northwestern University School of Law Faculty Zodiac Workshop on the Law of Property, March 13, 2002.

SELECTED PRESENTATIONS (continued)

- ***“Delaware is Not a State”: Are We Witnessing Jurisdictional Competition in Bankruptcy?***, Northwestern University Law Faculty Workshop, March 7, 2002.
- ***Bankruptcy As Asset Partition***, University of Cincinnati Law Review Symposium on Corporate Bankruptcy and Corporate Law, March 1, 2002.
- ***“Delaware is Not a State”: Are We Witnessing Jurisdictional Competition in Bankruptcy?***, *Symposium: The “Delawarization” of Corporate Bankruptcy*, Vanderbilt University Law School, Nashville, February 22, 2002.
- ***“Delaware is Not a State”: Are We Witnessing Jurisdictional Competition in Bankruptcy?***, Florida State University Law Faculty Workshop, February 15, 2002.
- ***Moderator: Teaching, Scholarship, and Revised Article 9 of the Uniform Commercial Code, AALS Section on Debtors’ and Creditors’ Rights***, New Orleans, Louisiana, January 4, 2002.
- ***Why Delaware? An Empirical Analysis of Jurisdictional Competition in Bankruptcy***, *Moller Conference on Bankruptcy*, University of Texas at Austin School of Law, November 2, 2001.
- ***The Federalist Cost of Bankruptcy Exemption Reform***, National Conference of Bankruptcy Judges, Annual Meeting, Orlando, Florida, October 17, 2001.
- ***The Venture Capital Investment Bust: Did Agency Costs Play a Role? Was it Something Lawyers Helped Structure?*** Stanford Law School Faculty Workshop, October 10, 2001.
- ***The Venture Capital Investment Bust: Did Agency Costs Play a Role? Was it Something Lawyers Helped Structure?***, Northwestern Law Faculty Workshop, September 20, 2001.
- ***Bankruptcy and Mass Tort Cases: The Special Case of Asbestos Litigation***, The Rand Center for Public Policy Analysis, Santa Monica, California, July 12, 2001.
- ***Informal Guarantees in High Technology Financing: The Case of Silicon Valley Commercial Real Estate***, Stanford Law School Faculty Workshop, June 13, 2001.
- ***Bankruptcy as a Vehicle for Exploring Other Values***, American Association of Law Schools Workshop on Bankruptcy, St. Louis, Missouri, May 18, 2001.
- ***Informal Guarantees in High Technology Financing: The Case of Silicon Valley Commercial Real Estate***, American Law & Economics Association, Georgetown Law Center, Washington, D.C., May 10, 2001.
- ***The Natural Law Jurisprudence of Malcolm X***, University of Virginia School of Law, The Federalist Society for Law & Public Policy Studies, April 19, 2001.
- ***Informal Guarantees in High Technology Financing: The Case of Silicon Valley Commercial Real Estate***, GMU Law School Faculty Workshop, Arlington, April 18, 2001.
- ***The Venture Capital Investment Bust: Did Agency Costs Play a Role? Was it Something Lawyers Helped Structure?*** Chicago-Kent College of Law, Conference on Practice Informing the Theory of Business Law, April 5, 2001.
- ***Informal Guarantees in High Technology Financing: The Case of Silicon Valley Commercial Real Estate***, Vanderbilt University Law & Economics Colloquium, Nashville, Tennessee, October 10, 2000.
- ***The Federalist Cost of Bankruptcy Exemption Reform***, Stanford Law School Faculty Workshop, October 18, 1999.
- ***The Problem of Third Party Non-Debtor “Discharge” and Future Claimants Under Chapter 11***, San Francisco Bar Association, June 8, 1999.
- ***Separation of Church and State: The Case of School Vouchers***, Commonwealth Club of California, January 6, 1999.

ACADEMIC CONFERENCES

- *Conference on Austrian Economics*, Hayek Institute, Vienna, Austria, October 1, 2010.
- *Hayek on Law, Legislation and Liberty*, The Federalist Society, August 19-20, 2010.
- *Contract Law in Context*, Wake Forest University, Winston-Salem, NC, March 26, 2010.
- *The Business of Law*, Bucerius Law School, Hamburg, Germany, September 3-5, 2009.
- *The Collected Writings of Justice James Wilson*, University of St. Andrews, Scotland, March 26-29, 2009.
- *Intellectuals and Ideology*, Santa Monica, California, March 4-7, 2008.
- *Immigration, Identity & Community*, Linfield College, Portland, October 4-7, 2007.
- *The Law & Political Science of Environmental Policy*, Property & Economy Research Council, Emigrant, Montana, September 20-23, 2007.
- *Cato Institute Constitution Day*, Washington, D.C., September 17, 2007
- *Deirdre McCloskey's "The Bourgeois Virtues,"* Liberty Fund, Indianapolis, May 3-5 2007.
- *The Federalists, The Anti-Federalists, and the Constitution They Created*, The Federalist Society for Law & Public Policy, La Jolla, California, March 8-11, 2007.
- *Law and Morality*, The Federalist Society Twenty-Fifth Anniversary National Law Student Symposium, Northwestern University School of Law, Chicago, February 23-24, 2007.
- *Legal Cultures & the Atlantic Divide*, Bucerius Law School, Hamburg, February 6-7, 2007.
- *Governance in Higher Education*, The Philanthropy Roundtable, Ft. Lauderdale, Florida, December 7-10, 2006.
- *Mont Pelerin Society General Meeting*, Guatemala City, Guatemala, November 4-9, 2006.
- *Conference on Empirical Legal Studies*, University of Texas, Austin, October 27-28, 2006.
- *Liberty and Formal Equality*, Liberty Fund, Glenn Arbor, Michigan, October 19-22, 2006.
- *The Rule of Law and Liberty*, Liberty Fund, Tucson, Arizona, October 12-15, 2006.
- *Liberty in the Company of Strangers*, Liberty Fund, San Francisco, March 2-5, 2006.
- *Institute for Humane Studies Law Conference*, Washington, D.C., February 10-12, 2006.
- *The Writings of James Madison*, Liberty Fund, San Diego, California, January 5-8, 2006.
- *The Rule of Law in the Plays of Works of Shakespeare*, Liberty Fund, October 13-16, 2005.
- *The Table*, Carefree, Arizona, June 1-3, 2005.
- *Stanford-Yale Junior Faculty Forum, Bankruptcy Panel*, Stanford, May 27-28, 2005.
- *American Law & Economics Association Annual Meeting*, New York, May 6-8, 2005.
- *Harvard-Texas Conference on Commercial Law Realities*, Austin, Texas, April 8, 2005.
- *Liberty in the Writings of George Orwell*, Liberty Fund, San Diego, March 17-20, 2005.
- *The Writings of Pierre Goodrich*, Liberty Fund, Indianapolis, October 15-17, 2004.
- *The Philadelphia Society*, General Meeting, Philadelphia, September 1-3, 2004.
- *The Mont Pelerin Society*, General Meeting, Salt Lake City, August 13-18, 2004.
- *Imprisonment, Punishment, & Liberty*, Liberty Fund, Chicago, Illinois, June 24-27, 2004.
- *The Table*, Carefree, Arizona, June 3-6, 2004.
- *American Law & Economics Association Annual Meeting*, Chicago, Illinois, May 7, 2004.
- *Liberty and Law*, Institute for Humane Studies, Chicago, Illinois, March 19-21, 2004.
- *Venture Capital After the Burst of the Bubble*, Willamette Law Review Symposium, Portland, Oregon, March 5, 2004.
- *Private Law: The New Frontier for Limited Government*, Federalist Society National Symposium, Vanderbilt University Law School, Nashville, Illinois, February 20-21, 2004.
- *Relief From Debt as Part of the Safety Net*, Santa Clara Law Review, January 30, 2004.

ACADEMIC CONFERENCES (continued)

- *Hayek: Law, Legislation, and Liberty*, Liberty Fund, Tucson, November 20-23, 2004.
- *Liberty, Responsibility & Individualism in Ralph Ellison's Invisible Man*, Oklahoma City, Oklahoma, November 6-9, 2003.
- *National Conference of Bankruptcy Judges*, San Diego, California, October 15, 2003.
- *The Bankruptcy Code After 25 Years*, American Bankruptcy Institute, Georgetown University Law Center, October 10-11, 2003.
- *Political and Social Institutions of Liberty*, Seattle, Washington, September 25-28, 2003.
- *The Tragedy of the Anti-Commons*, University of California at Irvine, April 10-13, 2003.
- *Burst of the Bubble: Lessons and Opportunities from the Dot-com Collapse*, Stanford Program in Law, Science & Technology, October 23, 2002.
- *The Mont Pelerin Society*, General Meeting, London, England, October 5-10, 2002.
- *The Liberalization of UK Utility Markets*, Institute for Economic Affairs, London, England, October 9, 2002.
- *National Conference of Bankruptcy Judges*, Chicago, Illinois, October 3, 2002.
- *The Problematics of Jurisprudence*, Liberty Fund, Indianapolis, Indiana, May 3-5, 2002.
- *Slippery Slopes and Liberty*, NYU Center for Austrian Economics, April 5-7, 2002.
- *University of Cincinnati Law Review Symposium on Corporate Bankruptcy and Corporate Law*, Cincinnati, Ohio, March 1, 2002.
- *Vanderbilt Law Review Symposium on the "Delawarization" of Bankruptcy Law*, Nashville, Tennessee, February 22-23, 2002.
- *American Association of Law Schools Section on Debtors' and Creditors' Rights*, New Orleans, Louisiana, January 2-6, 2002.
- *University of Pennsylvania Institute for Law and Economics, Roundtable on Corporate Bankruptcy Law*, Philadelphia, December 7, 2001.
- *Arthur Moller Conference on Empirical Research in Bankruptcy Law*, The University of Texas at Austin, School of Law, November 2-3, 2001.
- *National Conference of Bankruptcy Judges*, Orlando, Florida, October 17, 2001.
- *Bankruptcy and Mass Tort Cases: The Special Case of Asbestos Litigation*, The Rand Center for Public Policy Analysis, Santa Monica, California, July 12, 2001.
- *AALS Bankruptcy Workshop*, St. Louis, Missouri, May 18, 2001.
- *American Law & Economics Association Annual Meeting*, Georgetown University Law Center, Washington, D.C., May 10-12, 2001.
- *Bankruptcy & Tobacco Litigation*, Boalt Hall School of Law, Berkeley, April 20, 2001.
- *Practice Informs Theory: Empirical Analyses of Business Law*, Illinois Institute of Technology Chicago-Kent College of Law, Chicago, Illinois, April 5, 2001.
- *Norms, Law, and Liberty*, PERC, Chico Hot Springs, Montana, March 22-25, 2001.
- *Liberty & Society*, Institute for Civil Society, Alexandria, Virginia, June 17-19, 2000.
- *Liberty & the Four Horsemen*, The Federalist Society, Alexandria, VA, May 29-31, 2000.
- *American Law & Economics Association Annual Meeting*, New York, May 1-3, 2000.
- *Free Market Environmentalism in Theory and in Practice*, the Political Economy Research Council, Bozeman, Montana, June 22-27, 1999.
- *American Law & Economics Association Annual Meeting*, Yale Law School, New Haven, Connecticut, 6-8, 1999.
- *Liberty and Law*, Institute for Humane Studies, Chicago, Illinois, February 3-4, 1998.

COMMUNITY INVOLVEMENT

- President, Board of Directors, **Rocketship Charter Schools**, San Jose, California.
- Board of Directors, **Anti-Defamation League of B'nai B'rith**, Central Pacific Region.
- Member, **Abundant Life Christian Fellowship**, Mountain View, California.
- Trustee, **The Willie & Emma Granderson Memorial Foundation**, Chicago, Illinois.
- Equipment Manager, **Palo Alto Little League**.

CLERKSHIP

September 1993 to September 1994

THE HONORABLE MORRIS SHEPPARD ARNOLD,

Circuit Judge, United States Court of Appeals for the Eighth Circuit.

LEGAL EXPERIENCE

MAYER, BROWN & PLATT

Associate, Commercial Litigation

August 1994 to June 1997

- Practiced general federal litigation in cases involving bankruptcy, admiralty, products liability, antitrust, employment law, and mass tort diversity actions.

NORTHWESTERN UNIVERSITY SCHOOL OF LAW

Teaching Assistant - Prof. Daniel Polsby

Fall 1992

CITY OF CHICAGO DEPARTMENT OF LAW

Law Clerk

Summer 1991

EDUCATION

NORTHWESTERN UNIVERSITY SCHOOL OF LAW

Doctor of Jurisprudence, May 1993.

- Honors: Editor-in-Chief, Northwestern Journal of International Law and Business
Dean's List
- Activities: Northwestern University Legal Clinic
Northwestern National Frederick Douglass Moot Court Team
Class Representative, Northwestern Student Bar Association
- LSAT: 98th percentile

CORNELL UNIVERSITY

Bachelor of Science in Applied Economics, May 1989.

- Honors: Dean's List
National Merit Commendation
- Activities: Hammerthrow, Cornell Varsity Track and Field
Contributing Editor, *US Black Engineer*, Baltimore, Maryland
Staff Writer, *Umoja Sasa News Journal*, Ithaca, New York

CHARTER SCHOOL BOARD MEMBER INFORMATION

(To be completed individually by each proposed board member for the charter holder)

Serving on a public charter school board is a position of public trust and fiduciary responsibility. As a board member of a public school, you are responsible for ensuring the quality of the school program, competent stewardship of public funds, and the school's fulfillment of its public obligations and all terms of its charter.

As part of the application for a new charter school, the Indiana Charter School Board requests that each prospective board member respond individually to this questionnaire. Where narrative responses are required, brief responses are sufficient.

The purpose of this questionnaire is twofold: 1) to give application reviewers a clearer introduction to the founding group behind each school proposal in advance of the applicant interview, in order to be better prepared for the interview; and 2) to encourage board members to reflect individually as well as collectively on their common mission, purposes, and obligations at the earliest stage of school development.

Background

1. Name of
charter school on whose Board of Directors you intend to serve:
Rocketship Education
2. Your full name: Frederick J. Ferrer
3. Brief educational and employment history. (No narrative response is required if resume is attached.)
 Resume is attached.
4. Describe any of your previous experiences that are relevant to serving on the charter school's board (including other board experience, or any experience overseeing start-up or entrepreneurial ventures). If you have not had previous experience of this nature, explain why you have the capability to be an effective board member.
I am the CEO of a non-profit community benefit corporation, which provides direct health services, programs, grant making, and advocacy to support its visit: Silicon Valley as the healthiest region in the U.S. I serve on the board of Santa Clara University's Ignatian Center for Jesuit Education.
5. Do you understand the obligations of a charter school's Board of Directors to comply with Indiana's Public Access laws, including the Open Door Law for Board meetings?
 Yes Don't Know/ Unsure

Disclosures

1. Indicate whether you or your spouse knows the other prospective board members for the proposed school. If so, please indicate the precise nature of your relationship.
 I / we do not know any such trustees. Yes
2. Indicate whether you or your spouse knows any person who is, or has been in the last two years, a school employee. If so, indicate the precise nature of your relationship.
 I / we do not know any such employees. Yes

3. Indicate whether you or your spouse knows anyone who is doing, or plans to do, business with the charter school (whether as an individual or as a director, officer, employee or agent of an entity). If so, indicate and describe the precise nature of your relationship and the nature of the business that such person or entity is transacting or will be transacting with the school.
 I / we do not know any such persons. Yes

4. Indicate if you, your spouse or other immediate family members anticipate conducting, or are conducting, any business with the school. If so, indicate the precise nature of the business that is being or will be conducted.
 I / we do not anticipate conducting any such business. Yes

5. If the school intends to contract with an Education Service Provider or management organization, indicate whether you or your spouse knows any employees, officers, owners, directors or agents of that provider. If the answer is in the affirmative, please describe any such relationship.
 Not applicable because the school does not intend to contact with an education service provider or school management organization.
 I / we do not know any such persons. Yes

6. If the school contracts with an education service provider, please indicate whether you, your spouse or other immediate family members have a direct or indirect ownership, employment, contractual or management interest in the provider. For any interest indicated, provide a detailed description.
 N/A. I / we have no such interest. Yes

7. If the school plans to contract with an Education Service Provider, indicate if you, your spouse or other immediate family member anticipate conducting, or are conducting, any business with the provider. If so, indicate the precise nature of the business that is being or will be conducted.
 N/A. I / we or my family do not anticipate conducting any such business. Yes

8. Indicate whether you, your spouse or other immediate family members are a director, officer, employee, partner or member of, or are otherwise associated with, any organization that is partnering with the charter school. To the extent you have provided this information in response to prior items, you may so indicate.
 Does not apply to me, my spouse or family. Yes

6. Indicate any potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board. None. Yes

Certification

I, Frederick J. Ferrer, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for Rocketship Education Charter School is true and correct in every respect.



 Signature

3/13/12
 Date

CHARTER SCHOOL BOARD MEMBER INFORMATION

(To be completed individually by each proposed board member for the charter holder)

Serving on a public charter school board is a position of public trust and fiduciary responsibility. As a board member of a public school, you are responsible for ensuring the quality of the school program, competent stewardship of public funds, and the school's fulfillment of its public obligations and all terms of its charter.

As part of the application for a new charter school, the Indiana Charter School Board requests that each prospective board member respond individually to this questionnaire. Where narrative responses are required, brief responses are sufficient.

The purpose of this questionnaire is twofold: 1) to give application reviewers a clearer introduction to the founding group behind each school proposal in advance of the applicant interview, in order to be better prepared for the interview; and 2) to encourage board members to reflect individually as well as collectively on their common mission, purposes, and obligations at the earliest stage of school development.

Background

1. Name of
charter school on whose Board of Directors you intend to serve:
Rocketship Education
2. Your full name: Alejandro Hernandez
3. Brief educational and employment history. (No narrative response is required if resume is attached.)
 Resume is attached.
4. Describe any of your previous experiences that are relevant to serving on the charter school's board (including other board experience, or any experience overseeing start-up or entrepreneurial ventures). If you have not had previous experience of this nature, explain why you have the capability to be an effective board member.
I am currently a partner at the Charter School Growth Fund (CSGF) and work with several high-performing charter school networks that are looking to grow their impact. In addition, I was previously an Area Superintendent for Aspire Public Schools, a Borad Resident at Portland Public Schools and a teacher in Los Angeles.
5. Do you understand the obligations of a charter school's Board of Directors to comply with Indiana's Public Access laws, including the Open Door Law for Board meetings?
 Yes Don't Know/ Unsure

Disclosures

1. Indicate whether you or your spouse knows the other prospective board members for the proposed school. If so, please indicate the precise nature of your relationship.
 I / we do not know any such trustees. Yes
2. Indicate whether you or your spouse knows any person who is, or has been in the last two years, a school employee. If so, indicate the precise nature of your relationship.

I / we do not know any such employees. Yes

3. Indicate whether you or your spouse knows anyone who is doing, or plans to do, business with the charter school (whether as an individual or as a director, officer, employee or agent of an entity). If so, indicate and describe the precise nature of your relationship and the nature of the business that such person or entity is transacting or will be transacting with the school.

I / we do not know any such persons. Yes

4. Indicate if you, your spouse or other immediate family members anticipate conducting, or are conducting, any business with the school. If so, indicate the precise nature of the business that is being or will be conducted.

I / we do not anticipate conducting any such business. Yes

5. If the school intends to contract with an Education Service Provider or management organization, indicate whether you or your spouse knows any employees, officers, owners, directors or agents of that provider. If the answer is in the affirmative, please describe any such relationship.

Not applicable because the school does not intend to contact with an education service provider or school management organization.

I / we do not know any such persons. Yes

6. If the school contracts with an education service provider, please indicate whether you, your spouse or other immediate family members have a direct or indirect ownership, employment, contractual or management interest in the provider. For any interest indicated, provide a detailed description.

N/A. I / we have no such interest. Yes

7. If the school plans to contract with an Education Service Provider, indicate if you, your spouse or other immediate family member anticipate conducting, or are conducting, any business with the provider. If so, indicate the precise nature of the business that is being or will be conducted.

N/A. I / we or my family do not anticipate conducting any such business. Yes

8. Indicate whether you, your spouse or other immediate family members are a director, officer, employee, partner or member of, or are otherwise associated with, any organization that is partnering with the charter school. To the extent you have provided this information in response to prior items, you may so indicate.

Does not apply to me, my spouse or family. Yes *CHARTER SCHOOL GROWTH FUND IS A PHILANTHROPIC FUND*

6. Indicate any potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board. None. Yes

Certification

I, Alejandro Hernandez, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for Rocketship Education Charter School is true and correct in every respect.



Signature

3/8/12
Date

ALEX HERNANDEZ

+1 650 530 0242 (mobile)

ahernandez@charterschoolgrowthfund.org



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- Education**
- STANFORD UNIVERSITY** Stanford, CA
Master of Business Administration / Master of Arts in Education.
- CLAREMONT MCKENNA COLLEGE** Claremont, CA
Bachelor of Arts with Dual Honors, Politics/Philosophy/Economics (PPE) & Economics.
- Experience**
- 2010 – **CHARTER SCHOOL GROWTH FUND** Broomfield, CO
Present **Partner**
CSGF invests philanthropic venture capital in the nation's highest performing charter school operators to dramatically expand their impact on underserved students.
- Lead partner for charter school portfolio investments in California and Texas.
 - Manage CSGF's "next-generation schools" investment strategy, designed to reinvent schooling through innovative, blended learning approaches.
- 2007-2009 **ASPIRE PUBLIC SCHOOLS** Central Valley / Oakland, CA
Area Superintendent, Central Valley
Aspire is the largest non-profit manager of public charter schools in California and is nationally-recognized for increasing student achievement in urban areas.
- Area Superintendent for the California Central Valley, Aspire's largest region with 11 schools, ~3,700 students, and a \$25MM operating budget. Responsible for academic performance, profit and loss, operations and new school expansion.
 - Academic Performance Index (API) scores for the region increased by an average of 24 points per year – 3x the state average. The Aspire Port City Academy opened with the highest academic achievement of any Title I school in Aspire history; Ben Holt recognized by US News Top High Schools in America; Capitol Heights Academy named a two-time Title I Achievement Award winner for the top 5% Title I schools.
 - Increased charter school portfolio from 7 to 11 schools; negotiated seven charters.
- 2005-2007 **PORTLAND PUBLIC SCHOOLS** Portland, OR
Director of School Improvement / Broad Center Resident
Selected by The Broad Center as an emerging leader in urban education; hired by Portland Public Schools (47,000 K-12 students) for a two-year Broad fellowship in the Office of School Leadership, reporting to the Chief School Leadership Officer.
- Managed district-wide supports and interventions for schools in "program improvement" under No Child Left Behind (NCLB); funded by federal grants totaling \$2MM.
 - Designed and implemented the School Improvement Plan (SIP) process for all schools.
- 2003-2005 **INNER CITY EDUCATION FOUNDATION (ICEF)** Los Angeles, CA
Vice President of Strategic Planning
ICEF is a non-profit operator of public charter schools – California's highest-performing schools serving African-Americans in 2005. All three schools earned 8/10 API scores.
- Created ICEF's business plan and financial model, codified ICEF's innovative education model, and developed key marketing messages; earned board support for new strategic direction.

- Led effort to identify key cash flow issues and worked with CEO/CFO to improve cash flow management. Raised \$2.25MM and reduced payables from 180+ days to < 60 days.
- Assisted the CFO in structuring / negotiating ~\$10MM in short- and long-term financing vehicles. Teamed with controller to provide more transparency in audited financial statements and to structure site-level financial controls.

2001-2003

STEAMBOAT VENTURES LLC

Los Angeles, CA

Venture Capital Principal

Project leader for the venture capital arm of The Walt Disney Company – \$75MM fund. Promoted to Principal in 2002.

- Invested over \$10MM across five transactions with early-stage, technology companies.
- Responsible for identifying, evaluating and executing investments in technologies that are strategic to The Walt Disney Company; formulated deal structures and negotiated terms.
- Collaborated with theme parks and other business units to implement new technologies.
- Advised portfolio companies on business strategy, budgeting, hiring and capital structure.

1996-1999

J.P. MORGAN & COMPANY

Los Angeles, CA / Chicago, IL / New York, NY

Investment Banking Associate

Member of project teams providing merger & acquisition, capital-raising, and strategic advisory services for Fortune 500 entertainment, technology and industrial clients.

- Extensive experience in constructing financial models, valuing companies, analyzing industries, and evaluating the impact of strategic decisions.
- Assisted in raising over \$3Bn of equity capital for clients, including IPOs for Heller Financial (\$1Bn) and Galileo International (\$850 MM).
- Promoted to Associate in January 1999 after receiving highest analyst ranking in North America.

Other Experiences

- Served as interim executive for the African Leadership Academy in Johannesburg, South Africa (2009-2010).

Education Credentials / Publications

- Michael Horn with contributions from Alex Hernandez. [The Rise of K-12 Blended Learning](#); Innosight Institute and Charter School Growth Fund; January 2010.
- Alex Hernandez. [If You Like Guided Reading, You'll Love Blended Learning](#); Innosight Institute Education Blog; April 2011.
- Alex Hernandez. [Six EdTech Predictions for K12 Blended Learning](#); Innosight Institute Education Blog; December 2010.
- Alex Hernandez, Melissa Aul Kaplan and Robert Schwartz. "For the Sake of Argument." *Educational Leadership*; October 2006: Reading, Writing, Thinking.
- Alex Hernandez and Matthew Mahoney. "Is the Private Sector Qualified to Reform K-12 Schools?" *Education Week*; September 18, 2002.

CHARTER SCHOOL BOARD MEMBER INFORMATION

(To be completed individually by each proposed board member for the charter holder)

Serving on a public charter school board is a position of public trust and fiduciary responsibility. As a board member of a public school, you are responsible for ensuring the quality of the school program, competent stewardship of public funds, and the school's fulfillment of its public obligations and all terms of its charter.

As part of the application for a new charter school, the Indiana Charter School Board requests that each prospective board member respond individually to this questionnaire. Where narrative responses are required, brief responses are sufficient.

The purpose of this questionnaire is twofold: 1) to give application reviewers a clearer introduction to the founding group behind each school proposal in advance of the applicant interview, in order to be better prepared for the interview; and 2) to encourage board members to reflect individually as well as collectively on their common mission, purposes, and obligations at the earliest stage of school development.

Background

Name of

1. charter school on whose Board of Directors you intend to serve:
Rocketship Education
2. Your full name: Deborah M. McGriff
3. Brief educational and employment history. (No narrative response is required if resume is attached.)
 Resume is attached.
4. Describe any of your previous experiences that are relevant to serving on the charter school's board (including other board experience, or any experience overseeing start-up or entrepreneurial ventures). If you have not had previous experience of this nature, explain why you have the capability to be an effective board member.
As the leader of New Schools' Academic Systems Initiative, I contribute to investment strategy and management assistant for portfolio ventures. Previously I was the Superintendent of Detroit Public Schools and held several other leadership positions in both traditional and charter schools. I currently serve on the board of the National Alliance for Public Charter Schools and the Black Alliance for Educational Options.
5. Do you understand the obligations of a charter school's Board of Directors to comply with Indiana's Public Access laws, including the Open Door Law for Board meetings?
 Yes Don't Know/ Unsure

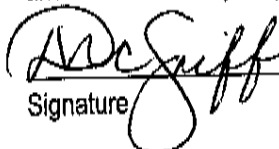
Disclosures

1. Indicate whether you or your spouse knows the other prospective board members for the proposed school. If so, please indicate the precise nature of your relationship.
 I / we do not know any such trustees. Yes
2. Indicate whether you or your spouse knows any person who is, or has been in the last two years, a school employee. If so, indicate the precise nature of your relationship.

- I / we do not know any such employees. Yes
3. Indicate whether you or your spouse knows anyone who is doing, or plans to do, business with the charter school (whether as an individual or as a director, officer, employee or agent of an entity). If so, indicate and describe the precise nature of your relationship and the nature of the business that such person or entity is transacting or will be transacting with the school.
 I / we do not know any such persons. Yes
4. Indicate if you, your spouse or other immediate family members anticipate conducting, or are conducting, any business with the school. If so, indicate the precise nature of the business that is being or will be conducted.
 I / we do not anticipate conducting any such business. Yes
5. If the school intends to contract with an Education Service Provider or management organization, indicate whether you or your spouse knows any employees, officers, owners, directors or agents of that provider. If the answer is in the affirmative, please describe any such relationship.
 Not applicable because the school does not intend to contact with an education service provider or school management organization.
 I / we do not know any such persons. Yes
6. If the school contracts with an education service provider, please indicate whether you, your spouse or other immediate family members have a direct or indirect ownership, employment, contractual or management interest in the provider. For any interest indicated, provide a detailed description.
 N/A. I / we have no such interest. Yes
7. If the school plans to contract with an Education Service Provider, indicate if you, your spouse or other immediate family member anticipate conducting, or are conducting, any business with the provider. If so, indicate the precise nature of the business that is being or will be conducted.
 N/A. I / we or my family do not anticipate conducting any such business. Yes
8. Indicate whether you, your spouse or other immediate family members are a director, officer, employee, partner or member of, or are otherwise associated with, any organization that is partnering with the charter school. To the extent you have provided this information in response to prior items, you may so indicate.
 Does not apply to me, my spouse or family. Yes
6. Indicate any potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board. None. Yes

Certification

I, Deborah M. McGriff, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for Rocketship Education Charter School is true and correct in every respect.


 Signature

03.08.2012
 Date

DEBORAH M. McGRIFF, Ph.D.

3290 N. 44th Street
 Milwaukee, WI 53216
 Phone: 617.999.6592
 Fax: 414.449.2507
 dmcgriff@newschools.org

EDUCATION

- 1985 Doctor of Philosophy in Administration, Policy and Urban Education
 Fordham University, New York, NY.
- 1975 Master of Science in Education
 Queens College, City University of New York, Queens, NY.
- 1970 Bachelor of Science in Education
 Norfolk State University, Norfolk, VA.

ADMINISTRATIVE AND TEACHING EXPERIENCE

8/08 – Present **Partner, NewSchools Venture Fund**, Boston, MA.

Provide investment strategy, quality teaching, and management assistance to the firm's portfolio ventures.

1993 – 7/08 **Edison Schools**, New York, NY.

Executive Vice President, Chief Relationship Manager
Executive Vice President, Chief Communications Officer
President, Edison Teachers College
Executive Vice President, Charter School Development
Senior Vice President, Public School Partnerships

Executive Vice President, Chief Relationship Manager

Provided generative leadership on non-profit boards important to the parental choice movement, and thought leadership for school reform innovations.

Executive Vice President, Chief Communications Officer

Reengineered internal and external communication to improve the company's brand and reputation. Identified governmental relations priorities.

President, Edison Teachers College

Prepared a business plan with a sustainable and scalable business model. Identified potential partners and initiated a venture capital campaign.

Deborah M. McGriff, Ph.D.

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Executive Vice President, Charter School Development

Expanded the company's charter school channel. Established partnerships with prominent non-profit organizations and networked with national charter school associations to improve the legal and regulatory environments for charter schools.

Senior Vice President, Public School Partnerships

Secured the first, the most profitable and the most sustainable Edison partnerships. Provided leadership for the Midwest Region development team. Lead prospecting in large urban school districts. Served as an information resource for the media, educational reform organizations and governmental agencies.

1991 – 1993 **General Superintendent, Detroit Public School System, Detroit, MI.**

Provided leadership for approximately 20,000 employees, 175,000 pre-kindergarten through twelfth grade students, 16,000 adult education students, and a budget of \$1.2 billion. Breathed new life into the schools through a direct, ambitious, and impressive mission: To make the Detroit Public Schools the first large urban school district to successfully educate all of its students. The path to this mission was found in the strategic plan, Design for Excellence, which featured four goals: transforming all schools into schools of the future, ensuring management and organizational effectiveness, guaranteeing student success, and building community confidence. Raised student test scores, reduced the dropout rate, opened numerous choice schools, expanded principal accountability, and promoted diversity. Named Newsmaker of the Year for 1992 by *Crain's Detroit Business*, a weekly publication of the business community.

1988 – 1991 **Milwaukee Public School System, Milwaukee, WI.**

1989 – 1991 **Deputy Superintendent**
1988 – 1988 **Executive Assistant to Superintendent**

Deputy Superintendent

Served as the chief school officer in the absence of the Superintendent. Provided leadership for educational programs, instructional technology, student services, affirmative action, human relations, school safety, community relations, school restructuring and student assignment. Supervised the day-to-day operations of the school district and assisted directly in all functions of the Superintendent. Duties also included the development and implementation of Board and Administrative policies; facilitating the Superintendent's executive agenda, including budget preparation and oversight, labor relations, public affairs, personnel administration and school operations.

Executive Assistant to Superintendent

Provided leadership for the Superintendent's reorganization of the school district. Assisted the Superintendent in building a foundation of support for excellence and equity throughout the system among Milwaukee Public Schools' employees and the district's external constituencies. Collaborated with foundations, educational research centers, regional laboratories, universities, etc. to expand financial resources and technical assistance. Contributed to the decision-making process by collecting and analyzing qualitative and quantitative data on programs, processes, and structures of the school district.

Deborah M. McGriff, Ph.D.

Page 3

1986 – 1988 **Assistant Superintendent for Curriculum and Instruction,
Cambridge Public Schools, Cambridge, MA.**

Provided leadership for K-12 curriculum development, revision and implementation in all subject areas. Administered the preservice education, staff development, research and discretionary grants programs. Integrated bilingual, special and regular education programs into comprehensive school improvement efforts. Augmented human and financial resources by establishing bridges among schools, businesses and universities. Enhanced teacher empowerment through expanded roles, mini grants, and recognition programs. Assisted the Superintendent with collective bargaining, budget development, personnel management and strategic planning.

1985 – 1986 **Project Manager, Center for Educational Leadership, New York, NY.**

Directed the development, implementation and evaluation of the comprehensive staff development program for Project Basics, a citywide mayor's initiative to improve the basic skills of high-risk junior and senior high school students attending low performing schools under state review. Identified, planned and implemented the leadership workshops, seminars, consulting services, work groups, site visits, and institutes for the center.

1981 – 1985 **New York City Public Schools, Community School District 13,
Brooklyn, NY.**

1983-1985 **Executive Assistant to the Superintendent for Junior High School
Instructional Program Development**

1981-1983 **Director of Superintendent's Special Projects**

**Executive Assistant to the Superintendent for Junior High School Instructional Program
Development**

Organized and administered multiple small schools in each junior high school. The Ronald Edmonds Learning Center, with technology, performing arts, and media schools within the center, has been recognized as an effective school by local and state organizations. Redesigned the articulation process into and from junior high school doubling the number of students accepted by the specialized high schools. Improved mathematics, reading and writing performance. Initiated partnerships such as the Columbia University Writing Process Project. Focused the use of New York State Textbook Law funds. Designed and administered the Special Education Prevention Program.

Director of Superintendent's Special Projects

Designed and supervised the Comprehensive Reading/Language Arts Program that resulted in student performance above the national average. Administered school improvement projects such as the Local School Development Project. Initiated and administered the WEDGE Writing Program and conducted district-wide and citywide staff development. Designed the junior high school instructional monitoring system. Conducted staff development for prospective administrators.

Deborah M. McGriff, Ph.D.

Page 4

**1983 – 1986 Adjunct Faculty Member, The College of New Rochelle,
New Rochelle, NY.**

Designed and implemented a reading course for prospective college students and a writing course for first year students.

**1979 – 1981 Teacher Corps Team Leader of Preservice and Inservice Education,
New York University Teacher Corps Project, New York, NY.**

Retained 75 percent of the teacher interns as teachers in two of the three project schools. Planned the staff development program for the Teaching/Learning Center. Organized Teacher Resource Centers in two project schools. Initiated and implemented a parent education program.

**1976 – 1979 Coordinator of the ESAA High Intensity Reading Program,
New York City Public Schools, Public School 305, Brooklyn, NY.**

Integrated the High Intensity Reading Program with the classroom programs of gifted, average, and remedial students. Chaired the school curriculum committee.

**1970 – 1979 Elementary Classroom Teacher and Grade 7 Reading Intern, New
York City Public Schools, Community School District 13,
Brooklyn, NY.**

Promoted collegiality through the position of grade leader. Exceeded expected outcomes for gifted and high-risk classes. Implemented pilot programs. Prepared students for transition from elementary to junior high school.

CHARTER SCHOOL BOARD MEMBER INFORMATION

(To be completed individually by each proposed board member for the charter holder)

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Background

1. Name of
charter school on whose Board of Directors you intend to serve:
Rocketship Education
2. Your full name: Tim Ranzetta
3. Brief educational and employment history. (No narrative response is required if resume is attached.)
 Resume is attached.
4. Describe any of your previous experiences that are relevant to serving on the charter school's board (including other board experience, or any experience overseeing start-up or entrepreneurial ventures). If you have not had previous experience of this nature, explain why you have the capability to be an effective board member.
Over 15 years, I have held leadership roles at high growth companies including U.S. Shred and Equilar and also founded Student Learning Analytics in 2007. I'm currently President of Innovate Foundation, which supports innovation educational models focused on closing the achievement gap..
5. Do you understand the obligations of a charter school's Board of Directors to comply with Indiana's Public Access laws, including the Open Door Law for Board meetings?
 Yes Don't Know/ Unsure

Disclosures

1. Indicate whether you or your spouse knows the other prospective board members for the proposed school. If so, please indicate the precise nature of your relationship.
 I / we do not know any such trustees. Yes
2. Indicate whether you or your spouse knows any person who is, or has been in the last two years, a school employee. If so, indicate the precise nature of your relationship.
 I / we do not know any such employees. Yes

3. Indicate whether you or your spouse knows anyone who is doing, or plans to do, business with the charter school (whether as an individual or as a director, officer, employee or agent of an entity). If so, indicate and describe the precise nature of your relationship and the nature of the business that such person or entity is transacting or will be transacting with the school.
 I / we do not know any such persons. Yes

4. Indicate if you, your spouse or other immediate family members anticipate conducting, or are conducting, any business with the school. If so, indicate the precise nature of the business that is being or will be conducted.
 I / we do not anticipate conducting any such business. Yes

5. If the school intends to contract with an Education Service Provider or management organization, indicate whether you or your spouse knows any employees, officers, owners, directors or agents of that provider. If the answer is in the affirmative, please describe any such relationship.
 Not applicable because the school does not intend to contact with an education service provider or school management organization.
 I / we do not know any such persons. Yes

6. If the school contracts with an education service provider, please indicate whether you, your spouse or other immediate family members have a direct or indirect ownership, employment, contractual or management interest in the provider. For any interest indicated, provide a detailed description.
 N/A. I / we have no such interest. Yes

7. If the school plans to contract with an Education Service Provider, indicate if you, your spouse or other immediate family member anticipate conducting, or are conducting, any business with the provider. If so, indicate the precise nature of the business that is being or will be conducted.
 N/A. I / we or my family do not anticipate conducting any such business. Yes

8. Indicate whether you, your spouse or other immediate family members are a director, officer, employee, partner or member of, or are otherwise associated with, any organization that is partnering with the charter school. To the extent you have provided this information in response to prior items, you may so indicate.
 Does not apply to me, my spouse or family. Yes

6. Indicate any potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board. None. Yes

Certification

I, Tim Ranzetta, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for Rocketship Education Charter School is true and correct in every respect.

Tim Ranzetta
 Signature

3/21/12
 Date

Tim Ranzetta

1350 Tasso Street, Palo Alto, CA 94301

Experience

Innovate Foundation, President **January 2011 - Present**

- Provide financial and technical support to leading educational non-profits with innovative approaches to closing the achievement gap
- Serving as board member at Alpha Public Schools, A.P. Giannini Foundation, BASIC Fund, Eastside College Prep., Equal Opportunity Schools, JobTrain and Rocketship Education

Student Lending Analytics, Founder **June 2007 - Present**

- Founded student loan and financial aid advisory service to assist students and families in college financing decisions
- Developed first service to rate private student loans; highlighted in NY Times article as an excellent source of transparency in an opaque marketplace
- Clients include Babson College, Scripps College, University of California system, University of Pennsylvania, and Yale University

Telephia, Consultant **March 2006 - May 2007**

- Managed “secret shopper” project with leading wireless information data provider

Equilar, President **November 2002 - February 2006**

- Led sales and research efforts at leading compensation governance firm as it grew from five employees to forty
- Developed corporate sales channel strategy resulting in over 500 subscription clients with over a 95% retention rate
- Presented Equilar research at leading national and regional industry conferences

U.S. Shred (later InstaShred), Chief Operating Officer **May 1997 - February 2002**

- Co-founded and managed operations for leading document destruction company in the United States which grew from 25 employees to over 500 employees prior to acquisition by Recall, an Australian-based company
- Generated cash-on-cash returns of over 10 to 1 for original investors

Massachusetts Financial Services, Research Analyst **August 1996 - May 1997**

- Analyzed large-cap retail companies for mutual fund company

Youth and Family Assistance, Chief Financial Officer **December, 1992 - June 1994**

- Managed operations for umbrella non-profit human services organization with \$5 million budget serving runaway and homeless teens, child abuse prevention and juvenile diversion programs

Bain and Company, Consultant **August 1989 - June 1992**

- Team member on a variety of projects serving Fortune 500 companies; projects included operational re-engineering, sales strategy, competitive analysis, marketing and corporate strategy

Education

Stanford Graduate School of Business, Masters in Business Administration **September 1994 - June 1996**

University of Virginia, McIntire School of Commerce, B.S. in Commerce **September 1985 - May 1989**

Graduated with Distinction with Finance focus and minor in History. Lawn resident and pitcher on varsity baseball team.

CHARTER SCHOOL BOARD MEMBER INFORMATION

(To be completed individually by each proposed board member for the charter holder)

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Background

1. Name of charter school on whose Board of Directors you intend to serve:
Rocketship Education
2. Your full name: John Claster Rosenberg
3. Brief educational and employment history. (No narrative response is required if resume is attached.)
 Resume is attached.
4. Describe any of your previous experiences that are relevant to serving on the charter school's board (including other board experience, or any experience overseeing start-up or entrepreneurial ventures). If you have not had previous experience of this nature, explain why you have the capability to be an effective board member.
I am currently a partner at a Silicon Valley Venture Capital Firm focused on information technology companies. Previously, I have held a variety of business development and finance roles in the private sector. I currently serve on the board of directors of FX Alliance, Inc. and Think Finance, Inc. Previously, I served on the board of RISE (Resources for Indispensable Schools and Educators), a non-profit dedicated to attracting and retaining high-potential teachers in low-income urban schools.
5. Do you understand the obligations of a charter school's Board of Directors to comply with Indiana's Public Access laws, including the Open Door Law for Board meetings?
 Yes Don't Know/ Unsure

Disclosures

1. Indicate whether you or your spouse knows the other prospective board members for the proposed school. If so, please indicate the precise nature of your relationship.
 I / we do not know any such trustees. Yes I know the other Rocketship Board Members.
2. Indicate whether you or your spouse knows any person who is, or has been in the last two years, a school employee. If so, indicate the precise nature of your relationship.

I / we do not know any such employees. Yes

3. Indicate whether you or your spouse knows anyone who is doing, or plans to do, business with the charter school (whether as an individual or as a director, officer, employee or agent of an entity). If so, indicate and describe the precise nature of your relationship and the nature of the business that such person or entity is transacting or will be transacting with the school.

I / we do not know any such persons. Yes

4. Indicate if you, your spouse or other immediate family members anticipate conducting, or are conducting, any business with the school. If so, indicate the precise nature of the business that is being or will be conducted.

I / we do not anticipate conducting any such business. Yes

5. If the school intends to contract with an Education Service Provider or management organization, indicate whether you or your spouse knows any employees, officers, owners, directors or agents of that provider. If the answer is in the affirmative, please describe any such relationship.

Not applicable because the school does not intend to contact with an education service provider or school management organization.

I / we do not know any such persons. Yes

6. If the school contracts with an education service provider, please indicate whether you, your spouse or other immediate family members have a direct or indirect ownership, employment, contractual or management interest in the provider. For any interest indicated, provide a detailed description.

N/A. I / we have no such interest. Yes

7. If the school plans to contract with an Education Service Provider, indicate if you, your spouse or other immediate family member anticipate conducting, or are conducting, any business with the provider. If so, indicate the precise nature of the business that is being or will be conducted.

N/A. I / we or my family do not anticipate conducting any such business. Yes

8. Indicate whether you, your spouse or other immediate family members are a director, officer, employee, partner or member of, or are otherwise associated with, any organization that is partnering with the charter school. To the extent you have provided this information in response to prior items, you may so indicate.

Does not apply to me, my spouse or family. Yes

6. Indicate any potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board. None. Yes

Certification

I, John Claster Rosenberg, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for Rocketship Education Charter School is true and correct in every respect.

Signature

Date

3/23/12

JOHN CLASTER ROSENBERG

180 Greenoaks Drive
Atherton, CA 94027

(650) 614-8200
john_rosenberg@yahoo.com

EXPERIENCE

May 2000 – Present **TECHNOLOGY CROSSOVER VENTURES** **Palo Alto, CA**
General Partner

Responsibility for all aspects of venture capital and private equity investing.
Current board of directorships – FX Alliance, Inc (NASDAQ: FX); Think Finance, Inc.

July 1999 – April 2000 **DELLA & JAMES, INC. (WEDDINGCHANNEL.COM)** **San Francisco, CA**
Manager, Business Development

Worked closely with the Vice President of Business Development and the Chief Financial Officer to analyze and execute multiple facets of internal and external strategy for online wedding company.

July 1998 – July 1999 **ROBERTSON STEPHENS & COMPANY** **San Francisco, CA**
Investment Banking Analyst, Technology Group

Engaged in all aspects of corporate finance and mergers and acquisitions including financial analysis, transaction execution and business development.

EDUCATION

1994 – 1998 **PRINCETON UNIVERSITY** **Princeton, NJ**
Bachelor of Arts in Economics, Certificate in Politics

NON-PROFIT EXPERIENCE

2011 – Present **ROCKETSHIP EDUCATION** **Palo Alto, CA**

2004 – 2009 **RESOURCES FOR INDEPENDENT SCHOOLS AND EDUCATORS** **San Francisco, CA**

CHARTER SCHOOL BOARD MEMBER INFORMATION

(To be completed individually by each proposed board member for the charter holder)

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Background

1. Name of
charter school on whose Board of Directors you intend to serve:
March 28, 2012 Rocketship Education
2. Your full name: Kim Smith
3. Brief educational and employment history. (No narrative response is required if resume is attached.)
 Resume is attached.
4. Describe any of your previous experiences that are relevant to serving on the charter school's board (including other board experience, or any experience overseeing start-up or entrepreneurial ventures). If you have not had previous experience of this nature, explain why you have the capability to be an effective board member.
I was a founding team member at Teach For America and also co-founded NewSchools Venture fund. My career has been deeply rooted in ensuring the success of a variety of organizations dedicated to innovation and promoting an entrepreneurial spirit in the field of education. I currently serve on the boards of NewSchools Venture Fund, ROADS (a CMO focused on over-age under credited students), and Giving Assets.
5. Do you understand the obligations of a charter school's Board of Directors to comply with Indiana's Public Access laws, including the Open Door Law for Board meetings?
 Yes Don't Know/ Unsure

Disclosures

1. Indicate whether you or your spouse knows the other prospective board members for the proposed school. If so, please indicate the precise nature of your relationship.
 I / we do not know any such trustees. Yes
2. Indicate whether you or your spouse knows any person who is, or has been in the last two years, a school employee. If so, indicate the precise nature of your relationship.

I / we do not know any such employees. Yes

3. Indicate whether you or your spouse knows anyone who is doing, or plans to do, business with the charter school (whether as an individual or as a director, officer, employee or agent of an entity). If so, indicate and describe the precise nature of your relationship and the nature of the business that such person or entity is transacting or will be transacting with the school.

I / we do not know any such persons. Yes

4. Indicate if you, your spouse or other immediate family members anticipate conducting, or are conducting, any business with the school. If so, indicate the precise nature of the business that is being or will be conducted.

I / we do not anticipate conducting any such business. Yes

5. If the school intends to contract with an Education Service Provider or management organization, indicate whether you or your spouse knows any employees, officers, owners, directors or agents of that provider. If the answer is in the affirmative, please describe any such relationship.

Not applicable because the school does not intend to contact with an education service provider or school management organization.

I / we do not know any such persons. Yes

6. If the school contracts with an education service provider, please indicate whether you, your spouse or other immediate family members have a direct or indirect ownership, employment, contractual or management interest in the provider. For any interest indicated, provide a detailed description.

N/A. I / we have no such interest. Yes

7. If the school plans to contract with an Education Service Provider, indicate if you, your spouse or other immediate family member anticipate conducting, or are conducting, any business with the provider. If so, indicate the precise nature of the business that is being or will be conducted.

N/A. I / we or my family do not anticipate conducting any such business. Yes

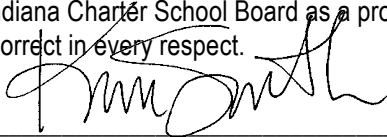
8. Indicate whether you, your spouse or other immediate family members are a director, officer, employee, partner or member of, or are otherwise associated with, any organization that is partnering with the charter school. To the extent you have provided this information in response to prior items, you may so indicate.

Does not apply to me, my spouse or family. Yes

6. Indicate any potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board. None. Yes

Certification

I, Kim Smith, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for Rocketship Education Charter School is true and correct in every respect.



Signature

3-28-2012

Date

KIMBERLY C. SMITH

1029 McCormick Lane Napa, CA 94558 ♦ (415) 601-4822 ♦ kim@bellwethereducation.org

EXPERIENCE

- 2010-present **Co-FOUNDER AND CEO, Bellwether Education Partners** San Francisco, CA
A national non-profit organization dedicated to accelerating the achievement of low-income students by cultivating, advising, and placing a robust community of innovative, effective, and sustainable change agents in public education reform and improving the policy climate for their work.
- 2006-present **FOUNDER AND EXECUTIVE DIRECTOR, the Aspen Institute NewSchools Entrepreneurial Leaders for Public Education** San Francisco, CA
A leadership development program designed to support entrepreneurial change agents in education dedicated to the work of transforming public education to better serve all students well. Fellows represent impressive and diverse experience from across the public, private and non-profit sectors.
- 2006-2010 **SENIOR ADVISOR, NewSchools Venture Fund** San Francisco, CA
- 1998 – 2006 **FOUNDER AND CEO, NewSchools Venture Fund** San Francisco, CA
A non-profit venture philanthropy fund focused on dramatically improving under-performing public schools by supporting and growing a community of passionate education entrepreneurs.
- Envisioned and created a novel organizational design, a high leverage educational investment strategy, due diligence on ventures and ongoing management support, as well as a bipartisan “hybrid” network of leaders from business, non profit and public sectors.
 - Developed deal flow and due diligence and investment process for a portfolio including early stage equity investments and grants and loans to scaling non-profits.
 - Recruited and managed exceptional team and network of donors and leaders.
- Summer 1997 **MARKETING ASSOCIATE, Silicon Graphics, Education Industry Group** Mountain View, CA
Analyzed educational enterprise and online learning markets; collaborated to define a strategic customer solution to leverage SGI hardware and streaming media software.
- 1994 – 1996 **FOUNDING DIRECTOR, BAYAC AmeriCorps** San Francisco, CA
Created consortium of 20 community-based youth development agencies to develop diverse young leaders in education. Recognized in top 5% of programs nationally. Created staff development model distributed as “Best Practices” nationally. Raised funds, hired team, managed organization.
- 1991 - 1993 **FOUNDING DIRECTOR, Wine Market Week** San Francisco, CA
Developed business plan for new trade show, recruited outside investors, managed start-up.
- 1989 - 1991 **FOUNDING TEAM MEMBER, Teach For America** New York, NY
One of five Founding Team Members who created TFA, a national teacher corps.
Designed internal systems, recruited and selected participants, developed a national educational network, and negotiated university credit for the training program.
- 1982 - 1989 **ASSOCIATE, Delman Educational Communications** New York, NY
Analyzed customer needs and designed and evaluated business-education public school reform partnerships for schools, districts, businesses, state departments of education, and the U.S. Navy.

SELECT CURRENT BOARDS AND COMMUNITY ENGAGEMENTS

NewSchools Venture Fund, Rocketship Education, ROADS Charter School, ImpactAssets.

EDUCATION

MBA, Stanford Graduate School of Business, Stanford, CA

BA, Political Science, Columbia College, Columbia University, New York, NY

CHARTER SCHOOL BOARD MEMBER INFORMATION

(To be completed individually by each proposed board member for the charter holder)

Serving on a public charter school board is a position of public trust and fiduciary responsibility. As a board member of a public school, you are responsible for ensuring the quality of the school program, competent stewardship of public funds, and the school's fulfillment of its public obligations and all terms of its charter.

As part of the application for a new charter school, the Indiana Charter School Board requests that each prospective board member respond individually to this questionnaire. Where narrative responses are required, brief responses are sufficient.

The purpose of this questionnaire is twofold: 1) to give application reviewers a clearer introduction to the founding group behind each school proposal in advance of the applicant interview, in order to be better prepared for the interview; and 2) to encourage board members to reflect individually as well as collectively on their common mission, purposes, and obligations at the earliest stage of school development.

Background

1. Name of charter school on whose Board of Directors you intend to serve:
Rocketship Education
2. Your full name: Alexander Michael Terman
3. Brief educational and employment history. (No narrative response is required if resume is attached.)
 Resume is attached.
4. Describe any of your previous experiences that are relevant to serving on the charter school's board (including other board experience, or any experience overseeing start-up or entrepreneurial ventures). If you have not had previous experience of this nature, explain why you have the capability to be an effective board member.
In 2002, I joined Leadership Public Schools (a non-profit management organization) and served as the organization's first Chief Operating Officer until 2007. I now serve as the Vice Chair of the Board of Trustees. I have also worked in various business and corporate development roles with high-performing organizations and have completed the Broad Residency in Urban Education.
5. Do you understand the obligations of a charter school's Board of Directors to comply with Indiana's Public Access laws, including the Open Door Law for Board meetings?
 Yes Don't Know/ Unsure

Disclosures

1. Indicate whether you or your spouse knows the other prospective board members for the proposed school. If so, please indicate the precise nature of your relationship.
 I / we do not know any such trustees. Yes
SERVED ON ROCKETSHIP BOARD WITH THEM
2. Indicate whether you or your spouse knows any person who is, or has been in the last two years, a school employee. If so, indicate the precise nature of your relationship.

- I / we do not know any such employees. Yes
3. Indicate whether you or your spouse knows anyone who is doing, or plans to do, business with the charter school (whether as an individual or as a director, officer, employee or agent of an entity). If so, indicate and describe the precise nature of your relationship and the nature of the business that such person or entity is transacting or will be transacting with the school.
 I / we do not know any such persons. Yes
4. Indicate if you, your spouse or other immediate family members anticipate conducting, or are conducting, any business with the school. If so, indicate the precise nature of the business that is being or will be conducted
 I / we do not anticipate conducting any such business. Yes
5. If the school intends to contract with an Education Service Provider or management organization, indicate whether you or your spouse knows any employees, officers, owners, directors or agents of that provider. If the answer is in the affirmative, please describe any such relationship.
 Not applicable because the school does not intend to contact with an education service provider or school management organization.
 I / we do not know any such persons. Yes
6. If the school contracts with an education service provider, please indicate whether you, your spouse or other immediate family members have a direct or indirect ownership, employment, contractual or management interest in the provider. For any interest indicated, provide a detailed description.
 N/A. I / we have no such interest. Yes
7. If the school plans to contract with an Education Service Provider, indicate if you, your spouse or other immediate family member anticipate conducting, or are conducting, any business with the provider. If so, indicate the precise nature of the business that is being or will be conducted.
 N/A. I / we or my family do not anticipate conducting any such business. Yes
8. Indicate whether you, your spouse or other immediate family members are a director, officer, employee, partner or member of, or are otherwise associated with, any organization that is partnering with the charter school. To the extent you have provided this information in response to prior items, you may so indicate.
 Does not apply to me, my spouse or family. Yes
6. Indicate any potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board. None. Yes

Certification

I, Alex Terman, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for Rocketship Education Charter School is true and correct in every respect.

Alex Terman
 Signature

3/9/12
 Date

EXPERIENCE

- 2009-present **DIGITAL PARENT** Palo Alto, CA
Chief Executive Officer
Co-founded e-learning company providing online education and resources for parents of young children.
- Established strategic partnerships with leading parent support organizations.
 - Involved in all aspects of startup, including strategy, marketing, product development, technology, legal, and finance.
- 2008 **STUPSKI FOUNDATION** Mill Valley, CA
Chief Business Officer
Managed finance and operating functions of a private foundation focused on urban education reform.
- Responsible for all finance and operations functions, including planning and budgeting (\$18 million annual budget), finance and accounting, human resources and information technology.
 - Supervised staff of six and served as a member of the foundation's Executive Team.
- 2002-2007 **LEADERSHIP PUBLIC SCHOOLS** San Francisco, CA
Chief Operating Officer
Served as chief operational manager of a non-profit network of charter high schools focused on ethnically and economically diverse students in less advantaged California neighborhoods.
- Responsible for entire operations (five schools and \$12 million annual budget), including finance, accounting, human resources, technology, facilities and compliance.
 - Designed and completed a sophisticated financial model, enabling long-term sustainability planning under various scenarios, with related budgeting process.
 - Developed an innovative teacher compensation plan incorporating skills-based pay and group performance incentives.
 - Secured low-interest financing and managed on-time completion of construction for a new high school facility. Negotiated facilities arrangements with multiple school districts.
- 1995-1999 **AMERICA ONLINE** Dulles, VA
Director, E-Commerce Business Development
Managed team of five business development managers focused on electronic commerce partnerships.
- Evaluated and structured revenue-generating relationships with online business partners.
 - Developed company strategies and business plans in various e-commerce categories and for content joint ventures with major media companies.
- 1994-1995 **BAIN & COMPANY** San Francisco, CA
Associate Consultant
Participated in management consulting projects, including due diligence for an investment in a start-up restaurant chain and a cost-benefit study of a \$100 million investment in information technology.
- 1993-1994 **UNITED STATES TRADE REPRESENTATIVE** Washington, DC
Deputy Director for the Middle East and Mediterranean; John Gardner Fellow
Developed policy recommendations and briefing materials; coordinated and participated in trade negotiations addressing US-Arab and US-Israeli trade issues.

EDUCATION

- STANFORD UNIVERSITY GRADUATE SCHOOL OF BUSINESS** Stanford, CA
M.B.A., 2001 Concentration in non-profit management; served on the board of Junior Achievement of the Bay Area through the Stanford Board Fellows Program.
- UNIVERSITY OF CALIFORNIA AT BERKELEY** Berkeley, CA
B.A., 1993 History with concentrations in Political Science and Economics; Phi Beta Kappa.

OTHER

- Broad Residency in Urban Education, a two-year management development program that trains emerging leaders for senior management positions in public education.
- Board Member and Former Board Treasurer, Rocketship Education (non-profit charter schools).
- Board Vice Chair, Leadership Public Schools (non-profit charter schools).

CHARTER SCHOOL BOARD MEMBER INFORMATION

(To be completed individually by each proposed board member for the charter holder)

Serving on a public charter school board is a position of public trust and fiduciary responsibility. As a board member of a public school, you are responsible for ensuring the quality of the school program, competent stewardship of public funds, and the school's fulfillment of its public obligations and all terms of its charter.

As part of the application for a new charter school, the Indiana Charter School Board requests that each prospective board member respond individually to this questionnaire. Where narrative responses are required, brief responses are sufficient.

The purpose of this questionnaire is twofold: 1) to give application reviewers a clearer introduction to the founding group behind each school proposal in advance of the applicant interview, in order to be better prepared for the interview; and 2) to encourage board members to reflect individually as well as collectively on their common mission, purposes, and obligations at the earliest stage of school development.

Background

1. Name of
charter school on whose Board of Directors you intend to serve:
Rocketship Education
2. Your full name: Jeffrey Richard Wetzler
3. Brief educational and employment history. (No narrative response is required if resume is attached.)
 Resume is attached.
4. Describe any of your previous experiences that are relevant to serving on the charter school's board (including other board experience, or any experience overseeing start-up or entrepreneurial ventures). If you have not had previous experience of this nature, explain why you have the capability to be an effective board member.

I currently lead Teach For America's initiatives to develop and improve our teachers' effectiveness in the classroom. I have previous experience advising executives on a range of strategic, organizational and leadership issues with the Monitor Group. I currently serve as the vice chair on the founding board of three Leadership Prep charter elementary schools in Brooklyn, NY and as a formal advisor to several education start-ups.
5. Do you understand the obligations of a charter school's Board of Directors to comply with Indiana's Public Access laws, including the Open Door Law for Board meetings?
 Yes Don't Know/ Unsure

Disclosures

1. Indicate whether you or your spouse knows the other prospective board members for the proposed school. If so, please indicate the precise nature of your relationship.
 I / we do not know any such trustees. Yes

2. Indicate whether you or your spouse knows any person who is, or has been in the last two years, a school employee. If so, indicate the precise nature of your relationship.
 I / we do not know any such employees. Yes

3. Indicate whether you or your spouse knows anyone who is doing, or plans to do, business with the charter school (whether as an individual or as a director, officer, employee or agent of an entity). If so, indicate and describe the precise nature of your relationship and the nature of the business that such person or entity is transacting or will be transacting with the school.
 I / we do not know any such persons. Yes *OFFICER OF TEACH FOR AMERICA TEACHERS @ SCHOOLS MAY BE TFA COMPS MEMBERS MAY IN CONTRACTUAL RELATIONSHIP*

4. Indicate if you, your spouse or other immediate family members anticipate conducting, or are conducting, any business with the school. If so, indicate the precise nature of the business that is being or will be conducted.
 I / we do not anticipate conducting any such business. Yes

5. If the school intends to contract with an Education Service Provider or management organization, indicate whether you or your spouse knows any employees, officers, owners, directors or agents of that provider. If the answer is in the affirmative, please describe any such relationship.
 Not applicable because the school does not intend to contact with an education service provider or school management organization.
 I / we do not know any such persons. Yes

6. If the school contracts with an education service provider, please indicate whether you, your spouse or other immediate family members have a direct or indirect ownership, employment, contractual or management interest in the provider. For any interest indicated, provide a detailed description.
 N/A. I / we have no such interest. Yes

7. If the school plans to contract with an Education Service Provider, indicate if you, your spouse or other immediate family member anticipate conducting, or are conducting, any business with the provider. If so, indicate the precise nature of the business that is being or will be conducted.
 N/A. I / we or my family do not anticipate conducting any such business. Yes

8. Indicate whether you, your spouse or other immediate family members are a director, officer, employee, partner or member of, or are otherwise associated with, any organization that is partnering with the charter school. To the extent you have provided this information in response to prior items, you may so indicate.
 Does not apply to me, my spouse or family. Yes

6. Indicate any potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board. None. Yes

Certification

I, Jeffrey Richard Wetzler, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for Rocketship Education Charter School is true and correct in every respect.

Jeffrey R. Wetzler
 Signature

 Date

Jeff Wetzler

159 Lincoln Avenue, Hastings-on-Hudson, NY 10706
Tel: 917-648-8880; Email: jwetzler@alumni.brown.edu

Jeff's passion is leading endeavors that develop individuals and organizations to have profound impacts on critical challenges and opportunities. For the past 20 years, he has pursued this by advising, co-founding, and managing within high-performing enterprises in the corporate and education sectors.

Current Roles:

Executive Vice President and Chief Learning Officer, [Teach For America](#) (TFA)

Teach For America is a fast-growing, national non-profit whose mission is to “build the movement to eliminate educational inequity by enlisting our nation's most promising future leaders in the effort.” After serving as a consultant to its senior leadership, Jeff became convinced of TFA's pivotal role in addressing the unacceptable failure of America's education system. From 2005-07, Jeff oversaw the strategy, curriculum development and day-to-day operations of five, residential teacher training institutes.

Currently, Jeff co-leads the national function accountable for the performance of approx. 8,000 teachers and 1000+ full- and part-time staff members. He directly oversees teams who: design and develop the training and ongoing support for TFA's teachers and the staff who train and supervise them; run a social-networking website to enable online learning and knowledge-sharing; measure performance and drive ongoing innovation to the program; and conduct long-term research to identify the top drivers of teacher performance and improvement.

Founding Board Member, and Vice-Chair, [Leadership Prep Charter Schools](#)

Since 2004, Jeff has served as Vice-Chair of the Board of Trustees for Leadership Prep Charter Schools (LPCS). In partnership with Uncommon Schools Inc., LPCS runs three high-performing elementary schools in Brooklyn, NY, with plans to replicate success through expansion.

Board Member, Rocketship Education

Past roles:

Consultant, Manager, and Product Developer, [Monitor Group](#) (1996 – 2005)

Monitor Group is a leading, international management consulting firm with roots at Harvard Business School. While at Monitor, Jeff oversaw teams of consultants, developed client relationships, advised senior managers, and led executive development programs across a range of industries (e.g., financial services, energy, healthcare, manufacturing, tourism, international development) and business issues (e.g., strategy, financial measurement, marketing, organizational effectiveness, labor relations).

Jeff also invented and drove the commercialization of Monitor's *Virtual Coach*[™], a web-based suite of software products to support leaders in achieving better results through managing critical business relationships. *Virtual Coach*[™] emanated from Jeff's passion to help organizations realize larger impacts than traditional consulting engagements and executive development could provide.

Education:

Jeff earned a B.S. in psychology from Brown University and an M.A. in adult learning and leadership from Teachers College, Columbia University. While at Brown, he cofounded Providence Science Outreach, a nonprofit organization that equips university students to use hands-on projects to get kids in under-resourced schools excited about science.

ROCKETSHIP EDUCATION INDIANA

Attachment 7

Code of Ethics and Conflict of Interest Policies

Code of Ethics

The Board of Directors, officers and employees of Rocketship Education pledge that their prime responsibility as stewards of public funds and as providers of public education is to ensure that all enrolled students attain the highest education level possible, and in a manner that adheres to the highest levels of ethical responsibility. To that end, the Directors, officers and employees of Rocketship Education declare their acceptance of the standards of practice set forth herein, and their solemn intent to honor them to the limits of their ability as outlined in the following Code of Ethics:

1. None of the people serving on the school's Board of Directors may be comprised of: (a) people currently being compensated by the school for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor or otherwise; or (b) any sister, brother, ancestor, descendant, spouse, sister-in-law, brother in-law, daughter-in-law, son-in-law, mother-in-law or father-in-law of any such person.
2. Every Board Member has the right to participate in the discussion and vote on all issues before the Board or any Board Committee, except that any Director shall be excused from the discussion and vote on any matter involving such Director relating to: (a) a "self-dealing transaction" (see below); (b) a conflict of interest, (c) indemnification of that Director uniquely; or (d) any other matter at the discretion of a majority of the Trustees.
3. The Board of Directors and the school shall not engage in any "self-dealing transactions," except as approved by the Board. "Self-dealing transaction" means a transaction to which the school is a party and in which one or more of the Directors has a material financial interest. Notwithstanding this definition, the following transaction is not a self-dealing transaction, and is subject to the Board's general standard of care: a transaction that is part of a public or charitable program of the Corporation, if the transaction (a) is approved or authorized by the Board in good faith and without unjustified favoritism, and (b) results in a benefit to one or more Trustees or their families because they are in a class of persons intended to be benefited by the program.
4. Any Director, officer, or key employee having an interest in a contract, other transaction or program presented to or discussed by the Board of Directors for authorization, approval, or ratification shall make a prompt, full and frank disclosure to the Board of his or her interest prior to its acting on such contract or transaction. Such disclosure shall include all relevant and material facts known to such person about the contract or transaction, which might reasonably be construed to be adverse to the Board's interest. A person shall be deemed to have an "interest" in a contract or other transaction if he or she is the party (or one of the parties) contracting or dealing with the school, or is a Director, Trustee or Officer of or has a significant financial or influential interest in the entity contracting or dealing with the school.
5. Directors representing any not-for-profit corporation proposing to do business with the charter school shall disclose the nature and extent of such business propositions.
6. No Director, officer, or employee of a for-profit corporation having a business relationship with the charter school shall serve as voting member of the Board of Directors for the duration of

such business relationship, provided, however, that this provision shall not apply to the following: Individuals associated with a partnership, limited liability corporation, or professional corporation, including but not limited to doctors, accountants and attorneys; Individuals associated with an educational entity (including but not limited to schools of education) some of whose faculty may be providing paid services directly or indirectly to such charter school; Individuals associated with a bank, insurance, mutual fund, investment bank, stock brokerage, financial planning, or other financial services organization; or Members of the management and faculty of the charter school.

7. In no instance shall a Director, officer, or employee of a for-profit educational management organization having a business relationship with the charter school serve as a voting member of the Board of Directors for the duration of such business relationship.

8. Trustees, officers, or employees of any partner organization with the School other than a for-profit management organization shall hold no more than 40% of total seats comprising the Board of Directors.

9. Directors shall avoid at all times engaging in activities that would appear to be unduly influenced by other persons who have a special interest in matters under consideration by the Board. If this occurs, a Director shall write a letter disclosing all known facts prior to participating in a Board discussion of these matters and the Director's interest in the matter will be reflected in the Board minutes.

10. Directors shall make all appropriate financial disclosures whenever a grievance or conflict of interest is lodged against them.

11. Directors shall not use their position with the school to acquire any gift or privilege worth \$50 or more that is not available to a similarly situated person, unless that gift is for the use of the charter school.

12. Directors, officers, or employees may never ask a subordinate, a student, or a parent of a student to work on or give to any political campaign.

Conflict of Interest Policy

Purpose

The purpose of the conflict of interest policy is to protect this tax-exempt Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

The Corporation's directors, officers, agents, committee members, and other representatives of the Corporation shall comply with state ethics laws in their entirety where applicable.

Definitions for the purpose of this section are set forth as follows.

- a. Interested Person shall mean any director, principal officer, or member of a committee with governing Board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
- b. Financial Interest shall mean a person who has, directly or indirectly, through business, investment, or family:
 - i. An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement,
 - ii. A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement, or
 - iii. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the appropriate governing Board or committee decides that a conflict of interest exists.

Procedures

a. **Duty to Disclose** - In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing Board delegated powers considering the proposed transaction or arrangement.

b. **Determining Whether a Conflict of Interest Exists** - After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.

c. **Procedures for Addressing the Conflict of Interest**

i. An interested person may make a presentation at the governing Board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

ii. The chairperson of the governing Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

iii. After exercising due diligence, the governing Board or committee shall determine whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

iv. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing Board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

Violations of the Conflicts of Interest Policy

a. If the governing Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Records of Proceedings - The minutes of the governing Board and all committees with Board delegated powers shall contain:

a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing Board's or committee's decision as to whether a conflict of interest in fact existed.

b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Annual Statements - Each director, principal officer and member of a committee with governing Board delegated powers shall annually sign a statement which affirms such person:

a. has received a copy of the conflicts of interest policy;

b. has read and understands the policy;

c. has agreed to comply with the policy; and

d. understands the Corporation is educational and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Periodic Reviews - To ensure the Corporation operates in a manner consistent with its educational and charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining; and
- b. whether partnerships, joint ventures, and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

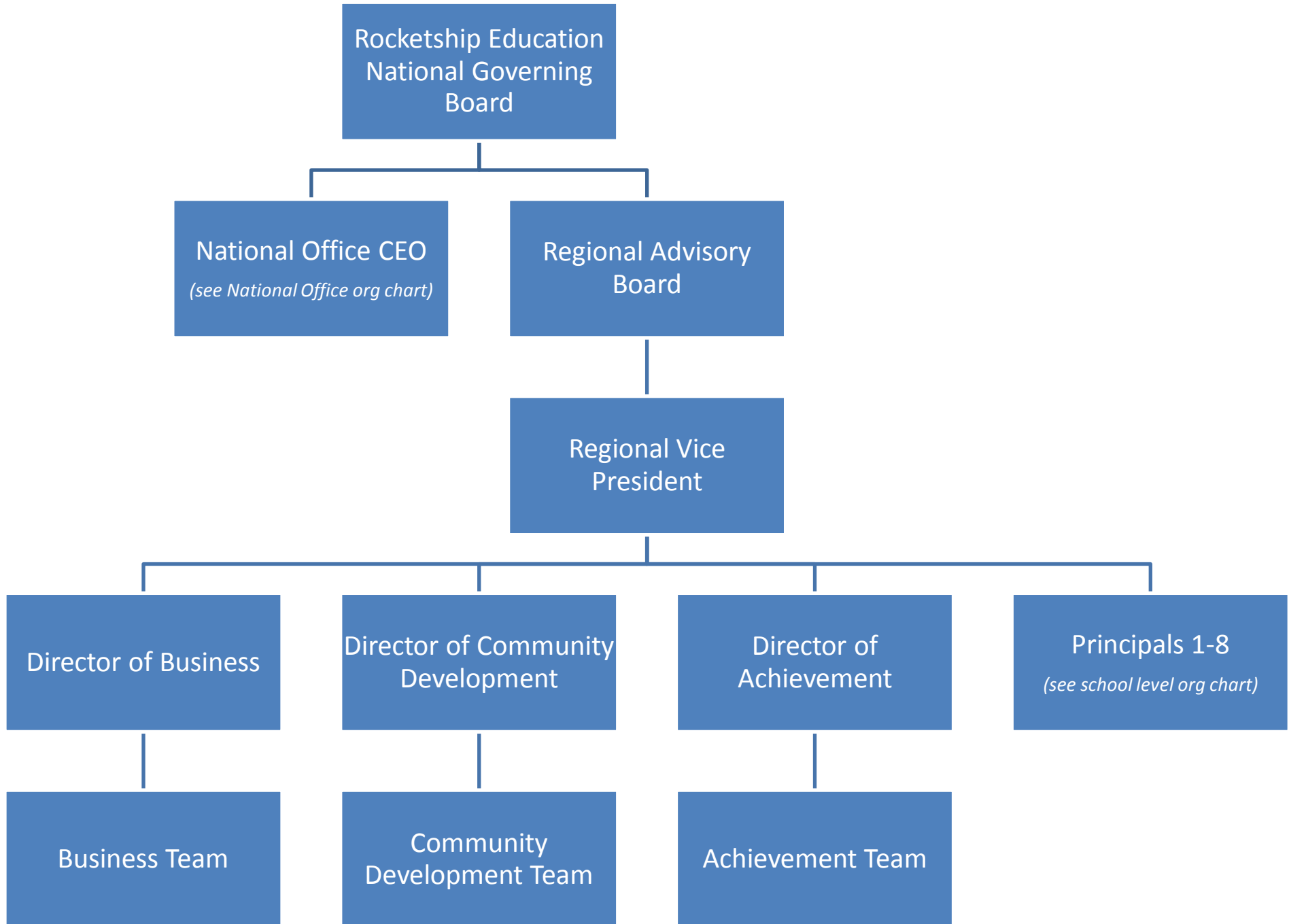
ROCKETSHIP EDUCATION INDIANA

Attachment 8
Education Service Provider Documentation
(Not Applicable)

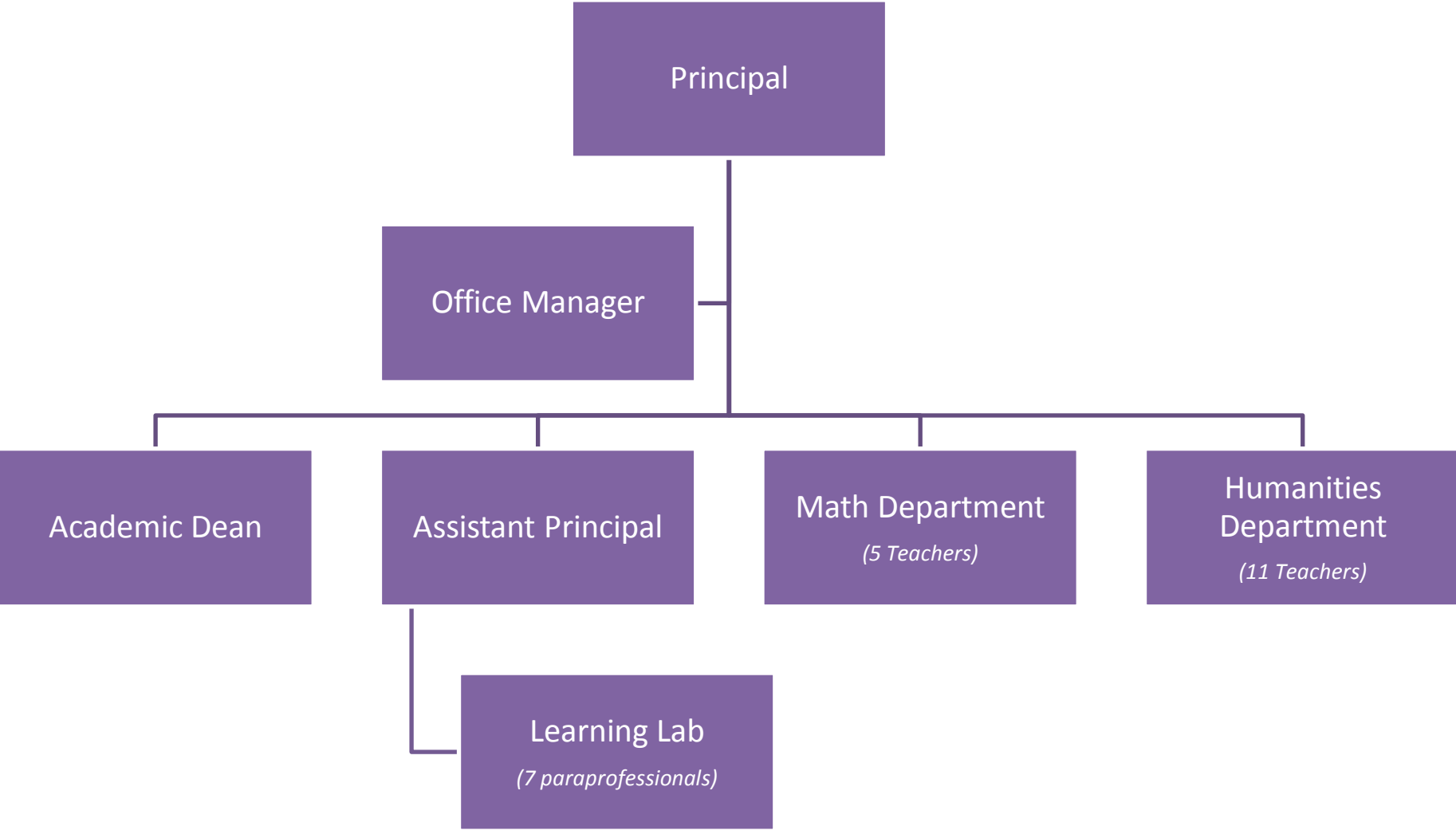
ROCKETSHIP EDUCATION INDIANA

Attachment 10
Organizational Charts

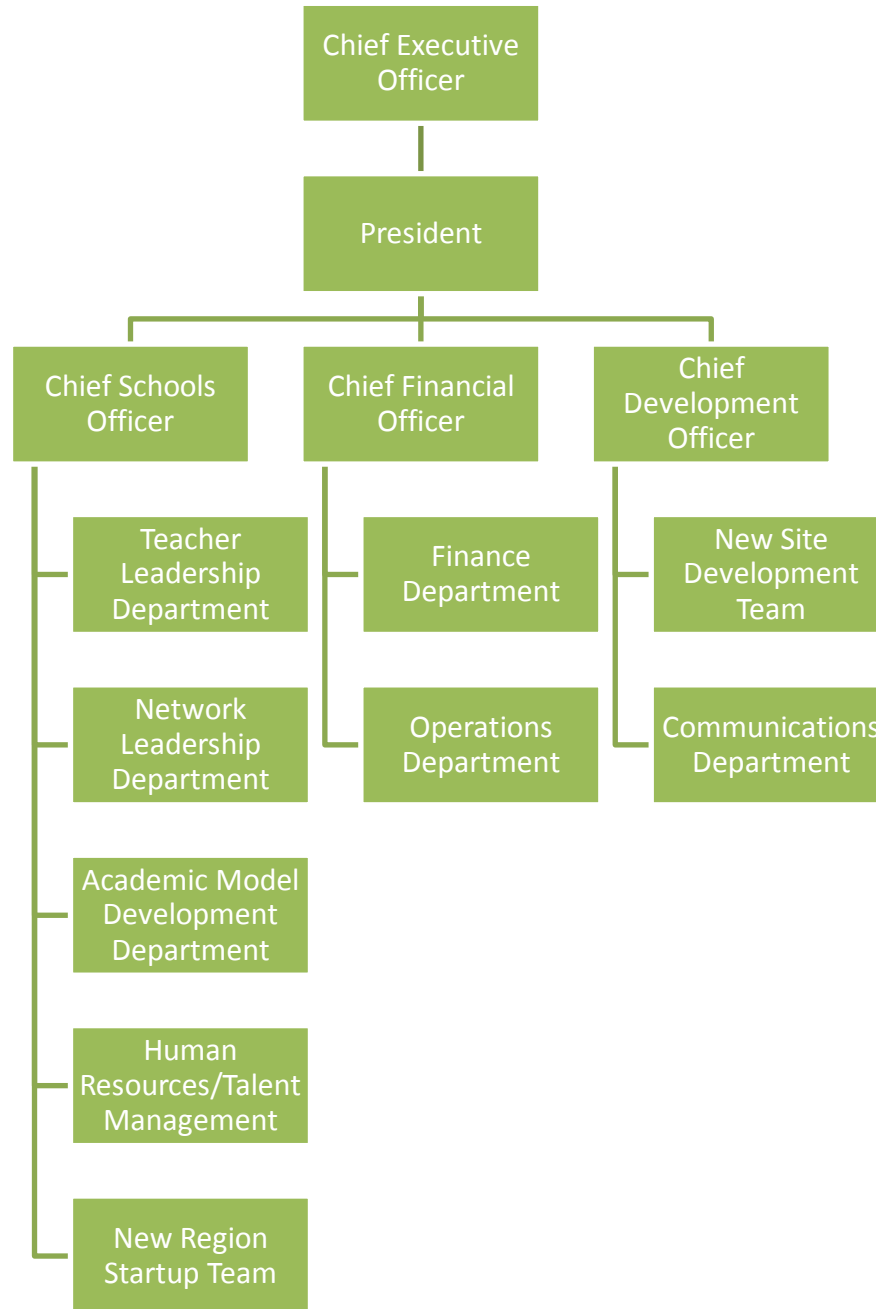
Rocketship Regional Organizational Chart



Rocketship School-Level Organizational Chart



Rocketship National Office Organizational Chart



ROCKETSHIP EDUCATION INDIANA

Attachment 11
Course Scope and Sequence

Rocketship Education: Kindergarten Literacy Scope and Sequence Map

		August/September	October	November	December	January	February	March	April	May	June	
		Wks 1-5	Wks 6-10	Wks 11-14	Wks 15-16	Wks 17-21	Wks 22-25	Wks 26-29	Wks 30-32	Wks 33-37	(Wk 38-40)	
Theme for Reading and Writing		Summarizing/Retelling			Narrative Traits		Responding to Literature			Expository Texts		
		Making Connections										
Word and Language Study	Letters & Sounds	Identify, Distinguish Upper- and Lower-Case Letters and Sounds						Blending VC, CVC, CV	Blending CVCE	Blending CCVC, CVCC	Digraphs	Simple Affixes
		Using Letters and Sounds to Spell Words				Identify Blends (sh, ch, er, etc.)						
	Phonemic Awareness	Recognizing & Identifying Syllables and Rhyming Words	Using Pictures and Beginning Sound to Decode	Breaking Words into Syllables			Manipulating Syllables (Substitute and Delete Sounds)					
		Beginning Sounds	Middle Sounds (vowels)		Ending Sounds & Distinguishing Beginning and End Sounds							
	Sight Words & Word Wall	Lists 1 & 2	Lists 3 & 4	Lists 5 & 6			Lists 7 & 8	Lists 9 & 10	Review/Preteach for Next Year			
		Spelling Sight Words Correctly										
	Vocabulary	Identifying Student Names	Sorting Common Words into Basic Categories/ Classify & Categorize	Word Relationships and Multiple Meaning Words			Sensory & Descriptive Words		Compound Words			
Grammar	Nouns: Names of People	Nouns		Adjectives			Verbs		Prepositions & Prepositional phrases			
Reader's Workshop	Reading Strategies	Introduce Making Connections	Retell and Sequencing	Text-to-Text Connection/ Compare and Contrast		Making Predictions	Asking and Answering Questions in Fiction and Nonfiction Text		Retelling, Predictions & Connections	1st Grade Skills		
		Launch Centers (Core Phonics, High Frequency Words)	Continue Centers and Launch Guided Reading			Guided Reading						
	Structural Features	Front & Back Cover; Reading L to R, T to B; Identify & Distinguish Letters, Numbers, Words	Print Awareness			Fiction Text Features	Distinguish Fantasy from Realistic Fiction	Nonfiction Text Features		1st Grade Skills		
		Types of Everyday Text										
	Reading Habits	Identify Characters, Setting, Important Events	Gaining Information from Illustrations & Titles	Role of the Author and Illustrator	Recognize Printed Text Provides Information		Identify the Main Idea & Important Details	Review and Introduction to 1st Grade Skills				
		Tracking (1:1 Correspondence with Words)	Reading the Room	Using Pictures and Beginning Sound to Decode		Review as Needed and Start Decoding	Context Clues		Review and Introduction to 1st grade skills			
Speaking Fluency	Using "I statements" and Speaking Audibly			Speaking Audibly in Complete Sentences			Describing People, Places, Things, Locations, and Actions		Review			
	Reciting Poems, Rhymes, and Songs											
Writing & UbD	Writing Genre Units	Rocketship Values; Classroom Culture & Procedures	Personal Narratives			Opinion Writing		Expository Writing	Narrative Writing			
	Writing Conventions	Letters; First & Last Names; Holding a Pencil; Lines, Curves, Circles, Squiggles; Writing L to R, T to B	Handwriting			Writing Complete Sentences		Multiple Sentences/ Paragraphs: Beginning, Middle, End				
SS/Sci Content	Rocketship Values; Classroom Culture & Procedures	Plants*			Culture	Light	Patriotism*					

* = Exhibition Night Topic

Rocketship Education: 1st Grade Scope and Sequence Map

		Aug./Sept. (Weeks 1-5)	October (Weeks 6-10)	November (Weeks 11-14)	December (Weeks 15-16)	January (Weeks 17-21)	February (Weeks 22-25)	March (Weeks 26-29)	April (Weeks 30-32)	May (Weeks 33-37)	June (Weeks 38-40)	
Theme for Reading and Writing		Narrative Traits and Writing Narratives		Retelling		Responding to Literature		Expository Texts		Forming and Supporting Opinions		
Word & Language Study	Phonics & Spelling	Letter Formation & Sounds (Vowels & Consonants)	Sounds (Vowels, Consonants, Digraphs)	Sounds (Digraphs & Long Vowels)	Sounds (Ambiguous Vowels & Diphthongs)	R- and L-Controlled/Influenced Vowels	Complex Consonant Clusters and Chunking Two-Syllable Words	Review Long Vowels	Review R- and L-Controlled/Influenced Vowels	Review Complex Consonant Clusters		
	OCR Unit	Unit 1	Unit 2	Unit 3	Unit 4	Unit 5	Unit 6	Unit 7		Unit 8	Unit 9	
	Sight Words & Word Wall	Sight Words (First 100)			Sight Words (List 11-14)		Sight Words (List 15-17)	Sight Words (List 18-20)	Sight Words (List 21-24)	Sight Words (List 25-27)	Sight Words (List 28-31)	Review
	Word Study	Segmenting & Rhyming Words	Plural "s"	Word Families	Plurals with "es"	Comparatives & Superlatives	Compound Words	Homophones	Homographs	Dictionary Use		
		Alphabetical Order										
	Vocabulary	Context Clues	Question Words	Prepositions	Antonyms	Synonyms	Word Relationships and Categorizing	Root Words & Base Words	Idioms	Context Clues	Review	
Grammar	Nouns and Pronouns	Verbs	Prepositional Phrases	Adjectives	Conjunctions	Articles and Determiners	Verb Tenses (Regular and Irregular)/ Affixes and Inflectional Endings	Reteach or 2nd Grade Skills				
Reader's Workshop	Fluency						Reading Fluently with PIE (Pacing, Intonation, Expression)					
	Reading Strategies	Making Connections/ Schema	Visualizing	Making Predictions/ Text to Text Connections	Retelling	Retelling/ Asking Questions While Reading	Monitor & Clarify	Nonfiction Text & Explicit Information		Types of Fiction (Fables, Myths, Poetry)	Reading Chapter Books	
	Structural Features	Role of Authors and Illustrators	Narrative Traits (Character, Setting, Plot, etc.)		Sequential Order	Author's Purpose & Message	Nonfiction Text Features		Literary Techniques			
	Integration of Knowledge and Ideas	Problem - Solution/ Cause and Effect		Compare & Contrast	Making Meaningful Connections		Main Idea	Classify & Categorize		Review		
Writing & UbD	Writing Genre Units	Personal Narrative				Expression Short Opinions about Fiction Pieces		Expository Piece		Espressing Opinions about Expository Topics	Poetry	2nd Grade Skills
	Sentences & Paragraphs	Writing Complete Sentences: Capitalization, Punctuation, Spacing, Types, Starting at Edge		Writing Paragraphs: Indenting, 5-Sentence Paragraphs		Dead Words vs. Juicy Words (Sensory and Descriptive Details)		Conclusions		Writing Expanded Paragraphs		2nd Grade Skills
	Writing Conventions	Capitalizing "I"	Capitalization of Proper Nouns	Quotation Marks		Contractions	Possessive Nouns	Verb Tenses (Regular and Irregular)	Commas in a Series & Expanding Sentences	Poetry Conventions	2nd Grade Skills	
	SS/Sci Content	Culture & Conflict Resolution	Food Webs*			States of Matter			Geography*			

Rocketship Education: 2nd Grade Literacy Scope and Sequence Map

		September (Weeks 1-5)	October (Wks 6-10)	November (Wks 11-14)	December (Wks 15-16)	January (Wks 17-21)	February (Wks 22-25)	March (Wks 26-29)	April (Wks 30-32)	May (Wks 33-37)	June (Wks 38 - 40)
Theme for Reading and Writing		Narrative Traits and Writing Narratives			Summarizing Literature		Responding to Literature	Expository Texts		Forming and Supporting Opinions	Poetry
Language Study and Conventions	Phonics & Spelling	Short & Long Vowels; Syllables		Digraphs	Blends & Complex Consonant Patterns		R-Influenced & Ambiguous Vowels (Diphthongs)		Inflectional Endings		
	Word Study	Compound Words	Possessives (Nouns, Pronouns)	Plurals & Verb Tenses (Inflectional Endings)		Contractions	Prefixes/ Suffixes		Review	3rd Grade Skills: More Advanced Prefixes & Suffixes	
	Vocabulary	Synonyms	Antonyms	mult.-meaning words and homographs		Homophones	Abbreviations	Review	Review	Introduction to Greek & Latin roots	
	Grammar	Nouns (Proper, Regular, Plural)	Verbs (Action, Linking, Helping, Irregular, Tenses)		Pronouns	Adjectives (Regular, Comparative, Superlative)		Adverbs	Prepositions		Review
Reader's Workshop	Fluency	Introduce Fluency: Reading with PIE (Pacing, Intonation, Expression)		Reading with Emotion			Reading Nonfiction Texts Fluently		Review	3rd Grade Skills	
	Reading Strategies	Laying the Foundation; Making Connections	Making Predictions	Visualizing	Summarizing (Fiction)		Determining Most Important Ideas (Nonfiction)	Asking Questions	Making Inferences; Test Genre		Review
	Features of Text	Narrative Traits (Character, Setting, Plot Sequence, etc.)			Author's Purpose / Message		Nonfiction Features			Review	Poetry: Reading Rhyme, Rhythm, Alliteration
	Integration of Knowledge and Ideas	Point of View	Compare and Contrast		Cause and Effect	Fact and Opinion		Reasons and Evidence		Review	3rd Grade Skills: Theme
Shared Reading/ Read Aloud Texts					The One in the Middle is a Green Kangaroo	TBD	Dinosaurs before Dark	Horrible Harry takes the Cake	TBD	TBD	
Writing & UBD	Writing Conventions	Capitalizing & Punctuation of Sentences, Capitalizing "I"	Complete Sentences (Subject/Predicate, Subject/ Verb Agreement)		Commas		Quotation Marks	Punctuation of Titles	Review		3rd Grade Skills: Subject - Verb Agreement; Pronoun - Antecedent Agreement
	Writing Genre	Introduction to Writer's Workshop & Personal Narrative Unit	Fictional Narrative Unit		Summarizing	Opinion Piece about Fictional Story		Expository Paragraph Unit		Expository Opinion Piece	Rock Poem Unit
	SS/Sol Content	Heritage*				Motion		Rock Cycle*			

*=Exhibition Night Topic
 bold = UEE or WTW emphasis

Rocketship Education: 3rd Grade Literacy Scope and Sequence Map

		August/September	October	November	December	January	February	March	April	May	June	
		(Weeks 1-5)	(Weeks 6-10)	(Weeks 11-14)	(Weeks 15-16)	(Weeks 17-21)	(Weeks 22-25)	(Weeks 26-29)	(Weeks 30-32)	(Weeks 33-37)	(Weeks 38-40)	
Theme for Reading and Writing	Summarizing Literature											
	Narrative Traits and Writing Narratives			Expository Texts			Responding to Literature	Narrative Traits and Writing Narratives			Opinion Writing	
Word & Language Study	Phonics, Spelling, and Word Study	Word Families/ Short Vowel Review	Short and Long Vowel Review/ Inflectional Endings	Syllables and Compound Words	Contractions and Possessive Nouns	Consonant and Vowel Alternation		Review			TBD	
		Prefixes, Suffixes, and Root Words										
	Vocabulary	Using Reference Materials		Synonyms and Antonyms	Context Clues & Multiple Meaning Words (Homographs)		Homophones	Review			TBD	
Grammar	Nouns (Singular and Plural, Proper)	Verbs (Regular and Irregular, Tenses, Agreement)		Adjectives (Regular, Comparative, Superlative, Articles)	Adverbs	Pronouns & Possessive Pronouns	Prepositions & Prepositional Phrases	Conjunctions & Interjections	Review		TBD	
Reader's Workshop	Fluency	Pacing, Intonation, Expression (PIE)			Reading Different Types of Sentences	Reading with Rhythm	Reading with Commas	Capturing Mood	Oral Story Telling	Review		TBD
	Reading Strategies	Unit 1: Laying the Foundation, Making Connections, Monitoring Comprehension		Unit 2: Making & Modifying Predictions	Unit 3: Summarizing and Determining the Main Idea of Fiction & Non Fiction		Unit 4: Theme/Author's Message	Unit 5: Monitoring Comprehension & Non Fiction	Unit 6: Asking & Answering Questions	Unit 7: Reading Strategy Review & Testing Genre	Unit 8: Inferring & Drawing Conclusions	
	Structural Features of Text	Narrative Elements (Characters, Setting, Plot, etc.)			Nonfiction Features		Multi-Step Instructions	Genre (Poetry and Poetic Devices, Drama, Fairytales/Folklore, Legends, Fables, Myths)			Review	TBD
	Integration of Knowledge and Ideas	Author's Purpose	Narrator/ Speaker	Compare and Contrast	Cause/Effect, Problem/Solution	Character Development	Fact and Opinion	Idioms	Review		TBD	
	Shared Reading Text	Core Values Read Alouds		<i>Gloria Rising</i>		Nonfiction/Reference Study		<i>Because of Winn Dixie</i>		Genre Study	<i>Eagle Song</i>	
Writing & UbD	Writing Genre Units	Intro to Writer's Workshop and Personal Narrative			Expository Texts and Opinions		Responding to Literature	Fictional Narrative			Opinion Writing	
	Writing Conventions	Capitalization & End Punctuation		Sentences (Complete, Types, Subj/Pred)	Paragraphs (Format, Main Idea, Topic Sentence, Details)	Titles (Underline, Capitalize, Italicize)	Commas & Apostrophes	Dialogue & Quotation Marks	Hyphens, Colons & Parenthesis	Review		TBD
	SS/Sci Content	Astronomy (13 weeks)*					Animal Adaptations & Habitats (9 weeks)		Native Americans & Gov't (14 weeks)*			

* = Exhibition Night Topic

Rocketship Education: 4th Grade Literacy Scope and Sequence

		September	October	November	December	January	February	March	April	May	June	
		(Weeks 1-5)	(Weeks 6-10)	(Weeks 11- 14)	(Weeks 15-16)	(Weeks 17-21)	(Weeks 22-25)	(Weeks 26 -29)	(Weeks 30-32)	(Weeks 33-37)	(Weeks 38-40)	
Theme for Reading and Writing		Narrative Traits and Writing Narratives			Summarizing Literature	Responding to Literature/ Opinions about Fiction		Expository Texts			Opinion Writing	
Word & Language Study	Phonics & Spelling	Review: Short & Long Vowel Patterns & Complex Consonant Clusters	Syllabication & Inflectional Endings	Ambiguous Vowels & Diphthongs	Consonant & Vowel Alternation					Review	Review	5th Grade Skills
	Word Study	Compound Words	Contractions	Comparatives & Superlatives	Prefixes	Suffixes	Greek & Latin Roots		Review	Review	5th Grade Skills	
	Vocabulary	Synonyms & Antonyms/ Using Dictionaries and Thesauruses			Context Clues & Multiple-Meaning Words (Homographs)			Homophones	Encyclopedia	Review	Review	5th Grade Skills
	Grammar	Nouns (Singular & Plurals) & Verbs (Regular and Introduce Irregular)	Adjectives & Adverbs	Pronouns & Pronoun-Antecedent Agreement	Subject-Verb Agreement & Review Irregular Verbs	Prepositions & Prepositional Phrases		Conjunctions & Interjections	Appositives & Participial Phrases	Review	Review	5th Grade Skills
Reader's Workshop	Reading Strategies	Unit 1: Laying the Foundation (5 weeks)	Unit 2: Monitoring Comprehension (4 weeks)	Unit 3: Asking Questions and Making Predictions(3 weeks)	Unit 4: Plot Structure & Determining the Main Idea/ Summarizing (4 weeks)		Unit 5: Inferring & Drawing Conclusions (4 weeks)	Unit 6: Determine What's Important/ Informational Texts Unit	Unit 7: Testing Genre & Strategy Review (3 weeks)	Unit 8: Reading Informational Texts (4 weeks)	Unit 9: Soaring Towards Excellence: Prep for 5th Grade (3 weeks)	
	Structural Features of Text	Sequential/ Chronological Order & Genres	Cause & Effect/ Problem & Solution		Compare & Contrast/ Similarity & difference		Fact & Opinion		Proposition and Support		Poems and Dramas	
	Integration of Knowledge and Ideas	Similes & Metaphors	Idioms	Personification	Hyperbole	Character Development	Point of View	Author's Purpose	Voice, Tone & Audience		Review/ Other Kinds of Texts	5th Grade Skills
	Shared Reading Text	Genres: Fantasies, Fables, Myths, Legends, Fairy Tales, Trickster Tales, etc.	<i>Sign of the Beaver</i>			<i>Patty Reed's Doll</i>		<i>Esperanza Rising</i>	Various Nonfiction Texts		<i>Breaking Through</i>	
Writing & UbD	Genre Units	Launching the Writer's Workshop & Personal Narrative (7 weeks)	Finish Narratives/ Begin Summaries (6 weeks)			Response to Literature (7 weeks)		Review Writing Genres (4 weeks)	Informational Reports		Opinion Writing	
	Conventions	Sentences (Complete, Types of, End Punctuation)	Paragraphs (Thesis, Main Idea, Supporting Details), Capitalization & Commas			Quotations, Dialogue & Titles (Cap., Underline, Italics)	Possessives & Apostrophe Use	Colons & Semi-Colons	Combining Sentences	Parenthesis & Review Paragraphs	Review	5th Grade Skills
	SS/Sci	California Gold Rush (16 weeks)*					Westward Expansion (7 weeks)		20th Century California: The Great Depression, Dust Bowl, WWII (6 weeks)		Electricity & Magnetism (10 weeks)*	

* = Exhibition Night Topic

Rocketship Education: 5th Grade Literacy Scope and Sequence

		September (Weeks 1-5)	October (Weeks 6-10)	November (Weeks 11- 14)	December (Weeks 15-16)	January (Weeks 17-21)	February (Weeks 22-25)	March (Weeks 26 -29)	April (Weeks 30-32)	May (Weeks 33-37)	June (Weeks 38-40)
Theme for Reading and Writing		Narrative Traits and Writing Narratives		Summarizing/ Responding to Literature			Persuasive/Opinion Writing		Expository/Informational		
Word & Language Study	Phonics & Spelling	Ambiguous Vowels & Diphthongs	Syllables (Open/ Closed & Accented/ Unaccented)	Consonant and Vowel Alternations			Predictable Spelling Changes in Consonants & Vowels		Advanced Suffixes & Absorbed Prefixes		Review
	Word Study	Prefixes & Suffixes/ Inflectional Endings		Greek & Latin Roots			6th Grade Skills: Present Perfect, Past Perfect, Future Perfect Tenses		6th Grade Skills: Common Foreign Words	Review	6th Grade Skills: Fluency- Using Effective Rate, Volume, Pitch, and Tone
	Vocabulary	Dictionary & Thesaurus	Multiple-meaning words (homographs) & Context clues			Homophones	Synonyms & Antonyms	Reference tools	6th grade skills: Shades of meaning	Review	
	Grammar	Nouns (Singular & Plural) & Verbs (Regular & Irregular, Subject-Verb Agreement)	Adjectives, Adverbs , Pronouns (Pronoun-Antecedent Agreement)	Prepositions & Prepositional Phrases		Independent & Dependent Clauses	Conjunctions	Frequently Misused/ Misspelled Words	Review		6th Grade Skills: Indefinite Pronouns
Reader's Workshop	Reading Strategies	Unit 1: Launching Reader's Workshop & Monitoring Comprehension (5 weeks)	Unit 2: Determining What's Important & Main Idea (4 weeks)	Unit 3 Summarizing & Identifying the Theme/ Main Idea of Fiction & Non Fiction (7 weeks)		Unit 4: Inferring & Drawing Conclusions (9 weeks)		Unit 5: Reading Nonfiction Text (3 weeks)	Unit 6: Reading Strategy Review & Testing Genre (5 weeks)	Unit 7: Nonfiction Text & Review (5 weeks)	
	Structural Features of Text	Fiction Elements	Sequential, Compare/ Contrast, Proposition/ Support, Cause/ Effect	Nonfiction Elements	Genre (Poetry, Drama, Myths, etc.)		Fact vs. Opinion	Nonfiction Elements	Review	Nonfiction Elements	
	Integration of Knowledge and Ideas	Narrative Elements: Theme, Plot, Setting, Author's Choices	Character Development		Figurative Language (Simile, Metaphor, Idioms, Personification, Hyperbole)		Imagery, Foreshadow, Foil, Symbolism & Advanced Techniques	Author's Purpose, Voice, Point of View in Fiction & Non Fiction		6th Grade Skills: Noting Unsupported Inferences, Fallacious Reasoning, Persuasion, & Propoganda	
	Shared Reading Text	Becoming Naomi Leon		TBD NF TEXT	The Great Gilly Hopkins		Long Way From Chicago		My Brother Sam is Dead		
Writing & UbD	Genre Units	Launching Writer's Workshop & Narrative Writing (6 weeks)	Response to Literature (9 weeks)			Persuasive Writing (8 weeks)		Research Report/ Extended Analysis Project (15 weeks)*			
	Conventions	Review: Sentences (Complete, Combining, End Punctuation), Paragraphs (Main Idea, Thesis, Supp. Details) & Punctuation		Prepositions & Prepositional Phrases	Transitions	Quotations, Dialogue & Commas	Colons & Semi-Colons	Possessives, Apostrophes & Parentheses	Nonfiction Conventions	Review	6th Grade Skills: Simple, Compound, Compound-Complex Sentences
	SS/Sci Content	Plant & Animal Systems & Conservation of Resources (15 weeks)*				Meterorology (6 weeks)		Chemistry & Experimentation (7 weeks)		Science Review (4 weeks)	Colonial America & Revolution (6 weeks)

* = Exhibition Night Topic

Rocketship Education: Kindergarten Math Scope and Sequence Map

	September		October		November		December		January		February		March		April		May	June
	Wks 1-2	Wks 3-7	Wks 8-12		Wks 13-16			Wks 17-20	Wks 21-24		Wks 25-28		Wks 29-32		Wks 33-40			
Unit Title	Culture Building	Unit 1: Counting	Unit 2: Sorting, Classifying, and Comparing Shapes		Unit 3: Recognizing and Creating Patterns		Break	Unit 4: Comparing Numbers and Groups of Objects	Unit 5: Measurement and Data		Unit 6: Fundamentals of Addition and Subtraction		Unit 7: Base Ten		Review/ Culminating Projects			
Top Ten Standards	Culture Building	CC K.5. Count to answer "how many?" questions about as many as 20 things arranged in a line, a rectangular array, or a circle, or as many as 10 things in a scattered configuration; given a number from 1–20, count out that many objects.	G K.6. Compose simple shapes to form larger shapes. MD K.3. Classify objects into given categories by attribute; count the numbers of objects and sort the categories by count. CA K AF 1.1 Identify objects that do not belong to a particular group		CA K SDAP 1.2 Identify, describe, and extend simple patterns involving shape, size, or color such as circle, triangle, or red, blue, green.		Break	CC K.6. Identify whether the number of objects in one group is greater than, less than, or equal to the number of objects in another group. CC K.7 Compare two numbers between 1 and 30 presented as written numerals.	MD K.2 Directly compare two objects with a measurable attribute (such as length, weight, or capacity) in common, to see which object has "more of"/ "less of" the attribute, and describe the difference. CA SDAP 1.1 Pose information questions, collect data, and record the results using objects, pictures, and picture graphs.		OA K.3. Decompose numbers less than or equal to 10 into pairs in more than one way (e.g., $5 = 2 + 3$ and $5 = 4 + 1$) OA K.4. For any number from 1 to 9, find the number that makes 10 when added to the given number. OA K.2. Solve addition and subtraction word problems, and add and subtract within 10. OA K.1. Represent addition and subtraction with objects, fingers, mental images, drawings, sounds (e.g., claps), acting out situations, verbal explanations, expressions, or equations.		NBT K.1. Compose and decompose numbers from 11 to 19 into ten ones and some further ones. e.g., by using objects or drawings, and record each composition or decomposition by a drawing or equation. Understand that these numbers are composed of ten ones and one, two, three, four, five, six, seven, eight, or nine ones.		Review/ Culminating Projects			
Numbers	0 to 10	20-Nov	21 to 35	36 to 50	51 to 65	66 to 80	81 to 100		Ongoing Number Practice									
Math Meeting	Begin Counting by 1s			Begin Counting by 10s				Begin Counting by 5s				Begin Counting by 2s						
	Begin Naming Simple Shapes and Recognizing Patterns	Begin Concept of Place Value	Begin Concept of Addition	Begin Addition with +	Begin Collecting and Organizing Data	Begin Concept of Subtraction	Begin Subtraction with -	Addition and Subtraction										
	Days of the Week	Concepts of Time (Morning, Afternoon, Evening)		Identify Time to the Nearest Hour				Telling Time to the Half										
Life of the School	Culture Building			Parent Conferences	Exhibition Night			Parent Conferences									Exhibition Night/ Parent Conferences	
Assessment		Assessment Wall		Assessment Wall			Assessment Wall			Assessment Wall					Assessment Wall			

Rocketship Education: 2nd Grade Math Scope and Sequence Map

		September		October		November		December		January		February		March		April		May	June
		Wks 1-2		Wks 3-6		Wks 7-12		Wks 13-16		Wks 17-22		Wks 23-27		Wks 28-32		Wks 33-40			
Unit Title		Culture Building		Unit 1: Place Value and Base Ten		Unit 2: Addition and Subtraction		Unit 3: Money and Money Notation		Break		Unit 4: Concepts of Multiplication & Division		Unit 5: Fractions and Geometric Shapes		Unit 6: Measurement and Data		Review	Review/ Culminating Projects
Top Ten Standards		Culture Building		NBT 2.3. Read and write numbers to 1000 using base-ten numerals, number names, and expanded form.		NBT 2.5. Fluently add and subtract within 100 using strategies based on place value, properties (commutative, associative) of operations, and/or the relationship between addition and subtraction. NBT 2.7.1 Use estimation strategies in computation and problem solving with numbers up to 1000 OA 2.1. Use addition and subtraction within 1000 to solve one- and two-step word problems involving situations of adding to, taking from, putting together, taking apart, and comparing, with unknowns in all positions.		MD 2.8. Solve word problems involving combinations of dollar bills, quarters, dimes, nickels, and pennies, using \$ and ¢ symbols appropriately. CA 2nd NS 5.2 Know and use the decimal notation and the dollar and cent symbols for money.		Break		CA OA 2.5 Use repeated addition and counting by multiples to demonstrate multiplication. OA 2.6 Use repeated subtraction and equal group sharing to demonstrate division. OA 2.4 Use addition to find the total number of objects arranged in rectangular arrays with up to 5 rows and up to 5 columns; write an equation to express the total as a sum of equal shares.		G 2.1. Recognize and draw shapes having specified attributes, such as a given number of angles or a given number of equal faces. Identify triangles, quadrilaterals, pentagons, hexagons, and cubes. G 2.3. Partition circles and rectangles into two, three, or four equal shares, describe the shares using the words halves, thirds, half of, a third of, etc., and describe the whole as two halves, three thirds, four fourths. Recognize that equal shares of identical wholes need not have the same shape. CA 2nd NS 4.1 Recognize, name, and compare unit fractions from 1/12 to 1/2.		MD 2.2 Measure the length of an object twice, using length units of different lengths for the two measurements; describe how the two measurements relate to the size of the unit chosen. MD 2.9. Generate measurement data by measuring lengths of several objects to the nearest whole unit, or by making repeated measurements of the same object. Show the measurements by making a line plot, where the horizontal scale is marked off in whole-number units.		Review	Review/ Culminating Projects
Math Meeting/ Spiral Review		Solve Word Problems Involving Combinations of Dollar Bills, Quarters, Dimes, Nickels, and Pennies, Using \$ and ¢ Symbols Appropriately.																	
		Compare Two Digit Numbers		Compare Three Digit Numbers		Order Two Digit Numbers				Order Three Digit Numbers				Solve Problems with Simple Number Patterns and Extend Patterns (e.g., 4, 8, 12...; the Number of Ears on One Horse, Two Horses, Three Horses, Four Horses).					
		Count by 1s within 1000		Skip Count by 10s within 1000		Skip Count by 100s within 1000				Skip Count by 5s within 1000				Continued Practice with Skip Counting					
Fact Practice		Review Addition and Subtraction Facts						Mult: x0, x1, x 2		Mult: x 10, x 5		Div: /1, /2		Div: /10, /5		Review All 2nd Grade Facts & Begin 3rd Grade Facts			
Life of the School		Culture Building						Parent Conferences/ Exhibition Night						Parent Conferences					
Assessment		Assessment Wall				Assessment Wall				Assessment Wall				Assessment Wall				Assessment Wall	

Rocketship Education: 3rd Grade Math Scope and Sequence

		September		October	November	December	January		February		March	April		May	June	
		Wks 1-2	Wks 3-6	Wks 7-11	Wks 12-15	Wks 16-19		Wks 20-23		Wks 24-25	Wks 26-29	Wks 30-32		Wks 33-40		
Unit Titles	Culture Building	Unit 1: Place Value, Addition, and	Unit 2: Multiplication Concepts & Facts	Unit 3: Division Concepts & Facts	Unit 4: Equivalent Fractions and Fractions on a Number Line		Unit 5: Multiplying and Dividing Bigger Numbers		Unit 6: Word Problems with Unknown and Functional Relationships	Unit 7: Area and Perimeter	Unit 8: Volume & Mass; Data, & Graphing		Review	Culminating Projects		
Top Ten Standards	Culture Building	NBT 3.1. Identify the place value for each digit in numbers to 10,000 and round whole numbers to the nearest 10, 100, or thousand	OA 3.1. Interpret products of whole numbers, e.g., interpret 5×7 as the total number of objects in 5 groups of 7 objects each. For example, describe a context in which a total number of objects can be expressed as 5×7 .	OA 3.2. Interpret whole-number quotients of whole numbers, e.g., interpret $56 / 8$ as the number of objects in each share when 56 objects are partitioned equally into 8 shares, or as a number of shares when 56 objects are partitioned into equal shares of 8 objects each.	NF 3.3. Explain equivalence of fractions in special cases, and compare fractions by reasoning about their size. CA 3rd NS 3.1 Compare fractions represented by drawings or concrete materials to show equivalency and to add and subtract simple fractions in context. NF 3.2. Understand a fraction as a number on the number line; represent fractions on a number line diagram.		OA 3.3. Use multiplication and division within 1000 to solve word problems in situations involving equal groups, arrays, and measurement quantities. CA 3rd NS 3.3 Solve problems involving addition, subtraction, multiplication, and division of money amounts in decimal notation and multiply and divide money amounts in decimal notation by using whole-number multipliers and divisors.		OA 3.8. Solve two-step word problems using the four operations. Represent these problems using equations with a letter standing for the unknown quantity. CA 3rd AF 2.1 Solve simple problems involving a functional relationship between two quantities (e.g. find the total cost of multiple items given the cost per unit)	MD 3.7.b. Multiply side lengths to find areas of rectangles with whole-number side lengths in the context of solving real world and mathematical problems, and represent whole-number products as rectangular areas in mathematical reasoning. G 3.8 Solve real world and mathematical problems involving perimeters of polygons and the relationship between area and perimeter.	MD 3.2. Measure and estimate liquid volumes and masses of objects using standard units of grams (g), kilograms (kg), English Units (oz, lb.), and liters (l). Add, subtract, multiply, or divide to solve one-step word problems involving masses or volumes.. CA 3rd MG 1.4 Carry out simple unit conversions within a system of measurement. CA 3rd SDAP 1.3 Summarize and display the results of probability experiments in a clear and organized way (bar graph, line plot, etc.) MD 3.3. Draw a scaled picture graph and a scaled bar graph to represent a data set with several categories. Solve one- and two-step "how many more" and "how many less" problems using information presented in scaled bar graphs.		Review	Culminating Projects		
Math Meeting/ Spiral Review	MD 3.1 Tell and write time to the nearest minute.			MD 3.1 Measure time intervals in minutes.			MD 3.1 Solve word problems involving addition and subtraction of time intervals.									
	Identify Polygons			Angles			Identify and Classify Quadrilaterals and Triangles based on their Attributes			Identify and Classify 3-D Shapes			Review			
	OA 3.9 Identify and explain arithmetic patterns in the addition table. Use the commutative and associative properties to add and subtract.			OA 3.9 Identify and explain arithmetic patterns (including patterns in the multiplication table).			OA 3.5 Apply the commutative property of multiplication to multiply.		OA 3.5 Apply the distributive property to multiply and divide.		OA 3.5 Apply the associative property of multiplication to multiply.			Review Strategies		
Fact Practice	Review Addition and Subtraction Facts from 2nd		Review 2nd Grade Multiplication and Division Facts: $x / 10, x / 2, x / 5,$	Facts $\times 3$ $\times 9$	Facts $\times 4$ $\times 6$	Facts $\times 7$ $\times 8$	Facts $\div 3$ $\div 9$	Facts: $\div 4, \div 6$		Facts $\div 7$ $\div 8$	Continued Practice with Multiplication and Division Algorithm					
Life of the School	Culture Building				Parent Conferences/ Exhibition Night			Parent Conferences								Exhibition Night/ Parent Conferences
Assessment		Assessment Wall		Assessment Wall			Assessment Wall		Assessment Wall						Assessment Wall	

Rocketship Education: 4th Grade Math Scope and Sequence Map

		September		October	November	December		January	February	March		April	May	June	
		Wks 1-2	Wks 3-6	Wks 7-10	Wks 11-13	Wks 14-16		Wks 17-21	Wks 22-25	Wks 26-29		Wks 30-32	Wks 33-40		
Unit Titles	Culture Building	Unit 1: Order and Manipulate Whole Numbers and Decimals	Unit 2: Factors & Multiples	Unit 3: Multi-Digit Multiplication & Division, Area, & Perimeter	Unit 4: Equivalent Fractions and Decimals, and the Operations with Fractions and Mixed Numbers	Review/Break	Unit 5: Algebraic Patterns	Unit 6: Data and Graphing on the Coordinate Plane	Unit 7: Measurement, Unit Conversions, & Measurement Problems with Fractions & Decimals.	Unit 8: Geometry	Review	Culminating Projects			
Top Ten Standards	Culture Building	NF 4.7. Order and compare two decimals to hundredths by reasoning about their size. Recognize that comparisons are valid only when the two decimals refer to the same whole. NBT 4.3. Use place value understanding to round multi-digit whole numbers and decimals to any place.	OA 4.4. Find all factor pairs for a whole number in the range 1–100. Recognize that a whole number is a multiple of each of its factors. Determine whether a given whole number in the range 1–100 is a multiple of a given one-digit number. Determine whether a given whole number in the range 1–100 is prime or composite.	MD 4.3. Apply the area and perimeter formulas for rectangles in real world and mathematical problems.	CA NS 1.9 Identify on a number line the relative position of negative numbers, positive fractions, positive mixed numbers, and positive decimals to two decimal places. NF 4.4. Apply and extend previous understandings of multiplication to multiply a fraction by a whole number.	Review/Break	CA 4th AF 1.5 Understand that an equation such as $y = 3x + 5$ is a prescription for determining a second number when a first number is given; OA 5.1. Use parentheses, brackets, or braces in numerical expressions to indicate which operation to perform first when writing expressions containing more than two terms and different operations and evaluate expressions with these symbols.	OA 5.3. Generate two numerical patterns using two given rules. Identify apparent relationships between corresponding terms. Form ordered pairs consisting of corresponding terms from the two patterns, and graph the ordered pairs on a coordinate plane with four quadrants AF 1.5 Solve problems involving linear functions with integer values; write the equation; and graph the resulting ordered pairs of integers on a grid.	MD 4.1. Know relative sizes of measurement units within one system of units including km, m, cm; kg, g; lb, oz.; l, ml; hr, min, sec. Within a single system of measurement, express measurements in a larger unit in terms of a smaller unit. Record measurement equivalents in a two-column table. MD 4.2. Use the four operations to solve word problems involving distances, intervals of time, liquid volumes, masses of objects, and money, including problems involving simple fractions or decimals, and problems that require expressing measurements given in a larger unit in terms of a smaller unit. Represent measurement quantities using diagrams such as number line diagrams that feature a measurement scale	No Power Standard. Angles, lines, attributes of polygons and 3-d solids.	Review	Culminating Projects			
Math Meeting/ Spiral Review	Solve Multi-step Word Problems Posed with Whole Numbers and having Whole Number Answers using any Combination of the Four Operations							Represent these Problems using Equations with a Letter, Box, or other Symbol to Stand for the Unknown Quantity.							
	CA SDAP 1.1 Formulate survey questions; systematically collect and represent data on a number line; and coordinate graphs, tables, and charts.							CA SDAP 1.2 Identify the mode(s) for sets of categorical data and the mode(s), median, and any apparent outliers for numerical data sets.			CA SDAP 2.1 and 2.2 Conduct probability surveys and express the results as a ratio.				
	CA NS 1.8 Use concepts of negative numbers.					NF 4.6 Know the fraction and decimal equivalents for halves and fourths (e.g., $\frac{1}{2} = 0.5$ or $.50$; $\frac{7}{4} = 1\frac{3}{4} = 1.75$).					Continued Practice with Decimal-Fraction-Percent Conversion				
Life of the School	Culture Building				Parent Conferences/ Exhibition Night			Parent Conferences						Exhibition Night/ Parent Conferences	
Assessment		Assessment Wall			Assessment Wall			Assessment Wall			Assessment Wall			Assessment Wall	

Rocketship Education: 5th Grade Math Scope and Sequence Map

		September		October	November	December		January	February	March		April	May	June					
		Wk 1	Wks 2-5		Wks 6-11		Wks 12-15		Wks 16-21		Wks 22-25		Wks 26-29		Wks 30-32		Wks 33-40		
Unit Titles	Culture Building	Unit 1: Powers of Ten and Decimal-Percent Conversion		Unit 2: The Four Operations with Decimals & Adding & Subtracting Negative Numbers		Unit 3: Adding & Subtracting Fractions		Review/ Break	Unit 4: Multiplying & Dividing Fractions		Unit 5: Algebraic Patterns		Unit 6: Graphing and Data		Unit 7: Calculating Volume and Measurement		Review	Culminating Projects	
Top Ten Standards	Culture Building	NBT 5.2. Explain patterns in the number of zeros of the product when multiplying a number by powers of 10, and explain patterns in the placement of the decimal point when a decimal is multiplied or divided by a power of 10. Use whole-number exponents to denote powers of 10. CA 5th NS 1.2 Interpret percents as part of a hundred; find decimal and percent equivalents for common fractions and explain why they represent the same value; compute a given percent of a whole number.		NBT 5.7. Add, subtract, multiply, and divide decimals to hundredths using concrete models or drawings and strategies. CA NS 2.1 Add with negative integers; subtract positive integers from negative integers; and verify the reasonableness of the results.		NF 5.2. Solve word problems involving addition and subtraction of fractions referring to the same whole, including cases of unlike denominators. Use benchmark fractions and number sense of fractions to estimate mentally and assess the reasonableness of answers.		Review/ Break	NF 5.6. Solve real world problems involving multiplication of fractions and mixed numbers, e.g., by using visual fraction models or equations to represent the problem. Write answer in simplest form. NF 5.7.c. Solve real world problems involving division of unit fractions by non-zero whole numbers and division of whole numbers by unit fractions.		OA 5.2. Write simple expressions that record calculations with numbers, and interpret numerical expressions without evaluating them. For example, express the calculation "add 8 and 7, then multiply by 2" as $2 \times (8 + 7)$. CA 5th AF 1.2 Use a letter to represent an unknown number; write and evaluate simple algebraic expressions in one variable by substitution.		G 5.2. Represent real world and mathematical problems by graphing points in the four quadrants of the coordinate plane, and interpret coordinate values of points in the context of the situation. MD 5.2. Make a line plot to display a data set of measurements in fractions of a unit ($\frac{1}{2}$, $\frac{1}{4}$, $\frac{1}{8}$). Use operations on fractions for this grade to solve problems involving information presented in line plots. For example, given different measurements of Liquid in identical beakers, find the amount of Liquid each beaker would contain if the total amount in all the beakers were redistributed equally.		MD 5.5. Relate volume to the operations of multiplication and addition and solve real world and mathematical problems involving volume.		Review	Culminating Projects	
Math Board/ Review	Measure, Identify, and Draw Angles, Perpendicular and Parallel Lines, Rectangles, and Triangles						Classify Two-Dimensional Figures in a Hierarchy based on Properties				Know the Sums of Angles and use this to Solve Problems								
	Read and Write Decimals in Expanded Form, Base Ten Form and using Number Names					Compare Decimals to the Thousandths			Estimate and Round Whole Numbers and Decimals			Identify and Represent on a Number Line Decimals, Fractions, Mixed Numbers, and Positive and Negative Integers.							
Life of the School	Culture Building					Parent Conferences/ Exhibition Night						Parent Conferences						Exhibition Night/ Parent Conferences	
Assessment	Assessment Wall				Assessment Wall				Assessment Wall				Assessment Wall					Assessment Wall	

ROCKETSHIP EDUCATION INDIANA

Attachment 12
Academic and Exist Standards

Rocketship Education



FIFTH GRADE 2010-2011 REPORT CARD

Student Name:
College Name:
Literacy Teacher:
Math Teacher:

Language Arts:

DRA Level:		Grade Level: Level 60		
September	November	February	April	June

Literacy Assessment Notes:

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L 5.3.a Expand, combine, and reduce sentences for meaning, reader/listener interest, and style.

Fall		Winter		Spring	
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L 5.1.b Form and use the perfect verb tenses. L 5.1.c Use verb tense to convey various times, sequences, states, and conditions.

Fall		Winter		Spring	
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L 5.5.c Use the relationship between particular words (e.g. synonyms, antonyms, homographs) to better understand each of the words.

Fall		Winter		Spring	
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L 5.4.b Use common, grade-appropriate Greek and Latin affixes and roots as clues to the meaning of a word (e.g. photograph, photosynthesis)

Fall		Winter		Spring	
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L 5.5.a Interpret figurative Language, including similes and metaphors in context. L 5.5.b recognize and explain the meaning of common idioms, adages, and proverbs

Fall		Winter		Spring	
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RL 5.2. Determine a theme of a story, drama, or poem from details in the text, including how characters in a story or drama respond to challenges or how the speaker in a poem reflects upon a topic; summarize the text.

Fall		Winter		Spring	
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RL 5.3 Compare and Contrast how two or more characters in a story or drama respond to challenges or how the speaker in a poem reflects upon a topic; summarize the text.

Fall		Winter		Spring	
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RI 5.3 Explain the relationships or interactions between two or more individuals, events, or concepts in a historical, scientific, or technical text based on specific information in the text.

Fall		Winter		Spring	
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RI 5.8 Explain how an author uses reasons and evidence to support particular points in a text, identifying which reasons and evidence support which point(s).

Fall		Winter		Spring	
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RL 5.6 Analyze how the speaker's perspective influences the way that events or topics are described. Compare and Contrast multiple perspectives on the same topic or theme.

Fall		Winter		Spring	
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RI 5.6 Analyze multiple accounts of the same event or topic, noting important similarities and differences in the point of view they represent.

Fall		Winter		Spring	
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Science/Social Studies

Fall		Winter		Spring	
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* Overall Language Arts Grade *

Fall		Winter		Spring	
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Proficiency Standards		
A	Advanced	90-100%
B	Proficient	80-89%
C	Basic	70-79%
D	Below Basic	60-69%
F	Far Below Basic	50% and below



Rocketship Education



Student Name: _____

Math:

Math Benchmark: _____ 5th Grade Goal: 90%

	September	November	February	April	June
4 th Gr.					
5 th Gr.					
6 th Gr.					
Facts					

NBT 5.2. Explain patterns in the number of zeros of the product when multiplying a number or decimal by powers of 10. Use whole-number exponents to denote powers of 10.

Fall	Winter	Spring

CA 5th NS 1.2 Find decimal and percent equivalents for common fractions and explain why they represent the same value; compute a given percent of a whole number.

Fall	Winter	Spring

NBT 5.7. Add, subtract, multiply, and divide decimals to hundredths. **CA NS 2.1** Add with negative integers; subtract positive integers from negative integers; and verify the reasonableness of the results.

Fall	Winter	Spring

NF 5.2 Solve word problems involving addition and subtraction of fractions referring to the same whole, including cases of unlike denominators. Estimate mentally and assess the reasonableness of answers.

Fall	Winter	Spring

NF 5.6 Solve real world problems involving multiplication of fractions and mixed numbers. Write answer in simplest form.

Fall	Winter	Spring

NF 5.7.c Solve real world problems involving division of unit fractions by non-zero whole numbers and division of whole numbers by unit fractions.

Fall	Winter	Spring

OA 5.2. Write simple expressions that record calculations with numbers, and interpret numerical expressions without evaluating them. For example, express the calculation "add 8 and 7, then multiply by 2" as $2 \times (8 + 7)$.

Fall	Winter	Spring

CA 5th AF 1.2 Use a letter to represent an unknown number; write and evaluate simple algebraic expressions in one variable by substitution.

Fall	Winter	Spring

G 5.2 Represent real world and mathematical problems by graphing points in the four quadrants of the coordinate plane.

Fall	Winter	Spring

MD 5.2 Make a line plot to display a data set of measurements in fractions of a unit ($\frac{1}{2}$, $\frac{1}{4}$, $\frac{1}{8}$). Use operations on fractions for this grade to solve problems involving information presented in line plots.

Fall	Winter	Spring

MD 5.5 Relate volume to the operations of multiplication and addition and solve real world and mathematical problems involving volume.

Fall	Winter	Spring

* Overall Math Grade *

Fall	Winter	Spring

Proficiency Standards		
A	Advanced	90-100%
B	Proficient	80-89%
C	Basic	70-79%
D	Below Basic	60-69%
F	Far Below Basic	50% and below

Parent Expectations:

	Fall	Winter	Spring
Tardiness			
Homework			
Parent Hours	/8	/16	/30
Overall Grade			

Signatures:

	Fall	Winter	Spring
Parent Signature			



Rocketship Education



Teacher Signature			
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ROCKETSHIP EDUCATION INDIANA

Attachment 13

School Calendar and Schedule

July 2015					0	0
M	Tu	W	Th	F		
		1	2	3	0	0
6	7	8	9	10	0	0
13	14	15	16	17	0	0
20	21	22	23	24	0	0
27	28	29	30	31		

August 2015					3	3
M	Tu	W	Th	F		
				7	0	0
10	11	12	13	14	0	0
17	18	19	20	21	0	0
24	25	26	27	28	2	3
31					1	0

September 2015					13	6
M	Tu	W	Th	F		
	1	2	3	4	2	2
7	6	7	8	9	3	1
14	15	16	17	18	4	1
21	22	23	24	25	4	1
28	29	30			0	1

October 2015					16	4
M	Tu	W	Th	F		
			1	2	1	1
5	6	7	8	9	4	0
12	13	14	15	16	3	1
19	20	21	22	23	4	1
26	27	28	29	30	4	1

November 2015					13	2
M	Tu	W	Th	F		
2	3	4	5	6	4	1
9	10	11	12	13	3	1
16	17	18	19	20	3	0
23	24	25	26	27	2	0
30					1	0

December 2015					12	3
M	Tu	W	Th	F		
	1	3	4	5	4	1
7	8	9	10	11	4	1
14	15	16	17	18	4	1
21	22	23	24	25	0	0
28	29	30	31		0	0

January 2016					15	4
M	Tu	W	Th	F		
				1	0	0
4	5	6	7	8	4	1
11	12	13	14	15	4	1
18	19	20	21	22	3	1
25	26	27	28	29	4	1



February 2016					15	3
M	Tu	W	Th	F		
1	3	4	5	6	3	0
8	9	10	11	12	4	1
15	16	17	16	17	3	1
22	23	24	25	26	4	1
29					1	0

March 2016					18	4
M	Tu	W	Th	F		
	1	4	5	6	3	1
7	8	9	10	11	3	1
14	15	16	17	18	4	1
21	22	23	24	25	4	1
28	29	30	31		4	0

April 2016					12	4
M	Tu	W	Th	F		
				1	0	1
4	5	6	7	8	0	0
11	12	13	14	15	4	1
18	19	20	21	22	4	1
25	28	27	28	29	4	1

May 2016					16	4
M	Tu	W	Th	F		
2	3	4	5	6	4	1
9	10	11	12	13	3	1
16	17	18	19	20	4	1
23	24	25	26	27	4	1
30	31				1	0

June 2016					9	6
M	Tu	W	Th	F		
		1	4	5	2	1
6	7	8	9	10	3	1
13	14	15	16	17	4	1
20	21	22	23	24	0	3
27	28	29	30	31		

 First/Last Day of School
 Parent Conferences

 No School

 Minimum Day

Total: 142 43
 Total: 185

Bell Schedule and Instructional Minutes

Rocketship (RSED) days will run from 8 a.m. to 4 p.m. For students enrolled in the Response to Intervention Program, RSED may offer a school day from 8 a.m. to 4:45 p.m. The number of instructional minutes offered for all grades will meet or exceed the State’s requirements. This table delineates subject areas and minutes by grade level.

	Humanities	Math/Science	Learning Lab	Total Daily Minutes
K	200	100	120	420
1	200	100	120	420
2	200	100	120	420
3	200	100	120	420
4	240	100	120	460
5	240	100	120	460

Rocketship’s Learning Lab is an integral component to each student’s learning experience. The Learning Lab is supervised by the Assistant Principal and combines online curricula, independent reading, and tutoring (based upon an RtI model) that strengthen basic skills at the appropriate level for each student. This highly differentiated set of instructional methods translates into increased student mastery of basic skills and generates data that teachers can rely on in their own classroom instruction. All aspects of our vision—basic skill mastery, higher order thinking, and personal growth—are reinforced throughout the school day in both classrooms and the lab setting, but our vision is for Learning Lab to complement classroom instruction provide the “lift” in basic skill acquisition and practice so that teachers can focus primarily on higher order thinking and personal growth. Particularly during classroom instruction, we expect Rocketeers to be engaging with rigorous academic content at high levels and pursuing this content with urgency and passion. Please refer to the School Culture section for a glimpse into the day in the life of a second grade student at Rocketship. Below is an overview of how Learning Lab is integrated into the students’ instructional day. Further detail about Learning Lab will be provided upon request.

	1st Grade Class 1	1st Grade Class 2	1st Grade Class 3	1st Grade Class 4
1st Period	Humanities Teacher A ↓	Humanities Teacher B ↓	Math Teacher C	Learning Lab
2nd Period	↓	↓	Learning Lab	Math Teacher C
3rd Period	Math Teacher C	Learning Lab	Humanities Teacher A ↓	Humanities Teacher B ↓
4th Period	Learning Lab	Math Teacher C	↓	↓

ROCKETSHIP EDUCATION INDIANA

Attachment 14
Enrollment Policy

Lottery and Student Enrollment

Outreach and Recruitment

Rocketship schools strive to achieve a student population reflective of the surrounding geographic area, and particularly of the neighborhoods in which the schools are located. To this end, extensive outreach is conducted by Rocketship Principals, Office Managers, Parent Ambassadors, and other staff and volunteers. This outreach takes place in a wide variety of community venues, from houses of worship to Head Start programs to local libraries to local stores.

Application and Admissions Policies And Procedures

No test or assessment shall be administered to students prior to acceptance and enrollment into the school.

The school shall be nonsectarian in its programs, admission policies, employment practices, and all operation, shall not charge tuition, and shall not discriminate against any pupil on the basis of the characteristics such as actual or perceived disability, gender, nationality, race or ethnicity, religion, sexual orientation, or association with an individual who has any of the aforementioned characteristics). Admission to the Charter School shall not be determined by the place of residence of the pupil, or of his or her parent or guardian, within the State, except as provided by State law.

The application process is comprised of the following:

- Completion of a student enrollment application

Upon selection for admission pursuant to public random drawing, the registration process will include the following:

1. Proof of Immunization
2. Home Language Survey
3. Completion of Emergency Medical Information Form
4. Proof of minimum age requirements, e.g. Birth certificate

Rocketship feels strongly that success for students requires a commitment from both students and parents, to the mission and vision of Rocketship as set forth in the Charter. During the registration process, all parents or guardians shall be asked to sign a Commitment Letter indicating they understand Rocketship philosophy, program, and volunteer policy. Students will not be denied admission or dis-enrolled for failing to sign the Commitment Letter.

Each Rocketship school shall admit all pupils who wish to attend the school subject only to capacity. Applications will be accepted during a publicly advertised open application period each year for enrollment in the following school year. Following the open application period each year applications shall be counted to determine whether any grade level has received more applications than availability. In this event that this occurs, each Rocketship school will hold a public random drawing¹ to determine enrollment for the impacted grade level, with the exception of existing students (2nd year forward) who are guaranteed enrollment in the following school year.

Enrollment preferences in the case of a public random drawing shall be allowed in the following order of preference:

¹ During any period of grant funding under the Public Charter School's Grant Program ("PCSGP"), this public random drawing will be held as a single weighted lottery.

1. Siblings of currently enrolled students²
2. Children of the paid staff of Rocketship³

Students qualifying for more than one preference group will be considered part of the highest preference in which they qualify. At the conclusion of the public random drawing, all students who were not granted admission due to capacity shall be given the option to put their name on a wait list in the order according to their draw in the public random drawing. This wait list will allow students the option of enrollment in the case of an opening during the school year.

Evidence of Public Random Drawing Preferences

Rocketship's online lottery system uses the preferences listed above when producing a random drawing of students.

Timeline

Specific enrollment timelines will be established by the Founding School Leader following green-lighting by our national board. Below is an overview of our general enrollment timelines, starting 12 months prior to school opening:

- **October**-Community outreach begins. Making connections with local head-start programs and other community organizations. Gaining an understanding of local recruitment norms and best practices.
- **December**-Student recruitment begins. Presenting at local organizations and handing out flyers at community events.
- **March**- Goal to have approximately 50% of capacity accounted for with student interest and applications.
- **June**-Goal to have 100% of capacity accounted for with student applications.
- **July-August**-Pre-enrollment activities and family orientation workshops.

Waiting List, Withdraws, Re-enrollments, and Transfers

Rocketship schools will create an ordered waiting list with the remaining interested families after the lottery. Any families who express interest mid-year will also be added to the waiting list. Should any openings occur in the middle of the year, students on the waiting list will be admitted according to the order on the waiting list. Should any student withdraw and wish to re-enroll, they will be placed at the bottom of the waiting list. Students interested in transferring to another Rocketship school would need to enter the lottery for that school as a new student.

² Under the Public Charter School's Grant Program, siblings are described as an "exemption from the publicly weighted lottery."

³ During any period of grant funding under the Public Charter School's Grant Program, this preference will be limited to children of faculty only and will be committed to a maximum of 5% of total enrollment.

ROCKETSHIP EDUCATION INDIANA

Attachment 15

Student Discipline Policy

School Culture

Rocketeers are exposed to our core values all day, every day. Each day starts with the Rocketship Launch, where all classes gather to say the Rocketeer Creed (our daily promise to live by these core values), and sing a song that highlights one core value per month. Additionally, within classrooms teachers use the language of the core values to recognize positive examples, and redirect student behaviors not in line with the core value expectations for students. Daily, students reflect on their own exhibition of these core values as they fill out their behavior reports and give themselves a score for that day's efforts. This level of consistency allows students to learn to be a Rocketeer very quickly, and builds the skills and mindsets necessary to succeed in middle, high school, college and beyond.

By creating a transparent and consistent culture, we have found that students demonstrating unproductive or distracting behaviors are at a minimum. However, we are committed to ensuring ALL Rocketeers succeed both academically and culturally. Thus, we have a clearly articulated behavior and classroom management plan for all teachers.

Behavior Management

All of our teachers are trained in the behavior management style of Lee Canter, utilizing behavioral narration in order to redirect off-task students. Behavioral narration provides an off-task student with explicit examples of expected actions and helps to redirect the student in a non-confrontational manner. If behavioral narration fails to redirect the student, teachers then have a quick check-in with the student, giving immediate feedback and another opportunity to follow directions.

If these subtle, yet intentional re-directions are still not effective in helping the student return to the task at hand, the teacher will then utilize the school-wide classroom management tool, the Rocketship clip chart system. This system integrates a visual representation of the student's behavior during the day, highlighting both good choices along with poor choices. The clips move up the color scale based on positive behaviors and down the chart based when they make choices that negatively impact their own or their peer's academic growth. Throughout a given class, a child always has the ability to move back up, teaching students that no matter how bad things may seem, they can control their own redemption through their choices. At the end of the day, students mark a behavior progress report with where they ended the day on the clip chart. And, then students make the explicit connection between their behavior during class and the core value or core values that they were particularly exhibiting or lacking in on that given day. This is an effective method to engage parents in their student's learning and in-classroom behavior by providing an opportunity for daily feedback. The clip chart system is used school-wide, which helps families understand the system if they have multiple students at the school and also provides continuity as students move to new classrooms each year, and between teachers every day.

For extreme instances, when a student has reached the last color on the clip chart (red), the teacher will engage in a "Red Reset." 95% of misbehavior will be handled by referring students to move down on the clip chart. However, there are instances where students reach red on the color chart, and/or exhibit extreme misbehavior/distraction. In these instances, the child will qualify for a "Red Reset." If a child reaches red, the teacher will use the walkie-talkie to radio to the office. A school leader will come and releases the teacher to meet with the student outside for a few minutes, as well as to quickly fill out the Behavior Tracking Sheet. If a student needs to be separated from their current environment, the teacher will quickly make a decision on the appropriate location, walk the student to that classroom and get them started on their work/behavior reflection. When the child is finished cooling down, they will be sent back

to their classroom and are expected to make up any missed work before rotating. When the child returns to the classroom they should receive some coaching on specifically what they can do to move back up.

Red Resets occur infrequently, but for a child who has been involved in multiple within a 3 week period, they will be referred to the Student Action Team (SAT), to support the teacher in creating a behavior plan to support the child both academically and behaviorally. SAT meetings are meant to provide teachers with additional ideas for supporting students with academics and or behavior in a less formal setting than the SST (Student Service Team) meeting. During a SAT, teachers, school leaders, and Individual Learning Specialists collaborate to devise new interventions to put into place to support a student for a given time period (generally 4-6 weeks). At the end of the time period specified in the initial meeting, the group will reconvene to evaluate progress and decide if additional interventions are necessary or if the child needs to be referred for an SST meeting (Student Success Team).

For more extreme incidents of misbehaviors (physical violence etc.) students will be sent directly to the office. Upon the first offense and depending upon severity, parents will be called to report the incident and require a brief conversation between parents and students to reset expectations. After this call, they will be asked to return to their team and be given a chance to fix their mistakes and make better choices. If poor choices continue to be made, the student may be referred directly to the Student Success Team (SST), which is run by the Academic Dean. These meetings are comprised of the student, parent(s), teachers, ISD teachers and Academic Dean. Students are referred for behavioral issues, and the team meets to develop a Positive Behavior Support Plan.

If they do not improve, Rocketship staff will place a second call requiring them to be picked up immediately by a family member. They will be suspended for the remainder of that day but not for any subsequent days. Our hope is that they will return the next day embodying the core values of a Rocketship Rocketeer and understanding of what choices a Rocketeer would subsequently make. If they are sent home twice in the span of five days, they will be suspended for a period of 1-3 days, depending on the severity of the incident. The school will implement a Student Support Team (SST), which is designed to handle more extreme cases of repeated misconduct. This team includes parents, teachers, and anyone else that has a strong relationship with the student; some examples include: an older sibling, coach, and psychologist. The team meets regularly and moves through a framework that includes talking about positive aspects of students, prioritize issues and then targeting high priority issues by leveraging student strengths. A student support plan is created in order to position the student for success both behaviorally and academically. All staff members are invested in the education of each student enrolled at Rocketship Schools, therefore a large variety of options are explored in order to mitigate behavior issues and suspension or expulsion is only used in the most extreme of circumstances.

Suspension and Expulsion

Rocketship acknowledges the responsibility of each student, parent, volunteer, faculty, staff and administrator to contribute to the well-being of the community by demonstrating responsibility and accountability for individual and group actions. It is the Charter School's goal to enhance the quality of relationships, the quality of learning, and the quality of the community through shared responsibility. Our Suspension and Expulsion policy involves proper and just due process to ensure that students are removed from the classroom in only extreme circumstances. Parents are given an overview of the Suspension and Expulsion policy in the Family Handbook and are provided with the detailed policy upon request. A preliminary list of infractions that may suspend or expel a student is listed below.

- Caused physical injury of used violence upon another person;
- Possessed, sold, or furnished weapons or drugs;
- Committed theft or robbery;
- Intentionally caused significant damage to school property; or
- Harassed, threatened, or intimidated another student or staff member.

Expulsion Hearing and Appeal Process

Parents of students recommended for expulsion by the Principal or Principal's designee will be invited to a conference where the student is informed of the reason for the disciplinary action and the evidence against him or her. The student will be given the opportunity to present his or her version and evidence in his or her defense.

A student who has committed an offense that qualifies for expulsion will have the opportunity to have an expulsion meeting with either the superintendent, or their appointee. The superintendent's appointee can either be an attorney, or an administrator who has not expelled the student and was not involved in the incident at hand. The person conducting the expulsion meeting shall make a written summary of the evidence heard at the meeting, make a decision, and notify the student in writing. Following the final decision, the student shall have no right of appeal from expulsion from the school and the Board's decision to expel shall be final.

Suspension and Expulsion for Students with Disabilities

Rocketship will ensure that the rights of students with disabilities are taken into account in disciplinary actions and proceedings by consulting with the Regional Special Education Director before engaging in the process. Additional subject matter experts will be consulted, should the need arise. Disciplinary actions and proceedings for students with disabilities will be addressed on a per-incident basis, but every individual involved will work to ensure that every Rocketeer receives proper due process. Rocketship will comply with all of the federal requirements and procedures of 20 U.S.C. 1415.

ROCKETSHIP EDUCATION INDIANA

Attachment 16

Evidence of Support from Community Partners

Rocketship Education Indiana Community Support

One of the three major components of Rocketship Education's successful program is a high level of parent and community engagement. Once this application is approved and we have worked with the ICSB to determine the best neighborhood for the first Indianapolis school, we will begin in-depth outreach and community support efforts. To provide reviewers of an overview of what our outreach efforts have looked like in San Jose, CA, please see the relevant sections of this application. We anticipate the efforts for our future schools paralleling our past efforts.

March 28, 2012

Pat O'Donnell
Teach For America
1630 N. Meridian St., Suite 450
Indianapolis, IN 46202

Indiana Charter School Board
151 West Ohio Street
Indianapolis, IN 46204

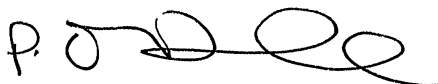
Board of Directors:

I am writing to express my strong support of Rocketship Education opening a cluster of schools in Indianapolis. As a city, we have started making progress towards eliminating the achievement gap that our students from low-income communities face due to lack of high-quality educational options in their neighborhoods. In my work at Teach For America, I've had the opportunity to both visit and learn about the highest-performing schools across the country that serve students growing up in low-income communities. Rocketship is without question one of the most exceptional charter networks and our city and our students would benefit greatly from having Rocketship in Indianapolis.

We must attract charter networks with a history of results to operate in Indianapolis. Rocketship is one of these networks that has a proven track record of leading students from low-income communities to achieve at the highest level. One of the things that makes Rocketship so successful is the high premium it places on human capital. Rocketship knows that wherever you see transformational outcomes in schools, you see transformational leadership from both principals and teachers. Rocketship is already putting into place an aggressive and deliberate effort to build a high-performing team of leaders who will run the Rocketship schools in Indianapolis.

As an active participant in Indiana's educational reform movement over the past two years, I firmly believe that Rocketship Schools will be an important addition to the city's growing portfolio of achievement-oriented schools. Rocketship Education will be part of the solution to eliminating the achievement gap in Indianapolis.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. O'Donnell', with a stylized flourish at the end.

Pat O'Donnell

ROCKETSHIP EDUCATION INDIANA

Attachment 17
Start-Up Plan

Outline of Startup Plan

First Day of School 8/24/2015

Category	Sub-Category	Task	Start Date	End Date	Owner	Support	Delivered To	
1. Academic Plan	1. ISD	1. Research state ISD regulations and processes	7/1/2014	10/3/2014	Regional Achievement	Regional experts/consultants	Regional Founder	
		2. Create a regional ISD policies and procedures plan	10/4/2014	3/14/2015	Regional Achievement	TBD	Regional Founder	
		3. Train Staff on ISD Policies and Procedures	5/28/2015	7/30/2015	TBD	TBD	School Staff	
	2. Curriculum	11. Create guidelines for region-specific curricular materials	11/13/2014	3/1/2015	National Achievement	Regional Achievement	Regional Achievement	
		12. Submit region-specific procurement list of curricular tools for vetting	3/4/2015	5/8/2015	Regional Achievement	National Achievement	National Achievement	
		13. Create guidelines for SS/Science scope and sequence deliverables	12/31/2014	2/27/2015	National Achievement		Regional Achievement	
		14. Research state SS/Science standards	2/28/2015	3/29/2015	Regional Achievement	National Achievement	National Achievement	
		15. Develop scope and sequence for SS/Science	4/1/2015	4/30/2015	Regional Achievement	National Achievement	Regional Founder	
		16. Create implementation plan for Common Core scope and sequence	12/31/2014	2/25/2015	National Achievement		Regional Achievement	
		17. Research state specific nuances of Common Core	2/26/2015	3/26/2015	Regional Achievement	National Achievement	Regional Founder	
		18. Create micro objectives and layer into National scope and sequence map	3/27/2015	4/24/2015	Regional Achievement	National Achievement	National Achievement	
		19. Research report card requirements for state/district	2/26/2015	3/26/2015	Regional Achievement	National Achievement	National Achievement	
		20. Create report cards for Region	3/27/2015	4/24/2015	National Achievement	Regional Achievement	Regional Founder	
		21. Procure curricular tools	5/9/2015	6/7/2015	Regional Achievement	Regional Business	Regional Founder	
	3. Testing	1. Research state-specific testing protocols	11/25/2014	2/21/2015	Regional Business		National Business	
		2. Develop training plan for testing protocols	2/22/2015	8/28/2015	Regional Business		Regional Founder	
		3. Train staff on testing protocols	8/29/2015	10/11/2015	Regional Business		School Staff	
		4. Integrate state-specific testing calendar into national calendar	2/15/2015	2/28/2015	Regional Achievement		Regional Founder	
	4. Calendaring	1. Deliver guidelines on Assessment Calendar & Template	6/6/2014	7/5/2014	National Achievement		Regional Achievement	
		2. Create Regional Assessment Calendar based on National Guidelines and state	2/22/2015	3/21/2015	Regional Achievement	National Achievement	Regional Founder	
		3. Deliver guidelines for Instructional Calendar & Template	1/1/2015	1/15/2015	National Achievement		Regional Achievement	
		4. Research Regional Instructional Calendar	1/16/2015	2/18/2015	Regional Achievement		National Achievement	
		5. Create Regional Instructional Calendar based on National Guidelines and state	2/19/2015	3/22/2015	Regional Achievement	National Achievement	National Achievement	
		6. Create RTI Calendar Guidelines and Template	4/13/2015	4/30/2015	National Achievement		Regional Achievement	
		7. Create school's RTI Calendar	5/1/2015	5/17/2015	Regional Achievement	National Achievement	Regional Founder	
		8. Create school's Bell Schedule	7/1/2015	7/16/2015	Regional Founder	Regional Achievement	National Achievement	
	5. Regional Policies	1. Research and draft state compliant plan and policies for promotion, retention, a	9/1/2014	12/28/2014	Regional Business	Regional Expert	Regional Founder	
		2. Research state specific student due-process and create processes for RSED v	9/1/2014	12/28/2014	Regional Business	Regional Expert	Regional Founder	
	2. School Operations & Services	1. Student Information	1. Set up Powerschool for region	12/1/2014	1/30/2015	National Business		Regional Business
			2. Train regional business team on Powerschool	1/31/2015	2/28/2015	National Business		Regional Business
			3. Train office managers on Powerschool	3/1/2015	4/1/2015	Regional Business	National Business	School Staff
		2. Procurement	1. Deliver school start up procurement tool and manual	3/15/2015	3/15/2015	National Business		Regional Business
			2. Train regional business on school start up procurement	3/18/2015	4/1/2015	National Business		Regional Business
			3. Execute school startup procurement	4/2/2015	6/3/2015	Regional Business	National Business	Regional Founder
		3. Food Service	1. Deliver Lunch operations manual	6/1/2014	6/1/2014	National Business		Regional Business
			2. Research state lunch requirements / vendors / bidding process	6/4/2014	9/3/2014	Regional Business	National Business	Regional Founder
			3. Select vendor	9/4/2014	12/28/2014	Regional Business	National Business	Regional Founder
			4. Regionalize operating manual	12/31/2014	2/26/2015	Regional Business	National Business	Regional Founder
			5. Train School Staff on Lunch process	6/1/2015	7/1/2015	Regional Business		School Staff
			6. Submit National School Lunch Program Application	9/4/2014	12/28/2014	Regional Business	National Business	State Dept of Education
		4. Safety	1. Create Visitor Policy and supporting materials	9/1/2014	9/1/2014	National Business		Regional Business
			2. Regionalize Visitor Policy	9/3/2014	11/1/2014	Regional Business	National Business	Regional Founder
			3. Create emergency drill procedures and tracking system	9/1/2014	9/1/2014	National Business		Regional Business
			4. Regionalize emergency drill procedures	9/3/2014	11/1/2014	Regional Business	National Business	Regional Founder
			5. Create Medication Administration Policy	9/1/2014	9/1/2014	National Business		Regional Business
			6. Regionalize Medication Administration Policy	9/3/2014	11/1/2014	Regional Business	National Business	Regional Founder
			7. Create Safety Plan template	9/1/2014	9/1/2014	National Business		Regional Business
8. Regionalize Safety Plan			9/3/2014	11/1/2014	Regional Business	National Business	Regional Founder	
5. Busing		1. Assess need for bus service on enrollment	9/1/2014	10/1/2014	Regional Business	Regional Development	National Business	
		2. Select provider (if needed)	10/1/2014	12/28/2014	Regional Business	National Business	Regional Founder	
3. Student Recruitment & Enrollment		1. Recruitment	1. Deliver best practices document	6/30/2014	6/30/2014	National Development		Regional Development
			2. Create Student Recruitment Plan and Timeline	7/2/2014	8/31/2014	Regional Development	National Policy	National Policy
			3. Execute on recruitment plan	9/3/2014	7/31/2015	Regional Development		National Development
		2. Lottery	1. Train regional business team on lottery software	11/1/2014	11/15/2014	National Business		Regional Business
			2. Research state-specific lottery regulations	11/16/2014	12/31/2014	Regional Business		National Business
			3. Regionalize lottery software for state-specific regulations	1/1/2015	2/15/2015	National Business		Regional Business
			4. Create plan and Execute on Lottery	2/18/2015	4/1/2015	Regional Business	National Business	Regional Founder
		3. Enrollment	1. Deliver enrollment packet template	2/1/2015	2/1/2015	National Business		Regional Business
			2. Regionalize enrollment packet	2/4/2015	4/2/2015	Regional Business	National Business	Regional Founder
			3. Enroll students and manage waitlist from Lottery	4/3/2015	8/1/2015	Regional Business	National Business	Regional Founder
	4. Home Visits	1. Deliver Home Visit best practices	12/31/2014	12/31/2014				
		2. Complete home visits	4/1/2015	7/1/2015	Regional Founder	Regional Achievement	Regional Founder	
	4. Leadership Development	1. Pipeline	1. Clarify roles and processes for managing leadership pipeline					

		2.Create Job description for 2nd AP	1/1/2015	2/1/2015	Leadership Development	Regional Founder	Project Manager of New Reg
	2.Professional Development	1.Create Emerging Leader PD implementation plan			Regional Achievement	National Leadership Development	Regional Founder
		2.Provide training for implementation of Emerging Leader PD program			National Leadership Development	(blank)	Regional Achievement
5.Organizational Establishment	1.Board Establishment	1.Legally establish Board (greenlighting Board meeting)	2/27/2011	3/25/2011	National Policy	Legal	National Business
		2.Deliver best practices bylaws	5/1/2014	5/30/2014	National Business		Regional Business
		3.Regionalize bylaws	6/1/2014	6/29/2014	Regional Business	National Business	National Business
		4.Board approve bylaws	8/1/2014	8/30/2014	Regional Business	National Business	National Business
		5.Submit bylaws to authorizer and MOU	9/1/2014	9/28/2014	Regional Business	National Business	//
		6.Deliver Best Practices regarding board management	5/1/2014	6/1/2014	National Business		Regional Business
		7.Research compliance requirements to determine likely board committee structure	6/1/2014	7/3/2014	Legal	Regional Business	National Business
		8.Create Board Management Plan	7/2/2014	7/31/2014	Regional Business	National Business	National Business
		9.Execute Board Management Plan	8/1/2014	6/28/2015	Regional Business	National Business	
	2.Business Establishment	1.Research and create a project plan for proper business establishment within the region	4/1/2014	4/30/2014	Regional Business	National Business	National Business
		2.Draft and submit 501(c)3 applications to federal governments	5/1/2014	5/29/2014	Regional Business	National Business	National Business
		3.Incorporate Regional office as a business entity with the Secretary of State	5/1/2014	5/29/2014	Regional Business	National Business	National Business
		4.Submit state-specific nonprofit status application	5/1/2014	5/29/2014	Regional Business	National Business	National Business
		5.Research and establish business insurance (theft, D&O, liability, student, business)	6/1/2014	7/13/2014	Regional Business	National Office	National Business
		6.Codify best practices for future regions			Project Planning Team		
		7.Identify & Secure Regional Office space	4/30/2014	6/29/2014	Regional Business		
	3.Policies & Procedures	1.Develop regional control structure, conduct training for regional business staff	4/1/2014	5/1/2014	National Business	(blank)	Regional Business
		2.Regional Board approves policies and procedures	5/2/2014	5/2/2014	Regional Business	National Business	Regional Business
		3.Provide financial policies and procedures training to regional business staff	5/3/2014	5/29/2014	National Business	(blank)	Regional Business
6.Business	1.Business Calendar	1.Deliver business calendar template	6/1/2014	6/1/2014	National Business		Regional Business
		2.Research state and authorizer-specific compliance deliverables	6/4/2014	8/31/2014	Regional Business	Regional Policy	National Business
		3.Regionalize compliance calendar	9/3/2014	11/1/2014	Regional Business		National Business
	2.Procurement	1.Deliver Procurement Management Tool	5/31/2014	5/31/2014	National Business		Regional Business
		2.Train on using Procurement Management Tool	6/1/2014	7/2/2014	National Business		Regional Business
		3.Office furniture and supplies ordered for regional start-up team	7/2/2014	7/27/2014	Regional Business	National Business	VP of Startup
		4.Order laptops and office technology for regional start-up team	7/2/2014	7/27/2014	VP of Startup	(blank)	Regional Founder
	3.Accounts & Accounting	1.Set up Bank Account	5/30/2014	6/27/2014			
		2.Deliver Chart of Accounts Template	6/30/2014	6/30/2014	National Business		Regional Business
		3.Research State requirements for Chart of Accounts	7/2/2014	9/3/2014	Regional Business	National Business	National Business
		4.Regionalize Chart of Accounts	9/4/2014	10/2/2014	National Business	Regional Business	National Business
	4.Budgeting	1.Create a year 0 budget	3/1/2014	3/30/2014	National Business		VP of Startup
		2.Deliver Year 1 budget tool	10/1/2014	10/1/2014	National Business		Regional Business
		3.Create Year 1 budget	1/1/2015	3/29/2015	Regional Business	National Business	National Business
		4.5-Year Strategy Model			National Business	Regional Business	National Business
	5.Grant Execution	1.Research requirements to receive Federal (Title I-V) Funding	5/1/2014	6/1/2014	Regional Business	Regional Achievement	State Dept of Education
		2.Execute on requirements for receiving Federal Funding	6/4/2014	9/28/2014	Regional Business	Regional Achievement	State Dept of Education
		3.Draft CSP Applications	3/1/2014	4/13/2014	National Business	National Development	National Business
		4.Submit CSP Applications	4/16/2014	4/16/2014	National Business		State Dept of Education
		5.Deliver CSP Application Training	2/1/2015	2/28/2015	National Business		Regional Business
		6.Submit CSP Application	4/17/2014	4/17/2014	Regional Business		State Dept of Education
		7.School Startup Loans Identified and Secured	7/1/2014	9/28/2014			
		8.Walton Grant Drafted	12/5/2014	12/31/2014	Regional Policy	National Policy	Walton Foundation
		9.Walton Grant Submitted	1/1/2015	1/1/2015			
	6.Financial Execution	1.Deliver manual on Financial Execution Practices	5/30/2014	5/30/2014	National Business		Regional Business
		2.Research payroll process and vendors	5/1/2014	5/30/2014	National Business	Regional Business	Regional Business
		3.Execute on establishing payroll processes	5/31/2014	6/28/2014	National Business	Regional Business	Regional Business
	7.Audit	1.Reach out to auditors to determine MKE needs	4/1/2014	4/6/2014	National Business		Regional Business
		2.Select auditor for MKE region	7/1/2014	8/30/2014	National Business	Regional Business	National Business
		3.Board approves auditor	8/31/2014	8/31/2014	Regional Business	National Business	Board
7.Facilities	1.Facilities Development	1.Work with Launchpad to identify key relationships needed for the zoning and permitting	4/1/2014	6/1/2014			
		2.TBD	6/4/2014	7/2/2015			
		3.Secure Facility for Move-In	7/3/2015	7/3/2015			
	2.Facilities Operations	1.Establish trash/recycling service			Facilities	Regional Business	Regional Business
		2.Schedule annual code-related check list			Regional Business	Facilities	(blank)
		3.Select janitorial and facilities maintenance company			Facilities	Regional Business	Regional Business
		4.Train regional team on basic maintenance and overview of the building. Introduce			Facilities	Regional Business	Regional Business
8.Community Engagement	1.Website	1.Provide training on region specific website setup and maintenance	5/31/2014	6/26/2014	National Development		Regional Development
		2.Implement Regional Website (and school website for MWKE 1)	6/27/2014	7/24/2014	Regional Development	National Policy	National Policy
	2.PR	1.Deliver Tour guidelines and procedures	6/3/2014	6/3/2014	National Development		Regional Development
		2.Train all RSO staff on RSED messaging and conducting school tours	6/4/2014	6/29/2014	National Development		Regional Development
		3.Create Media Contact list	7/4/2014	7/31/2014	Regional Development	National Development	National Development
		4.Create Pitch Letter and press releases	7/4/2014	7/31/2014	Regional Development	National Development	National Development
		5.Create and Execute Public Relations Plan	7/4/2014	7/31/2014	Regional Development	National Development	National Development
	3.Partnerships	1.Introduce Regional Champions to RDCD	4/1/2014	4/30/2014			

		2.Create a contact list of 10-12 community orgs to reach out to	5/2/2014	5/30/2014	Regional Development	National Development	National Development
		3.Identify civic leaders to partner with	5/2/2014	5/30/2014	Regional Development	National Development	National Development
		4.Identify community leaders to partner with	5/2/2014	5/30/2014	Regional Development	National Development	National Development
		5.Identify political leaders to partner with	5/2/2014	5/30/2014	Regional Development	National Development	National Development
		6.Establish strong relationship with authorizing entities	5/29/2014	4/23/2015	Regional Development	National Development	Regional Founder
	4.Parents	11.Deliver Parent Engagement Plan best practices	7/4/2014	7/4/2014	National Development		Regional Development
		12.Regionalize Parent Engagement Plan	7/5/2014	8/16/2014	Regional Development	National Development	National Development
		13.Train School Staff on Parent Engagement Plan	8/17/2014	9/17/2014	Regional Development		School Staff
		14.Execute on Parent Engagement	8/16/2014	8/1/2015	Regional Development	School Staff	Regional Founder
		15.Deliver sample Student Family Handbook					
		16.Regionalize Student Family Handbook					
		17.Deliver sample Parent compliant policy & process					
		18.Regionalize Parent complaint policy & process					
		19.Deliver National guidance school name / core value					
		20.Regionalize plan for school name / core value					
		21.Execute plan for school name / core value					
		22.Establish Parent & Community advisory council	7/1/2015	7/1/2015	Regional Policy	National Business	Regional Founder
9.Human Resources	1.Compensation	1.Determine pay scale, compensation, and benefits of teachers	12/1/2014	12/31/2014	National HR	Regional Business	Project Planning Team
		2.Regionalize exemplar offer letter with check lists	12/31/2014	1/31/2015	National HR		Project Planning Team
	2.Compliance	1.Delivers training and templates for compliant staff hiring practices	8/5/2014	8/30/2014	National HR		Regional Business
		2.Research state specific HR compliance policies and procedures	8/31/2014	9/27/2014	National HR		Project Planning Team
		3.Regionalize Staff Handbook	9/28/2014	10/25/2014	National HR	Legal	Project Planning Team
		4.Provide training on personnel file management	1/1/2015	1/30/2015	National HR	Regional Business	Regional Business
	3.Credentialing	1.Research teacher employment laws and regulations	8/31/2014	9/27/2014	Regional Business	National HR	Project Manager of New Reg
		2.Research credential partners & create partnerships	9/28/2014	11/29/2014	Regional Achievement		Regional Business
		3.Report financial implications of model and system	11/30/2014	12/28/2014	Regional Business		National Business
10.Staff Recruitment & Onboarding	1.Regional Recruitment	1.Create Regional Director of Achievement hiring plan	2/1/2014	3/15/2014			
		2.Execute Regional Director of Achievement hiring	7/1/2014	7/1/2014			
		3.Create Regional Director of Business hiring plan	2/1/2014	3/15/2014			
		4.Execute Regional Director of Business hiring	3/16/2014	5/16/2014			
		5.Create Regional Director of Community Development hiring plan	2/1/2014	3/15/2014			
		6.Execute Regional Director of Community Development hiring	3/16/2014	4/13/2014			
	2.Regional Onboarding	1.Deliver Regional Achievement onboarding plan	7/2/2014	7/2/2014	National Achievement		Regional Achievement
		2.Execute Regional Achievement onboarding plan	7/3/2014	11/1/2014	National Achievement		Regional Achievement
		3.Deliver Regional Business onboarding plan	5/17/2014	5/17/2014	National Business		Regional Business
		4.Execute Regional Achievement onboarding plan	5/18/2014	11/1/2014	National Business		Regional Business
		5.Deliver Regional Development onboarding plan	4/16/2014	4/16/2014	National Development		Regional Development
		6.Execute Regional Development onboarding plan	4/17/2014	11/1/2014	National Development		Regional Development
	3.School Recruitment	1.Deliver best practices for managing TFA relationship	8/1/2014	8/1/2014	National Recruitment		Regional Achievement
		10.Deliver Office Manager recruitment best practices	6/30/2014	6/30/2014	National Achievement		Regional Achievement
		11.Regionalize Officer Manager recruitment plan and timeline	7/2/2014	8/29/2014	Regional Achievement	National Achievement	Regional Founder
		12.Execute OM hiring	8/30/2014	4/1/2015	Regional Achievement		Regional Founder
		2.Create relationships with local TFA and other regional teacher pipelines	8/2/2014	7/1/2015	Regional Achievement	National Recruitment	Project Manager of New Reg
		3.Deliver teacher recruitment best practices	8/1/2014	8/1/2014	National Achievement		Regional Achievement
		4.Regionalize teacher recruitment plan and timeline	8/2/2014	10/4/2014	Regional Achievement	National Achievement	Regional Founder
		5.Execute on Teacher Hiring	10/5/2014	4/30/2015	Regional Achievement		Regional Founder
		6.Execute on Corps Member Hiring	3/30/2015	6/28/2015	Regional Achievement		Regional Founder
		7.Deliver AP/AD recruitment best practices	8/1/2014	8/1/2014	National Achievement		Regional Achievement
		8.Regionalize AP/AD recruitment plan and timeline	8/2/2014	10/1/2014	Regional Achievement	National Achievement	Regional Founder
		9.Execute AP/AD hiring	10/2/2014	5/2/2015	Regional Achievement		Regional Founder
	4.School Onboarding	1.Deliver School Leader Launch PD/orientation Plan	3/1/2015	4/30/2015	National Achievement		Regional Achievement
		10.Schedule and implement CPR training	5/1/2015	5/30/2015	National HR	Regional Achievement	Regional Founder
		2.Regionalize School Leadership Launch PD/orientation plan	5/1/2015	6/3/2015	Regional Achievement	National Achievement	Regional Founder
		3.Execute School Leadership Launch PD/orientation plan	7/1/2014	7/30/2014	Regional Achievement	National Achievement	Regional Founder
		4.Deliver Office Manager onboarding plan			National Business		Regional Business
		5.Regionalize Office Manager onboarding plan			Regional Business	National Business	Regional Founder
		6.Execute Office Manager Onboarding Plan			Regional Business	National Business	Regional Founder
		7.Deliver summer PD Plan for teachers and ILS			National Achievement		Regional Achievement
		8.Regionalize summer PD Plan for teachers and ILS			Regional Achievement	National Achievement	Regional Founder
		9.Execute summer PD plan for teachers and ILS	4/1/2015	8/30/2015	Regional Achievement	National Teacher Leadership	Regional Founder

ROCKETSHIP EDUCATION INDIANA

Attachment 18
Insurance Coverage



March 13, 2012

Indiana Charter School Board
151 West Ohio St.
Indianapolis, IN 46204

Re: Rocketship Education Indiana
Business Insurance

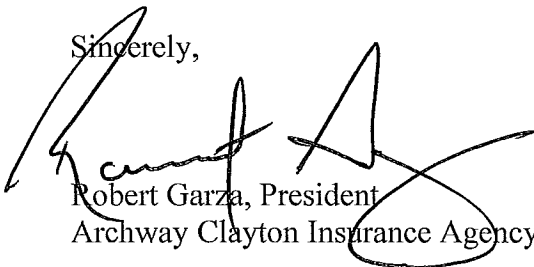
To Whom It May Concern:

Let this document serve as notice that Archway Clayton Insurance Agency Inc, will be providing all property and casualty coverage's for the above referenced entity in the state of Indiana as needed and required by state law.

We understand the minimum requirements of Indianapolis to be as per attached. The annual premium to meet the described requirements for a school of 600 students would be \$28,705.

If you have any questions, please do not hesitate to contact our office.

Sincerely,



Robert Garza, President
Archway Clayton Insurance Agency Inc.

cc: HOU

- Workers' Compensation Liability: Workers' compensation benefits for all employees as required by law.
- Commercial General Liability: Limits of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate, combined single limit for bodily injury, personal injury and property damage liability coverage shall include the following: all premises and operations, products/completed operations (for a minimum of two (2) years following completion), independent contractors, separation of insureds, defense and contractual liability. Such comprehensive general liability insurance must expressly cover corporal punishment liability, sexual abuse/molestation liability (including Innocent Party Defense coverage), and medical payments of \$15,000. The Indiana Charter School Board and the Indiana Department of Education must each be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from school operations/services.
- Directors' and Officers' Liability and Legal/Professional Liability: Liability insurance covering the school and its directors and officers from liability claims arising from wrongful acts, errors or omissions in regards to the conduct of their duties related to operation and management of the school with limits of not less than \$2,000,000 per claim. Coverage must include Employment Practices Liability and Sexual Harassment.
- Automobile Liability: Required when any motor vehicle (whether owned, non-owned or hired) is used in connection with school operations/services, with limits of not less than \$1,000,000 per occurrence for bodily injury and property damage.
- Umbrella/Excess Liability: Umbrella or Excess Liability Insurance with limits of not less than \$2,000,000 to provide additional limits for underlying general and automobile liability coverages.
- Property Insurance: Property insurance for full Replacement Cost of property, whether by lease or other agreement, from physical loss or damage. Such insurance shall cover boiler and machinery exposures and business interruption/ extra expense losses.
- Student Accident Coverage, including coverage for athletic participation, must be carried in a manner that provides primary coverage for students who do not have health insurance, and excess coverage for students who do have health insurance.
- Fidelity Bond: Fidelity bond coverage or equivalent Employee Dishonesty liability insurance in the amount of at least \$200,000 with a responsible surety company with respect to all of the school's employees as may be necessary to protect against losses including, without limitation, those arising from theft, embezzlement, fraud, or misplacement of funds, money or documents.

ROCKETSHIP EDUCATION INDIANA

Attachment 19-Budget

|General Instructions for New School Applicants

- Complete the School Enrollment Projection tab in **ORANGE**
- Complete the Year 0 - Budget and Cash Flow tab in **PURPLE**
- Complete **ALL FIVE** annual budget tabs in **BLUE**
- Complete **ALL FIVE** staffing tabs in **GREEN**
- Enter information into the **WHITE** cells
- Do not enter information into the **GREY** cells

School Name: Rocketship Indianapolis						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
REVENUE						
State Revenue						
Basic Grant		\$ 2,555,000	\$ 3,285,000	\$ 4,015,000	\$ 4,015,000	\$ 4,015,000
Common School Loan		\$ -	\$ -	\$ -	\$ -	\$ -
Charter School Start-Up Grant		\$ 1,277,500				
State Matching Funds for School Lunch Program		\$ -	\$ -	\$ -	\$ -	\$ -
Professional Development		\$ -	\$ -	\$ -	\$ -	\$ -
Remediation Program		\$ -	\$ -	\$ -	\$ -	\$ -
Full-Day Kindergarten		\$ 240,000	\$ 240,000	\$ 240,000	\$ 240,000	\$ 240,000
Gifted and Talented Program		\$ -	\$ -	\$ -	\$ -	\$ -
Textbook Reimbursement		\$ 22,400	\$ 28,000	\$ 33,600	\$ 33,600	\$ 33,600
Summer School		\$ -	\$ -	\$ -	\$ -	\$ -
Other State Revenue (please describe)		\$ -	\$ -	\$ -	\$ -	\$ -
Other State Revenue (please describe)		\$ -	\$ -	\$ -	\$ -	\$ -
Federal Revenue						
Public Charter School Program (PCSP) Grant	\$ 99,000	\$ 135,000	\$ -			
Facilities Assistance Program Grant		\$ -	\$ -			
Title I		\$ 210,000	\$ 270,000	\$ 330,000	\$ 330,000	\$ 330,000
Title II		\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000
Federal Lunch Program		\$ 136,280	\$ 170,350	\$ 204,420	\$ 204,420	\$ 204,420
Federal Breakfast Reimbursement		\$ 85,117	\$ 106,396	\$ 127,675	\$ 127,675	\$ 127,675
Other Revenue Federal sources (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Revenue Federal sources (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Revenue Federal sources (please describe)		\$ -	\$ -	\$ -	\$ -	\$ -
Other Revenues						
Committed Philanthropic Donations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Before and After Care Fees		\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income		\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ 250,000	\$ 39,245	\$ 49,056	\$ 58,867	\$ 58,867	\$ 58,867
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 349,000	\$ 4,708,542	\$ 4,156,802	\$ 5,017,562	\$ 5,017,562	\$ 5,017,562
EXPENDITURES						
Personnel Expenses						
Wages, Benefits and Payroll Taxes	\$ 61,200	\$ 1,388,520	\$ 1,577,080	\$ 1,794,335	\$ 1,794,335	\$ 1,794,335
Substitutes		\$ 24,000	\$ 30,000	\$ 36,000	\$ 36,000	\$ 36,000
Professional Development	\$ -	\$ 12,000	\$ 15,000	\$ 18,000	\$ 18,000	\$ 18,000
Bonuses		\$ 113,080	\$ 130,320	\$ 148,340	\$ 148,340	\$ 148,340
Other (please describe)	\$ 4,800	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Personnel Expenses	\$ 66,000	\$ 1,537,600	\$ 1,752,400	\$ 1,996,675	\$ 1,996,675	\$ 1,996,675
Instructional Supplies and Resources						
Textbooks	\$ -	\$ 60,000	\$ 20,000	\$ 20,000	\$ 5,000	\$ 5,000
Library, periodicals, etc	\$ -	\$ 50,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Technology	\$ -	\$ 40,000	\$ 50,000	\$ 60,000	\$ 60,000	\$ 60,000
Assessment materials	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Computers	\$ -	\$ 60,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other classroom supplies	\$ -	\$ 12,000	\$ 15,000	\$ 18,000	\$ 18,000	\$ 18,000
Field trips, other unclassified items	\$ -	\$ 6,000	\$ 15,000	\$ 30,000	\$ 30,000	\$ 30,000
Co-curricular & Athletics	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ 25,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Instructional Supplies and Resources	\$ -	\$ 268,000	\$ 165,000	\$ 193,000	\$ 178,000	\$ 178,000
Support Supplies and Resources						
Administrative Computers	\$ 750	\$ 29,250	\$ 11,750	\$ 11,750	\$ 5,000	\$ 5,000
Administrative Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administration Dues, fees, misc expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office supplies	\$ 2,000	\$ 34,000	\$ 42,500	\$ 51,000	\$ 51,000	\$ 51,000
Other (please describe)	\$ 650	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Other (please describe)	\$ 2,000	\$ 13,000	\$ 5,500	\$ 5,500	\$ 3,000	\$ 3,000
Other (please describe)	\$ -	\$ 4,000	\$ 5,000	\$ 6,000	\$ 6,000	\$ 6,000
Other (please describe)	\$ -	\$ 3,000	\$ 3,750	\$ 4,500	\$ 4,500	\$ 4,500
Other (please describe)	\$ -	\$ 2,000	\$ 2,500	\$ 3,000	\$ 3,000	\$ 3,000
Total Support Supplies and Resources	\$ 5,400	\$ 90,250	\$ 76,000	\$ 86,750	\$ 77,500	\$ 77,500
Board Expenses						
Charter Board Services, including Board Training, retreats	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charter Board Supplies & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charter Board Dues, fees, etc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Professional Purchased or Contracted Services							
Legal Services	\$ 5,000	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Audit Services	\$ 1,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000
Payroll Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounting Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Printing/Newsletter/Annual Report Services	\$ -	\$ 2,400	\$ 3,000	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600
Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internet Services	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Telephone/Telecommunication Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Insurance Costs (per ICSB requirements detailed in charter school application)	\$ -	\$ 28,705	\$ 28,705	\$ 28,705	\$ 28,705	\$ 28,705	\$ 28,705
Travel	\$ 3,280	\$ 3,280	\$ 3,280	\$ 3,280	\$ 3,280	\$ 3,280	\$ 3,280
Postage	\$ -	\$ 1,275	\$ 1,594	\$ 1,913	\$ 1,913	\$ 1,913	\$ 1,913
Special Education Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Student Information Services	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Food service	\$ -	\$ 275,400	\$ 344,250	\$ 413,100	\$ 413,100	\$ 413,100	\$ 413,100
Transportation	\$ -	\$ 120,000	\$ 150,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000
Other (please describe)	\$ -	\$ 22,000	\$ 44,000	\$ 49,500	\$ 49,500	\$ 49,500	\$ 49,500
Other (please describe)	\$ -	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Professional Purchased or Contracted Services	\$ 9,280	\$ 503,560	\$ 625,329	\$ 730,598	\$ 730,598	\$ 730,598	\$ 730,598
Facilities							
Rent, mortgage, or other facility cost	\$ -	\$ 364,248	\$ 459,720	\$ 555,192	\$ 555,192	\$ 555,192	\$ 555,192
Furniture	\$ -	\$ 65,000	\$ 15,000	\$ 15,000	\$ 5,000	\$ 5,000	\$ 5,000
Gas/electric	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Water/Sewer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grounds Keeping	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Custodial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Waste disposal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Facilities	\$ -	\$ 539,248	\$ 584,720	\$ 680,192	\$ 670,192	\$ 670,192	\$ 670,192
Other							
Contingency	\$ 3,490	\$ 47,085	\$ 41,568	\$ 50,176	\$ 50,176	\$ 50,176	\$ 50,176
Indiana Charter School Board Administrative Fee	\$ -	\$ 51,100	\$ 65,700	\$ 80,300	\$ 80,300	\$ 80,300	\$ 80,300
CMO/EMO Fee	\$ -	\$ 455,310	\$ 574,650	\$ 693,990	\$ 693,990	\$ 693,990	\$ 693,990
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other	\$ 3,490	\$ 553,495	\$ 681,918	\$ 824,466	\$ 824,466	\$ 824,466	\$ 824,466
Total Expenditures	\$ 84,170	\$ 3,492,153	\$ 3,885,367	\$ 4,511,680	\$ 4,477,430	\$ 4,477,430	\$ 4,477,430
Carryover/Deficit	\$ 264,830	\$ 1,216,388	\$ 271,435	\$ 505,882	\$ 540,132	\$ 540,132	\$ 540,132
Cumulative Carryover/(Deficit)	\$ 264,830	\$ 1,481,218	\$ 1,752,653	\$ 2,258,536	\$ 2,798,668	\$ 3,338,800	\$ 3,338,800

Expected New School Annual Operating Budget and Cash Flow Projections -- YEAR 0 -- Pre-Opening Period															
	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	TOTAL 2012	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	TOTAL 2013
REVENUE															
Federal Revenue															
Public Charter School Program (PCSP) Grant (competitive)	-	-	-	-	-	-	-	-	-	-	-	-	-	99,000.00	99,000.00
Other Revenue Federal sources (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenue Federal sources (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenues															
Committed Philanthropic Donations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Walton Family Foundation New School Startup Grant	250,000.00	-	-	-	-	-	-	250,000.00	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	250,000.00	-	-	-	-	-	-	250,000.00	-	-	-	-	-	99,000.00	99,000.00
EXPENDITURES															
Personnel Expenses															
Wages, Benefits and Payroll Taxes (TOTAL must match "Staffing Year 0")	-	5,100.00	5,100.00	5,100.00	5,100.00	5,100.00	5,100.00	30,600.00	5,100.00	5,100.00	5,100.00	5,100.00	5,100.00	5,100.00	30,600.00
Professional Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonus	-	400.00	400.00	400.00	400.00	400.00	400.00	2,400.00	400.00	400.00	400.00	400.00	400.00	400.00	2,400.00
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Personnel Expenses	-	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	33,000.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	33,000.00
Instructional Supplies and Resources															
Textbooks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Library, periodicals, etc	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assessment materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Computers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Software	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other classroom supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Field trips, other unclassified items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co-curricular & Athletics	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Instructional Supplies and Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Support Supplies and Resources															
Administrative Computers	-	750.00	-	-	-	-	-	750.00	-	-	-	-	-	-	-
Administrative Software	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Administration Dues, fees, misc expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Office supplies	-	166.67	166.67	166.67	166.67	166.67	166.67	1,000.00	166.67	166.67	166.67	166.67	166.67	166.67	1,000.00
Other Equipment	-	650.00	-	-	-	-	-	650.00	-	-	-	-	-	-	-
Marketing & Development	-	166.67	166.67	166.67	166.67	166.67	166.67	1,000.00	166.67	166.67	166.67	166.67	166.67	166.67	1,000.00
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Support Supplies and Resources	-	1,733.33	333.33	333.33	333.33	333.33	333.33	3,400.00	333.33	333.33	333.33	333.33	333.33	333.33	2,000.00
Board Expenses															
Charter Board Services, including Board Training, retreats	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Charter Board Supplies & Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Charter Board Dues, fees, etc	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Board Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Purchased or Contracted Services															
Legal Services	-	416.67	416.67	416.67	416.67	416.67	416.67	2,500.00	416.67	416.67	416.67	416.67	416.67	416.67	2,500.00
Audit Services	-	-	-	-	-	-	-	-	-	-	-	1,000.00	-	-	1,000.00
Payroll Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounting Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Printing/Newsletter/Annual Report Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Consultants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internet Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Telephone/Telecommunication Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Insurance Costs (per ICSB requirements detailed in charter school application)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Travel / Teacher Recruiting	-	-	-	-	364.44	364.44	364.44	1,093.33	364.44	364.44	364.44	364.44	364.44	364.44	2,186.67
Postage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Special Education Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Student Information Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Professional Purchased or Contracted Services	-	416.67	416.67	416.67	781.11	781.11	781.11	3,593.33	781.11	781.11	781.11	1,781.11	781.11	781.11	5,686.67
Facilities															
Rent, mortgage, or other facility cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gas/electric	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water/ Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grounds Keeping	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maintenance Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Custodial	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other															
Contingency	-	290.83	290.83	290.83	290.83	290.83	290.83	1,745.00	290.83	290.83	290.83	290.83	290.83	290.83	1,745.00
Indiana Charter School Board Administrative Fee (0% in Year 0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CMO/EMO Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (please describe)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other	-	290.83	290.83	290.83	290.83	290.83	290.83	1,745.00	290.83	290.83	290.83	290.83	290.83	290.83	1,745.00
Total Expenditures	\$ -	\$ 7,941	\$ 6,541	\$ 6,541	\$ 6,905	\$ 6,905	\$ 6,905	\$ 41,738	\$ 6,905	\$ 6,905	\$ 6,905	\$ 7,905	\$ 6,905	\$ 6,905	\$ 42,432
Net Income (Pre-Cash Flow Adjustments)	\$ 250,000	\$ (7,941)	\$ (6,541)	\$ (6,541)	\$ (6,905)	\$ (6,905)	\$ (6,905)	\$ 208,262	\$ (6,905)	\$ (6,905)	\$ (6,905)	\$ (7,905)	\$ (6,905)	\$ 92,	

	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	TOTAL 2012	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	TOTAL 2013
Example - Subtract Property and Equipment Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Investment Activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FINANCING ACTIVITIES															
Example - Add Expected Proceeds from a Loan or Line of Credit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Financing Activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Flow Adjustments	-	400.00	400.00	400.00	400.00	400.00	400.00	-	400.00	400.00	400.00	400.00	400.00	400.00	2,400.00
NET INCOME	#####	#####	\$(6,140.83)	\$(6,140.83)	\$(6,505.28)	\$(6,505.28)	\$(6,505.28)	\$ 208,261.67	\$(6,505.28)	\$(6,505.28)	\$(6,505.28)	\$(7,505.28)	\$(6,505.28)	#####	\$ 58,968.33
Beginning Cash Balance	-	\$250,000	242,459.17	\$236,318	\$230,178	223,672.22	\$217,167	-	210,661.67	#####	-	#####	201,756.39	(6,505.28)	\$208,262
ENDING CASH BALANCE	\$250,000	\$242,459	\$236,318	\$230,178	\$223,672	\$217,167	\$210,662	\$208,262	#####	#####	\$(6,505.28)	#####	#####	#####	\$ 267,230.00

Expected New School Annual Operating Budget -- YEAR 1 -- Fiscal Year July 1-June 30

REVENUE	Amount	Notes
State Revenue		
Basic Grant	\$ 2,555,000	Assumed \$7300 per ADM
Common School Loan	\$ -	No Loan Assumed
Charter School Start-Up Grant	\$ 1,277,500	One-half of first year's ADM funding
State Matching Funds for School Lunch Program	\$ -	Conservatively not included
Professional Development	\$ -	Conservatively not included
Remediation Program	\$ -	Conservatively not included
Full-Day Kindergarten	\$ 240,000	\$2,400 per Kindergarten Student
Gifted and Talented Program	\$ -	Conservatively not included
Textbook Reimbursement	\$ 22,400	\$75 / FRL student
Summer School	\$ -	No summer school program
Other State Revenue (please describe)	\$ -	
Other State Revenue (please describe)	\$ -	
Federal Revenue		
Public Charter School Program (PCSP) Grant	\$ 135,000	Competitive grant for planning & implementation, 2
Charter School Facilities Assistance Program Grant	\$ -	Conservatively not included
Title I	\$ 210,000	Assumed \$750 per FRL student based on historical rates for IN charter schools
Title II	\$ 8,000	Based on historical rates
Federal Lunch Program	\$ 136,280	80% FRL, 85% participation
Federal Breakfast Reimbursement	\$ 85,117	80% FRL, 85% participation
Other Revenue Federal sources (please describe)	\$ -	
Other Revenue Federal sources (please describe)	\$ -	
Other Revenue Federal sources (please describe)	\$ -	
Other Revenues		
Committed Philanthropic Donations	\$ -	Sustainable on public funds alone
Before and After Care Fees	\$ -	None
Interest Income	\$ -	Conservatively not included
Lunch Meal Fees	\$ 39,245	Non FRL students fees for breakfast and lunch
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Total Revenue	\$ 4,708,542	
EXPENDITURES		
Personnel Expenses		
Wages, Benefits and Payroll Taxes	\$ 1,388,520	Use staffing workbook
Substitutes	\$ 24,000	2 weeks of paid leave (10 days) per teacher
Professional Development	\$ 12,000	\$1000 / teacher
Bonuses	\$ 113,080	20% for admins, 10% for teachers and Office Manager
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Total Personnel Expenses	\$ 1,537,600	
Instructional Supplies and Resources		
Textbooks	\$ 60,000	\$150 per new student
Library, periodicals, etc	\$ 50,000	\$50K to establish library
Technology	\$ 40,000	Online Learning Program, \$100 per student
Assessment materials	\$ 15,000	\$15K per year
Computers	\$ 60,000	\$400 per computer per student in Learning Lab
Software	\$ -	See Technology
Other classroom supplies	\$ 12,000	Instructional Materials, \$1K per teacher
Field trips, other unclassified items	\$ 6,000	Field Trips increase with older grades
Co-curricular & Athletics	\$ -	
Copier Lease	\$ 25,000	Worksheets and other things

Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)			
Other (please describe)			
Total Instructional Supplies and Resources	\$	268,000	
Support Supplies and Resources			
Administrative Computers	\$	29,250	\$750 per new staff
Administrative Software	\$	-	Included above
Administration Dues, fees, misc expenses	\$	-	
Office supplies	\$	34,000	\$85 per student
Staff Appreciation	\$	5,000	\$5K per year
Safety Materials & Hearing / Vision	\$	13,000	\$25 per new student + 3K per year
Parent Appreciation	\$	4,000	\$10 per student
Dues & Memberships	\$	3,000	Charter or Educational Associations
Finger Printing / TB Testing	\$	2,000	\$5 per student
Total Support Supplies and Resources	\$	90,250	
Board Expenses			
Charter Board Services, including Board Training, retreats	\$	-	Included in Management Fee
Charter Board Supplies & Equipment	\$	-	Included in Management Fee
Charter Board Dues, fees, etc	\$	-	Included in Management Fee
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Total Board Expenses	\$	-	
Professional Purchased or Contracted Services			
Legal Services	\$	2,500	\$2500 per year
Audit Services	\$	8,000	\$8000 per year
Payroll Services	\$	-	Included in Managemetn Fee
Accounting Services	\$	-	Included in Managemetn Fee
Printing/Newsletter/Annual Report Services	\$	2,400	\$6 per student for student handbook
Consultants	\$	-	
Internet Services	\$	5,000	\$5K per year
Telephone/Telecommunication Services			See above
Total Insurance Costs (per ICSB requirements detailed in charter school application)	\$	28,705	Insurance Quote from broker for a 600 student school
Teacher Recruiting (non-TFA)	\$	3,280	Historical averages per year
Postage	\$	1,275	\$3/student
Special Education Services	\$	-	
Student Information Services	\$	15,000	Powerschool site license and consultant
Food service	\$	275,400	\$4.50 cost per meal, 85% participation rate
Transportation	\$	120,000	\$300 per student, assuming all students use it
Teacher Recruitment & Certification	\$	22,000	TFA costs
Assessment Team	\$	20,000	\$20K per year
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Total Professional Purchased or Contracted Services	\$	503,560	
Facilities			
Rent, mortgage, or other facility cost	\$	364,248	12% of non-reimbursable revenue rent
Furniture	\$	65,000	\$65K Year 1 Cost
Gas/electric	\$	100,000	All in estimate for Utilities / Custodial / Maintenance
Water/ Sewer	\$	-	See above
Grounds Keeping	\$	-	See above

Maintenance Services	\$ -	See above
Custodial	\$ -	See above
Waste disposal	\$ -	See above
Servery	\$ 10,000	Food Equipment (servery)
Other (please describe)		
Other (please describe)		
Other (please describe)		
Other (please describe)		
Total Facilities	\$ 539,248	
Other		
Contingency	\$ 47,085	1% of all revenues
Indiana Charter School Board Administrative Fee	\$ 51,100	Assume 2% of Basic Grant (Row 6)
CMO/EMO Fee	\$ 455,310	15% of non-reimbursable revenue
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Total Other	\$ 553,495	
Total Expenditures	\$ 3,492,153	
Carryover/Deficit	\$ 1,216,388	

Cumulative Carryover/(Deficit) \$ 1,481,218

Expected New School Annual Operating Budget -- YEAR 2 -- Fiscal Year July 1-June 30

REVENUE	Amount	Notes
State Revenue		
Basic Grant	\$ 3,285,000	Assumed \$7300 per ADM
Common School Loan	\$ -	No Loan Assumed
Charter School Start-Up Grant	\$ -	None
State Matching Funds for School Lunch Program	\$ -	Conservatively not included
Professional Development	\$ -	Conservatively not included
Remediation Program	\$ -	Conservatively not included
Full-Day Kindergarten	\$ 240,000	\$2,400 per Kindergarten Student
Gifted and Talented Program	\$ -	Conservatively not included
Textbook Reimbursement	\$ 28,000	\$75 / FRL student
Summer School	\$ -	No summer school program
Other State Revenue (please describe)	\$ -	
Other State Revenue (please describe)	\$ -	
Federal Revenue		
Public Charter School Program (PCSP) Grant	\$ -	
Charter School Facilities Assistance Program Grant	\$ -	Conservatively not included
Title I	\$ 270,000	Assumed \$750 per FRL student based on historical rates for IN charter schools
Title II	\$ 8,000	Based on historical rates
Federal Lunch Program	\$ 170,350	80% FRL, 85% participation
Federal Breakfast Reimbursement	\$ 106,396	80% FRL, 85% participation
Other Revenue Federal sources (please describe)	\$ -	
Other Revenue Federal sources (please describe)	\$ -	
Other Revenue Federal sources (please describe)	\$ -	
Other Revenues		
Committed Philanthropic Donations	\$ -	Sustainable on public funds alone
Before and After Care Fees	\$ -	None
Interest Income	\$ -	Conservatively not included
Lunch Meal Fees	\$ 49,056	Non FRL students fees for breakfast and lunch
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Total Revenue	\$ 4,156,802	
EXPENDITURES		
Personnel Expenses		
Wages, Benefits and Payroll Taxes	\$ 1,577,080	Use staffing workbook
Substitutes	\$ 30,000	2 weeks of paid leave (10 days) per teacher
Professional Development	\$ 15,000	\$1000 / teacher
Bonuses	\$ 130,320	20% for admins, 10% for teachers and Office Manager
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Total Personnel Expenses	\$ 1,752,400	
Instructional Supplies and Resources		
Textbooks	\$ 20,000	\$150 per new student + \$5K annually
Library, periodicals, etc	\$ 5,000	\$5K annual ongoing expenses
Technology	\$ 50,000	Online Learning Program, \$100 per student
Assessment materials	\$ 15,000	\$15K per year
Computers	\$ 15,000	25% replacement rate
Software	\$ -	See Technology
Other classroom supplies	\$ 15,000	Instructional Materials, \$1K per teacher
Field trips, other unclassified items	\$ 15,000	Field Trips increase with older grades

Co-curricular & Athletics	\$	-	
Copier Lease	\$	30,000	Worksheets and other things
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)			
Other (please describe)			
Total Instructional Supplies and Resources	\$	165,000	
Support Supplies and Resources			
Administrative Computers	\$	11,750	\$750 per new staff, \$5K annual replacement
Administrative Software	\$	-	Included above
Administration Dues, fees, misc expenses	\$	-	
Office supplies	\$	42,500	\$85 per student
Staff Appreciation	\$	5,000	\$5K per year
Safety Materials & Hearing / Vision	\$	5,500	\$25 per new student + 3K per year
Parent Appreciation	\$	5,000	\$10 per student
Dues & Memberships	\$	3,750	Charter or Educational Associations
Finger Printing / TB Testing	\$	2,500	\$5 per student
Total Support Supplies and Resources	\$	76,000	
Board Expenses			
Charter Board Services, including Board Training, retreats	\$	-	Included in Management Fee
Charter Board Supplies & Equipment	\$	-	Included in Management Fee
Charter Board Dues, fees, etc	\$	-	Included in Management Fee
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Total Board Expenses	\$	-	
Professional Purchased or Contracted Services			
Legal Services	\$	2,500	\$2500 per year
Audit Services	\$	8,000	\$8000 per year
Payroll Services	\$	-	Included in Management Fee
Accounting Services	\$	-	Included in Management Fee
Printing/Newsletter/Annual Report Services	\$	3,000	\$6 per student for student handbook
Consultants	\$	-	
Internet Services	\$	5,000	\$5K per year
Telephone/Telecommunication Services			See above
Total Insurance Costs (per ICSB requirements detailed in charter school application)	\$	28,705	Insurance Quote from broker for a 600 student school
Travel	\$	3,280	Historical averages per year
Postage	\$	1,594	\$3/student
Special Education Services	\$	-	
Student Information Services	\$	15,000	Powerschool site license and consultant
Food service	\$	344,250	\$4.50 cost per meal, 85% participation rate
Transportation	\$	150,000	\$300 per student, assuming all students use it
Teacher Recruitment & Certification	\$	44,000	TFA costs
Assessment Team	\$	20,000	\$20K per year
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Total Professional Purchased or Contracted Services	\$	625,329	
Facilities			
Rent, mortgage, or other facility cost	\$	459,720	12% of non-reimbursable revenue rent
Furniture	\$	15,000	\$15K recurring annual expense
Gas/electric	\$	100,000	All in estimate for Utilities / Custodial / Maintenance

Water/ Sewer		See above
Grounds Keeping		See above
Maintenance Services		See above
Custodial		See above
Waste disposal		See above
Servery	\$ 10,000	Food Equipment (servery)
Other (please describe)		
Other (please describe)		
Other (please describe)		
Other (please describe)		
Total Facilities	\$ 584,720	
Other		
Contingency	\$ 41,568	1% of all revenues
Indiana Charter School Board Administrative Fee	\$ 65,700	Assume 2% of Basic Grant (Row 6)
CMO/EMO Fee	\$ 574,650	15% of non-reimbursable revenue
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Total Other	\$ 681,918	
Total Expenditures	\$ 3,885,367	
Carryover/Deficit	\$ 271,435	

Cumulative Carryover/(Deficit) \$ 1,752,653

Expected New School Annual Operating Budget -- YEAR 3 -- Fiscal Year July 1-June 30

REVENUE	Amount	Notes
State Revenue		
Basic Grant	\$ 4,015,000	Assumed \$7300 per ADM
Common School Loan	\$ -	No Loan Assumed
Charter School Start-Up Grant	\$ -	None
State Matching Funds for School Lunch Program	\$ -	Conservatively not included
Professional Development	\$ -	Conservatively not included
Remediation Program	\$ -	Conservatively not included
Full-Day Kindergarten	\$ 240,000	\$2,400 per Kindergarten Student
Gifted and Talented Program	\$ -	Conservatively not included
Textbook Reimbursement	\$ 33,600	\$75 / FRL student
Summer School	\$ -	No summer school program
Other State Revenue (please describe)	\$ -	
Other State Revenue (please describe)	\$ -	
Federal Revenue		
Public Charter School Program (PCSP) Grant	\$ -	
Charter School Facilities Assistance Program Grant	\$ -	Conservatively not included
Title I	\$ 330,000	Assumed \$750 per FRL student based on historical rates for IN charter schools
Title II	\$ 8,000	Based on historical rates
Federal Lunch Program	\$ 204,420	80% FRL, 85% participation
Federal Breakfast Reimbursement	\$ 127,675	80% FRL, 85% participation
Other Revenue Federal sources (please describe)	\$ -	
Other Revenue Federal sources (please describe)	\$ -	
Other Revenue Federal sources (please describe)	\$ -	
Other Revenues		
Committed Philanthropic Donations	\$ -	Sustainable on public funds alone
Before and After Care Fees	\$ -	None
Interest Income	\$ -	Conservatively not included
Lunch Meal Fees	\$ 58,867	Non FRL students fees for breakfast and lunch
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Total Revenue	\$ 5,017,562	
EXPENDITURES		
Personnel Expenses		
Wages, Benefits and Payroll Taxes	\$ 1,794,335	Use staffing workbook
Substitutes	\$ 36,000	2 weeks of paid leave (10 days) per teacher
Professional Development	\$ 18,000	\$1000 / teacher
Bonuses	\$ 148,340	20% for admins, 10% for teachers and Office Manager
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Total Personnel Expenses	\$ 1,996,675	
Instructional Supplies and Resources		
Textbooks	\$ 20,000	\$150 per new student + \$5K annually
Library, periodicals, etc	\$ 5,000	\$5K annual ongoing expenses
Technology	\$ 60,000	Online Learning Program, \$100 per student
Assessment materials	\$ 15,000	\$15K per year
Computers	\$ 15,000	25% replacement rate
Software	\$ -	See Technology
Other classroom supplies	\$ 18,000	Instructional Materials, \$1K per teacher
Field trips, other unclassified items	\$ 30,000	Field Trips increase with older grades
Co-curricular & Athletics	\$ -	
Copier Lease	\$ 30,000	Worksheets and other things

Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)			
Other (please describe)			
Total Instructional Supplies and Resources	\$	193,000	
Support Supplies and Resources			
Administrative Computers	\$	11,750	\$750 per new staff, \$5K annual replacement
Administrative Software	\$	-	Included above
Administration Dues, fees, misc expenses	\$	-	
Office supplies	\$	51,000	\$85 per student
Staff Appreciation	\$	5,000	\$5K per year
Safety Materials & Hearing / Vision	\$	5,500	\$25 per new student + 3K per year
Parent Appreciation	\$	6,000	\$10 per student
Dues & Memberships	\$	4,500	Charter or Educational Associations
Finger Printing / TB Testing	\$	3,000	\$5 per student
Total Support Supplies and Resources	\$	86,750	
Board Expenses			
Charter Board Services, including Board Training, retreats	\$	-	Included in Management Fee
Charter Board Supplies & Equipment	\$	-	Included in Management Fee
Charter Board Dues, fees, etc	\$	-	Included in Management Fee
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Total Board Expenses	\$	-	
Professional Purchased or Contracted Services			
Legal Services	\$	2,500	\$2500 per year
Audit Services	\$	8,000	\$8000 per year
Payroll Services	\$	-	Included in Management Fee
Accounting Services	\$	-	Included in Management Fee
Printing/Newsletter/Annual Report Services	\$	3,600	\$6 per student for student handbook
Consultants	\$	-	
Internet Services	\$	5,000	\$5K per year
Telephone/Telecommunication Services			See above
Total Insurance Costs (per ICSB requirements detailed in charter school application)	\$	28,705	Insurance Quote from broker for a 600 student school
Travel	\$	3,280	Historical averages per year
Postage	\$	1,913	\$3/student
Special Education Services	\$	-	
Student Information Services	\$	15,000	Powerschool site license and consultant
Food service	\$	413,100	\$4.50 cost per meal, 85% participation rate
Transportation	\$	180,000	\$300 per student, assuming all students use it
Teacher Recruitment & Certification	\$	49,500	TFA costs
Assessment Team	\$	20,000	\$20K per year
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Total Professional Purchased or Contracted Services	\$	730,598	
Facilities			
Rent, mortgage, or other facility cost	\$	555,192	12% of non-reimbursable revenue rent
Furniture	\$	15,000	\$15K recurring annual expense
Gas/electric	\$	100,000	All in estimate for Utilities / Custodial / Maintenance
Water/ Sewer			See above
Grounds Keeping			See above

Maintenance Services		See above
Custodial		See above
Waste disposal		See above
Servery	\$ 10,000	Food Equipment (servery)
Other (please describe)		
Other (please describe)		
Other (please describe)		
Other (please describe)		
Total Facilities	\$ 680,192	
Other		
Contingency	\$ 50,176	1% of all revenues
Indiana Charter School Board Administrative Fee	\$ 80,300	Assume 2% of Basic Grant (Row 6)
CMO/EMO Fee	\$ 693,990	15% of non-reimbursable revenue
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Total Other	\$ 824,466	
Total Expenditures	\$ 4,511,680	
Carryover/Deficit	\$ 505,882	

Cumulative Carryover/(Deficit) \$ 2,258,536

Expected New School Annual Operating Budget -- YEAR 4 -- Fiscal Year July 1-June 30

REVENUE	Amount	Notes
State Revenue		
Basic Grant	\$ 4,015,000	Assumed \$7300 per ADM
Common School Loan	\$ -	No Loan Assumed
Charter School Start-Up Grant	\$ -	None
State Matching Funds for School Lunch Program	\$ -	Conservatively not included
Professional Development	\$ -	Conservatively not included
Remediation Program	\$ -	Conservatively not included
Full-Day Kindergarten	\$ 240,000	\$2,400 per Kindergarten Student
Gifted and Talented Program	\$ -	Conservatively not included
Textbook Reimbursement	\$ 33,600	\$75 / FRL student
Summer School	\$ -	No summer school program
Other State Revenue (please describe)	\$ -	
Other State Revenue (please describe)	\$ -	
Federal Revenue		
Public Charter School Program (PCSP) Grant	\$ -	
Charter School Facilities Assistance Program Grant	\$ -	Conservatively not included
Title I	\$ 330,000	Assumed \$750 per FRL student based on historical rates for IN charter schools
Title II	\$ 8,000	Based on historical rates
Federal Lunch Program	\$ 204,420	80% FRL, 85% participation
Federal Breakfast Reimbursement	\$ 127,675	80% FRL, 85% participation
Other Revenue Federal sources (please describe)	\$ -	
Other Revenue Federal sources (please describe)	\$ -	
Other Revenue Federal sources (please describe)	\$ -	
Other Revenues		
Committed Philanthropic Donations	\$ -	Sustainable on public funds alone
Before and After Care Fees	\$ -	None
Interest Income	\$ -	Conservatively not included
Lunch Meal Fees	\$ 58,867	Non FRL students fees for breakfast and lunch
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Total Revenue	\$ 5,017,562	
EXPENDITURES		
Personnel Expenses		
Wages, Benefits and Payroll Taxes	\$ 1,794,335	Use staffing workbook
Substitutes	\$ 36,000	2 weeks of paid leave (10 days) per teacher
Professional Development	\$ 18,000	\$1000 / teacher
Bonuses	\$ 148,340	20% for admins, 10% for teachers and Office Manager
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Total Personnel Expenses	\$ 1,996,675	
Instructional Supplies and Resources		
Textbooks	\$ 5,000	\$150 per new student + \$5K annually
Library, periodicals, etc	\$ 5,000	\$5K annual ongoing expenses
Technology	\$ 60,000	Online Learning Program, \$100 per student
Assessment materials	\$ 15,000	\$15K per year
Computers	\$ 15,000	25% replacement rate
Software	\$ -	See Technology
Other classroom supplies	\$ 18,000	Instructional Materials, \$1K per teacher
Field trips, other unclassified items	\$ 30,000	Field Trips increase with older grades
Co-curricular & Athletics	\$ -	
Copier Lease	\$ 30,000	Worksheets and other things

Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)			
Other (please describe)			
Total Instructional Supplies and Resources	\$	178,000	
Support Supplies and Resources			
Administrative Computers	\$	5,000	\$750 per new staff, \$5K annual replacement
Administrative Software	\$	-	Included above
Administration Dues, fees, misc expenses	\$	-	
Office supplies	\$	51,000	\$85 per student
Staff Appreciation	\$	5,000	\$5K per year
Safety Materials & Hearing / Vision	\$	3,000	\$25 per new student + 3K per year
Parent Appreciation	\$	6,000	\$10 per student
Dues & Memberships	\$	4,500	Charter or Educational Associations
Finger Printing / TB Testing	\$	3,000	\$5 per student
Total Support Supplies and Resources	\$	77,500	
Board Expenses			
Charter Board Services, including Board Training, retreats	\$	-	Included in Management Fee
Charter Board Supplies & Equipment	\$	-	Included in Management Fee
Charter Board Dues, fees, etc	\$	-	Included in Management Fee
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Total Board Expenses	\$	-	
Professional Purchased or Contracted Services			
Legal Services	\$	2,500	\$2500 per year
Audit Services	\$	8,000	\$8000 per year
Payroll Services	\$	-	Included in Management Fee
Accounting Services	\$	-	Included in Management Fee
Printing/Newsletter/Annual Report Services	\$	3,600	\$6 per student for student handbook
Consultants	\$	-	
Internet Services	\$	5,000	\$5K per year
Telephone/Telecommunication Services			See above
Total Insurance Costs (per ICSB requirements detailed in charter school application)	\$	28,705	Insurance Quote from broker for a 600 student school
Travel	\$	3,280	Historical averages per year
Postage	\$	1,913	\$3/student
Special Education Services	\$	-	
Student Information Services	\$	15,000	Powerschool site license and consultant
Food service	\$	413,100	\$4.50 cost per meal, 85% participation rate
Transportation	\$	180,000	\$300 per student, assuming all students use it
Teacher Recruitment & Certification	\$	49,500	TFA costs
Assessment Team	\$	20,000	\$20K per year
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Total Professional Purchased or Contracted Services	\$	730,598	
Facilities			
Rent, mortgage, or other facility cost	\$	555,192	12% of non-reimbursable revenue rent
Furniture	\$	5,000	\$15K recurring annual expense
Gas/electric	\$	100,000	All in estimate for Utilities / Custodial / Maintenance
Water/ Sewer			See above
Grounds Keeping			See above

Maintenance Services		See above
Custodial		See above
Waste disposal		See above
Servery	\$ 10,000	Food Equipment (servery)
Other (please describe)		
Other (please describe)		
Other (please describe)		
Other (please describe)		
Total Facilities	\$ 670,192	
Other		
Contingency	\$ 50,176	1% of all revenues
Indiana Charter School Board Administrative Fee	\$ 80,300	Assume 2% of Basic Grant (Row 6)
CMO/EMO Fee	\$ 693,990	15% of non-reimbursable revenue
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Total Other	\$ 824,466	
Total Expenditures	\$ 4,477,430	
Carryover/Deficit	\$ 540,132	

Cumulative Carryover/(Deficit) \$ 2,798,668

Expected New School Annual Operating Budget -- YEAR 5 -- Fiscal Year July 1-June 30

REVENUE	Amount	Notes
State Revenue		
Basic Grant	\$ 4,015,000	Assumed \$7300 per ADM
Common School Loan	\$ -	No Loan Assumed
Charter School Start-Up Grant	\$ -	None
State Matching Funds for School Lunch Program	\$ -	Conservatively not included
Professional Development	\$ -	Conservatively not included
Remediation Program	\$ -	Conservatively not included
Full-Day Kindergarten	\$ 240,000	\$2,400 per Kindergarten Student
Gifted and Talented Program	\$ -	Conservatively not included
Textbook Reimbursement	\$ 33,600	\$75 / FRL student
Summer School	\$ -	No summer school program
Other State Revenue (please describe)	\$ -	
Other State Revenue (please describe)	\$ -	
Federal Revenue		
Public Charter School Program (PCSP) Grant	\$ -	
Charter School Facilities Assistance Program Grant	\$ -	Conservatively not included
Title I	\$ 330,000	Assumed \$750 per FRL student based on historical rates for IN charter schools
Title II	\$ 8,000	Based on historical rates
Federal Lunch Program	\$ 204,420	80% FRL, 85% participation
Federal Breakfast Reimbursement	\$ 127,675	80% FRL, 85% participation
Other Revenue Federal sources (please describe)	\$ -	
Other Revenue Federal sources (please describe)	\$ -	
Other Revenue Federal sources (please describe)	\$ -	
Other Revenues		
Committed Philanthropic Donations	\$ -	Sustainable on public funds alone
Before and After Care Fees	\$ -	None
Interest Income	\$ -	Conservatively not included
Lunch Meal Fees	\$ 58,867	Non FRL students fees for breakfast and lunch
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Total Revenue	\$ 5,017,562	
EXPENDITURES		
Personnel Expenses		
Wages, Benefits and Payroll Taxes	\$ 1,794,335	Use staffing workbook
Substitutes	\$ 36,000	2 weeks of paid leave (10 days) per teacher
Professional Development	\$ 18,000	\$1000 / teacher
Bonuses	\$ 148,340	20% for admins, 10% for teachers and Office Manager
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Total Personnel Expenses	\$ 1,996,675	
Instructional Supplies and Resources		
Textbooks	\$ 5,000	\$150 per new student + \$5K annually
Library, periodicals, etc	\$ 5,000	\$5K annual ongoing expenses
Technology	\$ 60,000	Online Learning Program, \$100 per student
Assessment materials	\$ 15,000	\$15K per year
Computers	\$ 15,000	25% replacement rate
Software	\$ -	See Technology
Other classroom supplies	\$ 18,000	Instructional Materials, \$1K per teacher
Field trips, other unclassified items	\$ 30,000	Field Trips increase with older grades
Co-curricular & Athletics	\$ -	
Copier Lease	\$ 30,000	Worksheets and other things

Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)			
Other (please describe)			
Total Instructional Supplies and Resources	\$	178,000	
Support Supplies and Resources			
Administrative Computers	\$	5,000	\$750 per new staff, \$5K annual replacement
Administrative Software	\$	-	Included above
Administration Dues, fees, misc expenses	\$	-	
Office supplies	\$	51,000	\$85 per student
Staff Appreciation	\$	5,000	\$5K per year
Safety Materials & Hearing / Vision	\$	3,000	\$25 per new student + 3K per year
Parent Appreciation	\$	6,000	\$10 per student
Dues & Memberships	\$	4,500	Charter or Educational Associations
Finger Printing / TB Testing	\$	3,000	\$5 per student
Total Support Supplies and Resources	\$	77,500	
Board Expenses			
Charter Board Services, including Board Training, retreats	\$	-	Included in Management Fee
Charter Board Supplies & Equipment	\$	-	Included in Management Fee
Charter Board Dues, fees, etc	\$	-	Included in Management Fee
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Total Board Expenses	\$	-	
Professional Purchased or Contracted Services			
Legal Services	\$	2,500	\$2500 per year
Audit Services	\$	8,000	\$8000 per year
Payroll Services	\$	-	Included in Management Fee
Accounting Services	\$	-	Included in Management Fee
Printing/Newsletter/Annual Report Services	\$	3,600	\$6 per student for student handbook
Consultants	\$	-	
Internet Services	\$	5,000	\$5K per year
Telephone/Telecommunication Services			See above
Total Insurance Costs (per ICSB requirements detailed in charter school application)	\$	28,705	Insurance Quote from broker for a 600 student school
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Teacher Recruitment & Certification	\$	49,500	TFA costs
Assessment Team	\$	20,000	\$20K per year
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Other (please describe)	\$	-	
Total Professional Purchased or Contracted Services	\$	730,598	
Facilities			
Rent, mortgage, or other facility cost	\$	555,192	12% of non-reimbursable revenue rent
Furniture	\$	5,000	\$15K recurring annual expense
Gas/electric	\$	100,000	All in estimate for Utilities / Custodial / Maintenance
Water/ Sewer			See above
Grounds Keeping			See above

Maintenance Services		See above
Custodial		See above
Waste disposal		See above
Servery	\$ 10,000	Food Equipment (servery)
Other (please describe)		
Other (please describe)		
Other (please describe)		
Other (please describe)		
Total Facilities	\$ 670,192	
Other		
Contingency	\$ 50,176	1% of all revenues
Indiana Charter School Board Administrative Fee	\$ 80,300	Assume 2% of Basic Grant (Row 6)
CMO/EMO Fee	\$ 693,990	15% of non-reimbursable revenue
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Other (please describe)	\$ -	
Total Other	\$ 824,466	
Total Expenditures	\$ 4,477,430	
Carryover/Deficit	\$ 540,132	

Cumulative Carryover/(Deficit) \$ 3,338,800

Summary Financials - Indianapolis Consolidated							
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
ADM	-	-	350	800	1,350	2,250	3,600
Total Revenue							
State	-	-	\$4,094,900	\$7,647,900	\$11,936,500	\$20,320,000	\$32,256,500
Federal	-	-	\$511,397	\$1,156,144	\$1,934,239	\$3,223,732	\$5,157,971
Development	\$2,500,000	\$349,000	\$484,000	\$484,000	\$833,000	\$1,317,000	\$405,000
Other (1)	-	-	\$39,245	\$88,300	\$147,167	\$245,278	\$392,445
Total Revenues	\$2,500,000	\$349,000	\$5,129,542	\$9,376,344	\$14,850,906	\$25,106,010	\$38,211,916
Total Expenses							
Compensation	-	\$478,500	\$2,521,850	\$4,358,500	\$6,496,425	\$11,090,200	\$16,706,625
Other Operating Expenses	-	\$136,080	\$1,380,220	\$2,594,492	\$4,003,910	\$6,666,879	\$10,451,309
Facilities Cost	-	-	\$364,248	\$823,968	\$1,379,160	\$2,298,600	\$3,677,760
Management Fees (1)	-	-	\$303,540	\$686,640	\$1,149,300	\$1,915,500	\$3,064,800
Total Expenses	-	\$614,580	\$4,569,858	\$8,463,600	\$13,028,795	\$21,971,179	\$33,900,494
Net Income	\$2,500,000	(\$265,580)	\$559,683	\$912,743	\$1,822,111	\$3,134,831	\$4,311,422

Health Metrics - Indianapolis Consolidated							
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Health Metrics							
Net Income	\$2,500,000	(\$248,890)	\$559,683	\$912,743	\$1,822,111	\$3,134,831	\$4,311,422
Total Reserves	\$2,500,000	\$2,251,110	\$2,810,793	\$3,723,537	\$5,545,647	\$8,680,479	\$12,991,901
EOP Cash	\$2,500,000	\$2,246,453	\$1,676,820	\$1,112,597	\$1,122,948	\$1,318,291	\$1,198,958

Health Metrics

Indianapolis SPED

Summary Financials							
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
ADM	-	-	350	800	1,350	2,250	3,600
Total Revenue							
State	-	-	-	-	-	-	-
Federal	-	-	\$72,000	\$162,000	\$270,000	\$450,000	\$720,000
Development	-	-	-	-	-	-	-
Management Fees	-	-	-	-	-	-	-
Total Revenues	-	-	\$72,000	\$162,000	\$270,000	\$450,000	\$720,000
Total Expenses							
Compensation	-	-	\$349,250	\$478,500	\$607,750	\$1,141,250	\$1,804,000
Other Operating Expenses	-	-	\$73,425	\$124,850	\$176,275	\$306,625	\$488,400
Facilities Cost	-	-	-	-	-	-	-
Management Fee	-	-	-	-	-	-	-
Total Expenses	-	-	\$422,675	\$603,350	\$784,025	\$1,447,875	\$2,292,400
Net Income	-	-	(\$350,675)	(\$441,350)	(\$514,025)	(\$997,875)	(\$1,572,400)
			(\$350,675)	(\$220,675)	(\$171,342)	(\$199,575)	(\$196,550)
Cash Flow							
Operating Cash Flow	-	-	(\$417,390)	(\$527,898)	(\$618,573)	(\$1,168,679)	(\$1,829,752)
Total Cash Flow	-	-	(\$417,390)	(\$527,898)	(\$618,573)	(\$1,168,679)	(\$1,829,752)

Summary Financials

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Health Metrics							
	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
Health Metrics							
Net Income	-	-	(\$350,675)	(\$441,350)	(\$514,025)	(\$997,875)	(\$1,572,400)
Total Reserves	-	-	(\$350,675)	(\$792,025)	(\$1,306,050)	(\$2,303,925)	(\$3,876,325)
EOP Cash	-	-	(\$417,390)	(\$945,288)	(\$1,563,860)	(\$2,732,540)	(\$4,562,292)

Health Metrics

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Staffing Level Assumptions							
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Staffing							
Regional Administrator	-	-	1	1	1	1	1
School Based Staff							
Resource Specialist	-	-	1	2	3	5	8
Para Professional	-	-	1	2	3	5	8
Regional Staff							
Speech Therapist	-	-	1	1	1	2	3
School Psychologist	-	-	-	-	-	1	2
Occupational Therapist	-	-	-	-	-	1	2
Total Employees	-	-	4	6	8	15	24
New Employees	-	-	4	2	2	7	9
Note: Schools	-	-	<i>1</i>	<i>2</i>	<i>3</i>	<i>5</i>	<i>8</i>

Staffing Level Assumptions

Student Population, Revenue & Expenses							
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Student Population							
% of SPED Students	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%
Total Enrollment		-	400	900	1,500	2,500	4,000
SPED Students		-	48	108	180	300	480
Revenue							
Federal IDEA	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Compensation							
Bonus	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Benefits	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Materials & Supplies							
General Materials and Supplies	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Other Operating							
Consultants	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Reserve Funds	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Balance Sheet							
Accounts Receivable - Fundraising	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Accounts Payable - Other	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%
Working Capital LOC as % of AR	-	-	-	-	-	-	-

Expenses & Other

SPED Income Statement - Indianapolis

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Revenues							
State	-	-	-	-	-	-	-
Federal	-	\$72,000	\$162,000	\$270,000	\$450,000	\$720,000	
Development	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Revenues	-	\$72,000	\$162,000	\$270,000	\$450,000	\$720,000	
Other Expenses							
Compensation							
Salaries			\$254,000	\$348,000	\$442,000	\$830,000	\$1,312,000
Bonus			\$25,400	\$34,800	\$44,200	\$83,000	\$131,200
Benefits			\$69,850	\$95,700	\$121,550	\$228,250	\$360,800
Total Compensation	-	\$349,250	\$478,500	\$607,750	\$1,141,250	\$1,804,000	
Materials & Supplies							
General Materials & Supplies			\$10,000	\$20,000	\$30,000	\$50,000	\$80,000
Total Materials & Supplies	-	\$10,000	\$20,000	\$30,000	\$50,000	\$80,000	
Other Operating							
Consultants			\$25,000	\$50,000	\$75,000	\$125,000	\$200,000
Reserve Funds			\$38,425	\$54,850	\$71,275	\$131,625	\$208,400
Total Other Operating	-	\$63,425	\$104,850	\$146,275	\$256,275	\$408,400	
Depreciation	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-
Total Expenses	-	\$422,675	\$603,350	\$784,025	\$1,447,875	\$2,292,400	
Net Income	-	(\$350,675)	(\$441,350)	(\$514,025)	(\$997,875)	(\$1,572,400)	

Income Statement

	Balance Sheet						
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Assets							
Cash	-	-	(\$417,390)	(\$945,288)	(\$1,563,860)	(\$2,732,540)	(\$4,562,292)
Facility Deposit	-	-	-	-	-	-	-
Accounts Receivable	-	-	\$72,000	\$162,000	\$270,000	\$450,000	\$720,000
PP&E	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-
Total Assets	-	-	(\$345,390)	(\$783,288)	(\$1,293,860)	(\$2,282,540)	(\$3,842,292)
Liabilities							
Accounts Payable	-	-	\$5,285	\$8,738	\$12,190	\$21,385	\$34,033
Debt	-	-	-	-	-	-	-
Total Liabilities	-	-	\$5,285	\$8,738	\$12,190	\$21,385	\$34,033
Equity							
Check	-	-	-	-	\$0	\$0	\$0
Note: Working Capital	-	-	\$66,715	\$153,263	\$257,810	\$428,615	\$685,967

Balance Sheet

	Cash Flow						
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Free Cash Flow							
Net Income	-	-	(\$350,675)	(\$441,350)	(\$514,025)	(\$997,875)	(\$1,572,400)
Plus: D & A	-	-	-	-	-	-	-
Less: Change in Working Capital	-	-	(\$66,715)	(\$86,548)	(\$104,548)	(\$170,804)	(\$257,352)
Less: CapEx	-	-	-	-	-	-	-
Less: Security Deposits	-	-	-	-	-	-	-
Total Free Cash Flow	-	-	(\$417,390)	(\$527,898)	(\$618,573)	(\$1,168,679)	(\$1,829,752)
Financing Flow							
Revolver	-	-	-	-	-	-	-
CDE Revolving Loan Fund	-	-	-	-	-	-	-
CSGF Loan	-	-	-	-	-	-	-
Financing Flow	-	-	-	-	-	-	-
Cash Reconciliation							
BOP Cash	-	-	-	(\$417,390)	(\$945,288)	(\$1,563,860)	(\$2,732,540)
Cash Flow	-	-	(\$417,390)	(\$527,898)	(\$618,573)	(\$1,168,679)	(\$1,829,752)
EOP Cash	-	-	(\$417,390)	(\$945,288)	(\$1,563,860)	(\$2,732,540)	(\$4,562,292)

Cash Flow

	Receivables & Payables						
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Receivables							
Federal IDEA	-	-	\$72,000	\$162,000	\$270,000	\$450,000	\$720,000
Total Receivables	-	-	\$72,000	\$162,000	\$270,000	\$450,000	\$720,000
Payables							
All	-	-	\$5,285	\$8,738	\$12,190	\$21,385	\$34,033
Total Payables	-	-	\$5,285	\$8,738	\$12,190	\$21,385	\$34,033

Receivables & Payables

Indianapolis RSO

Summary Financials - Indianapolis RSO							
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
ADM	-	-	350	800	1,350	2,250	3,600
Total Revenue							
State	-	-	-	-	-	-	-
Federal	-	-	-	-	-	-	-
Development	\$2,500,000	-	-	-	-	-	-
Regional Fees	-	-	\$455,310	\$1,029,960	\$1,723,950	\$2,873,250	\$4,597,200
Total Revenues	\$2,500,000	-	\$455,310	\$1,029,960	\$1,723,950	\$2,873,250	\$4,597,200
Total Expenses							
Compensation	-	\$412,500	\$605,000	\$605,000	\$605,000	\$1,155,000	\$1,155,000
Other Operating Expenses	-	\$117,910	\$117,630	\$136,880	\$156,880	\$214,760	\$271,760
Facilities Cost	-	-	-	-	-	-	-
National Fees	-	-	\$303,540	\$686,640	\$1,149,300	\$1,915,500	\$3,064,800
Total Expenses	-	\$530,410	\$1,026,170	\$1,428,520	\$1,911,180	\$3,285,260	\$4,491,560
Net Income	\$2,500,000	(\$530,410)	(\$570,860)	(\$398,560)	(\$187,230)	(\$412,010)	\$105,640
Cash Flow							
Operating Cash Flow	\$2,500,000	(\$521,743)	(\$570,860)	(\$396,893)	(\$185,563)	(\$407,843)	\$110,640
Total Cash Flow	\$2,500,000	(\$521,743)	(\$570,860)	(\$396,893)	(\$185,563)	(\$407,843)	\$110,640

Health Metrics - Indianapolis RSO							
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Health Metrics							
Net Income	\$2,500,000	(\$530,410)	(\$570,860)	(\$398,560)	(\$187,230)	(\$412,010)	\$105,640
Total Reserves	\$2,500,000	\$1,969,590	\$1,398,730	\$1,000,170	\$812,940	\$400,930	\$506,570
EOP Cash	\$2,500,000	\$1,978,257	\$1,407,397	\$1,010,503	\$824,940	\$417,097	\$527,737

Health Metrics

Staffing Level Assumptions - Indianapolis RSO							
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Detailed Staffing Model							
Regional VP	-	-	-	-	-	1	1
Regional Director	-	1	1	1	1	1	1
Director of Community Dev	1	1	1	1	1	1	1
Manager of Community Dev	-	-	-	-	-	1	1
Staff - Grassroots	-	-	-	-	-	-	-
Director of Business	1	1	1	1	1	1	1
Regional Business Manager	-	-	-	-	-	1	1
Staff - School Startup	-	-	-	-	-	-	-
Director of Achievement	1	1	1	1	1	1	1
Mgr Leadership Dev	-	-	-	-	-	1	1
Staff	-	-	-	-	-	-	-
Total Employees	3	4	4	4	4	8	8
New Employees	3	1	-	-	-	4	-
Note: Schools	-	1	2	3	5	8	

Staffing Level Assumptions - Indianapolis RSO

Expenses & Other							
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Compensation							
Bonus	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Benefits	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Materials & Supplies							
Computers	\$750	\$750	\$750	\$750	\$750	\$750	\$750
Copier	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Phone/Internet	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Cell Phones	\$720	\$720	\$720	\$720	\$720	\$720	\$720
Office Supplies	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Other Operating							
Rent	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Travel & Meals & Entertainment	\$10,000	\$10,000	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Professional Development	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Consultants	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Advocacy	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Teacher Recruitment	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Student Recruitment	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Audit	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Other	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Fees							
National Fees	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
<i>Note: National Fees Per Pupil</i>				\$858	\$851	\$851	\$851
Balance Sheet							
Accounts Receivable - Fundraising	-	-	-	-	-	-	-
Accounts Payable - Other	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%
Working Capital LOC as % of AR	-	-	-	-	-	-	-

Expenses & Other

Income Statement							
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Revenues							
State							
Federal							
Development	\$2,500,000	-	-	-	-	-	-
Other	-	-	\$455,310	\$1,029,960	\$1,723,950	\$2,873,250	\$4,597,200
Total Revenues	\$2,500,000	-	\$455,310	\$1,029,960	\$1,723,950	\$2,873,250	\$4,597,200
Expenses							
Compensation							
Salaries		\$300,000	\$440,000	\$440,000	\$440,000	\$840,000	\$840,000
Bonus		\$30,000	\$44,000	\$44,000	\$44,000	\$84,000	\$84,000
Benefits		\$82,500	\$121,000	\$121,000	\$121,000	\$231,000	\$231,000
Total Compensation	-	\$412,500	\$605,000	\$605,000	\$605,000	\$1,155,000	\$1,155,000
Materials & Supplies							
Computers		\$2,250	\$750	-	-	\$3,000	-
Copier		\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Phone/Internet		\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Cell Phones		\$2,160	\$2,880	\$2,880	\$2,880	\$5,760	\$5,760
Office Supplies		\$1,500	\$2,000	\$2,000	\$2,000	\$4,000	\$4,000
Total Materials & Supplies	-	\$13,910	\$13,630	\$12,880	\$12,880	\$20,760	\$17,760
Other Operating							
Rent		\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Travel & Meals & Entertainment		\$30,000	\$10,000	\$10,000	\$10,000	\$20,000	\$20,000
Professional Development		\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Consultants		\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Advocacy		\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Teacher Recruitment		-	\$10,000	\$20,000	\$30,000	\$50,000	\$80,000
Student Recruitment		-	\$10,000	\$20,000	\$30,000	\$50,000	\$80,000
Audit		\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Other		\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Total Other Operating	-	\$104,000	\$104,000	\$124,000	\$144,000	\$194,000	\$254,000
National Management Fee	-	-	\$303,540	\$686,640	\$1,149,300	\$1,915,500	\$3,064,800
Depreciation	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-
Total Expenses	-	\$530,410	\$1,026,170	\$1,428,520	\$1,911,180	\$3,285,260	\$4,491,560
Net Income	\$2,500,000	(\$530,410)	(\$570,860)	(\$398,560)	(\$187,230)	(\$412,010)	\$105,640

Income Statement

	Balance Sheet						
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Assets							
Cash	\$2,500,000	\$1,978,257	\$1,407,397	\$1,010,503	\$824,940	\$417,097	\$527,737
Facility Deposit	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-
PP&E	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-
Total Assets	\$2,500,000	\$1,978,257	\$1,407,397	\$1,010,503	\$824,940	\$417,097	\$527,737
Liabilities							
Accounts Payable	-	\$8,667	\$8,667	\$10,333	\$12,000	\$16,167	\$21,167
Debt	-	-	-	-	-	-	-
Total Liabilities	-	\$8,667	\$8,667	\$10,333	\$12,000	\$16,167	\$21,167
Equity	\$2,500,000	\$1,969,590	\$1,398,730	\$1,000,170	\$812,940	\$400,930	\$506,570
Check	-	-	-	\$0	\$0	\$0	\$0
Note: Working Capital	-	(\$8,667)	(\$8,667)	(\$10,333)	(\$12,000)	(\$16,167)	(\$21,167)

Balance Sheet

	Cash Flow						
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Free Cash Flow							
Net Income	\$2,500,000	(\$530,410)	(\$570,860)	(\$398,560)	(\$187,230)	(\$412,010)	\$105,640
Plus: D & A	-	-	-	-	-	-	-
Less: Change in Working Capital	-	\$8,667	-	\$1,667	\$1,667	\$4,167	\$5,000
Less: CapEx	-	-	-	-	-	-	-
Less: Security Deposits	-	-	-	-	-	-	-
Total Free Cash Flow	\$2,500,000	(\$521,743)	(\$570,860)	(\$396,893)	(\$185,563)	(\$407,843)	\$110,640
Financing Flow							
Revolver	-	-	-	-	-	-	-
CDE Revolving Loan Fund	-	-	-	-	-	-	-
CSGF Loan	-	-	-	-	-	-	-
Financing Flow	-	-	-	-	-	-	-
Cash Reconciliation							
BOP Cash	-	\$2,500,000	\$1,978,257	\$1,407,397	\$1,010,503	\$824,940	\$417,097
Cash Flow	\$2,500,000	(\$521,743)	(\$570,860)	(\$396,893)	(\$185,563)	(\$407,843)	\$110,640
EOP Cash	\$2,500,000	\$1,978,257	\$1,407,397	\$1,010,503	\$824,940	\$417,097	\$527,737

Cash Flow

	Receivables & Payables						
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Receivables							
Regional Management Fees	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	-
Total Receivables	-	-	-	-	-	-	-
Payables							
All	-	\$8,667	\$8,667	\$10,333	\$12,000	\$16,167	\$21,167
Total Payables	-	\$8,667	\$8,667	\$10,333	\$12,000	\$16,167	\$21,167

Receivables & Payables

All Indianapolis Schools

x	Summary Financials - Indianapolis School						
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
ADM	-	-	350	800	1,350	2,250	3,600
Total Revenue							
State	-	-	\$4,094,900	\$7,647,900	\$11,936,500	\$20,320,000	\$32,256,500
Federal	-	-	\$439,397	\$994,144	\$1,664,239	\$2,773,732	\$4,437,971
Grants	-	\$349,000	\$484,000	\$484,000	\$833,000	\$1,317,000	\$405,000
Other	-	-	\$39,245	\$88,300	\$147,167	\$245,278	\$392,445
Total Revenue	-	\$349,000	\$5,057,542	\$9,214,344	\$14,580,906	\$24,656,010	\$37,491,916
Total Expenses							
Compensation	-	\$66,000	\$1,567,600	\$3,275,000	\$5,283,675	\$8,793,950	\$13,747,625
Other Operating Expenses	-	\$18,170	\$1,189,165	\$2,332,762	\$3,670,755	\$6,145,494	\$9,691,149
Facilities Cost	-	-	\$364,248	\$823,968	\$1,379,160	\$2,298,600	\$3,677,760
Regional Fees	-	-	\$455,310	\$1,029,960	\$1,723,950	\$2,873,250	\$4,597,200
Total Expenses	-	\$67,480	\$3,576,323	\$7,461,690	\$12,057,540	\$20,111,294	\$31,713,734
Net Income	-	\$281,520	\$1,481,218	\$1,752,653	\$2,523,366	\$4,544,716	\$5,778,182
Cash Flow							
Operating Cash Flow	-	\$268,197	\$418,617	\$360,568	\$814,487	\$1,771,866	\$1,599,779
Total Cash Flow	-	\$268,197	\$418,617	\$360,568	\$814,487	\$1,771,866	\$1,599,779

Summary Financials

Health Metrics - Indianapolis School							
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Health Metrics							
Net Income	-	\$281,520	\$1,481,218	\$1,752,653	\$2,523,366	\$4,544,716	\$5,778,182
Total Reserves	-	\$281,520	\$1,762,738	\$3,515,392	\$6,038,757	\$10,583,474	\$16,361,656
EOP Cash	-	\$268,197	\$686,813	\$1,047,381	\$1,861,868	\$3,633,734	\$5,233,513

Health Metrics

Primary Drivers

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
School Level						
Regional Fee						
Facilities Cost						
Funding						
Grants - Title V						
Grants - Walton						
Grants - Other						
Facilities Deposit						
Cash Flow						
Receivables LOC						
District Accounts Receivable						
Management Fees AP %						
Capitalized Rent to LP						
Equipment Finance						
Capitalize Levelled Library						

Primary Drivers

	Enrollment Schedule					
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Students by Grade						
K		100	200	300	500	800
1st		100	200	300	500	800
2nd		100	200	300	500	800
3rd		100	200	300	500	800
4th		-	100	200	300	500
5th		-	-	100	200	300
Expected Enrollment		400	900	1500	2500	4000
ADM - %		87.5%	88.9%	90.0%	90.0%	90.0%
ADM - #		350	800	1,350	2,250	3,600
K-4th Total		400	900	1,400	2,300	3,700
5th Total		-	-	100	200	300
K-4th ADM		350	800	1,260	2,070	3,330
5th ADM		-	-	90	180	270

Enrollment Schedule

	Demographics					
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<i>FRPL - %</i>		80%	80%	80%	80%	80%
FRPL - # Enrollment		320	720	1,200	2,000	3,200
FRPL - # ADM		280	640	1,080	1,800	2,880

Demographics

Revenue Assumptions						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<u>State Revenue</u>						
Basic Grant						
Common School Loan						
Charter School Start-Up Grant						
State Matching Funds for School Lunch Program						
Remediation Program						
Full-Day Kindergarten						
Gifted and Talented Program						
Textbook Reimbursement						
Other						
<u>Federal (per student)</u>						
Title I Compensatory Education						
Title II						
Title III						
National School Lunch Program						
<u>Local & Other</u>						
Food Collection Revenue						
<u>Grants (Max Amount per Annum)</u>						
Federal Startup Grant (Title Vb)						
Walton						
Hastings						
Other						

Revenue Assumptions

Staffing Level Assumptions						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<u>Certificated Staff</u>						
Administrators						
Principal		1.0	2.0	3.0	5.0	8.0
Assistant Principal		1.0	2.0	3.0	5.0	8.0
Academic Dean		1.0	2.0	3.0	5.0	8.0
Teachers						
K		3.0	6.0	9.0	15.0	24.0
1st		3.0	6.0	9.0	15.0	24.0
2nd		3.0	6.0	9.0	15.0	24.0
3rd		3.0	6.0	9.0	15.0	24.0
4th		-	3.0	6.0	9.0	15.0
5th		-	-	3.0	6.0	9.0
Total Teachers	-	12.0	27.0	45.0	75.0	120.0
Teachers		8.0	15.0	24.0	41.0	65.0
Associated Teachers		4.0	12.0	21.0	34.0	55.0
<u>Certificated Salaries</u>						
Principal						
Assistant Principal						
Academic Dean						
Teachers						
Associate Teachers						
<u>Classified Staff</u>						
Office Manager		2.0	3.0	5.0	8.0	8.0
Learning Specialists		6.0	12.0	18.0	30.0	48.0
Lunch Workers						
Teacher Aides (Support Staff)		1.0	2.0	3.0	5.0	8.0
<u>Classified Salaries</u>						
Office Manager						
Learning Specialists						
Lunch Workers						
Teacher Aides (Support Staff)						
<i>Certificated Staff</i>	-	15.0	33.0	54.0	90.0	144.0
<i>Classified Staff</i>	-	9.0	17.0	26.0	43.0	64.0
Total Staff	-	24.0	50.0	80.0	133.0	208.0
<i>Note: Teachers</i>	-	12.0	27.0	45.0	75.0	120.0
<i>Note: HC Eligible Staff</i>	0.0	23.0	48.0	77.0	128.0	200.0
<u>Bonus</u>						
Administrators						
Teachers						
Other Eligible						
<u>Benefits</u>						
All Benefits						

Books, Supplies, Equipment & Food Assumptions

FY 2015 **FY 2016** **FY 2017** **FY 2018** **FY 2019** **FY 2020**

- Office Supplies
- Safety Materials
- Instructional Materials
- Textbooks and Core Curriculum
- Levelled Library
- Assessments
- Online Learning
- Powerschool
- Student Computers
- Furniture and Equipment
- Staff Computers
- Food

Books, Supplies, Equipment & Food Assumptions

Other Expenses Assumptions

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
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Variable

- Teacher Recruitment and Certification
- Professional Development
- Parent Appreciation
- Substitutes
- Dues & Memberships
- Insurance
- Printing & Copying
- Postage & Shipping
- Transportation Services
- Fingerprinting / TB Testing
- Authorizer Oversight Fee
- Contingencies

Fixed

- Facilities Maintenance, Custodial, Utilities
- Travel/Teacher Recruiting
- Copier Lease
- Audit
- Legal
- Assessment Team
- Powerschool Consultant
- Equipment Rentals (servery)
- Communications
- Marketing / Development
- Transportation (field trips)
- Banking
- Staff Appreciation
- Medical Supplies

Fees

- Facilities Cost
- Regional Fee

<i>Note: Regional Fee Per Pupil</i>		\$1,301	\$1,287	\$1,277	\$1,277	\$1,277
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Other Expenses Assumptions

Balance Sheet & Cash Flow Assumptions

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
<u>AR %</u>						
State						
Federal						
Federal Reimbursable						
Grants						
<u>AP %</u>						
National						
Regional						
Facilities						
Other						
Security Deposits on Property						
CapEx						
Minimum Cash						
Working Capital Revolver						
Capacity						
Amortization						
Interest						
Other Loan						
Drawdown						
Amortization						
Interest						

	Income Statement - Revenue					
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
State Revenue						
Basic Grant	-	\$2,555,000	\$5,840,000	\$9,855,000	\$16,425,000	\$26,280,000
Common School Loan	-	-	-	-	-	-
Charter School Start-Up Grant	-	\$1,277,500	\$1,277,500	\$1,277,500	\$2,555,000	\$3,832,500
State Matching Funds for School Lunch Program	-	-	-	-	-	-
Remediation Program	-	-	-	-	-	-
Full-Day Kindergarten	-	\$240,000	\$480,000	\$720,000	\$1,200,000	\$1,920,000
Gifted and Talented Program	-	-	-	-	-	-
Textbook Reimbursement	-	\$22,400	\$50,400	\$84,000	\$140,000	\$224,000
Total State	-	\$4,094,900	\$7,647,900	\$11,936,500	\$20,320,000	\$32,256,500
Federal Revenue						
Title I	-	\$210,000	\$480,000	\$810,000	\$1,350,000	\$2,160,000
Title II	-	\$8,000	\$16,000	\$24,000	\$40,000	\$64,000
Title III	-	-	-	-	-	-
National School Lunch Program	-	\$221,397	\$498,144	\$830,239	\$1,383,732	\$2,213,971
Total Federal	-	\$439,397	\$994,144	\$1,664,239	\$2,773,732	\$4,437,971
Grants						
Federal Startup Grant (Title Vb)	\$99,000	\$234,000	\$234,000	\$333,000	\$567,000	\$405,000
Walton	\$250,000	\$250,000	\$250,000	\$500,000	\$750,000	-
Other	-	-	-	-	-	-
Total Grants	\$349,000	\$484,000	\$484,000	\$833,000	\$1,317,000	\$405,000
Other Revenue						
Food Service Revenue	-	\$39,245	\$88,300	\$147,167	\$245,278	\$392,445
Total Other Revenue	-	\$39,245	\$88,300	\$147,167	\$245,278	\$392,445
Total Revenue						
State	-	\$4,094,900	\$7,647,900	\$11,936,500	\$20,320,000	\$32,256,500
Federal	-	\$439,397	\$994,144	\$1,664,239	\$2,773,732	\$4,437,971
Grants	\$349,000	\$484,000	\$484,000	\$833,000	\$1,317,000	\$405,000
Other	-	\$39,245	\$88,300	\$147,167	\$245,278	\$392,445
Total Revenue	\$349,000	\$5,057,542	\$9,214,344	\$14,580,906	\$24,656,010	\$37,491,916
<i>Note: For Fee Calcs</i>	-	\$4,312,900	\$8,143,900	\$12,770,500	\$21,710,000	\$34,480,500

Income Statement - Revenue

Other Operating Expenses - Indianapolis						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Certificated Personnel						
Principal	-	\$83,000	\$183,000	\$293,000	\$486,000	\$779,000
Assistant Principal	-	\$71,000	\$146,000	\$221,000	\$367,000	\$588,000
Academic Dean	-	\$67,000	\$138,000	\$209,000	\$347,000	\$556,000
Teachers	-	\$460,800	\$864,000	\$1,382,400	\$2,361,600	\$3,744,000
Associated Teachers	-	\$180,000	\$540,000	\$945,000	\$1,530,000	\$2,475,000
Total Certificated	-	\$861,800	\$1,871,000	\$3,050,400	\$5,091,600	\$8,142,000
Classified Staff						
Office Manager	\$48,000	\$96,000	\$144,000	\$240,000	\$384,000	\$384,000
Learning Specialists	-	\$134,400	\$268,800	\$403,200	\$672,000	\$1,075,200
Lunch Workers	-	\$14,400	\$28,800	\$43,200	\$72,000	\$115,200
Teacher Aides (Support Staff)	-	\$29,600	\$59,200	\$88,800	\$148,000	\$236,800
Total Classified	\$48,000	\$274,400	\$500,800	\$775,200	\$1,276,000	\$1,811,200
Bonus						
Administrators	-	\$44,200	\$93,400	\$144,600	\$240,000	\$384,600
Teachers	-	\$64,080	\$140,400	\$232,740	\$389,160	\$621,900
Other	\$4,800	\$9,600	\$14,400	\$24,000	\$38,400	\$38,400
Total Bonus	\$4,800	\$117,880	\$248,200	\$401,340	\$667,560	\$1,044,900
Total Compensation	\$52,800	\$1,254,080	\$2,620,000	\$4,226,940	\$7,035,160	\$10,998,100
Benefits						
All Benefits	\$13,200	\$313,520	\$655,000	\$1,056,735	\$1,758,790	\$2,749,525
Total Benefits		\$313,520	\$655,000	\$1,056,735	\$1,758,790	\$2,749,525
Books, Supplies, Equipment and Food						
Office Supplies	\$2,000	\$36,000	\$78,500	\$131,500	\$218,500	\$340,000
Safety Materials	-	\$10,000	\$12,500	\$15,000	\$25,000	\$37,500
Instructional Materials	-	\$12,000	\$27,000	\$45,000	\$75,000	\$120,000
Textbooks and Core Curriculum	-	\$60,000	\$80,000	\$100,000	\$165,000	\$250,000
Levelled Library	-	\$50,000	\$55,000	\$60,000	\$115,000	\$175,000
Assessments	-	\$15,000	\$30,000	\$45,000	\$75,000	\$120,000
Online Learning	-	\$40,000	\$90,000	\$150,000	\$250,000	\$400,000
Powerschool	-	\$10,000	\$20,000	\$30,000	\$50,000	\$80,000
Student Computers	-	\$60,000	\$75,000	\$90,000	\$165,000	\$255,000
Furniture & Equipment	\$1,400	\$66,400	\$81,400	\$97,800	\$169,200	\$250,000
Staff Computers	-	\$29,250	\$41,000	\$52,750	\$87,000	\$133,000
Food	-	\$275,400	\$619,650	\$1,032,750	\$1,721,250	\$2,754,000
Total Books, Supplies, Equipment and Food	\$3,400	\$664,050	\$1,210,050	\$1,849,800	\$3,115,950	\$4,914,500
Operating Expenses - Variable						
Teacher Recruitment and Certification	-	\$22,000	\$66,000	\$115,500	\$187,000	\$302,500
Professional Development	-	\$12,000	\$27,000	\$45,000	\$75,000	\$120,000
Parent Appreciation	-	\$4,000	\$9,000	\$15,000	\$25,000	\$40,000
Substitutes	-	\$24,000	\$54,000	\$90,000	\$150,000	\$240,000
Dues & Memberships	-	\$3,000	\$6,750	\$11,250	\$18,750	\$30,000
Insurance	-	\$28,705	\$57,410	\$86,115	\$143,525	\$229,640
Printing & Copying	-	\$2,400	\$5,400	\$9,000	\$15,000	\$24,000
Postage & Shipping	-	\$1,275	\$2,869	\$4,781	\$7,969	\$12,750
Transportation	-	\$120,000	\$270,000	\$450,000	\$750,000	\$1,200,000
Fingerprinting / TB Testing	-	\$2,000	\$4,500	\$7,500	\$12,500	\$20,000
Authorizer Oversight Fee	-	\$51,100	\$116,800	\$197,100	\$328,500	\$525,600
Contingencies	\$3,490	\$50,575	\$92,143	\$145,809	\$246,560	\$374,919
Total Operating Expenses - Variable	-	\$321,055	\$711,872	\$1,177,055	\$1,959,804	\$3,119,409
Operating Expenses - Fixed						
Facilities Maintenance, Custodial, Utilities	-	\$100,000	\$200,000	\$300,000	\$500,000	\$800,000
Travel/Teacher Recruiting	\$3,280	\$6,560	\$9,840	\$16,400	\$26,240	\$26,240
Copier Lease	-	\$25,000	\$55,000	\$85,000	\$140,000	\$225,000
Audit	\$1,000	\$9,000	\$17,000	\$26,000	\$43,000	\$64,000
Legal	\$5,000	\$7,500	\$10,000	\$17,500	\$27,500	\$20,000
Assessment Team	-	\$20,000	\$40,000	\$60,000	\$100,000	\$160,000
Powerschool consulting	-	\$5,000	\$10,000	\$15,000	\$25,000	\$40,000
Equipment Rentals (servery)	-	\$10,000	\$20,000	\$30,000	\$50,000	\$80,000
Communications	-	\$5,000	\$10,000	\$15,000	\$25,000	\$40,000
Marketing / Development	\$2,000	\$2,000	\$2,000	\$4,000	\$6,000	-
Transportation (field trips)	-	\$6,000	\$21,000	\$51,000	\$87,000	\$138,000
Staff Appreciation	-	\$5,000	\$10,000	\$15,000	\$25,000	\$40,000
Medical Supplies	-	\$3,000	\$6,000	\$9,000	\$15,000	\$24,000
Total Operating Expenses - Fixed	\$11,280	\$204,060	\$410,840	\$643,900	\$1,069,740	\$1,657,240

Fees						
Regional Fee	-	\$455,310	\$1,029,960	\$1,723,950	\$2,873,250	\$4,597,200
Facilities Cost	-	\$364,248	\$823,968	\$1,379,160	\$2,298,600	\$3,677,760
Total Fees	-	\$819,558	\$1,853,928	\$3,103,110	\$5,171,850	\$8,274,960
Total Expenses						
Salaries	\$52,800	\$1,567,600	\$3,275,000	\$5,283,675	\$8,793,950	\$13,747,625
Supplies	\$3,400	\$664,050	\$1,210,050	\$1,849,800	\$3,115,950	\$4,914,500
Other	\$11,280	\$525,115	\$1,122,712	\$1,820,955	\$3,029,544	\$4,776,649
Fees	-	\$819,558	\$1,853,928	\$3,103,110	\$5,171,850	\$8,274,960
Total Expenses	\$67,480	\$3,576,323	\$7,461,690	\$12,057,540	\$20,111,294	\$31,713,734
EBITDA	\$281,520	\$1,481,218	\$1,752,653	\$2,523,366	\$4,544,716	\$5,778,182
Depreciation	-	-	-	-	-	-
Amoritization	-	-	-	-	-	-
EBIT	\$281,520	\$1,481,218	\$1,752,653	\$2,523,366	\$4,544,716	\$5,778,182
Interest	-	-	-	-	-	-
Net Income	\$281,520	\$1,481,218	\$1,752,653	\$2,523,366	\$4,544,716	\$5,778,182

Other Operating Expenses - Indianapolis

Balance Sheet							
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Assets							
Cash	-	\$268,197	\$686,813	\$1,047,381	\$1,861,868	\$3,633,734	\$5,233,513
Facility Deposit	-	-	-	-	-	-	-
Accounts Receivable	-	-	\$1,397,160	\$3,190,611	\$5,380,352	\$8,967,253	\$14,347,604
PP&E	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-
Total Assets	-	\$268,197	\$2,083,974	\$4,237,992	\$7,242,220	\$12,600,986	\$19,581,117
Liabilities							
Accounts Payable	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!
Debt	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!
Total Liabilities	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!
Equity							
Check	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!
Note: Working Capital	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!

Balance Sheet

	Cash Flow						
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Free Cash Flow							
Net Income	-	\$264,830	\$1,481,218	\$1,752,653	\$2,523,366	\$4,544,716	\$5,778,182
Plus: D & A	-	-	-	-	-	-	-
Less: Change in Working Capital	-	\$3,367	(\$1,062,602)	(\$1,392,086)	(\$1,708,879)	(\$2,772,850)	(\$4,178,403)
Less: CapEx	-	-	-	-	-	-	-
Less: Security Deposits	-	-	-	-	-	-	-
Total Free Cash Flow	-	\$268,197	\$418,617	\$360,568	\$814,487	\$1,771,866	\$1,599,779
Financing Flow							
Revolver	-	-	-	-	-	-	-
Convertible Loan	-	-	-	-	-	-	-
Financing Flow	-	-	-	-	-	-	-
Cash Reconciliation							
BOP Cash	-	-	\$268,197	\$686,813	\$1,047,381	\$1,861,868	\$3,633,734
Cash Flow	-	\$268,197	\$418,617	\$360,568	\$814,487	\$1,771,866	\$1,599,779
EOP Cash	-	\$268,197	\$686,813	\$1,047,381	\$1,861,868	\$3,633,734	\$5,233,513
<i>Note: Minimum Cash</i>	-	-	-	-	-	-	-

Cash Flow

	Debt Schedule					
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Working Capital Revolver						
Max Capacity	-	-	-	-	-	-
BOP Outstanding	-	-	-	-	-	-
Optional Drawdown / (Paydown)	-	-	-	-	-	-
EOP	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Convertible Loan						
BOP	-	-	-	-	-	-
Drawdown	-	-	-	-	-	-
Amortization	-	-	-	-	-	-
Optional Drawdown / (Payback)	-	-	-	-	-	-
EOP	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Debt	-	-	-	-	-	-
Total Interest Expenses	-	-	-	-	-	-

Debt Schedule

x For Roll-Up

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Income Statement						
Revenue						
State	-	\$4,094,900	\$7,647,900	\$11,936,500	\$20,320,000	\$32,256,500
Federal	-	\$218,000	\$496,000	\$834,000	\$1,390,000	\$2,224,000
Development						
Food	-	\$260,642	\$586,444	\$977,406	\$1,629,010	\$2,606,416
Total Revenue	-	\$4,573,542	\$8,730,344	\$13,747,906	\$23,339,010	\$37,086,916
Expenses						
Salaries	\$52,800	\$1,567,600	\$3,275,000	\$5,283,675	\$8,793,950	\$13,747,625
Supplies	\$3,400	\$664,050	\$1,210,050	\$1,849,800	\$3,115,950	\$4,914,500
Other	\$7,790	\$474,540	\$1,030,569	\$1,675,146	\$2,782,984	\$4,401,730
Contingencies	\$3,490	\$50,575	\$92,143	\$145,809	\$246,560	\$374,919
Depreciation	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Expenses	\$67,480	\$2,756,765	\$5,607,762	\$8,954,430	\$14,939,444	\$23,438,774
Fees						
Regional Fee	-	\$455,310	\$1,029,960	\$1,723,950	\$2,873,250	\$4,597,200
Facilities Cost	-	\$364,248	\$823,968	\$1,379,160	\$2,298,600	\$3,677,760
Total Fees	-	\$819,558	\$1,853,928	\$3,103,110	\$5,171,850	\$8,274,960
Balance Sheet						
Cash	\$268,197	\$686,813	\$1,047,381	\$1,861,868	\$3,633,734	\$5,233,513
PP&E	-	-	-	-	-	-
Facility Deposit	-	-	-	-	-	-
Working Capital Revolver	-	-	-	-	-	-
Convertible Loan	-	-	-	-	-	-
Equity	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!
Cash Flow						
Cap Ex	-	-	-	-	-	-
Security Deposit	-	-	-	-	-	-
D&A	-	-	-	-	-	-
Receivables						
State	-	-	-	-	-	-
Federal	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Receivables	-	-	-	-	-	-
Payables						
Regional	-	-	-	-	-	-
Facilities	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Payables	-	-	-	-	-	-
Cash						
Cash Balance	\$268,197	\$686,813	\$1,047,381	\$1,861,868	\$3,633,734	\$5,233,513
Minimum Cash	-	-	-	-	-	-
Cash Shortage	\$268,197	\$686,813	\$1,047,381	\$1,861,868	\$3,633,734	\$5,233,513
Operating Stats						
Students	-	400	900	1,500	2,500	4,000
Teachers	-	12	27	45	75	120
Administrators	-	3	6	9	15	24

For Roll-Up

x Calcs for Model

PCSGP

PCSGP - Base	-	-	-		
PCSGP - Rollover	-	-	-		
Expenses	\$2,022,910	\$4,304,960	\$7,007,625		
Amount Used	-	-	-	0	0
Rollover	-	-	-		

Calcs for Model

Indianapolis Generic School Model

Summary Financials - Indianapolis School							
	<u>Year -1</u>	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
ADM	-	-	350	450	550	550	550
Total Revenue							
State	-	-	\$4,094,900	\$3,553,000	\$4,288,600	\$4,288,600	\$4,288,600
Federal	-	-	\$439,397	\$554,746	\$670,096	\$670,096	\$670,096
Grants	-	\$349,000	\$135,000	-	-	-	-
Other	-	-	\$39,245	\$49,056	\$58,867	\$58,867	\$58,867
Total Revenue	-	\$349,000	\$4,708,542	\$4,156,802	\$5,017,562	\$5,017,562	\$5,017,562
Total Expenses							
Compensation	-	\$66,000	\$1,501,600	\$1,707,400	\$1,942,675	\$1,942,675	\$1,942,675
Other Operating Expenses	-	\$18,170	\$1,170,995	\$1,143,597	\$1,319,823	\$1,285,573	\$1,285,573
Facilities Cost	-	-	\$364,248	\$459,720	\$555,192	\$555,192	\$555,192
Regional Fees	-	-	\$455,310	\$574,650	\$693,990	\$693,990	\$693,990
Total Expenses	-	\$84,170	\$3,492,153	\$3,885,367	\$4,511,680	\$4,477,430	\$4,477,430
Net Income	-	\$264,830	\$1,216,388	\$271,435	\$505,882	\$540,132	\$540,132
Cash Flow							
Operating Cash Flow	-	\$268,197	\$150,420	(\$58,049)	\$185,722	\$538,762	\$540,132
Total Cash Flow	-	\$268,197	\$150,420	(\$58,049)	\$185,722	\$538,762	\$540,132

Summary Financials

Health Metrics - Indianapolis School							
	<u>Year -1</u>	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Health Metrics							
Net Income	-	\$264,830	\$1,216,388	\$271,435	\$505,882	\$540,132	\$540,132
Total Reserves	-	\$264,830	\$1,481,218	\$1,752,653	\$2,258,536	\$2,798,668	\$3,338,800
EOP Cash	-	\$268,197	\$418,617	\$360,568	\$546,290	\$1,085,052	\$1,625,185

Health Metrics

Primary Drivers							
	<u>Year -1</u>	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
School Level							
Regional Fee	-	-	15.0%	15.0%	15.0%	15.0%	15.0%
Facilities Cost	-	-	12.0%	12.0%	12.0%	12.0%	12.0%
Funding							
Grants - Title V	-	\$99,000	\$135,000	-	-	-	-
Grants - Walton	-	\$250,000	-	-	-	-	-
Grants - Other	-	-	-	-	-	-	-
Facilities Deposit	-	-	-	-	-	-	-
Cash Flow							
Receivables LOC			-	-	-	-	-
District Accounts Receivable	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Management Fees AP %	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Capitalized Rent to LP							
Equipment Finance							
Capitalize Levelled Library							

Primary Drivers

Enrollment Schedule							
	<u>Year -1</u>	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Students by Grade							
K			100	100	100	100	100
1st			100	100	100	100	100
2nd			100	100	100	100	100
3rd			100	100	100	100	100
4th				100	100	100	100
5th					100	100	100
Expected Enrollment			400	500	600	600	600
ADM - %			50.0%	50.0%	50.0%	50.0%	50.0%
ADM - #			350	450	550	550	550
K-4th Total			400	500	500	500	500
5th Total			-	-	100	100	100
K-4th ADM			200	250	250	250	250
5th ADM			-	-	50	50	50

Enrollment Schedule

x

	Demographics						
	<u>Year -1</u>	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
FRPL - %			80%	80%	80%	80%	80%
FRPL - # Enrollment			320	400	480	480	480
FRPL - # ADM			280	360	440	440	440

Demographics

Revenue Assumptions						
		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<u>State Revenue</u>						
Basic Grant	\$7,300	\$7,300	\$7,300	\$7,300	\$7,300	\$7,300
Common School Loan	-	-	-	-	-	-
Charter School Start-Up Grant	50.0%	50.0%	-	-	-	-
State Matching Funds for School Lunch Program	-	-	-	-	-	-
Remediation Program	-	-	-	-	-	-
Full-Day Kindergarten	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400
Gifted and Talented Program	-	-	-	-	-	-
Textbook Reimbursement	\$70	\$70	\$70	\$70	\$70	\$70
Other	-	-	-	-	-	-
<u>Federal (per student)</u>						
Title I Compensatory Education	-	\$750	\$750	\$750	\$750	\$750
Title II	-	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
Title III	-	-	-	-	-	-
National School Lunch Program	-	\$651	\$651	\$651	\$651	\$651
<u>Local & Other</u>						
Food Collection Revenue	-	\$115	\$115	\$115	\$115	\$115
<u>Grants (Max Amount per Annum)</u>						
Federal Startup Grant (Title Vb)	-	\$100,000	\$100,000	-	-	-
Walton	-	\$250,000	-	-	-	-
Hastings	-	-	-	-	-	-
Other	-	-	-	-	-	-

Revenue Assumptions

Staffing Level Assumptions							
	<u>Year -1</u>	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<u>Certificated Staff</u>							
<u>Administrators</u>							
Principal	-	-	1.0	1.0	1.0	1.0	1.0
Assistant Principal	-	-	1.0	1.0	1.0	1.0	1.0
Academic Dean	-	-	1.0	1.0	1.0	1.0	1.0
<u>Teachers</u>							
K	-	-	3.0	3.0	3.0	3.0	3.0
1st	-	-	3.0	3.0	3.0	3.0	3.0
2nd	-	-	3.0	3.0	3.0	3.0	3.0
3rd	-	-	3.0	3.0	3.0	3.0	3.0
4th	-	-	-	3.0	3.0	3.0	3.0
5th	-	-	-	-	3.0	3.0	3.0
Total Teachers	-	-	12.0	15.0	18.0	18.0	18.0
Teachers	-	-	8.0	7.0	9.0	9.0	9.0
Associated Teachers	-	-	4.0	8.0	9.0	9.0	9.0
<u>Certificated Salaries</u>							
Principal	-	-	\$83,000	\$100,000	\$110,000	\$110,000	\$110,000
Assistant Principal	-	-	\$71,000	\$75,000	\$75,000	\$75,000	\$75,000
Academic Dean	-	-	\$67,000	\$71,000	\$71,000	\$71,000	\$71,000
Teachers	-	-	\$57,600	\$57,600	\$57,600	\$57,600	\$57,600
Associate Teachers	-	-	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
<u>Classified Staff</u>							
Office Manager	-	1.000	1.0	1.0	1.0	1.0	1.0
Learning Specialists	-	-	6.0	6.0	6.0	6.0	6.0
Lunch Workers	-	-	1.0	1.0	1.0	1.0	1.0
Teacher Aides (Support Staff)	-	-	2.0	2.0	2.0	2.0	2.0
<u>Classified Salaries</u>							
Office Manager	-	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000
Learning Specialists	-	-	\$22,400	\$22,400	\$22,400	\$22,400	\$22,400
Lunch Workers	-	-	\$14,400	\$14,400	\$14,400	\$14,400	\$14,400
Teacher Aides (Support Staff)	-	-	\$14,800	\$14,800	\$14,800	\$14,800	\$14,800
<i>Certificated Staff</i>	-	-	15.0	18.0	21.0	21.0	21.0
<i>Classified Staff</i>	-	1.0	8.0	8.0	8.0	8.0	8.0
Total Staff	-	1.0	23.0	26.0	29.0	29.0	29.0
<i>Note: Teachers</i>	-	-	12.0	15.0	18.0	18.0	18.0
<i>Note: HC Eligible Staff</i>	0.0	1.0	22.0	25.0	28.0	28.0	28.0
<u>Bonus</u>							
Administrators	-	20%	20%	20%	20%	20%	20%
Teachers	-	10%	10%	10%	10%	10%	10%
Other Eligible	-	10%	10%	10%	10%	10%	10%
<u>Benefits</u>							
All Benefits	-	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%

Staffing Level Assumptions

Books, Supplies, Equipment & Food Assumptions							
	<u>Year -1</u>	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Office Supplies			\$85	\$85	\$85	\$85	\$85
Safety Materials			\$25	\$25	\$25	\$25	\$25
Instructional Materials			\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Textbooks and Core Curriculum			\$150	\$150	\$150	\$150	\$150
Levelled Library			\$50,000	\$5,000	\$5,000	\$5,000	\$5,000
Assessments			\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Online Learning			\$100	\$100	\$100	\$100	\$100
Powerschool			\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Student Computers			\$60,000	\$15,000	\$15,000	\$15,000	\$15,000
Furniture and Equipment			\$65,000	\$15,000	\$15,000	\$5,000	\$5,000
Staff Computers			\$750	\$750	\$750	\$750	\$750
Food			\$810	\$810	\$810	\$810	\$810

Books, Supplies, Equipment & Food Assumptions

Other Expenses Assumptions							
	<u>Year -1</u>	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<u>Variable</u>							
Teacher Recruitment and Certification		-	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500
Professional Development		-	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Parent Appreciation		-	\$10	\$10	\$10	\$10	\$10
Substitutes		-	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Dues & Memberships		\$3	\$8	\$8	\$8	\$8	\$8
Insurance		-	\$28,705	\$28,705	\$28,705	\$28,705	\$28,705
Printing & Copying		-	\$6	\$6	\$6	\$6	\$6
Postage & Shipping		-	\$3	\$3	\$3	\$3	\$3
Transportation Services		-	\$300	\$300	\$300	\$300	\$300
Fingerprinting / TB Testing		-	\$5	\$5	\$5	\$5	\$5
Authorizer Oversight Fee		2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Contingencies		1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
<u>Fixed</u>							
Facilities Maintenance, Custodial, Utilities		-	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Travel/Teacher Recruiting		\$3,280	\$3,280	\$3,280	\$3,280	\$3,280	\$3,280
Copier Lease		-	\$25,000	\$30,000	\$30,000	\$30,000	\$30,000
Audit		\$1,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
Legal		\$5,000	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Assessment Team		-	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Powerschool Consultant		-	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Equipment Rentals (servery)		-	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Communications		-	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Marketing / Development		\$2,000	-	-	-	-	-
Transportation (field trips)		-	\$6,000	\$15,000	\$30,000	\$30,000	\$30,000
Banking		-	-	-	-	-	-
Staff Appreciation		-	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Medical Supplies		-	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
<u>Fees</u>							
Facilities Cost		-	12.0%	12.0%	12.0%	12.0%	12.0%
Regional Fee		-	15.0%	15.0%	15.0%	15.0%	15.0%
<i>Note: Regional Fee Per Pupil</i>			\$1,301	\$1,277	\$1,262	\$1,262	\$1,262

Other Expenses Assumptions

Balance Sheet & Cash Flow Assumptions							
	<u>Year -1</u>	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
AR %							
State	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Federal	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Federal Reimbursable Grants	-	-	-	-	-	-	-
AP %							
National	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Regional Facilities	-	-	-	-	-	-	-
Other	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Security Deposits on Property	-	-	-	-	-	-	-
CapEx	-	-	-	-	-	-	-
Minimum Cash	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Working Capital Revolver							
Capacity	-	-	-	-	-	-	-
Amortization	-	-	-	-	-	-	-
Interest	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Other Loan							
Drawdown	-	-	-	-	-	-	-
Amortization	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-

Balance Sheet & Cash Flow Assumptions

Income Statement - Revenue							
	<u>Year -1</u>	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
State Revenue							
Basic Grant			\$2,555,000	\$3,285,000	\$4,015,000	\$4,015,000	\$4,015,000
Common School Loan			-	-	-	-	-
Charter School Start-Up Grant			\$1,277,500	-	-	-	-
State Matching Funds for School Lunch Program			-	-	-	-	-
Remediation Program			-	-	-	-	-
Full-Day Kindergarten			\$240,000	\$240,000	\$240,000	\$240,000	\$240,000
Gifted and Talented Program			-	-	-	-	-
Textbook Reimbursement			\$22,400	\$28,000	\$33,600	\$33,600	\$33,600
Total State	-	-	\$4,094,900	\$3,553,000	\$4,288,600	\$4,288,600	\$4,288,600
			\$0.62	\$0.92	\$0.94	\$0.94	\$0.94
Federal Revenue							
Title I			\$210,000	\$270,000	\$330,000	\$330,000	\$330,000
Title II			\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
Title III			-	-	-	-	-
National School Lunch Program			\$221,397	\$276,746	\$332,096	\$332,096	\$332,096
Total Federal	-	-	\$439,397	\$554,746	\$670,096	\$670,096	\$670,096
Grants							
Federal Startup Grant (Title Vb)	-	\$99,000	\$135,000	-	-	-	-
Walton	-	\$250,000	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Grants	-	\$349,000	\$135,000	-	-	-	-
Other Revenue							
Food Service Revenue			\$39,245	\$49,056	\$58,867	\$58,867	\$58,867
Total Other Revenue	-	-	\$39,245	\$49,056	\$58,867	\$58,867	\$58,867
Total Revenue							
State	-	-	\$4,094,900	\$3,553,000	\$4,288,600	\$4,288,600	\$4,288,600
Federal	-	-	\$439,397	\$554,746	\$670,096	\$670,096	\$670,096
Grants	-	\$349,000	\$135,000	-	-	-	-
Other	-	-	\$39,245	\$49,056	\$58,867	\$58,867	\$58,867
Total Revenue	-	\$349,000	\$4,708,542	\$4,156,802	\$5,017,562	\$5,017,562	\$5,017,562
<i>Note: For Fee Calcs</i>	-	-	\$3,035,400	\$3,831,000	\$4,626,600	\$4,626,600	\$4,626,600

Income Statement - Revenue

Other Operating Expenses - Indianapolis

	<u>Year -1</u>	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Operating Expenses - Variable							
Teacher Recruitment and Certification	-	\$22,000	\$44,000	\$49,500	\$49,500	\$49,500	\$49,500
Professional Development	-	\$12,000	\$15,000	\$18,000	\$18,000	\$18,000	\$18,000
Parent Appreciation	-	\$4,000	\$5,000	\$6,000	\$6,000	\$6,000	\$6,000
Substitutes	-	\$24,000	\$30,000	\$36,000	\$36,000	\$36,000	\$36,000
Dues & Memberships	-	\$3,000	\$3,750	\$4,500	\$4,500	\$4,500	\$4,500
Insurance	-	\$28,705	\$28,705	\$28,705	\$28,705	\$28,705	\$28,705
Printing & Copying	-	\$2,400	\$3,000	\$3,600	\$3,600	\$3,600	\$3,600
Postage & Shipping	-	\$1,275	\$1,594	\$1,913	\$1,913	\$1,913	\$1,913
Transportation	-	\$120,000	\$150,000	\$180,000	\$180,000	\$180,000	\$180,000
Fingerprinting / TB Testing	-	\$2,000	\$2,500	\$3,000	\$3,000	\$3,000	\$3,000
Authorizer Oversight Fee	-	\$51,100	\$65,700	\$80,300	\$80,300	\$80,300	\$80,300
Contingencies	-	\$3,490	\$47,085	\$41,568	\$50,176	\$50,176	\$50,176
Total Operating Expenses - Variable	-	\$3,490	\$317,565	\$390,817	\$461,693	\$461,693	\$461,693
Operating Expenses - Fixed							
Facilities Maintenance, Custodial, Utilities	-	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Travel/Teacher Recruiting	\$3,280	\$3,280	\$3,280	\$3,280	\$3,280	\$3,280	\$3,280
Copier Lease	-	\$25,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Audit	\$1,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
Legal	\$5,000	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Assessment Team	-	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Powerschool consulting	-	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Equipment Rentals (servery)	-	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Communications	-	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Marketing / Development	\$2,000	-	-	-	-	-	-
Transportation (field trips)	-	\$6,000	\$15,000	\$30,000	\$30,000	\$30,000	\$30,000
Staff Appreciation	-	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Medical Supplies	-	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Total Operating Expenses - Fixed	-	\$11,280	\$192,780	\$206,780	\$221,780	\$221,780	\$221,780
Fees							
Regional Fee	-	-	\$455,310	\$574,650	\$693,990	\$693,990	\$693,990
Facilities Cost	-	-	\$364,248	\$459,720	\$555,192	\$555,192	\$555,192
Total Fees	-	-	\$819,558	\$1,034,370	\$1,249,182	\$1,249,182	\$1,249,182
Total Expenses							
Salaries	-	\$66,000	\$1,501,600	\$1,707,400	\$1,942,675	\$1,942,675	\$1,942,675
Supplies	-	\$3,400	\$660,650	\$546,000	\$636,350	\$602,100	\$602,100
Other	-	\$14,770	\$510,345	\$597,597	\$683,473	\$683,473	\$683,473
Fees	-	-	\$819,558	\$1,034,370	\$1,249,182	\$1,249,182	\$1,249,182
Total Expenses	-	\$84,170	\$3,492,153	\$3,885,367	\$4,511,680	\$4,477,430	\$4,477,430
EBITDA	-	\$264,830	\$1,216,388	\$271,435	\$505,882	\$540,132	\$540,132
Depreciation	-	-	-	-	-	-	-
Amoritization	-	-	-	-	-	-	-
EBIT	-	\$264,830	\$1,216,388	\$271,435	\$505,882	\$540,132	\$540,132
Interest	-	-	-	-	-	-	-
Net Income	-	\$264,830	\$1,216,388	\$271,435	\$505,882	\$540,132	\$540,132

Other Operating Expenses - Indianapolis

	Balance Sheet						
	<u>Year -1</u>	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Assets							
Cash	-	\$268,197	\$418,617	\$360,568	\$546,290	\$1,085,052	\$1,625,185
Facility Deposit	-	-	-	-	-	-	-
Accounts Receivable	-	-	\$1,397,160	\$1,793,451	\$2,189,741	\$2,189,741	\$2,189,741
PP&E	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-
Total Assets	-	\$268,197	\$1,815,777	\$2,154,018	\$2,736,031	\$3,274,793	\$3,814,925
Liabilities							
Accounts Payable	-	\$3,367	\$334,559	\$401,365	\$477,495	\$476,125	\$476,125
Debt	-	-	-	-	-	-	-
Total Liabilities	-	\$3,367	\$334,559	\$401,365	\$477,495	\$476,125	\$476,125
Equity							
Check	-	\$264,830	\$1,481,218	\$1,752,653	\$2,258,536	\$2,798,668	\$3,338,800
Note: Working Capital	-	(\$3,367)	\$1,062,602	\$1,392,086	\$1,712,246	\$1,713,616	\$1,713,616

Balance Sheet

	Cash Flow						
	<u>Year -1</u>	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Free Cash Flow							
Net Income	-	\$264,830	\$1,216,388	\$271,435	\$505,882	\$540,132	\$540,132
Plus: D & A	-	-	-	-	-	-	-
Less: Change in Working Capital	-	\$3,367	(\$1,065,968)	(\$329,484)	(\$320,160)	(\$1,370)	-
Less: CapEx	-	-	-	-	-	-	-
Less: Security Deposits	-	-	-	-	-	-	-
Total Free Cash Flow	-	\$268,197	\$150,420	(\$58,049)	\$185,722	\$538,762	\$540,132
Financing Flow							
Revolver	-	-	-	-	-	-	-
Convertible Loan	-	-	-	-	-	-	-
Financing Flow	-	-	-	-	-	-	-
Cash Reconciliation							
BOP Cash	-	-	\$268,197	\$418,617	\$360,568	\$546,290	\$1,085,052
Cash Flow	-	\$268,197	\$150,420	(\$58,049)	\$185,722	\$538,762	\$540,132
EOP Cash	-	\$268,197	\$418,617	\$360,568	\$546,290	\$1,085,052	\$1,625,185
<i>Note: Minimum Cash</i>	-	\$379,605	\$413,840	\$477,211	\$472,930	\$472,930	\$472,930

Cash Flow

Debt Schedule							
	<u>Year -1</u>	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Working Capital Revolver							
Max Capacity	-	-	-	-	-	-	-
BOP Outstanding	-	-	-	-	-	-	-
Optional Drawdown / (Paydown)	-	-	-	-	-	-	-
EOP	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Convertible Loan							
BOP	-	-	-	-	-	-	-
Drawdown	-	-	-	-	-	-	-
Amortization	-	-	-	-	-	-	-
Optional Drawdown / (Payback)	-	-	-	-	-	-	-
EOP	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total Debt	-	-	-	-	-	-	-
Total Interest Expenses	-	-	-	-	-	-	-

Debt Schedule

x For Roll-Up

	<u>Year -1</u>	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Income Statement							
Revenue							
State	-	-	\$4,094,900	\$3,553,000	\$4,288,600	\$4,288,600	\$4,288,600
Federal	-	-	\$218,000	\$278,000	\$338,000	\$338,000	\$338,000
Development	-	-	-	-	-	-	-
Food	-	-	\$260,642	\$325,802	\$390,962	\$390,962	\$390,962
Total Revenue	-	-	\$4,573,542	\$4,156,802	\$5,017,562	\$5,017,562	\$5,017,562
Expenses							
Salaries	-	\$66,000	\$1,501,600	\$1,707,400	\$1,942,675	\$1,942,675	\$1,942,675
Supplies	-	\$3,400	\$660,650	\$546,000	\$636,350	\$602,100	\$602,100
Other	-	\$11,280	\$463,260	\$556,029	\$633,298	\$633,298	\$633,298
Contingencies	-	\$3,490	\$47,085	\$41,568	\$50,176	\$50,176	\$50,176
Depreciation	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total Expenses	-	\$84,170	\$2,672,595	\$2,850,997	\$3,262,498	\$3,228,248	\$3,228,248
Fees							
Regional Fee	-	-	\$455,310	\$574,650	\$693,990	\$693,990	\$693,990
Facilities Cost	-	-	\$364,248	\$459,720	\$555,192	\$555,192	\$555,192
Total Fees	-	-	\$819,558	\$1,034,370	\$1,249,182	\$1,249,182	\$1,249,182
Balance Sheet							
Cash	-	\$268,197	\$418,617	\$360,568	\$546,290	\$1,085,052	\$1,625,185
PP&E	-	-	-	-	-	-	-
Facility Deposit	-	-	-	-	-	-	-
Working Capital Revolver	-	-	-	-	-	-	-
Convertible Loan	-	-	-	-	-	-	-
Equity	-	\$264,830	\$1,481,218	\$1,752,653	\$2,258,536	\$2,798,668	\$3,338,800
Cash Flow							
Cap Ex	-	-	-	-	-	-	-
Security Deposit	-	-	-	-	-	-	-
D&A	-	-	-	-	-	-	-
Receivables							
State	-	-	\$1,277,500	\$1,642,500	\$2,007,500	\$2,007,500	\$2,007,500
Federal	-	-	\$109,849	\$138,687	\$167,524	\$167,524	\$167,524
Grants	-	-	-	-	-	-	-
Other	-	-	\$9,811	\$12,264	\$14,717	\$14,717	\$14,717
Total Receivables	-	-	\$1,397,160	\$1,793,451	\$2,189,741	\$2,189,741	\$2,189,741
Payables							
Regional	-	-	\$227,655	\$287,325	\$346,995	\$346,995	\$346,995
Facilities	-	-	-	-	-	-	-
Other	-	\$3,367	\$106,904	\$114,040	\$130,500	\$129,130	\$129,130
Total Payables	-	\$3,367	\$334,559	\$401,365	\$477,495	\$476,125	\$476,125
Cash							
Cash Balance	-	\$268,197	\$418,617	\$360,568	\$546,290	\$1,085,052	\$1,625,185
Minimum Cash	-	\$379,605	\$413,840	\$477,211	\$472,930	\$472,930	\$472,930
Cash Shortage	-	(\$111,409)	\$4,777	(\$116,643)	\$73,360	\$612,122	\$1,152,255
Operating Stats							
Students	-	-	400	500	600	600	600
Teachers	-	-	12	15	18	18	18
Administrators	-	-	3	3	3	3	3

For Roll-Up

x Calcs for Model

PCSGP

PCSGP - Base	\$100,000	\$100,000	-
PCSGP - Rollover	\$100,000	\$200,000	\$200,000
Expenses	\$66,000	\$1,956,910	\$2,282,050
Amount Used	-	-	-
Rollover	\$100,000	\$200,000	\$200,000

Calcs for Model

ROCKETSHIP EDUCATION INDIANA
Attachment 20
Budget Narrative

Summary

The financial projections attached in Attachment 19 are based upon conservative estimates of Rocketship Education's proven operating model. The budget is based upon a plan of opening 8 schools in Indianapolis between FY 2015 and FY 2019. The schools will be supported by a Regional Support Office (RSO), and Special Education services will be managed at the regional level.

The following is a summary narrative of the school and regional budgets with insight into the primary assumptions. Every assumption is also detailed in Attachment 19 as well should there be any unanswered questions from this document.¹

Students: Enrollment, Demographics and Average Daily Membership

These financials assume a K-3 school in Year 1 of operations, adding a 4th grade in Year 2 and a 5th grade in Year 3. The budget assumes overall student enrollment figures of 400, 500 and 600 students in Year 1, Year 2 and Year 3 respectively, consistent with 100 students in each grade. Prior to each school year, RSIN plans to have waitlists in place of at least 10% of each class size to mitigate uncertainty.

Basic Grant funds are distributed primarily based on Average Daily Membership, with Kindergarten students only counting as 50%. ADM historically has been taken annually on the second Friday after Labor Day. This budget assumes 80% Free and Reduced Lunch (FRL) students. The number of FRL students will determine the amount of Textbook Reimbursement and Title I funding the school receives.

Revenue Projections

State Revenues²

State funding through the Basic Grant is the largest source of funding for charter schools. Because of RSIN's heavy reliance on this revenue source, we will constantly monitor all components associated with state revenue throughout the year and revise our budgets accordingly.

Basic Grant - RSIN projections for the Basic Grant per ADM funding level are \$7,300, which conservatively is a discount to levels experienced by other charter schools operating in Indianapolis. As previously mentioned, ADM only counts Kindergarten students as 0.5 ADM.

The Basic Grant is supplemented by a variety of other funding programs. Conservatively, RSIN has only projected three of these programs (mentioned below), excluding the Common School Loan, State Lunch, Professional Development, Remediation, Gifted and Talented, and Prime Time. While RSIN intends to apply for any funds referenced in the Digest of Public School Finance that its schools would qualify for, the school level projections in Attachment 19 conservatively do not include all of these programs.

Charter School Startup Grant - Due to the 6 month receivable balance on the Basic Grant, legislation was recently passed that provided for new charter schools to receive a Startup Grant in the amount of 50% of their Year 1 Basic Grant funding level.

¹ Please note that RSIN has conservatively projected flat revenues and costs, with the exception of salary levels that increase in base pay for additional experience, such as principals and teachers.

² RSIN has modeled its assumptions for state funding based on the Digest of Public School Finance in Indiana 2011-2013 Biennium. By the time RSIN's first school opens in the fall of 2015, there will likely be modified legislation around state funding. However, unless otherwise noted, RSIN will use the 2011-2013 Digest as its reference for State Funds.

Full Day Kindergarten Grant - Schools that offer full day Kindergarten are eligible for grant funds that supplement the 0.5 ADM count of their Kindergarten Students. RSIN has projected \$2,400 per Kindergarten student.

Textbook Reimbursement - The Textbook Reimbursement Contingency fund was established to provide reimbursement to schools for a portion of the costs incurred during the year for classroom instruction of students who qualify for Free and Reduced Lunch. RSIN has assumed a reimbursement level of \$70 per FRL student, a discount to historical levels.

Federal Revenues

RSIN intends to apply for Federal funding under the ESEA. RSIN is aware that there are significant compliance features associated with federal funding.

Title I - Title I funding is based upon a formula for students qualifying for free and/or reduced meals. RSIN is projecting \$750 per FRL student, which is a significant discount to the levels received by similar charter school operators in Indianapolis.

Title II - Title II funding is available for schools to increase academic achievement by improving teacher quality. RSIN is projecting \$8,000 per school of Title II funds per year.

Free and Reduced-Price Meal Eligibility - The federally funded National School Lunch Program (NSLP) provides reimbursement for student meals at levels based on parent/guardian income levels. For this budget, we assume that 70%, of our students will be eligible to for free status, 10% for reduced-price, and 20% paid. For operational purposes, we project that 85% of all students regularly participate in the lunch and breakfast program, which is based on historical percentages and due diligence efforts. RSIN currently does not plan on offering afternoon snack service, but may decide do to so in the future based on the needs of the students we serve. Additional receipts from paid student meals are included in the budget as Other revenue.

Grants and Fundraising

RSIN schools are operated to be sustainable on public funds alone. RSIN is projecting no ongoing fundraising revenues at the schools.

Each RSIN school has included a \$250,000 startup grant from the Walton Family Foundation to be received by the school in Year 0 of operations. While these funds have not yet been committed, each Rocketship school to date has received the grant and Rocketship Education's National office maintains a close relationship with the Charter School Growth Fund, who distributes the Walton grants.

RSIN is projecting receiving Title V funding under the PCSP Grant program. RSIN has projected a minimum 25% discount to the maximum funding levels available under the program.

RSIN is conservatively not including any grants under the Indiana Charter School Facilities Grants program as the program is up for renewal before any of RSIN's schools would open.

Other

RSIN is projecting a small portion of revenues to come from students eating lunch who are not eligible for free meals. Should fewer students qualify for paid status, this revenue would be made up in NSLP reimbursement funding.

Expenditures

Compensation

Staffing - RSIN teacher staffing levels are based upon enrollment projections. In a traditional elementary school, if a teacher's homeroom class is receiving services from another teacher, the homeroom teacher does not instruct another class of students. Because RSIN teachers are specialized in a subject area, they are able to teach more than one class of students each day, similar to middle and high school teachers. With four Kindergarten classes, one class will be in Learning Lab, two in Humanities and one in Math/Science at any given time of the day. This allows Rocketship to hire three Kindergarten teachers whereas traditional elementary schools must hire four. RSIN projects having an in-class student teacher ratio of 25:1. With students spending approximately 75% of their day in a classroom and 25% in Learning Lab, a school with a total enrollment of 600 students will be staffed with 18 teachers for the 450 students who are in a classroom at any point in time during the day.

Teachers at RSIN will be supported by a Principal, Assistant Principal, Academic Dean and Office Manager. Additionally, schools will have paraprofessionals to assist with the Learning Lab, and other classified staff to assist with operations.

Bonus - All certificated employees and the Office Manager are eligible for year-end bonuses. RSIN has assumed Principals, Assistant Principals and Academic Deans being eligible for and receiving 20% bonuses, with Teachers and Office Managers being eligible for and receiving 10% bonuses.

Benefits - All employees are eligible for benefits. RSIN has projected benefit levels at 25% of salary and bonus. This figure includes healthcare, workers compensation, unemployment, Medicare, FICA and retirement plan contributions. As a retirement plan, RSIN plans to offer a 403(b) plan to all employees.

Other Operating Expenses

RSIN has developed the projections for other expenses based on the historical results of RSED's existing schools and research into the Indianapolis landscape. Specific, large items are detailed below, but all assumptions can be found in Attachment 19.

Food: RSIN is projecting an average cost of \$4.50 per student per day, which covers breakfast and lunch for each participating student. Rocketship's existing campuses contract with a third party vendor, Revolution Foods, who we anticipate growing with into Indianapolis. Provided they are not an option, RSIN will evaluate both district and third party options, expecting similar cost levels.

Transportation: RSIN is projecting \$300 of cost per student in transportation. This is intended to be an estimate of the cost for whether RSIN provides transportation or contracts with a third party vendor. Because we aspire to be a community school, we do not intend to provide transportation, but included it in the budget as a conservative projection should the need arise.

Facilities Fees: Based on market diligence and historical experience, RSIN is conservatively projecting Facilities Fees of 12% of non-reimbursable revenue, or approximately \$550,000 in run rate lease costs per year. RSIN will perform a rigorous lease vs. build analysis based on market conditions closer to opening the schools to determine the optimal strategy, but in either case expects 12% to be a conservative estimate.³

Regional Fees: As discussed in the charter application, this is the management fee paid to the Regional Staff Office (RSO) to provide necessary operational and academic services to the schools. The RSO also provides community development and parent engagement support to the schools. The RSO also coordinates the delivery of Rocketship Education's Public School Model and its ongoing research and

³ Based on historical experience, Rocketship would budget project costs for schools constructed from the ground up between \$6,000,000 and \$7,000,000. Weighted average cost of capital on those projects has been 7%, which would result in annual fees of \$420,000 to \$490,000.

development, which is actualized through the National Fee, outlined below. The regional fees are calculated as 15% of non-reimbursable revenue.

Contingency Plans - RSIN has conservatively budgeted Contingencies at 1% of revenue to cover any potential revenue shortfall or higher than expected cost. This amounts to between \$40-\$50k each year. In addition, RSIN schools project to have accumulated a total reserve balance of \$3.5M by the end of Year 5 of operations, providing substantial flexibility for unexpected revenue shortfalls or cost increases.

Health Metrics

As shown below, the conservative projections in the budget model still lead to schools achieving sustainable health metrics. RSIN’s schools project to maintain a minimum of \$250,00 of cash on hand, ending Year 5 with total reserves of over \$3.5M.

Health Metrics - Indianapolis School							
	Year -1	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Health Metrics							
Net Income	-	\$264,830	\$1,216,388	\$271,435	\$505,882	\$540,132	\$540,132
Total Reserves	-	\$264,830	\$1,481,218	\$1,752,653	\$2,258,536	\$2,798,668	\$3,338,800
EOP Cash	-	\$268,197	\$418,617	\$360,568	\$546,290	\$1,085,052	\$1,625,185

Regional Support Office

RSIN schools will be supported by a separate Regional Support Office. Below are details on the revenue and cost assumptions.

Revenue

The primary source of recurring revenue for the RSO will be the management fee charged to the schools in the region. RSO expenses break even and become sustainable with this management fee when there are 8 schools in the region.

Each RSO will fundraise money from local organizations to support start-up expenses prior to achieving sustainability with 8 schools in the region. It is anticipated that RSIN will raise \$2,500,000 of funds prior to the RSO being established. Raising this capital is a precondition of green-lighting by Rocketship’s Board of Directors. Therefore, while this start-up funding is not currently secured, RSIN will not open without it.

Expenses

Compensation - The primary expense for an RSO is compensation. Compensation includes salary as well as benefits and bonus at levels similar to schools. Beginning the year prior to the first school opening, the team consists of three team members: Directors of Community Development, Business, and Achievement. A Regional Director is added in the first school year. The team expands to include support staff and a Regional VP when the regional network grows to five schools in Year 4. The staffing table and associated salary bands can be found in Attachment 19 on the “IN RSO” sheet.

Other Operating Expenses - Expenses in this category include materials and supplies (computers, telephones, office supplies) and other operating expenses (rent, travel, consultants, recruitment expenses).

National Fee - Rocketship Education National charges a fee of 10% of school revenues from the RSO. This fee, as detailed in the charter application, supports the academic and operational support provided to the region by the national office. In addition, The RSO will pay the Rocketship Education National Office licensing fees for use and continued research and development of intellectual property such as Learning Lab design and infrastructure, the Network Leadership Program, and teacher development curriculum.

Health Metrics

The RSO maintains positive cash and reserve balances every year throughout the budgeted period. Further, in FY 2020, when the region has grown to 8 schools, the RSO will become sustainable on the Regional Fee revenue alone, generating a positive net income that will provide for sustainable operations going forward.

Health Metrics - Indianapolis RSO							
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Health Metrics							
Net Income	\$2,500,000	(\$530,410)	(\$570,860)	(\$398,560)	(\$187,230)	(\$412,010)	\$105,640
Total Reserves	\$2,500,000	\$1,969,590	\$1,398,730	\$1,000,170	\$812,940	\$400,930	\$506,570
EOP Cash	\$2,500,000	\$1,978,257	\$1,407,397	\$1,010,503	\$824,940	\$417,097	\$527,737

Special Education

RSIN, operating as its own LEA, will manage its own Special Education curriculum and staffing off of the federal and state funds available.

Revenues

RSIN is projecting no SPED revenues from the state outside of the Basic Grant. Federal IDEA funds are supplemental to this amount, and RSIN is projecting \$1,500 per student with an IEP. RSIN is conservatively projecting 12% of all students will have an IEP.

Expenses

Compensation

The primary expense for RSIN’s Special Education program is compensation. RSIN is projecting to have one Resource Specialist and one Para Professional at every school. In addition, these positions will be supported by a Regional Administrator and other regional support staff such as a Speech Therapist, School Psychologist and Occupational Therapist. The staffing table and associated salary bands can be found in Attachment 19 on the “IN SPED” sheet.

Other Operating Expenses

Other Operating expenses include Materials & Supplies, Consultants, and Reserve Funds. The consultants provide additional support for the region across a variety of expected needs, including School Psychologists and Occupational Therapists prior to the region having sufficient scale to hire specifically for those roles. Each region is also conservatively funding a Reserve Fund in the amount of 10% of program costs to support any potential unexpected costs.

Overall Health Metrics

As shown in the table below, the consolidated region never has less than \$1M of cash and accumulates \$13M of total reserves by the end of Year 5. The conservative projections underlying these sustainable metrics give RSIN confidence in its ability to execute on this plan.

Health Metrics - Indianapolis Consolidated							
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Health Metrics							
Net Income	\$2,500,000	(\$248,890)	\$559,683	\$912,743	\$1,822,111	\$3,134,831	\$4,311,422
Total Reserves	\$2,500,000	\$2,251,110	\$2,810,793	\$3,723,537	\$5,545,647	\$8,680,479	\$12,991,901
EOP Cash	\$2,500,000	\$2,246,453	\$1,676,820	\$1,112,597	\$1,122,948	\$1,318,291	\$1,198,958

ROCKETSHIP EDUCATION INDIANA

Attachment 21
Portfolio Summary

School Name	Year Opened	City	Phone	Grades	Students	Free & Reduced Lunch	White	Latino	African American	Other	SPED	ELL	California API 10-11	California API 09-10	California API 08-09	California API 07-08	California API 06-07	Authorizer	Phone
Rocketship Mateo Sheedy	2007	San Jose, CA	(408) 286-3330	K-5	512	450	15	457	15	25	18	331	892	925	925	886	n/a	Santa Clara County Board of Ed	(408) 453-6500
Rocketship Si Se Puede	2009	San Jose, CA	(408) 824-5180	K-5	556	511	8	493	3	52	27	345	859	886	n/a	n/a	n/a	Santa Clara County Board of Ed	(408) 453-6500
Rocketship Los Suenos	2010	San Jose, CA	(408) 684-4028	K-4	507	452	11	438	15	43	36	381	839	n/a	n/a	n/a	n/a	Santa Clara County Board of Ed	(408) 453-6500
Rocketship Discovery Prep	2011	San Jose, CA	(408) 217-8951	K-3	425	362	10	333	7	75	16	341	n/a	n/a	n/a	n/a	n/a	Santa Clara County Board of Ed	(408) 453-6500
Rocketship Mosaic Academy	2011	San Jose, CA	(408) 899-2607	K-3	425	341	32	328	12	51	27	301	n/a	n/a	n/a	n/a	n/a	Franklin-McKinley School Board	(408) 283-6000

ROCKETSHIP EDUCATION INDIANA

Attachment 22
Indiana School Financials
(Not Applicable)

ROCKETSHIP EDUCATION INDIANA

Attachment 23
Operator Financials

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

CONSOLIDATING STATEMENT OF FINANCIAL POSITION - ROCKETSHIP SCHOOLS

December 31, 2011
(UNAUDITED)

	Rocketship National	Rocketship Mateo Sheedy Elementary	Rocketship Si Se Puede	Rocketship Los Suenos Academy	Rocketship Mosaic Elementary	Rocketship Discovery Prep	Rocketship Six Elementary	Rocketship Seven Elementary	Rocketship Eight Elementary	Eliminations	Total Rocketship Schools
ASSETS											
CURRENT ASSETS:											
Cash and cash equivalents	\$ 4,099,746	\$ 758,738	\$ 520,414	\$ 506,605	\$ 400,074	\$ 310,587	\$ 92,761	\$ 92,761	\$ 292,761	\$ -	\$ 7,074,447
Accounts receivable	508,991	608,753	749,142	551,310	529,214	219,578	-	-	-	-	3,166,988
Grants receivable	99,990	-	-	-	-	-	-	-	-	-	99,990
Intercompany receivable	2,200,000	-	-	-	-	-	-	-	-	(2,200,000)	-
Prepaid expenses and deposits	101,411	64,665	59,478	60,684	126,216	126,353	-	-	-	-	538,807
Total current assets	7,010,138	1,432,156	1,329,034	1,118,599	1,055,504	656,518	92,761	92,761	292,761	(2,200,000)	10,880,232
LONG-TERM ASSETS:											
Note receivable	-	-	-	-	-	-	-	-	-	-	-
Security deposits	-	-	-	250,000	250,000	250,000	250,000	250,000	250,000	-	1,500,000
Property, plant & equipment	-	67,351	12,486	-	-	-	-	-	-	-	79,837
Less: Accumulated depreciation	-	(63,609)	(6,093)	-	-	-	-	-	-	-	(69,702)
Total property, plant and equipment, net	-	3,742	6,393	-	-	-	-	-	-	-	10,135
Total long-term assets	-	3,742	6,393	250,000	250,000	250,000	250,000	250,000	250,000	-	1,510,135
Total assets	\$ 7,010,138	\$ 1,435,898	\$ 1,335,427	\$ 1,368,599	\$ 1,305,504	\$ 906,518	\$ 342,761	\$ 342,761	\$ 542,761	\$ (2,200,000)	\$ 12,390,367
LIABILITIES AND NET ASSETS											
CURRENT LIABILITIES:											
Accounts payable	\$ 48,193	\$ 42,903	\$ 38,952	\$ 7,043	\$ 40,568	\$ 9,862	\$ 38	\$ 38	\$ -	\$ -	\$ 187,597
Accrued liabilities	129,756	58,185	43,939	43,772	328,135	133,502	-	-	-	-	737,289
Deferred revenue	32,157	-	-	9,628	22,892	34,303	-	-	-	-	98,980
Intercompany payable	-	-	200,000	700,000	400,000	700,000	-	-	200,000	(2,200,000)	-
Current portion of loans payable	-	50,000	33,333	58,334	-	-	-	-	-	-	141,667
Total current liabilities	210,106	151,088	316,224	818,777	791,595	877,667	38	38	200,000	(2,200,000)	1,165,533
LONG-TERM LIABILITIES:											
Accrued interest	124,613	-	-	-	-	-	24,630	24,630	-	-	173,873
Convertible loans	800,000	-	-	-	-	-	250,000	250,000	-	-	1,300,000
Loans payable	300,000	50,000	80,000	180,000	200,000	-	-	-	-	-	810,000
Total long-term liabilities	1,224,613	50,000	80,000	180,000	200,000	-	274,630	274,630	-	-	2,283,873
NET ASSETS:											
Unrestricted	5,575,419	1,234,810	939,203	369,822	313,909	28,851	68,093	68,093	342,761	-	8,940,961
Temporarily restricted	-	-	-	-	-	-	-	-	-	-	-
Total net assets	5,575,419	1,234,810	939,203	369,822	313,909	28,851	68,093	68,093	342,761	-	8,940,961
Total liabilities and net assets	\$ 7,010,138	\$ 1,435,898	\$ 1,335,427	\$ 1,368,599	\$ 1,305,504	\$ 906,518	\$ 342,761	\$ 342,761	\$ 542,761	\$ (2,200,000)	\$ 12,390,367

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**CONSOLIDATING STATEMENT OF ACTIVITIES -ROCKETSHIP SCHOOLS
For the Six Months Ended December 31, 2011
(UNAUDITED)**

	Rocketship National	Rocketship Mateo Sheedy Elementary	Rocketship Si Se Puede	Rocketship Los Suenos Academy	Rocketship Mosaic Elementary	Rocketship Discovery Prep	Rocketship Six Elementary	Rocketship Seven Elementary	Rocketship Eight Elementary	Eliminations	Total Rocketship Schools
UNRESTRICTED NET ASSETS:											
Revenues											
Apportionment revenue	\$ -	\$ -	\$ 559,782	\$ 894,042	\$ 420,930	\$ 720,244	\$ -	\$ -	\$ -	\$ -	\$ 2,594,998
Categorical grant revenue	-	179,383	207,433	187,563	167,594	166,673	-	-	-	-	908,646
Property taxes	-	941,559	401,017	-	303,293	-	-	-	-	-	1,645,869
Other State revenue	400,839	269,913	178,973	193,515	134,895	133,708	-	-	-	-	1,311,843
Federal revenue	70,611	172,261	146,577	330,185	101,893	96,457	-	-	-	-	917,984
Other local revenue	1,149,709	6,094	15,312	12,649	22,771	20,447	-	-	-	(1,103,554)	123,428
Contributions	1,906,250	453	9,201	254	705,097	408,898	-	-	250,000	-	3,280,153
Total unrestricted revenues	3,527,409	1,569,663	1,518,295	\$1,618,208	1,856,473	1,546,427	-	-	250,000	(1,103,554)	10,782,921
Program expenses											
Educational programs	504,387	1,343,475	1,306,593	1,348,076	1,325,528	1,238,930	6,041	6,041	989	-	7,080,060
Supporting services											
Site supports	665,978	-	-	-	-	-	-	-	-	-	665,978
Program development and expansion	429,175	-	-	-	-	-	-	-	-	-	429,175
Administration and general	1,516,166	221,834	212,228	228,958	219,673	220,863	-	-	-	(1,103,554)	1,516,168
Total supporting services	2,611,319	221,834	212,228	228,958	219,673	220,863	-	-	-	(1,103,554)	2,611,321
Total expenses	3,115,706	1,565,309	1,518,821	1,577,034	1,545,201	1,459,793	6,041	6,041	989	(1,103,554)	9,691,381
Increase (decrease) in unrestricted net assets	411,703	4,354	(526)	41,174	311,272	86,634	(6,041)	(6,041)	249,011	-	1,091,540
TEMPORARILY RESTRICTED NET ASSETS:											
Contributions	-	-	-	-	-	-	-	-	-	-	-
Increase in temporarily restricted net assets	-	-	-	-	-	-	-	-	-	-	-
Beginning net assets	5,163,716	1,230,456	939,729	328,648	2,637	(57,783)	74,134	74,134	93,750	-	7,849,421
Ending net assets	\$ 5,575,419	\$ 1,234,810	\$ 939,203	\$ 369,822	\$ 313,909	\$ 28,851	\$ 68,093	\$ 68,093	\$ 342,761	\$ -	\$ 8,940,961

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**CONSOLIDATING STATEMENT OF CASH FLOWS - ROCKETSHIP SCHOOLS
For the Six Months Ended December 31, 2011
(UNAUDITED)**

	Rocketship National	Rocketship Mateo Sheedy Elementary	Rocketship Si Se Puede	Rocketship Los Suenos Academy	Rocketship Mosaic Elementary	Rocketship Discovery Prep	Rocketship Six Elementary	Rocketship Seven Elementary	Rocketship Eight Elementary	Eliminations	Total Rocketship Schools
CASH FLOWS from OPERATING ACTIVITIES:											
Change in Net Assets	\$ 411,703	\$ 4,354	\$ (526)	\$ 41,174	\$ 311,272	\$ 86,634	\$ (6,041)	\$ (6,041)	\$ 249,011	\$ -	\$ 1,091,540
Adjustment to reconcile change in net assets to net cash provided (used) by operating activities:											
Depreciation		749	1,249								1,998
Debt forgiven through grant agreement					(250,000)	(250,000)					(500,000)
(Increase) or decrease in operating assets:											
Accounts receivable	483,203	309,239	552,813	530,626	(529,214)	(219,578)					1,127,089
Grants receivable	983,010										983,010
Prepaid expenses and other current assets	(29,684)	(64,665)	(58,978)	(60,684)	(126,216)	(126,353)	(175,000)	(250,000)	(250,000)		(1,141,580)
Increase or (decrease) in operating liabilities:											
Accounts payable and accrued liabilities	(445,642)	(183,933)	(179,934)	(173,541)	341,216	94,606	5,052	5,052			(537,124)
Deferred revenue	32,157			(52,872)	22,892	34,303					36,480
Net cash provided (used) by operating activities	1,434,747	65,744	314,624	284,703	(230,050)	(380,388)	(175,989)	(250,989)	(989)	-	1,061,413
CASH FLOWS from INVESTING ACTIVITIES:											
Issuance of note receivable	(1,699,800)	-	-	-	-	-	-	-	-	-	(1,699,800)
Proceeds from note receivable	5,213,414	-	-	-	-	-	-	-	-	-	5,213,414
Net cash provided by investing activities	3,513,614	-	-	-	-	-	-	-	-	-	3,513,614
CASH FLOWS from FINANCING ACTIVITIES:											
Intercompany loans	(1,400,000)		200,000		400,000	600,000			200,000		-
Repayment of debt	(3,500,000)		(6,667)	(11,666)							(3,518,333)
Proceeds from debt	-			150,000	200,000						350,000
Net cash provided (used) by financing activities	(4,900,000)	-	193,333	138,334	600,000	600,000	-	-	200,000	-	(3,168,333)
Net increase (decrease) in cash and cash equivalents	48,361	65,744	507,957	423,037	369,950	219,612	(175,989)	(250,989)	199,011	-	1,406,694
Cash and cash equivalents at the beginning of the period	4,051,385	692,994	12,457	83,568	30,124	90,975	268,750	343,750	93,750	-	5,667,753
Cash and cash equivalents at the end of the period	\$ 4,099,746	\$ 758,738	\$ 520,414	\$ 506,605	\$ 400,074	\$ 310,587	\$ 92,761	\$ 92,761	\$ 292,761	\$ -	\$ 7,074,447

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**Consolidated Audited Financial Statements
for the Year Ended
June 30, 2011**

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

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**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Rocketship Education and its Affiliates
San Jose, CA

We have audited the accompanying consolidated statement of financial position of Rocketship Education and its Affiliates (RSEA), a California non-profit public benefit corporation, as of June 30, 2011, and the related consolidated statements of activities and cash flows for the year then ended. These financial statements are the responsibility of RSEA's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from RSEA's 2010 financial statements, and in our report dated December 1, 2010, we expressed an unqualified opinion on those financial statements.

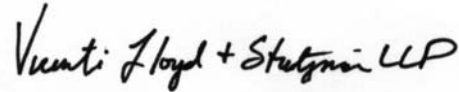
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements described above present fairly, in all material respects, the financial position of RSEA as of June 30, 2011, and the changes in its net assets and cash flows for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 29, 2011 on our consideration of RSEA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Board of Directors
Rocketship Education and its Affiliates

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards on page 36 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the financial statements. The accompanying supplementary schedules on pages 26-35 are presented for purposes of additional analysis and are also not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The supplementary section, including the schedule of expenditures of federal awards, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



VICENTI, LLOYD & STUTZMAN LLP

November 29, 2011

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

June 30, 2011

with comparative totals for June 30, 2010

	Rocketship Schools	Launchpad	Eliminations	2011 Total	2010 Total
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents (notes 1,2)	\$ 5,667,753	\$ 3,701,362	\$ -	\$ 9,369,115	\$ 7,001,097
Restricted cash (note 1)		909,959		909,959	40,019
Accounts receivable (note 3)	4,294,077	579,825	(719,595)	4,154,307	1,732,866
Grant receivable (note 4)	1,083,000			1,083,000	-
Prepaid expenses and deposits	72,227	73,431		145,658	218,858
Total current assets	<u>11,117,057</u>	<u>5,264,577</u>	<u>(719,595)</u>	<u>15,662,039</u>	<u>8,992,840</u>
LONG-TERM ASSETS:					
Notes receivable (note 6)	3,513,614		(3,513,614)	-	-
Security deposits	825,000		(825,000)	-	-
Property, plant & equipment	79,837	33,729,992		33,809,829	18,079,748
Less: Accumulated depreciation	(67,704)	(1,271,457)		(1,339,161)	(731,992)
Total property, plant and equipment, net (note 5)	<u>12,133</u>	<u>32,458,535</u>	<u>-</u>	<u>32,470,668</u>	<u>17,347,756</u>
Total long-term assets	<u>4,350,747</u>	<u>32,458,535</u>	<u>(4,338,614)</u>	<u>32,470,668</u>	<u>17,347,756</u>
Total assets	<u>\$ 15,467,804</u>	<u>\$ 37,723,112</u>	<u>\$ (5,058,209)</u>	<u>\$ 48,132,707</u>	<u>\$ 26,340,596</u>
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES:					
Accounts payable	\$ 468,228	\$ 3,080,813	\$ (688,242)	\$ 2,860,799	\$ 1,575,945
Accrued liabilities	977,248			977,248	261,316
Deferred revenues	62,500			62,500	-
Accrued interest		120,367	(31,353)	89,014	91,909
Current portion of loans payable (note 6)	110,000	146,660		256,660	262,124
Total current liabilities	<u>1,617,976</u>	<u>3,347,840</u>	<u>(719,595)</u>	<u>4,246,221</u>	<u>2,191,294</u>
LONG-TERM LIABILITIES:					
Security deposits		825,000	(825,000)	-	-
Accrued interest	190,407			190,407	126,494
Convertible loans (note 6)	1,800,000			1,800,000	2,450,000
Loans payable (note 6)	4,010,000	32,187,553	(3,513,614)	32,683,939	19,353,844
Total long-term liabilities	<u>6,000,407</u>	<u>33,012,553</u>	<u>(4,338,614)</u>	<u>34,674,346</u>	<u>21,930,338</u>
NET ASSETS:					
Unrestricted	6,266,421	1,362,719		7,629,140	2,218,964
Temporarily restricted (note 7)	1,583,000			1,583,000	-
Total net assets	<u>7,849,421</u>	<u>1,362,719</u>	<u>-</u>	<u>9,212,140</u>	<u>2,218,964</u>
Total liabilities and net assets	<u>\$ 15,467,804</u>	<u>\$ 37,723,112</u>	<u>\$ (5,058,209)</u>	<u>\$ 48,132,707</u>	<u>\$ 26,340,596</u>

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2011
with comparative totals for the Year Ended June 30, 2010**

	<u>Rocketship Schools</u>	<u>Launchpad</u>	<u>Eliminations</u>	<u>2011 Total</u>	<u>2010 Total</u>
UNRESTRICTED NET ASSETS:					
Revenues					
Apportionment revenue	\$ 3,808,147	\$ -	\$ -	\$ 3,808,147	\$ 1,307,654
Categorical grant revenue	1,286,595			1,286,595	802,227
Property taxes	2,757,142			2,757,142	2,905,691
Other State revenue	2,158,917			2,158,917	1,307,189
Federal revenue	1,846,344			1,846,344	1,438,772
Other local revenue	96,257	2,808,799	(1,620,805)	1,284,251	123,109
Contributions	5,510,925	367,401	(44,401)	5,833,925	1,047,856
Total unrestricted revenues	<u>17,464,327</u>	<u>3,176,200</u>	<u>(1,665,206)</u>	<u>18,975,321</u>	<u>8,932,498</u>
Program Expenses					
Educational programs	<u>9,209,516</u>		<u>(1,589,453)</u>	<u>7,620,063</u>	<u>4,719,700</u>
Supporting Services					
Site supports	777,869	1,941,354		2,719,223	1,419,008
Program development and expansion	735,481			735,481	655,990
Administration and general	1,996,948	569,183	(75,753)	2,490,378	932,421
Total supporting services	<u>3,510,298</u>	<u>2,510,537</u>	<u>(75,753)</u>	<u>5,945,082</u>	<u>3,007,419</u>
Total expenses	<u>12,719,814</u>	<u>2,510,537</u>	<u>(1,665,206)</u>	<u>13,565,145</u>	<u>7,727,119</u>
Increase in unrestricted net assets	<u>4,744,513</u>	<u>665,663</u>	<u>-</u>	<u>5,410,176</u>	<u>1,205,379</u>
TEMPORARILY RESTRICTED NET ASSETS:					
Contributions	<u>1,583,000</u>	<u>-</u>	<u>-</u>	<u>1,583,000</u>	<u>-</u>
Increase in temporarily restricted net assets	<u>1,583,000</u>	<u>-</u>	<u>-</u>	<u>1,583,000</u>	<u>-</u>
Beginning net assets	<u>1,521,908</u>	<u>697,056</u>	<u>-</u>	<u>2,218,964</u>	<u>1,013,585</u>
Ending net assets	<u>\$ 7,849,421</u>	<u>\$ 1,362,719</u>	<u>\$ -</u>	<u>\$ 9,212,140</u>	<u>\$ 2,218,964</u>

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2011
with comparative totals for the Year Ended June 30, 2010**

	<u>Rocketship Schools</u>	<u>Launchpad</u>	<u>Eliminations</u>	<u>2011 Total</u>	<u>2010 Total</u>
CASH FLOWS from OPERATING ACTIVITIES:					
Change in Net Assets	\$ 6,327,513	\$ 665,663	\$ -	\$ 6,993,176	\$ 1,205,379
Adjustments to reconcile change in net assets to net cash provided by operating activities:					
Depreciation	3,995	603,175		607,170	430,901
Debt forgiven through grant agreement	(650,000)			(650,000)	(650,000)
(Increase) or decrease in operating assets:					
Accounts receivable	(2,568,711)	(572,324)		(3,141,035)	(1,043,434)
Grants receivable	(1,083,000)			(1,083,000)	-
Prepaid expenses and other current assets	(567,405)	65,605	575,000	73,200	(90,926)
Increase or (decrease) in operating liabilities:					
Accounts payable and accrued liabilities	1,034,024	305,004		1,339,028	339,095
Deferred revenues	62,500			62,500	-
Net cash provided by operating activities	<u>2,558,916</u>	<u>1,067,123</u>	<u>575,000</u>	<u>4,201,039</u>	<u>191,015</u>
CASH FLOWS from INVESTING ACTIVITIES:					
Issuance of note receivable	(3,513,614)		3,513,614	-	-
Net sales of investments				-	1,000,123
Purchases of property, plant and equipment		(14,287,712)		(14,287,712)	(6,685,221)
Net cash used by investing activities	<u>(3,513,614)</u>	<u>(14,287,712)</u>	<u>3,513,614</u>	<u>(14,287,712)</u>	<u>(5,685,098)</u>
CASH FLOWS from FINANCING ACTIVITIES:					
Change in restricted cash		(869,940)		(869,940)	(40,019)
Receipt of long-term security deposits		575,000	(575,000)	-	-
Repayment of debt	(138,333)	(98,095)		(236,428)	(366,667)
Proceeds from debt	3,500,000	13,574,673	(3,513,614)	13,561,059	8,286,077
Net cash provided by financing activities	<u>3,361,667</u>	<u>13,181,638</u>	<u>(4,088,614)</u>	<u>12,454,691</u>	<u>7,879,391</u>
Net increase (decrease) in cash and cash equivalents	2,406,969	(38,951)	-	2,368,018	2,385,308
Cash and cash equivalents at the beginning of the year	3,260,784	3,740,313	-	7,001,097	4,615,789
Cash and cash equivalents at the end of the year	<u>\$ 5,667,753</u>	<u>\$ 3,701,362</u>	<u>\$ -</u>	<u>\$ 9,369,115</u>	<u>\$ 7,001,097</u>
CASH PAID FOR INTEREST (Net of capitalized amount)	<u>\$ 9,698</u>	<u>\$ 1,135,774</u>	<u>\$ -</u>	<u>\$ 1,145,472</u>	<u>\$ 595,603</u>
CAPITALIZED INTEREST	<u>\$ -</u>	<u>\$ 152,186</u>	<u>\$ -</u>	<u>\$ 152,186</u>	<u>\$ 24,426</u>

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of Activities – Rocketship Education and its Affiliates (RSEA) is organized to manage, operate, guide, direct, and promote a network of outstanding inner-city college preparatory elementary charter schools.

Principles of Consolidation – The accompanying financial statements include the accounts of Rocketship Education (RSED) and its schools. All significant intercompany accounts and transactions within RSED and its schools have been eliminated in the consolidating financial statements. Additionally, the accompanying financial statements include the accounts of Launchpad and its wholly-owned LLCs. All significant intercompany accounts and transactions within Launchpad have been eliminated in the consolidating financial statements. Finally, all significant intercompany accounts and transactions between RSED and Launchpad have been eliminated in consolidation.

Listed below are the affiliated organizations included in these financial statements:

Rocketship Education (RSED)

Rocketship Education (RSED) is a California nonprofit public benefit corporation that was incorporated in May 2006 and is organized to manage, operate, guide, direct, and promote a network of outstanding inner-city college preparatory elementary charter schools. It operates Rocketship National (RSN) and Rocketship Mateo Sheedy (RMS) as divisions of its organization. RSED is governed by a Board of Directors consisting of ten members.

Rocketship National (RSN)

Rocketship National (RSN) operates as a division of RSED and provides management services and back office support to the RSED charter school network.

Rocketship Mateo Sheedy Elementary (RMS)

RSED's first school, Rocketship Mateo Sheedy Elementary (RMS), charter number 0850, operates as a division of RSED. RMS is funded principally through State of California public education monies received through the California Department of Education and the Santa Clara County Office of Education (SCCOE), the Sponsoring Agency. The SCCOE Board of Education (SCCBE) approved the Charter for RMS for a 3-year term through the 2009/10 school year. The charter was renewed for 5 years and will expire on June 30, 2015. The charter may be revoked by SCCBE for material violations of the charter, failure to meet generally accepted standards of fiscal management, or violation of any provision of the law.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Rocketship Si Se Puede Academy (RSSP)

RSED opened its second school, Rocketship Si Se Puede (RSSP), charter number 1061, on August 31, 2009. RSSP was incorporated as a nonprofit public benefit organization in April 2008 to support Rocketship's mission and is funded principally through State of California public education monies received through the California Department of Education and SCCOE, the Sponsoring Agency. SCCBE approved the Charter for RSSP for a 3-year term through the 2011/12 school year. The charter may be revoked by SCCOE for material violations of the charter, failure to meet generally accepted standards of fiscal management, or violation of any provision of the law. In October 2011, RSSP entered into the process of renewing its charter for a 5-year term with SCCOE.

Rocketship Los Suenos Academy (RLS)

RSED opened its third school, Rocketship Los Suenos (RLS), charter number 1127, on August 30, 2010. RLS was incorporated as a nonprofit public benefit organization in February 2009 to support Rocketship's mission and is funded principally through State of California public education monies received through the California Department of Education and SCCOE, the Sponsoring Agency. SCCBE approved the Charter for RLS for a 5-year term through the 2014/15 school year. The charter may be revoked by SCCOE for material violations of the charter, failure to meet generally accepted standards of fiscal management, or violation of any provision of the law.

Rocketship Four Elementary School (RS4)

RSED incorporated its fourth school, Rocketship Four Elementary School (RS4), as a nonprofit public benefit organization in June 2009. Franklin McKinley School District approved the Charter for RS4, charter number 1192 for a 5-year term through the 2016 school year, which subsequently began operations in the 2011/12 school year.

Rocketship Five Elementary (RS5)

RSED incorporated its fifth school, Rocketship Five Elementary School (RS5), as a nonprofit public benefit organization in February 2010. SCCBE approved the Charter for RS5, charter number 1193 for a 5-year term through the 2016 school year, which subsequently began operations in the 2011/12 school year.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Rocketship Six Elementary (RS6)

RSED incorporated its sixth school, Rocketship Six Elementary School (RS6), as a nonprofit public benefit organization in February 2010. Subsequent to the period of this audit, SCCBE approved a separate charter for RS6 on November 16, 2011, which will be followed by assignment of a new charter number by the State Board of Education.

Rocketship Seven Elementary (RS7)

RSED incorporated its seventh school, Rocketship Seven Elementary School (RS7), as a nonprofit public benefit organization in May 2011. Subsequent to the period of this audit, SCCBE approved a separate charter for RS7 on November 16, 2011, which will be followed by assignment of a new charter number by the State Board of Education.

Rocketship Eight Elementary (RS8)

RSED incorporated its eighth school, Rocketship Eight Elementary School (RS8), as a nonprofit public benefit organization in May 2011. Subsequent to the period of this audit, SCCBE approved a separate charter for RS8 on November 16, 2011, which will be followed by assignment of a new charter number by the State Board of Education.

Launchpad

Launchpad was incorporated as a 509(a)(3) not-for-profit public benefit corporation in November 2009. Launchpad was incorporated with the intention of becoming the leading provider of affordable facilities for the burgeoning charter school industry.

Locust Property, LLC (Locust LLC)/Launchpad Development One LLC(LLC1)

RSED organized Rocketship Locust Property, LLC (Locust LLC) to construct, hold, and manage the facility used in the school operations of RMS. RMS started serving grades K-3 in the 2007/08 school year at a temporary facility with 160 enrolled students. RMS expanded to serving grades K-4 in the 2008/09 school year in its new permanent facility with 320 enrolled students, and it expanded further to serving grades K-5 beginning in the 2009/10 school year. Rocketship divested ownership and sole member status of Locust LLC to Launchpad in June 2010, at which point the name of the entity became Launchpad Development One LLC (LLC1).

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Dobern Property, LLC (Dobern LLC)/Launchpad Development Two LLC (LLC2)

RSED organized Rocketship Dobern Property, LLC (Dobern LLC) to construct, hold, and manage the facility used in the school operations of RSSP. RSSP started serving grades K-4 on August 31, 2009 with an initial enrollment of 422 students. RSSP will expand to serving grades K-5 in the 2010/11 school year to reach its full enrollment capacity of 500 students. Rocketship divested ownership and sole member status of Dobern LLC to Launchpad in June 2010, at which point the name of the entity became Launchpad Development Two LLC (LLC2).

Launchpad Development Three, LLC (LLC3)

Rocketship Three LLC was organized in 2009 to construct, hold, and manage the facility used in the school operations of RLS. RLS started serving grades K-4 on August 30, 2010 with an initial enrollment of 392 students. RLS will expand to serving grades K-5 in the 2011/12 school year to reach its full enrollment capacity of 550 students. Launchpad Development Three LLC (LLC3) was organized by Launchpad to take over the construction and management of the facility used by RLS. Rocketship divested ownership and sole member status of Rocketship Three LLC to Launchpad in June 2010 which consolidated all assets into LLC3.

Launchpad Development Four LLC (LLC4)

Launchpad Development Four LLC (LLC4) was organized in September 2009 to construct, hold, and manage the facility used in the school operations of Rocketship Four Elementary School, which subsequently opened in the 2011/12 school year. Rocketship divested ownership and sole member status of Rocketship Four LLC to Launchpad in June 2010 which consolidated all assets into LLC4.

Launchpad Development Five LLC (LLC5)

Launchpad Development Five LLC (LLC5) was organized in September 2009 to construct, hold, and manage the facility used in the school operations of Rocketship Five Elementary School, which subsequently opened in the 2011/12 school year. Rocketship divested ownership and sole member status of Rocketship Five LLC to Launchpad in June 2010 which consolidated all assets into LLC5.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Launchpad Development Six LLC (LLC6)

Launchpad Development Six LLC (LLC6) was organized in September 2009 to construct, hold, and manage the facility used in the school operations of Rocketship Six Elementary School, scheduled to open in the 2012/13 school year.

Launchpad Development Seven LLC (LLC7)

Launchpad Development Seven LLC (LLC7) was organized in September 2009 to construct, hold, and manage the facility used in the school operations of Rocketship Seven Elementary School, scheduled to open in the 2013/14 school year.

Launchpad Development Eight LLC (LLC8)

Launchpad Development Eight LLC (LLC8) was organized in July 2011 to construct, hold, and manage the facility used in the school operations of Rocketship Eight Elementary School, scheduled to open in the 2012/13 school year.

Launchpad Community Initiatives LLC (LCI)

Launchpad Communities Initiatives LLC (LCI) was organized in June 2011 to make qualified low income community investments or other activities which qualify under the New Markets Tax credit (NMTC) program of the U.S. Treasury Department's CDFI Fund. There was no financial activity in LCI for 2010-11 and it is, therefore, not included in these financial statements.

Basis of Presentation – RSEA presents its financial statements as a California Non-profit Public Benefit Corporation in accordance with Financial Accounting Standards which govern generally accepted accounting principles for non-profit organizations.

Net Asset Classes – RSEA is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted.

Net assets of RSEA consist of the following:

- Unrestricted: All resources over which the governing board has discretionary control to use in carrying on the general operations of the organization.
- Temporarily restricted: These net assets are restricted by donors to be used for specific purposes.
- Permanently restricted: These net assets are permanently restricted by donors and cannot be used by RSEA. RSEA does not currently have any permanently restricted net assets.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Cash and Cash Equivalents – RSEA defines its cash and cash equivalents to include only cash on hand, demand deposits, and liquid investments with original maturities of three months or less.

Restricted Cash – Restricted cash includes certain cash balances that are maintained according to debt reserve requirements.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure. Accordingly, actual results could differ from those estimates.

Basis of Accounting – The financial statements have been prepared on the accrual method of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Functional Allocation of Expenses – The cost of providing the various programs and other activities have been summarized on a functional basis in the consolidated statement of activities. Accordingly, certain costs have been allocated among the programs and support services benefited.

Contributions – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for specific use in future periods are reported as temporarily restricted. When the restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets for expenditure.

Property, Plant and Equipment – Property, plant and equipment are stated at cost if purchased or at estimated fair market value if donated. Depreciation of buildings and equipment is provided on a straight-line basis over the estimated useful lives of the assets ranging from three to thirty-five years. RSEA capitalizes all expenditures for land, buildings and equipment in excess of \$5,000.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Income Taxes – RSEA, with the exception of LLC5, is comprised of various non-profit entities exempt from the payment of income taxes under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d. Accordingly, no provision has been made for income taxes related to these entities. LLC5 is organized as a for-profit Limited Liability Corporation and provisions for income taxes have been recorded accordingly. Management has determined that all income tax positions are more likely than not (>50%) of being sustained upon potential audit or examination; therefore, no disclosures of uncertain income tax positions are required. RSEA files all appropriate tax returns in the U.S. federal jurisdiction, and the state of California.

Evaluation of Subsequent Events – The organization has evaluated subsequent events through November 29, 2011, the date these financial statements were available to be issued. There were no subsequent events requiring recognition or disclosure, except for the additional revolving loans and leases entered into after June 30, 2011 as well as contingencies as discussed in Note 7, Notes 6,8 and 11, and Note 13, respectively.

Comparative Totals – The financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with RSEA's financial statements for the year ended June 30, 2010, from which the summarized information was derived. Certain reclassifications have been made to the 2010 financial information to conform to the 2011 presentation.

NOTE 2 - CONCENTRATION OF CREDIT RISK:

RSEA maintains bank accounts with several institutions. Accounts at each of these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. RSEA occasionally has the need to maintain a cash balance in excess of the FDIC limit.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

NOTE 3 - ACCOUNTS RECEIVABLE:

Accounts receivable primarily consist of funds due from various governmental, non-profit corporations and private individuals. Management believes all of these amounts are collectible; therefore no provisions for uncollectible accounts were recorded. As of June 30, 2011, all amounts are considered collectible within one year.

NOTE 4 - GRANTS RECEIVABLE:

Grants receivable consist of funds due from grantor agencies based upon RSN meeting various conditions or milestones. As of June 30, 2011 grant amounts connected with met milestones have been recorded as grants receivable and have been classified as temporarily restricted contributions due to implied time restriction. Management believes all of these amounts are collectible; therefore no provisions for uncollectible accounts were recorded.

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT:

Property and equipment consisted of the following:

	<u>RSED Schools</u>	<u>Launchpad</u>	<u>RSEA Total</u>
Land	\$ -	\$ 6,588,664	\$ 6,588,664
Furniture and equipment	79,837	51,997	131,834
Loan Fee		51,861	51,861
Building		17,145,507	17,145,507
Construction in Progress		9,891,963	9,891,963
Less: Accumulated depreciation	<u>(67,704)</u>	<u>(1,271,457)</u>	<u>(1,339,161)</u>
Total	<u>\$ 12,133</u>	<u>\$32,458,535</u>	<u>\$ 32,470,668</u>

Depreciation expense was \$607,170 for the year ended June 30, 2011.

NOTE 6 - DEBT:

Convertible Debt

RSN – Charter School Growth Fund

In February 2009, RSN entered into a \$2.3 million Subordinate Loan Agreement with Charter School Growth Fund at an effective interest rate of 4.0 percent. Of this amount, \$2 million plus associated interest will be forgiven and converted into a grant provided that RSN meet specified educational, financial and growth outcomes.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

NOTE 6 - DEBT: (continued)

RSN – Charter School Growth Fund (continued)

In the event that these annual benchmarks are not met, the loan is to be repaid in \$500,000 annual increments, starting October 1, 2014 through October 1, 2017 with all remaining principal and accrued, unpaid interest due on October 1, 2018.

As of June 30, 2009, RSN had substantively met the 2008/09 school year benchmarks and converted \$400,000 of principal into a grant, resulting in \$1.9 million remaining note payable.

As of June 30, 2010, RSN had substantively met the 2009/10 school year benchmarks and converted \$400,000 of principal into a grant, resulting in \$1.5 million remaining note payable.

As of June 30, 2011, RSN had substantively met the 2010/11 school year benchmarks and converted \$400,000 of principal into a grant, resulting in \$1,100,000 remaining note payable.

Over the 2011/12 and 2012/13 school years, \$800,000 of the remaining note payable is eligible to be forgiven and converted into a grant provided that RSN meet specified educational, financial and growth outcomes. The remaining \$300,000 of the loan plus accrued interest will be due on June 30, 2017.

RSN Convertible Loan – Walton Fund

In July 2009, RSN entered into a \$1.5 million Subordinate Loan Agreement with Charter School Growth Fund at an effective interest rate of 4.0 percent. Of this amount, \$1.5 million plus associated interest will be forgiven and converted into a grant provided that RSN meet specified growth outcomes. In the event that these annual benchmarks are not met, all remaining principal and accrued, unpaid interest are due on October 1, 2015.

As of June 30, 2010, RSSP had substantively met the 2009/10 school year benchmarks and converted \$250,000 of principal into a grant, resulting in \$1.25 million remaining note payable.

As of June 30, 2011, RLS had substantively met the 2010/11 school year benchmarks and converted \$250,000 of principal into a grant, resulting in \$1.0 million remaining note payable.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

NOTE 6 - DEBT: (continued)

Loans Payable

Rocketship's Schools - California Department of Education Revolving Loan Program

As of June 30, 2011, Rocketship's Schools has three unsecured revolving loans payable to the California Department of Education totaling \$320,000 with effective interest rates ranging from .54% to 3.94%. The repayment terms require annual principal payments that are deducted from apportionment revenue. Subsequent to June 30, 2011, the California Department of Education awarded Rocketship's Schools an additional \$350,000 with an effective interest rate of 0.38%.

Locust LLC - CDFI Facilities Construction Loan

As of June 30, 2011, Locust LLC has two facilities construction loans payable with a Community Development Financial Institution (CDFI). Both of them were entered into during the 2007-2008 fiscal year and as of June 30, 2011 had principal balances of \$5,000,000 on the primary loan and \$641,405 on the subordinate loan with effective interest rates of 5.0 percent and 5.25 percent, respectively. The loan agreement with the CDFI allows RSED to borrow up to \$5,000,000 on the primary loan and \$700,000 on the subsidiary loan. Both loans are for seven years with the primary loan structured as interest-only over the term of the loan and the subsidiary loan structured as interest-only until 10/1/08 at which point it amortizes over a 20 year period. RSED used the proceeds of these loans to construct permanent facilities for its San Jose campus for Rocketship Mateo Sheedy Elementary School. Both loans use the completed facilities as collateral. As a result of the June 2010 divestiture by RSN to Launchpad, the liability for this debt rests with LLC1.

This loan is subject to reporting requirements and covenants customary to this type of credit transaction. As required by the lender, RSED provided a Partial Guaranty of the debt obligation.

Dobern LLC - CDFI Facilities Construction Loan

As of June 30, 2011, Dobern, LLC has a facilities construction loan payable with a CDFI totaling \$6.8 million. This loan is structured as interest-only for seven years with an effective interest rate of 5.5 percent. A modification signed in May 2009 lowered the effective rate to 4.5 percent for the period from May 1, 2009 through November 30, 2009, after which time it returns to 5.5 percent.

Rocketship Dobern LLC used the proceeds of this loan to construct permanent facilities for the San Jose campus for Rocketship Si Se Puede Academy.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

NOTE 6 - DEBT: (continued)

Dobern LLC - CDFI Facilities Construction Loan (continued)

The loan uses the completed facilities as collateral. As a result of the June 2010 divestiture by RSN to Launchpad, the liability for this debt rests with LLC2.

This loan is subject to reporting requirements and covenants customary to this type of credit transaction. As required by the lender, RSED provided a Partial Guaranty of the debt obligation.

LLC3 - Self Help New Markets V LLC Loan

As of June 30, 2010, LLC3 had entered into a facilities loan payable with Self Help New Markets V LLC (SHNM) totaling \$6.48 million. This loan has an effective interest rate of 6.41 percent. The loan will use the completed facilities as collateral.

Commencing on June 1, 2010 and thereafter on the first day of each month until and including September 1, 2010, LLC3 made payments of interest only. Commencing on October 1, 2010, and thereafter on the first day of each successive month, LLC3 has made and will make payments of principal and interest in monthly installments based upon an amortization schedule of 25 years, with a final payment of all unpaid principal and interest thereon due on April 19, 2017. As required by the Lender, RSED provided a Lease Guaranty to the Borrower in support of the financing with a projected expiration at the end of the 2012/13 school year. As required by the Lender, LLC3 provided a Pledge to the Lender for segregated Cash Collateral in the amount of \$1 million also with a projected expiration at the end of the 2012/13 school year. As of June 30, 2011, approximately \$6.40 million remains outstanding with SHNM.

This loan is subject to reporting requirements and financial covenants customary for this type of credit transaction.

RS4 Construction Loan – Charter School Growth Fund / RSN

In June 2011, RSN entered into a \$3.5 million Subordinated Loan Agreement with Charter School Growth Fund (CSGF) to finance the RS4 project (the RS4 Construction Loan). This loan had an effective interest rate of 4 percent and a maturity date of June 2014. Interest was to accrue from the effective date of the loan and quarterly interest payments were to begin in December 2011.

RSN also issued a Senior Secured Promissory Note (the Senior Note) in the original principal amount of \$3.5 million to Launchpad Development Four, LLC.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

NOTE 6 - DEBT: (continued)

RS4 Construction Loan – Charter School Growth Fund / RSN (continued)

In addition, RSN issued a Subordinated Unsecured Promissory Note to Launchpad Development Four LLC in the amount of \$3.0 million (the Junior Note). The Junior Note is subordinated to the RS4 Construction Loan and to the Senior Note.

In September 2011, Launchpad completed a bond financing in the amount of \$10.1 million (the Series 2011 Bonds), proceeds from which were used to refinance the outstanding principal and accrued interest balance under the Senior Note and Junior Note described above and to fund certain project expenses remaining for the RS4 construction project. Interest is paid semi-annually at a coupon rate of 8.5% to 9.0%.

Subsequently, RSN used the proceeds from the repayment of the Senior Note and Junior Note to repay the outstanding principal and accrued interest balance on the RS4 Construction Loan with CSGF in September 2011.

The Series 2011 Bonds are divided into a \$9.6 million Series 2011A Bond and a \$0.5 million Series 2011B Bond. The Series 2011A Bond matures December 2041 and the Series 2011B Bond matures December 2018. Both Series 2011A and Series 2011B are subject to mandatory redemptions prior to their stated maturity by a Sinking Accounts Payment fund established in December 2018 and December 2013 respectively.

LLC 5 - Low Income Investment Fund Sub-CDE VIII LLC Loan

LLC 5 borrowed debt capital for the RS5 project from LIIF Sub-CDE VIII, LLC (the LIIF LLC), a Delaware limited liability company formed by the Low Income Investment Fund (LIIF), a CDFI under the leverage loan model of the New Markets Tax Credits program under Section 45D of the Internal Revenue Code of 1986. US Bank CDC purchased the tax credits from the LIIF LLC, the proceeds of which were used in part to fund a “qualified equity investment”. LIIF and other participating institutions provided the leverage debt capital. The LIIF LLC made three (3) loans to LLC5, the Borrower, in the aggregate original principal amount of \$9,975,000 (the “*QLICI Loan*”), which *QLICI Loan* is expected to constitute a “qualified low-income community investment” (“*QLICF*”) being made to a “qualified active low-income community business” (“*QALICB*”) under the NMTC Program, and which includes subordinated debt provided by Launchpad of \$560K. The debt is required to have a term of not less than seven (7) years and was made on an interest-only payment basis. As required by the Lender, RSN provided a partial Lease Guaranty to the Borrower in support of the financing. This loan is subject to reporting requirements and covenants customary to this type of credit transaction.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

NOTE 6 - DEBT: (continued)

Futures maturities of debt by instrument:

June 30,	CSGF	Convertible Walton	CDE Loans	Locust CDFI	Dobern CDFI	LLC3 SHNM	LLC4 Senior/Junior*	LLC5 LIIF	Total
2012	\$ -	\$ -	\$ 110,000	\$ 25,503	\$ -	\$ 121,157	\$ -	\$ -	\$ 256,660
2013			110,000	24,813		119,844			254,657
2014	3,500,000		60,000	26,106		127,870	3,513,614		7,227,590
2015			20,000	5,564,983		136,434			5,721,417
2016		1,000,000	20,000		6,800,000	145,571			7,965,571
Thereafter	1,100,000					5,753,318		9,975,000	16,828,318
Total	<u>\$4,600,000</u>	<u>\$1,000,000</u>	<u>\$ 320,000</u>	<u>\$5,641,405</u>	<u>\$6,800,000</u>	<u>\$ 6,404,194</u>	<u>\$ 3,513,614</u>	<u>\$ 9,975,000</u>	<u>\$ 38,254,213</u>

Futures maturities of debt by location:

June 30,	RSN	RMS	RSSP	RLS	RS4	RS5	RS6	RS7	RSED Schools Total (1)
2012	\$ -	\$ 50,000	\$ 40,000	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ 110,000
2013		50,000	40,000	20,000					110,000
2014	3,500,000		40,000	20,000					3,560,000
2015				20,000					20,000
2016				20,000	250,000	250,000	250,000	250,000	1,020,000
Thereafter	1,100,000								1,100,000
Total	<u>\$4,600,000</u>	<u>\$ 100,000</u>	<u>\$ 120,000</u>	<u>\$ 100,000</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 5,920,000</u>

June 30,	Locust LLC	Dobern LLC	LLC3	LLC4*	LLC5	Launchpad Total	RSED Schools Total (1)	Eliminations*	RSEA Total
2012	\$ 25,503		\$ 121,157	\$ -	\$ -	\$ 146,660	\$ 110,000	\$ -	\$ 256,660
2013	24,813		119,844			144,657	110,000		254,657
2014	26,106		127,870	3,513,614		3,667,590	3,560,000	(3,513,614)	3,713,976
2015	5,564,983		136,434			5,701,417	20,000		5,721,417
2016		6,800,000	145,571			6,945,571	1,020,000		7,965,571
Thereafter			5,753,318		9,975,000	15,728,318	1,100,000		16,828,318
Total	<u>\$5,641,405</u>	<u>\$6,800,000</u>	<u>\$6,404,194</u>	<u>\$3,513,614</u>	<u>\$9,975,000</u>	<u>\$32,334,213</u>	<u>\$ 5,920,000</u>	<u>\$(3,513,614)</u>	<u>\$ 34,740,599</u>

NOTE 7 - NET ASSET RESTRICTIONS:

Temporarily restricted net assets of \$1,583,000 relate to grants that are specifically restricted to 2011/12 operations.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

NOTE 8 - LEASES:

Operating Leases

Related to the site development of RMS's facility, on October 1, 2007, Locust LLC entered into a 10 year land lease payable at \$10,400 monthly. This lease was modified on December 1, 2007 to increase the term of the lease to 20 years with gradually increasing financial commitments. Lease expense recognized for the year ended June 30, 2011 was \$124,800.

Each school rents equipment under various operating leases. As of June 30, 2011, RMS, RSSP and RLS each had equipment operating leases. Lease expense recognized for the year ended June 30, 2011 was \$42,299, \$35,116, and \$28,688 respectively. In September 2011, RS4 and RS5 entered into equipment operating leases with a 5-year term.

The following is a schedule of future minimum lease payments required under operating leases that have initial noncancelable lease terms in excess of one year:

<u>June 30,</u>	<u>RMS</u>	<u>RSSP</u>	<u>RLS</u>	<u>RS4</u>
2012	\$ 26,388	\$ 22,166	\$ 11,712	\$ 9,280
2013	2,199	5,856	11,712	11,136
2014		5,856	11,712	11,136
2015		5,856	11,712	11,136
2016		488	1,952	11,136
Thereafter				1,856
Total	<u>\$ 28,587</u>	<u>\$ 40,222</u>	<u>\$ 48,800</u>	<u>\$ 55,680</u>

<u>June 30,</u>	<u>RS5</u>	<u>Locust LLC</u>	<u>Total</u>
2012	\$ 9,280	\$ 131,040	\$ 209,866
2013	11,136	131,040	173,079
2014	11,136	131,586	171,426
2015	11,136	137,592	177,432
2016	11,136	137,592	162,304
Thereafter	1,856	1,994,166	1,997,878
Total	<u>\$ 55,680</u>	<u>\$ 2,663,016</u>	<u>\$ 2,891,985</u>

**ROCKETSHIP EDUCATION
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

NOTE 9 - EMPLOYEE RETIREMENT:

Certificated Employees

Qualified certificated employees are covered under a multiple-employer defined benefit pension plan maintained by agencies of the State of California. The certificated employees are members of the State Teachers' Retirement System (STRS).

RSED contributes to the State Teachers' Retirement System (STRS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by STRS. The plan provides retirement, disability and survivor benefits to beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law. STRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the STRS annual financial report may be obtained from STRS, 7667 Folsom Boulevard, Sacramento, CA 95826.

Active plan members are required to contribute 8.0% of their salary and RSED is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the STRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2010-11 was 8.25% of annual payroll. The contribution requirements of the plan members are established and may be amended by State statute.

RSED's contributions to STRS for each of the last three fiscal years are as follows:

<u>Year Ended</u> <u>June 30,</u>	<u>STRS</u>	
	<u>Required</u> <u>Contribution</u>	<u>Percent</u> <u>Contributed</u>
2009	\$ 66,485	100%
2010	\$159,103	100%
2011	\$217,858	100%

**ROCKETSHIP EDUCATION
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

NOTE 10 - SPONSORING AGREEMENT:

RSED had a Memorandum of Understanding (MOU) with SCCOE from July 1, 2007 through June 30, 2010 which outlined the supervisory oversight provided by the SCCOE. As stated in the Education Code, up to 1% of all Charter School State revenues (excluding grants and private monies outside of the funding model), can be paid to the sponsoring district for the actual expenses incurred in monitoring and overseeing Rocketship's schools.

Rocketship renewed its MOU with SCCOE from July 1, 2010 through June 30, 2013 which outlines the supervisory oversight provided by SCCOE. The fees to SCCOE for oversight in accordance with this agreement were \$42,291 for the year ended June 30, 2011, and are included in accrued expenses of \$78,519 on the consolidated statement of financial position.

NOTE 11 - RELATED PARTY TRANSACTIONS:

Facility Leases

In June 2010, RMS has entered into a 5-year facility lease with Locust LLC. The lease agreement was amended in September 2010 and again in November 2010 to reflect a modified schedule of lease payments. For school year 2010/11, lease payments equaled \$499,673.

In April 2009, RSSP entered into a 7-year facility lease agreement with Dobern LLC. The lease agreement was amended in September 2010 to reflect a modified schedule of lease payments. For school year 2010/11, lease payments under this agreement totaled \$527,685.

In April 2010, RLS entered into a 10-year lease with LLC3. For school year 2010/11, lease payments under this agreement totaled \$562,096. For school year 2010/11, LLC3 incurred facility development fees of \$244,075 to Launchpad.

In May 2011, RS4 school entered into a 15-year lease with LLC4. For school year 2010/11, LLC4 incurred facility development fees of \$264,616 to Launchpad. No payments were made for facility development fees to LLC4 as of June 30, 2011. The lease was amended in September 2011 to reflect a modified schedule of rent payments.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

NOTE 11 - RELATED PARTY TRANSACTIONS: (continued)

In March 2011, RS5 school entered into a 20 year lease with LLC5. For school year 2010/11, LLC5 incurred facility development fees to Launchpad totaling \$699,300, of which \$325,000 was placed into a fully pledged reserve account at LDC for the benefit of the lender. No payments were made for facility fees to Launchpad as of June 30, 2011.

Future estimated payments under these leases as of June 30, 2011 are as follows:

<u>June 30,</u>	<u>RMS</u>	<u>RSSP</u>	<u>RLS</u>	<u>RS4</u>	<u>RS5</u>	<u>Total</u>
2012	\$ 462,588	\$ 464,200	\$ 634,050	\$ 400,000	\$ 410,761	\$ 2,371,599
2013	468,300	479,200	634,050	767,135	557,994	2,906,679
2014	468,300	459,200	634,050	944,641	557,994	3,064,185
2015	468,852	479,200	634,050	944,865	557,994	3,084,961
2016		458,200	634,050	943,563	557,994	2,593,807
Thereafter		<u>79,000</u>	<u>2,536,200</u>	<u>24,295,264</u>	<u>12,837,132</u>	<u>39,747,596</u>
Total	<u>\$ 1,868,040</u>	<u>\$ 2,419,000</u>	<u>\$ 5,706,450</u>	<u>\$28,295,468</u>	<u>\$ 15,479,869</u>	<u>\$53,768,827</u>

Development Fees

In connection with the construction development projects at LLC3 – LLC7, Launchpad has contracted to receive development fees which are accrued based on project-specific milestones.

For the 2010/11 school year, development fees were as follows:

	<u>Development Fees</u>
LLC3	\$ 244,075
LLC4	264,616
LLC5	<u>699,300</u>
Total	<u>\$ 1,207,991</u>

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

NOTE 11 - RELATED PARTY TRANSACTIONS: (continued)

Launchpad – Working Capital Line of Credit from RSN

In October 2010, Launchpad entered into a revolving line of credit agreement (LP LOC) with RSN in the amount of \$682,000 to support working capital needs associated with the startup phase of each school development project. The applicable annual interest rate is 4 percent on outstanding balances under this facility. As of June 30, 2011, the outstanding balance under this agreement was \$659,386. In June 2011, the term of the credit facility was extended from June 2011 to June 2012. The LP LOC is subject to reporting requirements and covenants customary to this type of credit facility. In November 2011, Launchpad repaid the outstanding amount under the LP LOC to RSN.

Management Contracts

RMS, RSSP, RLS, RS4, RS5, RS6, RS7, and RS8 have all contracted to receive management and support services from RSN for which they pay management fees.

For the 2010/11 school year, management fees were as follows:

	<u>Management Fees</u>
RMS	\$ 577,202
RSSP	551,309
RLS	518,664
RS6	31,250
RS7	31,250
RS8	31,250
Total	<u>\$ 1,740,925</u>

Donated Services

RSN provided certain organizational support services, including accounting, finance, and human resources, as well as shared office space to Launchpad (Donated Services) during the 2010/11 school year. For the 2010/11 school year, the amount of Donated Services from RSN to Launchpad was \$44,401.

**ROCKETSHIP EDUCATION
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

NOTE 12 - LINES OF CREDIT:

Focus Bank – Revolving Lines of Credit

In September 2010, RSN entered into a series of revolving line of credit agreements (the Revolver) with Focus Business Bank for RSN/RMS, RSSP and RLS. The amount available under each Revolver is determined by an advance rate not to exceed 80 percent of total accounts receivable. The applicable interest rate is the Prime Rate + 0.50 percent with a minimum total interest rate of 4.25 percent.

Total availability under the Revolver for RSN/RMS, RSSP and RLS was \$500,000, \$400,000, and \$300,000 respectively. As of June 30, 2011, there were no outstanding balances under the Revolver at any school.

Each Revolver is subject to reporting requirements and covenants customary to this type of credit facility. As required by the Lender, RSN provided a Payment Guaranty to the Lender in support of the financings of RSSP and RLS.

NOTE 13 - COMMITMENTS AND CONTINGENCIES:

RSEA has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate disallowances under terms of the grants, management believes all compliance requirements have been met.

RSN is currently the subject of a pending lawsuit from a former employee. Although RSN believes that the merits of the case are in its favor, the outcome of any such litigation cannot be determined with certainty. RSN has set aside a legal contingency reserve in the event a settlement occurs or a ruling is issued in favor of the defendant.

SUPPLEMENTARY INFORMATION

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**HISTORY AND ORGANIZATION
For the Year Ended June 30, 2011**

Rocketship Education (RSED) is a California non-profit public benefit corporation that was incorporated in May 2006 and is organized to manage, operate, guide, direct, and promote a network of outstanding inner-city college preparatory elementary charter schools.

Rocketship Mateo Sheedy Elementary (RMS)	Charter Number: 0850 – Active
Rocketship Si Se Puede Academy (RSSP)	Charter Number: 1061 – Active
Rocketship Los Suenos Elementary School (RS3)	Charter Number: 1127 – Active
Rocketship Four Elementary School (RS4)	Charter Number: 1192 – Begins 2011/12
Rocketship Five Elementary (RS5)	Charter Number: 1193 – Begins 2011/12

Board of Directors

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
G. Marcus Cole	President	2012
Shawn Carolan	Treasurer	2011
Alex Hernandez	Secretary	2012
Alex Terman	Member	2012
Sehba Ali	Member	2011
Jonathan Chadwick	Member	2012
Fred Ferrer	Member	2012
Kim Smith	Member	2012
Tim Ranzetta	Member	2013
Deborah McGriff	Member	2013
Jeff Wetzler	Member	2013

Administration

John Danner	Co-Founder and CEO
Preston Smith	Co-Founder and Chief Achievement Officer
Richard Billings	Chief Financial Officer
Aylon Samouha	Chief Schools Officer

**ROCKETSHIP EDUCATION
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**CONSOLIDATING STATEMENT OF FINANCIAL POSITION - ROCKETSHIP SCHOOLS
June 30, 2011**

	<u>Rocketship National</u>	<u>Rocketship Mateo Sheedy Elementary</u>	<u>Rocketship Si Se Puede</u>	<u>Rocketship Los Suenos Academy</u>	<u>Rocketship Four Elementary</u>	<u>Rocketship Five Elementary</u>	<u>Rocketship Six Elementary</u>	<u>Rocketship Seven Elementary</u>	<u>Rocketship Eight Elementary</u>	<u>Eliminations</u>	<u>Total Rocketship Schools</u>
ASSETS											
CURRENT ASSETS:											
Cash and cash equivalents	\$ 4,051,385	\$ 692,994	\$ 12,457	\$ 83,568	\$ 30,124	\$ 90,975	\$ 268,750	\$ 343,750	\$ 93,750	\$ -	\$ 5,667,753
Accounts receivable	992,194	917,992	1,301,955	1,081,936							4,294,077
Grants receivable	1,083,000										1,083,000
Intercompany receivable	800,000									(800,000)	-
Prepaid expenses and deposits	71,727		500								72,227
Total current assets	<u>6,998,306</u>	<u>1,610,986</u>	<u>1,314,912</u>	<u>1,165,504</u>	<u>30,124</u>	<u>90,975</u>	<u>268,750</u>	<u>343,750</u>	<u>93,750</u>	<u>(800,000)</u>	<u>11,117,057</u>
LONG-TERM ASSETS:											
Note receivable	3,513,614										3,513,614
Security deposits				250,000	250,000	250,000	75,000				825,000
Property, plant & equipment		67,351	12,486								79,837
Less: Accumulated depreciation		(62,860)	(4,844)								(67,704)
Total property, plant and equipment, net	-	4,491	7,642	-	-	-	-	-	-	-	12,133
Total long-term assets	<u>3,513,614</u>	<u>4,491</u>	<u>7,642</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>75,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,350,747</u>
Total assets	<u>\$ 10,511,920</u>	<u>\$ 1,615,477</u>	<u>\$ 1,322,554</u>	<u>\$ 1,415,504</u>	<u>\$ 280,124</u>	<u>\$ 340,975</u>	<u>\$ 343,750</u>	<u>\$ 343,750</u>	<u>\$ 93,750</u>	<u>\$ (800,000)</u>	<u>\$ 15,467,804</u>
LIABILITIES AND NET ASSETS											
CURRENT LIABILITIES:											
Accounts payable	\$ 226,329	\$ 98,838	\$ 69,564	\$ 62,944	\$ 3,503	\$ 7,050	\$ -	\$ -	\$ -	\$ -	\$ 468,228
Accrued liabilities	409,932	186,183	193,261	161,412	4,368	22,092					977,248
Deferred revenue				62,500							62,500
Intercompany payable				700,000		100,000				(800,000)	-
Current portion of loans payable		50,000	40,000	20,000							110,000
Total current liabilities	<u>636,261</u>	<u>335,021</u>	<u>302,825</u>	<u>1,006,856</u>	<u>7,871</u>	<u>129,142</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(800,000)</u>	<u>1,617,976</u>
LONG-TERM LIABILITIES:											
Accrued interest	111,943				19,616	19,616	19,616	19,616			190,407
Convertible loans	800,000				250,000	250,000	250,000	250,000			1,800,000
Loans payable	3,800,000	50,000	80,000	80,000							4,010,000
Total long-term liabilities	<u>4,711,943</u>	<u>50,000</u>	<u>80,000</u>	<u>80,000</u>	<u>269,616</u>	<u>269,616</u>	<u>269,616</u>	<u>269,616</u>	<u>-</u>	<u>-</u>	<u>6,000,407</u>
NET ASSETS:											
Unrestricted	3,580,716	1,230,456	939,729	328,648	2,637	(57,783)	74,134	74,134	93,750		6,266,421
Temporarily restricted	1,583,000										1,583,000
Total net assets	<u>5,163,716</u>	<u>1,230,456</u>	<u>939,729</u>	<u>328,648</u>	<u>2,637</u>	<u>(57,783)</u>	<u>74,134</u>	<u>74,134</u>	<u>93,750</u>	<u>-</u>	<u>7,849,421</u>
Total liabilities and net assets	<u>\$ 10,511,920</u>	<u>\$ 1,615,477</u>	<u>\$ 1,322,554</u>	<u>\$ 1,415,504</u>	<u>\$ 280,124</u>	<u>\$ 340,975</u>	<u>\$ 343,750</u>	<u>\$ 343,750</u>	<u>\$ 93,750</u>	<u>\$ (800,000)</u>	<u>\$ 15,467,804</u>

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**CONSOLIDATING STATEMENT OF ACTIVITIES - ROCKETSHIP SCHOOLS
For the Year Ended June 30, 2011**

	<u>Rocketship National National</u>	<u>Rocketship Mateo Sheedy Elementary</u>	<u>Rocketship Si Se Puede</u>	<u>Rocketship Los Suenos Academy</u>	<u>Rocketship Four Elementary</u>	<u>Rocketship Five Elementary</u>	<u>Rocketship Six Elementary</u>	<u>Rocketship Seven Elementary</u>	<u>Rocketship Eight Elementary</u>	<u>Eliminations</u>	<u>Total Rocketship Schools</u>
UNRESTRICTED NET ASSETS:											
Revenues											
Apportionment revenue	\$ -	\$ 286,151	\$ 1,622,589	\$ 1,899,407	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,808,147
Categorical grant revenue		448,772	443,809	394,014							1,286,595
Property taxes		1,990,975	766,167								2,757,142
Other State revenue	597,221	682,877	563,558	315,261							2,158,917
Federal revenue	152,317	648,076	450,521	595,430							1,846,344
Other local revenue	1,774,125	12,801	20,180	30,076						(1,740,925)	96,257
Contributions	4,743,287	2,924	1,434	388,280	-	-	125,000	125,000	125,000		5,510,925
Total unrestricted revenues	<u>7,266,950</u>	<u>4,072,576</u>	<u>3,868,258</u>	<u>3,622,468</u>	<u>-</u>	<u>-</u>	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>	<u>(1,740,925)</u>	<u>17,464,327</u>
Program Expenses											
Educational programs	<u>664,969</u>	<u>2,793,263</u>	<u>2,825,885</u>	<u>2,657,753</u>	<u>83,997</u>	<u>144,417</u>	<u>19,616</u>	<u>19,616</u>	<u>-</u>	<u>-</u>	<u>9,209,516</u>
Supporting Services											
Site supports	777,869										777,869
Program development and expansion	735,481										735,481
Administration and general	<u>1,996,948</u>	<u>577,202</u>	<u>551,309</u>	<u>518,664</u>	<u>-</u>	<u>-</u>	<u>31,250</u>	<u>31,250</u>	<u>31,250</u>	<u>(1,740,925)</u>	<u>1,996,948</u>
Total supporting services	<u>3,510,298</u>	<u>577,202</u>	<u>551,309</u>	<u>518,664</u>	<u>-</u>	<u>-</u>	<u>31,250</u>	<u>31,250</u>	<u>31,250</u>	<u>(1,740,925)</u>	<u>3,510,298</u>
Total expenses	<u>4,175,267</u>	<u>3,370,465</u>	<u>3,377,194</u>	<u>3,176,417</u>	<u>83,997</u>	<u>144,417</u>	<u>50,866</u>	<u>50,866</u>	<u>31,250</u>	<u>(1,740,925)</u>	<u>12,719,814</u>
Increase (decrease) in unrestricted net assets	3,091,683	702,111	491,064	446,051	(83,997)	(144,417)	74,134	74,134	93,750	-	4,744,513
TEMPORARILY RESTRICTED NET ASSETS:											
Contributions	<u>1,583,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,583,000</u>
Increase in temporarily restricted net assets	<u>1,583,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,583,000</u>
Beginning net assets	489,033	528,345	448,665	(117,403)	86,634	86,634	-	-	-	-	1,521,908
Ending net assets	<u>\$ 5,163,716</u>	<u>\$ 1,230,456</u>	<u>\$ 939,729</u>	<u>\$ 328,648</u>	<u>\$ 2,637</u>	<u>\$ (57,783)</u>	<u>\$ 74,134</u>	<u>\$ 74,134</u>	<u>\$ 93,750</u>	<u>\$ -</u>	<u>\$ 7,849,421</u>

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**CONSOLIDATING SCHEDULE OF EXPENDITURES BY STATE CATEGORIES - ROCKETSHIP SCHOOLS
For the Year Ended June 30, 2011**

	<u>Rocketship National</u>	<u>Rocketship Mateo Sheedy Elementary</u>	<u>Rocketship Si Se Puede</u>	<u>Rocketship Los Suenos Academy</u>	<u>Rocketship Four Elementary</u>	<u>Rocketship Five Elementary</u>	<u>Rocketship Six Elementary</u>	<u>Rocketship Seven Elementary</u>	<u>Rocketship Eight Elementary</u>	<u>TOTAL</u>
EXPENSES BY STATE CATEGORIES:										
1000 Certificated salaries	\$ 318,684	\$ 1,087,778	\$ 1,098,203	\$ 900,478	\$ 35,500	\$ 88,403	\$ -	\$ -	\$ -	\$ 3,529,046
2000 Classified salaries	1,518,907	213,394	225,358	199,104	17,074	18,765				2,192,602
3000 Benefits	300,283	245,976	274,121	217,481	12,983	13,649				1,064,493
4000 Books and supplies	262,013	380,639	379,795	497,207	1,061	2,856				1,523,571
5000 Other operating expenses	1,716,947	1,436,396	1,395,056	1,361,597	7,379	10,744	31,250	31,250	31,250	6,021,869
6000 Capital expenses and depreciation		1,498	2,497							3,995
7000 Transfers and interest expenses	58,433	4,784	2,164	550	10,000	10,000	19,616	19,616		125,163
Total expenses	<u>\$ 4,175,267</u>	<u>\$ 3,370,465</u>	<u>\$ 3,377,194</u>	<u>\$ 3,176,417</u>	<u>\$ 83,997</u>	<u>\$ 144,417</u>	<u>\$ 50,866</u>	<u>\$ 50,866</u>	<u>\$ 31,250</u>	<u>\$ 14,460,739</u>

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**CONSOLIDATING STATEMENT OF CASH FLOWS - ROCKETSHIP SCHOOLS
For the Year Ended June 30, 2011**

	<u>Rocketship National</u>	<u>Rocketship Mateo Sheedy Elementary</u>	<u>Rocketship Si Se Puede</u>	<u>Rocketship Los Suenos Academy</u>	<u>Rocketship Four Elementary</u>	<u>Rocketship Five Elementary</u>	<u>Rocketship Six Elementary</u>	<u>Rocketship Seven Elementary</u>	<u>Rocketship Eight Elementary</u>	<u>Total Rocketship Schools</u>
CASH FLOWS from OPERATING ACTIVITIES:										
Change in Net Assets	\$ 4,674,683	\$ 702,111	\$ 491,064	\$ 446,051	\$ (83,997)	\$ (144,417)	\$ 74,134	\$ 74,134	\$ 93,750	\$ 6,327,513
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:										
Depreciation		1,497	2,498							3,995
Debt forgiven through grant agreement	(400,000)			(250,000)						(650,000)
(Increase) or decrease in operating assets:										
Accounts receivable	(770,899)	(150,248)	(565,628)	(1,081,936)						(2,568,711)
Grants receivable	(1,083,000)									(1,083,000)
Prepaid expenses and deposits	(37,642)		5,674	38,874	(250,000)	(249,311)	(75,000)			(567,405)
Increase or (decrease) in operating liabilities:										
Accounts payable and accrued liabilities	463,194	177,119	133,700	164,455	17,871	38,453	19,616	19,616		1,034,024
Deferred revenue				62,500						62,500
Net cash provided (used) by operating activities	<u>2,846,336</u>	<u>730,479</u>	<u>67,308</u>	<u>(620,056)</u>	<u>(316,126)</u>	<u>(355,275)</u>	<u>18,750</u>	<u>93,750</u>	<u>93,750</u>	<u>2,558,916</u>
CASH FLOWS from INVESTING ACTIVITIES:										
Issuance of note receivable	(3,513,614)									(3,513,614)
Net cash used by investing activities	<u>(3,513,614)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,513,614)</u>
CASH FLOWS from FINANCING ACTIVITIES:										
Intercompany loans	(350,000)	(100,000)	(100,000)	450,000		100,000				-
Proceeds from debt	3,000,000						250,000	250,000		3,500,000
Repayment of debt		(58,333)	(80,000)							(138,333)
Net cash provided (used) by financing activities	<u>2,650,000</u>	<u>(158,333)</u>	<u>(180,000)</u>	<u>450,000</u>	<u>-</u>	<u>100,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>3,361,667</u>
Net increase (decrease) in cash and cash equivalents	1,982,722	572,146	(112,692)	(170,056)	(316,126)	(255,275)	268,750	343,750	93,750	2,406,969
Cash and cash equivalents at the beginning of the year	2,068,663	120,848	125,149	253,624	346,250	346,250	-	-	-	3,260,784
Cash and cash equivalents at the end of the year	<u>\$ 4,051,385</u>	<u>\$ 692,994</u>	<u>\$ 12,457</u>	<u>\$ 83,568</u>	<u>\$ 30,124</u>	<u>\$ 90,975</u>	<u>\$ 268,750</u>	<u>\$ 343,750</u>	<u>\$ 93,750</u>	<u>\$ 5,667,753</u>
CASH PAID FOR INTEREST (Net of capitalized amount)	<u>\$ -</u>	<u>\$ 5,637</u>	<u>\$ 4,061</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,698</u>

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

CONSOLIDATING STATEMENT OF FINANCIAL POSITION - LAUNCHPAD

June 30, 2011

	<u>Launchpad</u>	<u>Locust LLC</u>	<u>Dobern LLC</u>	<u>LLC3</u>	<u>LLC4</u>	<u>LLC5</u>	<u>LLC6</u>	<u>LLC7</u>	<u>LLC8</u>	<u>Eliminations</u>	<u>Total Launchpad</u>
ASSETS											
CURRENT ASSETS:											
Cash and cash equivalents	\$ 455,264	\$ 77,790	\$ 37,098	\$ 238,148	\$ 33,842	\$ 2,817,195	\$ 42,025	\$ -	\$ -	\$ -	\$ 3,701,362
Restricted cash	325,233		114,844	41,757		428,125					909,959
Accounts receivable	990,753		7,501	10,202						(428,631)	579,825
Prepaid expenses and deposits	1,197	20,800			12,147	6,312	32,975				73,431
Total current assets	<u>1,772,447</u>	<u>98,590</u>	<u>159,443</u>	<u>290,107</u>	<u>45,989</u>	<u>3,251,632</u>	<u>75,000</u>	<u>-</u>	<u>-</u>	<u>(428,631)</u>	<u>5,264,577</u>
LONG-TERM ASSETS:											
Intercompany receivable	937,401					250,000				(1,187,401)	-
Property, plant & equipment	21,877	6,032,753	6,950,128	7,089,578	5,926,893	7,661,046	27,818	13,009	6,890		33,729,992
Less: Accumulated depreciation		(845,876)	(273,296)	(152,285)							(1,271,457)
Total property, plant and equipment, net	<u>21,877</u>	<u>5,186,877</u>	<u>6,676,832</u>	<u>6,937,293</u>	<u>5,926,893</u>	<u>7,661,046</u>	<u>27,818</u>	<u>13,009</u>	<u>6,890</u>	<u>-</u>	<u>32,458,535</u>
Total long-term assets	<u>959,278</u>	<u>5,186,877</u>	<u>6,676,832</u>	<u>6,937,293</u>	<u>5,926,893</u>	<u>7,911,046</u>	<u>27,818</u>	<u>13,009</u>	<u>6,890</u>	<u>(1,187,401)</u>	<u>32,458,535</u>
Total assets	<u>\$ 2,731,725</u>	<u>\$ 5,285,467</u>	<u>\$ 6,836,275</u>	<u>\$ 7,227,400</u>	<u>\$ 5,972,882</u>	<u>\$ 11,162,678</u>	<u>\$ 102,818</u>	<u>\$ 13,009</u>	<u>\$ 6,890</u>	<u>\$ (1,616,032)</u>	<u>\$37,723,112</u>
LIABILITIES AND NET ASSETS											
CURRENT LIABILITIES:											
Accounts payable and accrued liabilities	\$ 746,028	\$ 21,734	\$ 2,274	128,863	\$ 1,578,875	983,953	27,818	13,009	6,890	\$ (428,631)	\$ 3,080,813
Accrued interest	18,151	23,639	31,166	34,209	13,202						120,367
Current portion of loans payable		25,503		121,157							146,660
Total current liabilities	<u>764,179</u>	<u>70,876</u>	<u>33,440</u>	<u>284,229</u>	<u>1,592,077</u>	<u>983,953</u>	<u>27,818</u>	<u>13,009</u>	<u>6,890</u>	<u>(428,631)</u>	<u>3,347,840</u>
LONG-TERM LIABILITIES:											
Intercompany payable	250,000			320,000	617,401					(1,187,401)	-
Security deposits				250,000	250,000	250,000	75,000				825,000
Loans payable		5,615,902	6,800,000	6,283,037	3,513,614	9,975,000					32,187,553
Total long-term liabilities	<u>250,000</u>	<u>5,615,902</u>	<u>6,800,000</u>	<u>6,853,037</u>	<u>4,381,015</u>	<u>10,225,000</u>	<u>75,000</u>	<u>-</u>	<u>-</u>	<u>(1,187,401)</u>	<u>33,012,553</u>
NET ASSETS:											
Unrestricted	<u>1,717,546</u>	<u>(401,311)</u>	<u>2,835</u>	<u>90,134</u>	<u>(210)</u>	<u>(46,275)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,362,719</u>
Total net assets	<u>1,717,546</u>	<u>(401,311)</u>	<u>2,835</u>	<u>90,134</u>	<u>(210)</u>	<u>(46,275)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,362,719</u>
Total liabilities and net assets	<u>\$ 2,731,725</u>	<u>\$ 5,285,467</u>	<u>\$ 6,836,275</u>	<u>\$ 7,227,400</u>	<u>\$ 5,972,882</u>	<u>\$ 11,162,678</u>	<u>\$ 102,818</u>	<u>\$ 13,009</u>	<u>\$ 6,890</u>	<u>\$ (1,616,032)</u>	<u>\$37,723,112</u>

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**CONSOLIDATING STATEMENT OF ACTIVITIES - LAUNCHPAD
For the Year Ended June 30, 2011**

	<u>Launchpad</u>	<u>Locust LLC</u>	<u>Dobern LLC</u>	<u>LLC3</u>	<u>LCC4</u>	<u>LCC5</u>	<u>Eliminations</u>	<u>Total Launchpad</u>
REVENUES:								
Other local revenue	\$ 1,397,214	\$ 499,673	\$ 527,717	\$ 572,195	\$ -	\$ -	\$ (188,000)	\$ 2,808,799
Contributions	<u>367,401</u>							<u>367,401</u>
Total unrestricted revenues	<u>1,764,615</u>	<u>499,673</u>	<u>527,717</u>	<u>572,195</u>	<u>-</u>	<u>-</u>	<u>(188,000)</u>	<u>3,176,200</u>
SUPPORTING SERVICES								
Site supports		750,793	556,530	587,546	210	46,275		1,941,354
Administration and general	<u>569,183</u>	<u>133,000</u>	<u>55,000</u>				<u>(188,000)</u>	<u>569,183</u>
Total supporting services	<u>569,183</u>	<u>883,793</u>	<u>611,530</u>	<u>587,546</u>	<u>210</u>	<u>46,275</u>	<u>(188,000)</u>	<u>2,510,537</u>
Total expenses	<u>569,183</u>	<u>883,793</u>	<u>611,530</u>	<u>587,546</u>	<u>210</u>	<u>46,275</u>	<u>(188,000)</u>	<u>2,510,537</u>
Increase (decrease) in unrestricted net assets	1,195,432	(384,120)	(83,813)	(15,351)	(210)	(46,275)	-	665,663
Beginning unrestricted net assets	<u>522,114</u>	<u>(17,191)</u>	<u>86,648</u>	<u>105,485</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>697,056</u>
Ending unrestricted net assets	<u>\$ 1,717,546</u>	<u>\$ (401,311)</u>	<u>\$ 2,835</u>	<u>\$ 90,134</u>	<u>\$ (210)</u>	<u>\$ (46,275)</u>	<u>\$ -</u>	<u>\$ 1,362,719</u>

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**CONSOLIDATING STATEMENT OF CASH FLOWS - LAUNCHPAD
For the Year Ended June 30, 2011**

	<u>Launchpad</u>	<u>Locust LLC</u>	<u>Dobern LLC</u>	<u>LLC3</u>	<u>LCC4</u>	<u>LCC5</u>	<u>LCC6</u>	<u>Eliminations</u>	<u>Total Launchpad</u>
CASH FLOWS from OPERATING ACTIVITIES:									
Change in Net Assets	\$ 1,195,432	\$ (384,120)	\$ (83,813)	\$ (15,351)	\$ (210)	\$ (46,275)	\$ -	\$ -	\$ 665,663
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:									
Depreciation		302,152	148,738	152,285					603,175
(Increase) or decrease in operating assets:									
Accounts receivable	(990,753)			(10,202)				428,631	(572,324)
Prepaid expenses and other current assets	(1,197)			24,636	31,353	43,788	(32,975)		65,605
Increase or (decrease) in operating liabilities:									
Accounts payable and accrued liabilities	719,628	21,966	(20,756)	(405)	13,202			(428,631)	305,004
Net cash provided (used) by operating activities	<u>923,110</u>	<u>(60,002)</u>	<u>44,169</u>	<u>150,963</u>	<u>44,345</u>	<u>(2,487)</u>	<u>(32,975)</u>	<u>-</u>	<u>1,067,123</u>
CASH FLOWS from INVESTING ACTIVITIES:									
Purchases of property, plant and equipment		(5,000)	(13,187)	(3,354,497)	(4,239,435)	(6,675,593)			(14,287,712)
Net cash used by investing activities	<u>-</u>	<u>(5,000)</u>	<u>(13,187)</u>	<u>(3,354,497)</u>	<u>(4,239,435)</u>	<u>(6,675,593)</u>	<u>-</u>	<u>-</u>	<u>(14,287,712)</u>
CASH FLOWS from FINANCING ACTIVITIES:									
Change in restricted cash	(325,233)		(74,825)	(41,757)		(428,125)			(869,940)
Intercompany loans	(152,401)				462,401	(310,000)			-
Receipt of long-term security deposits					250,000	250,000	75,000		575,000
Repayment of debt		(22,289)		(75,806)					(98,095)
Proceeds from debt		86,059			3,513,614	9,975,000			13,574,673
Net cash provided (used) by financing activities	<u>(477,634)</u>	<u>63,770</u>	<u>(74,825)</u>	<u>(117,563)</u>	<u>4,226,015</u>	<u>9,486,875</u>	<u>75,000</u>	<u>-</u>	<u>13,181,638</u>
Net increase (decrease) in cash and cash equivalents	445,476	(1,232)	(43,843)	(3,321,097)	30,925	2,808,795	42,025	-	(38,951)
Cash and cash equivalents at the beginning of the year	9,788	79,022	80,941	3,559,245	2,917	8,400	-	-	3,740,313
Cash and cash equivalents at the end of the year	<u>\$ 455,264</u>	<u>\$ 77,790</u>	<u>\$ 37,098</u>	<u>\$ 238,148</u>	<u>\$ 33,842</u>	<u>\$ 2,817,195</u>	<u>\$ 42,025</u>	<u>\$ -</u>	<u>\$ 3,701,362</u>
CASH PAID FOR INTEREST (Net of capitalized amount)	<u>\$ -</u>	<u>\$ 285,192</u>	<u>\$ 380,560</u>	<u>\$ 424,229</u>	<u>\$ -</u>	<u>\$ 45,793</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,135,774</u>
CAPITALIZED INTEREST	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 152,186</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 152,186</u>

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**SCHEDULE OF INSTRUCTIONAL MINUTES
For the Year Ended June 30, 2011**

	2010-11 Minutes			
	Requirement	Reduced	Actual	Status
Kindergarten:				
Mateo Sheedy	36,000	34,971	50,760	In compliance
Si Se Puede	36,000	34,971	50,760	In compliance
Los Suenos	36,000	34,971	50,760	In compliance
Grade 1:				
Mateo Sheedy	50,400	48,960	55,800	In compliance
Si Se Puede	50,400	48,960	55,800	In compliance
Los Suenos	50,400	48,960	55,800	In compliance
Grade 2:				
Mateo Sheedy	50,400	48,960	55,800	In compliance
Si Se Puede	50,400	48,960	55,800	In compliance
Los Suenos	50,400	48,960	55,800	In compliance
Grade 3:				
Mateo Sheedy	50,400	48,960	55,800	In compliance
Si Se Puede	50,400	48,960	55,800	In compliance
Los Suenos	50,400	48,960	55,800	In compliance
Grade 4:				
Mateo Sheedy	54,000	52,457	57,240	In compliance
Si Se Puede	54,000	52,457	57,240	In compliance
Los Suenos	54,000	52,457	57,240	In compliance
Grade 5:				
Mateo Sheedy	54,000	52,457	57,240	In compliance
Si Se Puede	54,000	52,457	57,240	In compliance
Los Suenos	54,000	52,457	57,240	In compliance
Grade 6:				
Mateo Sheedy	54,000	52,457	57,240	In compliance
Si Se Puede	54,000	52,457	57,240	In compliance
Los Suenos	54,000	52,457	57,240	In compliance

See the accompanying notes to supplementary information

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**SCHEDULE OF AVERAGE DAILY ATTENDANCE
For the Year Ended June 30, 2011**

	<u>Second Period Report</u>		<u>Annual Report</u>	
	<u>Classroom Based</u>	<u>Total</u>	<u>Classroom Based</u>	<u>Total</u>
Kindergarten:				
Mateo Sheedy	88.95	88.95	89.38	89.43
Si Se Puede	99.12	99.12	98.85	98.85
Los Suenos	<u>110.02</u>	<u>110.02</u>	<u>109.21</u>	<u>109.21</u>
Subtotal	<u>298.09</u>	<u>298.09</u>	<u>297.44</u>	<u>297.49</u>
Grades 1-3:				
Mateo Sheedy	248.29	248.29	247.29	247.29
Si Se Puede	287.83	287.83	287.20	287.20
Los Suenos	<u>264.10</u>	<u>264.10</u>	<u>265.14</u>	<u>265.14</u>
Subtotal	<u>800.22</u>	<u>800.22</u>	<u>799.63</u>	<u>799.63</u>
Grades 4-6:				
Mateo Sheedy	117.57	117.57	117.39	117.39
Los Suenos	<u>83.29</u>	<u>83.29</u>	<u>82.97</u>	<u>82.97</u>
Subtotal	<u>200.86</u>	<u>200.86</u>	<u>200.36</u>	<u>200.36</u>
Total ADA	<u>1,299.17</u>	<u>1,299.17</u>	<u>1,297.43</u>	<u>1,297.48</u>

See the accompanying notes to supplementary information

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**RECONCILIATION OF ANNUAL FINANCIAL
REPORT WITH AUDITED FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

	<u>Rocketship Mateo Sheedy Elementary</u>	<u>Rocketship Si Se Puede</u>	<u>Rocketship Los Suenos</u>	<u>TOTAL</u>
June 30, 2011 Annual Financial Report fund balances (net assets)	\$ 1,219,239	\$ 951,401	\$ 336,863	\$ 2,507,503
Increasing (decreasing) the fund balance (net assets):				
Cash	(14,124)	(23,219)	25,397	(11,946)
Accounts receivable	16,832		(28,855)	(12,023)
Accounts payable	8,509	11,547	(4,757)	15,299
Net adjustments and reclassifications	<u>11,217</u>	<u>(11,672)</u>	<u>(8,215)</u>	<u>(8,670)</u>
June 30, 2011 Audited Financial Statement fund balances (net assets)	<u>\$ 1,230,456</u>	<u>\$ 939,729</u>	<u>\$ 328,648</u>	<u>\$ 2,498,833</u>

See the accompanying notes to supplementary information

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2011**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass- Through Entity Identifying Number	Rocketship National	Rocketship Mateo Sheedy Elementary	Rocketship Si Se Puede	Rocketship Los Suenos Elementary	Federal Expenditures
<i>U.S. Department of Education</i>							
Pass Through Program From California Department of Education:							
American Recovery and Reinvestment Act:							
Title I Cluster:							
Title I, Part A, Basic Grants							
Low-Income and Neglected	84.010	14329	\$ -	\$ 152,858	\$ 125,414	\$ 143,529	\$ 421,801
ARRA - Title I, Part A	84.389	15005	-	16,289	51,069	-	67,358
Subtotal: Title I Cluster			-	169,147	176,483	143,529	489,159
Title II	84.367	14341	-	10,179	7,225	8,613	26,017
Title III	84.365	14356	-	24,851	-	-	24,851
Title V Part B	84.282	14941	-	-	-	225,000	225,000
ARRA: State Stabilization Fund	84.394	24997	-	19,699	-	-	19,699
Education Jobs Fund	84.410	25152	-	85,929	88,736	70,411	245,076
State Charter Schools Facilities	84.282D	N/A		149,800			149,800
Special Education Cluster:							
Special Education	84.027	13379	144,874	-	-	-	144,874
ARRA - Special Education	84.391	10123	7,443	-	-	-	7,443
Subtotal: Special Ed Cluster			152,317	-	-	-	152,317
<i>Total U.S Department of Education</i>			152,317	459,605	272,444	447,553	1,331,919
<i>U.S. Department of Agriculture:</i>							
Child Nutrition Programs	10.555	N/A	-	188,471	178,077	147,877	514,425
<i>Total U.S Department of Agriculture</i>			-	188,471	178,077	147,877	514,425
Total Federal Expenditures			\$ 152,317	\$ 648,076	\$ 450,521	\$ 595,430	\$ 1,846,344

N/A – Not available.

See the accompanying notes to supplementary information.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2011**

NOTE 1 - PURPOSE OF SCHEDULES:

A. Schedule of Expenditures by State Categories

This schedule presents expenses by the object codes according to state categories for analysis purposes.

B. Schedule of Instructional Minutes

This schedule presents information on the amount of instructional time offered by Rocketship Schools and whether the schools complied with the provisions of Education Code Sections 46200 through 46206.

C. Schedule of Average Daily Attendance (ADA)

Average daily attendance is a measurement of the number of pupils attending classes of Rocketship Schools. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to charter schools. This schedule provides information regarding the attendance of students at various grade levels.

D. Reconciliation of Annual Financial Report with Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balances (net assets) of the charter school as reported on the Annual Financial Report form to the audited financial statements.

E. Schedule of Expenditures of Federal Awards

OMB Circular A-133 requires a disclosure of the financial activities of all federally funded programs. To comply with A-133, this schedule is presented on the accrual basis of accounting.



**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors
Rocketship Education and its Affiliates

We have audited the financial statements of Rocketship Education and its Affiliates (RSEA) as of and for the year ended June 30, 2011, and have issued our report thereon dated November 29, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit we considered RSEA's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of RSEA's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of RSEA's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis.

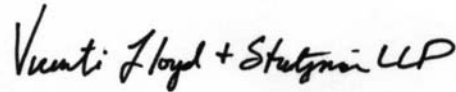
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

Compliance and Other Matters

As part of obtaining reasonable assurance about whether RSEA's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of the Board, management, the Santa Clara County Office of Education, the California Department of Education, the State Controller's Office, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



VICENTI, LLOYD & STUTZMAN LLP

November 29, 2011



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Directors
Rocketship Education and its Affiliates

Compliance

We have audited the compliance of Rocketship Education and its Affiliates (RSEA) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. RSEA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of RSEA's management. Our responsibility is to express an opinion on RSEA's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about RSEA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of RSEA's compliance with those requirements.

In our opinion, RSEA complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

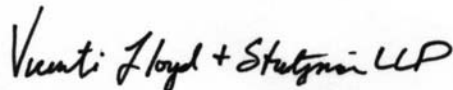
Internal Control over Compliance

The management of RSEA is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered RSEA's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the RSEA's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal controls over compliance such that there is a reasonable possibility, that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information of the Board, management, the Santa Clara County Office of Education, the California Department of Education, the State Controller's Office, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



VICENTI, LLOYD & STUTZMAN LLP

November 29, 2011



INDEPENDENT AUDITOR’S REPORT ON STATE COMPLIANCE

Board of Directors
 Rocketship Education and its Affiliates

We have audited the compliance of Rocketship Education and its Affiliates (RSEA) with the types of compliance requirements described in the *2010-11 Standards and Procedures for Audits of California K-12 Local Educational Agencies*, published by the Education Audit Appeals Panel for the year ended June 30, 2011. RSEA’s State compliance requirements are identified in the table below. Compliance with the State laws and regulations as identified below is the responsibility of RSEA’s management. Our responsibility is to express an opinion on RSEA’s compliance based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *2010-11 Standards and Procedures for Audits of California K-12 Local Educational Agencies*, published by the Education Audit Appeals Panel. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the specific areas listed below has occurred. An audit includes examining, on a test basis, evidence about RSEA’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of RSEA’s compliance with those requirements.

In connection with the audit referred to above, we selected and tested transactions and records to determine RSEA’s compliance with the laws and regulations applicable to the following items:

<u>Description</u>	<u>Procedures in Audit Guide</u>	<u>Procedures Performed</u>
Attendance accounting:		
Attendance reporting	8	Not applicable
Kindergarten continuance	3	Not applicable
Continuation education	10	Not applicable
Independent study	23	Not applicable

INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

<u>Description</u>	<u>Procedures in Audit Guide</u>	<u>Procedures Performed</u>
Instructional time:		
School Districts	6	Not applicable
County Offices of Education	3	Not applicable
Class size reduction program (including charter schools):		
General requirements	7	Not applicable
Option 1	3	Not applicable
Option 2	4	Not applicable
One school serving K-3	4	Not applicable
Instructional materials general requirements	8	Not applicable
Ratios of administrative employees to teachers	1	Not applicable
Classroom teacher salaries	1	Not applicable
Early retirement incentive	4	Not applicable
GANN limit calculation	1	Not applicable
School Accountability Report Card	3	Not applicable
Public hearing requirement—receipt of funds	1	Not applicable
After School Education and Safety Program:		
General requirements	4	Not applicable
After school	4	Not applicable
Before school	5	Not applicable
Charter Schools:		
Contemporaneous records of attendance	1	Yes
Mode of Instruction	1	Yes
Nonclassroom based instructional/independent study	15	Not applicable
Determination of funding for nonclassroom-based instruction	3	Not applicable
Annual instructional minutes – classroom based	3	Yes

In our opinion, we found that, for the items tested, RSEA complied with the laws and regulations of the state programs referred to above in all material respects. Further, based on our audit, for items not tested, nothing came to our attention to indicate that RSEA had not complied with the laws and regulations of state programs and requirements.

This report is intended solely for the information of the Board, management, the Santa Clara County Office of Education, the California Department of Education, the State Controller's Office, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Vicenti, Lloyd + Stutzman LLP

VICENTI, LLOYD & STUTZMAN LLP

November 29, 2011

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2011**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued November 29, 2011:	<i>Unqualified</i>
Internal control over financial reporting:	
Material weakness(es) identified?	<i>No</i>
Significant deficiencies identified that are not considered to be material weakness(es)?	<i>No</i>
Noncompliance material to financial statements noted?	<i>No</i>

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	<i>No</i>
Significant deficiencies identified that are not considered to be material weakness(es)?	<i>No</i>
Type of auditor's report issued on compliance for major programs:	<i>Unqualified</i>
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of (Circular A-133)?	<i>No</i>

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010A	Title I
84.389	ARRA – Title I
84.282	Title V

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	<i>No</i>

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2011**

All audit findings must be identified as one or more of the following eleven categories:

<u>Five Digit Code</u>	<u>Finding Types</u>
10000	Attendance
20000	Inventory of Equipment
30000	Internal Control
40000	State Compliance
41000	CalSTRS
50000	Federal Compliance
60000	Miscellaneous
61000	Classroom Teacher Salaries
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

There were no findings noted for the year ended June 30, 2011.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2011**

There were no findings noted for the year ended June 30, 2010.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**Consolidated Audited Financial Statements
for the Year Ended
June 30, 2010**

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

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**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Rocketship Education
San Jose, CA

We have audited the accompanying consolidated statements of financial position of Rocketship Education and its Affiliates (RSED), a California non-profit public benefit corporation, as of June 30, 2010, and the related consolidated statements of activities and cash flows for the year then ended. These financial statements are the responsibility of RSED's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements described above present fairly, in all material respects, the financial position of RSED as of June 30, 2010, and the changes in its net assets and cash flows for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 1, 2010 on our consideration of RSED's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Board of Directors
Rocketship Education

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards on page 30 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The accompanying supplementary schedules on pages 20-29 are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The supplementary section, including the schedule of expenditures of federal awards, is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.


VICENTI, LLOYD & STUTZMAN LLP

December 1, 2010

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
June 30, 2010**

	<u>Rocketship Schools</u>	<u>Launch Pad</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	\$ 3,260,784	\$ 3,780,332	\$ -	\$ 7,041,116
Accounts receivable	1,725,366	7,500		1,732,866
Prepaid expenses and deposits	<u>329,822</u>	<u>139,036</u>	<u>(250,000)</u>	<u>218,858</u>
Total current assets	<u>5,315,972</u>	<u>3,926,868</u>	<u>(250,000)</u>	<u>8,992,840</u>
PROPERTY, PLANT AND EQUIPMENT:				
Property, plant & equipment	79,837	17,999,911		18,079,748
Less: Accumulated depreciation	<u>(63,709)</u>	<u>(668,283)</u>		<u>(731,992)</u>
Total property, plant and equipment, net	<u>16,128</u>	<u>17,331,628</u>	<u>-</u>	<u>17,347,756</u>
Total assets	<u>\$ 5,332,100</u>	<u>\$ 21,258,496</u>	<u>\$ (250,000)</u>	<u>\$ 26,340,596</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES:				
Accounts payable	\$ 211,299	\$ 1,364,646	\$ -	\$ 1,575,945
Accrued liabilities	261,316			261,316
Accrued interest	2,750	89,159		91,909
Current portion of loans payable	<u>158,333</u>	<u>103,791</u>		<u>262,124</u>
Total current liabilities	<u>633,698</u>	<u>1,557,596</u>	<u>-</u>	<u>2,191,294</u>
LONG-TERM LIABILITIES:				
Deposits		250,000	(250,000)	-
Accrued interest	126,494			126,494
Convertible debt	2,450,000			2,450,000
Notes payable	<u>600,000</u>	<u>18,753,844</u>		<u>19,353,844</u>
Total long-term liabilities	<u>3,176,494</u>	<u>19,003,844</u>	<u>(250,000)</u>	<u>21,930,338</u>
NET ASSETS:				
Unrestricted	<u>1,521,908</u>	<u>697,056</u>		<u>2,218,964</u>
Total net assets	<u>1,521,908</u>	<u>697,056</u>	<u>-</u>	<u>2,218,964</u>
Total liabilities and net assets	<u>\$ 5,332,100</u>	<u>\$ 21,258,496</u>	<u>\$ (250,000)</u>	<u>\$ 26,340,596</u>

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2010**

	<u>Rocketship Schools</u>	<u>Launch Pad</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
REVENUES:				
Apportionment revenue	\$ 1,307,654	\$ -	\$ -	\$ 1,307,654
Categorical grant revenue	802,227			802,227
Property taxes	2,905,691			2,905,691
Other State revenue	1,307,189			1,307,189
Federal revenue	1,438,772			1,438,772
Other local revenue	110,430	1,616,447	(1,603,768)	123,109
Contributions	<u>1,047,856</u>			<u>1,047,856</u>
Total unrestricted revenues	<u>8,919,819</u>	<u>1,616,447</u>	<u>(1,603,768)</u>	<u>8,932,498</u>
PROGRAM EXPENSES				
Educational programs	6,278,468		(1,558,768)	4,719,700
SUPPORTING SERVICES				
Site supports	173,089	1,290,919	(45,000)	1,419,008
Program development and expansion	655,990			655,990
Administration and general	<u>772,126</u>	<u>160,295</u>		<u>932,421</u>
Total supporting services	<u>1,601,205</u>	<u>1,451,214</u>	<u>(45,000)</u>	<u>3,007,419</u>
Total expenses	<u>7,879,673</u>	<u>1,451,214</u>	<u>(1,603,768)</u>	<u>7,727,119</u>
Increase in unrestricted net assets	1,040,146	165,233	-	1,205,379
Beginning unrestricted net assets	<u>481,762</u>	<u>531,823</u>	<u>-</u>	<u>1,013,585</u>
Ending unrestricted net assets	<u>\$ 1,521,908</u>	<u>\$ 697,056</u>	<u>\$ -</u>	<u>\$ 2,218,964</u>

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2010**

	<u>Rocketship Schools</u>	<u>Launch Pad</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
CASH FLOWS from OPERATING ACTIVITIES:				
Change in Net Assets	\$ 1,040,146	\$ 165,233	\$ -	\$ 1,205,379
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:				
Depreciation	3,844	427,057		430,901
Debt forgiven through grant agreement	(650,000)			(650,000)
(Increase) or decrease in operating assets:				
Accounts receivable	(1,035,934)	(7,500)		(1,043,434)
Prepaid expenses and other current assets	(222,690)	(118,236)	250,000	(90,926)
Intercompany receivable (payable)	50,000	(50,000)		-
Increase or (decrease) in operating liabilities:				
Accounts payable and accrued liabilities	326,675	12,420		339,095
Deposits		250,000	(250,000)	-
Net cash provided (used) by operating activities	<u>(487,959)</u>	<u>678,974</u>	<u>-</u>	<u>191,015</u>
CASH FLOWS from INVESTING ACTIVITIES:				
Net sale of investments	1,000,123			1,000,123
Purchases of property, plant and equipment	(19,972)	(6,665,249)		(6,685,221)
Net cash provided (used) by investing activities	<u>980,151</u>	<u>(6,665,249)</u>	<u>-</u>	<u>(5,685,098)</u>
CASH FLOWS from FINANCING ACTIVITIES:				
Proceeds from debt	1,600,000	6,686,077		8,286,077
Repayment of debt	(366,667)			(366,667)
Net cash provided by financing activities	<u>1,233,333</u>	<u>6,686,077</u>	<u>-</u>	<u>7,919,410</u>
Net increase in cash and cash equivalents	1,725,525	699,802	-	2,425,327
Cash and cash equivalents at the beginning of the year	<u>1,535,259</u>	<u>3,080,530</u>	<u>-</u>	<u>4,615,789</u>
Cash and cash equivalents at the end of the year	<u>\$ 3,260,784</u>	<u>\$ 3,780,332</u>	<u>\$ -</u>	<u>\$ 7,041,116</u>
CASH PAID FOR INTEREST (Net of capitalized amount)	<u>\$ 30,339</u>	<u>\$ 565,264</u>	<u>\$ -</u>	<u>\$ 595,603</u>

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2010**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of Activities – Rocketship Education (RSED or Rocketship) is a California nonprofit public benefit corporation that was incorporated in May 2006 and is organized to manage, operate, guide, direct, and promote a network of outstanding inner-city college preparatory elementary charter schools.

Prior to June 30, 2010, RSED also constructed and owned school facilities that were managed by single-member limited liability companies (LLCs) of which Rocketship was the sole member. In June 2010, Rocketship divested ownership of the LLC's to Launchpad Development Company ("Launchpad"), which was organized in 2009 as a nonprofit public benefit corporation to support the mission of Rocketship Education. The sole managing member of each LLC is Launchpad which treats the LLC as a consolidated wholly-owned subsidiary. For tax and financial reporting purposes, the LLCs are considered disregarded entities and its operations are consolidated with Launchpad.

Principles of Consolidation – The accompanying financial statements include the accounts of RSED and its schools. All significant intercompany accounts and transactions have been eliminated in consolidated. Additionally, the accompanying financial statements include the accounts of Launchpad and its wholly-owned LLCs. All significant intercompany accounts and transactions have been eliminated in consolidation. Finally, all significant intercompany accounts and transactions between Rocketship and Launchpad have been eliminated in consolidation.

Listed below are the affiliated organizations included in these financial statements:

Rocketship Schools

Rocketship National / Rocketship Mateo Sheedy Elementary (RMS)

RSED operates its first school as a division of its corporate office (Rocketship National). Its first school, Rocketship Mateo Sheedy Elementary (RMS), charter number 0850, is funded principally through State of California public education monies received through the California Department of Education and the Santa Clara County Office of Education (SCCOE), the Sponsoring District. RSED is governed by a Board of Directors consisting of eight members. SCCOE approved the Charter for RMS for a 3-year term through the 2009/10 school year. The charter was renewed for 5 years and will expire on June 30, 2015. The charter may be revoked by SCCOE for material violations of the charter, failure to meet generally accepted standards of fiscal management, or violation of any provision of the law.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2010**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Rocketship Si Se Puede Academy (RSSP)

RSED opened its second school, Rocketship Si Se Puede (RSSP), charter number 1061, on August 31, 2009. RSSP was incorporated as a nonprofit public benefit organization in April 2008 to support Rocketship's mission and is funded principally through State of California public education monies received through the California Department of Education and SCCOE, the Sponsoring District. SCCOE approved the Charter for RSSP for a 5-year term through the 2013/14 school year. The charter may be revoked by SCCOE for material violations of the charter, failure to meet generally accepted standards of fiscal management, or violation of any provision of the law.

Rocketship Three Elementary School (RS3)

RSED incorporated its third school, Rocketship Three Elementary, as a nonprofit public benefit organization in February 2009. SCCOE approved the Charter for RS3, charter number 1127, scheduled to begin operations in the 2010/11 school year. The term of the charter is 5 years and runs through the 2014/15 school year.

Rocketship Four Elementary School (RS4)

RSED incorporated its fourth school, Rocketship Four Elementary School, as a nonprofit public benefit organization in June 2009. Franklin McKinley School District approved the Charter for RS4, charter number 1192 for a 5 year term through the 2016 school year, scheduled to begin operations in the 2011/12 school year.

Rocketship Five Elementary (RS5)

RSED incorporated its fifth school, Rocketship Five Elementary School, as a nonprofit public benefit organization in February 2010. SCCOE approved the Charter for RS5, charter number 1193 for a 5 year term through the 2016 school year, scheduled to begin operations in the 2011/12 school year.

Launchpad

Launchpad was incorporated as a 509(a)(3) not-for-profit public benefit corporation in November 2009. Launchpad was incorporated with the intention of becoming the leading provider of affordable facilities for the burgeoning charter school industry.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2010**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Locust Property, LLC

RSED organized Rocketship Locust Property, LLC (Locust LLC) to construct, hold, and manage the facility used in the school operations of RMS. RMS started serving grades K-3 in the 2007/08 school year at a temporary facility with 160 enrolled students. RMS expanded to serving grades K-4 in the 2008/09 school year in its new permanent facility with 320 enrolled students, and it expanded further to serving grades K-5 in the 2009/10 school year. Rocketship divested ownership and sole member status of Locust LLC to Launchpad in June 2010, at which point the name of the entity became Launchpad Development One LLC.

Dobern Property, LLC

RSED organized Rocketship Dobern Property, LLC (Dobern LLC) to construct, hold, and manage the facility used in the school operations of RSSP. RSSP started serving grades K-4 on August 31, 2009 with an initial enrollment of 422 students. RSSP will expand to serving grades K-5 in the 2010/11 school year to reach its full enrollment capacity of 500 students. Rocketship divested ownership and sole member status of Dobern LLC to Launchpad in June 2010, at which point the name of the entity became Launchpad Development Two LLC.

Launchpad Development Three, LLC (LLC3)

Rocketship Three LLC was organized in 2009 to construct, hold, and manage the facility used in the school operations of Rocketship Three Elementary School, scheduled to open in the 2010/11 school year. Launchpad Development Three LLC was organized by Launchpad to take over the construction and management of the facility used by Rocketship Three Elementary School. Rocketship divested ownership and sole member status of Rocketship Three LLC to Launchpad in June 2010 which consolidated all assets into LLC3.

Launchpad Development Four LLC (LLC4)

Launchpad Development Four LLC was organized in September 2009 to construct, hold, and manage the facility used in the school operations of Rocketship Four Elementary School, scheduled to open in the 2011/12 school year.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2010**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Launchpad Development Five LLC (LL5)

Launchpad Development Five LLC was organized in September 2009 to construct, hold, and manage the facility used in the school operations of Rocketship Five Elementary School, scheduled to open in the 2011/12 school year.

Basis of Presentation – RSED presents its financial statements as a California Non-profit Public Benefit Corporation in accordance with Financial Accounting Standards which govern generally accepted accounting principles for non-profit organizations.

Net Asset Classes – RSED is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted.

Net assets of RSED consist of the following:

- **Unrestricted:** All resources over which the governing board has discretionary control to use in carrying on the general operations of the organization.
- **Temporarily restricted:** These net assets are restricted by donors to be used for specific purposes. RSED does not currently have any temporarily restricted net assets.
- **Permanently restricted:** These net assets are permanently restricted by donors and cannot be used by RSED. RSED does not currently have any permanently restricted net assets.

Cash and Cash Equivalents – RSED defines its cash and cash equivalents to include only cash on hand, demand deposits, and liquid investments with original maturities of three months or less.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure. Accordingly, actual results could differ from those estimates.

Basis of Accounting – The financial statements have been prepared on the accrual method of accounting and accordingly reflect all significant receivables, payables and other liabilities.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2010**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Functional Allocation of Expenses – The cost of providing the various programs and other activities have been summarized on a functional basis in the consolidated statement of activities. Accordingly, certain costs have been allocated among the programs and support services benefited.

Contributions – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for specific use in future periods are reported as temporarily restricted. When the restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets for expenditure.

Property, Plant and Equipment – Property, plant and equipment are stated at cost if purchased or at estimated fair market value if donated. Depreciation of buildings and equipment is provided on a straight-line basis over the estimated useful lives of the assets ranging from three to thirty-five years. RSED capitalizes all expenditures for land, buildings and equipment in excess of \$5,000.

Income Taxes – RSED is a non-profit entity exempt from the payment of income taxes under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d. Accordingly, no provision has been made for income taxes. Management has determined that all income tax positions are more likely than not (>50%) of being sustained upon potential audit or examination; therefore, no disclosures of uncertain income tax positions are required. The organization files all appropriate informational returns in the U.S. federal jurisdiction, and the state of California.

Evaluation of Subsequent Events – The organization has evaluated subsequent events through December 1, 2010, the date these financial statements were available to be issued.

NOTE 2 - CONCENTRATION OF CREDIT RISK:

RSED maintains bank accounts with several institutions. Accounts at each of these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. RSED occasionally has the need to maintain a cash balance in excess of the FDIC limit.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2010**

NOTE 3 – ACCOUNTS RECEIVABLE:

Accounts receivable primarily consist of funds due from various governmental, non-profit corporations and private individuals. Management believes all of these amounts are collectible; therefore no provisions for uncollectible accounts were recorded. As all June 30, 2010, all amounts are considered collectible within one year.

NOTE 4 – PROPERTY, PLANT AND EQUIPMENT:

Property and equipment consisted of the following:

	<u>RSED Schools</u>	<u>Launch Pad</u>	<u>Total</u>
Land	\$ -	\$ 2,865,970	\$ 2,865,970
Furniture and equipment	79,837	12,414	92,251
Loan Fee		10,038	10,038
Building		11,080,346	11,080,346
Construction in Progress		4,031,143	4,031,143
Less: Accumulated depreciation	<u>(63,709)</u>	<u>(668,283)</u>	<u>(731,992)</u>
Total	<u>\$ 16,128</u>	<u>\$17,331,628</u>	<u>\$ 17,347,756</u>

Depreciation expense was \$430,901 for the year ended June 30, 2010.

NOTE 5 – LEASES:

Operating Leases

Related to the site development of RMS's facility, on October 1, 2007, Locust LLC entered into a 10 year land lease payable at \$10,400 monthly. This lease was modified on December 1, 2007 to increase the term of the lease to 20 years with gradually increasing financial commitments. Lease expense recognized for the year ended June 30, 2010 was \$124,800. As part of this lease agreement, Rocketship Education provided a \$250,000 Letter of Credit payable to the Lessor as additional securitization. The current Letter of Credit expired in May 2010.

Each school rents equipment under various operating leases. As of June 30, 2010, RMS and RSSP each had operating leases with approximately 3 year terms. Lease expense recognized for the year ended June 30, 2010 was approximately \$33,271 and \$19,727, respectively.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2010**

NOTE 5 – LEASES: (continued)

The following is a schedule of future minimum lease payments required under operating leases that have initial noncancelable lease terms in excess of one year:

<u>June 30,</u>	<u>RMS</u>	<u>RSSP</u>	<u>Locust LLC</u>	<u>Total</u>
2011	\$ 26,388	\$ 19,572	\$ 125,320	\$ 171,280
2012	26,388	19,572	131,040	177,000
2013	2,199	1,631	131,040	134,870
2014			131,586	131,586
2015			137,592	137,592
Thereafter			1,964,514	1,964,514
Total	<u>\$ 54,975</u>	<u>\$ 40,775</u>	<u>\$ 2,621,092</u>	<u>\$ 2,716,842</u>

NOTE 6 – DEBT:

California Department of Education Revolving Loan Program

As of June 30, 2010, RSED has three unsecured revolving loans payable to the California Department of Education totaling \$458,333 with an effective interest rates ranging from .54% to 3.94%. The repayment terms require annual principal payments that are deducted from apportionment revenue.

CDFI Facilities Construction Loans

As of June 30, 2010, Locust LLC has two facilities construction loans payable with a Community Development Financial Institution (CDFI). Two of them were entered into during the 2007-2008 fiscal year and as of June 30, 2010 had principal balances of \$4,913,941 on the primary loan and \$663,694 on the subordinate loan with effective interest rates of 5.0 percent and 5.25 percent, respectively. The loan agreement with the CDFI allows RSED to borrow up to \$5,000,000 on the primary loan and \$700,000 on the subsidiary loan. Both loans are for seven years with the primary loan structured as interest-only over the term of the loan and the subsidiary loan structured as interest-only until 10/1/08 at which point it amortizes over a 20 year period. RSED used the proceeds of these loans to construct permanent facilities for its San Jose campus for Rocketship Mateo Sheedy Elementary School. Both loans use the completed facilities as collateral.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2010**

NOTE 7 – DEBT: (continued)

CDFI Facilities Construction Loans (continued)

As of June 30, 2010, Dobern, LLC has a facilities construction loan payable with a CDFI totaling \$6.8 million. This loan is structured as interest-only for seven years with an effective interest rate of 5.5 percent. A modification signed in May 2009 lowered the effective rate to 4.5 percent for the period from May 1, 2009 through November 30, 2009, after which time it returns to 5.5 percent. Rocketship Dobern LLC used the proceeds of this loan to construct permanent facilities for the San Jose campus for Rocketship Si Se Puede Academy. The loan uses the completed facilities as collateral.

For each of these loans, the CDFI requires the borrower to maintain a debt service ratio [EBITDA / (Principal + Interest)] of 1.1, calculated quarterly. As of June 30, 2010, Locust LLC and Dobern LLC had both met the covenants of these loans. As required by the lender, RSED provided a Partial Guaranty of the debt obligation.

Convertible Loan – Charter School Growth Fund

In February 2009, RSED entered into a \$2.3 million Subordinate Loan Agreement with Charter School Growth Fund at an effective interest rate of 4.0 percent. Of this amount, \$2 million plus associated interest will be forgiven and converted into a grant provided that RSED meet specified educational, financial and growth outcomes. In the event that these annual benchmarks are not met, the loan is to be repaid in \$500,000 annual increments, starting October 1, 2014 through October 1, 2017 with all remaining principal and accrued, unpaid interest due on October 1, 2018.

As of June 30, 2009, RSED had substantively met the 2008/09 school year benchmarks and converted \$400,000 of principal into a grant, resulting in \$1.9 million remaining note payable.

As of June 30, 2010, RSED had substantively met the 2009/10 school year benchmarks and converted \$400,000 of principal into a grant, resulting in \$1.5 million remaining note payable.

The remaining \$300,000 of the loan plus accrued interest will be due on June 30, 2017.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2010**

NOTE 7 – DEBT: (continued)

Convertible Loan – Walton Fund

In July 2009, RSED entered into a \$1.5 million Subordinate Loan Agreement with Charter School Growth Fund at an effective interest rate of 4.0 percent. Of this amount, \$1.5 million plus associated interest will be forgiven and converted into a grant provided that RSED meet specified growth outcomes. In the event that these annual benchmarks are not met, all remaining principal and accrued, unpaid interest are due on October 1, 2015.

As of June 30, 2010, RSED had substantively met the 2009/10 school year benchmarks and converted \$250,000 of principal into a grant, resulting in \$1.25 million remaining note payable.

Self Help New Markets V LLC Construction Loan

As of June 30, 2010, LLC3 had entered into a facilities construction loan payable with Self Help New Markets V LLC (SHNM) totaling \$6.48 million. This loan has an effective interest rate of 6.41 percent. The loan will use the completed facilities as collateral.

Commencing on June 1, 2010 and thereafter on the first day of each month until and including September 1, 2010, RSED shall make payments of interest only. Commencing on October 1, 2010, and thereafter on the first day of each successive month, RSED shall make payments of principal and interest in monthly installments based upon an amortization schedule of 25 years, with a final payment of all unpaid principal and interest thereon due on April 19, 2017. As required by the Lender, RSED provided a Lease Guaranty to the Borrower in support of the financing with a projected expiration at the end of the 2012/13 school year. As required by the Lender, LLC3 provided a Pledge to the Lender for segregated Cash Collateral in the amount of \$1 million also with a projected expiration at the end of the 2012/13 school year.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2010**

NOTE 7 – DEBT: (continued)

Futures maturities of debt by instrument:

June 30,	CDE Loans	Locust CDFI	Dobern CDFI	CSGF	Walton	SHNM	Total
2011	\$ 158,333	\$ 24,201	\$ -	\$ -	\$ -	\$ 79,590	\$ 262,124
2012	110,000	23,572				112,322	245,894
2013	110,000	24,813				119,844	254,657
2014	60,000	26,106				127,870	213,976
2015	20,000	5,478,943		500,000		136,434	6,135,377
Thereafter	-		6,800,000	1,000,000	1,250,000	5,903,940	14,953,940
Total	\$ 458,333	\$ 5,577,635	\$ 6,800,000	\$ 1,500,000	\$ 1,250,000	\$ 6,480,000	\$ 22,065,968

Futures maturities of debt by location:

June 30,	Rocketship Education	RMS	RSSP	RS3	RS4	RS5	RSED Schools Total
2011	\$ -	\$ 58,333	\$ 80,000	\$ 20,000	\$ -	\$ -	\$ 158,333
2012	-	50,000	40,000	20,000			110,000
2013	-	50,000	40,000	20,000			110,000
2014	-	-	40,000	20,000			60,000
2015	500,000	-	-	20,000			520,000
Thereafter	1,500,000	-	-	250,000	250,000	250,000	2,250,000
Total	\$ 2,000,000	\$ 158,333	\$ 200,000	\$ 350,000	\$ 250,000	\$ 250,000	\$ 3,208,333

June 30,	Locust LLC	Dobern LLC	LLC3	Launch Pad Total	RSED Schools Total	Consolidated Total
2011	\$ 24,201	\$ -	\$ 79,590	\$ 103,791	\$ 158,333	\$ 262,124
2012	23,572		112,322	135,894	110,000	245,894
2013	24,813		119,844	144,657	110,000	254,657
2014	26,106		127,870	153,976	60,000	213,976
2015	5,478,943		136,434	5,615,377	520,000	6,135,377
Thereafter		6,800,000	5,903,940	12,703,940	2,250,000	14,953,940
Total	\$ 5,577,635	\$ 6,800,000	\$ 6,480,000	\$ 18,857,635	\$ 3,208,333	\$ 22,065,968

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2010**

NOTE 8 - EMPLOYEE RETIREMENT:

Certificated Employees

Qualified certificated employees are covered under a multiple-employer defined benefit pension plan maintained by agencies of the State of California. The certificated employees are members of the State Teachers' Retirement System (STRS).

RSED contributes to the State Teachers' Retirement System (STRS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by STRS. The plan provides retirement, disability and survivor benefits to beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law. STRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the STRS annual financial report may be obtained from STRS, 7667 Folsom Boulevard, Sacramento, CA 95826.

Active plan members are required to contribute 8.0% of their salary and RSED is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the STRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2009-10 was 8.25% of annual payroll. The contribution requirements of the plan members are established and may be amended by State statute.

RSED's contributions to STRS for each of the last three fiscal years are as follows:

<u>Year Ended</u> <u>June 30,</u>	<u>STRS</u>	
	<u>Required</u> <u>Contribution</u>	<u>Percent</u> <u>Contributed</u>
2008	\$ 33,547	100%
2009	\$ 66,485	100%
2010	\$159,103	100%

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2010**

NOTE 9 – SPONSORING AGREEMENT:

RSED had a Memorandum of Understanding (MOU) with SCCOE from July 1, 2007 through June 30, 2010 which outlined the supervisory oversight provided by the SCCOE. As stated in the Education Code, up to 1% of all Charter School State revenues (excluding grants and private monies outside of the funding model), can be paid to the sponsoring district for the actual expenses incurred in monitoring and overseeing Rocketship's schools.

Rocketship renewed its MOU with SCCOE from July 1, 2010 through June 30, 2013 which outlines the supervisory oversight provided by SCCOE. The fees accrued to SCCOE for oversight in accordance with this agreement were approximately \$38,650 for the year ended June 30, 2010, and are included in accrued expenses on the consolidated statement of financial position.

NOTE 10 – RELATED PARTY TRANSACTIONS:

Facility Leases

Rocketship Mateo Sheedy has entered into a 5 year facility lease with Locust LLC. For school year 2009-10, lease payments equaled \$665,766.

In April 2009, Rocketship Si Se Puede entered into a 7 year facility lease agreement with Dobern LLC. For school year 2009-10, lease payments under these agreement totaled \$743,000.

In April 2010, Rocketship Three Elementary school entered into a 10 year lease with Launchpad Development Three LLC. For school year 2009-10, RS3 made a facility development payment of \$150,000 to Launchpad Development Three, LLC.

Future estimated payments under these leases as of June 30, 2010 are as follows:

<u>June 30,</u>	<u>RMS</u>	<u>RSSP</u>	<u>RS3</u>	<u>Total</u>
2011	\$ 471,583	\$ 488,194	\$ 591,107	\$ 1,550,884
2012	477,573	499,214	664,050	1,640,837
2013	477,851	515,265	664,050	1,657,166
2014	478,684	496,347	634,050	1,609,081
2015	484,985	517,462	634,050	1,636,497
Thereafter		456,529	3,170,251	3,626,780
Total	<u>\$ 2,390,676</u>	<u>\$ 2,973,011</u>	<u>\$ 6,357,558</u>	<u>\$11,721,245</u>

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2010**

NOTE 10 – RELATED PARTY TRANSACTIONS:

Management Contracts

RMS, RSSP, RS3, RS4 and RS5 have all contracted to receive management and support services from Rocketship Education for which they pay management fees.

For the 2009/10 school year, management fees were as follows:

	<u>Management Fee</u>
RMS	\$ 495,845
RSSP	552,424
RS3	37,500
RS4	18,750
RS5	<u>18,750</u>
Total	<u>\$ 1,123,269</u>

NOTE 11 – COMMITMENTS AND CONTINGENCIES:

RSED has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate disallowances under terms of the grants, management believes all compliance requirements have been met.

SUPPLEMENTARY INFORMATION

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**HISTORY AND ORGANIZATION
For the Year Ended June 30, 2010**

Rocketship Education (RSED) is a California non-profit public benefit corporation that was incorporated in May 2006 and is organized to manage, operate, guide, direct, and promote a network of outstanding inner-city college preparatory elementary charter schools.

Rocketship Mateo Sheedy Elementary (RMS)	Charter Number: 0850 – Active
Rocketship Si Se Puede Academy (RSSP)	Charter Number: 1061 – Active
Rocketship Three Elementary School (RS3)	Charter Number: 1127 – Begins 2010/11
Rocketship Four Elementary School (RS4)	Charter Number: 1192 – Begins 2011/12
Rocketship Five Elementary (RS5)	Charter Number: 1193 – Begins 2011/12

Board of Directors

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
G. Marcus Cole	President	2012
Shawn Carolan	Secretary	2011
Alex Terman	Treasurer	2012
Sehba Ali	Member	2011
Jonathan Chadwick	Member	2012
Steven Farr	Member	2011
Fred Ferrer	Member	2012
Eric Resnick	Member	2011
Jen Andaluz	Member	2010
Don Shalvey	Member	2010

Administration

John Danner	Co-Founder and CEO
Preston Smith	Co-Founder and Chief Achievement Officer
Richard Billings	Director of Finance and Accounting

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

CONSOLIDATING STATEMENT OF FINANCIAL POSITION - ROCKETSHIP SCHOOLS
June 30, 2010

	<u>Rocketship National</u>	<u>Rocketship Mateo Steedy Elementary</u>	<u>Rocketship Si Se Puede</u>	<u>Rocketship Three School</u>	<u>Rocketship Four School</u>	<u>Rocketship Five School</u>	<u>Eliminations</u>	<u>Total Rocketship Schools</u>
ASSETS								
CURRENT ASSETS:								
Cash and cash equivalents	\$ 2,068,663	\$ 120,848	\$ 125,149	\$ 253,624	\$ 346,250	\$ 346,250	\$ -	\$ 3,260,784
Accounts receivable	221,295	767,744	736,327					1,725,366
Intercompany receivable	450,000						(450,000)	-
Prepaid expenses and deposits	34,085		6,174	288,874		689		329,822
Total current assets	<u>2,774,043</u>	<u>888,592</u>	<u>867,650</u>	<u>542,498</u>	<u>346,250</u>	<u>346,939</u>	<u>(450,000)</u>	<u>5,315,972</u>
PROPERTY, PLANT AND EQUIPMENT:								
Property, plant & equipment		67,351	12,486					79,837
Less: Accumulated depreciation		(61,363)	(2,346)					(63,709)
Total property, plant and equipment, net	-	5,988	10,140	-	-	-	-	16,128
Total assets	<u>\$ 2,774,043</u>	<u>\$ 894,580</u>	<u>\$ 877,790</u>	<u>\$ 542,498</u>	<u>\$ 346,250</u>	<u>\$ 346,939</u>	<u>\$ (450,000)</u>	<u>\$ 5,332,100</u>
LIABILITIES AND NET ASSETS								
CURRENT LIABILITIES:								
Accounts payable	\$ 79,122	\$ 49,592	\$ 53,380	\$ 28,516	\$ -	\$ 689	\$ -	\$ 211,299
Accrued liabilities	108,243	57,457	73,848	21,768				261,316
Intercompany payable		100,000	100,000	250,000			(450,000)	-
Accrued interest		853	1,897					2,750
Current portion of loans payable		58,333	80,000	20,000				158,333
Total current liabilities	<u>187,365</u>	<u>266,235</u>	<u>309,125</u>	<u>320,284</u>	<u>-</u>	<u>689</u>	<u>(450,000)</u>	<u>633,698</u>
LONG-TERM LIABILITIES:								
Accrued interest	97,645			9,617		9,616		126,494
Convertible debt	1,700,000			250,000		250,000		2,450,000
Notes payable	300,000	100,000	120,000	80,000				600,000
Total long-term liabilities	<u>2,097,645</u>	<u>100,000</u>	<u>120,000</u>	<u>339,617</u>	<u>259,616</u>	<u>259,616</u>	<u>-</u>	<u>3,176,494</u>
NET ASSETS:								
Unrestricted	489,033	528,345	448,665	(117,403)	86,634	86,634		1,521,908
Total net assets	<u>489,033</u>	<u>528,345</u>	<u>448,665</u>	<u>(117,403)</u>	<u>86,634</u>	<u>86,634</u>	<u>-</u>	<u>1,521,908</u>
Total liabilities and net assets	<u>\$ 2,774,043</u>	<u>\$ 894,580</u>	<u>\$ 877,790</u>	<u>\$ 542,498</u>	<u>\$ 346,250</u>	<u>\$ 346,939</u>	<u>\$ (450,000)</u>	<u>\$ 5,332,100</u>

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

CONSOLIDATING STATEMENT OF ACTIVITIES - ROCKETSHIP SCHOOLS
For the Year Ended June 30, 2010

	<u>Rocketship</u>	<u>Rocketship</u>	<u>Rocketship</u>	<u>Rocketship</u>	<u>Rocketship</u>	<u>Rocketship</u>	<u>Rocketship</u>	<u>Rocketship</u>	<u>Eliminations</u>	<u>Total</u>
	<u>Mateo</u>	<u>Sheedy</u>	<u>Si Se</u>	<u>Three</u>	<u>Four</u>	<u>Five</u>				<u>Schools</u>
REVENUES:										
Apportionment revenue	\$ -	\$ 77,966	\$ 1,229,688	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,307,654
Categorical grant revenue		359,106	443,121							802,227
Property taxes		2,096,065	809,626							2,905,691
Other State revenue	397,426	621,806	287,957	150,000						1,307,189
Federal revenue	97,269	368,728	822,775							1,438,772
Other local revenue	1,179,604	14,881	39,214					(1,123,269)		110,430
Contributions	544,459	10,288	263,109		115,000	115,000				1,047,856
Total unrestricted revenues	<u>2,218,758</u>	<u>3,548,840</u>	<u>3,895,490</u>	<u>150,000</u>	<u>115,000</u>	<u>115,000</u>		<u>(1,123,269)</u>		<u>8,919,819</u>
PROGRAM EXPENSES										
Educational programs	495,188	2,674,809	2,779,984	309,255	9,616	9,616				6,278,468
SUPPORTING SERVICES										
Site supports	173,089									173,089
Program development and expansion	655,990									655,990
Administration and general	772,126	495,845	552,424	37,500	18,750	18,750		(1,123,269)		772,126
Total supporting services	<u>1,601,205</u>	<u>495,845</u>	<u>552,424</u>	<u>37,500</u>	<u>18,750</u>	<u>18,750</u>		<u>(1,123,269)</u>		<u>1,601,205</u>
Total expenses	<u>2,096,393</u>	<u>3,170,654</u>	<u>3,332,408</u>	<u>346,755</u>	<u>28,366</u>	<u>28,366</u>		<u>(1,123,269)</u>		<u>7,879,673</u>
Increase (decrease) in unrestricted net assets	122,365	378,186	563,082	(196,755)	86,634	86,634		-		1,040,146
Beginning unrestricted net assets	366,668	150,159	(114,417)	79,352	-	-		-		481,762
Ending unrestricted net assets	<u>\$ 489,033</u>	<u>\$ 528,345</u>	<u>\$ 448,665</u>	<u>\$ (117,403)</u>	<u>\$ 86,634</u>	<u>\$ 86,634</u>		<u>\$ -</u>		<u>\$ 1,521,908</u>

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

CONSOLIDATING SCHEDULE OF EXPENDITURES BY STATE CATEGORIES - ROCKETSHIP SCHOOLS
For the Year Ended June 30, 2010

	EXPENSES BY STATE CATEGORIES:							TOTAL
	Rocketship National	Rocketship Mateo Sheedy	Rocketship Si Se	Rocketship Three	Rocketship Four	Rocketship Five		
1000 Certificated salaries	\$ 190,816	\$ 989,104	\$ 886,276	\$ 103,598	\$ -	\$ -	\$ 2,169,794	
2000 Classified salaries	798,644	149,889	124,794	17,752			1,091,079	
3000 Benefits	157,646	241,620	205,673	21,191			626,130	
4000 Books and supplies	65,455	323,735	448,568	2,443			840,201	
5000 Other operating expenses	788,599	1,459,691	1,661,210	192,155	18,750	18,750	4,139,155	
6000 Capital expenses and depreciation		1,497	2,346				3,843	
7000 Interest expenses	95,233	5,118	3,541	9,616	9,616	9,616	132,740	
Total expenses	<u>\$ 2,096,393</u>	<u>\$ 3,170,654</u>	<u>\$ 3,332,408</u>	<u>\$ 346,755</u>	<u>\$ 28,366</u>	<u>\$ 28,366</u>	<u>\$ 9,002,942</u>	

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

CONSOLIDATING STATEMENT OF CASH FLOWS - ROCKETSHIP SCHOOLS
For the Year Ended June 30, 2010

	<u>Rocketship</u>	<u>Mateo Sheedy</u>	<u>Rocketship</u>	<u>Si Se</u>	<u>Rocketship</u>	<u>Three</u>	<u>Four</u>	<u>Five</u>	<u>Total</u>
CASH FLOWS from OPERATING ACTIVITIES:									
Change in Net Assets	\$ 122,365	\$ 378,186	\$ 563,082	\$ (196,755)	\$ 86,634	\$ 86,634	\$ 86,634	\$ 1,040,146	
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:									
Depreciation		1,498	2,346						3,844
Debt forgiven through grant agreement (Increase) or decrease in operating assets:	(400,000)		(250,000)						(650,000)
Accounts receivable	(221,295)	(78,312)	(736,327)						(1,035,934)
Prepaid expenses and other current assets	(28,215)	51,347	43,741	(288,874)			(689)		(222,690)
Intercompany receivable (payable)	(400,000)	100,000	100,000	250,000					50,000
Increase or (decrease) in operating liabilities:									
Accounts payable and accrued liabilities	203,095	(68,997)	112,755	59,901			9,616	10,305	326,675
Net cash provided (used) by operating activities	<u>(724,050)</u>	<u>383,722</u>	<u>(164,403)</u>	<u>(175,728)</u>	<u>96,250</u>	<u>96,250</u>	<u>96,250</u>	<u>96,250</u>	<u>(487,959)</u>
CASH FLOWS from INVESTING ACTIVITIES:									
Net sale of investments	1,000,123								1,000,123
Purchases of property, plant and equipment		(7,486)	(12,486)						(19,972)
Net cash provided (used) by investing activities	<u>1,000,123</u>	<u>(7,486)</u>	<u>(12,486)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>980,151</u>
CASH FLOWS from FINANCING ACTIVITIES:									
Proceeds from debt	500,000		250,000	350,000			250,000		1,600,000
Repayment of debt		(366,667)							(366,667)
Net cash provided (used) by financing activities	<u>500,000</u>	<u>(366,667)</u>	<u>250,000</u>	<u>350,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>1,233,333</u>
Net increase in cash and cash equivalents	776,073	9,569	73,111	174,272			346,250		1,725,525
Cash and cash equivalents at the beginning of the year	1,292,590	111,279	52,038	79,352					1,535,259
Cash and cash equivalents at the end of the year	<u>\$ 2,068,663</u>	<u>\$ 120,848</u>	<u>\$ 125,149</u>	<u>\$ 253,624</u>	<u>\$ 346,250</u>	<u>\$ 346,250</u>	<u>\$ 346,250</u>	<u>\$ 346,250</u>	<u>\$ 3,260,784</u>
CASH PAID FOR INTEREST (Net of capitalized amount)	<u>\$ 20,909</u>	<u>\$ 7,786</u>	<u>\$ 1,644</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,339</u>

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

CONSOLIDATING STATEMENT OF FINANCIAL POSITION - LAUNCH PAD
June 30, 2010

	Launch Pad	Locust LLC	Dobern LLC	LLC3	LLC4	LLC5	Eliminations	Total Launch Pad
ASSETS								
CURRENT ASSETS:								
Cash and cash equivalents	\$ 9,788	\$ 79,022	\$ 120,960	\$ 3,559,245	\$ 2,917	\$ 8,400	\$ -	\$ 3,780,332
Accounts receivable	535,000	7,500						7,500
Intercompany receivable	-	20,800	-	24,636	43,500	50,100	(535,000)	-
Prepaid expenses and deposits	544,788	99,822	128,460	3,583,881	46,417	58,500	(535,000)	139,036
Total current assets								<u>3,926,868</u>
PROPERTY, PLANT AND EQUIPMENT:								
Property, plant & equipment	23,447	6,027,754	6,936,942	4,669,055	319,204	23,509		17,999,911
Less: Accumulated depreciation	-	(543,725)	(124,558)					(668,283)
Total property, plant and equipment, net	<u>23,447</u>	<u>5,484,029</u>	<u>6,812,384</u>	<u>4,669,055</u>	<u>319,204</u>	<u>23,509</u>	<u>-</u>	<u>17,331,628</u>
Total assets	<u>\$ 568,235</u>	<u>\$ 5,583,851</u>	<u>\$ 6,940,844</u>	<u>\$ 8,252,936</u>	<u>\$ 365,621</u>	<u>\$ 82,009</u>	<u>\$ (535,000)</u>	<u>\$ 21,258,496</u>
LIABILITIES AND NET ASSETS								
CURRENT LIABILITIES:								
Accounts payable	\$ 46,121	\$ 29	\$ 23,029	\$ 1,062,837	\$ 210,621	\$ 22,009	\$ -	\$ 1,364,646
Accrued interest		23,378	31,167	34,614				89,159
Current portion of loans payable		24,201	79,590					103,791
Total current liabilities	<u>46,121</u>	<u>47,608</u>	<u>54,196</u>	<u>1,177,041</u>	<u>210,621</u>	<u>22,009</u>	<u>-</u>	<u>1,557,596</u>
LONG-TERM LIABILITIES:								
Intercompany payable				320,000	155,000	60,000	(535,000)	-
Deposits				250,000				250,000
Notes payable		5,553,434	6,800,000	6,400,410				18,753,844
Total long-term liabilities	<u>-</u>	<u>5,553,434</u>	<u>6,800,000</u>	<u>6,970,410</u>	<u>155,000</u>	<u>60,000</u>	<u>(535,000)</u>	<u>19,003,844</u>
NET ASSETS:								
Unrestricted	522,114	(17,191)	86,648	105,485	-	-	-	697,056
Total net assets	<u>522,114</u>	<u>(17,191)</u>	<u>86,648</u>	<u>105,485</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>697,056</u>
Total liabilities and net assets	<u>\$ 568,235</u>	<u>\$ 5,583,851</u>	<u>\$ 6,940,844</u>	<u>\$ 8,252,936</u>	<u>\$ 365,621</u>	<u>\$ 82,009</u>	<u>\$ (535,000)</u>	<u>\$ 21,258,496</u>

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

CONSOLIDATING STATEMENT OF ACTIVITIES - LAUNCH PAD
For the Year Ended June 30, 2010

	Launch Pad	Locust LLC	Dobern LLC	LLC3	LCC4	LCC5	Eliminations	Total Launch Pad
REVENUES:								
Other local revenue	\$ 682,409	\$ 665,766	\$ 743,054	\$ 162,627	\$ -	\$ -	\$ (637,409)	\$ 1,616,447
Total unrestricted revenues	682,409	665,766	743,054	162,627	-	-	(637,409)	1,616,447
SUPPORTING SERVICES								
Site supports	160,295	729,418	504,359	57,142			(637,409)	1,290,919
Administration and general	160,295	253,129	384,280					160,295
Total supporting services	160,295	982,547	888,639	57,142	-	-	(637,409)	1,451,214
Total expenses	160,295	982,547	888,639	57,142	-	-	(637,409)	1,451,214
Increase (decrease) in unrestricted net assets	522,114	(316,781)	(145,585)	105,485	-	-	-	165,233
Beginning unrestricted net assets	-	299,590	232,233	-	-	-	-	531,823
Ending unrestricted net assets	\$ 522,114	\$ (17,191)	\$ 86,648	\$ 105,485	\$ -	\$ -	\$ -	\$ 697,056

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

CONSOLIDATING STATEMENT OF CASH FLOWS - LAUNCH PAD
For the Year Ended June 30, 2010

	Launch Pad	Locust LLC	Doborn LLC	LLC3	LCC4	LCC5	Total Launch Pad
CASH FLOWS from OPERATING ACTIVITIES:							
Change in Net Assets	\$ 522,114	\$ (316,781)	\$ (145,585)	\$ 105,485	\$ -	\$ -	\$ 165,233
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:							
Depreciation		302,498	124,559				427,057
(Increase) or decrease in operating assets:							
Accounts receivable			(7,500)				(7,500)
Prepaid expenses and other current assets				(24,636)	(43,500)	(50,100)	(118,236)
Intercompany receivable (payable)	(535,000)			270,000	155,000	60,000	(50,000)
Increase or (decrease) in operating liabilities:							
Accounts payable and accrued liabilities	46,121	20,659	(1,383,356)	1,096,366	210,621	22,009	12,420
Deposits			250,000				250,000
Net cash provided (used) by operating activities	33,235	6,376	(1,411,882)	1,697,215	322,121	31,909	678,974
CASH FLOWS from INVESTING ACTIVITIES:							
Purchases of property, plant and equipment	(23,447)	(177,378)	(1,500,591)	(4,621,120)	(319,204)	(23,509)	(6,665,249)
Net cash used by investing activities	(23,447)	(177,378)	(1,500,591)	(4,621,120)	(319,204)	(23,509)	(6,665,249)
CASH FLOWS from FINANCING ACTIVITIES:							
Proceeds from debt		206,077		6,480,000			6,686,077
Net cash provided (used) by financing activities	-	206,077	-	6,480,000	-	-	6,686,077
Net increase (decrease) in cash and cash equivalents	9,788	35,075	(2,912,473)	3,556,095	2,917	8,400	699,802
Cash and cash equivalents at the beginning of the year	-	43,947	3,033,433	3,150	-	-	3,080,530
Cash and cash equivalents at the end of the year	\$ 9,788	\$ 79,022	\$ 120,960	\$ 3,559,245	\$ 2,917	\$ 8,400	\$ 3,780,332
CASH PAID FOR INTEREST (Net of capitalized amount)	\$ -	\$ 254,961	\$ 288,579	\$ 21,724	\$ -	\$ -	\$ 565,264

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**SCHEDULE OF INSTRUCTIONAL MINUTES
For the Year Ended June 30, 2010**

	2009-10 Minutes			Status
	Requirement	Reduced	Actual	
Kindergarten:				
Mateo Sheedy	36,000	34,971	51,120	In compliance
Si Se Puede	36,000	34,971	51,120	In compliance
Grade 1:				
Mateo Sheedy	50,400	48,960	54,480	In compliance
Si Se Puede	50,400	48,960	54,480	In compliance
Grade 2:				
Mateo Sheedy	50,400	48,960	54,480	In compliance
Si Se Puede	50,400	48,960	54,480	In compliance
Grade 3:				
Mateo Sheedy	50,400	48,960	54,480	In compliance
Si Se Puede	50,400	48,960	54,480	In compliance
Grade 4:				
Mateo Sheedy	54,000	52,457	57,300	In compliance
Si Se Puede	54,000	52,457	57,300	In compliance
Grade 5:				
Mateo Sheedy	54,000	52,457	57,300	In compliance
Si Se Puede	54,000	52,457	57,300	In compliance
Grade 6:				
Mateo Sheedy	54,000	52,457	57,300	In compliance
Si Se Puede	54,000	52,457	57,300	In compliance

See the accompanying notes to supplementary information

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**SCHEDULE OF AVERAGE DAILY ATTENDANCE
For the Year Ended June 30, 2010**

	<u>Second Period Report</u>		<u>Annual Report</u>	
	<u>Classroom Based</u>	<u>Total</u>	<u>Classroom Based</u>	<u>Total</u>
Kindergarten:				
Mateo Sheedy	114.78	114.78	114.63	114.63
Si Se Puede	<u>114.13</u>	<u>114.13</u>	<u>113.51</u>	<u>113.51</u>
Subtotal	<u>228.91</u>	<u>228.91</u>	<u>228.14</u>	<u>228.14</u>
Grades 1-3:				
Mateo Sheedy	234.15	234.15	234.22	234.22
Si Se Puede	<u>261.48</u>	<u>261.48</u>	<u>262.39</u>	<u>262.39</u>
Subtotal	<u>495.63</u>	<u>495.63</u>	<u>496.61</u>	<u>496.61</u>
Grades 4-6:				
Mateo Sheedy	88.05	88.05	88.07	88.07
Si Se Puede	<u>28.28</u>	<u>28.28</u>	<u>28.34</u>	<u>28.34</u>
Subtotal	<u>116.33</u>	<u>116.33</u>	<u>116.41</u>	<u>116.41</u>
Total ADA	<u>840.87</u>	<u>840.87</u>	<u>841.16</u>	<u>841.16</u>

See the accompanying notes to supplementary information

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**RECONCILIATION OF ANNUAL FINANCIAL
REPORT WITH AUDITED FINANCIAL STATEMENTS
For the Year Ended June 30, 2010**

	<u>Rocketship Mateo Sheedy Elementary</u>	<u>Rocketship Si Se Puede</u>	<u>TOTAL</u>
June 30, 2010 Annual Financial Report fund balances (net assets)	\$ 526,015	\$ 473,964	\$ 999,979
Increasing (decreasing) the fund balance (net assets):			
Cash	6,750	(36)	6,714
Accounts receivable	(17,830)	(32,606)	(50,436)
Prepaid and other assets	(6,597)	5,674	(923)
Fixed assets	-	(848)	(848)
Accounts payable	19,154	2,517	21,671
Current loans	(49,147)	(30,000)	(79,147)
Long-term debt	50,000	30,000	80,000
Net adjustments and reclassifications	<u>2,330</u>	<u>(25,299)</u>	<u>(22,969)</u>
June 30, 2010 Audited Financial Statement fund balances (net assets)	<u>\$ 528,345</u>	<u>\$ 448,665</u>	<u>\$ 977,010</u>

See the accompanying notes to supplementary information

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2010**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass- Through Entity Identifying Number	Rocketship National	Rocketship Mateo Sheedy Elementary	Rocketship Si Se Puede	Rocketship Three Elementary	Federal Expenditures
<i>U.S. Department of Education</i>							
Pass Through Program From California Department of Education:							
No Child Left Behind Act and American Recovery and Reinvestment Act:							
Title I Cluster:							
Title I, Part A, Basic Grants							
Low-Income and Neglected	84.010	14329	\$ -	\$ 145,983	\$ 117,758	\$ -	\$ 263,741
ARRA - Title I, Part A	84.389	15005	-	42,218	17,023	-	59,241
Subtotal: Title I Cluster			-	188,201	134,781	-	322,982
Title II	84.367	14341	-	10,346	8,674	-	19,020
Title III	84.365	10084	-	11,600	-	-	11,600
Title IV Part B	84.358	14356	-	1,714	707	-	2,421
Title V Part B	84.282	14531	-	-	537,500	150,000	687,500
ARRA: State Stabilization Fund	84.394	24997	-	2,836	-	-	2,836
ARRA: Special Education	84.391	N/A	49,516	-	-	-	49,516
Special Education	84.027	13379	47,753	-	-	-	47,753
<i>Total U.S. Department of Education</i>			<u>97,269</u>	<u>214,697</u>	<u>681,662</u>	<u>150,000</u>	<u>1,143,628</u>
<i>U.S. Department of Agriculture:</i>							
ARRA - Equipment Assistance	10.579	15006	-	5,000	-	-	5,000
Child Nutrition Programs	10.555	N/A	-	149,031	141,113	-	290,144
<i>Total U.S. Department of Agriculture</i>			-	<u>154,031</u>	<u>141,113</u>	-	<u>295,144</u>
Total Federal Expenditures			<u>\$ 97,269</u>	<u>\$ 368,728</u>	<u>\$ 822,775</u>	<u>\$ 150,000</u>	<u>\$ 1,438,772</u>

N/A – Not available.

See the accompanying notes to supplementary information.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2010**

NOTE 1 - PURPOSE OF SCHEDULES:

A. Schedule of Expenditures by State Categories

This schedule presents expenses by the object codes according to state categories for analysis purposes.

B. Schedule of Instructional Minutes

This schedule presents information on the amount of instructional time offered by RSED schools and whether the schools complied with the provisions of Education Code Sections 46200 through 46206.

C. Schedule of Average Daily Attendance (ADA)

Average daily attendance is a measurement of the number of pupils attending classes of RSED schools. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to charter schools. This schedule provides information regarding the attendance of students at various grade levels.

D. Reconciliation of Annual Financial Report with Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balances (net assets) of the charter school as reported on the Annual Financial Report form to the audited financial statements.

E. Schedule of Expenditures of Federal Awards

OMB Circular A-133 requires a disclosure of the financial activities of all federally funded programs. To comply with A-133, this schedule was prepared for the charter and is presented on the modified accrual basis of accounting.



**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors
Rocketship Education

We have audited the financial statements of Rocketship Education and its Affiliates (RSED) as of and for the year ended June 30, 2010, and have issued our report thereon dated December 1, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit we considered RSED's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of RSED's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of RSED's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

Compliance and Other Matters

As part of obtaining reasonable assurance about whether RSED's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of the Board, management, the Santa Clara County Office of Education, the California Department of Education, the State Controller's Office, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


VICENTI, LLOYD & STUTZMAN LLP

December 1, 2010



**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Directors
Rocketship Education

Compliance

We have audited the compliance of Rocketship Education and its Affiliates (RSED) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2010. RSED's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of RSED's management. Our responsibility is to express an opinion on RSED's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about RSED's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of RSED's compliance with those requirements.

In our opinion, RSED complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010.

**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Internal Control over Compliance

The management of RSED is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered RSED's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the RSED's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies in internal controls over compliance such that there is a reasonable possibility, that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information of the Board, management, the Santa Clara County Office of Education, the California Department of Education, the State Controller's Office, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


VICENTI, LLOYD & STUTZMAN LLP

December 1, 2010



REPORT ON STATE COMPLIANCE

Board of Directors
Rocketship Education

We have audited the financial statements of Rocketship Education and its Affiliates (RSED) as of and for the year ended June 30, 2010, and have issued our report thereon dated December 1, 2010. Our audit was made in accordance with auditing standards generally accepted in the United States of America, the standards for financial and compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of The United States, and the *2009-10 Standards and Procedures for Audits of California K-12 Local Educational Agencies*, published by the Education Audit Appeals Panel. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

RSED's management is responsible for RSED's compliance with laws and regulations. In connection with the audit referred to above, we selected and tested transactions and records to determine RSED's compliance with the laws and regulations applicable to the following items:


<u>Description</u>	<u>Procedures in Audit Guide</u>	<u>Procedures Performed</u>
Attendance accounting:		
Attendance reporting	8	Not applicable
Kindergarten continuance	3	Not applicable
Continuation education	10	Not applicable
Independent study	23	Not applicable

REPORT ON STATE COMPLIANCE

<u>Description</u>	<u>Procedures in Audit Guide</u>	<u>Procedures Performed</u>
Instructional time:		
School Districts	6	Not applicable
County Offices of Education	3	Not applicable
Class size reduction program: (including charter schools)		
General requirements	7	Yes
Option 1	3	Yes
Option 2	4	Not applicable
One school serving K-3	4	Yes
Instructional materials general requirements	8	Not applicable
Ratios of administrative employees to teachers	1	Not applicable
Classroom teacher salaries	1	Not applicable
Early retirement incentive	4	Not applicable
GANN limit calculation	1	Not applicable
School Accountability Report Card	3	Not applicable
Public hearing requirement—receipt of funds	1	Not applicable
After School Education and Safety Program:		
General requirements	4	Not applicable
After school	4	Not applicable
Before school	5	Not applicable
Charter Schools:		
Contemporaneous records of attendance	1	Yes
Mode of Instruction	1	Yes
Nonclassroom based instructional/independent study	15	Not applicable
Determination of funding for nonclassroom-based instruction	3	Not applicable
Annual instructional minutes – classroom based	3	Yes

Based on our audit, we found that, for the items tested, RSED complied with the laws and regulations of the state programs referred to above. Further, based on our examination, for items not tested, nothing came to our attention to indicate that RSED's had not complied with the laws and regulations of state programs and requirements.

This report is intended solely for the information of the Board, management, the Santa Clara County Office of Education, the California Department of Education, the State Controller's Office, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


 VICENTI, LLOYD & STUTZMAN LLP

December 1, 2010

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2010**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued December 1, 2010:	<i>Unqualified</i>
Internal control over financial reporting:	
Material weakness(es) identified?	<i>No</i>
Significant deficiencies identified that are not considered to be material weakness(es)?	<i>No</i>
Noncompliance material to financial statements noted?	<i>No</i>

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	<i>No</i>
Significant deficiencies identified that are not considered to be material weakness(es)?	<i>No</i>
Type of auditor's report issued on compliance for major programs:	<i>Unqualified</i>
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of (Circular A-133)?	<i>No</i>

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010A	Title I
84.389	ARRA – Title I
84.282	Title V

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee?	<i>No</i>
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**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2010**

All audit findings must be identified as one or more of the following eleven categories:

<u>Five Digit Code</u>	<u>Finding Types</u>
10000	Attendance
20000	Inventory of Equipment
30000	Internal Control
40000	State Compliance
41000	CalSTRS
50000	Federal Compliance
60000	Miscellaneous
61000	Classroom Teacher Salaries
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

There were no findings noted for the year ended June 30, 2010.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2010**

INTERNAL CONTROL

09-1. ACCRUALS – CDDC #3000

Finding:

Significant journal entries were required to record construction and instructional material payables owned as of June 30, 2009.

Recommendation:

An essential aspect of any organization's internal control over its financial reporting process is the ability to produce accurate financial data in accordance with generally accepted accounting principles (GAAP). Accurate financial reporting enables management and the Board of Directors to have a sound financial basis for decision making. Conversely, the absence of accurate financial data may undermine the plans and initiatives of management and the Board of Directors. We recommend that the Organization develop a process to ensure all significant liabilities are captured in the year-end closing process and are made in accordance with G.A.A.P.

Status:

Implemented.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**CONSOLIDATED FINANCIAL
STATEMENTS WITH INDEPENDENT
AUDITOR'S REPORT**

**YEAR ENDED
JUNE 30, 2009
AND
PERIOD ENDED
JUNE 30, 2008**

ROCKETSHIP EDUCATION AND ITS AFFILIATES

JUNE 30, 2009 AND 2008

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Gilbert Associates, Inc.
CPAs and Advisors

INDEPENDENT AUDITOR'S REPORT

**Board of Directors
Rocketship Education
San Jose, California**

We have audited the accompanying consolidated statements of financial position of Rocketship Education and its Affiliates (RSED), a California non-profit public benefit corporation, as of June 30, 2009 and 2008 and the related consolidated statements of activities and changes in net assets and of cash flows for the year ended June 30, 2009 and the period from inception (October 16, 2006) through June 30, 2008. These consolidated financial statements are the responsibility of RSED's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of RSED as of June 30, 2009 and 2008 and the changes in its net assets and its cash flows for the year ended June 30, 2009 and the period from inception (October 16, 2006) through June 30, 2008, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the consolidated financial statements of RSED as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements of RSED. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, such information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Gilbert Associates, Inc.

GILBERT ASSOCIATES, INC.
Sacramento, California

December 14, 2009

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2009 AND 2008**

	ASSETS	
	<u>2009</u>	<u>2008</u>
CURRENT ASSETS		
Cash and equivalents	\$ 4,525,789	\$ 1,320
Cash and equivalents - restricted	90,000	
Investments	1,000,123	
Accounts receivable	689,432	132,089
Prepaid expenses and deposits	<u>127,932</u>	<u>53,930</u>
Total current assets	6,433,276	187,339
 PROPERTY AND EQUIPMENT - Net	 <u>11,093,436</u>	 <u>4,227,191</u>
 TOTAL ASSETS	 <u>\$ 17,526,712</u>	 <u>\$ 4,414,530</u>
 LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 1,578,162	\$ 131,797
Accrued expenses	92,726	36,771
Accrued interest	22,360	
Notes payable, current portion	<u>436,245</u>	<u>100,207</u>
Total current liabilities	2,129,493	268,775
 LONG-TERM LIABILITIES		
Accrued long-term liabilities		2,515,663
Accrued interest	23,321	
Notes payable	<u>14,360,313</u>	<u>1,233,742</u>
Total liabilities	<u>16,513,127</u>	<u>4,018,180</u>
 NET ASSETS		
Unrestricted	1,013,585	393,886
Temporarily restricted	<u> </u>	<u>2,464</u>
Total net assets	<u>1,013,585</u>	<u>396,350</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 17,526,712</u>	 <u>\$ 4,414,530</u>

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2009 AND PERIOD FROM INCEPTION
(OCTOBER 16, 2006) THROUGH JUNE 30, 2008**

	2009	2008
CHANGES IN UNRESTRICTED NET ASSETS:		
SUPPORT AND REVENUE		
Private grants and contributions	\$ 791,887	\$ 405,402
In-kind contributions	156,000	126,118
Federal revenue	367,023	582,481
State revenue:		
State aid portion of general purpose block grant	30,690	63,249
Categorical block grant	216,738	142,653
Lottery revenue	35,301	17,710
All other state revenue	549,345	178,704
Local revenue:		
Cash in-lieu of property taxes	1,672,359	799,978
Interest income	4,542	454
All other local revenue	12,981	22,918
Subtotal	3,836,866	2,339,667
Net assets released from restrictions	275,480	
Total support and revenue	4,112,346	2,339,667
EXPENSES		
PROGRAM EXPENSES		
Educational programs	2,839,800	1,800,994
SUPPORTING SERVICES		
Site support	198,060	144,787
Development and expansion	300,165	
Management and general	154,622	
Total supporting services	652,847	144,787
Total expenses	3,492,647	1,945,781
Increase in Unrestricted Net Assets	619,699	393,886
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:		
State revenue	159,975	2,464
Federal revenue	113,041	
Net assets released from restrictions	(275,480)	
Increase (Decrease) in Temporarily Restricted Net Assets	(2,464)	2,464
INCREASE IN NET ASSETS	617,235	396,350
NET ASSETS - Beginning of Year	396,350	
NET ASSETS - End of Year	\$ 1,013,585	\$ 396,350

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS
YEAR ENDED JUNE 30, 2009 AND PERIOD FROM INCEPTION
(OCTOBER 16, 2006) THROUGH JUNE 30, 2008**

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	\$ 617,235	\$ 396,350
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation	285,270	15,898
Unrealized gain on investments	(122)	
Debt forgiven through grant agreement	(400,000)	
Changes in assets:		
Accounts receivable	(557,343)	(132,089)
Prepaid expenses and deposits	(74,002)	(53,930)
Changes in liabilities:		
Accounts payable	24,329	131,797
Accrued expenses	101,636	36,771
Net cash provided by (used in) operating activities	(2,997)	394,797
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investment	(1,000,001)	
Purchases of property and equipment	(5,729,479)	(4,243,089)
Net cash used in investing activities	(6,729,480)	(4,243,089)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings on notes payable	14,254,483	3,849,612
Borrowings on line of credit	435,000	752,042
Payments on lines of credit	(435,000)	(752,042)
Principal payments on notes payable	(2,907,537)	
Net cash provided by financing activities	11,346,946	3,849,612
Net increase in cash	4,614,469	1,320
Cash and cash equivalents, beginning of year	1,320	
Cash and cash equivalents, end of year	\$ 4,615,789	\$ 1,320
NON-CASH INVESTING ACTIVITIES:		
Property and equipment financed through accounts payable	\$ 1,422,036	
CASH PAID FOR INTEREST (net of capitalized amount)	\$ 290,260	\$ 21,384

The accompanying notes are an integral part of these financial statements.

ROCKETSHIP EDUCATION AND ITS AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008

1. OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Rocketship Education (RSED or Rocketship) is a California non-profit public benefit corporation that was incorporated in May 2006 and is organized to manage, operate, guide, direct, and promote a network of outstanding inner-city college preparatory elementary charter schools.

In addition to managing school operations, RSED is creating a network of schools (the Network) that currently includes construction and ownership of its own school facilities. Each school facility is owned and managed by a single-member limited liability company (LLC). The managing member of each LLCs is RSED which treats the LLCs as a consolidated wholly-owned subsidiary. For tax and financial reporting purposes, the LLCs are considered a disregarded entity and its operations are consolidated with RSED corporate. Plans are currently underway to spin-off the facility LLCs into a separate organization during the 2009/10 fiscal year.

Principles of Consolidation – The accompanying financial statements include the accounts of RSED and its wholly-owned LLCs. All significant intercompany accounts and transactions have been eliminated in consolidation. Listed below are the affiliated organizations included in these financial statements:

- **Rocketship Education**

RSED operates its first school as a division of its corporate office (Rocketship National). Its first school, Rocketship Mateo Sheedy Elementary (RMS), charter number 0850, is funded principally through State of California public education monies received through the California Department of Education and the Santa Clara County Office of Education (SCCOE), the Sponsoring District. RSED is governed by a Board of Directors consisting of seven members.

SCCOE approved the Charter for RMS for a 3-year term through the 2009/10 school year. The charter may be revoked by SCCOE for material violations of the charter, failure to meet generally accepted standards of fiscal management, or violation of any provision of the law.

RSED opened its second school, Rocketship Si Se Puede Academy (RSSP), charter number 1061, on August 31, 2009. RSSP is operated as a division of RSED's corporate office and is funded principally through State of California public education monies received through the California Department of Education and SCCOE.

SCCOE approved the Charter for RSSP for a 5-year term through the 2013/14 school year. The charter may be revoked by SCCOE for material violations of the charter, failure to meet generally accepted standards of fiscal management, or violation of any provision of the law.

SCCOE additionally approved 5 charters including Rocketship Three Elementary (RS3), charter number 1127, scheduled to begin operations in the 2010/11 school year.

ROCKETSHIP EDUCATION AND ITS AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008

- **Rocketship Locust Property, LLC** - RSED organized Rocketship Locust Property, LLC (Locust LLC) to construct, hold, and manage the facility used in the school operations of RMS. RMS started serving K-3 grades in the 2007/08 school year at a temporary facility with 160 enrolled students. RMS expanded to serving K-4 grades in the 2008/09 school year in its new permanent facility with 320 enrolled students, and it will expand further to serving K-5 grades in the 2009/10 school year to reach its full enrollment capacity of 450 students.
- **Rocketship Dobern Property, LLC** - RSED organized Rocketship Dobern Property, LLC (Dobern LLC) to construct, hold, and manage the facility used in the school operations of RSSP. RSSP started serving grades K-4 on August 31, 2009 with an initial enrollment of 422 students. RSSP will expand in the 2010/11 school year to reach its full enrollment capacity of 450 students.
- **Rocketship Three Property, LLC** - RSED organized Rocketship Three Property, LLC (RS3 LLC) to construct, hold, and manage the facility used in the school operations of Rocketship 3, scheduled to open in the 2010/11 school year.

Basis of presentation – The financial statements are presented in conformity with Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-For-Profit Organizations*. Under SFAS No. 117, RSED reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. RSED had no temporarily restricted or permanently restricted net assets at June 30, 2009.

Revenue recognition – Contributions and grants are recognized when the donor/grantor makes an unconditional promise to give to Rocketship or when received, in accordance with SFAS No. 116, *Accounting for Contributions Received and Contributions Made*. Donor-restricted contributions and grants are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as “Net Assets Released from Restriction.” Government grants are recognized as revenue in accordance with the terms of the applicable grant agreement, which is generally upon the incurrence of expenditures related to the required services.

Cash and cash equivalents – For financial statement purposes, Rocketship considers investments with maturity at purchase of three months or less to be cash equivalents.

Restricted cash consists of a Certificate of Deposit (CD) for \$90,000 which matured on July 29, 2009. This CD is maintained in an RSED bank account and is payable to the City of San Jose. It is used as collateral for public improvements being performed during construction at Rocketship Dobern, LLC.

ROCKETSHIP EDUCATION AND ITS AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008

Donated materials, services and facilities – In-kind contributions are recorded at their estimated fair values at the date of donation. Donated services are recorded when they create or enhance non-financial assets or require a specialized skill that RSED would otherwise need to purchase. During the year ended June 30, 2009 and period ended June 30, 2008, in-kind contributions of management services valued at \$156,000 and \$126,118, respectively, were received.

Land, Buildings, and equipment – Land, buildings, and equipment are stated at cost if purchased or at estimated fair market value if donated. Depreciation of buildings and equipment is provided on a straight-line basis over estimated useful lives of the assets. RSED capitalizes all expenditures for land, buildings, and equipment equal to or in excess of \$5,000.

Income taxes – Rocketship is publicly supported and has received tax-exempt status under Internal Revenue Code Section 501(c)(3) and Section 23701(d) of the California Revenue and Taxation Code. There is no unrelated taxable income and, accordingly, there is no provision for income taxes in these financial statements. RSED has elected to defer the application of Financial Accounting Standard Board (FASB) Interpretation 48, *Accounting for Uncertainty in Income Taxes* as allowed until July 1, 2009. RSED will evaluate any uncertain tax positions in conjunction with the preparation of the tax returns.

Use of estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses – The cost of providing various programs and other activities has been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Recent accounting pronouncements – In September 2006, the Financial Accounting Standards Board (FASB) issued SFAS No. 157, *Fair Value Measurements* (SFAS 157), which defines fair value, establishes guidelines for measuring fair value, and expands disclosures regarding fair value measurements. SFAS 157 does not require any new fair value measurements but rather eliminates inconsistencies in guidance found in various prior accounting pronouncements. The adoption of SFAS 157 for financial assets and liabilities on July 1, 2008 did not have a material impact on the Organization's statement of financial position or the related statements of activities and of cash flows.

Fair value measurements – Assets and liabilities measured at fair value are recorded in accordance with SFAS 157, which clarifies that fair value is an exit price, representing the amount that would be received upon sale of an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, SFAS 157 establishes a three-tier value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

ROCKETSHIP EDUCATION AND ITS AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008

- Level 1 Inputs Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.
- Level 2 Inputs Inputs other than quoted prices in active markets that are observable either directly or indirectly.
- Level 3 Inputs Unobservable inputs in which there is little or no market data, which require us to develop our own assumptions.

Subsequent events were reviewed through the date of the audit report.

Reclassification – Certain reclassifications have been made to the 2008 balances to conform to the 2009 presentation. These reclassifications had no effect on the Organization’s total net assets.

2. CONCENTRATION OF CREDIT RISK

RSED maintains its cash in bank deposit accounts that at times may exceed federally insured limits. RSED has not experienced any losses in such accounts and management believes RSED is not exposed to any significant credit risk related to cash.

3. INVESTMENTS

Investments consist of a US Treasury bill maturing on November 5, 2009. As of June 30, 2009, investments consisted of balances classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices in an active market. Investment income for the year ending June 30, 2009 includes \$1 of interest income and \$122 of unrealized gain.

4. ACCOUNTS RECEIVABLE

Accounts receivable primarily consist of funds due from various governmental agencies. Management believes all of these amounts are collectible; therefore, no provisions for uncollectible accounts were recorded.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2009 AND 2008**

5. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30:

	<u>2009</u>	<u>2008</u>
Land	\$ 1,858,359	
Buildings and improvements	5,850,377	
Furniture and equipment	59,865	\$ 59,865
Construction in progress	<u>3,625,928</u>	<u>4,183,149</u>
Subtotal	11,394,529	4,243,014
Less accumulated depreciation	<u>(301,093)</u>	<u>(15,823)</u>
Property and equipment, net	<u>\$ 11,093,436</u>	<u>\$ 4,227,191</u>

Depreciation expense was \$285,270 and \$15,823 for the year ended June 30, 2009 and period ended June 30, 2008, respectively.

In August 2008, RSED completed building RMS's new site in San Jose, CA. As of June 30, 2009, a total of approximately \$5.85 million in expenditures had been incurred for this project and RSED had a commitment for an additional \$200,000.

As of June 30, 2009, RSED was in the process of building a new facility for RSSP in San Jose, California through Dobern, LLC. At that time, a total of approximately \$5.44 million in expenditures had been incurred for this project, including \$1.86 million to purchase land at 2249 Dobern Avenue in San Jose, CA. RSED had a commitment to completion of approximately \$1.6 million. The facilities were completed in August 2009.

Additionally, as of June 30, 2009, RSED had begun planning for the construction of a new facility for RS3 in San Jose, CA through RS3, LLC. At that time, a total of approximately \$48,000 in expenditures had been incurred for this project.

While a facility is under construction, a portion of interest is capitalized into its cost in accordance with SFAS No. 34, *Capitalization of Interest Costs*. In summary, the capitalization of interest is applicable to the amount of interest that could have been avoided had the Organization not undertaken the building of a capital asset. The amount of capitalizable interest is determined by applying the debt interest rate to the average amount of accumulated expenditures for the building during the year. Interest costs of \$347,411 and \$18,090 were incurred related to debt during the years ended June 30, 2009 and 2008, respectively. During the years ended June 30, 2009 and 2008, \$38,165 and \$0 of interest was capitalized, respectively.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2009 AND 2008**

6. LEASES

Operating Leases

Related to the site development of RMS's facility, on October 1, 2007, Locust LLC entered into a 10 year land lease payable at \$10,400 monthly. This lease was modified on December 1, 2007 to increase the term of the lease to 20 years with gradually increasing financial commitments. Annual commitments on this lease are as follows:

Year Ending June 30,		
2010	\$	124,800
2011		125,320
2012		131,040
2013		131,040
2014		131,586
Thereafter		<u>2,102,106</u>
Total	\$	<u>2,745,892</u>

Lease expense recognized as of June 30, 2009 and 2008 was \$124,800 and \$15,600, respectively. As part of this lease agreement, Rocketship Education has provided a \$250,000 Letter of Credit payable to the Lessor as additional securitization. The current Letter of Credit expires in May 2010 but will be renewed as a condition of the lease.

Each school rents equipment under various operating leases. As of June 30, 2009, RMS and RSSP each had operating leases with approximately 3 year terms. The following is a schedule of future minimum lease payments required under operating leases that have initial noncancelable lease terms in excess of one year:

Year Ending June 30,	RMS	RSSP	Total
2010	\$ 26,388	\$ 17,941	\$ 44,329
2011	26,388	19,572	45,960
2012	26,388	19,572	45,960
2013	<u>2,199</u>	<u>1,631</u>	<u>3,830</u>
Total	<u>\$ 81,363</u>	<u>\$ 58,716</u>	<u>\$ 140,079</u>

Lease expense recognized as of June 30, 2009 and 2008 was approximately \$30,800 and \$13,500, respectively.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2009 AND 2008**

7. DEBT

CDFI Facilities Construction Loans

As of June 30, 2009, Locust LLC has two facilities construction loans payable with a Community Development Financial Institution (CDFI). Two of them were entered into during the 2007-2008 fiscal year and as of June 30, 2009 had principal balances of \$4,688,432 on the primary loan and \$683,126 on the subordinate loan with effective interest rates of 5.0 percent and 5.25 percent, respectively. The loan agreement with the CDFI allows RSED to borrow up to \$5,000,000 on the primary loan and \$700,000 on the subsidiary loan. Both loans are for seven years with the primary loan structured as interest-only over the term of the loan and the subsidiary loan structured as interest-only until 10/1/08 at which point it amortizes over a 20 year period. RSED used the proceeds of these loans to construct permanent facilities for its San Jose campus for Rocketship Mateo Sheedy Elementary School. Both loans use the completed facilities as collateral. As of June 30, 2008, RSED incurred \$2,511,426 in construction costs that were accrued as long term liabilities because all costs incurred on the facilities project were to be funded by the CDFI loans. The entire \$2.5 million of accrued expenses at June 30, 2008 was funded by the loans in July 2008.

As of June 30, 2009, Dobern, LLC has a facilities construction loan payable with a CDFI totaling \$6.8 million. This loan is structured as interest-only for seven years with an effective interest rate of 5.5 percent. A modification signed in May 2009 lowered the effective rate to 4.5 percent for the period from May 1, 2009 through November 30, 2009, after which time it returns to 5.5 percent. Rocketship Dobern LLC is using the proceeds of this loan to construct permanent facilities for the San Jose campus for Rocketship Si Se Puede Academy. The loan will use the completed facilities as collateral.

For each of these loans, the CDFI requires the borrower to maintain a debt service ratio [EBITDA / (Principal + Interest)] of 1.1, calculated quarterly. As of June 30, 2009, Locust LLC and Dobern LLC had both met the covenants of these loans.

Future minimum principal payments under these loans as of June 30, 2009 are as follows:

Year Ending June 30,	Locust LLC	Dobern LLC	Total
2010	\$ 21,245		\$ 21,245
2011	22,382		22,382
2012	23,572		23,572
2013	24,813		24,813
2014	26,106		26,106
Thereafter	<u>5,253,440</u>	<u>\$ 6,800,000</u>	<u>12,053,440</u>
Total	<u>\$5,371,558</u>	<u>\$ 6,800,000</u>	<u>\$12,171,558</u>

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2009 AND 2008**

California Department of Education Revolving Loan Program

As of June 30, 2009, RMS has a \$200,000 unsecured loan payable under the California Department of Education Revolving Loan Program with an effective interest rate of 5.0 percent. The repayment terms require annual principal payments of \$50,000, and the loan matures on June 30, 2014.

As of June 30, 2009, RSSP has a \$200,000 unsecured loan payable under the California Department of Education Revolving Loan Program with an effective interest rate of 1.47 percent. The repayment terms require annual principal payments of \$40,000, and the loan matures on June 30, 2015.

Future minimum principal payments under this revolving loan as of June 30, 2009 are as follows:

Year Ending June 30,	<u>RMS</u>	<u>RSSP</u>	<u>Total</u>
2010	\$ 50,000	\$ 40,000	\$ 90,000
2011	50,000	40,000	90,000
2012	50,000	40,000	90,000
2013	50,000	40,000	90,000
2014	<u> </u>	<u>40,000</u>	<u>40,000</u>
Total	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 400,000</u>

California Charter Schools Association Growth Loan Program

As of June 30, 2009, RMS has a \$325,000 loan payable under the California Charter Schools Association's (CCSA) Growth Loan Program with an annual interest rate of 6.5 percent. This loan pledges public revenue earned from the State of California but not yet received (Receivables) as collateral. The loan agreement with CCSA allowed RMS to borrow up to \$650,000. The \$325,000 remaining balance plus accrued interest was paid in July 2009.

Convertible Loans

In February 2009, RSED entered into a \$2.3 million Subordinate Loan Agreement with Charter School Growth Fund at an effective interest rate of 4.0 percent. Of this amount, \$2 million plus associated interest will be forgiven and converted into a grant provided that RSED meet specified educational, financial and growth outcomes. In the event that these annual benchmarks are not met, the loan is to be repaid in \$500,000 annual increments, starting October 1, 2014 through October 1, 2017 with all remaining principal and accrued, unpaid interest due on October 1, 2018.

As of June 30, 2009, RSED had substantively met the 2008/09 school year benchmarks and converted \$400,000 of principal and \$4,910 in interest into a grant, resulting in \$1.9 million remaining note payable. In addition to the interest converted into a grant, RSED accrued \$23,321 in interest payable as a long-term liability.

ROCKETSHIP EDUCATION AND ITS AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008

Commercial Bank Line of Credit

RSED also has a line of credit with a commercial bank effective November 1, 2006 through November 30, 2009, which provides borrowings up to \$1,000,000. Interest on outstanding balances is the LIBOR plus 2.25 percent or prime minus 0.25%, whichever is less. For the year ended June 30, 2009 there were four borrowings on this line of credit, and there is no balance outstanding as of June 30, 2009 and 2008. The line of credit is secured by the personal property of the Co-Founder and CEO.

8. EMPLOYEE BENEFIT PLANS

Qualified employees are covered under multiple-employer defined benefit pension plan maintained by an agency of the State of California. Certificated employees are members of the California State Teachers' Retirement System (CalSTRS). All employees who are not members of CalSTRS must contribute to the federal Social Security system.

California State Teachers' Retirement Systems (CalSTRS):

Plan Description

RSED contributes to the California State Teachers' Retirement Systems (CalSTRS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement, disability, and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CALSTRS, 100 Waterfront Place, West Sacramento, California 95605.

Funding Policy

Active plan members are required to contribute 8% of their salary and RSED is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalSTRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2008-09 was 8.25% of annual payroll. The contribution requirements of the plan members are established by state statute. RSED's contributions to CalSTRS for the fiscal year ending June 30, 2009 and the period ending June 30, 2008 were \$66,485 and \$33,547, respectively, and equal 100% of the required contributions for each year.

ROCKETSHIP EDUCATION AND ITS AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008

9. AGREEMENT WITH SPONSORING DISTRICT

RSED has a Memorandum of Understanding (MOU) with SCCOE from July 1, 2007 through June 30, 2010 which outlines the supervisory oversight provided by the SCCOE. As stated in the Education Code, up to 1% of all Charter School State revenues (excluding grants and private monies outside of the funding model), can be paid to the sponsoring district for the actual expenses incurred in monitoring and overseeing RMS. The fees accrued to SCCOE for oversight in accordance with this agreement were approximately \$19,000 and \$15,000 for the year ended June 30, 2009 and the period ended June 30, 2008, respectively, and is included in accrued expenses on the statements of financial position.

10. RELATED PARTY TRANSACTIONS

RSED's Co-Founder and CEO voluntarily did not receive any form of compensation in fiscal year 2007-08 and 2008-09, but the equivalent value of his performance as the CEO was estimated at \$126,118 and \$156,000, respectively. The value of his work was recorded as a component of revenues under in-kind contributions and recorded as supporting services on the schedule of functional expense. The net effect of these transactions to the changes in net assets was zero.

Personal property of the Co-Founder and CEO is used as collateral for the RSED bank line of credit in the amount of \$1,000,000. At June 30, 2009 and 2008, there was no balance on this line of credit.

11. CONTINGENCIES

RSED has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate disallowances under terms of the grants, management believes all compliance requirements have been met.

SUPPLEMENTARY INFORMATION SECTION

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2009**

	Program Expenses					Support Expenses			Total Support	
	Rocketship Mateo Sheedy Elementary	Rocketship Si Se Puede	Rocketship Three Elementary	Rocketship Locust L.L.C.	Eliminations	Total Program	Site Support	Rocketship National Program Development and Expansion		Administrative and General
Certificated salaries	\$ 843,809	\$ 62,865				\$ 906,674				\$ 157,490
Classified salaries	142,540	8,936				151,476	\$ 157,490			29,190
Employee benefits	204,370	15,017				219,387	29,190			11,380
Books and supplies	363,559	2,163				365,722	11,380			
Services and other operating expenses	1,227,216	337,936	\$ 45,648	\$ 133,488	\$ (1,139,617)	604,671		\$ 270,824	\$ 154,622	425,446
Depreciation and amortization	44,042			241,228		285,270				
Interest Expense	59,677			246,923		306,600		29,341		29,341
Total expenses	\$ 2,885,213	\$ 426,917	\$ 45,648	\$ 621,639	\$ (1,139,617)	\$ 2,839,800	\$ 198,060	\$ 300,165	\$ 154,622	\$ 652,847

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDING JUNE 30, 2008**

	<u>Program expenses</u>	<u>Supporting services</u>	<u>Total expenses</u>
Certificated salaries	\$ 511,657		\$ 511,657
Classified salaries	73,443	\$ 9,583	83,026
Employee benefits	126,094	1,725	127,819
Books and supplies	273,767		273,767
Services and other operating expenses	778,751	133,479	912,230
Interest	21,384		21,384
Depreciation	<u>15,898</u>	<u> </u>	<u>15,898</u>
Total expenses	<u>\$ 1,800,994</u>	<u>\$ 144,787</u>	<u>\$ 1,945,781</u>

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2009**

	ASSETS									
	Rocketship National	Rocketship Mateo Sheedy Elementary	Rocketship Si Se Puede	Rocketship Three School	Total Rocketship Education	RS3 LLC	Dobern LLC	Locust LLC	Eliminations	Consolidated Total
CURRENT ASSETS										
Cash and cash equivalents	\$ 1,292,590	\$ 111,279	\$ 52,038	\$ 79,352	\$ 1,535,259	\$ 3,150	\$ 2,943,433	\$ 43,947		\$ 4,525,789
Cash and cash equivalents - restricted							90,000			90,000
Investments	1,000,123	689,432			1,000,123					1,000,123
Accounts receivable					689,432					689,432
Intraorganization receivables	50,000				50,000					
Prepaid expenses and deposits	5,870	51,347	49,915		107,132			20,800	\$ (50,000)	127,932
Total current assets	2,348,583	852,058	101,953	79,352	3,381,946	3,150	3,033,433	64,747	(50,000)	6,433,276
PROPERTY AND EQUIPMENT - Net						47,935	5,436,352	5,609,149		11,093,436
TOTAL ASSETS	\$ 2,348,583	\$ 852,058	\$ 101,953	\$ 79,352	\$ 3,381,946	\$ 51,085	\$ 8,469,785	\$ 5,673,896	\$ (50,000)	\$ 17,526,712
	LIABILITIES AND NET ASSETS									
CURRENT LIABILITIES										
Accounts payable	\$ 53,162	\$ 88,073	\$ 14,381		\$ 155,616	\$ 1,085	\$ 1,418,713	\$ 2,748	\$ (50,000)	\$ 1,578,162
Intraorganization payables						50,000				
Accrued expenses	5,432	85,305	1,989		92,726		18,839			92,726
Accrued interest		3,521			3,521					22,360
Debt, current portion		375,000	40,000		415,000			21,245		436,245
Total current liabilities	58,594	551,899	56,370		666,863	51,085	1,437,552	23,993	(50,000)	2,129,493
LONG-TERM DEBT										
Accrued interest	23,321				23,321					23,321
Notes payable	1,900,000	150,000	160,000		2,210,000		6,800,000	5,350,313		14,360,313
Total liabilities	1,981,915	701,899	216,370		2,900,184	51,085	8,237,552	5,374,306	(50,000)	16,513,127
NET ASSETS:										
Unrestricted	366,668	150,159	(114,417)	\$ 79,352	481,762		232,233	299,590		1,013,585
Total net assets	366,668	150,159	(114,417)	79,352	481,762		232,233	299,590		1,013,585
TOTAL LIABILITIES AND NET ASSETS	\$ 2,348,583	\$ 852,058	\$ 101,953	\$ 79,352	\$ 3,381,946	\$ 51,085	\$ 8,469,785	\$ 5,673,896	\$ (50,000)	\$ 17,526,712

The accompanying notes are an integral part of these financial statements.

**ROCKETSHIP EDUCATION
AND ITS AFFILIATES**
CONSOLIDATING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2009

	Rocketship National	Rocketship Mateo Sheedy Elementary	Rocketship Si Se Puede	Rocketship Three Elementary	Total Rocketship Education	RS3 LLC	Dobern LLC	Locust LLC	Eliminations	Consolidated Total
CHANGES IN UNRESTRICTED NET ASSETS:										
SUPPORT AND REVENUE										
Private grants and contributions	\$ 857,352	\$ 7,148	\$ 250,000	\$ 125,000	\$ 1,239,500		\$ 232,000	\$ 460,004	\$ (1,139,617)	\$ 791,887
In-kind contributions	156,000				156,000					156,000
Federal revenue		304,523	62,500		367,023					367,023
State revenue:					0					
State aid portion of general purpose block grant		30,690			30,690					30,690
Categorical block grant		216,738			216,738					216,738
Lottery revenue		35,301			35,301					35,301
All other state revenue		549,345			549,345					549,345
Local revenue:										
Cash in-lieu of property taxes	4,309	1,672,359			1,672,359		233			1,672,359
Interest income	1,854	11,127			12,981					12,981
All other local revenue	1,019,515	2,827,231	312,500	125,000	4,284,246		232,233	460,004	(1,139,617)	3,836,866
Subtotal	1,019,515	2,827,231	312,500	125,000	4,284,246		232,233	460,004	(1,139,617)	3,836,866
Net assets released from restrictions		275,480			275,480					275,480
Total support and revenue	1,019,515	3,102,711	312,500	125,000	4,539,726		232,233	460,004	(1,139,617)	4,112,346
PROGRAM EXPENSES										
Educational programs		2,885,213	426,917	45,648	3,357,778			621,639	(1,139,617)	2,839,800
SUPPORTING SERVICES										
Site support	198,060				198,060					198,060
Program development and expansion	300,165				300,165					300,165
Administration and general	154,622				154,622					154,622
Total supporting services	652,847				652,847					652,847
Total expenses	652,847	2,885,213	426,917	45,648	4,010,625			621,639	(1,139,617)	3,492,647
Increase (Decrease) in Unrestricted Net Assets	366,668	217,498	(114,417)	79,352	549,101		232,233	(161,635)		619,699
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:										
State revenue		159,975			159,975					159,975
Federal revenue		113,041			113,041					113,041
Net assets released from restrictions		(275,480)			(275,480)					(275,480)
Increase (Decrease) in Temporarily Restricted Net Assets		(2,464)			(2,464)					(2,464)
INCREASE (DECREASE) IN NET ASSETS	366,668	215,034	(114,417)	79,352	546,637		232,233	(161,635)		617,235
NET ASSETS - Beginning of Year		396,350			396,350			461,225		396,350
Reclassifications**		(461,225)			(461,225)					
NET ASSETS (DEFICIT) - End of Year	\$ 366,668	\$ 150,159	\$ (114,417)	\$ 79,352	\$ 481,762	\$	\$ 232,233	\$ 299,590	\$	\$ 1,013,585

** \$461,225 of beginning assets was transferred from Rocketship Mateo Sheedy to Locust LLC

The accompanying notes are an integral part of these financial statements.

ROCKETSHIP EDUCATION INDIANA

Attachment 24
Litigation Documentation



In May 2011 an employee of Rocketship Education was leaving the office when she fell down the office building stairs. She was placed on disability leave for a number of months. After a prolonged absence and an uncertain return date to resume work her position was replaced.

Once she was released to return to work Rocketship sought out another role but did not have a suitable open position available at the time.

The employee sought legal counsel and brought any and all applicable complaints against Rocketship Education.

Complainant filed with Department of Fair Employment and Housing (DFEH), Equal Employment Opportunity Commission (EEOC) and Department of Industrial Relations, Division of Labor Standards Enforcement (DLSE).

The case was resolved in confidential mediation and resulted in a full settlement and release of all claims as of January 24, 2012.

Legal documentation will be provided upon request. If you have any further questions, please feel free to contact me at the number below.

Jill Wear
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Rocketship Education
(650) 823-6716 (cell)