

CHARTER SCHOOL APPLICATION FORM FOR MODIFYING AN APPROVED CHARTER

Newark Charter School

December 2011



FRANCIS S. FOX, AIA
1853 William Penn Way, Lancaster, PA 17605-0008
Ph (717) 293-4475 Fax (717) 293-4499
ffox@high.net

PROPOSED MAIN ENTRANCE - VIEW 2
NEWARK CHARTER SCHOOL
Newark, Delaware

DELAWARE DEPARTMENT OF EDUCATION
CHARTER SCHOOL APPLICATION FORM FOR
MODIFYING AN APPROVED CHARTER

Newark Charter School

Name of School

Stephen Dressel

Chair of the Board of Directors

8 Wyncliff Lane

Newark, DE 19711 _____

Mailing Address of the Chair
of the Board of Directors

302-992-2934 (work)

302-292-1671 (home)

Telephone Number of the Chair of
the Board of Directors

(302) 368-3460

Fax Number of the Chair of
the Board of Directors

December 15, 2011

Date Modification Application Submitted

stephen.dressel@usa.dupont.com

Email Address of the Chair of
the Board of Directors

APPLICATION NARRATIVE

This section outlines the narrative requirements of the application.

1. List the proposed term(s) of the current approved charter which the school's Board of Directors wishes to modify.

- A) Newark Charter School's approved charter is for a grade configuration of Kindergarten through 8th grade. The school wishes to expand vertically by adding grades 9-12 and laterally by leveling enrollment.
- B) Newark Charter School's approved charter is for a total enrollment of 1,286 students. Over a nine-year phase-in period, the school wishes to expand to a total enrollment of 2,470 students. This will include balancing all grades (K-12) at 190 students per grade (see attached "*Current and Projected Enrollment*" in Appendix) and the addition of grades 9-12.
- C) Newark Charter School's present campus is located at 2001 Patriot Way in Newark. The additional campus combines junior high school (grades 7 and 8) and high school (grades 9-12). It will be located approximately one-half mile away at 200 McIntire Drive in Newark (see "*Proposed Campus and Facilities*" in Appendix).

2. Identify the page numbers in the current charter on which the terms are stated. If the terms of the charter the school wishes to modify are conditions placed on the charter by the Secretary of Education and members of the State Board of Education, state the conditions and the date on which the conditions were placed on the school's charter.

- A) Newark Charter School's most recent major modification was based upon information on page 2 of the Charter Modification request (submitted November 18, 2005). This major modification (subsequently approved by the State Board of Education on February 16, 2006) outlined the school's request to expand its grade configuration and enrollment as shown below:

"This request from the Newark Charter School Board of Directors is to modify our charter in order to expand the school's grade configuration from 5-8 to K-8, and to expand maximum enrollment from 648 students to a maximum of 1,286 students as follows:

<i>Grade K:</i>	<i>80 students (full day)</i>	<i>4 sections of 20 students/ea.</i>
<i>Grade 1:</i>	<i>132 students</i>	<i>6 sections of 22 students/ea.</i>
<i>Grade 2:</i>	<i>132 students</i>	<i>6 sections of 22 students/ea.</i>
<i>Grade 3:</i>	<i>132 students</i>	<i>6 sections of 22 students/ea.</i>
<i>Grade 4:</i>	<i>162 students</i>	<i>6 sections of 27 students/ea.</i>
<i>Grade 5:</i>	<i>162 students</i>	<i>6 sections of 27 students/ea.</i>
<i>Grade 6:</i>	<i>162 students</i>	<i>6 sections of 27 students/ea.</i>
<i>Grade 7:</i>	<i>162 students</i>	<i>6 sections of 27 students/ea.</i>
<i>Grade 8:</i>	<i><u>162 students</u></i>	<i>6 sections of 27 students/ea.</i>
	<i>1,286 total students</i>	

This expansion went into effect August 2007. It should be noted that while the authorized enrollment is for 1,286 students in grades K-8, the actual September 30, 2011 enrollment was 1,344. This is within the +-5% allowed by law.

- B) The same charter modification application (submitted November 18, 2005) included a description of the new elementary school facility that was eventually constructed on the same campus of the middle school facility located at 2001 Patriot Way in Newark. This information was included on pages 8 and 9 of the modification request (see excerpt below):

Facilities and Site Plan

The school's middle school facility is designed for a capacity of 650 students, so there is no room for additional classrooms. Therefore, the school will construct a separate building on the school's current property to house 638 students in grades k-4.

The present modification request is to renovate an existing facility and do site improvements at a new campus located at 200 McIntire Drive, approximately one-half mile from the current campus and off the same main road. This new facility will house the school's current 7th and 8th grades (junior high school) and the new grades 9-12 (high school). The freed-up classroom space in the middle school, by relocating grades 7 and 8, will make room for additional students in grades K-6. (See the enrollment chart included in the Appendix: "*Current and Projected Enrollment*".)

3. State the modification(s) the school's Board of Directors wishes to make to each of the term(s) of the charter identified above.

- A) Newark Charter School wishes to modify its charter to change its grade configuration from grades K-8 to grades K-12.
- B) Newark Charter School wishes to modify its charter to expand to a total enrollment of 2,470 students, phased in over a nine-year period. This will include balancing all grades (K-12) at 190 students per grade and adding grades 9-12 (see attached "*Current and Projected Enrollment*" in Appendix).
- C) Newark Charter School wishes to modify its charter to add an additional campus located approximately one-half mile away at 200 McIntire Drive in Newark (see "*Proposed Campus and Facilities*" in Appendix.) The new campus will house a junior high school (grades 7 and 8 relocated from the present middle school) and high school (grades 9-12). Thus, the school will operate three buildings on two campuses:

Primary School Building	Grades K-3	2001 Patriot Way
Intermediate School Building	Grades 4-6	2001 Patriot Way
Junior High/High School Building	Grades 7-12	200 McIntire Drive

4. Describe the reasons for the request(s).

The three most important reasons for the request are:

- 1) Expansion will enable our students to continue their academic achievement in a way that is currently not adequately being addressed by other schools in this area.
- 2) It is what our community wants and needs.
- 3) It will level enrollment in each grade at 190 students, thereby eliminating enrollment gaps, and the academic problems associated with them, when students progress from grade to grade.

Expansion will enable our students to continue their academic achievement in a way that is currently not adequately being addressed by othe schools in this area.

The impetus for developing a Newark Charter School high school program comes from a full ten years of teacher, parent and community input; student achievement data and a school performance demonstrated over an 11-year period.

The National Association of Charter School Authorizers, in its July 2009 Policy Guide, states that the replication and expansion of existing quality charter schools with a proven track record of success holds great promise in building the supply of quality charter schools by leveraging documented success.

From the National Association of Charter School Authorizers (NACSA)

“Expansion may also be considered a form of replication. It is not uncommon for successful schools to expand upwards or downwards. For instance, a school that has successfully served a specific grade span may decide to expand to include additional grades with a complementary educational program. Often this form of replication is undertaken to ensure students can matriculate seamlessly and remain in a learning environment in which they have thrived.”

From the National Governors’ Association (NGA Center for Best Practices)

“In communities nationwide, public charter schools are meeting the growing demand for high-quality education opportunities. Yet many students and their families are denied access to quality charter school options because of limits placed on the development of new charter schools or expansion of existing high-performing charter schools.

Newark Charter School’s academic, financial, and operational success is well documented (*see “School Achievements” in Appendix*).

When a child completes Newark Charter School’s 8th grade program he or she is well prepared for academic success in high school. The expectation is that the student will continue to be

challenged and progress according to the academic trajectory which has been established. Sadly, this is not always the case.

On at least a weekly basis the school receives inquiries as to when we might put into place a high school program to follow our successful K-8 program. An August 2011 survey of our current parents demonstrates this high demand. With more than 600 parent surveys returned to date, 98% of the respondents indicated that they would send their children to a Newark Charter High School.

In the absence of a Newark Charter High School, the school's parents seek enrollment for their children in other quality high schools. The Charter School of Wilmington and Delaware Military Academy are two popular charter high school choices among our parents. However, these institutions give admissions preferences to students who live in Red Clay School District and they have waiting lists of their own. Only 1% of Newark Charter School's students live in Red Clay. As many as 90% of the 8th grade graduates fail to secure a place at two of their top high school choices.

Private high schools are not within the financial reach of most of our public school families. Even some of the vocational high schools have denied access to our students.

There is only one high school located inside the City of Newark, one of our state's three largest cities.

For most of our graduates, therefore, the only option is to attend their Christina District feeder high schools. According to data released by the Delaware Department of Education and the *News Journal*, Christina School District's high schools rank 17/17 – the lowest performing district high schools in the state.

Newark Charter School has more 2011 Michael C. Ferguson Achievement Award winners than all three Christina School District middle schools combined. This is especially significant since almost all of Newark Charter School's students reside in the Christina School District and were accepted via lottery.

Considering that our 8th graders are coming from a school that ranks first in the state in reading, math, science and social studies, limiting students high school options to this one district explains our parents' frustration and concern. In fact, when our graduates return to visit Newark Charter School they comment, almost without exception, to the fact that they have already learned much of what they are now being exposed to in high school. A past Christina School District principal has even stated that his school has "little to offer Newark Charter School students."

In the consideration of a high school expansion, we recognize the changing times and the need for students to have greater opportunities provided for learning 21st century skills and understandings. We are developing the school program to provide for the needs of an increasingly technological world and a world that is inter-connected globally.

It is what our community wants and needs.

The second reason for this request is that it is what our community, as a whole, wants and needs.

The demand for a high school from our current parents has already been stated, but the demand for expansion in all grades is just as strong. Last year, Newark Charter School had almost 2,000 students on its waiting list for grades K-8. For every one open seat, there were 12 students turned away simply because they drew a higher number in our lottery. There are those who may try to frame this phenomenon as charter school parents vs. district parents. We strongly reject this polarizing attitude. For every one parent whose student is admitted to Newark Charter School there are twelve parents with children enrolled in Christina School District schools who made the same choice for their children. We believe they also support our expansion in all grades. This expansion in all grades is addressed in this modification.

The voices of local government and business leaders have been raised in support of Newark Charter School's expansion. Letters of support from these government and business leaders are included in the appendix. They include letters from:

Vance Funk III, Mayor of Newark
Kyle Sonnenberg, City Manager
Mark Kleinschmidt, President, New Castle County Chamber of Commerce
Michael Ratchford, Government Relations, W.L. Gore & Associates, Inc.
J. Michael Bowman, Chairman and President, Delaware Technology Park, Inc.

Also attached is a letter from Théré du Pont. Mr. du Pont's letter states that the Longwood Foundation has pledged \$700,000 toward this project.

The Greater Newark Economic Partnership hired a consulting firm to assess its business climate and the opportunities for job creation and economic development. The study assessed Newark's strengths and liabilities. The result of this study revealed that the greatest liability was the lack of quality school options in the Newark area. Newark is one of Delaware's largest cities and the home of the University of Delaware. Yet, the City of Newark has one public high school and no nonpublic high schools within its city limits. The one public high school is low-performing according to state testing data.

The membership of the Greater Newark Economic Partnership includes the Newark City Manager, the President of the New Castle County Chamber of Commerce, the President of the Delaware Technology Park, representatives of the University of Delaware, W. L. Gore, the DuPont Company and others. This group approached Newark Charter School and asked if it would create a high quality charter high school, based on the success of Newark Charter School's elementary and middle schools. This group has identified the potential site for the new high school and it has pledged to support the project at all levels.

Historically, it was the business community that served as the catalyst for the charter school movement in Delaware in 1994. The current situation in Newark parallels this groundbreaking initiative in public education reform. The combination of strong voices from Newark's families and from those in local business and government is encouraging to the school's Board of Directors and to those who carry the vision and mission of Newark Charter School.

It will level enrollment in each grade at 190 students, thereby eliminating enrollment gaps, and the academic problems associated with them, when students progress from grade to grade.

A third reason for this request is based on leveling enrollment at the same number of students for each grade in order to eliminate enrollment gaps. Such gaps result in academic problems for students as they progress from grade to grade.

Enrollment gaps exist in our current approved charter (see page 2 of this application). For example, we are approved to have 80 Kindergarteners and 132 first graders (gap of 52 students). We are approved to have 132 third graders and 162 fourth graders (gap of 30 students).

Our teachers have encountered serious disparities between students who have been in our program and progress to the next year and students who have not. For example, most of the 52 newly-admitted first graders in 2009 were not on the same reading level as students who came from Newark Charter School's Kindergarten. Of the 30 new fourth grade students, 29 fell into the bottom 20% of our fourth grade class. We tried to remediate these students' gaps in knowledge prior to their entering Newark Charter School, but the summer programs the school offered were not enough to fully address the students' needs.

The school determined that the only way to reduce the gaps in learning that result from gaps in enrollment is to level the grade-by-grade enrollments. In 2009, Newark Charter School submitted a minor modification request to the Delaware Secretary of Education to add two Kindergarten classes for this very reason. We were told that a modification would not be necessary because the increase in Kindergarten enrollment fell within the allowable +5% enrollment variance allowed by law. Therefore, the school admitted 50 new Kindergarten students to level the enrollment between Kindergarten and first grade. With this charter modification request we wish to make that formalize that Kindergarten expansion decision by making part of our revised charter. Further, we wish to extend this logic by making all of our classes (K-12) 190 students, with no gaps.

The number 190 is based on the optimal high school enrollment size. Research shows that the ideal size for a high school is about 800 students – large enough to provide an array of curricular and extracurricular options, but small enough to build a strong school culture. Expanding the number of students in each grade level (K-8) to 190 students will eventually result in a high school enrollment of 760 students, very close to the optimal size. It will take nine years to accomplish a high school of enrollment of 760 students. While it would be faster and less costly to add all the students at once, our planned growth model demonstrates our commitment to eliminating enrollment gaps and doing what is best for the students in the long run.

Additional Benefits

Expanding and reconfiguring grades will yield financial economies of scale after the start-up years. With one governing body and one central management Newark Charter School's expanded program will be cost efficient. Operating efficiency in the combined programs will benefit from the school's increased internal capacity in a way that couldn't be done with separate entities. For example, there will be:

- opportunities for high achieving 8th grade students to take high school level classes offered in the same building,
- opportunities for students to be given credit for classes, such as Spanish I, offered in

junior high school (thereby enabling them to take additional languages later or to progress to Advanced Placement levels and earn college credit),

- opportunities for junior and senior high school students to share a common library,
- opportunities to avoid redundancy in centralized functions such as business manager and transportation manager
- opportunities for certain part-time staff to go full-time by working at both campuses,
- The new facility will provide additional playing fields and gathering spaces, such as an auditorium, not available at the present campus.

5. Describe the changes in the operation of the school that will be impacted by the proposed modification(s). Indicate how the staffing, facilities, and financial viability of the school may be impacted in the current school year and in subsequent school years by each term which the school proposes to modify.

Facilities and Location of Grades

Newark Charter School will convert its existing Elementary School building, currently serving 690 students in grades K-4, to a Primary School building serving 760 students in grades K-3. This will be done by increasing K-3 enrollment to 190 students per grade beginning with the 2013-2014 school year. Two first grade classrooms will be converted to Kindergarten classes by adding restrooms inside the classrooms. The School Director's office and a general workroom will be converted into classrooms. The School Director and his administrative assistant will move their primary offices to the new Junior/Senior High School.

All six classes of students matriculating into fourth grade will move next door to the Middle School building (which will now be called the Intermediate School). Two new fourth grade classes will be added. Fourth grade enrollment will expand from 162 to 190 students in the 2013-2014 school year. This move of the fourth grade to the Intermediate School is the perfect fit as the fourth grade has always followed same schedule (semesters vs. trimesters) and practices (homogeneous groupings and more departmentalization by subject areas) as the middle school, which is different from the K-3 grades.

All six classes of students matriculating into seventh grade will be relocated to the new Junior/Senior High building for the 2013-2014 school year.

All six classes of students matriculating into eighth grade will be relocated to the new Junior/Senior High School building for the 2013-2014 school year.

All six classes of students entering ninth grade will be in the new Junior/Senior High School building.

A copy of the floor plan for the new Junior/Senior High School, prepared by Greenfield Architects, is included in the Appendix (*Proposed Campus and Facilities*). The Appendix show a first floor, second floor and three athletic fields. Note: At the present time the architect is proposing two floor layout Concepts. This document shows only Concept I. Concept II is similar but it reflects almost everything on a single floor. Cost will be a determining factor as to whether the school goes with Concept I or Concept II.

The new facility will be outfitted using the same quality furnishings and equipment that we have

on the existing campus. We will plan for high usage of technology, laboratory facilities for science and engineering, music and arts spaces, as well as well-appointed classroom space. The new facility will include a tiered cafetorium, gymnasiums with locker rooms and showers, three computer labs, a centrally-located media center, band/orchestra/choral rooms. Three athletic fields are included in the campus plan along with approximately 500 parking spaces.

Staffing Changes

A complete list of all proposed staffing additions are included in the Appendix. Most of these changes simply reflect that the grade and enrollment expansion will require a proportionate increase in teachers, instructional aides, custodians, and clerical workers. To maximize staffing efficiencies some staff may have modified schedules (e.g., going from part-time to full-time, full-time to part-time, teaching different grades, etc.) These decisions regarding specific personnel have not yet been made.

It is anticipated that the current 7th and 8th grade teaching staff will make the move to the new campus. They will be joined by newly-added high school teachers. There will be economies of scale with some of our specials teachers serving on both campuses (e.g., the orchestra director and band director). Some eighth grade and ninth grade athletic teams and academic teams can be merged.

Newark Charter School values the culture we have established in our present school and wish to extend that to the new school building. Allowing present staff to voluntarily take reassignment to other grades in the secondary program will promote that transfer of culture to the new building.

Although the specific staff member assignments have not been finalized, administrative and other staff changes may include the following scenario:

Year 1

- School Director, Gregory Meece, becomes Superintendent, grades K-12.
- Elementary School Assistant Principal becomes Principal at the Primary/Intermediate School Campus, grades K-6, and an additional Dean of Students will be hired.
- Middle School Assistant Principal becomes Principal, grades 7-9.
- The school will employ an additional full-time nurse at the new campus.
- An Assistant Director of Technology will be added to service the new Junior/Senior High School campus.
- An .5 FTE Assistant Special Education coordinator will be hired to assist in all grades.

Year 2

- A high school Principal will be added.

Year 3

- A high school Assistant Principal will be added.

Qualifications of School Leader

Since its inception in 2001, Newark Charter School has been led by School Director Gregory Meece. Mr. Meece has 32 years of experience working in school leadership in Delaware, including 20 years at the high school level. He is experienced in the creation of charter schools, including helping to establish Delaware’s first charter high school. He has supervised the expansion of Newark Charter School’s enrollment through past major charter modifications. He serves as president of the Delaware Charter Schools Network.

Curriculum Changes

A high school curriculum has been developed. Working with Innovative Schools, Professors from the University of Delaware, and Delaware Department of Education personnel, Newark Charter School administration is planning for two different academy programs: one a Science, Technology, Engineering and Math (S.T.E.M.) program and the second a Global Studies/Leadership program. These programs will include College and Career Pathways courses. Each academy's curricula will be further enhanced by the addition of appropriate elective courses, Advanced Placement coursework and, possibly, an International Baccalaureate (IB) Diploma Programme in grades 11 and 12. A high school curriculum aligned to state standards has been provided with this application.

The K-8 grades will continue the rigorous curriculum already successful at Newark Charter School, which melds the Core Knowledge Sequence, the Common Core State Standards, and the Delaware Curriculum GLEs.

Finances

The costs for purchase and renovation of the new facility are:

Purchase of building and 21-acre campus	\$7,000,000
Renovation of building and site-work	<u>\$9,000,000</u>
	\$16,000,000

The school hired Greenfield Architects to perform the inspection of the facility to be purchased, to develop the concept design plans for renovation, and to produce the bidding documents used by the school to obtain construction estimates. The school received five different written bids for the renovation work. Landmark Engineering has been hired to assess the current site, prepare the site development plan, and to initiate the rezoning application to the City of Newark. The school has successfully completed rezoning projects with the City of Newark on two previous occasions. A purchase agreement, conditioned on approval of this charter modification application, has been executed between Newark Charter School, Inc. and Stoltz Management. Copies of the purchase agreement between seller and buyer and the construction bids are available upon request.

In assessing the financial viability of this project, Newark Charter School administration, financial staff, and Board of Directors will seek sufficient funding sources to offset as much of the capital and start-up costs as possible. Attached is a letter from Th re du Pont stating that the Longwood Foundation has pledged \$700,000 toward this project. Also provided is a letter from Peter Morrow of the Welfare Foundation pledging support in the amount of \$250,000. These grants will cover almost all start-up capital expenses related to the first three years of operation

(furniture, textbooks, computers, telephones, etc.). These start-up expenses are included in the budget projection submitted with this application. An itemized start-up capital budget of furniture, fixtures and equipment (FF&Es) is available upon request.

The school met with Mr. Alan Levin of the Delaware Economic Development Office (DEDO) on November 18, 2011. Mr. Levin gave his unqualified support to pursue tax-exempt conduit bond financing for this project through DEDO. Several banks have submitted proposals to serve as underwriters.

Due to the fact that the school plans to stagger its enrollment expansion over several years, it is expected that in the first through fourth year of the high school start-up there will be need to reach into the Newark Charter School reserve accounts to ensure year-to-year that the budget remains in balance. The reserves will amply provide for this purpose, while maintaining reserves for future use as well. As Newark Charter School grows, there will be financial advantages, through economy of scale, in everything from staffing to purchasing supplies and services in greater volume.

Transportation

Newark Charter School will continue to use an outside vendor to provide transportation for its students. Our current vendor, Advanced Student Transportation, has already assured the school that it can provide the additional service and it will provide an on-site dispatch manager for the school's convenience. In an effort to ensure that buses are near capacity, during the 2013-2014 School Year, the Jr. and Sr. High School students will ride the bus with the students from the Intermediate School. The second run, servicing the Primary School, will operate an hour and fifteen minutes behind the first run.

Starting with the 2014-2015 School Year, the Junior/Senior High School will be serviced on the first run, while the Intermediate and Primary School will follow an hour and fifteen minutes behind. The number of buses will be determined based on geographical need and seating capacity. When the schools are fully enrolled, a total of thirty buses will be needed. These thirty buses will conduct double runs. Using a software package, Newark Charter School's Transportation Supervisor will continue to create the routes.

Admissions

The only change to the admissions (lottery) process is that it will include the expanded grades and enrollment expansion. Since the new campus is west of the existing campus, bordering the State of Maryland, the existing five-mile radius will not change. Since the K-8 school would become a K-12 school, eighth graders would not have to reapply for ninth grade.

Extracurricular Activities

In addition to the vast array of extracurricular activities currently available, additional activities will be planned for the high school level. In athletics, for example, the school plans to establish the following teams: boys and girls soccer, field hockey, boys and girls basketball, boys and girls lacrosse, softball, baseball, boys and girls volleyball, cross country and indoor track. The arts programs will be expanded in the high school level, including drama, chorus, band and orchestra. Academic teams (such as Math League and Science Olympiad), co-curricular activities (such as Model U.N. and Mock Trial), service and leadership clubs (such as Student Service Council and National Honor Society) will be expanded at the high school level.

6. If appropriate, describe how student achievement may be impacted by the proposed modification(s).

For more than a decade, Newark Charter School has set a high bar for academic achievement and preparation for high school. Newark Charter School students ranked first or second in 15 out of 16 DCAS categories, grades 2-8, and ranked first in 10 out of 16 DCAS categories in Delaware. The school has been rated as a Superior School for 10 consecutive years. In 2010 the school was named a National Blue Ribbon School. No other school serving these grades has had that level of success for such a prolonged time. The Global Report Card identified Newark Charter School as the #2 school in the country in a study comparing American schools to schools in 25 other counties. We believe it is time to take the Newark Charter School expectations for student growth, development, achievement and success to a new level with the creation of a high school program.

The required Delaware graduation credits will be offered in English, social studies, world languages, science, physical education, health, etc. An additional world language will be added: Chinese. Classes in the fine and performing arts will be offered. Driver's Education will be offered, assuming that the State of Delaware continues to provide funding for it.

The S.T.E.M. program will feature rigorous science and mathematics courses and electives as the foundation. The defining element will be found in the work of the Pathway Courses – Processes of Design and Engineering I, II, III. Possibilities being explored include internships, courses offered jointly with the University of Delaware and senior capstone projects. Newark Charter School is looking to establish partnerships with the University of Delaware departments that would best support the S.T.E.M. learning programs.

Newark Charter School believes that rigorous, college preparatory instruction should be accessible to all students and that, given appropriate support and encouragement; all students can meet the challenge. To accommodate those students of above average ability, many of the courses will be offered in Advanced Placement as well.

The second initiative will be a Global Studies/Leadership Academy. In the true sense of global awareness and honoring diversity, we will offer a more humanities-based program having its own rigor and Pathway Course focus. Graduation requirements will be honored in this program of literature, social sciences, sciences, mathematics, world languages, etc. The Pathway Courses will embrace leadership – Perspectives on Leadership, Global Contexts for Leadership, Leadership, Innovation, and Change, Topics in Leadership Dynamics, and Internship and Senior Project. It is hoped that we will prepare students to be contributing citizens in a global society and those who stand to lead their peers in productive ways. Once again, partnerships are being developed between Newark Charter School and the University of Delaware to provide global experiences and perspectives for the students.

In the Global Studies/Leadership Academy we may provide a capstone for those students desiring more rigor and preparedness for college through the International Baccalaureate (IB) Diploma Programme.

It is expected that our focus on high-quality teaching and curriculum, supported by a well-managed school culture - one that honors decorum, respect and collaboration - will yield a class of students at graduation each year who enter the college and career world prepared. Those students will possess enthusiasm, excellent skills and knowledge of content, and will stand ready to lead in the world with integrity and tolerance. At this time there are Newark Charter students who upon graduation from grade 8 are unable to find rigorous academic alternatives among the local high school options. It is anticipated that their success will be encouraged as they accept the challenging work that Newark Charter High School is planning for them.

ASSURANCES

The Board of Directors of this charter school assures that the school will:

- 1) Be in full compliance with **14 Delaware Code, Chapter 5** and **14 DE Admin Code, Section 275 in the Regulations of the Department of Education.**
- 2) Not discriminate against any student in the admissions process because of race, creed, color, sex, handicap, or national origin or because a student's school district of residence has a per student local expenditure lower than another student seeking admission.
- 3) Not operate in a sectarian manner or include religious practices in its educational program.
- 4) Participate in the Delaware Student Testing Program and meet the requirements for school accountability as described in state law.
- 5) Manage the school within all State administrative and financial systems listed in **14 Delaware Code, Section 512(9).**
- 6) Initiate and maintain direct communication with other public and nonpublic schools to assure efficient notification and transfer and exchange of records.
- 7) The school's board of directors will not implement any modifications to the charter school program or operation without the express written consent of the Department of Education.
- 8) Notify the Department of Education in writing within 30 days when the school's administrative head or any member of the board of directors change.
- 9) Provide the Department of Education with copies of all the policies and by laws of the school and the school's board of directors and inform the Department in a timely manner when by-laws change.
- 10) By September 1 of each school year, provide the Department of Education with evidence of the certification status of teachers employed at the school.

- 11) Employ only staff who have complied with the requirement of having a successful criminal background check and report to the Department of Education by September 1 of each school year that the school is in full compliance with state law related to this requirement.
- 12) Cooperate fully with Department of Education requests for reporting information and activities related to monitoring the school's compliance with the charter and applicable state and federal laws and regulations.
- 13) Comply with the provisions for a Performance Agreement, as required by the Secretary of Education.
- 14) Distribute copies of the Department's **Parent Guide to Delaware Charter Schools** to all parents seeking to enroll their child(ren) as well as to parents of enrolled children.
- 15) Conduct all meetings of the board of directors in a manner consistent with the Freedom of Information Act, especially the legal requirements of **29 Delaware Code, Sections 10002, 10003 and 10004**.
- 16) The Board of Directors will include a member who is a certificated teacher employed by the school and a member who is a parent of a student currently enrolled in the school, consistent with **14 Delaware Code, Section 512(1)**.
- 17) Comply with the requirements for reporting school crimes as described in **14 Delaware Code, Section 4112**.
- 18) Maintain on file a written statement signed by the parent or guardian of each enrolled child acknowledging that the child will attend the charter school for at least one complete school year.
- 19) Advise any person or entity offering a loan to the school that debts of the school are not debts of the State of Delaware and that neither the State nor any other agency nor instrumentality of the State is responsible for the repayment of any indebtedness.

As members of the Board of Directors of the Charter Holder, we hereby agree to these assurances as a condition of the approval of the charter modification.

We have reviewed the Delaware Charter Law (14 Delaware Code, Chapter5) and 14 DE Admin Code, Section 275 in the Regulations of the Department of Education (Regulation 275), and have based the responses in this application on the review of these documents.

Newark Charter School

Name of the Charter School

Stephen Dressel

Chairperson of the Board of Directors

Date of Signature

Austin Lobo

Member of the Board of Directors

Date of Signature

Nanci Colby

Member of the Board of Directors

Date of Signature

Maura Duke

Member of the Board of Directors

Date of Signature

Dan Newcott

Member of the Board of Directors

Date of Signature

Gregory Gross

Member of the Board of Directors

Date of Signature

Karen Manniso

Member of the Board of Directors

Date of Signature

Stacy Ginsberg

Member of the Board of Directors

Date of Signature

December 16, 2011

All details of your budget should be contained in your budget narrative.

The narrative response explaining how you arrived at all of your budget figures should accompany the budget pages listed as tabs at the bottom of this document. Also attach any detail you received from outside sources such as quotes, invoices from other schools, budgets from other schools, amortization schedules etc. Print all three tabs as well as your detailed explanation and submit them with your application.

*** If you have any problems with this spreadsheet and the calculations please contact Scott Kessel at 302-735-4050.

There are three budget tabs at the bottom of this page.

Year 0 for new charters is the plan year with no students.

First: Click on the State and Local Funds tab and follow these directions

- LINE 1 Enter the amount of the State Funds that were calculated from the Charter School Web Site Revenue Estimates located at <http://www.doe.k12.de.us/programs/charterschools/files/Revenue%20Estimates.xls>
If your estimates did not come from this spreadsheet you must provide an explanation with details on how you arrived at your estimate.
- LINE 2 Same as LINE 1. This number should come from the same spreadsheet. If it does not, explain how you arrived at the number in detail.
- LINE 3 If there is a balance at the end of the prior year enter it here as carryover funds.
- LINE 4-13 Enter the amount of salaries for the year. Be sure to include an explanation of how you arrived at this number.
Is it an average salary or some other method of calculation? Are you using a pay scale? Please include your salary calculation process description in detail.
These salaries should agree with your staff listing in the body of the application. Be sure to compare to surrounding charters and districts to see if they are competitive.
- LINE 14 Automatically calculated
- LINE 15 Enter amount for all Health Insurance costs and describe in detail how you calculated that number. Show the sources you used to get this value.
State Health Plans and rates can be found at http://www.delawarepensions.com/pensionplans/health/health_rates_medicare_noneligible.shtml
- LINE 16 Include any other benefits costs you plan to provide to your staff that is above and beyond any of the above benefits.
- LINE 17-55 **Include the costs associated with each of the following lines. Please provide extensive details on how you arrived at these numbers. Did you estimate a cost per student? Did you get quotes from vendors? The more concrete the detail the better. Guessing at an average is far less concrete and shows less attention to detail and commitment than actually getting quotes from vendors or getting estimates from others with experience in these areas. The more back up you have to support this number the more confidence the approvers have in your commitment to this process. You should have detail for every line on the budget.**
- Line 56 Enter the number of student enrollment projected for each year. This should match any enrollment numbers included in the body of the application

Next: Click on the Federal Funds tab and follow these directions

- LINE 1 Charter School Federal Start Up Funds may be available to NEW APPLICANTS ONLY. The current schedule of allocating these funds is \$125,000 in the first year or plan year (Year 0), \$300,000 in the second year (Year 1) and \$300,000 in the third year (Year 2).
These funds are only available if the Federal Government appropriates them to the Department.
Please keep in mind that you must meet certain requirements to receive these funds as outlined in the Subgrant Application for Start up Funds available from Scott Kessel, Education Associate, Charter School Finance.
As state above the Start Up Funds are contingent upon availability from the Federal Government Charter Schools Program
- LINE 2 Contact Eulinda DiPietro, Education Associate for Federal Funds at the Delaware Department of Education. Phone Number - 302-735-4040.
Ms. DiPietro will provide you with an estimate of what you will receive in federal entitlement funds.
- LINE 3 Enter any other Federal Grants amounts applied for and received
- LINE 4-13 Enter the amount of salaries for the year. Be sure to include an explanation of how you arrived at this number.
Is it an average salary or some other method of calculation? Are you using a pay scale? Please include your salary calculation process description in detail.
These salaries should agree with your staff listing in the body of the application. Be sure to compare to surrounding charters and districts to see if they are competitive.
- LINE 14 Automatically calculated
- LINE 15 Enter amount for all Health Insurance costs and describe in detail how you calculated that number. Show the sources you used to get this value.
State Health Plans and rates can be found at http://www.delawarepensions.com/pensionplans/health/health_rates_medicare_noneligible.shtml
- LINE 16 Include any other benefits costs you plan to provide to your staff that is above and beyond any of the above benefits.
- LINE 17-55 **Include the costs associated with each of the following lines. Please provide extensive details on how you arrived at these numbers. Did you estimate a cost per student? Did you get quotes from vendors? The more concrete the detail the better. Guessing at an average is far less concrete and shows less attention to detail and commitment than actually getting quotes from vendors or getting estimates from others with experience in these areas. The more back up you have to support this number the more confidence the approvers have in your commitment to this process. You should have detail for every line on the budget.**
- Line 56 Enter the number of student enrollment projected for each year. This should match any enrollment numbers included in the body of the application

Finally: Click on the Other Funds tab and follow these directions

- LINE 1 List fund commitments from non profit agencies such as the Longwood Foundation. Commitments should be documented or will be negated from calculation
- LINE 2 List funds from the school foundation. Commitments should be documented or will be negated from calculation
- LINE 3 List any donations that are committed to the school. Commitments should be documented or will be negated from the calculation
- LINE 4 List bank or construction loans here. Include as back up terms of the loans and any repayment schedules.
- LINE 5 List anticipated revenue from cafeteria operations with supporting documentation of costs to offset the revenue. Revenue will be per meal charges.
- LINE 6-15 Enter the amount of salaries for the year. Be sure to include an explanation of how you arrived at this number.
Is it an average salary or some other method of calculation? Are you using a pay scale? Please include your salary calculation process description in detail.
These salaries should agree with your staff listing in the body of the application. Be sure to compare to surrounding charters and districts to see if they are competitive.
- LINE 16 Automatically calculated
- LINE 17 Enter amount for all Health Insurance costs and describe in detail how you calculated that number. Show the sources you used to get this value.
State Health Plans and rates can be found at http://www.delawarepensions.com/pensionplans/health/health_rates_medicare_noneligible.shtml
- LINE 18 Include any other benefits costs you plan to provide to your staff that is above and beyond any of the above benefits.
- LINE 19-57 **Include the costs associated with each of the following lines. Please provide extensive details on how you arrived at these numbers. Did you estimate a cost per student? Did you get quotes from vendors? The more concrete the detail the better. Guessing at an average is far less concrete and shows less attention to detail and commitment than actually getting quotes from vendors or getting estimates from others with experience in these areas. The more back up you have to support this number the more confidence the approvers have in your commitment to this process. You should have detail for every line on the budget.**
- Line 58 Enter the number of student enrollment projected for each year. This should match any enrollment numbers included in the body of the application

Charter School Application Budget Worksheet NEWARK CHARTER SCHOOL

State Local & Loan Revenue		2012-2013		2013-2014		2014-2015		2015-2016		2016-2017	
		YEAR 0		YEAR 1		YEAR 2		YEAR 3		YEAR 4	
1	State Appropriations	\$9,053,797		\$11,360,800		\$12,583,500		\$13,756,200		\$14,858,900	
2	School District Local Fund Transfers	\$3,770,405		\$4,840,000		\$5,362,500		\$5,885,000		\$6,407,500	
3	Other Local Appropriation Receipts	\$461,000		\$700,000		\$790,000		\$890,000		\$1,000,000	
	Interest Earning on Local Funds	\$50,000		\$50,000		\$60,000		\$65,000		\$75,000	
3	Prior Year Carryover Funds	\$5,193,542		\$5,171,548		\$4,775,481		\$4,768,323		\$4,948,746	
STATE LOCAL & LOANS REVENUE		\$18,528,744		\$22,122,348		\$23,571,481		\$25,364,523		\$27,290,146	
State Local & Loans Expenses		2012-2013		2013-2014		2014-2015		2015-2016		2016-2017	
		YEAR 0		YEAR 1		YEAR 2		YEAR 3		YEAR 4	
Personnel Salaries / Other Employer Costs											
		FTE		FTE		FTE		FTE		FTE	
4	Classroom Teachers (Avg \$60K)	\$4,320,000	72.00	\$5,478,000	91.30	\$6,033,000	100.55	\$6,636,000	110.60	\$7,152,000	119.20
5	Special Education Teachers (included above)	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
6	Special Teachers (phys Ed, Art, Music)	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
7	Counselors (Avg \$58K)	\$232,000	4.00	\$290,000	5.00	\$333,500	5.75	\$406,000	7.00	\$464,000	8.00
8	Principal/Administrative (avg \$90K)	\$720,000	8.00	\$945,000	10.50	\$1,035,000	11.50	\$1,125,000	12.50	\$1,125,000	12.50
9	Nurse (avg \$55K)	\$110,000	2.00	\$165,000	3.00	\$165,000	3.00	\$165,000	3.00	\$165,000	3.00
10	Clerical & Para's (avg 26K)	\$530,400	20.40	\$712,400	27.40	\$751,400	28.90	\$803,400	30.90	\$829,400	31.90
11	Custodial (avg \$35K)	\$280,000	8.00	\$420,000	12.00	\$455,000	13.00	\$490,000	14.00	\$525,000	15.00
12	Substitutes plus Stipend for Leads/Mentors/Ch	\$130,000	0.00	\$170,000	0.00	\$190,000	0.00	\$210,000	0.00	\$228,000	0.00
13	Other	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
14	Other Employer Costs (28.53 % of Salaries)	\$1,803,781		\$2,285,367		\$2,502,908		\$2,746,127		\$2,927,292	
15	Health Insurance	\$915,200		\$1,193,600		\$1,301,600		\$1,424,000		\$1,516,800	
16	Other Benefits	\$0		\$0		\$0		\$0		\$0	
SUBTOTAL SALARIES / OTHER EMPLOYER COSTS		\$9,041,381	114.40	\$11,659,367	149.20	\$12,767,408	162.70	\$14,005,527	178.00	\$14,932,492	189.60
Student Support											
17	Transportation	\$1,120,815		\$1,496,000		\$1,657,500		\$1,819,000		\$1,980,500	
18	Extra Curricular Transportation	\$0		\$10,000		\$12,000		\$15,000		\$18,000	
19	Cafeteria	\$90,000		\$117,000		\$130,000		\$143,000		\$156,000	
20	Extra Curricular (field trips/athletics/clubs)	\$140,000		\$193,000		\$203,000		\$222,000		\$231,000	
21	Supplies and Materials	\$100,000		\$150,000		\$175,000		\$200,000		\$225,000	
22	Textbooks	\$85,000		\$125,000		\$150,000		\$175,000		\$200,000	
23	Curriculum	\$100,000		\$150,000		\$175,000		\$200,000		\$225,000	
24	Professional Development	\$10,000		\$20,000		\$20,000		\$25,000		\$25,000	
25	Assessments	\$0		\$0		\$0		\$0		\$0	
26	Other Educational Program	\$0		\$0		\$0		\$0		\$0	
27	Therapists (Occupational, Speech)	\$120,000		\$199,000		\$224,000		\$249,000		\$274,000	
28	Classroom Technology	\$100,000		\$0		\$50,000		\$60,000		\$75,000	
29	School Climate	\$0		\$0		\$0		\$0		\$0	
30	Computers (see Classroom Tech)	\$0		\$0		\$0		\$0		\$0	
31	Contracted Services	\$30,000		\$40,000		\$40,000		\$40,000		\$40,000	
32	Other -Travel and Tuitio	\$6,000		\$9,000		\$9,750		\$10,250		\$11,000	
SUBTOTAL STUDENT SUPPORT		\$1,901,815		\$2,509,000		\$2,846,250		\$3,158,250		\$3,460,500	
Operations and Maintenance of Facilities											
33	Insurance (Property/Liability)	\$35,000		\$59,000		\$62,000		\$66,000		\$69,000	
34	Rent	\$0		\$0		\$0		\$0		\$0	
35	Mortgage	\$1,780,000		\$2,180,000		\$2,180,000		\$2,180,000		\$2,180,000	
36	Utilities	\$290,000		\$480,000		\$480,000		\$510,000		\$540,000	
37	Maintenance	\$124,000		\$180,000		\$183,000		\$185,000		\$190,000	
38	Telephone/Communications	\$10,000		\$20,000		\$20,000		\$20,000		\$20,000	
39	Construction	\$0		\$0		\$0		\$0		\$0	
40	Renovation	\$0		\$0		\$0		\$0		\$0	
41	Other	\$0		\$0		\$0		\$0		\$0	
SUBTOTAL OPERATIONS AND MAINTENANCE OF FACILITIES		\$2,239,000		\$2,919,000		\$2,925,000		\$2,961,000		\$2,999,000	
Administrative/Operations Support											
42	Equipment Lease/Maintenance	\$83,000		\$114,500		\$114,500		\$136,000		\$136,000	
43	Equipment Purchase (in Other Tab)	\$0		\$0		\$0		\$0		\$0	
44	Supplies and Materials	\$30,000		\$60,000		\$60,000		\$60,000		\$60,000	
45	Printing and Copying	\$47,000		\$68,000		\$71,000		\$74,000		\$77,000	
46	Postage and Shipping	\$13,000		\$15,000		\$17,000		\$19,000		\$21,000	
47	Enrollment / Recruitment	\$2,000		\$2,000		\$2,000		\$2,000		\$2,000	
48	Staffing (recruitment and assessment)	\$0		\$0		\$0		\$0		\$0	
49	Technology Plan	\$0		\$0		\$0		\$0		\$0	
50	Other	\$0		\$0		\$0		\$0		\$0	
SUBTOTAL ADMINISTRATIVE/OPERATIONS SUPPORT		\$175,000		\$259,500		\$264,500		\$291,000		\$296,000	
Management Company											
51	Fees	\$0		\$0		\$0		\$0		\$0	
52	Salaries/Other Employee Costs	\$0		\$0		\$0		\$0		\$0	
53	Curriculum	\$0		\$0		\$0		\$0		\$0	
54	Accounting and Payroll	\$0		\$0		\$0		\$0		\$0	
55	Other	\$0		\$0		\$0		\$0		\$0	
SUBTOTAL MANAGEMENT COMPANY		\$0		\$0		\$0		\$0		\$0	
STATE LOCAL & LOANS EXPENDITURES		\$13,357,196		\$17,346,867		\$18,803,158		\$20,415,777		\$21,687,992	
56	# Students	1,338		1,760		1,950		2,140		2,330	
REVENUE LESS EXPENDITURES		\$5,171,548		\$4,775,481		\$4,768,323		\$4,948,746		\$5,602,154	
2% CONTINGENCY CHECK		\$370,574.88		\$442,446.97		\$471,429.62		\$507,290.46		\$545,802.92	

Charter School Application Budget Worksheet - NEWARK CHARTER SCHOOL

Federal Funds	2012-2013		2013-2014		2014-2015		2015-2016		2016-2017	
	YEAR 0		YEAR 1		YEAR 2		YEAR 3		YEAR 4	
Federal Start Up Grant Funds	\$0		\$0		\$0		\$0		\$0	
Entitlement Funding	\$0		\$0		\$0		\$0		\$0	
Other Federal Grants (Cons Grant)	\$304,326		\$378,000		\$398,000		\$438,000		\$468,000	
STATE LOCAL & LOANS REVENUE	\$304,326		\$378,000		\$398,000		\$438,000		\$468,000	
State Local & Loans Expenses	2012-2013		2013-2014		2014-2015		2015-2016		2016-2017	
	YEAR 0		YEAR 1		YEAR 2		YEAR 3		YEAR 4	
Personnel Salaries / Other Employer Costs		FTE		FTE		FTE		FTE		FTE
Classroom Teachers	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Special Education Teachers	\$210,000	3.50	\$264,000	4.40	\$279,000	4.65	\$306,000	5.10	\$330,000	5.50
Special Teachers (phys Ed, Art, Music)	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Counselors	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Principal/Administrative	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Nurse	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Clerical	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Custodial	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Substitutes	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Other	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Other Employer Costs (28.53 % of Salaries)	\$59,913		\$75,319		\$79,599		\$87,302		\$94,149	
Health Insurance	\$28,000		\$35,200		\$37,200		\$40,800		\$43,800	
Other Benefits	\$0		\$0		\$0		\$0		\$0	
SUBTOTAL SALARIES / OTHER EMPLOYER COSTS	\$297,913	3.50	\$374,519	4.40	\$395,799	4.65	\$434,102	5.10	\$467,949	5.50
Student Support										
Transportation	\$0		\$0		\$0		\$0		\$0	
Extra Curricular Transportation	\$0		\$0		\$0		\$0		\$0	
Cafeteria	\$0		\$0		\$0		\$0		\$0	
Extra Curricular	\$0		\$0		\$0		\$0		\$0	
Supplies and Materials	\$0		\$0		\$0		\$0		\$0	
Textbooks	\$0		\$0		\$0		\$0		\$0	
Curriculum	\$0		\$0		\$0		\$0		\$0	
Professional Development	\$0		\$0		\$0		\$0		\$0	
Assessments	\$0		\$0		\$0		\$0		\$0	
Other Educational Program	\$0		\$0		\$0		\$0		\$0	
Therapists (Occupational, Speech)	\$0		\$0		\$0		\$0		\$0	
Classroom Technology	\$0		\$0		\$0		\$0		\$0	
School Climate	\$0		\$0		\$0		\$0		\$0	
Computers	\$0		\$0		\$0		\$0		\$0	
Contracted Services	\$0		\$0		\$0		\$0		\$0	
Other	\$0		\$0		\$0		\$0		\$0	
SUBTOTAL STUDENT SUPPORT	\$0		\$0		\$0		\$0		\$0	
Operations and Maintenance of Facilities										
Insurance (Property/Liability)	\$0		\$0		\$0		\$0		\$0	
Rent	\$0		\$0		\$0		\$0		\$0	
Mortgage	\$0		\$0		\$0		\$0		\$0	
Utilities	\$0		\$0		\$0		\$0		\$0	
Maintenance	\$0		\$0		\$0		\$0		\$0	
Telephone/Communications	\$0		\$0		\$0		\$0		\$0	
Construction	\$0		\$0		\$0		\$0		\$0	
Renovation	\$0		\$0		\$0		\$0		\$0	
Other	\$0		\$0		\$0		\$0		\$0	
SUBTOTAL OPERATIONS AND MAINTENANCE OF FACILITIES	\$0		\$0		\$0		\$0		\$0	
Administrative/Operations Support										
Equipment Lease/Maintenance	\$0		\$0		\$0		\$0		\$0	
Equipment Purchase	\$0		\$0		\$0		\$0		\$0	
Supplies and Materials	\$0		\$0		\$0		\$0		\$0	
Printing and Copying	\$0		\$0		\$0		\$0		\$0	
Postage and Shipping	\$0		\$0		\$0		\$0		\$0	
Enrollment / Recruitment	\$0		\$0		\$0		\$0		\$0	
Staffing (recruitment and assessment)	\$0		\$0		\$0		\$0		\$0	
Technology Plan	\$0		\$0		\$0		\$0		\$0	
Other	\$0		\$0		\$0		\$0		\$0	
SUBTOTAL ADMINISTRATIVE/OPERATIONS SUPPORT	\$0		\$0		\$0		\$0		\$0	
Management Company										
Fees	\$0		\$0		\$0		\$0		\$0	
Salaries/Other Employee Costs	\$0		\$0		\$0		\$0		\$0	
Curriculum	\$0		\$0		\$0		\$0		\$0	
Accounting and Payroll	\$0		\$0		\$0		\$0		\$0	
Other	\$0		\$0		\$0		\$0		\$0	
SUBTOTAL MANAGEMENT COMPANY	\$0		\$0		\$0		\$0		\$0	
STATE LOCAL & LOANS EXPENDITURES	\$297,913		\$374,519		\$395,799		\$434,102		\$467,949	
# Students	1,338		1,760		1,950		2,140		2,330	
REVENUE LESS EXPENDITURES	\$6,413		\$3,481		\$2,201		\$3,898		\$51	

Charter School Application Budget Worksheet - NEWARK CHARTER SCHOOL

Other Funds	2012-2013		2013-2014		2014-2015		2015-2016		2016-2017	
	YEAR 0		YEAR 1		YEAR 2		YEAR 3		YEAR 4	
Non Profit Grants	\$0		\$0		\$0		\$0		\$0	
Foundation Funds	\$1,000,000		\$0		\$0		\$0		\$0	
Donations - Current Parent Contributions	\$210,000		\$110,000		\$120,000		\$130,000		\$150,000	
Construction / Bank Loans	\$0		\$0		\$0		\$0		\$0	
Carryover of Grant Funds	\$0		\$468,000		\$215,000		\$126,500		\$67,500	
Cafeteria Funds (see tab State and Local)	\$0		\$0		\$0		\$0		\$0	
STATE LOCAL & LOANS REVENUE	\$1,210,000		\$578,000		\$335,000		\$256,500		\$217,500	
State Local & Loans Expenses	2012-2013		2013-2014		2014-2015		2015-2016		2016-2017	
	YEAR 0		YEAR 1		YEAR 2		YEAR 3		YEAR 4	
Personnel Salaries / Other Employer Costs		FTE		FTE		FTE		FTE		FTE
Classroom Teachers	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Special Education Teachers	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Special Teachers (phys Ed, Art, Music)	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Counselors	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Principal/Administrative	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Nurse	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Clerical	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Custodial	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Substitutes	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Other	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Other Employer Costs (26.97 % of Salaries)	\$0		\$0		\$0		\$0		\$0	
Health Insurance	\$0		\$0		\$0		\$0		\$0	
Other Benefits	\$0		\$0		\$0		\$0		\$0	
SUBTOTAL SALARIES / OTHER EMPLOYER COSTS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
Student Support										
Transportation	\$0		\$0		\$0		\$0		\$0	
Extra Curricular Transportation	\$0		\$0		\$0		\$0		\$0	
Cafeteria	\$0		\$0		\$0		\$0		\$0	
Extra Curricular	\$0		\$0		\$0		\$0		\$0	
Supplies and Materials (Year 1 only)	\$50,000		\$0		\$0		\$0		\$0	
Textbooks (Start Up Only)	\$135,000		\$0		\$0		\$0		\$0	
Curriculum	\$0		\$0		\$0		\$0		\$0	
Professional Development	\$0		\$0		\$0		\$0		\$0	
Assessments	\$0		\$0		\$0		\$0		\$0	
Other Educational Program	\$0		\$0		\$0		\$0		\$0	
Therapists (Occupational, Speech)	\$0		\$0		\$0		\$0		\$0	
Classroom Technology (Start Up Only)	\$85,000		\$85,000		\$10,000		\$10,000		\$0	
School Climate	\$0		\$0		\$0		\$0		\$0	
Computers	\$0		\$0		\$0		\$0		\$0	
Contracted Services	\$0		\$0		\$0		\$0		\$0	
Other - Classroom Furnishings (Start Up)	\$154,550		\$196,550		\$143,950		\$137,450		\$0	
SUBTOTAL STUDENT SUPPORT	\$424,550		\$281,550		\$153,950		\$147,450		\$0	
Operations and Maintenance of Facilities										
Insurance (Property/Liability)	\$0		\$0		\$0		\$0		\$0	
Rent	\$0		\$0		\$0		\$0		\$0	
Mortgage	\$0		\$0		\$0		\$0		\$0	
Utilities	\$0		\$0		\$0		\$0		\$0	
Maintenance	\$0		\$0		\$0		\$0		\$0	
Telephone/Communications (Start Up Only)	\$30,000		\$10,000		\$5,000		\$0		\$0	
Construction	\$0		\$0		\$0		\$0		\$0	
Renovation	\$25,000		\$0		\$0		\$0		\$0	
Other Purchase of Alarm System	\$30,000		\$0		\$0		\$0		\$0	
SUBTOTAL OPERATIONS AND MAINTENANCE OF FACILITIES	\$85,000		\$10,000		\$5,000		\$0		\$0	
Administrative/Operations Support										
Equipment Lease/Maintenance	\$0		\$0		\$0		\$0		\$0	
Equipment Purchase (Start Up Only)	\$232,450		\$71,450		\$49,550		\$41,550		\$0	
Supplies and Materials	\$0		\$0		\$0		\$0		\$0	
Printing and Copying	\$0		\$0		\$0		\$0		\$0	
Postage and Shipping	\$0		\$0		\$0		\$0		\$0	
Enrollment / Recruitment	\$0		\$0		\$0		\$0		\$0	
Staffing (recruitment and assessment)	\$0		\$0		\$0		\$0		\$0	
Technology Plan	\$0		\$0		\$0		\$0		\$0	
Other	\$0		\$0		\$0		\$0		\$0	
SUBTOTAL ADMINISTRATIVE/OPERATIONS SUPPORT	\$232,450		\$71,450		\$49,550		\$41,550		\$0	
Management Company										
Fees	\$0		\$0		\$0		\$0		\$0	
Salaries/Other Employee Costs	\$0		\$0		\$0		\$0		\$0	
Curriculum	\$0		\$0		\$0		\$0		\$0	
Accounting and Payroll	\$0		\$0		\$0		\$0		\$0	
Other	\$0		\$0		\$0		\$0		\$0	
SUBTOTAL MANAGEMENT COMPANY	\$0		\$0		\$0		\$0		\$0	
STATE LOCAL & LOANS EXPENDITURES	\$742,000		\$363,000		\$208,500		\$189,000		\$0	
# Students	1,338		1,760		1,950		2,140		2,330	
REVENUE LESS EXPENDITURES	\$468,000		\$215,000		\$126,500		\$67,500		\$217,500	

**Newark Charter School
Budget Assumption and Notes
Modification Application for expansion (vertical and lateral) to K-12 School**

Key Assumptions and Notes:

- #1 - Year 0 is the planning year which is 2012-2013, Year 1 is the first year the school is open 2013-2014 servicing new 9th grade students (see Appendix 1).
- # 2 - Prior Year Carryover Funds is determined from the Unrestricted Net Assets on the FY 11 Audit Financial Statements - \$5,193,542.
- # 3 - State and Local funding projected is based upon actual revenue analysis from 2001 to 2012 (see State and Local Projection Sheet).
State Revenue was conservatively adjusted to reflect the addition of CTE related courses in a high school and the addition of a Driver's Ed position in Year 2.
State Revenue custodial projections were provided by DOE - Despina Wilson.
State and Local Revenue Projection tab rates are rates that are reflective of the current special education/regular education balance at NCS.
- # 4 - Other Local Revenue projections are based upon historical actual results from 2001 to 2012. The majority of these funds are related to student activities.
Student Activities are inclusive of field trips, music, athletics, current food offerings, yearbooks, theater, clubs (OM, Math League, Science Olympiad, etc.).
Additional funds in this category are proceed from the PTO and minimal revenue from school rental.
Interest earning row was added on State and Local Funds tab and is based upon historical actual results from 2001 to 2012.
- # 5 - Contribution revenue (on Other Revenue Sheet) is based upon historical actual results from the K-4 expansion.
- # 6 - Other Revenue of \$1,000,000 is based upon expected grants from Longwood and Welfare Foundations. The school has already secured \$700,000 from Longwood and \$250,000 from Welfare Foundation (see Appendix 4).
- # 7 - The only Federal Revenue that is projected is funds from the annual Federal Consolidated Grant. NCS receives IDEA, IDEA PRE, Title I and Title II.
Growth model is based upon headcount increases year over year. All Federal expenses are spent on related staffing approved in the grant.
Average Classroom Teacher Salary based upon historical data from 2001 to 2012 is \$60,000.
- # 8 - Staffing was determined based upon current headcount and the additions referenced in Appendix 2. Average Salary per category is based upon historical data from 2001 to 2012. Averages are indicated on State and Local Funds Sheet.
- # 9 - Current mortgage payment of P and I is \$980K over 30 years. Projected additional bond issuance projected to be from \$15,000,000 to \$17,000,000 over 30 or 40 years.
Current bond market rates average in the 6% to 7% range. Projected additional P and I payments are \$1,200,000. See Simple Interest Sheet.
- #10 - All other expenses are projected based upon historical actual results from 2001 to 2012 with additional funding added to categories for athletics, guidance, driver's ed. and other new high school related expenses. Reviewed expenses from other charter high schools - CSW.

Simple Interest Calculation Sheet

<u>RATE</u> <u>TERM</u>	5.50%	6%	6.50%	7%
	30 Years	30 Years	30 Years	30 Years
Annual payment (\$1,032,080.85)	Annual payment (\$1,089,733.67)	Annual payment (\$1,148,661.63)	Annual payment (\$1,208,796.05)	
Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	
0.055 30 15000000	0.06 30 15000000	0.065 30 15000000	0.07 30 15000000	
Annual payment (\$1,100,886.23)	Annual payment (\$1,162,382.58)	Annual payment (\$1,225,239.08)	Annual payment (\$1,289,382.46)	
Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	
0.055 30 16000000	0.06 30 16000000	0.065 30 16000000	0.07 30 16000000	
Annual payment (\$1,169,691.62)	Annual payment (\$1,235,031.50)	Annual payment (\$1,301,816.52)	Annual payment (\$1,369,968.86)	
Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	
0.055 30 17000000	0.06 30 17000000	0.065 30 17000000	0.07 30 17000000	
Annual payment (\$1,238,497.01)	Annual payment (\$1,307,680.41)	Annual payment (\$1,378,393.96)	Annual payment (\$1,450,555.26)	
Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	
0.055 30 18000000	0.06 30 18000000	0.065 30 18000000	0.07 30 18000000	
Annual payment (\$1,307,302.40)	Annual payment (\$1,380,329.32)	Annual payment (\$1,454,971.40)	Annual payment (\$1,531,141.67)	
Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	
0.055 30 19000000	0.06 30 19000000	0.065 30 19000000	0.07 30 19000000	
Annual payment (\$1,376,107.79)	Annual payment (\$1,452,978.23)	Annual payment (\$1,531,548.84)	Annual payment (\$1,611,728.07)	
Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	
0.055 30 20000000	0.06 30 20000000	0.065 30 20000000	0.07 30 20000000	

<u>RATE</u> <u>TERM</u>	5.50%	6%	6.50%	7%
	40 Years	40 Years	40 Years	40 Years
Annual payment (\$934,805.15)	Annual payment (\$996,923.04)	Annual payment (\$1,060,405.89)	Annual payment (\$1,125,137.08)	
Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	
0.055 40 15000000	0.06 40 15000000	0.065 40 15000000	0.07 40 15000000	
Annual payment (\$997,125.49)	Annual payment (\$1,063,384.57)	Annual payment (\$1,131,099.62)	Annual payment (\$1,200,146.22)	
Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	
0.055 40 16000000	0.06 40 16000000	0.065 40 16000000	0.07 40 16000000	
Annual payment (\$1,059,445.84)	Annual payment (\$1,129,846.11)	Annual payment (\$1,201,793.34)	Annual payment (\$1,275,155.36)	
Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	
0.055 40 17000000	0.06 40 17000000	0.065 40 17000000	0.07 40 17000000	
Annual payment (\$1,121,766.18)	Annual payment (\$1,196,307.65)	Annual payment (\$1,272,487.07)	Annual payment (\$1,350,164.50)	
Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	
0.055 40 18000000	0.06 40 18000000	0.065 40 18000000	0.07 40 18000000	
Annual payment (\$1,184,086.52)	Annual payment (\$1,262,769.18)	Annual payment (\$1,343,180.79)	Annual payment (\$1,425,173.64)	
Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	
0.055 40 19000000	0.06 40 19000000	0.065 40 19000000	0.07 40 19000000	
Annual payment (\$1,246,406.87)	Annual payment (\$1,329,230.72)	Annual payment (\$1,413,874.52)	Annual payment (\$1,500,182.78)	
Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	Interest rate Years Principal	
0.055 40 20000000	0.06 40 20000000	0.065 40 20000000	0.07 40 20000000	

Newark Charter School										
Budget Summary - Cash Basis										
State and Local Revenue Projections for Modification										
Fund	Rev Apr # or Obj Category	Description	Actuals YTD June 30, 2006	Actuals YTD June 30, 2007	Actuals YTD June 30, 2008	Actuals YTD June 30, 2009	Actuals YTD June 30, 2010	Actuals YTD June 30, 2011	Actuals YTD June 30, 2012	Average per pupil over 7 yrs
REVENUES										
		Number of Students	647	648	1289	1286	1286	1336	1344	
189 - State	5213	State Funding - Based on Unit Formula	\$ 3,699,194	\$ 4,045,690	\$8,231,663	\$8,180,538	\$7,925,220	\$8,637,440	\$9,106,076	
089 - Local	98000	Local District Funding	\$ 1,824,372	\$ 1,968,516	\$3,563,840	\$3,171,983	\$3,566,053	\$3,698,123	\$3,768,056	
		Blended State/Student	\$5,717.46	\$6,243.35	\$6,386.08	\$6,361.23	\$6,162.69	\$6,465.15	\$6,775.35	\$6,301.62
		Blended Local/Student	\$2,819.74	\$3,037.83	\$2,764.81	\$2,466.55	\$2,772.98	\$2,768.06	\$2,803.61	\$2,776.23
		Average Used in DOE Financial Model								
		State*		\$6,300						
		Local		\$2,770						
* Added incremental Amounts for Qualified CTE courses, Driver's Ed position in espective years and new custodial support per Despina Wilson										