10

Application Coversheet

Carpe Diem Schools- San Antonio Campus 1 — **Proposed Eighteenth Generation Charter School Name**

Learning Schools of Texas — **Name of Sponsoring Entity**

Note: If the sponsoring entity is a 501(c)(3) nonprofit organization, the name must appear exactly as it appears in the Articles of Incorporation or any amendments thereto.

The sponsoring entity is a (Check only one.):

☒ 501(c)(3) nonprofit organization ☐ Governmental Entity ☐ College or University

RECEIVED TEXAS EDUCATION AGENCY 2013 FEB 28 AM 11:14 DOCUMENT CONTROL CTR DISCRETIONARY GRANTS

Chairperson of Governing Body of Sponsoring Entity: Will Harte

CEO of Sponsoring Entity: Will Harte (CEO not yet selected)

CEO/Superintendent of Proposed Charter School: Will Harte (CEO not yet selected)

Board Member Who Attended an Applicant Conference: Will Harte Date of Conference: 01-16-2013

Applicant Mailing Address (This address will be used for contact regarding this application.):
517 Soledad Street, San Antonio, Texas 78205

Physical Address of Proposed Administrative Offices (if different from above):

Number of Campuses Being Requested: 5

Physical Address of Each Proposed Campus (Please include street address, city, state, zip, and county.). If the specific address is unknown at this time, please provide the county and general location of the proposed campus:

Bexar County - Central or southern San Antonio

Contact Name: Robert Sommers Contact E-mail Address: Robert.sommers@carpediemls.com

Contact Phone #: 513-673-2733 Contact Fax #: n/a

State maximum enrollment and check all grade levels to be served for each school year.
By Year 3, at least one grade in which the state assessments are administered must be offered.

Year 1: Maximum Enrollment: 300
☐ Pre-K3 ☐ Pre-K4 ☐ K ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☒ 6 ☒ 7 ☒ 8 ☒ 9 ☒ 10 ☐ 11 ☐ 12

Year 2: Maximum Enrollment: 300
☐ Pre-K3 ☐ Pre-K4 ☐ K ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☒ 6 ☒ 7 ☒ 8 ☒ 9 ☒ 10 ☒ 11 ☐ 12

Year 3: Maximum Enrollment: 300
☐ Pre-K3 ☐ Pre-K4 ☐ K ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☒ 6 ☒ 7 ☒ 8 ☒ 9 ☒ 10 ☒ 11 ☒ 12

Year 4: Maximum Enrollment: 300
☐ Pre-K3 ☐ Pre-K4 ☐ K ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☒ 6 ☒ 7 ☒ 8 ☒ 9 ☒ 10 ☒ 11 ☒ 12

Year 5: Maximum Enrollment: 300
☐ Pre-K3 ☐ Pre-K4 ☐ K ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☒ 6 ☒ 7 ☒ 8 ☒ 9 ☒ 10 ☒ 11 ☒ 12

I certify that I have the authority to submit this application and that all information contained herein is complete and accurate, realizing that any misrepresentation could result in disqualification from the application process or revocation after award. In accordance with TEC §12.120, I further certify that no members of the governing body of the sponsoring entity or of the proposed charter school or any officers or employees of the proposed school have been convicted of a misdemeanor involving moral turpitude or of any felony. I understand that incomplete applications will not be considered.

(BLUE INK) Signature of Chief Executive Officer of Sponsoring Entity — Date: 2/25/13 — Printed Name: Will Harte

(BLUE INK) Signature of Application Preparer — Date: 2-25-2013 — Printed Name: Robert Sommers

With what company is the application preparer associated? Carpe Diem Learning Systems

Was preparer paid? ☐ Yes ☒ No

SAS 539-13
RFA 701-13-101

Eighteenth Generation Open Enrollment Charter Application
Table of Contents

Applicant Checklist 3
1. Statement of Need 4
2. Vision Of The School 7
3. Community Support 10
4. Educational Plan 12
5. Special Needs Students And Programs 34
6. Geographic Boundary 35
7. Admissions And Enrollment Policies 36
8. Governance 41
9. Human Resources Information 47
10. Business Plan 55
11. Attachments
- Attachment A: Published Notice Of Public Hearing 75
- Attachment B: Synopsis Of Public Hearing 77
- Attachment C: Special Education Assurances And Development Of Policies And Procedures 83
- Attachment D: Notarized Biographical Affidavits 85
- Attachment E: 501(C)(3) Determination Letter From IRS 102
- Attachment F: Articles Of Incorporation And All Amendments 105
- Attachment G: Bylaws of the Sponsoring Entity and All Amendments 115
- Attachment H : Organizational Chart 149
- Attachment I: Supplemental Human Resources Information Forms 150
- Attachment J: Audit Report 169
- Attachment K: Credit Report 181
- Attachment L: IRS 990 Filing 182
- Attachment M: Documentation Verifying All Sources of Funding 183
- Attachment N: Documentation Verifying All Sources of Funding Not Requiring Repayment 188
- Attachment 0: Start-Up Budget 193
- Attachment P: Budget for First Five Years of Operation 204
- Attachment Q: Combined Fine Year Budget 266
- Attachment R: Negotiated Service Agreement(s) 268
- Attachment S: Certificate of Occupancy of Equivalent Certificate 271
- Attachment T: Negotiated Lease Agreement(s), Deed(s) To Property, Earnest Money Contract(s), Or Purchase Agreement(s) 272

12. Assurance Documents And Required Campaign Contribution Form .....
- Attachment U: Bilingual Education/ESL, Section 504, and Dyslexia Assurances 273
- Attachment V: General Application Of Assurances For Federal Programs 275
- Attachment W: Special Assurances Document 278
- Attachment X: State Board Of Education Disclosure Of Campaign Contributions Form 281

Applicant Checklist

Carpe Diem Schools - San Antonio Campus 1	Learning Schools of Texas
Proposed Eighteenth Generation Charter School Name	**Name of Sponsoring Entity**

This checklist MUST be completed and submitted as part of the application to ensure that the applicant has provided all of the information required by the RFA.

Application

- ☒ Application Coversheet
- ☒ Table of Contents
- ☒ Applicant Checklist *(this document)*
- ☒ Attended Applicant Information Session:
  Date: 01-16-2013
  Board Member Who Attended: Will Harte

Application Sections *(All questions in each section must be answered completely.)*

- ☒ 1. Statement of Need
- ☒ 2. Vision of the School
- ☒ 3. Community Support
- ☒ 4. Educational Plan
- ☒ 5. Special Needs Students and Programs
- ☒ 6. Geographic Boundary
- ☒ 7. Admissions and Enrollment Policies
- ☒ 8. Governance
- ☒ 9. Human Resources Information
- ☒ 10. Business Plan

Attachments A - X

- ☒ A. Published Notice of Public Hearing
- ☒ B. Synopsis of Public Hearing
- ☒ C. Special Education Assurances and Development of Policies and Procedures
- ☒ D. Notarized Biographical Affidavits
- ☒ E. 501(c)(3) Determination Letter from IRS
- ☒ F. Articles of Incorporation and All Amendments
- ☒ G. Bylaws of the Sponsoring Entity and All Amendments
- ☒ H. Organizational Chart
- ☒ I. Supplemental Human Resources Information Forms
- ☒ J. Audit Report
- ☒ K. Credit Report
- ☒ L. IRS 990 Filing
- ☒ M. Documentation Verifying All Sources of Funding
- ☒ N. Documentation Verifying All Sources of Funding NOT Requiring Repayment
- ☒ O. Start-Up Budget
- ☒ P. Budget for First Five Years of Operations
- ☒ Q. Combined 5 Year Budget
- ☒ R. Negotiated Service Agreement(s)
- ☒ S. Certificate of Occupancy or Equivalent Certificate
- ☒ T. Negotiated Lease Agreement(s), Deed(s) to Property, Earnest Money Contract(s), or Purchase Agreement(s)
- ☒ U. Bilingual Education/ESL, Section 504, and Dyslexia Assurances
- ☒ V. General Application of Assurances for Federal Programs
- ☒ W. Special Assurances Document
- ☒ X. State Board of Education Disclosure of Campaign Contributions Form

The CEO of the sponsoring entity acknowledges the following:

- ☒ 1. The application and 5 copies submitted are printed single-sided and at least one copy has been retained for the organization's records.
- ☒ 2. Applications must be received by Document Control at the Texas Education Agency by the stated deadline in the Request for Application in order to be considered.
- ☒ 3. All submissions become the property of the Texas Education Agency and will not be returned.

Robert Sommers	Will Harte
Name of Application Preparer (Typed)	**Name of CEO of Sponsoring Entity (Typed)**
Robert Sommers 2-25-2013	Will Harte 2/25/13
Signature of Application Preparer **Date**	**Signature of CEO of Sponsoring Entity** **Date**

SAS 539-13
RFA 701-13-101

Learning Schools of Texas

Generation 18 open enrollment charter application

1. Statement of Need

a) Discuss why members of the sponsoring entity believe that the proposed school is needed and why they believe that sufficient demand exists to make the school viable.

Learning Schools of Texas (LST) will locate its first school in urban San Antonio. The school will target educationally underserved students in sixth through twelfth grades and will focus recruitment efforts on the neighborhood(s) around the school and surrounding community. In accordance with the U.S. Department of Education's guidance, LST will target recruitment efforts toward groups that might otherwise have limited opportunities to participate in the charter school's programs and will reach out broadly to the community so that every potential student has an equal opportunity to apply for admission to attend LST. Using the proven Carpe Diem model of personalized blended learning, LST expects to grow school options in San Antonio to meet the need for better educational options. The Carpe Diem model has been demonstrably successful in preparing educationally underserved students in Arizona and Indiana to be career ready and college prepared. The Carpe Diem model has consistently achieved top 10% performance in Arizona. It has also regularly been the highest academic growth model in Arizona (average number of years of academic growth in a year of instruction). It has also operated exclusively on state and federal funding, which makes it very scalable.

San Antonio area parents and community leaders have increasingly voiced desire for more educational options from which to choose. LST is supported by parent groups such as San Antonio Charter Moms who see more school choice as good for their children, good for the community, and good for long term success of all children. LST is supported by a community-wide initiative to bring significant educational improvement to Bexar County, Choose to Succeed. The George W. Brackenridge Foundation and the Ewing-Halsell Foundation, among others, created the Choose to Succeed initiative after reviewing the latest research around high performing schools, high performing charter operators, and the general positive impact these types of schools can bring to a community. The Carpe Diem model was identified as a small group of school models with a strong track record of performance and sustainability. The sponsoring entity, LST, is specifically organized to bring the Carpe Diem model to Bexar County and to, in turn, expand quality school options.

San Antonio graduation rates have been generally declining over the last 10 years. As of 2010, nearly 1 of 3 students was a dropout.[1] Those who graduate are often ill-prepared for college or careers. Nearly 1 in 2 students attending community college campuses require remediation.[2] Those attending universities are more likely to be prepared, but not nearly as competitive as the modern economy requires.

[1] http://www.texastribune.org/public-ed/explore/san-antonio-isd/
[2] Texas Higher Education Coordinating Board Developmental Education Accountability Measures Data, 2010

Academic prowess in the workforce often exceeds college requirements as noted by an ACT study that showed 85% of todays living wage jobs require an ACT of 22 or higher[3]. San Antonio students who took the ACT averaged only 17.4 on this well-known measure of academic preparation. This is well below the workforce need. One can only assume the vast majority of students who didn't take the assessment would have done even worse. This score is barely above the 16.9 average from 2007.

LST plans to establish its schools in regions of Bexar County where students do not have the opportunity to attend schools that assure success in school or, in turn, life. The need is more than sufficient to support the schools the sponsoring entity anticipates.

b) Explain how the charter school model will enhance the academic outcomes for students.

LST will operate schools using the Carpe Diem model. Carpe Diem began in Yuma, Arizona and has produced outstanding results over the past 8 years. The model continues to evolve, but the combination of instruction from live teachers, high quality digital courses, and an intense focus on student performance has proven successful where traditional classroom instruction has fallen short.

The Carpe Diem model has an eight-year history of success. It has proven to be successful for typical, at-risk, economically disadvantaged, English language learners (ESL/bilingual) and gifted students. It is also very effective for students with disabilities. Similar blended learning schools have also dramatically improved student performance. Key performance points worth noting are:

1. The Carpe Diem school performance has consistently put it in the top 25% (often top 10%) in student achievement among all schools in Arizona. These achievement levels are significantly higher than in schools within the county where Carpe Diem is located.
2. There is no achievement gap between students of poverty, English language learners (ESL/bilingual), regular students, and minority students.
3. Carpe Diem has achieved the highest student academic growth rate school in Arizona for 2 straight years and regularly is in the top few.

Carpe Diem operates schools in Arizona and Indiana and is currently opening schools in Ohio. Their model has transferred well beyond Arizona with strong preliminary results comparable to the long running Yuma school. After studying the San Antonio student population, we are confident that the LST will have similar success using the Carpe Diem model in this region.

LST embraces the Carpe Diem model approach to education. This model commits to Educate, Empower and Equip students for life (EEE). Everything LST schools will do falls under these three E's. Education at LST schools will begin with teaching students the core content of the Texas Essential Knowledge and Skills (English, Math, Science, Social Studies) as well as State Board-approved electives using a combination of individualized digital instruction proven to engage and challenge students as they master material at their own pace and live instruction from expert teachers. Teacher instruction is focused on addressing learning gaps for students who are struggling and on instruction designed to prepare students with higher order, complex thinking skills including teamwork, communications, critical thinking, and creativity.

[3] Ready for College and Ready for Work: Same or Different?, 2006

Empowerment at LST will begin with students taking charge of their education from day one. Students will monitor their own progress, seeing the quality, quantity and consequences of their work in real-time. Students will have the tools and support necessary to succeed both independently and collaboratively, all within a positive cultural teaching environment designed to instill the important character traits of persistence, self-control, social awareness, ethics, and responsibility. Empowerment will continue as teachers use a system of logical consequences to teach, motivate and encourage positive choices. Short term failure will be an option at LST, so students can learn to own their behavior by taking responsibility, change their behavior through exploring options, and then move on towards success.

Equipping students for life includes college and career counseling, community service and partnerships, career internships, leadership, collaboration and fitness training in a fitness center under the guidance of a certified personal trainer. As students enroll in LST, they will engage with a career maturity digital management system (Kuder) that will register their hobbies and interests, as well as their college and career goals. They will be given every opportunity to learn about their career aspirations, develop an education plan to achieve those aspirations, be prepared to adapt the aspirations over time, and engage in real world career exploration through internships and co-op experiences.

Successfully leveraging technology to assist in teaching the triple E's, the Carpe Diem personalized blended learning model has developed outstanding, well-rounded students of character and achievement. Performance results achieved over more than eight years show very strong student achievement and exemplary academic growth rates. As noted above, schools using the Carpe Diem model are consistently among the highest performing in state rating systems. LST will make the most of its public dollars, providing a high-quality education with a programming budget that is significantly less than a conventional public school and thus can be accommodated by the charter school funding formula in Texas.

LST will use the Carpe Diem model to be a part of a high-performing nationwide system of middle and high schools by blending digital learning, traditional instruction, and real-world experiences. At the same time, LST embraces and will ensure mastery of the Texas Essential Knowledge and Skills. The practices embodied in the Carpe Diem model will ensure that LST students will:

- Master rigorous core content in social studies, science, technology, language, and mathematics
- Develop critical thinking, analysis and problem solving skills
- Engage in cooperative learning using multiple forms of technology, social networking, and face-to-face groups
- Receive immediate support and feedback from highly qualified teachers, experienced content practitioners and technology-based curriculum
- Gain real-world experience via internships and service projects
- Participate in extended educational fieldtrips within the local community, the nation, and the world
- Be well-rounded educated citizens through academic instruction, character education, immersive learning and a well-developed physical and nutritional program.

The Carpe Diem model is based on the assumption that student achievement is a function of effort, not innate ability, and that all students, given the opportunity and regardless of circumstance, can achieve at high levels. To ensure this, all decisions, at all levels, will be guided by robust data aimed at understanding each student so that the most personalized and challenging educational options are provided.

2. Vision of the School

a) Provide a succinct long-term vision for the proposed school.

LST envisions a school that is based on personalized learning and assures each student an educational experience uniquely designed to lead to their success in school and in life. This, in turn, will result in students becoming economically productive, community-minded Texans with the ability to adapt to changing world circumstances.

b) Discuss the educational philosophy and pedagogy of the proposed school, as well as the innovations that will distinguish this school from other schools in the area where the school or schools would be located.

LST schools, using the Carpe Diem model, will be based on the philosophy that all students can learn and it's the school's responsibility to assure they do. The school will be successful only if the students succeed. If students aren't learning, it is the school's responsibility to find ways to correct the poor results. Engaging parents and community members will be a priority, but the absence of this engagement will not be an excuse for failure.

The instructional philosophy and focus of the school will put the students at the center of the work. The school will be built on a belief that students learn best when they

- Have a deep, respectful relationship with the faculty and staff of the school.
- Understand the relevance of the material they are learning to their lives, both present and future.
- Clearly understand the quality and quantity of their educational attainment on a regular basis.
- Can learn in modalities comfortable and logical to them.
- Understand the importance of working hard.

We believe integrated technology can make the student learning experience more relevant; student centered, and will lead to closer relationships among teachers, students, and families. The Carpe Diem's unique learning system customizes education for each student. Using a combination of digital curriculum and personal teaching, LST students will be able to learn and progress individually, eliminating the "one-size-fits-all" classroom. Eliminating the tyranny of the cohort is the single most important innovation provided by the model.

LST believes schools must do more than basic academics. For every student we must educate with knowledge, empower with character and equip for life. We believe that the more qualifications and experiences we offer students, the better equipped for life they become. Equipping students for life is our primary goal.

Upon graduation, all LST students will be career-ready and college prepared. Career-ready by participating in a career pathways program where students select an area of interest and, by taking the appropriate industry related courses, complete a course of study readying them to take an industry accredited assessment leading towards full industry certification and a career upon graduation.

Students will be college ready by completing all academic coursework and assessments and by participating in college credit programs including massive online open courses (MOOCs) and college level examination program (CLEP) assessments. It is therefore possible for LST

students to graduate with a quality high school diploma, an industry certification leading to a well-paying job, and an associate's degree from a local college.

c) Provide three to five core values or beliefs, with succinct explanations, to guide the operation of the proposed school.

The schools operated by LST will be guided by the following values and beliefs.

Area	Carpe Diem Model values
What students need to know and be able to do	Focused on what students need to know and be able to do to be successful in life. These will include, but go beyond basic academics. It will include the knowledge and skills necessary to Educate, Empower, and Equip our students for life.
Definition of student success	A student is capable of leading a meaningful, productive life including being able to successfully transition to college and a career.
Proof of learning	Student shows competence in the area of interest as measured against Texas standards and world class levels of performance.
Graduation	Earned by learning rigorous content. Once completed, the student begins working toward the next "graduation" regardless of their age.
Instructional delivery	Each student's learning experience is customized for their needs. Teachers are facilitators and coaches. Delivery of content is technologically managed (including digital content) and student focused.
Formative (in-process) assessments	Organizationally selected or created and aligned to life success. Regularly occurring assessments guide instruction to assure all students are on track for life success and provide the foundation for teacher professional development.
Accountability (final) assessments	Begin with meeting and exceeding performance expectations on Texas standardized exams in addition to school-based academic paper and pencil assessments, but also includes additional rigorous, complex assessments of students' preparation for success in life.
Expectation for student success	All students can learn and it's the school's responsibility to do everything possible to assure they do. External factors are acknowledged as challenges, not excuses.
Faculty and staff accountability	Based on student success and instructional innovation.
Instructional approaches	Adapted by principals, teachers, and parents to assure student success.

d) List business and fiscal risk factors, with brief explanations, that could jeopardize the viability of the proposed school. Also, list success factors, again with brief explanations, that the sponsoring entity believes outweigh the risks.

Risk factors with corresponding success factors

1. **Early year financial support** – An immediate risk is covering the startup costs of the school. Early financial support is critical to our first schools. Private or philanthropic support will be needed. **Success factor -** This risk has been substantially mitigated by significant local philanthropic support for schools in Bexar County sufficient to cover these costs.

2. **State and federal policy limitations and changes** – The Carpe Diem model is atypical of most educational delivery systems. It requires significant freedom from traditional educational policy to be fully effective. State and federal policy may limit the model's ability to operate effectively. **Success factor -** We have reviewed current federal and state legislation to assure compatibility so the only risk is future changes.

3. **Model obsolescence** – Rapid changes in technology and breakthroughs in curriculum and curricular approaches will require Carpe Diem to continuously innovate its model to maintain its leadership status. **Success factor -** By engaging the creators and innovators of the model, LST considers this risk minimized.

4. **Pressure for teachers to revert to traditional practices** – It will be a challenge to keep school leaders, faculty, and staff focused on the unique educational approaches embodied by the Carpe Diem model. Local educators will interact with and potentially encourage our staff to use more traditional approaches to education. When difficulties arise, there will be a tendency to revert to old habits. **Success factor -** Our strategy around human resource development and exception-based management will be critical to address this issue. Significant professional development and constant monitoring of student performance will dramatically minimize this risk.

5. **Changing global demands for our students to be competitive are different than curriculum availability** – The Carpe Diem model requires graduates to be career ready and college prepared. The relatively easy part of this equation is the college prepared provision. The much tougher standard is career ready. As global demands and major innovations occur in the workplace, it will be difficult to be sure all students are career ready. This is especially true if innovations outpace readily available curriculum such as industry credentialing, character, creativity, technology, etc. **Success factor** – The intense growth of digital content and assessments aligned to real world expectations suggests this risk factor can be managed today and into the future.

6. **Difficulties in recruiting students to enroll** - Since Carpe Diem doesn't currently operate any schools in Texas, it is difficult to predict exactly how much demand there will be for the model. **Success factor** - We believe that our enrollment projections – based on a year-one enrollment of 300 students is reasonable and we have received very strong community support to come to San Antonio. These success factors should mitigate the risk.

3. Community Support

a) Describe the community where the school will be located and provide reasons for choosing the location. Include the types of resources available in the community.

LST will locate its first school in a transitional neighborhood in the urban San Antonio area. A transitional neighborhood is one that shows signs of emerging from poverty through the efforts of multiple community and private efforts. LST recognizes education improvement alone cannot overcome a community's challenges so it seeks locations that, while still facing significant challenges, have shown clear evidence of a desire to transform.

Key community support functions will include childcare options, economic development initiatives, higher education commitments, coordinated community service agencies, and a significant student population with insufficient "good" educational seats.

An exact location has not yet been chosen pending charter approval.

b) Briefly analyze the competition in the area for the same students. Describe the methods that the proposed school will use to recruit and retain students.

LST will locate its school in an area that is underserved by existing schools including charter schools. Our goal is to locate in areas where students have limited access to quality education. Other high quality schools are seen as a positive to be supported, not competition to be overcome.

The Carpe Diem model will be significantly different than other schools. This unique model attracts parents and students interested in personalized treatment, high quality curriculum tailored to their unique needs, and those students who a traditional school approach to education has not been successful. The uniqueness of the Carpe Diem model, along with a robust marketing effort, will assure student attraction to the school regardless of other school options.

c) Provide information on the manner in which community groups have been involved and will continue to be involved in the charter school planning process. Include descriptions of the community groups and of the services they will provide.

LST was formed with assistance from Bexar County's leading philanthropic organizations including the Choose To Succeed organization, the George W. Brackenridge Foundation, the San Antonio Area Foundation, the Ewing Halsell Foundation, and key community, business, and educational leaders. It was specifically formed to support growth of personalized learning

schools based on the Carpe Diem model. The community groups aforementioned supporting LST had completed a community analysis of educational needs, reviewed high performing school operators utilizing nationally recognized metrics, and hand-selected several charter school organizations and models to invite to San Antonio to apply for charters from the State Board of Education to serve the needs of San Antonio area students, to improve and bring new student educational opportunities in San Antonio, and to be catalysts and producers of educational innovation. LST is part of this overall education improvement strategy for the parents and students of San Antonio and surrounding communities.

A public hearing was held on February 16, 2013, to inform area parents and interested stakeholders about the proposed LST school. The meeting summary is located in Attachment B. The meeting included stakeholders from San Antonio. The school's planned educational programming and its development timing were provided in a presentation. The assembled group asked questions about the model and the timeline. No concerns were raised by anyone present. There was very positive support for the school.

d) Submit, as Attachment A, a copy of the published notice of public hearing, clearly showing the name of the newspaper and date of publication. The notice should include the proposed school name, the sponsoring entity name, date, time, place of meeting, and the names of sponsoring entity board members.

See Attachment A for a copy of the published notice of public hearing, which was published in the San Antonio Express News on February 2 and February 9, 2013.

e) Submit, as Attachment B, a synopsis of the public hearing held to discuss the proposed charter school plan. The synopsis must identify presenters, provide a summary of their comments, and a list of questions from participants with responses provided by the presenters. Do not include slides of the presentation or a transcript of the proceedings. Additionally, provide the number of community members, not affiliated in any way with the sponsoring entity or the proposed charter school, who attended the public hearing.

See Attachment B for a synopsis of the public hearing held to discuss the proposed charter school plan. There were four community members, not affiliated in any way with the sponsoring entity or the proposed charter school, in attendance at the public hearing.

4. Educational Plan

a) **Describe the educational programs to be offered, including special education and bilingual education/English as a second language (BE/ESL). Clearly explain in succinct terms the specific curricular programs that the school, if authorized, will provide to students and the ways in which the charter staff, board members, and others will use these programs to maintain high expectations for and the continuous improvement of student performance. Clearly state how the Texas Essential Knowledge and Skills (TEKS) will be incorporated into classroom instruction and assessment.**

LST will implement the Carpe Diem model and fully cover the Texas Essential Knowledge and Skills (TEKS) for each grade level for classroom instruction and student assessment in order to meet curricular requirements as identified in 19 Texas Administrative Code chapter 74 (containing the SBOE's curriculum requirements for TEKS).

Overview of the model

LST will be implementing the school's educational program consistent with the Carpe Diem model and TEKS. This model is a personalized blended learning model using state of the art digital content and highly qualified teachers. The model assures each student receives the educational experience they need to succeed. The model adjusts pace, place, and "passion" to assure students are engaged, become responsible for their own learning, and succeed in their educational pursuits.

Because each student is provided a personal education plan, instruction related to special education IEPs and bilingual education/English as a second language instruction can typically be provided within the normal mode of daily operation. Additional services will be provided as per each student's IEP and/or personal needs for success.

The Carpe Diem model uses digital content and teachers with flexible schedules to address variations in student learning styles. The model is grounded in a research-based framework and adheres to the guiding principles of rigor, accountability, individualized instruction, innovation, and alignment to state standards.

The model also is aligned with the Quality Standards for Online Courses developed by the Southern Regional Education Board and contains objectives that are measurable using a variety of Bloom's Taxonomy of Learning Domains. The design weaves components of the behavioral, cognitive, and social learning theories into its curriculum. As a result, the instructional program curriculum is able to provide "a flexible learning environment that allows students with widely varying abilities and backgrounds the opportunity to access curriculum and achieve the academic content standards that have been established for students" (Bremmer et al., 2002).

Instructional philosophy

Unlike traditional educational models, the Carpe Diem model's educational philosophy is based on the premise that students can be empowered and become independent learners while teachers are empowered to go beyond simple instruction to mentor, monitor, and motivate students and to assure very strong learning achievement. Students not only need an education, but, in this model, will also need guidance and strategies to effectively use self-directed

instruction and educational resources. The objective is to create motivated students, moving them from a foundational stage of learning to a self-directed stage of learning, taking responsibility for their own educational outcomes. The original Carpe Diem model, located in Yuma, Arizona, with an average 60% low-income population, is a proof point that all demographics can learn, grow and succeed in a blended learning environment. There is virtually no sub-group achievement gap in the Arizona Carpe Diem schools.

Student success stems from several foundational concepts used to develop the Carpe Diem model: 1) Rigorous education with mastery – long-term failure is reduced when students cannot progress until success is achieved. Based upon each previous success, future successes become easier and the student begins to self-motivate based on the understanding that he/she can succeed. 2) High degree of connectivity among students and teachers – in order for rigorous education with mastery to occur, there must be a high degree of connectivity between student and teacher so that the student knows there is no penalty for failure, but help for him/her to succeed. 3) Individualized curriculum and flexible schedule – In order for 1 and 2 to occur, individualized curriculum and a flexible schedule is required, which allows the student to move at his/her own pace. Students are not boxed into a traditional classroom flow of instruction. This allows the student to progress quickly in some areas, slower in other areas, but always able to reach out for help when needed. 4) Integrated technology – through the use of technology, teachers are empowered to make more effective and timely data-driven instructional decisions using the student progress and performance data available. Teachers are immediately aware of student challenges and successes so appropriate action can be taken immediately. This allows the teachers to be informed immediately on potential problems and issues. 5) Immediate intervention – using information from students' daily work, formative assessments and standardized tests, teachers can provide targeted intervention based on student performance data.

These five unique concepts, used to build the foundation of the Carpe Diem model, are also embedded in the roles of the educators tasked with using the model to meet student needs. Teachers serve as coach, guide, monitor, facilitator, manager, mentor and motivator as they perform the following duties: 1) Teach college and career-readiness skills, 2) Assist students 1-on-1, and in small/large groups, 3) Provide intervention and enrichment, 4) Provide consistent communication with students and parents, 5) Monitor student pace, performance, attendance and behavior, 6) Counsel students in social and academic areas, 7) Track and correct technical problems, 8) Understand and use assessment data, 9) Actively pursue professional development and collaboration opportunities.

Addressing varied learning styles

The model is based upon Universal Design for Learning Principles. Each of the three UDL principles will be used as curriculum components in the selected curriculum. These principles are:

1. Principle 1: Provide multiple means of representation;
2. Principle 2: Provide multiple means of action and expression;
3. Principle 3: Provide multiple means of engagement.

Universal Design for Learning based curriculum is responsive to diverse classrooms and engineered from the outset to meet the needs of the greatest number of students. It allows teachers and students to choose from a menu of tools and strategies embedded in the curriculum and instructional materials (Cast, 2010).

The curriculum integrates all levels of Bloom's Taxonomy to engage students in critical thinking as they complete lessons in a sequentially-based mastery approach. All TEKS will be used to create lessons that require students to remember, understand, apply, analyze, evaluate, and create as part of their deep learning of the TEKS.

Assessment strategy

Students will be assessed upon entry into the school and on a regular basis throughout their educational experience and as required by state law. These assessments determine the level of coursework the students undertake. The goal is to make the coursework challenging, but not overwhelming for each student.

Formative assessments within each course will be used to identify those standards a student has not mastered. Teachers will administer self-developed assessments to supplement digitally provided assessments. Teachers will use the assessment data to assign coursework to remediate challenges or to achieve accelerated learning.

As instruction progresses on a daily basis, students in need of additional support are automatically identified, and the teacher is alerted using automated formative assessment data and through input from a course manager, a person specifically assigned to monitor the automated formative assessment performance data.

Academic production (the amount of coursework successfully completed by each student) will be monitored daily by the faculty and the instructional leader, the principal. The board will have daily access to the cumulative production and grades for the school. Parents will also have access to their child's results.

End-of-course assessments will be administered in a proctored setting and successful passage of these assessments will be required before a student receives credit for a course, or as otherwise required by state law. These assessments will be reported to the board on a regular basis.

External summative assessments will include NWEA-MAP assessments in language arts, reading, mathematics, and science. They will be administered four times per year and will be used to guide instruction, make course assignments, and to identify critical shortfalls at the student, subject, and school levels. The board will review these results throughout the year.

State required assessments will be administered in accordance with state law and regulations. These assessments will be monitored by the school staff, the management company, and the board as required by TEA regulations and guidelines. These will generally be lagging measures (reported after the fact for students completing coursework) that will be used to evaluate the quality of school performance.

Staff roles in the educational process

By design, the Carpe Diem model places the principal as the instructional leader. Anything not directly related to instruction, such as budgets, facilities, regulatory compliance, and human resource issues, is assigned to non-education staff. This assures a strong focus on student learning.

The staff consists of academic teachers, instructional aides, a personal trainer, a course manager, an IT specialist, a Dean of Students, and a principal. A support staff person and a registrar (PEIMS coordinator) provide administrative support to the team.

The principal is responsible for overall instructional integrity. The principal has immediate daily access to all student performance data and guides the faculty in making daily scheduling and learning opportunity decisions focused on assuring student success. Because a significant portion of each day is not pre-scheduled, these adjustments are an expected and welcome part of the daily routine. The principal also holds daily start up and finishing meetings with the entire staff and student body.

The Dean of Students assures students receive appropriate career development instruction, are engaged in community service, and are engaged in internships, co-op experiences, and other activities that improve their career maturity. The Dean of Students also assures a smooth transition between high school and the student's next step in life, college and a career.

Faculty teach workshops (classroom instruction) where students are provided remediation, advanced instruction, project-based learning experiences, science laboratory experiences, character education, and any other unique experiences required by the students. Instruction on TEKS standards is reinforced and enhanced by faculty. Faculty also provide one-on-one instruction for students with cognitive questions or challenges. Faculty engage in IEP required instruction whether immersion or pull out.

Instructional aides are constantly available in the learning center (where students do most of their digital content work) so they can address student questions immediately. They handle all technical questions, assure student engagement in coursework, diagnose student learning challenges, and direct students to faculty or external support as needed.

The course manager monitors all digital data sets, assures all students are getting direct support from instructional aides or faculty as needed, and proctors end-of-course assessments. The course manager assures all stakeholders including parents, management company officials, and the board are fully informed regarding student learning results.

The IT specialist provides technology support to the school.

Daily schedule

Because the model requires adjustment based on student needs, about 60-70% of the daily schedule is adapted daily. There are limited pre-scheduled events. The day is divided into 35-minute periods, but these are for planning purposes, not to define the length of time each student engages in a particular course. About 50% of each student's time is spent working on digital content. This varies on the basis of student need.

Major instructional units applied to all students are scheduled first, then individual student needs are identified by the daily data reports and like students are grouped for instruction. The groups can be as small as 1 or as large as 25. Typically groups are less than 15.

All students and staff begin and end the day in an assembly called the fishbowl. Students are recognized for growth and achievement, daily announcements are made, and key culture building events occur.

Students schedule proctored exams with the course manager as they are prepared to take them. Course completions are recorded on the basis of individual student proficiency attainment, not a specific time of the year. For high school students, course completion opportunities will be coordinated with state end-of-course exam requirements.

The school day runs from 7:30 AM to 4:00 PM. The last 1.5 hours are completely unscheduled so teachers can interact with students as needed on an individual basis.

Content standards

The model will **Educate** with knowledge, **Empower** with character, and **Equip** for life each student attending the school. These three unique areas are a part of every student's educational program.

Educate with knowledge

The school will provide a full range of academic coursework. The following is a complete list of subjects that will be available to attending students in accordance with Texas curriculum standards and graduation plans. The appropriate courses will be selected in collaboration with the students and their parents to assure each student receives the instruction necessary to meet and exceed Texas Essential Knowledge and Skills standards. All coursework related to subjects within the TEKS standards are aligned to those standards. Additionally, faculty will provide intense focus on the TEKS standards during classroom (workshop) instruction. Formative assessments will be aligned to the TEKS standards and these formative assessments are used daily by faculty to decide each student's instructional experience. All courses will be provided by Edgenuity (formerly Education2020) for grades 6-12. Additional digital content providers may be used for coursework required at the K-5 level of instruction and for higher education level coursework. These levels of coursework will be provided to students who are behind or more advanced in their studies respectively.

Language Arts

Language arts 6
Language arts 7
Language arts 8
Literacy and Comprehension I
Literacy and Comprehension II
English language arts 9
Language arts 10
Language arts 11
Language arts 12
Introduction to communications and speech
IDEA writing
Classic novel pack

Math

6th grade math
7th grade math
Pre-Algebra
Algebra I
Geometry
Algebra II
Trigonometry
Pre-Calculus
Math models and applications
Financial math

Science

Life science
Earth science
Physical science
Biology
Chemistry
Physics
Environmental science

World languages

Spanish
French
German
Chinese
Latin

All foreign language offerings include middle school through AP level courses

Social studies

Middle school world history
Middle school US history
Middle school Civics, government, and economics
Middle school world cultures and geography
World history
US history
Government
Economics
Human geography

Career-technical electives

Computer applications: Microsoft
Computer literacy
Introduction to information technology A
Introduction to information technology B
Computer science 1
Computer science 2
Introduction to C++
Flash game development
3D art 1: modeling
3D art 2: animation
Digital arts 1
Digital arts 2
Image design and editing
Game design
Audio engineering
Flash animation
Engineering design 1
Engineering design 2
Introduction to business A
Introduction to business B
Introduction to entrepreneurship 1
Introduction to entrepreneurship 2
Personal finance
Green design and technology
Introduction to health science A
Introduction to health science B

Electives

Psychology
Sociology
Career planning and development
Introduction to art
Art history
Strategies for academic success
Health bundle

AP courses

AP English language and composition
AP English literature and composition
AP environmental science
AP human geography
AP psychology
AP US history
AP calculus
AP biology

Empower with character

Character education will be an integral part of the educational experience for each student. Character instruction will be based on the book Seven Habits of Highly Effective Teens and will use the CharacterCounts! program.

Equip for life

Equipping students for life means ensuring they are 1) physically fit, 2) prepared to make career choices, 3) career ready and college prepared, and 4) community minded. Each of these will be a planned part of each student's educational program.

Physical and health education

Each student will have a personal fitness trainer. The fitness trainer will educate the students on nutrition, health, physical exercise, and how to monitor and maintain a healthy lifestyle. Instruction will be focused on assuring students are healthy including avoiding obesity. Cardio and weight training will be taught to the students and the students will engage in a range of options within each area. Nutrition will be taught and students will engage in eating habit analysis and modification. Health related monitoring will be taught and the students will be assessed on their ability to improve their health indicators including their BMI.

Career development

Each student will be assessed on their career maturity level. This is a measure of the student's knowledge and skills of 1) understanding their own interests and aptitudes regarding a career, 2) the work world including entrepreneurship and all careers, 3) how to achieve their career goals through education and training. Instruction will be provided to improve each student's career maturity. Internships, co-op experiences, and digital career and education exploration systems will be used to advance career maturity ratings.

Career ready and college prepared

College preparation will be driven by academic instruction necessary to assure students can enter college remediation-free. The Carpe Diem model is particularly well suited to support student learning and responsibility necessary to be successful in college. Each student develops the responsibility for their own education required for college success. Many students will begin college coursework while still enrolled at the school. Innovations such as the Massive Open Online Courses (MOOCs) being developed by major universities and the College Board College Level Examination Program (CLEP) will be used to jumpstart student participation in college.

Career readiness will begin with a clear expectation around academic achievement. 85% of living wage jobs require academic prowess equal to an ACT of 22 or higher. The academic standard for the workplace is higher than most college's entrance requirements. Additionally, a full range of career-technical courses, internships, co-ops, and industry credentialing options will be provided students enrolled in the school.

Community minded

It is critical to modern society that young people grow up civic minded. Being community minded begins with serving others who are in need. It continues through developing an appreciation of cultures including fine arts, understanding principles of the American economy, developing ways to assure everyone is treated with respect, and assuring full engagement in

political decisions including voting. Students at the school will receive instruction in community service and will engage in community service activities sufficient to develop a habit of service.

Special education programming

LST will comply with federal and state law protecting students with disabilities, including the Individuals with Disabilities Education Act (IDEA), as amended and its federal and state implementing regulations; Section 504 of the Rehabilitation Act of 1973 (Section 504) and implementing regulations; Title II of the Americans with Disabilities Act (ADA), as amended, and implementing regulations; Texas Education Code Chapter 29 Subchapter A, and implementing regulations, and controlling case law.

LST will convene Admission, Review and Dismissal (ARD) Committees and 504 Teams for each student eligible under the above-identified laws and ensure that its students receive a Free Appropriate Public Education (FAPE). The Carpe Diem model is based on a personalized blended learning approach. As such, students with disabilities are immersed in the model as required to be successful and as prescribed by their IEP and ARD Committee or 504 Team. Direct student instruction is provided by digital content, online faculty support teams, individual live teacher support, and specialists where needed.

A full range of special education services will be provided on demand to meet each student's IEP. These services will be contracted for in advance through special education service providers, TEA approved Co-operative Shared Services Arrangement, and/or through the Region 20 Education Service Center. LST will assure any specialists or related services providers, including physical or psychological and other needs based services will be available when required. In accordance with state law, LST will employ certified special education teachers as needed.

Students with learning disabilities (LD) will be provided instructional content and teacher support at the level required for them to be challenged, but not overwhelmed, and as approved by an ARD Committee. Instructional content can vary from as low as 1st grade instruction to college level instruction depending on student need.

Instructional access provisions are built into the digital content for the hearing and site impaired students. Handicapped accessibility is assured with all facilities. Mobile computing and appropriate technology devices will be provided for students requiring non-school settings or services.

Autistic students are especially well served by the Carpe Diem model. The computer interaction phase of the instructional process is comfortable to most. The ability to vary course selection on an individual basis means students who are especially gifted in one subject area can move forward quickly while still receiving the correct level of instruction for courses that are more difficult (i.e., 9th grade mathematics and 6th grade reading instruction can be provided to the same student at the same time.)

Students with emotional challenges or attention-deficit disorders are particularly well served by the model. Student movement is much less restricted than in typical school settings. Faculty spend less time on lesson plans, attendance (electronically processed), lectures, or grading papers therefore they can spend more time coaching students through stressful emotional periods. Often, emotional or ADD challenges are completely mitigated by the personalized approach of the model.

Regardless of the disability, the model can provide all accommodations and the specialized services that will be available will address any and all IEP requirements.

Bilingual Education /English as a Second Language

LST will comply with federal and state law concerning BE/ESL students including Title VI of the Federal Civil Rights Act of 1964, as amended; the Federal Equal Educational Opportunities At of 1975; Texas Education Code Chapter 29 Subchapter B and its implementing regulations. Students with a home language other than the English language who are Limited English Proficient (LEP) will be permitted to participate in Bilingual Education (BE) or English as a Second Language (ESL) in accordance with the law. LST will follow LEP standards and eligibility criteria established by the TEA. LST will employ certified BE/ESL teachers as required by state law. LST intends to work closely with the Region 20 Education Service Center and TEA to ensure its BE/ESL programming is successfully and appropriately implemented. LST will also comply with Texas State Board of Education requirements pertaining to assessment of LEP/ELL students.

The Carpe Diem model has been especially successful with BE/ESL students. Language instruction can be increased initially and phased down as needed on a daily basis. All digital content can be available in major languages as each student transitions to English proficiency.

The ability to begin where the student's talents dictate and move them forward aggressively is especially useful for BE/ESL students. The model provides for external tutors or support team members as required to assure success.

In addition, specifically address each of the following:

- **Describe the manner in which the science curriculum will meet the laboratory and field investigation requirement as follows:**
  - **80% for student in Kindergarten and grade one;**
  - **60% for students in grades two and three;**
  - **50% for students in grades four and five; and**
  - **40% for students in grades six through twelve.**

The school will only serve students from 6-12th grade. All science courses will have laboratory-based experiences, both virtual and live. Science classroom instruction will be focused on project-based instruction requiring the application of science learning to real world situations. This portion will account for about 50% of the time allocated to science instruction.

Additionally, the model provides the flexibility necessary to engage in longer-term community and work-based experiences where instruction can be applied in field settings. These experiences will be built into each student's career and community interests profile.

- **Describe the educational program and the setting that will be used to offer courses to meet the requirements for physical education.**

As noted above, a personal trainer will guide the physical education component of the school. Each student will be required to participate in activities related to strength and cardio development. Each student will be assessed on their ability to maintain a healthy lifestyle including avoidance of obesity.

- **Describe the educational program and the setting that will be used to offer courses to meet the requirements in fine arts, health education, technology applications, and, to the extent possible, languages other than English.**

As noted above, fine arts courses will be provided as options for the students. Additionally, each student will be able to participate in visual and performing arts on an individual basis. Historically, students attending the Carpe Diem school in Yuma have been involved in ballet and other unique art forms typically not available to students in a regular school.

b) **Describe how the teaching methods to be used will provide a rigorous and relevant academic program and state the reasons for choosing them, explaining how the methods enhance student learning and promote high expectations for all students. Include information about materials, strategies, techniques, procedures, and differentiated instruction to be used to meet the needs of the student population, including students above and below grade level, with disabilities, and requiring BE/ESL services, and clearly state the number of instructional hours per day that will be afforded to students.**

Teaching methods to assure rigorous and relevant academic program

The Carpe Diem model is focused on student needs, not specific teaching methods. For too long schools of all types have been designed around specific instructional approaches first and then they enrolled students. LST chose the Carpe Diem model because it first enrolls students, then determines their educational needs, and adapts teaching methods to assure individual student success. There is a rigorous structure in place to assure all student needs are met and high standards of instruction are maintained. This model is particularly well suited for special student populations, including the disabled, BE/ESL and those who are below grade level as every student receives an individualized educational plan and the system has inherent flexibility to match student needs. The following explains this structure.

Staff roles in the educational process

By design, the Carpe Diem model places the principal as the instructional leader. Anything not directly related to instruction, such as budgets, facilities, regulatory compliance, and human resource issues, is assigned to non-building staff. This assures a strong focus on student learning.

The staff consists of academic teachers, instructional aides, a personal trainer, a course manager, an IT specialist, a Dean of Students, and a principal. A support staff person and a registrar provide administrative support to the team.

The principal is responsible for overall instructional integrity. The principal has immediate daily access to all student performance data and guides the faculty in making daily scheduling and learning opportunity decisions focused on assuring student success. While the choices available to the principal and faculty are theoretically endless, the most common choices are as follows:

1. **Digital instruction provided in the learning center.** The instruction can be tailored to each student, each day to assure a challenging, but not overwhelming experience.
2. **Direct instruction in a workshop.** Workshops (classroom instruction) can be created to address a specific cognitive construct, provide application of a group of academic concepts to a real world problem, provide opportunities for developing character traits

only possible in teamwork settings, or any other specific instructional need requiring group interaction and/or teacher directed experiences.

3. **One-on-one tutoring/advising.** This is the ultimate remediation approach to assure students with persistent difficulty have their needs met.
4. **Fieldtrips, internships, co-op experiences, or community service projects.** This form of instruction takes one or more students beyond the school walls. Because basic instruction is delivered digitally, this form of instruction does not intrude on regular classroom instruction. It can also extend beyond short periods of time and can be managed by parents where desired.
5. **Project-based instruction.**
6. **Student directed learning experiences.** Especially designed learning experiences that make sense for the student and are supported by the faculty and parents are possible.

Because a significant portion of each day is not pre-scheduled, these adjustments are an expected and welcome part of the daily routine.

The Dean of Students assures students receive appropriate career development instruction, are engaged in community service, and are engaged in internships, co-op experiences, and other activities that improve their career maturity. The Dean of Students also assures a smooth transition between high school and the student's next step in life, college and a career. This particular provision is an important aspect of the model. It provides a longer-term horizon for students often lacking in this level of foresight. It also is the basis of the discussions around the need for hard work, higher expectations, and delayed gratification.

Faculty teach workshops where students are provided remediation, advanced instruction, project-based learning experiences, science laboratory experiences, character education, and any other unique experiences required by the students. Instruction on TEKS standards is reinforced and enhanced by faculty. Faculty also provide one-on-one instruction for students with cognitive questions or challenges. Faculty engage in IEP required instruction whether immersion or pull out.

Instructional aides are constantly available in the learning center (where students do most of their digital content work) so they can address student questions immediately. They handle all technical questions, assure student engagement in coursework, diagnose student learning challenges, and direct students to faculty or external support as needed.

The course manager monitors all digital data sets, assures all students are getting direct support from instructional aides or faculty as needed, and proctors end-of-course assessments. The course manager assures all stakeholders including parents, management company officials, and the board are fully informed regarding student learning results.

The IT specialist provides IT support to the school.

Daily schedule

Because the model requires adjustment based on student needs, about 60-70% of the daily schedule is adaptable on the fly. There are limited pre-scheduled events. The day is divided into 35-minute periods, but these are for planning purposes, not to define the length of time each student engages in a particular course. About 50% of each student's time is spent working on digital content. This varies on the basis of student need.

Major instructional units applied to all students are scheduled first, and then individual student needs are identified by the daily data reports and like students are grouped for instruction. The groups can be as small as 1 or as large at 25. Typically groups are less than 15.

All students and staff begin and end the day in an assembly called the fishbowl. Students are recognized for growth and achievement, daily announcements are made, and key culture building events occur.

Students schedule proctored exams with the course manager as they are prepared to take them. Course completions are recorded on the basis of proficiency, not a specific time of the year.

The school day runs from 8 AM to 4 PM (7.5 hours of instruction and 30 minutes for lunch). The last 1.5 hours are completely unscheduled so teachers can interact with students as needed on an individual basis.

Use of data

The entire model relies on a sophisticated data management system that tracks student performance on a hourly/daily basis. Faculty and staff do not have to spend hours processing data, but are given digitally produced and immediately available data from which to analyze individual student progress and, in turn, adapt instruction. Adaption is dramatically improved in the model because all the routine instruction is managed digitally, the schedule is intentionally flexible, and teachers are provided the time to really get to know the students individually.

Focus on careers

Each student will be asked to select a future career. This selection will probably change over time, but whatever it is will guide the interaction with the student. Predicating all instructional decisions with how they will help the student achieve their professional passion is an important part of the model's ability to achieve higher performance results. Many students who were not interested in education for education's sake find meaning in their work when it is applied to a life goal.

Proficiency based progress

As noted elsewhere, the model only advances students when they achieve proficiency. Students, parents, teachers, and staff all track each student's progress. When a student doesn't work hard, they don't progress. There is no cohort to hide within. The lack of progress gets the attention of everyone. A lack of progress can be determined daily. On the other hand, when progress does occur, the student experiences success, is recognized for their effort, and receives credit for work completed quickly. This encourages self-directed learning and can be incredibly gratifying. Often, students experience success for the first time in their educational careers. The success is based on effort, not lowered standards.

Student responsibility

Students in the Carpe Diem model are responsible for their own education. Teachers are responsible for facilitating and helping students learn to be responsible.

Because students are freed from cohort one-size-fits all approach, they can engage learning at a level that is challenging, but not overwhelming. They can gain success without lowering standards.. They can also immediate consequences for not putting forth effort. The

consequences are not punishment, but are a lack of progress. Effort equals success, success encourages more effort.

Consequences not punishment

The Carpe Diem model uses consequences, not punishment to help student grow in responsibility. Interim failure is an option in the model. Failure is seen as an opportunity to diagnose approaches and modify responses to assure success moving forward. Student motivation becomes intrinsic versus extrinsic in the model.

Reason for selection of the model

The Carpe Diem model was selected because of its demonstrated performance results over a long period of time and because the model is supported by major educational research as discussed below. Finally, Carpe Diem's model was selected because its processes assure a strong, consistent focus on performance.

Actual performance results

The Carpe Diem model has an eight-year history of success. It has proven to be successful for typical, at-risk, economically disadvantaged, BE/ESL, and gifted students. It is also very effective for students with disabilities. Similar blended learning schools have also shown early promise for improving student performance. Key performance points worth noting are:

1. The Carpe Diem school performance has consistently put it in the top 25% (often top 10%) in student achievement among all schools in Arizona. These achievement levels are significantly higher than in schools within the county where Carpe Diem is located.
2. There is no achievement gap between students of poverty, BE/ESL students, regular students, and minority students.
3. Carpe Diem has been the highest student academic growth rate school in Arizona for 2 straight years and regularly is in the top few.

Research support

In addition to actual real-world success, there is substantial research supporting the model's approach as a highly effective educational approach. John Hattie's seminal book Visible Learning: A Synthesis of Over 800 Meta-Analyses Relating to Achievement summarizes the findings of over 50,000 educational studies involving several million students. The book provides a list of the practices that will most improve student results. The following are the practices embodied in the Carpe Diem model. Each Carpe Diem practice to which Hattie assigned impact rank is listed below. The Carpe Diem model incorporates 7 of the top 10 practices as determined by Hattie. The ability to incorporate so many of the high impact practices is because of the model's student-centered personalized learning education approach.

Self-reporting grades – Ranked # 1
Providing formative evaluation – Ranked # 3
Micro teaching – Ranked # 4
Acceleration – Ranked # 5
Teacher clarity – Ranked # 8
Reciprocal teaching – Ranked # 9
Feedback – Ranked # 10
Teacher-student relations – Ranked # 11
Spaced vs. mass practice – Ranked # 12
Professional development – Ranked # 19

Problem-solving teaching – Ranked # 20
Not labeling students – Ranked # 21
Study skills – Ranked # 25
Direct instruction – Ranked # 26
Mastery learning – Ranked # 29
Peer tutoring – Ranked # 36
Cooperative vs. competitive learning – Ranked # 37
Interactive video methods – Ranked # 44olumns
Second/third chance programs – Ranked # 47
Small group learning – Ranked # 48
Concentration/persistence/engagement – Ranked # 49
Expectations – Ranked # 58
School size - Ranked # 59

Process consistency

The Carpe Diem model requires student proficiency at high levels before a student earns credit for their learning. End-of-course assessments, NWEA-MAP assessments, and TEKS assessments will guide student course placement and credit. Because each student is required to perform in order to earn advancement, the model naturally assures rigorous levels of achievement. Having externally created formative and summative assessment assures process consistency.

The model's focus on life success versus school success reinforces the need for high standards. Simply passing a teacher prepared quiz or completing extra credit will not earn a student advancement. All assessments are specifically designed to measure learning on the TEKS standards. Additionally, assessments are focused on what it will take to enter college remediation free and be able to enter a career.

School, school leader, and faculty evaluations are based upon student success. LST will only engage with a management company that is willing to be evaluated on student performance and provide a performance guarantee so the student success expectation is embedded in the management company's accountability as well. This top-to-bottom alignment of evaluation assures system focus is intense and unwavering.

The Carpe Diem model is based on aspirational goals, not minimum standards. This means students are encouraged, recognized, and rewarded for going beyond the basics. This is a cultural expectation with the schools operating under this model.

Students not on grade level, students with disabilities, BE/ESL students

The Carpe Diem model is specifically designed to meet students where they are and to guide them to where they need to be academically. Actual instruction is provided on the basis of student need, not grade level. Students with disabilities are accommodated automatically in the model and in accordance with their IEP. Their IEP guides services and accommodations. BE/ESL students experience the same student-centered environment and are provided equal educational opportunities as the model adapts to meet their individualized needs.

c) Describe the planned academic assessment program, including the process to be used to determine baseline achievement levels of students and the methods of measurement to be used.

LST will use the Carpe Diem model of assessments to assure the school is successful. The model uses the following major assessment approaches.

1. Placement into curriculum assessments
2. In process performance monitoring (formative assessments)
3. External validation assessments
4. Proficiency and advancement assessments

Placement assessments

Students will be assessed upon entry into the school and on a regular basis throughout their educational experience using NWEA-MAP[4]. These assessment results will determine the level of coursework students undertake. The goal is to make the coursework challenging, but not overwhelming for each student. The NWEA-MAP assessments will be administered every 8 weeks and the results will drive placement decisions for students showing unusually high or low performance results.

Placement of students will also occur when a student proves proficiency on end-of-course assessments. Once the student has proven proficiency, the course will be documented for credit and the student will be moved to the next level of coursework.

Formative and production assessments

Formative assessments within each course will be used to identify those standards a student has not mastered. Teachers will administer self-developed assessments to supplement digitally provided assessments. Teachers will use the assessment data to assign coursework necessary to remediate challenges or to achieve accelerated learning.

As instruction progresses on a daily basis, students in need of additional support are automatically identified, and the teacher is alerted using automated formative assessment data and through input from a course manager, a person specifically assigned to monitor the automated formative assessment performance data.

Students can individually advance within their digital content by proving in-term performance on formative assessments. This process automatically moves the student to the next set of content standards.

Academic production (the amount of coursework successfully covered by each student) will be monitored daily by the faculty and the instructional leader, the principal. The production level is measured in terms of percent of the course completed. An expected average production of 1% of the course per day is used to judge progress over time. Individual production goals will be set each week for each subject area.

External validation assessments

End-of-course assessments provided by Edgenuity will be administered in a proctored setting and successful passage of these assessments will be required before a student receives credit for a course. Each assessment will have a proficiency cut score established. This cut score is

[4] Measures of Academic Progress (MAP) Texas State-Aligned Version 5

usually at 85%. These assessments will be used to predict future success on state prescribed end-of-course assessments and therefore will assist staff as they assure students' succeed on the state assessments.

NWEA-MAP assessments in language arts, reading mathematics, and science are also used as external validation of student learning progress. These results will be compared to available STAAR targets to determine acceptable student progress in advance of the STAAR[5]. They will be administered 4 times per year and will be used to guide instruction, make course assignments, and to identify critical shortfalls at the student, subject, and school levels.

Proficiency and advancement assessments

STAAR will be administered in accordance with law and regulations. These assessments will be used to assure all students are achieving at levels at or above state performance requirements.

ACT and SAT assessments will be administered as students transition to college level work. An ACT of 22 or higher will be the target to assure all students are workforce ready and college ready at most higher education institutions.

Industry credentials will be used on a student-by-student basis for those students who wish to pursue intense instruction and practice in career fields prior to their graduating from the school. Industry credentials will always be externally administered and aligned to student career interests.

For students interested in earning college credit while enrolled at the school, the College Board College Level Examination Program (CLEP) will be used to assess and, when successful, establish transcripted college credit for the student.

d) If applicable, describe strategies to ensure that the educational program will effectively prepare students to enter kindergarten on or above grade level including a successful transition plan from prekindergarten.

This is not applicable to LST schools as LST begins at grade 6.

e) Describe strategies to be used to prepare all students to meet state graduation requirements, including students with disabilities and those requiring BE/ESL services.

LST chose the Carpe Diem model because it is specifically designed to assure students reach graduation requirements and are fully prepared to be successful in life. As previously noted, the model begins with each student and adapts to meet their needs. Often, no specialized programs or services are needed to target state graduation requirement achievement. The model's specifically designed to embed any unique program or service required into the daily work of the faculty and staff.

[5] A Study to Update the Alignment of the NWEA RIT Scale with the Texas Assessment of Knowledge and Skills

The model does identify where students are as they enroll and establishes the production pace for each student to assure they are moving at a pace necessary to meet all graduation requirements. Students with disabilities and those requiring BE/ESL will benefit from the Carpe Diem Model as it meets each student's individual needs and is remarkably adaptive and flexible. LST staff will ensure that special population students received FAPE and equal educational opportunities and educational benefit offered by LST as it implements the Carpe Diem model.

f) Discuss the academic and enrichment support that will be provided to engage or reengage students in school.

LST realized most schools have failed to fully engage students because they start with rigor and then tangentially consider relevance and relationships. The Carpe Diem model begins with building strong relationships, helps students find relevance in their learning, and as a result of these two factors, achieves high levels of rigor. Rigor isn't a goal; it is a by-product of student engagement.

Building relationships in the model is possible because teachers are freed from work that can be done with digital content and technology. This frees them to build quality relationships with all students and make the best and highest use of their teaching skills. Because teachers and students have significant time available for one on one and small group engagement, they can take the time to really get to know the students. Digitally created data gives the students, parents, and teachers a common basis from which to have specific instructions about student needs. With the data and the relationships, the teachers are able to effectively choose the correct educational approach that leads to success. Success encourages more effort (engagement).

These relationships are further enhanced by using the same team of teachers to serve students throughout their educational experience with the school. The mathematics teacher guides instruction for students from the 6th through the 12th grade and beyond. The same is true for other faculty.

Many students who have disengaged from school have done so because they are not challenged by the work and have become bored. These students engage when they realize they can complete coursework at their own accelerated pace. Hard work pays off by completing coursework more quickly so they can move on new challenges.

Finally, many students are disengaged because they were not provided the basic cognitive skills needed to be successful in their current coursework. Imagine how hard it would be to stay engaged in an activity you didn't have a clue what to do. That's how a 9th grader with a 2nd grade reading level feels. The model ignores the current chronologically assigned grade level and seeks instructional content that is challenging, yet not overwhelming. Once students are met where they are intellectually, they reengage, find success, and start moving forward. Diagnostics that identify specific challenges also helps students overcome basic deficiencies.

g) Discuss the instructional strategies to be used to target college and/or career readiness.

The entire model is specifically designed to achieve these two readiness targets. Please see the previous sections for detailed explanation of each of the following critical components that

assure students are ready for college without remediation and career readiness for living wage jobs.

1. Content standards that provide the development required for success in college and careers.
2. Assessment strategies to monitor progress and to confirm readiness for college and careers, including industry credentialing and earned college credit.
3. Instructional models designed to move students from where they are to college and career readiness on a specific timeline tailored to each child.
4. Specialized support systems to assure students are able to make good career choices and build strong education plans to achieve their career choices including college level work.

h) If the sponsoring entity has not committed to serving a minimum of 100 students at all times, explain fully why such a number is not optimum and/or attainable.

LST anticipates serving 300 students in year one and up to 300 students at each of the 5 campuses it anticipates when fully operational.

i) State the maximum teacher-to-student ratio to be maintained by the proposed school and the rationale for maintaining this ratio.

Using traditional formulations, an LST school when fully operational, will have a 1:60 teacher to student ratio. Actual instructional groups will typically have from 1 - 20 students in them. These smaller instructional groups are possible because:

1. Digital content delivery provides basic lecture, reading, and interactive instruction in academic and extra-curricular subjects. Grading, data analysis, and instruction is automated, freeing up teacher time to work with students needing extra help or advanced work.

2. The Dean of Students works with students on engaging and educationally sound internships, co-ops, and community service. This results in extracurricular opportunities for students.

3. Specialized learning experiences such as university coursework provide students with independent learning options supported by external staffing.

j) Describe any unique curricular experiences to be offered by the proposed school, including extracurricular activities (e.g., athletics, clubs, and organizations), that will be offered.

Unique curricular experiences will be customized to student interests and community opportunities. Some examples of past student curricular experiences include

1. **Equine studies** – student engaged a professional in the equine industry to teach equine fundamentals based on a set of industry standards. The student earned elective credit, the professional provided the grade for the course.

2. **Ballet troupe** – student was involved in an amateur ballet troupe that traveled around the country. The troupe leader critiqued and graded the student. The student maintained strong academic standing by doing coursework virtually while travelling.

3. **Mushroom experiment** – student was fascinated with mushroom cultivation. He worked with the science teacher to create a major nutrition experiment involving over 200 different mushroom varieties and 20 different fertilization programs. The science teacher graded the major project and the student earned science credit.

4. **Students in Action** – a group of students focused on raising money and finding volunteers, including themselves, to help solve community problems. This group was an extra-curricular, non-credit activity.

LST has already engaged discussions with the Texas River Systems Institute located at Texas State University for water quality and environmental studies options. This is one example of the options LST anticipates offering students who are interested.

k) Describe plans to provide personal attention and guidance to all students.

Personalized attention is at the heart of the Carpe Diem model. All previous explanations provide detailed explanations as to how the model creates unique learning and support systems designed for each student. From putting students in coursework aligned to their current performance levels to engaging them in setting personal career goals, the model demands all systems and staff to address personal issues.

LST will expect its staff to adhere to this core model expectation.

l) If the proposed school will offer a gifted and talented program, describe it.

Gifted and talented programming will be driven by student needs and expectations as determined by giftedness assessments as required by law. Specifically, schools will provide options for students to engage in complex teamwork and project-based instruction, customized learning experiences designed to nurture gifted talents and passions, and higher education options for those who are prepared to engage at that level.

Every student will have the ability to learn at the most advanced level they are prepared to undertake. This will be on a subject by subject basis which means students with special gifts or talents can advance rapidly in their strength area while still managing those subjects where they are less advanced.

The outsourced special education provider contract will include specialized services for gifted and talented youth.

m) Describe any plans to partner with other public or private agencies for the provision of student activities.

Partnerships will be developed upon receipt of a charter. LST is well positioned to engage a full cross-section of the community to initiate partnerships for community service opportunities, internships, co-op experiences, college engagement options, and opportunities for mentoring from prominent community leaders.

n) **Describe any strategies to be used that will enhance parental or community involvement in the educational opportunities of the students.**

Parental involvement will be specifically built into the school's planning. The involvement will begin with a marketing outreach to the community to engage parents in understanding the unique Carpe Diem model. This outreach will include community meetings, parent flyers distributed to homes, group meetings in churches, community centers, and other pre-established groups. It will also include advertising designed to encourage parents to visit the school or the school's website.

Parent and community engagement will continue as the school holds open houses and personal consultations as each student is enrolled. Each parent will be provided a Commitment to Excellence agreement which contains key requirements for each parent to support their child's success. A similar document is provided by the school and the student. The Commitment of Excellence agreement will be reviewed one-on-one with parents. This process will encourage a link between the staff member and the parent. It will also allow the school to further articulate ideal parent involvement for support of their child (but will never be used to exclude a student from the school).

Once a child is enrolled in the school, the parent will be given access to daily performance reporting for their child. The daily report will show production and achievement data in real time. Access will be given via the Internet on mobile phones or regular computers. Parents will be provided a training session to understand how to access and interpret the information. The same information will be available to the child and all teachers. Parents will be provided instruction on what to do if the data indicated less than desirable or aggressive achievement and how to engage the faculty if they have concerns or questions.

The model will provide immediate modification options for each student's educational experience based on student, parent, and faculty decision-making. Unlike typical school settings, much of a student's learning experience can be modified without seeking permission from a school team, the school leadership, or the board. This makes the school particularly responsive to parent input. These adjustments have historically included changes in digital curriculum choices, amount of direct instruction provided the student by a teacher, adjustments in instructional aid support techniques, changes in course taking including grade level targets, adjustments in parent interaction with the student at home, and opportunities for the student to receive additional help from outsourced services such as speech and hearing specialists, tutors, mentors, and social workers.

o) **Describe plans for program evaluation and explain the ways in which results will be used to improve instructional programs for all students.**

LST will use the program evaluation approach employed by the Carpe Diem model. The evaluation process is formative and summative in nature.

Formative evaluation

The Carpe Diem model monitors, on a daily basis, student production, student achievement, enrollments, financial conditions, and feedback and complaint responses. These factors are used to determine staff and process changes as needed. Student performance is the primary factor in making decisions about changes in processes including digital curriculum being used.

Formative evaluation will be completed at the staff and school level by the faculty and principal. Additionally, a management company proficient in formative evaluations will be used to assure this ongoing analysis occurs at the board and management level as well.

The LST board will receive intermittent reports on any challenges or exceptional results found during the regular formative evaluations.

Summative evaluation

The LST board will include in the management contract a requirement for program and organizational evaluation based upon

1. Student growth and achievement performance – This evaluation will include the STAAR EOC Assessments, NWEA-MAP results, overall student production and grades, industry credential achievement, and other student performance measures.
2. Financial performance – This will include budget to actual, industry standard financial ratio, and cash flow performance.
3. Baldrige assessment – This internationally recognized externally completed assessment of organizational quality will be completed by external evaluators and reported directly to the board. The Baldrige Education Criteria will be used to assess overall organizational quality and sustainability.

The board will also establish an independent organizational evaluation and monitoring schedule through board policy. This schedule will include information requirements for the management company and also from independent sources such as the Texas Education Agency, independent financial auditors, and external organizational evaluators.

p) Other than the indicators of the state accountability rating and accreditation systems, identify and discuss specific measurable indicators in each of the following areas:

- **Student progress over time;**
- **Student engagement (e.g., attendance, continuous enrollment in school); and**
- **Readiness for postsecondary success.**

LST will use the following measurable indicators to monitor school performance.

Area being measured	Measurement	Frequency	Source
Student progress	Academic production	Daily	Digital content provider and student data system provider
Student progress	Course completion	Weekly	student data system provider
Student progress	Course grade achievement	Daily	Digital content provider and student data system provider
Student engagement	Attendance	Daily	student data system provider
Student engagement	Retention	Monthly	student data system provider
Student engagement	Student satisfaction	Quarterly	Independent survey provider
Postsecondary readiness	Industry credential and/or college credit attainment	Semi-annually	student data system provider

Area being measured	Measurement	Frequency	Source
Postsecondary readiness	Graduation from high school	Annually	student data system provider
Postsecondary readiness	Career maturity and career passport rate	Annually	student data system provider
Postsecondary readiness	ACT PLAN or PSAT assessment results	Annually	student data system provider
Postsecondary readiness	ACT or SAT results	Annually	ACT or SAT reports
Postsecondary Readiness	State performance data and ratings	Annually	School and student-level performance data provided by the Texas Education Agency

q) Outline goals for students and describe methods used to measure success toward each goal.

LST anticipates the following goals for all students. These goals may be added to by students and parents within the Carpe Diem model.

Educate with knowledge

Goal	Measurement
Reading and writing at college and career levels	STAAR EOC Assessments – English I, English II, English III; ACT or SAT;
Mathematics at college and career levels	STAAR EOC Assessments – Algebra I, Geometry, Algebra II; ACT or SAT
Science at college and career levels	STAAR EOC Assessments – Biology, Chemistry, Physics
Social studies at citizen engagement levels	STAAR EOC Assessments – World Geography, World History, U.S. History
World languages at college & career levels	Grades on externally created assessments related to world language courses

Empower with character

Goal	Measurement
Respect for self and others	Discipline records
Commitment to quality life for all	Community service attainment
Self-control and emotional intelligence	Clarity of long term goals and adherence of plans to achieve them

Equip for life

Goal	Measurement
Wellness	BMI rate, exercise consistency, nutrition knowledge based on assessments
Career maturity	Career maturity assessment (KUDER)

Goal	Measurement
Industry credential	Completion of industry credential in a career area of interest to the student
College credit prior to graduation	Dual credit attainment, CLEP passage
Advanced skills – communications, creativity, collaboration, and critical thinking	Project-based rubrics, Creative Achievement Questionnaire[6], California Critical Thinking Skills Test (CCTST)[7], Scores on communications projects as provided by faculty

5. Special Needs Students and Programs

As stated above, LST will comply with all applicable federal and state laws concerning special needs students. See Attachment C for LST's commitment to meet and exceed all regulatory requirements related to special needs students and programs.

[6] Carson, et al, Reliability, Validity, and Factor Structure of the Creative Achievement Questionnaire, Creative Research Journal, Vol 17, 2005

[7] http://www.insightassessment.com/Products/Critical-Thinking-Skills-Tests/California-Critical-Thinking-Skills-Test-CCTST

6. Geographic Boundary

a) List the school districts from which the proposed charter school will accept students. If the charter school will accept students from only a portion of a school district or districts, state exactly what the boundary will be. *Do not list the charter schools located within the designated geographic boundary.*

The school will draw students primarily from the San Antonio ISD; however, the following school districts will also be within the requested geographic boundaries of LST and considered viable school districts from which students may choose to attend the proposed school:

- Alamo Heights ISD
- Bandera ISD
- Boerne ISD
- Brackett ISD
- Carrizo Springs Cons. ISD
- Center Point ISD
- Charlotte ISD
- Comal ISD
- Cotulla ISD
- Crystal City ISD
- D'Hanis ISD
- Devine ISD
- Dilley ISD
- Divide ISD
- Eagle Pass ISD
- East Central ISD
- Edgewood ISD
- Falls City ISD
- Floresville ISD
- Ft. Sam Houston ISD
- Harlandale ISD
- Hondo ISD
- Hunt ISD
- Ingram ISD
- Jourdanton ISD
- Judson ISD
- Karnes City ISD
- Kerrville ISD
- Knippa ISD
- La Pryor ISD
- La Vernia ISD
- LackLand ISD
- Leakey ISD
- Luling ISD
- Lytle ISD
- Marion ISD
- Medina ISD
- Medina Valley ISD
- Natalia ISD
- Navarro ISD
- New Braunfels ISD
- Nixon-Smiley ISD
- North East ISD
- Northside ISD
- Pearsall ISD
- Pleasanton ISD
- Poteet ISD
- Poth ISD
- Prairie Lea ISD
- Randolph Field ISD
- Sabinal ISD
- San Antonio ISD
- San Marcos ISD
- Schertz-Cibolo-UC ISD
- Seguin ISD
- Somerset ISD
- South San Antonio ISD
- Southside ISD
- Southwest ISD
- Stockdale ISD
- Utopia ISD
- Uvalde CISD

b) **If the proposed charter school will have a "transfer policy" in accordance with 19 TAC, §100.1207(f) (e.g., it will admit students who reside outside of the primary geographic boundary just described), once all eligible applicants who reside within the primary geographic boundary have submitted a timely application and have been enrolled, the school may accept transfer students if it hereby adopts a transfer policy. If the charter elects to have a transfer policy, list the school districts from which the proposed charter school will accept transfer students. *Do not list the charter schools located within the designated geographic boundary.***

The school will not have a transfer policy and will not accept students from districts other than those identified in 6a) above or as otherwise permitted by state law.

7. Admissions and Enrollment Policies

a) **Specify the period (both the beginning and ending dates) during which applications for admission will be accepted. TEC, §12.117, requires that a charter school establish a reasonable application deadline for the submission of applications for admission. The application period should not be "year-round" or extend for most of the year.**

Applications for admission will be accepted from April 1 through May 31 each year. Adjustments to this date will be made in future years, but the window length will remain approximately the same.

b) **Describe the procedures to be followed in conducting a lottery when a grade or class is oversubscribed. Under federal law, a charter school must admit students through a random selection process if the number of applications for a grade or class exceeds the number of available spaces. If the number of applications does not exceed the number of available spaces, a lottery is not required.**

LST will conduct a lottery if applications exceed the seats/classroom space available. To enter a student in an admission lottery, the student's parent or guardian must submit the child's name, mailing address, requested grade level, date of birth, and other information required in the admission application (within parameters established by state and federal law). At the close of the application period, applicants who are age-ineligible will be notified of their ineligibility for enrollment in the school. If the remaining applicants will oversubscribe the school, a lottery will be conducted. As provided for in the federal and state lottery requirements, students of founding board members, students of teachers, and siblings of students selected in the lottery will be given enrollment preference.

If necessary, a lottery will be conducted the second week of June, or as otherwise determined by LST's Board at a place and time to be determined and will be open to the public. The date, time, and location of the lottery will be publicized on the school website. The lottery will be conducted by a school administrator and one observer. If a lottery is to be held, parents/guardians of applicants will be notified of the lottery date, time, and place by email no later than five (5) business days in advance of the lottery.

Notification of Acceptance
Parents/Guardians of students accepted in the initial lottery will be notified by email and telephone with an offer of admission no later than two (2) business days after the lottery is conducted. They will then have five (5) business days to respond affirmatively in writing (email is acceptable) to the offer of admission or the student will forfeit his/her space in the school. After the acceptance of the offer of admission, parents/guardians will generally have 30 days to complete all enrollment registration tasks. Students who forfeit the admission slot will remain eligible for any future lotteries, if necessary, if they are still actively seeking admission.

c) If the charter school will exempt from the lottery returning students, the siblings of returning students, and/or the children of the school's founders and staff (so long as the total number of students allowed constitutes only a small percentage of the total enrollment) as permitted by the federal non-regulatory guidance on the charter school program, state the categories of applicants that will be exempted. Note that students who attended a private school before it became a public charter school are not to be considered "returning students" and may not be given priority in admission to the charter school. Also note that the federal guidance allows only the siblings of currently enrolled students and children of the founders and staff as long as it comprises only a small percentage of the enrollment.

The following student groups will be provided preference in any lottery process.

d) Children of founding board members
e) Children of school staff
f) Students previously enrolled in the school (No students are currently enrolled and therefore this student group will not be present in the first year.)
g) Siblings of students attending the school (No students are currently enrolled and therefore this student group will not be present in the first year.)
h) Siblings of students selected in the lottery.

d) Specify the approximate date on which a lottery will be conducted if required.

The second week of June is anticipated as the lottery date timeframe, subject to the LST Board's final determination.

e) State whether a waiting list will be developed for the applicants who were not admitted through the lottery. If a waiting list will be used, describe the process.

A waiting list will be maintained for all students in the lottery that were not initially accepted. All wait list students involved in the original lottery will be maintained in the order in which they were pulled in the lottery. The students will be accepted in order of lottery drawing position for any vacancies that open for the school.

f) If the school will accept applications that are submitted outside of the designated application period, describe how the school will treat such applications.

LST will accept students applying outside the designated application period. Students enrolling outside the designated application process will be maintained in the wait list, but will be after all students admitted/enrolled during the designated application period. Students enrolling after the designated application period will be accepted on a first come, first serve basis after all students enrolled during the designated application period are enrolled or decline enrollment.

g) **Provide the non-discrimination statement that will be included in the proposed school's admissions policy. TEC, §12.111(a)(6) requires that a charter school's admissions policy include a statement that the school will not discriminate in admissions based on gender, national origin, ethnicity, religion, disability, academic ability, athletic ability or artistic ability or the district the child would otherwise attend.**

The LST school, Carpe Diem Schools – San Antonio Campus will not discriminate in admissions based on gender, national origin, ethnicity, religion, disability, academic ability, athletic ability or artistic ability or the district the child would otherwise attend.

h) **If the proposed school will specialize in performing arts, discuss whether applicants will be required to demonstrate artistic ability for admission to the school. TEC, §12.111(a)(6) permits a charter school specializing in performing arts to have an admissions policy that requires a student to demonstrate artistic ability. In addition, TEC, §12.1171 permits a charter school specializing in one or more performing arts to require an applicant to audition for admission to the school.**

19 TAC, §100.1207 has the administrative rules clarifying the statutory changes that allow a school specializing in performing arts to hold auditions.

The school will not specialize in performing arts; therefore, this provision does not apply.

i) **State whether the school will exclude from admission students with documented histories of any of the types of misconduct listed in TEC, §12.111(6). TEC, §12.111(a)(6) authorizes a *charter school to exclude a student who has a documented history of a criminal offense, a juvenile court adjudication, or discipline problems under TEC Subchapter A, Chapter 37. Note that TEC, §12.131 requires that the governing body of an open-enrollment charter school adopt a code of conduct for its district or for each campus.***

LST intends to exclude from admission any student who has a documented history of a criminal offense, a juvenile court adjudication, or discipline problems under TEC Subchapter A, Chapter 37.

j) **Describe the manner in which the proposed school will admit students under TEC, §25.001. Include the information that an applicant must provide in order to establish eligibility for admission. *Note that applicants may not be required to provide transcripts or other academic records until after they are offered admission and are enrolling.***

The School will admit students under TEC, §25.001 upon submission of a completed application form. The application form must be signed and dated by the parent(s) or other legal guardian(s) of the applicant. The application form must provide the following information regarding the student and parent(s)/ guardian(s):

- Applicant's name;
- Applicant's birth date;
- Applicant's current grade level;

- Name of applicant's current school;
- Home address of the applicant and/or qualifying occupant under TEC, §25.001 (b);
- Parent/guardian phone number;
- Parent/guardian name(s) and signature(s)

Applicants will not be required to provide a transcript or other academic information until after admission has been offered.

Residency Verification
The Superintendent* shall ensure that acceptable evidence of residency is provided for each student within 30 days of a student's enrollment or as otherwise required by law. A person's "residence" is the true, fixed and permanent place where the qualifying occupant ordinarily lives and sleeps, not less than four nights during the school week and to which, when temporarily absent from the residence, the occupant intends to return. The qualifying occupant specified by Education Code 25.001(b) must generally reside in the authorized geographic boundaries of the School, as described in the School's charter. If, at any time, a student's or qualifying occupant's residence is in question, the School may ask for additional documents for verification.

Enrollment of Homeless Children
LST will comply with federal law, specifically the McKinney-Vento Homeless Education Assistance Act. A person who is homeless, as defined by 42 U.S.C. 11302, need not reside within the geographic boundaries of the School. Notwithstanding any other admission policy, homeless children may enroll in the School immediately regardless of residence with or without the normal requirements for enrollment. Homelessness means lacking a fixed, regular, and adequate nighttime residence. The Superintendent shall appoint a Liaison for Homeless Children and Youths to serve as the primary contact between homeless families and school staff, shelter workers, and other service providers. The liaison will also assist in obtaining necessary immunizations, if needed. If a dispute arises over the enrollment of a homeless child, he shall be immediately admitted to the School until resolution of the dispute.

The Superintendent and Liaison for Homeless Children shall be responsible for ensuring the School's compliance with the McKinney-Vento Homeless Education Assistance Improvements Act.

k) Describe the manner in which the proposed school will enroll students under TEC, §25.002 and 19 TAC, §129.1. Include the information that an enrolling student must provide beyond what is required by TEC, §25.002. *Note that a student may not be precluded from enrolling due to the charter school's failure to receive information required by TEC, §25.002.*

Within 30 days of the date of enrollment, a student's parent or other person with legal control of a student under a court order who is enrolling the student or the school district in which the child most recently attended school must provide proof of the student's identity. Any of the following documents are acceptable for proof of identity and age:
- Birth certificate;
- Driver's license;
- Passport;

School principal will provide the superintendent role in years 0 and 1. A superintendent will be hired in year 2

- A copy of the child's record, which shall include a minimum set of data and documentation established by the commissioner of education. The minimum set of data will include the child's social security number or a state-approved alternative identification number as assigned by the Public Education Information Management System (PEIMS), from the school the child most recently attended if the child has been previously enrolled in a school in this state or another state;
- School ID, report card or other records;
- Military ID;
- Hospital birth record;
- Adoption records;
- Church baptismal record;
- Documents suitable for identification as defined by the commissioner of education.

Discrepancies in Student Information
The Superintendent shall notify the Missing Children and Missing Persons Information Clearinghouse if a child is enrolled under a name other than the name that appears on the identifying documents. If a student's records have not been received within 30 days of a request, the Superintendent shall notify local law enforcement for a determination of whether the child has been reported as missing.

Immunization Records
Every student enrolling for the first time must present a signed statement from a physician or documentation of immunizations as required by the Texas Department of Health, no later than 30 days after enrolling. Students who submit an affidavit from a physician stating immunizations should not be administered for medical reasons, and students who submit an affidavit signed by the student's parent or guardian declining immunizations for reasons of conscience, will be excused from meeting this requirement.

A student will not be precluded from enrolling due to the school's failure to receive information required by TEC, §25.002.

> **Note that if a charter is granted, the sponsoring entity will be required to submit a copy of its admissions policy, admissions application, and enrollment form(s) for review during the contingency process.**

If a charter is granted, the sponsoring entity will submit a copy of its admissions policy, admissions application, and enrollment forms for review during the contingency process.

8. Governance

a) List the members of the governing body of the sponsoring entity. Submit, as part of Attachment D, a notarized biographical affidavit for each member of the governing body of the sponsoring entity. *Biographical affidavits must be notarized within 90 days of the due date of the application.*

The members of the governing body of the sponsoring entity are listed below:

1. Will Harte, Chairman
2. Don Soifer, Vice Chairman
3. Martin Rico, Secretary/Treasurer
4. Brandon Seale, Board Member

Attachment D contains a notarized biographical affidavit for each member of the governing body of the sponsoring entity.

b) If the sponsoring entity is an out-of-state organization, state whether or not a majority of the members of the governing body of the sponsoring entity reside within 50 miles of the proposed charter school's designated geographic boundary (as described in response to item "a" in Section 6 Geographic Boundary).

The sponsoring entity, LST, is not an out-of-state organization. The majority of board members are from Texas and currently 2 are within 50 miles of any local school location. Additional board members will be seated upon receipt of the charter and many of these individuals will be from within 50 miles of the final school site so as to ensure that a majority resides within 50 miles.

The LST board will meet in a location accessible to the public when considering any and all business related to LST schools and in accordance with the Texas Open Meetings Act.

c) Submit, as Attachment E, the 501(c)(3) determination letter from the Internal Revenue Service (IRS) or a statement that this is not necessary because the sponsoring entity is an institution of higher education or a governmental entity. Potential applicants should plan in advance to secure the required determination letter. A potential applicant without a determination letter may have difficulty obtaining one in time for the application due date. The IRS controls this process, and it is often lengthy.

The 501(c)(3) determination letter for Learning Schools of Texas is provided in Attachment E.

d) Submit, as Attachment F, the original Articles of Incorporation filed with the Texas Secretary of State, or the state of incorporation, any Restated Articles of Incorporation, and any Articles of Amendment. If the sponsoring entity has amended its original Articles of Incorporation and does not submit both the original Articles of Incorporation and all of the documents reflecting the amendments, this will result in this item being considered incomplete and the removal of the application from the process. If incorporated after January 1, 2006, the Certificate of Formation and Certificate of Filing must be included. If the sponsoring entity does not submit both the Certificate of Formation and Certificate of Filing, this will result in this item being considered incomplete and the removal of the application from the process. Comparable documents must be

submitted if the sponsoring entity is a nonprofit corporation incorporated in another state. Any changes related to the management of the corporate affairs of a nonprofit entity may only occur with the approval of the commissioner in accordance with 19 TAC §100.1033 (c) or in accordance with any other power granted to the commissioner in state law or rule. If the sponsoring entity is an institution of higher education or a governmental entity, the entity should submit a statement that this requirement is inapplicable.

See attachment F for the original Articles of Incorporation and all subsequent restated and amended versions for LST.

e) **Submit, as Attachment G, a complete copy (originals and any amendments) of the bylaws of the sponsoring entity. These bylaws must clearly state that the charter holder and charter school will comply with the Texas Open Meetings Act and will appropriately respond to Texas Public Information Act requests. If the sponsoring entity is an institution of higher education or a governmental entity, the entity should submit a statement that this requirement is inapplicable.**

See attachment G for the original bylaws and all subsequent restated and amended versions for LST.

f) **State the approximate date on which the sponsoring entity was incorporated or established.**

Learning Schools of Texas was incorporated on January 2, 2013.

g) **Describe the purpose for which the sponsoring entity was established.**

The purpose of LST is to provide educational opportunities to Texas youth using innovative and focused efforts to improve student learning, increase the choice of learning opportunities within the community, create professional opportunities that will attract new teachers to the community, and encourage and facilitate development of different and innovative learning methods within the Texas Public School System.

h) **Describe the activities in which the sponsoring entity has been engaged in the past and in which it is currently engaged. *Agency staff will review the franchise tax status on the website of the State of Texas Comptroller's Office. See http://www.window.state.tx.us/taxinfo/franchise/.***

LST was formed for the purpose of serving 6-12 public education. It has no previous activity and is not currently engaged in any activity.

i) **Disclose whether the sponsoring entity has operated a private daycare, private school, public daycare, or public school.**

LST has not been nor does not currently operate a private daycare, private school, public daycare, or public school.

j) **Discuss any litigation in which the sponsoring entity has been involved.**

LST has not been nor is not currently involved in any litigation.

k) Disclose whether the sponsoring entity has been sanctioned by any state regulatory agency.

LST has never been sanctioned by any state regulatory agency.

l) Describe the initial incorporators of the sponsoring entity, including their names and professional backgrounds.

Will Harte
Mr. Harte has served as a member of the board of trustees of several local, state and national non-profit foundations including the Texas Wildlife Association Forever Foundation and the American Farmland Trust. Mr. Harte is a strong proponent for improving student learning opportunities in the San Antonio area as well as throughout the State of Texas. Mr. Harte will serve as a member of the Board of Directors of LST. As such, he will share responsibility for implementing the public school program authorized by the open-enrollment charter and ensuring the performance of the students enrolled in the charter school in accordance with Texas law. He will also share responsibility for the management, operation and accountability of the charter school.

Don Soifer
Mr. Soifer is Executive Vice Chairman of the Lexington Institute, a nonpartisan think tank headquartered in Arlington, Virginia. He directs the institute's research programs in domestic-policy area including education, energy and postal reform. He has served since 2008 on the District of Columbia's Public Charter School board, which is responsible for the oversight of 53 charter schools on 98 campuses serving nearly 32,000 students. Mr. Soifer will serve as a member of the Board of Directors of LST. As such, he will share responsibility for implementing the public school program authorized by the open-enrollment charter and ensuring the performance of the students enrolled in the charter school in accordance with Texas law. He will also share responsibility for the management, operation and accountability of the charter school.

Martin Rico
Mr. Rico is founder, owner, and CEO of Inspired eLearning, Inc., a provider of online web-based training products, software, and services. He has over 15 years of experience in corporate training development and executive management. Previous to founding Inspired eLearning in 2003, Mr. Rico served as a corporate trainer and information security consultant for TechNow, Inc. where after four years with the company he rose to become the Chief Operating Officer. Mr. Rico will serve as a member of the Board of Directors of LST. As such, he will share responsibility for implementing the public school program authorized by the open-enrollment charter and ensuring the performance of the students enrolled in the charter school in accordance with Texas law. He will also share responsibility for the management, operation and accountability of the charter school.

Brandon Seale
While not an initial incorporator, Mr. Seale joined the LST Board on February 20, 2013. Mr. Seale and his wife reside in San Antonio, Texas. Mr. Seale serves as CEO of Zaragoza Resources, an E&P company founded in 2010 to exploit South Texas conventional reservoirs with unconventional technologies. Since inception, Zaragoza has acquired 35,806 acres and six wells in Frio, Goliad, and Webb County, TX. Mr. Seale earned his B.A. from Washington and Lee University and his J.D. and MBA degrees from the University of Texas at Austin. He is

fluent in Spanish and has lived and worked in Mexico and Colombia. He holds a Private Pilot's license and sits on the Board of Directors of Acción Texas (www.acciontexas.org), the largest micro-lender in the U.S. He and his wife, Susana Canseco, raise all-natural, grass-fed beef on her family's ranch in Mexico (www.elojodeagua.com).

m) Discuss any plans for further recruitment of organizers of the proposed school.

LST board members will continue to recruit board membership until the board has five members and/or has adequate representation from the area within which school sites are located. Board recruitment will focus on individuals with a passion to assure student success, business acumen necessary to assure organizational success and sustainability, sufficient foresight regarding the educational needs of the San Antonio community to guide curriculum content decisions, and linkages to higher education and the business community sufficient to assist students with their transitions to college and careers.

n) Describe the methods to be used to inform charter school parents, students, and employees about procedures for receiving and responding to complaints. *Note that under 19 TAC, §100.1033(c)(6)(C), the governing body of a charter holder shall not delegate final authority to hear or decide employee grievances, citizen complaints, or parental concerns.*

Complaint management procedures for charter school parents, students, and employees will be in the school and employee handbooks. These procedures will comply with all regulatory requirements set forth by the TEA and Texas law. The LST board will not delegate its final authority to hear or decide employee grievances, citizen complaints, or parental concerns.

o) Describe the following elements of the governance structure of the governing body of the sponsoring entity. *Although some of the information requested below might be addressed by the sponsoring entity's Articles of Incorporation, bylaws, or other documents, please provide the information requested below:*

1) the officer positions designated;

The officers of the LST Corporation shall be a Chairman, a Vice Chairman, and a Secretary/Treasurer and such other officers as from time to time, may be determined by the Board. The election of any officer of the Corporation shall not of itself create contract rights in the office.

The Chairman shall recommend to the Board for its approval such additional corporate officers as may be necessary to the business of the LST Corporation, who shall perform such duties and responsibilities as may be prescribed by the Chairman.

2) the manner in which officers are selected and removed from office;

All officers shall be elected and appointed annually by the Board of Directors at the regular annual meeting of the Board. Any officer elected or appointed may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation will be thereby served.

3) the manner in which members of the governing body are selected and removed from office;

At any meeting at which the election of a Director occurs, a director may nominate a person with the second of any other Director. A person who satisfies any state law qualifications and restrictions may service as a member of a governing body of a charter holder or an open-enrollment charter school and any qualification requirements determined by the Board of Directors who has been duly nominated may be elected as a Director. Directors shall be elected by the vote of the majority of the Board of Directors present at a meeting at which a quorum is present. Each director shall hold office until a successor is elected and qualified.

4) the manner in which vacancies on the governing body are filled;

Any vacancy occurring on the Board of the Directors shall be filled by the affirmative vote of a majority of Directors present at a meeting. If no Directors remain on the Board due to death, resignation or removal, the Board of Directors of Choose to Succeed, Inc., a Texas Non-profit Corporation, shall fill the vacancies by the affirmative vote of a majority of the Board of Directors of Choose to Succeed, Inc. Each Director elected to fill a vacancy on the Board of Directors will hold office for the remainder of the term of the Board of Directors.

5) the term for which members of the governing body serve; and

Each Director shall serve for three-year term, and there shall be no limit as to the number of terms a Director may serve.

6) whether the terms are to be staggered.

At this time, terms will not be staggered.

p) If a governing body of the charter school exists, list the members.

The corporate fiduciary board of directors will be the charter school's governing board.

q) If a governing body of the charter school exists, describe the powers or duties delegated to it by the governing body of the charter holder. *Non-delegable duties are listed in 19 TAC, §100.1033(c)(6)(C).* Submit, as part of Attachment D, a notarized biographical affidavit for each member of the governing body of the charter school. *Biographical affidavits must be notarized within 90 days of the due date of this application.*

There is no governing body of the charter school. The corporate fiduciary board is the only board.

r) Describe the following elements of the governance structure of the governing body of the charter school:

There is no governing body of the charter school. The corporate fiduciary board is the only board.

1) **the officer positions designated;**

There is no governing body of the charter school. The corporate fiduciary board is the only board.

2) **the manner in which officers are selected and removed from office;**

There is no governing body of the charter school. The corporate fiduciary board is the only board.

3) **the manner in which members of the governing body are selected and removed from office;**

There is no governing body of the charter school. The corporate fiduciary board is the only board.

4) **the manner in which vacancies on the governing body are filled;**

There is no governing body of the charter school. The corporate fiduciary board is the only board.

5) **the term for which members of the governing body serve; and**

There is no governing body of the charter school. The corporate fiduciary board is the only board.

6) **whether the terms are to be staggered.**

There is no governing body of the charter school. The corporate fiduciary board is the only board.

s) **Describe the extent to which any private entity, including any management company, other nonprofit group, other governmental agency and/or any other educational organization will be involved in the operation of the charter school. List any members of the governing board or officers of the charter school who are affiliated with all such entities.**

LST anticipates engaging a management company to operate its school. The management company will be contracted through arm's length negotiations and subject to TEA review and approval. The management company shall be required to have a complete working knowledge of the Carpe Diem model, have a positive track record of operating cost effective, high performing schools, and must agree to engage in a performance-based contract. The performance guarantee in the contract shall include at least student performance, financial, and organizational sustainability guarantees.

LST will not engage in a contract in which any LST board member, school officer, or school employee is directly affiliated with the management company from a business or family perspective or in which there is any prohibited relationship under federal or state law.

9. Human Resources Information

a) **Submit, as Attachment H, the sponsoring entity's organizational chart. The chart should illustrate all current and proposed operations of the sponsoring entity including: (1) all non-charter operations in which the sponsoring entity is engaged; (2) other charter schools that the sponsoring entity operates; and (3) the operation of the proposed charter school.**

The organizational chart for LST is contained in Attachment H. The sponsoring entity does not currently and does not plan to engage in any non-charter operations. The sponsoring entity does anticipate, if successful with its first school, to operate additional charter schools, but it does not currently operate any other charter schools.

Note: The CEO/Superintendent will not be hired until the second year of charter school operations and once the second campus has begun operations. For the first year, the Principal for the first campus will fulfill the role of the CEO/Superintendent.

b) **Describe how the charter holder board will maintain responsibility for and oversight of:**

1) **student and school performance;**

The LST board will establish through board policy, procedure and its management agreement contract its sole authority to provide oversight of and responsibility for student and school performance. The policy will specifically define the student and school performance metrics to be monitored, the timeline for receipt of the resulting information, and the benchmarks against which the board will judge the quality of the results. These policies will be a part of the board's Ends policies as defined in Carver Policy Governance ©[8].

The board will assign responsibility for collecting and analyzing the required information to the Superintendent of Schools. Further, specific requirements will be set forth for the management company to produce student and school performance data.

The LST board shall not delegate final responsibility for or oversight of student and school performance.

2) **management and administrative practices;**

The LST board will establish through board policy, procedure and its management agreement contract its sole authority to provide oversight of and responsibility for management and administrative practices. The policy will specifically define the board's desired limitations on management and administrative practices. These policies will be a part of the board's Executive Limitations policies as defined in Carver Policy Governance ©.

The board will assign responsibility for collecting and analyzing the required information regarding management and administrative practices being consistent with board policy to the Superintendent of Schools. The management company will assist the Superintendent in monitoring management and administrative practices for compliance with board policy.

[8] http://www.policygovernance.com/model.htm

The LST board shall not delegate final responsibility for or oversight of management and administrative practices.

3) student attendance accounting reporting requirements;

The LST board will establish through board policy, procedure and its management agreement contract its sole authority to assure student attendance accounting reporting requirements. The policy will specifically define the board's desired limitations on student attendance accounting reporting requirements. These policies will be a part of the board's Executive Limitations policies as defined in Carver Policy Governance ©.

The board will require electronic systems that provide it with ongoing monitoring capacity for student attendance accounting and reporting in accordance with the TEA's Student Attendance Accounting Handbook. Further, the Superintendent will be required to complete periodic audits of the data systems to assure integrity of the reporting systems. The Superintendent will see that an Attendance Procedures Manual is adopted and implemented to ensure Student Attendance legal requirements are satisfied.

The LST board shall not delegate final responsibility for or oversight of student attendance accounting reporting requirements.

4) compliance with Generally Accepted Accounting Principles (GAAP), the standard framework of guidelines for financial accounting and generally accepted standards of fiscal management;

The LST board will establish through board policy, procedure and its management agreement contract the requirement of all fiscal accounting to comply with Generally Accepted Accounting Principles (GAAP). All contracted accounting systems will be required to assure compliance with GAAP.

The board will require all financial audits to include analysis of the extent to which the financial accounting systems in use with the school are in compliance with GAAP and other applicable legal standards. The Superintendent will see that a Financial Accounting Procedures Manual is adopted and implemented to ensure best practices and legal requirements are satisfied.

The LST board shall not delegate final responsibility for or oversight of fiscal management requirements related to GAAP.

5) compliance with special education and bilingual education/English as a second language (BE/ESL) program requirements;

The LST board will establish through board policy and procedure, its sole authority to provide oversight of and responsibility for compliance with special education and BE/ESL program requirements. The policy will specifically define the board's desired limitations on special education and BE/ESL programs to be within compliance with all legal requirements. These policies will be a part of the board's Executive Limitations policies as defined in Carver Policy Governance ©.

The board will assign responsibility for collecting and analyzing the required information regarding special education and BE/ESL program practices being consistent with board policy to the Superintendent of Schools. The selected management company will assist the

Superintendent in monitoring special education and BE/ESL program practices for compliance with board policy and law.

The LST board shall not delegate final responsibility for or oversight of special education and BE/ESL program requirements.

6) financial accounting reporting requirements, including grant reporting requirements;

The LST board will establish through board policy, procedure and management agreement contract its sole authority to provide oversight of and responsibility for financial reporting requirements. The policy will specifically define the board's desired limitations on financial reporting requirements. These policies will be a part of the board's Executive Limitations policies as defined in Carver Policy Governance ©.

The board will assign responsibility for collecting and analyzing the required information regarding financial reporting requirements being consistent with board policy to the selected management company. Further, the board will require annual financial audits to confirm financial accounting reporting requirements are being managed consistent with the board's oversight and responsibility policies and in accordance with the TEA's Financial Accounting and Reporting regulations and guidelines.

The LST board shall not delegate final responsibility for or oversight of financial accounting reporting requirements, including grant reporting requirements.

7) reporting requirements, including those through the Public Education Information Management System (PEIMS);

The LST board will establish through board policy, procedure and its management agreement contract its sole authority to provide oversight of and responsibility for reporting requirements, including those through the Public Education Information Management System (PEIMS). The policy will specifically define the board's desired limitations on reporting requirements including PEIMS. These policies will be a part of the board's Executive Limitations policies as defined in Carver Policy Governance ©.

The management contract will spell out specific reporting requirements the management company must provide and will confirm the board retention of authority to monitor and assure such reporting. The management company will be required to provide regular updates to the board regarding compliance with all reporting requirements, including PEIMS. The Superintendent of Schools will remain primarily responsible for certifying any and all information submitted through PEIMS and other TEA required reporting.

The LST board shall not delegate final responsibility for or oversight of reporting requirements, including those through PEIMS.

8) reporting annual school and student performance to students, parents, and the public; and

The LST board will establish through board policy, procedure and its management agreement contract its sole authority to provide oversight of and responsibility for reporting annual school and student performance to students, parents, and the public. The policy will specifically define

the board's desired limitations on annual school and student performance reporting practices. These policies will be a part of the board's Executive Limitations policies as defined in Carver Policy Governance ©.

The board will provide direct oversight of annual school and student performance reporting by approving the school's annual report and its distribution plan. The Superintendent of Schools will be required to assemble the necessary data to be in compliance with board policy and Texas law and regulations.

The LST board shall not delegate final responsibility for or oversight of reporting annual school and student performance to students, parents, and the public.

9) **distributing to parents information related to the qualifications of each teacher of the program, including any professional or educational degrees held, a statement of any certification under Subchapter B, Chapter 21, and any other relevant experience.**

The LST board will establish through board policy and procedure its sole authority to provide oversight of and responsibility for distributing to parents information related to the qualifications of each teacher of the program, including any professional or educational degrees held, a statement of any certification under Subchapter B, Chapter 21, and any other relevant experience. The policy will specifically define the board's desired limitations on distributing such information to parents. These policies will be a part of the board's Executive Limitations policies as defined in Carver Policy Governance ©.

The board will directly oversee the final distribution, to parents, information related to the qualifications of each teacher of the program, including any professional or educational degrees held, a statement of any certification under Subchapter B, Chapter 21, and any other relevant experience. The LST board shall not delegate responsibility for or oversight of distribution, to parents, information related to the qualifications of each teacher of the program, including any professional or educational degrees held, a statement of any certification under Subchapter B, Chapter 21, and any other relevant experience.

TEC, §12.120 states, "A person may not serve as a member of the governing body of a charter holder, as a member of the governing body of an open-enrollment charter school, or as an officer or employee of an open-enrollment charter school if the person has been convicted of a felony or a misdemeanor involving moral turpitude. . ."

An employee of an open-enrollment charter school who qualifies for membership in the Teacher Retirement System of Texas shall be covered under the system to the same extent a qualified employee of a school district is covered. For each employee of the school covered under the system, the school is responsible for making any contribution that otherwise would be the legal responsibility of a school district. See TEC, §12.1057.

TEC, §12.1059 states, "A person may not be employed by or serve as a teacher, librarian, educational aide, administrator, or counselor for an open-enrollment charter school unless the person has been approved by the agency following a review of the person's national criminal history record information as provided by Section 22.0832."

Charter schools must check the criminal history (through the Texas Department of Public Safety or a national history records check, whichever is applicable) of each person who intends to serve *as an employee in any capacity, including persons employed by a subcontractor to provide services, a member of the governing body of the charter holder, a member of the governing body of the charter school, and any person who files, in writing, an intention to serve as a volunteer. See 19 TAC, §100.1151.*

School Officers
"School officer" is defined in TEC, §12.1012, as a principal, director, other chief operating officer, assistant principal, assistant director, or a person charged with managing the finances of an open-enrollment charter school.

Some charter holders choose to delegate some powers or duties of the governing body of the charter holder to various school officers. Non-delegable duties are listed in 19 TAC, §100.1033(c)(6)(C).

Charter school officers will be required to undergo training as provided in 19 TAC, §§100.1103-100.1105.

The LST board will ensure that all required background checks to assure no board member or other officer or employee of the charter school will have been convicted of any felony or a misdemeanor involving moral turpitude. All LST school employee candidates shall have their national criminal history record reviewed and confirmed acceptable prior to an offer for employment and in accordance with applicable law and TEA guidance.

Any employees in the LST school who qualifies for membership shall be covered under the Teacher Retirement System of Texas to the same extent a qualified employee of a school district is covered. All required contributions shall be made that LST is legally required to make.

The LST board shall not delegate any duties listed in 19 TAC §100.1033(c)(6)(C) as non-delegable duties. All applicable legal requirements will be complied with.

All LST directors and officers as defined by TEC, 12.1012 will undergo training as provided in 19 TAC, 100.1103-100.1105 or otherwise required by law.

c) **Submit, as part of Attachment D, a notarized biographical affidavit for each school officer. Biographical affidavits must be notarized within 90 days of the due date of this application.**

There are no school officers at this time.

d) **Submit as part of Attachment I, a Supplemental Human Resources Information Form for each officer position. Note that some duties cannot be delegated by the governing body of the charter holder to a school officer. Non-delegable duties are listed in 19 TAC, §100.1033(c)(6)(C).**

A Supplemental Human Resources Information Form must be completed for the CEO/superintendent, financial officer, principal, assistant principal, director,

assistant director, and any other administrative position that the proposed charter anticipates filling.

Attachment I includes a supplemental human resources information form for each school officer position identified for LST schools.

e) Describe professional development opportunities that will be offered to school officers.

Professional development opportunities will be provided as required by law, regulation, or student or organizational performance requirements. Minimally, all school officers will comply with the training required in 19 TAC, 100.1103-100.1105.

Professional development opportunities will be provided by TEA Certified Trainers where applicable. Further, LST will engage all training offered by the Region 20 Education Service Center, Texas Charter School Association, legal counsel, and other opportunities as may assist employees in meeting student, organizational, and financial performance expectations.

The Superintendent of Schools and other school officials as required will obtain American Red Cross training and certification for first aid, cardiopulmonary resuscitation (CPR), and automated external defibrillation (AED). Training in management of issues related to Blood Borne Pathogens will be provided to all school employees.

All employees will receive intensive, specialized training in the operation of the Carpe Diem model to assure model implementation integrity.

f) Explain the method(s) and timelines that will be used to evaluate school officers; designate the responsible party for the evaluations.

All school officials will be evaluated on a regular basis. The domains will be incorporated into the overall evaluation forms and processes as developed by LST's Superintendent of Schools or designee. Meetings will be held at the beginning of each school year to establish performance targets within the domains and quarterly reviews will be held to monitor and evaluate progress toward those goals. The domains may include

- Instructional management
- School or organizational morale
- School or organization improvement
- Personnel management
- Management of operational functions
- Student management
- School or community relations
- Professional growth and development
- Academic excellence

In addition to overall domain evaluation, school officers will be provided evaluative feedback on a daily basis through data systems and the management company. This feedback will be

focused on student progress and model integrity. What3[9] meetings will provide group feedback and evaluation impacting information on a monthly basis.

Annually, a formal evaluation will be completed by 1) the Superintendent in the case of all school officers other than the Superintendent and 2) the board in the case of the Superintendent using a formal evaluation process. The formal evaluation process will include analysis of student performance, especially student growth; professional practice as observed within the work setting; professional growth and completion of prior year professional development expectations; and general commitment and capacity to contribute positively to the organizational culture. Significant emphasis will be placed on student performance within all evaluations.

Teachers and Other Instructional Staff
Federal law requires that charter school teachers in core academic subjects (English, reading or language arts, mathematics, science, foreign languages, civics and government, economics, arts [theater arts, dance, music, and art], history, and geography) have a bachelor's degree and demonstrate competency in the core academic subject area(s) assigned. See the No Child Left Behind (NCLB) bulletins for further information regarding required teacher qualifications at http://www.tea.state.tx.us/index4.aspx?id=4261&menu_id=798.

All core academic teachers will have a bachelor's degree and demonstrate competency in the core academic areas. They will comply with all federal and state requirements to be highly qualified.

Charter school teachers assigned to teach subjects that are not considered core academic subjects under the NCLB must meet the state law minimum requirement of a high school diploma. Furthermore, state law and rule require charter school teachers assigned to teach special education, bilingual education, and English as a second language to be appropriately certified.

All non-core academic teachers will have at least a high school diploma and meet all other state laws and rules including specialized certifications. Special education and BE/ESL teachers will be state certified.

Paraprofessionals must be certified as required to meet state and federal law.

All paraprofessionals will be certified as required by state and federal law.

g) **Submit as part of Attachment I, a Supplemental Human Resources Information Form for all teacher and other instructional staff positions.**
A Supplemental Human Resources Information Form must be completed for the positions of teacher, educational aide, counselor, librarian, and any other staff position that the proposed school anticipates filling during the staffing process.

Attachment I contains supplemental human information forms for all teacher and instructional staff positions.

[9] What3 meetings are rigorous data analysis meetings based on quality principles. What3 references the key questions what, so what, now what?

h) Describe professional development opportunities that will be offered to teachers and other instructional staff.

Staff development will begin with distribution of digital content access codes and an expectation that all staff complete at least one course on the school's digital content provider. Then 10-day intensive training on student management, culture, data analysis, processes, and organizational mission will be provided by specialists in the Carpe Diem model. Assessments will be used to assure professional development success in providing critical information.

A specialist will be provided to assist staff through the first 5 months of school operation. This onsite support will provide immediate feedback to individual staff members, group training activities, and mini-workshops on an as needed basis.

Ongoing network support will be provided to the staff through peer-to-peer support systems. This support will include digital and live professional development as needed for each teacher or instructional staff member. Need will be identified by data analysis, evaluation feedback, and staff input. The impact of the professional development will be evaluated on the basis of data analysis.

i) Explain the method(s) and timelines that will be used to evaluate teachers and other instructional staff. Designate the responsible party for the evaluations.

All teachers will be evaluated on the following four areas 1) Instruction 25%, 2) Student achievement (40%), 3) Community engagement and support (25%), and 4) Professionalism (10%). Evaluations will be completed by the school leader with support from statistical documentation and management company comparables for similar school situations. Evaluations will occur annually for all teachers during the first three years of operation.

Additionally, faculty and staff will be provided evaluative feedback on a daily basis through data systems and building leadership. What3 meetings will provide group feedback and evaluation impacting information on a monthly basis.

PEIMS Coordinator, Student Attendance Staff, and Other Staff

j) Submit as part of Attachment I, a Supplemental Human Resources Information Form for the PEIMS coordinator, the student attendance staff position, and any other staff positions.

Attachment I contains supplemental human information forms for the PEIMS coordinator/student attendance position.

A Supplemental Human Resources Information Form must be completed for the PEIMS coordinator, student attendance staff, and any other staff positions that the proposed school anticipates filling during the staffing process.

k) Describe professional development opportunities that will be offered to the PEIMS coordinator, student attendance staff, and any other staff not already addressed.

The PEIMS coordinator will be provided technical training on the use of the PowerSchool student information system. The training will provide the PEIMS coordinator with the necessary skills to effectively use the system for general questions, inputs, reports, and analysis. It will

also assure the PEIMS coordinator is properly interpreting all data input requirements set forth by the Carpe Diem model, Texas information requirements, and federal grant requirements.

The PowerSchool student information system will be customized to meet all Texas and federal reporting requirements. Actual reporting procedures will be managed and completed by yet to be contracted professionals specifically assigned to support the PEIMS coordinator. The coordinator will be trained in all Texas information requirements so the coordinator can maintain responsibility for the completeness of all reports and can provide the board with accurate, timely information for their assurance all reporting is being completed as required.

l) **Explain the method(s) and timelines that will be used to evaluate the PEIMS coordinator, student attendance staff, and any other staff not already addressed. Designate the responsible party for the evaluations.**

The PEIMS coordinator will be evaluated by the Dean of Students with support from the management company. The evaluation will be based on accuracy and completeness of data inputs, accuracy and timeliness of local, state, and federal reporting, completeness of the support provided to the board for their review and confirmation of adherence to state and federal requirements.

10. Business Plan and Financial Standards

Failure to maintain ongoing compliance with these financial standards and requirements as listed below will be considered a material violation of the charter contract, if awarded, and may be grounds for revocation. The sponsoring entity must be in good standing with the Internal Revenue Service (IRS), the Texas Secretary of State, the Texas Comptroller of Public Accounts, and all state regulatory agencies.

Financial History of Sponsoring Entity

a) **Provide evidence of financial competency and sustainability by providing evidence of an appropriate business plan which includes:**
   i. **a brief narrative of the growth plan for the first five years of operation of the proposed school that matches all projections included in the budget and considers the potential expansion of competition in the area for the same student population;**

LST will begin with a single school scheduled to open in fall, 2014. Once established and initial performance data from our assessment systems indicate positive results, additional schools will be opened on the following anticipated schedule. This schedule will be adjusted if there are changes in performance, enrollment, or financial targets as the work progresses.

1. Fall 2015 – 1 school
2. Fall 2016 – 2 schools
3. Fall 2017 – 1 school

LST anticipates having 5 schools in operation by the fall of 2017. The budget documents reflect this expansion plan. All schools follow a similar enrollment ramp up process.

The growth of the first school will begin with an enrollment of 300 students. The school is designed to serve 300 students moving forward.

As indicated in the budget, the model is self-sustaining because it integrates high quality technology solutions that reduced staffing requirements while enhancing student support and engagement. All staff can be well paid and provided a high quality professional environment while maintaining a healthy budget.

The Carpe Diem model provides LST with the opportunity to grow over the long term. Carpe Diem based schools generate sufficient funds from state and federal funding to operate comfortably. Once five 300-student schools are open and fully operational, it is possible to generate sufficient funds to start additional schools without philanthropic support. This feature of the model makes it scalable and sustainable. LST will be able to meet community demand for additional schools without outside financial support after these first five schools are established and stable. LST has the capacity to grow to 50 schools or more over the long term. This will provide up to 15,000 or more high quality education "seats" for the San Antonio community.

LST has further analyzed this growth pattern's impact on facilities and human resources.

Facilities

An advantage and efficiency made possible by the Carpe Diem model is that it does not require use of a typical school building. Retrofitted car dealerships, bookstores, office buildings or new facilities are all available choices for a Carpe Diem model school. The original Carpe Diem school was a one-story design. The first school in Indianapolis is a two-story model. Additional innovation will occur as schools are built or facilities are identified to be retrofitted. All facilities will be customized to establish a comfortable, stimulating, and attractive learning environment.

Curriculum

The Carpe Diem model uses digital instructional materials available from several digital content providers including Edgenuity (formerly E2020). The instructional materials are customized to meet Texas content standards. The instructional materials are infinitely scalable because they are cloud based, immediately assessable at any school location and for any number of students.

Each teacher also creates curriculum designed to assist students with their individual instructional needs. This curriculum is managed by individual teachers and is always aligned to the Texas standards.

Technology

The Carpe Diem model requires very specific, but relatively low cost, readily available technology. There is very little technology support required at each school because much of the technology is cloud-based and is therefore maintained above the school level. This approach to technology provides very efficient scalability.

Human capital

Assuring strong human capital is essential to long-term success. LST will use the Carpe Diem model to assure this through aggressive recruitment and selection processes, strong

professional development, competitive wages and benefits, a professional work environment, and a results and improvement focused evaluation process.

Recruitment and selection

LST will focus on recruiting and selecting top quality school leaders. These leaders, in turn, will be provided a list of acceptable candidates from which to choose the school team.

Recruitment will be managed through a web-based data system which will require potential candidates to complete detailed assessments related to their desired positions. These assessments will be specifically selected to match model requirements (see later). LST through its selected management company will confirm candidates who meet expectations and legal requirements. The desired result will be multiple candidates for each school leader to choose from.

Recruitment will be enhanced through relationships with Teach for America, The New Teacher Project, and relationships with innovative universities.

Professional development

Educators

The Carpe Diem model will benefit from exceptional talent, but the model is not predicated on exceptional faculty. Key faculty skills needed in the model are

1. A deep understanding of the subject matter being taught. The depth of understanding must be sufficient for the academic concepts to be applied to real world issues and projects.
2. A passion for serving students including strong empathy.
3. A willingness to learn the Carpe Diem model including data analysis, student learning management, positive direction discipline, and character development.

The following are a more detailed list of mindsets, knowledge, and skills required of a Carpe Diem Learning Systems educator.

Mindsets

- Welcomes ambiguity: Given that college and career skill-building models are currently in the process of being developed and iterated on, successful teachers must be willing to work in situations where role and responsibilities are not always clearly defined.
- Solution seeking/entrepreneurial: Teachers must recognize problems, develop goals around solving them and strive tirelessly towards achieving the goals.
- Optimistic: This is challenging work with unclear answers. Teachers must approach challenges with positivity.
- Customer service oriented: Teachers must now approach each individual student as if they are an important client with differing and individualized needs.

Skills

- Critical and analytical thinking ability: Given that each student will now have individualized plans, the importance of a teacher to think critically and analytically around data is paramount for a teacher's ability to effectively and efficiently serve students.
- Influencing and motivating ability: While technology will provide new ways of engaging students, teachers will still ultimately be the primary driver for motivating students to perform.
- Ability to adapt to feedback: organizations that are implementing college and career skill-building models need teachers to take direction to effectively implement and test the models so teachers must be able to listen and implement feedback.
- Improvisation/Adaptability: Teachers must be able to enter into unexpected situations, quickly diagnosis problems, and develop solutions on the spot.
- Ability to work in teams: In these new models, adults will need to work together and communicate with each other to effectively serve students.

Knowledge

- Technological literacy: Teachers must have basic technological know-how and understanding to diagnosis problems and develop creative ways to build knowledge.
- Strong content knowledge: Given that teachers will be spending a significant amount of time thinking on their feet to meet the needs of students, they must have a deep understanding of the content to be able to effectively deliver interventional and enriching instruction.[10]

The Carpe Diem model departs dramatically from the normal educational model. Significant training for new staff is required to transition them from traditional approaches to instruction in the Carpe Diem personalized learning model.

The training consists of a preliminary independent study and two weeks of intensive training with the following major topic areas.

- Culture of positive engagement and empowerment.
- Consequences versus discipline.
- Digital curriculum use and understanding.
- Data analysis and instructional adaptation.
- Teaching the "big rocks".
- Project based instruction for deeper learning.
- Response to intervention strategies.
- Personnel related updates.

Once the staff are prepared and assessed for basic understanding, they receive embedded instruction and feedback through the first 6 months of school operation. This portion of the training involves a specialist working within each new school to assure full understanding and implementation of the personalized learning approach.

[10] Tom Hayes, Haystack EDU, 2012

Once initial training occurs, each school is monitored through a performance dashboard to determine any specific intervention strategies at the teacher or school level. These interventions are provided by specialists in the Carpe Diem model.

School leadership

School leadership is critical to each school's success. The Carpe Diem model is both prescriptive and incredibly flexible. The digital content is very tightly packaged and consistent; however, the onsite instructional activities require faculty to customize instruction according to individual student needs. Maintaining high expectations and assuring faculty are engaged in personalized learning requires solid school leadership. A specific school leader recruitment and development program will assure the appropriate personnel are selected.

Compensation

LST will provide salaries and benefits that are competitive and among the highest in the region. Attaining these levels of compensation is possible because the technology-supported model requires fewer staff and therefore provides more financial resources per person than other models. Compensation will be driven by market competitiveness and staff performance. A team bonus program will be provided to allow all staff the ability to benefit personally when the school succeeds with students, stays within budgets, and continuously improves school sustainability.

Professional work environment

The Carpe Diem model uses technology to care for routine, mundane educational processes, thus freeing educators to work on the professional work they desire. Building relationships, diagnosing challenges, changing practice to meet student needs, and provide ongoing positive support to youth are exciting work for quality educators. Unlike other models, educators don't need to ask permission or sit through hours of committee work to make changes that will benefit students. They have the daily power to act.

ii. a list of risk factors, with brief explanations, that could jeopardize the viability of the proposed school; and

Risk factors

1. **Early year financial support** – An immediate risk is covering the startup costs of the school. Early financial support is critical to our first schools. Private or philanthropic support will be needed.

2. **State and federal policy limitations and changes** – The Carpe Diem model is atypical of most educational delivery systems. It requires significant freedom from traditional educational policy to be fully effective. State and federal policy may limit the model's ability to operate effectively.

3. **Model obsolescence** – Rapid changes in technology and breakthroughs in curriculum and curricular approaches will require Carpe Diem to continuously innovate its model to maintain its leadership status.

4. **Pressure for teachers to revert to traditional practices** – It will be a challenge to keep school leaders, faculty, and staff focused on the unique educational approaches embodied by the Carpe Diem model. Local educators will interact with and potentially encourage our staff to use more traditional approaches to education. When difficulties arise, there will be a tendency to revert to old habits.

5. **Changing global demands for our students to be competitive are different than curriculum availability** – The Carpe Diem model requires graduates to be career ready and college prepared. The relatively easy part of this equation is the college prepared provision. The much tougher standard is career ready. As global demands and major innovations occur in the workplace, it will be difficult to be sure all students are career ready. This is especially true if innovations outpace readily available curriculum such as industry credentialing, character, creativity, technology, etc.

6. **Difficulties in recruiting students to enroll** - Since Carpe Diem doesn't currently operate any schools in the Texas market, it is difficult to predict exactly how much demand there will be for the model.

iii. a list of success factors, with brief explanations, that the proposed school founders have analyzed and determined will outweigh the risks.

Success factors –

1. Start-up costs have been substantially mitigated by local philanthropic support sufficient to cover these costs.

2. Current legislation is compatible with the Carpe Diem model.

3. Creators and innovators of the Carpe Diem model will be engaged as needed to assure model innovation and currency.

4. The board's strategy around human resource development and exception-based management will be critical to assure continued model implementation with integrity.

5. The intense growth of digital content and assessments aligned to real world expectations suggests the school will have access to curriculum necessary to assure curriculum completeness.

6. Our enrollment projections, based on a year-one enrollment of 300 students, is reasonable and we have received very strong community support to come to San Antonio.

b) Discuss the sources of funding used by the sponsoring entity to start up its operations.

LST has received support from the Choose-to-Succeed organization for charter application and community engagement. These resources were provided as in-kind services, not cash payments. As noted in the budget, the school will receive philanthropy including the following.

- George W. Brackenridge Foundation (confirmed) – $375,000. Refer to the letter from the Brackenridge Foundation included in Attachment N.

- The Ewing Halsell Foundation (confirmed) - $1,000,000. Refer to the letter from the Halsell Foundation included in Attachment N.

c) Submit, as Attachment J, a copy of the most recent unqualified audit report if the sponsoring entity has been in existence at least a year. ***If the sponsoring entity has not been in existence for at least a year and an audit report is not available, provide one of the following:***

1) an unaudited financial statement consisting of:
- ***an unaudited statement of financial position,***
- ***an unaudited statement of activities, and***
- ***an unaudited statement of cash flows (The unaudited financial statements must include a notarized acknowledgement signed by the board chair and chief financial officer of the sponsoring entity attesting to the accuracy and completeness of the information provided.)***

Notes:
- ***The structure of the required financial statements must be in the format provided in the most recent version of the Financial Accountability System Resource Guide, Special Supplement-Charter Schools (Module 10) found at http://www.tea.state.tx.us/index4.aspx?id=1222.***
- ***The chair of the sponsoring entity is the highest ranking official of the entity, regardless of the term used by the entity to designate this official. The chief financial officer (CFO) is the person who oversees the finances of the sponsoring entity, regardless of the term used by the entity to designate this official.***
- ***The unaudited financial statement must contain all three statements and both required signatures and must be notarized, or this attachment will be considered incomplete, resulting in the removal of the application from the process.***

Since Learning Schools of Texas was incorporated in January 2013, it has been in operation for less than a year and, consequently, does not have an audit report to provide. Accordingly, enclosed as Attachment J are the following documents:

1. Signed and notarized acknowledgement attesting to the accuracy and completeness of the unaudited financial statements.

2. Unaudited Statement of Financial Position.

3. Unaudited Statement of Activities.

4. Unaudited Statement of Cash Flows.

Additionally, enclosed is a copy of the following documents from J. P. Morgan Chase Bank, N.A. supporting the cash currently on deposit in an account opened and controlled by Learning Schools of Texas.

1. Bank Statement for the period ending January 31, 2013.

2. Online bank account print screen disclosing subsequent deposit of cash and current cash balance.

As may be observed on the Unaudited Statement of Financial Position, the school has sufficient cash on hand ($12,500) to address the requirement at 19 TAC 100.1015(1)(C)(ii). Additionally, as further disclosed on the Unaudited Statement of Financial Position, the school has sufficient assets to address the requirement at 19 TAC 100.1015(1)(E).

d) Discuss any changes in current assets of the sponsoring entity since the date of the most recent audit report submitted as Attachment J. (Current Assets – Those assets which are reasonably expected to be realized in cash or sold/consumed within a year or within the normal operating cycle of the entity)

Since Learning Schools of Texas was incorporated in January 2013, it has been in operation for less than a year. Consequently, there have been no changes in the LST current assets since the most recent balance sheet as presented in attachment J.

e) Discuss any changes in current liabilities of the sponsoring entity since the date of the most recent audit report submitted as Attachment J. (Current Liabilities - Obligations whose liquidation is reasonably expected to require the use of existing resources properly classified as current assets or obligations that are due on demand or will be due on demand within one year)

Since Learning Schools of Texas was incorporated in January 2013, it has been in operation for less than a year. Consequently, there have been no changes in the LST current liabilities since the most recent balance sheet as presented in attachment J.

f) Disclose any liens, litigation history, and/or any sanctions from any local, state and/or federal regulatory agency against the sponsoring entity. *For the purpose of this application "litigation" includes civil suits, bankruptcy proceedings, and any administrative process in which an agency of the federal, state or local government has taken adverse licensing or disciplinary action. "Sponsoring entity" includes any organization, whether incorporated or not, to which the sponsoring entity is successor in interest; any organization, whether incorporated or not, which the sponsoring entity has purchased; and, any organization, whether incorporated or not, for which the sponsoring entity has taken possession of substantially all assets previously possessed by that organization.*

LST does not have any liens, litigation history, or sanctions from any local, state, or federal regulatory agency.

g) **List any open-enrollment charters already held by the sponsoring entity.**

LST does not hold any open-enrollment charters.

h) **Submit, as Attachment K, a credit report of the sponsoring entity. *If the sponsoring entity was incorporated after January 1, 2011, it is not required to provide a credit report and may instead provide a statement that, "No documents are being provided because the sponsoring entity was incorporated after January 1, 2011". A statement of not applicable will result in this item being considered incomplete and the removal of the application from the process.* If the entity was incorporated prior to January 1, 2011, and there is no credit history, a response from one of the credit rating agencies must be attached indicating the entity has no credit history.**

No documents are being provided because the sponsoring entity was incorporated after January 1, 2011.

i) **Submit, as Attachment L, a copy of the most recently filed (IRS) Form 990. Note: Small tax-exempt organizations whose annual gross receipts are normally $25,000 or less may be required to electronically submit Form 990-N, also known as the e-Postcard, unless they choose to file a complete Form 990 or Form 990-EZ. If the applicant submits the e-Postcard to the IRS, provide, in Attachment L, a copy of the information that was provided to the IRS. A copy of the submitted information can be located on the IRS website at "Annual Electronic Filing Requirements for Small Exempt Organizations – Form 990-N (e-Postcard)" or www.irs.gov/app/ePostcard/. If a Form 990 is not available, provide a statement that explains why a Form 990 (990-N) is not available. *A statement of not applicable will result in this item being considered incomplete and the removal of the application from the process.***

LST was incorporated in January 2013 and, therefore, has not filed an IRS Form 990. It will file the Form 990's as required by federal law when due.

Current Operations of Sponsoring Entity

j) **If non-charter programs are currently operated by the sponsoring entity, describe whether, and if so how, these non-charter programs will relate to the charter school.**

LST does not operate any non-charter programs.

k) **If there are plans to begin operating any non-charter programs within the next two years, describe whether these non-charter programs will relate to the charter school. Further, discuss the physical location of the programs. Describe how the charter school will maintain separate administrative, business, financial, payroll, personnel and other records**

LST does not plan to operate any non-charter programs in the future.

Start-Up of Charter School Operations

l) **Provide a statement describing the projected amounts of start-up funding. The statement must identify the amount of each source of funds and the specific source of funding (e.g., private donor, charitable foundation, local government, state/federal agency). Charter school applicants should be aware that the fiscal year of the charter school should end on August 31. Through a grant application process, federal funds may be available for up to 18 months of post-award planning and up to two years of implementation. However, start-up funds are available for no more than three years.**

Actual funding depends on the number of eligible charters, the completion of a successful competitive charter grant application, and the continuation of funds from the United States Department of Education. Start-up funding is not to be used for budget purposes and, if awarded, will not be available to the sponsoring entity until the contract for charter has been executed, a county-district number has been assigned, and a grant application has been completed and negotiated.

The federal funds may then only be accessed after a request for reimbursement has been submitted. Generally, the federal funds may not be received until after the charter holder has demonstrated that it has incurred an expenditure that represents an allowable cost pursuant to the requirements of the federal award.

Start-up funding will be provided by the following benefactors:

- George W. Brackenridge Foundation (confirmed) – $375,000. Refer to the letter from the Brackenridge Foundation included in Attachment N.
- The Ewing Halsell Foundation (confirmed) - $1,000,000. Refer to the letter from the Halsell Foundation included in Attachment N.

Additional philanthropy has been sought and is anticipated once a charter is received. However, as may be observed in Attachment N, the school has sufficient pledged grant support to address the requirement at 19 TAC 100.1015(1)(C)(i).

Although LST anticipates apply for and reasonably anticipates the receipt of a Federally-funded public charter school start-up grant, it has not relied upon this source of funding in the development of its start-up and subsequent budgets. Nonetheless, the absence of this source of funding does not compromise the ability to start the first LST school if a charter is awarded.

m) **Submit, as Attachment M, documentation (e.g., letters of credit, loan agreements, documentation of other sources of funding that must be repaid) verifying all nongovernmental sources of funding. These sources of funding/credit must not be included in the start-up budget. Refer to 19 TAC §100.1015 (1)(C). If there are no such sources of funds (creditors), state this in the attachment. A statement of not applicable will result in this item being considered incomplete and the removal of the application from the process. Also, letters of support for the proposed school should not be included in Attachment M.**

Although LST contemplates acquiring a line of credit utilizing the grant received from The Ewing Halsell Foundation as collateral to provide interim financial support for its start-up activities, LST

does not have any letters of credit, loan agreements or other sources of borrowed funds at this time.

n) **Submit, as Attachment N, documentation (e.g., letters from donors that will not be repaid, notices of grant awards, documentation of any other sources of funding that will not require repayment) verifying all nongovernmental sources of funding. Refer to 19 TAC §100.1015 (1)(C).**

Enclosed with this application as Attachment N are letters from The Ewing Halsell Foundation and the George W. Brackenridge Foundation.

o) **Describe the process by which the annual budget of the charter school will be adopted.**

Consistent with its locally developed and adopted board policies that are aligned with applicable state and Federal law and rule, the LST board will adopt the school's annual budget each year in advance of expenditures. The Superintendent will prepare the budget with assistance from the management company. Faculty and staff needs will be included in budget deliberations. The budget will be developed within the executive limitations set forth in advance by the board to assure the budget is sustainable, focused on student performance, and consistent with community expectations. Specific steps are as follows:

- In February, the board will establish and/or revise budget executive limitation policies.
- In April, the Superintendent, in consultation with management company, will seek budget input from stakeholders.
- In May, the Superintendent, with management company assistance, will draft budget and present it to the board.
- In June, the Board will approve the budget.

The board will monitor financial transactions against the budget throughout the year through the presentation of a budget status report and other financial reports by the Superintendent during its regularly scheduled meetings.

p) **Submit, as Attachment O, a start-up budget; the electronic version of the start-up budget template can be found at http://www.tea.state.tx.us/index.aspx?id=3475.**

Note that only this start-up budget template will be accepted for the purposes of this application. To complete the start-up budget template, refer to the Special Supplement to Financial Accounting and Reporting, Nonprofit Charter School Chart of Accounts, which can be found at http://www.tea.state.tx.us/index4.aspx?id=1222, and the instructions provided in the budget worksheets.

The start-up budget must include the period between the date that the charter is awarded by the State Board of Education and the date that the proposed charter school will begin operations. The start-up budget must identify all sources of funding (no loans or creditors) and anticipated expenses. The private or local sources of funding must be supported by the documentation included in Attachment N.

The revenues and expenses for each entry in the budget template must be supported with written calculations indicating how the amounts were derived. (For example, 3 teachers @ $30,000 annual salary = $90,000 salaries or wages entered to line 6119. These written calculations should be attached following the printout of the completed start-up budget template.)

Enclosed with this application as Attachment O are the following documents:

1. Estimated Revenues And Expenses – Year 0 Start-Up Budget; and
2. Support Schedule for Year 0 Budget.

Additionally, as noted above at l) and n) and as disclosed in the Support Schedule for Year 0 Budget, reference is made herein to the letters from The Ewing Halsell Foundation and the George W. Brackenridge Foundation as supporting documentation to the amounts disclosed as estimated revenues in the enclosed Estimated Revenues And Expenses – Year 0 Start-Up Budget included in Attachment O.

Although Attachment O discloses that the school may incur a projected deficit in net assets of $5,919, the school anticipates addressing any deficiency during the start-up phase of its operations through the public charter school start-up grant that it reasonably may anticipate receiving, through a local line of credit established as interim financing for charter school operations and/or through continued development efforts to identify, seek, solicit and receive additional and continued philanthropic support.

Note: Although LST may anticipate receiving a charter sometime in the Fall of 2013, the start-up budget template provided discloses a period beginning on September 1, 2013 and ending on August 31, 2013. Since the anticipated date of a possible charter award cannot be reasonably determined, the start-up budget was prepared using the beginning and ending dates of LST's fiscal year. However, LST anticipates commencing operations and the planning activities represented in the start-up budget upon receipt of a charter award.

Note: See comments at q) below concerning 19 TAC 100.1015(1)(F).

q) **Submit, as Attachment P, a budget for the first five years of operation; the electronic version of the budget template can be found at http://www.tea.state.tx.us/index.aspx?id=3475. Budgets must be included for five years (19 TAC §100.1015(1)(B)(ix)).**

Note that only this budget template will be accepted for purposes of this application. For additional information to use when completing the budget template, see the Special Supplement to Financial Accounting and Reporting, Nonprofit Charter School Chart of Accounts, which can be found at http://www.tea.state.tx.us/index4.aspx?id=1222, and the instructions provided in the budget worksheets.

Be advised that funding is only earned for a maximum of 180 days per school year.

The budget for the first five years of operation must include the period after the date that the proposed charter school will begin operations. The budget must identify all sources of funding and anticipated expenses. Open-enrollment charter schools may offer either a

half-day or full-day prekindergarten program; however, foundation funding for each prekindergarten student is based on half-day eligibility (the student must be scheduled for at least 120 minutes daily to be eligible for half-day prekindergarten). Please see the **Student Attendance Accounting Handbook** *for additional information. The handbook is available at* *http://www.tea.state.tx.us/index2.aspx?id=7739&menu_id=645&menu_id2=789.*

Charters may offer either a half-day or full-day (120 minutes of instruction per day for half-day eligibility or 240 minutes of instruction per day for full-day eligibility) kindergarten program. If students are enrolled in a full-day program (240 minutes of instruction per day), the charter is entitled to full-day funding. Charters offering half-day programs may not count students who attend both the morning and afternoon half-day sessions for eligible full-day attendance.

The private or local sources of funding must be supported by the documentation included in Attachment N.

State and federal sources of funding must be supported with a written statement or schedule indicating how the amounts were derived.

The expenses for each entry in the template must be supported with written calculations indicating how the amounts were derived. (For example, 3 teachers @ $30,000 annual salary = $90,000 salaries or wages entered to line 6119.) It is important to budget conservatively and to consider that charter schools often have lower than anticipated attendance rates in the first five years of operation. http://www.tea.state.tx.us/index2.aspx?id=7721&menu_id=645. Therefore, a reasonable planning estimate is $5,086 per student, which accounts for a daily attendance rate of 80%. However, a higher daily ADA and/or attendance estimate percentage may be used in the budget if an explanation for the additional funding, with written calculations, is included. A useful source for calculating additional funding can be found under State Funding Worksheets located at the following TEA website: ***http://www.tea.state.tx.us/index2.aspx?id=7721&menu_id=645.***

Enclosed with this application as Attachment P are the following documents:

1. Estimated Revenues And Expenses – Year 1 Budget;
2. Support Schedule for Year 1 Budget;
3. Estimated Revenues And Expenses – Year 2 Budget;
4. Support Schedule for Year 2 Budget;
5. Estimated Revenues And Expenses – Year 3 Budget;
6. Support Schedule for Year 3 Budget;
7. Estimated Revenues And Expenses – Year 4 Budget;
8. Support Schedule for Year 4 Budget;
9. Estimated Revenues And Expenses – Year 5 Budget;
10. Support Schedule for Year 5 Budget; and
11. Calculation of Attendance Rate.

Additionally, as noted above at l) and n) and as disclosed in the attached support schedules, reference is made herein to the letters from The Ewing Halsell Foundation and the George W.

Brackenridge Foundation as supporting documentation to the local revenue amounts disclosed on the estimated revenues and expenses worksheets.

As may be observed on the Estimated Revenues And Expenses – Year 1 Budget worksheet, the school anticipates a surplus in net assets of $ 118,341. LST's estimated surplus in net assets addresses the requirement at 19 TAC 100.1015(1)(F).

The Calculation of Attendance Rate worksheet discloses the attendance rates reported by San Antonio ISD high schools and middle schools for the 2011-2012 school year. As may be observed on the Calculation of Attendance Rate worksheet, the mean attendance rate for the high schools and middle schools within San Antonio ISD is 93.04%. As disclosed above in Section 6, Geographic Boundary and on the Calculation of Attendance Rate worksheet, LST will draw students primarily from the San Antonio ISD. Accordingly, LST used an attendance rate of 93.04% to calculate its projected receipts from the Foundation School Program. LST believes that this is a reasonable rate of attendance since it believes and intends to enroll students primarily from San Antonio ISD high schools and middle schools. Additionally, LST used a planning estimate is $6,358 per student which was derived from the $5,086 disclosed in the charter application instructions above divided by the daily attendance rate of 80% likewise disclosed above. The planning estimate of $6,358 per student is not unrealistic or unreasonable in light of the funding received by San Antonio area open-enrollment charters.

r) **Submit, as Attachment Q, a combined five-year budget that summarizes revenues and expenses. The combined five years also contain cumulative amounts and percentages. The electronic version of the five-year budget template can be found at http://www.tea.state.tx.us/index.aspx?id=3475. All written calculations should be included in the application following the completed budget template for the corresponding year.**

Note: Consistency between staffing proposed in Section 9 (Human Resources) and the proposed budgets will be reviewed.

Enclosed with this application as Attachment Q is the Summary of Combined 5-Year Budget Projections.

Management Company and Other Contracted Services

s) **Describe the manner in which an annual audit of the financial and programmatic operations of the program is to be conducted.**

LST will undergo an annual independent audit by an auditor chosen by the board. The audit will satisfy all requirements for Texas Law regarding open-enrollment charter school financial audits. Additionally, all aspects of the Carpe Diem educational model will be periodically reviewed for integrity by the LST Board of Directors.

t) **Identify any organization(s) and/or individual(s) that will provide financial accounting, payroll, and/or tax accounting services for the proposed charter school.**

The LST board will engage in arm's length negotiations with a management company and such other professional service providers to provide all accounting, payroll, and/or tax accounting services for the school. No company has been selected at this time.

u) **Discuss the qualifications of the organization(s) and/or individual(s). Include a list of any current or former clients that were charter schools.**

The successful management company will have the following capacities in the areas of financial accounting, payroll, and/or tax accounting services:

- A GAAP compliant accounting software system capable of recording, reporting, and analyzing financial information as required by state and federal law and regulations related to open enrollment charter schools.
- Payroll processing capabilities consistent with Texas Law and other local, state, and federal requirements.
- A working knowledge of Texas charter school accounting, HR, and tax provisions.

v) **Submit, as Attachment R, a copy of the negotiated service agreement(s) with any organization(s) and/or individual(s) that will provide financial accounting, payroll, and/or tax accounting services for the proposed charter school. *If the charter school intends to enter into such an agreement, and if the agreement is not available on the date that the application is submitted, include a letter of agreement or understanding outlining the terms negotiated to date. If the charter holder does not intend to enter into such an agreement, state this in the attachment. A statement of not applicable will result in this item being considered incomplete and the removal of the application from the process.***

LST has identified Carpe Diem Learning Systems ("CDLS"), a privately held education/charter management organization based in Middletown, Ohio as the most qualified and most programmatically aligned management organization to perform services for the proposed LST charter schools. LST has not, to date, entered into an agreement with CDLS nor has LST negotiated any of the specific terms, but CDLS has provided a letter, which is attached as Attachment R, outlining their services, management model, and most importantly their commitment to performance should LST enter into a contract with CDLS. Any management contract with CDLS will be negotiated at arms-length and in accordance with the standards and requirements of Texas law. LST understands that in accordance with the Texas Education Code, any management contract with CDLS will have to be submitted to, reviewed and approved by the Commissioner of Education before it is effective. LST will comply with these legal requirements in all respects. No officer or director of LST is affiliated with CDLS or any other entity that provides management services to Texas charter schools.

CDLS currently provides charter management services to 3 charter schools in 2 states including 2 schools currently being created for operation in the fall of 2013. CDLS was specifically created to meet the demand for expanding the Carpe Diem model nationally. The management company is operated by educators and community service oriented business management professionals and the company's sole purpose is to grow the personalized blended learning model made famous by the Carpe Diem Collegiate High School in Yuma Arizona. The company has national rights to the intellectual property related to the personalized blended learning model, engages key providers of high quality financial and student performance data designed to bring full transparency and effective information to inform governance, management, and educational decision making.

School support and management services that may be provided by CDLS will include human resources management and staffing, legal compliance, assistance with financial records

budgeting and recording, curriculum educational programming and support and school startup services. CDLS will also provide new innovations to the LST school because, if contracted, CDLS maintains a network of innovation and improvement for schools it operates.

w) **Indicate whether the charter holder will adopt the provisions of Texas Education Code (TEC), Chapter 44, Subchapter B, as the process for awarding a contract for the construction, repair, or renovation of a structure, road, highway, or other improvement or addition to real property. If so, the provisions of TEC, Chapter 44, Subchapter B, will control in lieu of Subchapter B, Chapter 271, Texas Local Government Code.**

LST will adopt Texas Education Code Chapter 44, Subchapter B, as amended, for the procurement of any contracts for construction, repair, or renovation of real property owned by LST.

Financial Accounting System
The financial accounting software must enable the proposed charter school to comply with the requirements discussed in the Special Supplement to Financial Accounting and Reporting, Nonprofit Charter School Chart of Accounts. (An electronic copy of the supplement is located at http://www.tea.state.tx.us/index4.aspx?id=1222.)

x) **Identify and discuss the capabilities of the financial accounting software (*i.e.*, the complete name of the software application and the software version) that the proposed charter school will use.**

Include information about the following aspects of the software: the ability to track asset, liability, net asset, revenue and expense data; the ability to record and maintain the budget, including amendments, approved by the governing body of the sponsoring entity; the ability to record and maintain information regarding outstanding liabilities; and the ability to submit financial accounting data to be included in the Public Education Information Management System (PEIMS). If the applicant is aware that data will need to be exported to another software application (e.g., Lotus, MS Excel, MS Access) to be prepared for PEIMS submission, discuss the process that will be used to export the data.

The charter school will use SAGE ACCPAC Version 6.0. SAGE is a worldwide leader in financial accounting software. In addition to the robust reporting capabilities of ACCPAC, a charter school specific reporting platform called Charter Vision will be provided. Both are built on SQL databases. Data can be accessed directly through the database and generate a report in any format and structure required. The FASRG has been evaluated and the system is 100% capable of meeting all reporting needs.

Student Attendance Accounting
The student attendance accounting software must enable the proposed charter school to comply with the requirements discussed in the Student Attendance Accounting Handbook. For further information, refer to http://www.tea.state.tx.us/index2.aspx?id=7739&menu_id=645&menu_id2=789.

y) **Identify the student attendance accounting software (i.e., the complete name of the software application and the software version) that the proposed charter**

school will use, and discuss the software's ability to produce the required reports and track student-related data required in PEIMS.

LST will utilize PowerSchool. There will be three certified PowerSchool administrators on staff, and there will be access to a customization department that will adjust anything needed to comply with Texas and federal reporting requirements. Pearson affirms that PowerSchool is 100% compliant with PEIMS and adaptions can be made to the system to comply with the current requirements of the SAAH and maintain flexibility to accommodate any future changes.

Facility Management

z) Provide the physical address of the facility to be used by the proposed charter school and describe the facility.

A facility has not been located or secured. Final site selection and facilities arrangements are contingent upon receipt of a charter.

aa) Describe how the facility is currently used or how it was used in the past.

A facility has not been located or secured. Final site selection and facilities arrangements are contingent upon receipt of a charter.

bb) Explain why the site will be a suitable facility for the proposed charter school.

A facility has not been located or secured. Final site selection and facilities arrangements are contingent upon receipt of a charter.

cc) Discuss plans to ensure that school facilities are accessible to disabled persons.

A facility has not been located or secured. Final site selection and facilities arrangements are contingent upon receipt of a charter. The final facility will be accessible to disabled persons consistent with Federal ADA requirements and all other building codes.

dd) Discuss the necessity of renovating and/or repairing the facility to ensure compliance with applicable building and/or occupancy codes and to make the facility ready for school operations. Identify the dollar amounts of any renovations and repairs.

Upon selection of a facility, the property owner or LST will be expected to renovate or build the facility in San Antonio to ensure compliance with all building and occupancy codes. Further, the facility will be specifically created or renovated to accommodate the unique Carpe Diem educational model.

ee) Submit as Attachment S the certificate of occupancy or equivalent certificate showing that the facility is appropriate for school use that has been issued by the appropriate governing entity (i.e. local, county, or state authority having jurisdiction for the facility.) If a certificate of occupancy is not yet available, so state and provide an assurance that a certificate of occupancy will be obtained and submitted to TEA before serving students. A statement of not applicable will result in this item being considered incomplete and the removal of the application from the process.

Attachment S contains confirmation that the facility will have the appropriate certificate of occupancy and that such certificate will be provided to the TEA before the school serves students.

ff) Discuss any progress, partnership developments or future steps towards the acquisition of a facility and/or land.

LST is in the process of selecting a company to provide a lease-purchase arrangement for the school facility. Prospective sites are in the process of being located, evaluated and upon receipt of a charter, LST will be ready to close on an appropriate location in a relatively short period of time and to engage in next steps to complete the facility.

gg) Submit, as Attachment T, a copy of the negotiated lease agreement(s), deed(s) to property, earnest money contract, or purchase agreement(s), as applicable. If none of these documents is available on the date that the application is submitted, include a letter of agreement or understanding outlining the terms negotiated to date or a statement that no lease, deed to property, or purchase agreement has been negotiated. Any agreements or statements submitted must be signed by all parties involved in the transaction. If a location has not been identified, a statement noting this should be included.

Attachment T contains confirmation that the location for the facility has not been identified and that no lease, deed, or purchase agreement has been negotiated.

A statement of not applicable will result in this item being considered incomplete and the removal of the application from the process.

hh) Identify the individuals who negotiated the lease or purchase of the facility on behalf of the lessor or seller and the sponsoring entity. Note any relationships or business affiliations between the individuals identified above.

LST has identified several potential companies to work with to negotiate the lease or purchase of the facility, but has not yet finalized an agreement with a specific company to do so. The final selection will not have any direct relationships or business affiliations with LST, its board members, or other companies including any management company chosen to operate the school.

ii) Identify all other organizations or individuals that will be using the facility in addition to the proposed charter school.

No other organization will be using the same facility as the school. If the school is located in an urban setting where the school uses a portion of a larger facility, the portion of the facility dedicated to the school will not be used by any other organization.

Transportation and Food Service

jj) Describe provisions for transportation for students served by the charter school. ***Pursuant to federal law, the school must provide transportation to students eligible for special education and related services as required by their Individualized Education Program (IEP).***

The school will assure transportation for students requiring such service by their IEP for all special education, regular education, and related services or as otherwise required by federal law.

kk) Describe provisions for food service, if any, for students served by the charter school, including plans for free or reduced lunch and breakfast programs. ***If 10% of the students qualify for free or reduced breakfast, the school is required by Texas Education Code §33.901 to provide a breakfast program for those students. For additional information, refer to*** **http://www.squaremeals.org.**

The school will assure each student has access to high quality, nutrition meals and snacks as required for successful learning and to comply with any requirements for free and reduced breakfast or lunch program. Outside food services that may be contracted and will be bid pursuant to federal and state law. If more than 10% of the enrolled students qualify for free or reduced breakfast, the school will provide a breakfast program for those affected students as required by law.

11. Attachments

All attachments should be clearly referenced, numbered in the following format: Page X of Y, and ordered exactly as indicated on the Applicant Checklist.

Attachments A through T follow.

12. Assurance Documents and Required Campaign Contribution Form

The following four required forms should be completed, signed in BLUE ink by the chair of the sponsoring entity, assembled in the order indicated below, and placed behind Attachment T:

- **Attachment U - Bilingual Education/ESL, Section 504, and Dyslexia Assurances**
- **Attachment V - General Application of Assurances for Federal Programs**
- **Attachment W - Special Assurances Document**
- **Attachment X - State Board of Education Disclosure of Campaign Contributions Form**

Applications without all completed forms will be deemed incomplete which will result in the removal of the application from the process.

Attachments U through X follow.

Attachment A – Published Notice of Public Hearing

HEARST media services

San Antonio Express-News | mySA.com | Yahoo!

SAN ANTONIO EXPRESS NEWS
AFFIDAVIT OF PUBLICATION

STATE OF TEXAS:
COUNTY OF BEXAR

Before me, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Lynette Nelson, who after being duly sworn, says that she is the BOOKKEEPER of THE HEARST CORPORATON (SAN ANTONIO EXPRESS-NEWS DIVISION), a daily newspaper published in Bexar County, Texas and that the publication, of which the annexed is a true copy, was published to wit:

Customer ID: 819599
Customer Name: Schulman, Lopez & Hoffer
Order ID: 2369535

Publication	Pub Date
EN Classified	02-FEB-13
EN Classified	09-FEB-13

Lynette Nelson
Bookkeeper

Sworn and subscribed to before me, this 11th **day of** Feb. **A.D.** 2013

Notary public in and for the State of Texas

Olivia D. Chaverria

OLIVIA D. CHAVERRIA
MY COMMISSION EXPIRES
July 17, 2014

NOTICE OF PUBLIC HEARING
The Learning Schools of Texas Board of Directors will conduct an informational meeting for the public on February 16, 2013 at 1 pm, at the San Antonio Area Foundation, 303 East Pearl Parkway, to provide details of a proposed public open-enrollment charter school named Learning Schools of Texas, that would provide educational services for grades 6 through 12 (Middle/High School) and would be located in the Central area of San Antonio. Participants will hear a presentation that explains the proposal and will have an opportunity to ask questions about the proposed school. If approved, classes would begin in the fall of 2014. The members of the school board are Will Harte, Don Soifer, and Martin Rico.

Attachment B – Synopsis of Public Hearing

Learning Schools of Texas

Proposed Public Open-Enrollment Charter School

Public Hearing

February 16, 2013 – 1 – 3 PM
San Antonio Area Foundation
303 Pearl Parkway, San Antonio, TX

Six individuals attended the public hearing. Robert Sommers, CEO/managing member for Carpe Diem Learning Systems presented the Carpe Diem model. He explained that this model was the preferred model for the Learning Schools of Texas board and that Carpe Diem had been invited by the board to help them design their school using this proven educational model.

Robert Sommers presented a powerpoint presentation covering the following major topics:

1. What is Carpe Diem
    a. Personalized learning
    b. Preparing the whole person
        i. Educate with Knowledge
        ii. Empower with Character
        iii. Equip for Life
    c. Performance integrity
        i. Truth in learning, no social promotion
2. Performance
    a. Achievement
    b. Gain
    c. Cost
3. Education model
    a. Student centered
        i. Pace, Place, and Passion
    b. Were you ever bored or confused?
    c. "Most at risk students are at risk **because of** not **in spite of** education"
        i. 9th grader at Kindergarten math
        ii. "Top" performing student with a C
4. Why it works
    a. Start with relationships, add relevance...rigor happens
    b. Small and safe
    c. Intense performance & effort monitoring (hourly)
    d. Student responsibility
    e. "D" doesn't count (high expectations)

f. Creative curriculum options
g. Student needs and aspirations drive decisions

5. Our core metric
   a. Kalmus Ratio (c) = Cost per successful student
6. General school timeline
   a. Acquire charter
   b. Select school site and leader
   c. Develop school
   d. Open in fall, 2014

After the formal presentation, they were provided an opportunity for questions and comments. The following is a summary of the key discussions.

- Can you describe a typical day for a student?
  - Actually a typical day doesn't really exist. A general explanation of a start to finish day was described including several typical adjustments that routinely happen to meet student needs.

- What about electives, especially foreign languages?
  - The elective options are extensive and customized to the student. The flex schedule provides opportunities for group or individual engagement in learning from digital options, in school study, or real world experiences
  - Foreign languages typically include Spanish, French, German, and Chinese, but can include unique options of student interest.

- Where will the school be located?
  - We are looking at sites within San Antonio, but won't engage with final site selection until the charter is granted.

- Do you have a cafeteria?
  - No, but we assure students have lunch. Students often bring their own and we arrange for microwave functions. They also have the option to order from local vendors. Finally, we provide lunches for those eligible for free and reduced lunches.

- What about sports?
  - We are supportive of community and AAU sports options. Our digital content and flexible schedule allow students to engage at different levels of intensity. We can also provide more options if the board wishes to do so.

- How do your students do in college?
  - They are very responsive to the self-responsible environment of a college campus. This comfort comes from our work with them to be responsible for their own learning. They are fully prepared for the coursework and

often have transcripted credit as they enter the college environment.

- Do your teachers get burnt out like many charter models?
  - No, we have very low turnover and we do not require our faculty to work 24/7. We believe they deserve to have a personal life. The model supports professional decision making on the part of the teacher which enhances their work environment. Our systems manage grading, data processing, and even attendance so the teachers can focus on the students.

- How do you address students with disabilities and discipline?
  - Students with disabilities are integrated in naturally because every student is on a personal learning plan. We often find students have been labeled special education, but they are actually just poorly instructed. Students with ADD or other emotional challenges often do well in our more personalized model. Autistic children respond well to the digital environment. Physical handicaps are accommodated by the facility and by the digital systems. Specific service requirements are outsourced and provided as per IEP.
  - We rarely have any discipline challenges. Discipline is a symptom of poor instruction and it often disappears when students' needs are met.

- What about transportation?
  - We will provide transportation when required. Typically these are community schools that students walk to or parent drop off the students.

- How does socialization occur? Do kids find friends at the school?
  - Yes, this school provides considerable opportunity for socialization. The school is fairly typical of smaller schools regarding dating, friendships, etc. If you graduated from a very large high school, this would feel different, but you probably didn't actually interact with many more than a few dozen people in the school anyway. The same thing happens in this school.

LEARNING SCHOOLS OF TEXAS
PROPOSED PUBLIC OPEN-ENROLLMENT CHARTER SCHOOL
PUBLIC HEARING

FEBRUARY 16, 2013

PRINTED NAME	SIGNATURE
[redacted]	

Learning Schools of Texas

Agenda

- Welcome
- Overview of the Carpe Diem model
- Timeline
- Questions and comments
- Adjourn

For more information

Robert Sommers
513-673-2733
Robert.sommers@carpediemls.com
www.carpediemls.com
Twitter: @rsommers

Thank you!

Thank you for your interest in our school.
Gracias por su interés en nuestra escuela.

CARPE DIEM
SAN ANTONIO

Attachment C – Special Education Assurances and Development of Policies and Procedures

Sponsoring Entity: Learning Schools of Texas

Proposed Charter School Name: Carpe Diem Schools - San Antonio Campus 1

Eighteenth Generation Charter Application
Special Education Assurances and Development of Policies and Procedures

Pursuant to the Individuals with Disabilities Education Improvement Act (IDEA 2004) Section 613 (a) (1), each charter school must have on file with the Texas Education Agency (TEA) a plan that provides assurances that it has in effect policies, procedures and programs consistent with State policies and procedures governing special education. Charter schools are required to develop plans using the online Legal Framework for the Child-Centered Process following the guidance below. Posting plans on the Legal Framework is not required, but is strongly encouraged.

Electronic Submission
Region 18 Education Service Center (ESC) in coordination with other ESCs provides leadership to the State in the electronic development of charter policies and procedures through the online **Legal Framework for the Child-Centered Process Phase IV: "Charting the Course"** (Legal Framework-Phase IV) at **http://framework.esc18.net/**.

Applicant Assurance Statement
The sponsoring entity's CEO must sign the assurance statement below certifying that the proposed charter school will have in place upon opening the above-described special education policies and procedures. Once the contract is issued and a county district number is assigned, the charter holder will develop its policies and procedures through the online Legal Framework.

Future Updates to Policies and Procedures
Charters will use the Legal Framework for developing and submitting updated policies and procedures assurances in the future. Guidance from ESCs on updates to policies and procedures will be ongoing.

Technical Assistance
For questions concerning or information about the electronic submission of charter policies and procedures, please consult with your regional ESC special education contact at **http://www.tea.state.tx.us/special.ed/escinfo/contact.html**.

Assurance Statement

By signing below, the sponsoring entity assures that the proposed charter school will have in place prior to opening policies and procedures that ensure implementation of IDEA 2004 and *all* federal regulations, Texas laws, State Board of Education (SBOE) rules, and commissioner's rules concerning students with disabilities receiving special education services and further assures that any future amendments to the regulations, laws, and rules will be incorporated into policies and procedures and implemented by the charter school.

Will Harte

Printed Name of Sponsoring Entity Board Chair

Signature of Sponsoring Entity Board Chair
(must sign in blue ink)

February 25, 2013

Date

SAS 539-13
RFA 701-13-101

Attachment D – Notarized Biographical Affidavits

Governing Body of the Charter School

See the attached.

Governing Body of the Charter School

There is no governing body of the charter school. The corporate fiduciary board is the only board.

School Officers

There are no school officers at this time.

Eighteenth Generation Open-Enrollment Charter Applicant Biographical Affidavit
(MUST BE TYPED and NOTARIZED)

Check all that apply:

☒ Member of the governing body of the sponsoring entity

☐ Member of the governing body of the charter school

☐ School officer: _____ (State position as defined in TEC, §12.1012.)

Full Name of Sponsoring Entity Learning Schools of Texas

Full Name of Proposed Charter School Carpe Diem Schools - San Antonio Campus 1

In connection with the above-named organization and charter school application, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any questions fully.)

IF ANSWER IS "NO" OR "NONE", SO STATE.

1. Full Name (Initials Not Acceptable) Brandon Seale

2. Have you ever had your name changed or used another name? ☐ Yes ☒ No

   If yes, give reason for the change: _____

   Maiden name (if female): _____

   Other names used at any time: _____

3. Current home address: 535 E Dewey Pl

   If you are a member of the governing body of the sponsoring entity and the sponsoring entity is an out-of-state organization, do you reside within 50 miles of the geographic boundary of the proposed charter school?

   ☐ Yes ☐ No ☒ N/A (because I am not a member of the governing body of the sponsoring entity or the sponsoring entity is based in Texas).

4. Current home telephone number: 210 313 3441

5. Education: Dates, Names, Locations and Degrees

   College: Washington & Lee University, Lexington, VA, BA Philosophy 2004

   Graduate Studies: University of Texas at Austin, Austin, TX MBA 2008, JD 2008

   Others: _____

6. List membership(s) in professional societies and associations:

7. List complete employment record, including self-employment (up to and including present jobs, positions, directorates or officerships) for the past 10 years including dates, employers, addresses and positions held:

2003-2010: Lewis Energy Group, Director of International Development. 10101 Reunion Pl, Ste #1000, San Antonio, TX 78216.
2006-2008: SolarTex, LLC, General Manager. 8711 Burnet Rd, Ste B-35, Austin, TX 78757.
2010-Present: Zaragoza Resources, LLC, CEO/President. 8620 N New Braunfels, Ste 524, San Antonio, TX 78217.

8. List all businesses or organizations of which you are a partner or in which you have a majority interest:

Zaragoza Resources, LP
Nueva Extremadura, LLC
Philozophe, LLC
Brushpopper Oil and Gas, LLC

9. List all previous experience with charter schools. Include open-enrollment schools and/or campus or program charters including dates, charter schools/charter holders, addresses and positions held:

None

10. List all previous experience with any charter school management company including dates, management company, address and position held:

None

11. List any professional, occupational, or vocational licenses issued by any public or governmental licensing agency or regulatory authority which you presently hold or have held in the past. State date license was issued, issuer of license, date terminated, reasons for termination:

12. During the last 10 years, have you ever been refused a professional, occupational or vocational license by any public or governmental licensing agency or regulatory authority, or has such license held by you ever been suspended or revoked?

○ Yes ◉ No

If yes, give details:

13. Will you be employed by or contract with the sponsoring entity, the charter school, or the managment company of the school?

○ Yes ◉ No If so, please state the compensation you expect to receive.

Also explain any other compensation you expect to receive for service on the governing body of the sponsoring entity.

14. Is any relative within the third degree of consanguinity (i.e., your parent, grandparent, great-granparent, child, grandchild, great-grandchild, sibling, aunt, uncle, niece, nephew) or within the third degree of affinity (i.e., your spouse or your spouse's parent, grandparent, great-granparent, child, grandchild, great-grandchild, sibling, aunt, uncle, niece, nephew) a member of the governing body of the sponsoring entity or of the governing body of the charter school?

○ Yes ◉ No

If so, give details:

15. Will any relative(s) within the third degree of consanguinity or affinity (See definitions in Question 14 above.) be employed by or receive any compensation or remuneration from the sponsoring entity, charter school, or the management company of the charter school?

○ Yes ◉ No

If so, give details:

16. Have you ever been convicted of a misdemeanor involving moral turpitude; a felony; an offense listed in TEC 37.007(a); or an offense listed in Article 62.01(5) Code of Criminal Procedure?

○ Yes ◉ No

If so, give details:

17. Have you ever been adjudged bankrupt? ○ Yes ◉ No If so, please provide the following information.

Number of times adjudged bankrupt:

Date of each bankruptcy judgment:

Description of the circumstances surrounding each bankruptcy:

18. Have you ever been an officer, director, trustee, investment committee member, key employee, or controlling stockholder of any business, which, while you occupied any such position or capacity with respect to it, became insolvent, declared bankruptcy, or was placed under supervision or in receivership, rehabilitation, liquidation or conservatorship?

○ Yes ◉ No

If so, give details:

Dated and signed this 18 *day of* February, 2013.
I hereby certify under penalty of perjury that I am acting on my own behalf and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

VERIFICATION

State of TEXAS

County of BEXAR

On this day, BRANDON SEALE (name of affiant) appeared before me the undersigned notary public and deposed that he/she executed the above instrument and that the statements and answers contained therein are true and correct to the best of his/her knowledge and belief.

Subscribed and sworn to before me this 18th day of FEBRUARY, 2013

(Notary Public)

(SEAL)

My commission expires 10/9/2016

SYLVIA SUTTLES
Notary Public, State of Texas
My Commission Expires
October 09, 2016

Eighteenth Generation Open-Enrollment Charter Applicant Biographical Affidavit (MUST BE TYPED and NOTARIZED)

Check all that apply:

☒ Member of the governing body of the sponsoring entity

☐ Member of the governing body of the charter school

☐ School officer: _____ (State position as defined in TEC, §12.1012.)

Full Name of Sponsoring Entity Learning Schools of Texas

Full Name of Proposed Charter School Carpe Diem Schools - San Antonio Campus 1

In connection with the above-named organization and charter school application, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any questions fully.)

IF ANSWER IS "NO" OR "NONE", SO STATE.

1. Full Name (Initials Not Acceptable) Don Soifer

2. Have you ever had your name changed or used another name? ☐ Yes ☒ No

   If yes, give reason for the change: _____

   Maiden name (if female): _____

   Other names used at any time: _____

3. Current home address: 1429A R Street, NW, Washington, DC 20009

   If you are a member of the governing body of the sponsoring entity and the sponsoring entity is an out-of-state organization, do you reside within 50 miles of the geographic boundary of the proposed charter school?

   ☐ Yes ☐ No ☒ N/A (because I am not a member of the governing body of the sponsoring entity or the sponsoring entity is based in Texas).

4. Current home telephone number: 202-360-8392

5. Education: Dates, Names, Locations and Degrees

   College: Colgate University, Hamilton, NY, BA, political science, 1990

   Graduate Studies: _____

   Others: _____

6. List membership(s) in professional societies and associations:

7. List complete employment record, including self-employment (up to and including present jobs, positions, directorates or officerships) for the past 10 years including dates, employers, addresses and positions held:

1. The Lexington Institute (nonprofit public policy think tank), 1600 Wilson Boulevard, Suite 900, Arlington, VA 22209. Executive Vice President. 1998 - present.
2. U.S. Consumer Postal Council (nonprofit policy organization), 1600 Wilson Boulevard, Suite 900A, Arlington, VA 22209. Executive Director. 2003 - present.
3. Source Associates, 807 Lawton Street, McLean, VA 22101. Consultant. 2001 - present.
4. Carpe Diem Collegiate High School (charter school), 3777 West 22nd Lane, Yuma, AZ, 85364. Director.
5. Carpe Diem - Indiana (charter school), 2440 North Meridian Street, Indianapolis, IN 46208. Director.
6. District of Columbia Public Charter School Board (independent government agency), 3333 14th Street, NW, Suite 210, Washington, DC 20010. Board Member (appointed by Mayor, confirmed by City Council). 2008 - present.

8. List all businesses or organizations of which you are a partner or in which you have a majority interest:

None.

9. List all previous experience with charter schools. Include open-enrollment schools and/or campus or program charters including dates, charter schools/charter holders, addresses and positions held:

Board Member, District of Columbia Public Charter School Board, independent charter authorizing board, 2008-present.
Board Member, Hope Community Public Charter School, Washington, DC, 2007-2008.

10. List all previous experience with any charter school management company including dates, management company, address and position held:

None.

11. List any professional, occupational, or vocational licenses issued by any public or governmental licensing agency or regulatory authority which you presently hold or have held in the past. State date license was issued, issuer of license, date terminated, reasons for termination:

None.

12. During the last 10 years, have you ever been refused a professional, occupational or vocational license by any public or governmental licensing agency or regulatory authority, or has such license held by you ever been suspended or revoked?

○ Yes ◉ No

If yes, give details:

13. Will you be employed by or contract with the sponsoring entity, the charter school, or the managment company of the school?

○ Yes ◉ No If so, please state the compensation you expect to receive.

Also explain any other compensation you expect to receive for service on the governing body of the sponsoring entity.

14. Is any relative within the third degree of consanguinity (i.e., your parent, grandparent, great-granparent, child, grandchild, great-grandchild, sibling, aunt, uncle, niece, nephew) or within the third degree of affinity (i.e., your spouse or your spouse's parent, grandparent, great-granparent, child, grandchild, great-grandchild, sibling, aunt, uncle, niece, nephew) a member of the governing body of the sponsoring entity or of the governing body of the charter school?

○ Yes ◉ No

If so, give details:

15. Will any relative(s) within the third degree of consanguinity or affinity (See definitions in Question 14 above.) be employed by or receive any compensation or remuneration from the sponsoring entity, charter school, or the management company of the charter school?

○ Yes ◉ No

If so, give details:

16. Have you ever been convicted of a misdemeanor involving moral turpitude; a felony; an offense listed in TEC 37.007(a); or an offense listed in Article 62.01(5) Code of Criminal Procedure?

○ Yes ◉ No

If so, give details:

17. Have you ever been adjudged bankrupt? ○ Yes ◉ No If so, please provide the following information.

Number of times adjudged bankrupt:

Date of each bankruptcy judgment:

Description of the circumstances surrounding each bankruptcy:

18. Have you ever been an officer, director, trustee, investment committee member, key employee, or controlling stockholder of any business, which, while you occupied any such position or capacity with respect to it, became insolvent, declared bankruptcy, or was placed under supervision or in receivership, rehabilitation, liquidation or conservatorship?

○ Yes ◉ No

If so, give details:

Dated and signed this 14th *day of* February, 2013

I hereby certify under penalty of perjury that I am acting on my own behalf and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

VERIFICATION

State of Virginia

County of Arlington

On this day, Don Soifer (name of affiant) appeared before me the undersigned notary public and deposed that he/she executed the above instrument and that the statements and answers contained therein are true and correct to the best of his/her knowledge and belief.

Subscribed and sworn to before me this 14 day of February, 2013.

(Notary Public)

(SEAL)

AHMAD T. AYUB NOTARY PUBLIC REG. #7263299 MY COMMISSION EXPIRES 12/31/13 COMMONWEALTH OF VIRGINIA

My commission expires 12-31-2013

Eighteenth Generation Open-Enrollment Charter Applicant Biographical Affidavit
(MUST BE TYPED and NOTARIZED)

Check all that apply:

☒ Member of the governing body of the sponsoring entity

☐ Member of the governing body of the charter school

☐ School officer: _____ (State position as defined in TEC, §12.1012.)

Full Name of Sponsoring Entity Learning Schools of Texas

Full Name of Proposed Charter School Carpe Diem Schools - San Antonio Campus 1

In connection with the above-named organization and charter school application, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any questions fully.)

IF ANSWER IS "NO" OR "NONE", SO STATE.

1. Full Name (Initials Not Acceptable) Will Harte

2. Have you ever had your name changed or used another name? ☐ Yes ☒ No

   If yes, give reason for the change: _____

   Maiden name (if female): _____

   Other names used at any time: _____

3. Current home address: 20742 Stone Oak Parkway, San Antonio, TX 78258

   If you are a member of the governing body of the sponsoring entity and the sponsoring entity is an out-of-state organization, do you reside within 50 miles of the geographic boundary of the proposed charter school?

   ☐ Yes ☐ No ☒ N/A (because I am not a member of the governing body of the sponsoring entity or the sponsoring entity is based in Texas).

4. Current home telephone number: 210-865-4007

5. Education: Dates, Names, Locations and Degrees

   College: _____

   Graduate Studies: _____

   Others: _____

6. List membership(s) in professional societies and associations:

7. List complete employment record, including self-employment (up to and including present jobs, positions, directorates or officerships) for the past 10 years including dates, employers, addresses and positions held:

8. List all businesses or organizations of which you are a partner or in which you have a majority interest:

9. List all previous experience with charter schools. Include open-enrollment schools and/or campus or program charters including dates, charter schools/charter holders, addresses and positions held:

None

10. List all previous experience with any charter school management company including dates, management company, address and position held:

None

11. List any professional, occupational, or vocational licenses issued by any public or governmental licensing agency or regulatory authority which you presently hold or have held in the past. State date license was issued, issuer of license, date terminated, reasons for termination:

12. During the last 10 years, have you ever been refused a professional, occupational or vocational license by any public or governmental licensing agency or regulatory authority, or has such license held by you ever been suspended or revoked?

○ Yes ◉ No

If yes, give details:

13. Will you be employed by or contract with the sponsoring entity, the charter school, or the managment company of the school?

○ Yes ◉ No If so, please state the compensation you expect to receive.

Also explain any other compensation you expect to receive for service on the governing body of the sponsoring entity.

14. Is any relative within the third degree of consanguinity (i.e., your parent, grandparent, great-granparent, child, grandchild, great-grandchild, sibling, aunt, uncle, niece, nephew) or within the third degree of affinity (i.e., your spouse or your spouse's parent, grandparent, great-granparent, child, grandchild, great-grandchild, sibling, aunt, uncle, niece, nephew) a member of the governing body of the sponsoring entity or of the governing body of the charter school?

○ Yes ◉ No

If so, give details:

15. Will any relative(s) within the third degree of consanguinity or affinity (See definitions in Question 14 above.) be employed by or receive any compensation or remuneration from the sponsoring entity, charter school, or the management company of the charter school?

○ Yes ◉ No

If so, give details:

16. Have you ever been convicted of a misdemeanor involving moral turpitude; a felony; an offense listed in TEC 37.007(a); or an offense listed in Article 62.01(5) Code of Criminal Procedure?

○ Yes ◉ No

If so, give details:

17. Have you ever been adjudged bankrupt? ○ Yes ◉ No If so, please provide the following information.

Number of times adjudged bankrupt:

Date of each bankruptcy judgment:

Description of the circumstances surrounding each bankruptcy:

18. Have you ever been an officer, director, trustee, investment committee member, key employee, or controlling stockholder of any business, which, while you occupied any such position or capacity with respect to it, became insolvent, declared bankruptcy, or was placed under supervision or in receivership, rehabilitation, liquidation or conservatorship?

○ Yes ◉ No

If so, give details:

Dated and signed this 25th *day of* February, 2013

I hereby certify under penalty of perjury that I am acting on my own behalf and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

VERIFICATION

State of Texas

County of Bexar

On this day, W. II HARTE (name of affiant) appeared before me the undersigned notary public and deposed that he/she executed the above instrument and that the statements and answers contained therein are true and correct to the best of his/her knowledge and belief.

Subscribed and sworn to before me this 25th day of February, 2013

(Notary Public)

(SEAL)

AMY LYNN HERRERA
MY COMMISSION EXPIRES
August 14, 2013

My commission expires 8-14-13

Eighteenth Generation Open-Enrollment Charter Applicant Biographical Affidavit
(MUST BE TYPED and NOTARIZED)

Check all that apply:

☒ Member of the governing body of the sponsoring entity

☐ Member of the governing body of the charter school

☐ School officer: _____ (State position as defined in TEC, §12.1012.)

Full Name of Sponsoring Entity Learning Schools of Texas

Full Name of Proposed Charter School Carpe Diem Schools - San Antonio Campus 1

In connection with the above-named organization and charter school application, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any questions fully.)

IF ANSWER IS "NO" OR "NONE", SO STATE.

1. Full Name (Initials Not Acceptable) Martin Rico

2. Have you ever had your name changed or used another name? ☐ Yes ☒ No

   If yes, give reason for the change: _____

   Maiden name (if female): _____

   Other names used at any time: _____

3. Current home address: 310 W Lynwood Ave., San Antonio, TX 78212

   If you are a member of the governing body of the sponsoring entity and the sponsoring entity is an out-of-state organization, do you reside within 50 miles of the geographic boundary of the proposed charter school?

   ☐ Yes ☐ No ☒ N/A (because I am not a member of the governing body of the sponsoring entity or the sponsoring entity is based in Texas).

4. Current home telephone number: 210-242-0000

5. Education: Dates, Names, Locations and Degrees

   College: Fall 1991 to Fall 1996, University of Texas at Austin, BS Economics

   Graduate Studies: None

   Others: None

6. List membership(s) in professional societies and associations:

None

7. List complete employment record, including self-employment (up to and including present jobs, positions, directorates or officerships) for the past 10 years including dates, employers, addresses and positions held:

1996-1998, St. Philip's College - Alamo Community College District, 1801 M. L. King Drive, San Antonio, Texas 78203, Research Assistant, Budget Specialist

1998-2003, TechNow Inc, 14117 Jones Maltsberger San Antonio, TX 78247, IT Security Analyst, IT Security Trainer, Microsoft Networks Trainer, Chief Operating Officer

2003-Present, Inspired eLearning, Inc., 613 NW Loop 410 Ste 530, San Antonio, TX 78216, CEO

8. List all businesses or organizations of which you are a partner or in which you have a majority interest:

Inspired eLearning, Inc.

9. List all previous experience with charter schools. Include open-enrollment schools and/or campus or program charters including dates, charter schools/charter holders, addresses and positions held:

None

10. List all previous experience with any charter school management company including dates, management company, address and position held:

None

11. List any professional, occupational, or vocational licenses issued by any public or governmental licensing agency or regulatory authority which you presently hold or have held in the past. State date license was issued, issuer of license, date terminated, reasons for termination:

None

12. During the last 10 years, have you ever been refused a professional, occupational or vocational license by any public or governmental licensing agency or regulatory authority, or has such license held by you ever been suspended or revoked?

○ Yes ◉ No

If yes, give details:

13. Will you be employed by or contract with the sponsoring entity, the charter school, or the managment company of the school?

○ Yes ◉ No If so, please state the compensation you expect to receive.

Also explain any other compensation you expect to receive for service on the governing body of the sponsoring entity.

14. Is any relative within the third degree of consanguinity (i.e., your parent, grandparent, great-granparent, child, grandchild, great-grandchild, sibling, aunt, uncle, niece, nephew) or within the third degree of affinity (i.e., your spouse or your spouse's parent, grandparent, great-granparent, child, grandchild, great-grandchild, sibling, aunt, uncle, niece, nephew) a member of the governing body of the sponsoring entity or of the governing body of the charter school?

○ Yes ◉ No

If so, give details:

15. Will any relative(s) within the third degree of consanguinity or affinity (See definitions in Question 14 above.) be employed by or receive any compensation or remuneration from the sponsoring entity, charter school, or the management company of the charter school?

○ Yes ◉ No

If so, give details:

16. Have you ever been convicted of a misdemeanor involving moral turpitude; a felony; an offense listed in TEC 37.007(a); or an offense listed in Article 62.01(5) Code of Criminal Procedure?

○ Yes ◉ No

If so, give details:

17. Have you ever been adjudged bankrupt? ○ Yes ◉ No If so, please provide the following information.

Number of times adjudged bankrupt:

Date of each bankruptcy judgment:

Description of the circumstances surrounding each bankruptcy:

18. Have you ever been an officer, director, trustee, investment committee member, key employee, or controlling stockholder of any business, which, while you occupied any such position or capacity with respect to it, became insolvent, declared bankruptcy, or was placed under supervision or in receivership, rehabilitation, liquidation or conservatorship?

○ Yes ◉ No

If so, give details:

Dated and signed this 25 *day of* February, 2013.
I hereby certify under penalty of perjury that I am acting on my own behalf and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

VERIFICATION

State of Texas

County of Bexar

On this day, Martin Rico (name of affiant) appeared before me the undersigned notary public and deposed that he/she executed the above instrument and that the statements and answers contained therein are true and correct to the best of his/her knowledge and belief.

Subscribed and sworn to before me this 25th day of February, 2013.

(Notary Public)

(SEAL)
AMY LYNN HERRERA
MY COMMISSION EXPIRES
August 14, 2013

My commission expires 8-14-13

Attachment E – 501(c)(3) Determination Letter from IRS

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

DEPARTMENT OF THE TREASURY

Date: FEB 06 2013

Employer Identification Number:
46-1667725
DLN:
17053023309003
Contact Person:
MITCHELL P STEELE
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
August 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990 Required:
Yes
Effective Date of Exemption:
January 2, 2013
Contribution Deductibility:
Yes
Addendum Applies:
No

FEB 12 2013

ID# 31360

LEARNING SCHOOLS OF TEXAS
517 SOLEDAD ST
SAN ANTONIO, TX 78205

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 Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Letter 947 (DO/CG)

LEARNING SCHOOLS OF TEXAS

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

Sincerely,

Holly O Paz

Holly O. Paz
Director, Exempt Organizations
Rulings and Agreements

Enclosure: Publication 4221-PC

Letter 947 (DO/CG)

Attachment F – Articles of Incorporation and All Amendments

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697

John Steen
Secretary of State

Office of the Secretary of State

CERTIFICATE OF FILING
OF

Learning Schools of Texas
File Number: 801711004

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 01/02/2013

Effective: 01/02/2013

John Steen
Secretary of State

FILED
In the Office of the
Secretary of State of Texas
JAN 02 2013
Corporations Section

CERTIFICATE OF FORMATION OF LEARNING SCHOOLS OF TEXAS

The undersigned natural person, of the age of eighteen (18) years or more, acting as organizer of a Corporation under the Texas Business Organizations Code, adopts the following Certificate of Formation.

ARTICLE I

The name of the corporation is Learning Schools of Texas. The filing entity being formed is a non-profit corporation. The period of its duration is perpetual.

ARTICLE II

The business address of the registered office of the corporation is 517 Soledad Street, San Antonio, Texas 78205 and the name of its registered agent at such address is Joseph E. Hoffer.

ARTICLE III

The number of directors of the Corporation, which shall constitute its Board of Directors and the governing body of the Corporation, shall be fixed by or as provided in the Bylaws of the Corporation. The number of directors shall be no fewer than three. The current Directors are:

1. Will Harte, 20742 Stone Oak Parkway, Suite 107, San Antonio, Texas 78258

2. Don Soifer, 1600 Wilson Boulevard, Suite 900, Arlington, Virginia 22209

3. Martin Rico, 613 N.W. Loop 410, Suite 530, San Antonio, Texas 78216

ARTICLE IV

The Corporation shall have no members.

ARTICLE V

The Corporation is organized exclusively for charitable and educational purposes, including for such purposes the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding provision of any future federal tax code. In particular, the Corporation is organized to educate, train and prepare individuals to function well in society and to provide educational opportunities and experiences. The Corporation shall also seek to operate an Open-Enrollment Charter School (the "School") as provided under the Texas Education Code for the benefit of students in Texas, providing such students with

educational opportunities and programs as it deems appropriate in furtherance of the purposes set forth in this Certificate of Formation.

The Corporation is organized to have and exercise all rights and powers conferred upon non-profit corporations under the laws of the State of Texas, or which may hereafter be so conferred, in order to promote charitable and educational activities.

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its officers, directors or other private persons, except that the Corporation, in accordance with applicable law, shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of the Corporation set forth in these Articles herein. No substantial part of the activities of the Corporation shall be 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.

Notwithstanding any other provision hereof, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding provision of any future federal tax code, or (b) by any corporation, contributions to which are deductible under Section 170(c)(2) of the Internal revenue Code of 1986, or the corresponding provision of any future federal tax code.

ARTICLE VI

All money and other assets owned or controlled by the Corporation, wherever derived, shall be devoted for use in performing the charitable and educational functions of the Corporation solely through the furthering of the primary purposes of the Corporation.

Except as otherwise required by applicable state or federal law, upon dissolution or liquidation of this Corporation, and after payment of all debts and satisfaction of all liabilities and obligations of the Corporation (or making adequate provision therefore), and after the return, transfer, or conveyance of all assets requiring return, transfer, or conveyance thereof because of the dissolution or liquidation of the Corporation, any remaining assets of this Corporation shall be distributed to charitable of educational organizations that would then qualify as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding provision of any future federal tax code, as determined by the Board of Directors of the Corporation.

ARTICLE VII

The name and street address of the organizer is Joseph E. Hoffer, 517 Soledad Street, San Antonio, Texas 78205.

ARTICLE VIII

This Certificate shall be effective on the date filed with the Secretary of State of Texas.

ARTICLE IX

The initial Bylaws of the Corporation shall be adopted by its Board of Directors, and the power to alter, amend or repeal the Bylaws or adopt new Bylaws shall be vested in its Board of Directors.

ARTICLE X

To the fullest extent permitted by applicable law, a director of this Corporation shall not be liable to the Corporation for monetary damages for an act or omission in the director's capacity as a director, except that this Article does not eliminate or limit the liability of a director to the extent the director is found to be liable for:

(a) a breach of a director's duty of loyalty to the Corporation;

(b) an act or omission not in good faith that constitutes a breach of duty of the director to the Corporation or an act or omission that involves intentional misconduct or a knowing violation of the law;

(c) a transaction from which the director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the director's office; or

(d) an act or omission for which the liability of a director is expressly provided by applicable law.

ARTICLE XI

The Corporation shall indemnify any person who (i) is or was a director, officer, employee, or agent of the Corporation, or (ii) while a director, office, employee, or agent of the Corporation, is or was serving at the request of the Corporation as a director, officer, trustee, employee, agent, or similar functionary of another foreign or domestic non-profit corporation, trust, employee benefit plan, or other enterprise, to the fullest extent that a corporation may or is required to grant indemnification to a director under the Texas Business Organizations Code as now written or as hereafter amended, but only to the extent permitted for (a) a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding provision of any future federal tax code , and (b) a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, or the corresponding provision of any future federal tax code.

ARTICLE XII

Except as otherwise provided in the Bylaws of the Corporation, this Certificate of Formation may be altered, amended, or repealed only as provided in the Texas Business Organizations Code, as presently written or hereafter amended.

Dated: January 2, 2013

LEARNING SCHOOLS OF TEXAS

By: /s/ Joseph E. Hoffer
Joseph E. Hoffer, Organizer

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697

John Steen
Secretary of State

Office of the Secretary of State

CERTIFICATE OF FILING
OF

Learning Schools of Texas
801711004

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Amendment for the above named entity has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

Dated: 02/20/2013

Effective: 02/20/2013

John Steen
Secretary of State

Received Time: Feb. 21. 2013 10:17AM No. 5458 TID: 10303
Learning Schools of Texas

Form 424
(Revised 05/11)

Submit in duplicate to:
Secretary of State
P.O. Box 13697
Austin, TX 78711-3697
512 463-5555
FAX: 512/463-5709
Filing Fee: See instructions

Certificate of Amendment

This space reserved for office use.

FILED
In the Office of the
Secretary of State of Texas
FEB 20 2013
Corporations Section

Entity Information

The name of the filing entity is:

Learning Schools of Texas

State the name of the entity as currently shown in the records of the secretary of state. If the amendment changes the name of the entity, state the old name and not the new name.

The filing entity is a: (Select the appropriate entity type below.)

- ☐ For-profit Corporation
- ☒ Nonprofit Corporation
- ☐ Cooperative Association
- ☐ Limited Liability Company
- ☐ Professional Corporation
- ☐ Professional Limited Liability Company
- ☐ Professional Association
- ☐ Limited Partnership

The file number issued to the filing entity by the secretary of state is: 801711004

The date of formation of the entity is: 01/02/2013

Amendments

1. Amended Name

(If the purpose of the certificate of amendment is to change the name of the entity, use the following statement)

The amendment changes the certificate of formation to change the article or provision that names the filing entity. The article or provision is amended to read as follows:

The name of the filing entity is: (state the new name of the entity below)

The name of the entity must contain an organizational designation or accepted abbreviation of such term, as applicable.

2. Amended Registered Agent/Registered Office

The amendment changes the certificate of formation to change the article or provision stating the name of the registered agent and the registered office address of the filing entity. The article or provision is amended to read as follows:

Registered Agent
(Complete either A or B, but not both. Also complete C.)

☐ A. The registered agent is an organization (cannot be entity named above) by the name of:

OR

☐ B. The registered agent is an individual resident of the state whose name is:

First Name *M.I.* *Last Name* *Suffix*

The person executing this instrument affirms that the person designated as the new registered agent has consented to serve as registered agent.

C. The business address of the registered agent and the registered office address is:

Street Address (No P.O. Box) *City* *State* *Zip Code*

TX

3. Other Added, Altered, or Deleted Provisions

Other changes or additions to the certificate of formation may be made in the space provided below. If the space provided is insufficient, incorporate the additional text by providing an attachment to this form. Please read the instructions to this form for further information on format.

Text Area (The attached addendum, if any, is incorporated herein by reference.)

☐ Add each of the following provisions to the certificate of formation. The identification or reference of the added provision and the full text are as follows:

☒ Alter each of the following provisions of the certificate of formation. The identification or reference of the altered provision and the full text of the provision as amended are as follows:

ARTICLE III

The number of directors of the Corporation, which shall constitute its Board of Directors and the governing body of the Corporation, shall be fixed by or as provided in the Bylaws of the Corporation. The number of directors shall be no fewer than three. The current Directors are:

1. Will Harte, 20742 Stone Oak Parkway, Suite 107, San Antonio, Texas 78258
2. Don Soifer, 1600 Wilson Boulevard, Suite 900, Arlington, Virginia 22209
3. Martin Rico, 613 N.W. Loop 410, Suite 530, San Antonio, Texas 78216
4. Brandon Seale, 535 E. Dewey Place, San Antonio, Texas 78212

☐ Delete each of the provisions identified below from the certificate of formation.

Statement of Approval

The amendments to the certificate of formation have been approved in the manner required by the Texas Business Organizations Code and by the governing documents of the entity.

Effectiveness of Filing (Select either A, B, or C.)

A. ☒ This document becomes effective when the document is filed by the secretary of state.

B. ☐ This document becomes effective at a later date, which is not more than ninety (90) days from the date of signing. The delayed effective date is: _____

C. ☐ This document takes effect upon the occurrence of a future event or fact, other than the passage of time. The 90th day after the date of signing is: _____

The following event or fact will cause the document to take effect in the manner described below:

Execution

The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized under the provisions of law governing the entity to execute the filing instrument.

Date: February 20, 2013

By: Learning Schools of Texas

/s/ Will Harte
Signature of authorized person

Will Harte
Printed or typed name of authorized person (see instructions)

Attachment G – Bylaws of the Sponsoring Entity and All Amendments

UNANIMOUS WRITTEN CONSENT OF DIRECTORS IN LIEU OF THE ORGANIZATION MEETING OF THE BOARD OF DIRECTORS OF LEARNING SCHOOLS OF TEXAS

January 2, 2013

Pursuant to Section 22.104 and Section 22.220 of the Texas Business Organizations Code (the "TBOC"), the undersigned, being the Initial Directors of **Learning Schools of Texas,** a Texas non-profit corporation (the "Corporation"), and in lieu of the organization meeting of the Board of Directors, the call of which is hereby expressly waived, do hereby consent to the adoption of the following resolutions:

I. CERTIFICATE OF FORMATION

RESOLVED, that the form, terms and provisions of the Certificate of Formation of the Corporation approved and filed in the office of the Secretary of State of Texas on January 2, 2013, are hereby in all respects approved, and the Secretary is hereby instructed to file in the Corporation's minute book the Corporation's Certificate of Filing, together with the duly certified duplicate original Certificate of Formation.

II. BYLAWS

RESOLVED, that the Bylaws appearing in that certain document entitled "Bylaws of Learning Schools of Texas" are hereby adopted as the Bylaws of this Corporation.

RESOLVED FURTHER, that the Secretary of the Corporation is authorized and directed to certify a copy of such Bylaws and maintain them in the principal office of the Corporation for the transaction of its business, open for inspection by the directors at all reasonable times during office hours, and that in certifying such Bylaws, the Secretary shall state in his certificate that the Bylaws were adopted by the unanimous written consent of the directors without a meeting as authorized by the TBOC.

This Consent may be executed in one or more counterparts, all of which together constitute the same instrument.

{Directors' Signature Page Follows}

LEARNING SCHOOLS OF TEXAS

W D Harte

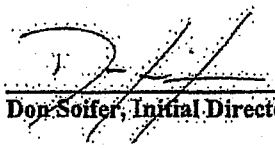
Will Harte, Initial Director

Don Soifer, Initial Director

Martin Rico, Initial Director

LEARNING SCHOOLS OF TEXAS

Will Harte, Initial Director



Don Soifer, Initial Director

Martin Rico, Initial Director

LEARNING SCHOOLS OF TEXAS

Will Harte, Initial Director

Don Soifer, Initial Director

Martin Rico, Director

BYLAWS
OF
LEARNING SCHOOLS OF TEXAS

WHEREAS, the initial Board of Directors of Learning Schools of Texas (the "Corporation") caused to be filed with the Texas Secretary of State a Certificate of Formation for the organization of the Corporation;

NOW, THEREFORE:

BE IT RESOLVED by the Board of Directors of the Corporation, that these Bylaws will govern its affairs in pursuit of its declared purposes.

PREAMBLE
CORPORATE PURPOSE, OBJECTIVES AND DEDICATION OF ASSETS

The Corporation shall submit an application with the State of Texas to own and operate an Open-Enrollment Charter School (the "School") as provided under the Texas Education Code for the benefit of students in Texas, providing educational opportunities, programs and such other functions as it deems appropriate in furtherance of the purposes as provided in the Certificate of Formation. This Corporation is formed for charitable and educational purposes, and it will be nonprofit and nonpartisan. No substantial part of the activities of the Corporation will consist of the publication or dissemination of materials or statements with the purpose of attempting to influence legislation, and the Corporation will not participate or intervene in any political campaign on behalf of or in opposition to, any candidate for public office. The Corporation will not engage in any activities or exercise any powers that are not in furtherance of the charitable and educational purposes described in the Certificate of Formation.

The properties and assets of the Corporation are irrevocably dedicated to charitable and educational purposes. No part of the net earnings, properties or assets of this corporation, on dissolution or otherwise, shall inure to the benefit of any private person, or any director or officer of this Corporation. On liquidation or dissolution, all properties, assets and obligations will be distributed or paid over to an organization dedicated to charitable and educational purposes that is tax-exempt pursuant to Internal Revenue Code Section 501(c)(3) as amended or as otherwise required by state and federal law.

The Corporation, in all its activities and programs, shall not discriminate on the basis of sex, national origin, ethnicity, religion, disability or any other prohibited manner.

ARTICLE ONE
NAME, OFFICE AND SEAL

1.01 NAME: The name of the Corporation is "Learning Schools of Texas."

1.02 OFFICE: The principal office of the Corporation will be located at 517 Soledad Street, San Antonio, Texas 78205.

1.03 SEAL: The corporate seal of the Corporation will be inscribed with the Corporation name and year and place of its incorporation.

ARTICLE TWO
MEETINGS

2.01 REGULAR MEETINGS: Regular meetings of the Board of Directors will be held as needed to conduct business and in accordance with Article 2.04 herein. Meetings shall be held at a time and location selected by the Board and in accordance with state law.

2.02 SPECIAL MEETINGS: Special meetings of the Board of Directors may be called for any purpose not otherwise proscribed by statute, regulation, grant or loan condition or the Certificate of Formation, by the Chairman, or by written request of any two Directors, to transact any business described in the call for the special meetings. The notice for a special meeting must be provided in accordance with Article 2.04 herein.

2.03 ANNUAL MEETINGS: Annual meetings of the Board will be held in the month of May or as soon thereafter as practical, at a time and location selected by the Board and in accordance with state law. The primary purpose of the annual meeting will be to review the performance of the Corporation for the current fiscal year, to plan the operations and activities of the Corporation for the next fiscal year, to elect officers of the Corporation, and to transact any other business as may properly come before the Board of Directors.

2.04 MEETINGS: Upon execution of a contract for an Open-Enrollment Charter with the State of Texas, meetings shall be conducted in accordance with provisions of the Texas Education Code, and the Board of Directors shall be subject to the requirements of the Texas Open Meetings Act, including the following provisions: At no time shall a quorum of the full board meet to deliberate any issue or business of the Corporation without posting notice of a meeting as set forth below. Directors shall normally attend all meetings in person.

(a) Closed Meetings: The Board may meet in a meeting closed to the public to deliberate on those matters specified in the Texas Open Meetings Act as proper for closed meetings, including but not limited to consultation with attorney, real estate, prospective gifts or donations, personnel matters, security personnel or devices, discipline of a student and complaint against an employee unless the student or employee respectively requests an open meeting.

(b) Emergency Meetings: In the event of an emergency as defined in the Texas Open Meetings Act, a meeting may be conducted by telephone conference call. If a meeting involves telephonic participation, the telephonic participation must be

by conference call in which all persons participating can be heard by all other participants and the public.

(c) Video Conferencing: Meetings may also be conducted by videoconference call, provided a quorum of the full board is physically present at one location, audio and video is simultaneously available to the participants and the public, and other prerequisites and requirements of the Texas Open Meetings Act are met.

2.05 MEETINGS NOTICE: Upon execution of a contract for an Open-Enrollment Charter with the State of Texas, the following shall apply: Notice of all meetings of the Board of Directors, except as otherwise provided by state law, regulation, the Certificate of Formation or these Bylaws, will be delivered by mail postmarked, electronic facsimile or e-mail transmission to each Director at least 72 hours before the time of the meeting.

(a) Posting of Notice: In addition, notice to the public of any meeting shall be posted at the administrative offices of the Corporation in a location convenient to the public at least 72 hours before the time of such meeting.

(b) Emergency Notice: Emergency meetings as allowed under the Texas Open Meetings Act may be posted up to two hours before such meeting.

(c) Internet Posting: Notice and the agenda of all meetings of the Board of Directors shall also be posted on the Corporation's internet website, if any, concurrently with the notice posted at the administrative offices, or as otherwise required and authorized by the Texas Open Meetings Act.

(d) Closed Meetings: The agenda shall clearly state whether the Board intends to convene in a closed meeting and shall identify separately each matter to be deliberated by the Board in the closed meeting and whether the Board may take action on any such matter upon returning to the open meeting. The Secretary shall note the times in the open meeting that the Board convenes to and adjourns from the closed meeting.

2.06 AGENDA: Upon execution of a contract for an Open-Enrollment Charter with the State of Texas, the following shall apply: At regular meetings of the Board, the order of business shall be established in an Agenda approved by the Chairman and as presented in the notice of the meetings. However, the Chairman may modify the order of business. The agenda shall identify all matters to be presented to and considered by the Board. Matters not disclosed in the agenda and meeting notice available to the public shall not be deliberated or be considered by the Board, except as permitted by the Texas Open Meetings Act.

2.07 RESOLUTIONS: All motions and resolutions of the Board will be written or recorded in the minutes of the Board and certified copies will be placed in a journal of

proceedings of the Board. Such records shall be maintained in accordance with state law and Article 2.10 herein.

2.08 QUORUM: At any meeting of the Board of Directors or at any designated committee of the Board, the appearance of a majority of the Directors then duly, serving on the Board of Directors shall be necessary to constitute a quorum to transact any business..

2.09 VOTING: All matters at any meeting of the Board of Directors or any of its designated committees, except as otherwise provided in these Bylaws, the Certificate of Formation, or as required by law, will be decided by a vote of a majority of the Directors present at the meeting. If a quorum of the Board is present, the affirmative vote of a majority of the Board of Directors present at a meeting will be the act of the body corporate, unless the vote of a greater number is required by statute, regulation, the Certificate of Formation, or these Bylaws. Voting on all questions may be by voice vote. A roll call vote on any motion or resolution may be requested by any Director. Directors may not vote by proxy.

2.10 GREATER VOTING REQUIREMENT. In accordance with Section 22.164 of the Texas Business Organization Code, the following actions of the Board of Directors are fundamental actions that shall require the affirmative vote of the majority of directors then serving on the Board:

(a) amendment of a certificate of formation;
(b) voluntary winding up under Chapter 11;
(c) a revocation of a voluntary decision to wind up under Chapter 11;
(d) a cancellation of an event requiring winding up under Chapter 11;
(e) a reinstatement under Section 11.202;
(f) a distribution plan under Section 22.305;
(g) a plan of merger under Subchapter F;
(h) a sale of all or substantially all of the assets of the Corporation;
(i) a plan of conversion under Subchapter F; or
(j) a plan of exchange under Subchapter F

2.11 RECORDS: The Corporation will maintain at its principal office all financial books and records of account, all minutes of the Board meetings and committee meetings, the list of Directors, and copies of all other material Corporate records, books, documents and contracts as required by law. All such records will be made available for inspection at any reasonable time during usual business hours for any lawful purpose to any officer, Director, or person authorized by law or the Board to inspect such records, and as required by the Texas Public Information Act when applicable. Upon leaving office, each Director, officer or agent of the Corporation will turn over to the Chairman in good order any Corporation monies, books, records, minutes, lists, documents, contracts or other property of the Corporation in his or her custody or control.

2.12 PROCEDURES: For all matters of parliamentary procedures, the School Board shall be guided by *Robert's Rules of Order Newly Revised*, 10th ed. (Cambridge, Mass.: Perseus Publishing, 2000).

ARTICLE THREE
DIRECTORS

3.01 MANAGEMENT: The activities, affairs, property and powers of the Corporation will be managed, directed, controlled or exercised by and vested in the Board of Directors.

3.02 NUMBER AND QUALIFICATIONS: The Board of Directors will consist of no fewer than three (3) persons. The number of Directors may be increased or decreased in accordance with Section 3.05 of this Article, but in no event shall the number of Directors be less than three (3). The Board of Directors may determine from time to time the qualifications necessary to be eligible to serve on the Board of Directors. All Directors must satisfy any state law qualifications and restrictions on service as a member of a governing body of a charter holder or an open-enrollment charter school.

3.03 REMOVAL: Any Director who fails to attend three (3) consecutive meetings may be deemed to have voluntarily resigned from office by resolution of the Board of Directors. Absences may be formally excused by vote of the Board. Any Director may also be removed with or without cause upon a two-thirds (2/3) majority vote of all the remaining Directors for removal.

3.04 TERM: Each Director shall serve for a three-year term, and there shall be no limit as to the number of terms a Director may serve. Once a charter is awarded and a contract for charter is signed, state law governing qualifications and restrictions on service as a member of a governing body of a charter holder or charter school shall apply.

3.05 NOMINATION; ELECTION: At any meeting at which the election of a Director occurs, a director may nominate a person with the second of any other Director. A person who meets the qualification requirements set forth in Section 3.02 of this Article and any qualification requirements determined by the Board of Directors who has been duly nominated may be elected as a Director. Directors shall be elected by the vote of the majority of the Board of Directors present at a meeting at which a quorum is present. Each director shall hold office until a successor is elected and qualified.

3.06 VACANCY: Any vacancy occurring on the Board of the Directors or any committee thereof and any director or committee position to be filled due to an increase in the number of Directors, shall be filled by the affirmative vote of a majority of Directors present at a meeting. If no Directors remain on the Board due to death, resignation or removal, the Board of Directors of Choose to Succeed, Inc., a Texas Non-profit Corporation, shall fill the vacancies by the affirmative vote of a majority of the Board of Directors of Choose to Succeed, Inc. Each Director elected to fill a vacancy on

the Board of Directors by the Board of Directors of Choose to Succeed, Inc. will hold office for the remainder of the term being filled.

3.06 RESIGNATION: Any director or officer may resign from the Corporation by delivering a written letter of resignation to the Chairman or Secretary of the Board. The resignation shall take effect at any time specified therein, and if no time is specified, at the time of its receipt. The acceptance of a resignation by the Chairman or Secretary shall not be necessary to make it effective. No director may resign if the corporation would then be left without a duly elected director or directors in charge of its affairs, except upon notice to the Office of the Attorney General or other appropriate agency of this state.

3.07 COMPENSATION: Except as provided in this section, no Director will receive directly or indirectly any salary, compensation or gift from the Corporation, except as authorized by state law. The Directors of the Corporation will serve as such without salary. No Director will be entitled to any dividend or any part of the income or principal of the Corporation or to share in the distribution of the assets upon dissolution of the Corporation. The Board of Directors may authorize the payment by the Corporation of the reasonable, documented and allowable expenses incurred by a Director in performance of his or her duties in accordance with state and federal law.

ARTICLE FOUR
OFFICERS

4.01 OFFICERS: The officers of the Corporation will consist of the Chairman of the Board, a Vice-Chairman of the Board, and a Secretary and any other officers that the Board may establish and designate by resolution adopted by a majority vote of the Directors present at a meeting. Each officer shall hold office for a one(1) year term or until a successor is duly elected. An officer may be elected to succeed himself or herself in the same office.

4.02 CHAIRMAN: The Chairman of the Board will preside at all meetings of the Board of Directors. The Chairman will have other powers and duties not inconsistent with these Bylaws as may be assigned by the Board. The Vice-Chairman will have the powers and duties of the Chairman in his absence.

4.03 VICE-CHAIRMAN: A Vice-Chairman will act under the direction of the Chairman and in his absence have the duties and powers of the Chairman. A Vice-Chairman will have other duties and powers as the Board of Directors may assign.

4.04 SECRETARY: The Secretary shall keep the minutes of the meetings of the Board in one or more books provided for that purpose; give all notices in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records and of the seal of the corporation, and affix the seal of the corporation to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these Bylaws; keep a register of the post office address of each Director which shall be furnished to the Secretary by each

Director; and, in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the Board of Directors.

4.05 CHIEF EXECUTIVE OFFICER/SUPERINTENDENT: The Board of Directors shall hire a Chief Executive Officer for and to be employed by the Charter School. The Chief Executive Officer shall report to the Board of Directors of the Corporation. The Chief Executive Officer shall be deemed to be a Superintendent of the School as provided by the Texas Education Code. The Chief Executive Officer shall serve under such terms and conditions as the Board determines to be in the best interest of the Corporation. The Chief Executive Officer shall perform such duties as delegated and assigned by the Corporation's Board or as required by state law.

ARTICLE FIVE
COMMITTEES

5.01 COMMITTEES: Designated committees may be established by the Board of Directors to perform the duties and functions assigned in furtherance of Board objectives. Any committee may include one or more directors from the Board selected by the President and approved by the Board of Directors. The rules of procedure of any committee may be set by the Board of the Directors. Any committee may be abolished or any committee member removed for any reason and at any time by the Board of Directors.. All such committees shall be subject to the direction of the Board of Directors and all actions of any committee shall be subject to the approval of the Board of Directors..

5.02 NOTICE: Written notice of the time, place and agenda of all committee meetings will be given by the committee chair in the same manner as notices given for regular meetings of the Board of Directors. Each committee will keep and deliver a copy of minutes of its proceedings to the Secretary and will report briefly on its activities at the next meeting of the Board of Directors following a meeting of the committee.

ARTICLE SIX
DEPOSITS, CHECKS, LOANS AND CONTRACTS

6.01 DEPOSITORIES: All funds of the Corporation not otherwise employed will be deposited in banks or other depositories designated by the Board of Directors and in accordance with state law.

6.02 TRANSACTIONS: All checks, drafts, endorsements, notes and evidences of indebtedness of the Corporation will be signed by such officers or agents and all endorsements for deposits to the credit of the Corporation will be made as authorized by the Board of Directors.

6.03 LOAN OR GRANT AUTHORITY: No loans or advances will be contracted on behalf of the Corporation, and no note or other evidence of indebtedness will be issued in its name, except as authorized by the Board.

6.04 CONTRACT AUTHORITY: The Chief Executive Officer is expressly authorized by the Board of Directors to enter into contracts or execute and deliver instruments on behalf of the Charter School.

ARTICLE SEVEN
CONFLICTS OF INTEREST; LOANS

7.01 ETHICS, CONFLICT OF INTEREST AND NEPOTISM: The Corporation and the Board of Directors shall comply with applicable Ethics, Conflict of Interest and Nepotism laws and Policy attached hereto and incorporated herein by reference as Exhibit A to these Bylaws.

7.02 LOANS: No loans or grants will be made by the Corporation to its Directors, officers, employees or committee members. Directors who vote for, and any officer who participates in, the making of a loan to a Director, officer or employee will be jointly and severally liable to the Corporation for the amount of the loan until it is repaid.

ARTICLE EIGHT
INDEMNIFICATION OF DIRECTORS AND OFFICERS

8.01 LIABILITY: A Director or committee member will not be required to furnish any bond or surety for his services as a Director or committee member, and will not be liable for the act or omission of any other Director.

8.02 INDEMNIFICATION: Any person made or threatened to be made a party to any action in court or other proceeding because he is or was a Director or committee member will be indemnified by the Corporation against any and all liability and the reasonable expenses, including attorney's fees, incurred in connection with the defense or settlement of the action, except where it is adjudged that the Director or committee member is liable for gross negligence, bad faith or willful misconduct in performing his duties. The right of indemnification will not exclude any other right of the Director or committee member. INDEMNIFICATION UNDER THIS SECTION IS SUBJECT TO ANY AND ALL PROHIBITIONS, RESTRICTIONS AND LIMITATIONS IMPOSED BY LAW.

8.03 INSURANCE: The Board of Directors will have the power to purchase and maintain at the Corporation's expense insurance on behalf of the Corporation, the Board of Directors, and others.

ARTICLE NINE
AMENDMENT OF BYLAWS

9.01 AMENDMENT: These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by a majority vote, provided that written notice setting forth in detail the proposed Bylaws revisions with explanations for the change is given at least three (3) days previously. In the case of an emergency, which must be explained in the notice, two (2) hours notice of a proposed amendment may be given to all Directors, and the Bylaws may be amended upon the unanimous vote of all Directors.

ARTICLE TEN
MISCELLANOUS

10.01 FISCAL YEAR. The fiscal year of the Corporation will begin on September 1 of each year and will end on August 31 of the next year.

10.02 ANNUAL REPORT: In addition to such other reports and information as may be required by the Texas Education Code and the interpretive regulations, the Board shall have the financial and programmatic operations of the Charter Schools audited annually by a certified public accountant licensed by the Texas State Board of Public Accountancy and registered as a provider of public accounting services, and the Board shall review, approve and file a copy of the annual audit report with the Texas Education Agency (TEA) no later than 150 days after the end of the fiscal year for which the audit is made.

10.03 TEXAS PUBLIC INFORMATION ACT: Upon execution of a contract for an Open-Enrollment Charter with the State of Texas, the Corporation shall be subject to the requirements of the Texas Public Information Act and shall promptly produce public information for inspection, duplication, or both on application by any person in accordance with such act.

10.04 CONSTRUCTION: Whenever the context requires, the masculine will include the feminine and neuter, and the singular will include the plural, and vice versa. If any portion of these Bylaws is declared invalid or inoperative, then so far as is reasonable the remainder of these Bylaws will be considered valid and operative and effect will be given to the intent manifested by the portion held invalid or inoperative.

10.05 GOVERNING LAWS: These Bylaws are subject to and governed by, and should be read to comply with, any applicable federal or state laws and regulations, including the Texas Education Code and interpretive regulations, pertinent local ordinances and the Certificate of Formation.

ADOPTED this _____day of _____.

_____
CHAIRMAN OF THE BOARD

EXHIBIT A

Ethics, Conflict of Interest and Nepotism Policy
of
Learning Schools of Texas

ETHICS, CONFLICTS OF INTEREST, & NEPOTISM POLICY
LEARNING SCHOOLS OF TEXAS

Preamble

This Policy is adopted by the Board of Directors (collectively, the "Board" or the "Directors" and individually a "Director") of Learning Schools of Texas ("LST"). The Board is committed to maintaining the highest legal and ethical standards in the conduct of the business of LST, and to protecting the integrity and reputation of LST, the Board and all the employees, volunteers and programs of LST.

Under established principles of law and sound business ethics, the Directors and Officers (as defined below) of LST are responsible for exercising their duties honestly, in good faith, and with a high standard of diligence and care. Accordingly, the Directors and Officers have an obligation to keep the welfare of LST at all times paramount in order to ensure that they 1) do not compromise their independence of judgment, 2) preserve confidence and trust in the organization and the Board, and 3) protect and fulfill the mission of LST. Every Director and Officer of LST has a duty of loyalty to LST. Therefore, activities and financial interests must be arranged so as not to interfere with the primacy of that commitment. This Policy will assist Directors and Officers as they identify actual or potential conflicts of interest and will provide the Board with a procedure to address any conflicts. This Policy is intended to supplement but not replace any applicable federal, state or local laws governing conflicts of interest applicable to charter schools and charitable organizations.

I. Ethical Principles

A. Personal and Professional Integrity. Directors and Officers, as well as employees, volunteers, and advisors of LST, must conduct themselves in an honest and ethical manner, including the ethical handling of actual or apparent conflicts of interest, as set forth below.

B. Financial Stewardship. LST manages its funds responsibly and prudently. It oversees the funds entrusted to it consistent with state and federal law and consistent with donor intent to support the purpose and mission of LST and the students and community in which it operates. It ensures that all spending practices and policies are reasonable and appropriate and all financial reports are factually accurate and complete in all material respects. As a tax-exempt public charity, LST uses and expends its funds in a manner that advances the charitable and educational mission and objectives of LST and not the private interests of Directors or Officers.

C. Public Accountability. LST provides comprehensive and timely information in accordance with applicable state and federal law and is responsive to reasonable requests for information about its activities. Basic informational data about LST such as the IRS Form 990, audited financial statements and Annual Financial and Compliance Report shall be made available to the public in accordance with applicable state and federal law.

D. Accuracy and Retention of Records. LST will create and maintain records that satisfy operational and legal requirements including federal, state and local laws.

E. Political Activities. As a 501(c)(3) tax-exempt public charity, LST is prohibited from engaging in political activities and its tax-exempt status is in part dependent upon whether it conducts political activities. Anyone serving as a Director, Officer, employee, volunteer, vendor or contractor must not use their relationship with LST to promote or oppose candidates or parties or to create the appearance that LST endorses or opposes a candidate or party for elected office.

F. Endorsements and Use of LST Name and Affiliation. LST's name, logo, letterhead or other intellectual property may not be used by any person to endorse or gain support for a cause without prior authorization in writing from the LST Board.

G. Questions, Concerns or Reports of Violations. Questions or concerns should be directed to one or more of the following: the Chairman of the Board of Directors or the Chief Executive Officer. If a Director, Officer, employee, volunteer or contractor believes a colleague is violating the obligations or expectations of this Policy, or is otherwise acting in an illegal or unethical manner, it is his/her duty to report it. Doing so is not an act of disloyalty, but of loyalty to LST and the principles that it intends to uphold and the type of community it seeks to foster. A report also safeguards the reputation and assets of LST, and can safeguard an individual from criminal, civil or disciplinary action for failure to report a crime or ethical lapse.

H. Staff Obligations. In addition to this Policy, staff members shall also be obliged to conduct themselves in accordance with, among other things, the employee policies of LST.

II. Conflicts of Interest

A. Statement on State Law. LST and its Officers and Directors shall comply with state law governing conflicts of interest among charter school and charter holder board members and officers, as described in Chapter 12 of the Texas Education Code and 19 T.A.C. §§ 100.1131 - 100.1135, including but not limited to the following:

i. Employees Serving on the Board.

(1) A member of the governing body of a charter holder, a member of the governing body of a charter school, and an officer of a charter school shall comply with Local Government Code, Chapter 171, in the manner provided by the conflict of interest provisions described in 19 T.A.C. §§100.1131 - 100.1135.

(2) Except as otherwise provided by law, a person who receives "compensation or remuneration" (as defined by law) from a nonprofit corporation holding an open-enrollment charter may not serve on the governing body of the charter holder.

(a) If each charter school operated by a charter holder has received a satisfactory rating, as defined by applicable law, for at least two of the preceding three school years, then charter school employees may serve on the governing body of the charter holder as described below and as provided by law.

(b) If a charter holder has operated at least one charter school which reported attendance that occurred prior to September 2, 2001, but no charter school operated by the charter holder has received a sufficient number of substantive ratings to determine whether it has received a satisfactory rating for at least two of the preceding three school years, then charter school employees may serve on the governing body of the charter holder as provided by law.

(c) An employee of a charter school may serve as a member of the governing body of the charter holder if: (i) only employees of the charter school, and not employees of the charter holder, serve on the governing body of the charter holder; (ii) the only compensation or remuneration received by the board member is salary,bonuses, benefits, or other compensation received pursuant to the employment relationship with the charter school; (iii) charter school employees do not constitute a quorum of the governing body or any committee of the governing body; and (iv) all charter school employees serving on the governing body comply with all applicable conflict of interest provisions required by law.

ii. Conflicts Requiring an Affidavit and Abstention from Voting. The following circumstances shall be deemed a Conflict of Interest (as defined below) and the Director or Officer shall, in addition to the procedures set forth in Section C, take action as described below:

(1) If a Director or Officer has a substantial interest in a business entity or in real property, the official shall file, before a vote, decision, or other action on any matter involving the business entity or the real property, an affidavit stating the nature and extent of the interest (Exhibit A, attached) and shall abstain from further participation in the matter if:

(a) In the case of a substantial interest in a business entity, the vote, decision, or other action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public; or

(b) In the case of a substantial interest in real property, it is reasonably foreseeable that a vote, decision, or other action on the matter will have a special economic effect on the value of the property, distinguishable from its effect on the public.

(2) The affidavit described above (Exhibit A) must be filed with the official record keeper of the charter holder. For LST, the affidavit should be filed with the Superintendent/CEO.

(3) If a Director or Officer is required to file and does file an affidavit as required above, the Director or Officer is not required to abstain from further participation in the matter requiring the affidavit if:

(a) The Director or Officer is a member of the governing body of the charter holder or the charter school, and

(b) A majority of the members of the governing body of which the Director or Officer is a member is composed of persons who are likewise required to file and who do file affidavits of similar interests on the same official action.

iii. Separate Vote on Budget Item. The Board of Directors shall take a separate vote on any budget item specifically dedicated to a contract with a business entity in which a member of the governing body of the charter holder has a substantial interest. Abstention is required except as provided above and in 19 T.A.C. § 100.1133(c), otherwise the affected Director may not participate in that separate vote. The affected Director may vote on a final budget if: (a) the affected Director has complied with this chapter; and (b) the matter in which the affected Director is concerned has been resolved.

iv. Conflict Disclosure Statement. For purposes of Local Government Code chapter 176, a local government officer includes LST's Superintendent/CEO and Directors of the Board. The law proscribes that local government officers shall file the required conflicts disclosure statement (Exhibit B, attached), as adopted by the Texas Ethics Commission, with respect to an applicable vendor if the vendor enters into a contract with LST or if LST is considering entering into a contract with the vendor, and the vendor:

(1) Has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds $2,500 during the 12-month period preceding the date that the officer becomes aware that a contract has been executed or LST is considering entering into a contract with the person; or

(2) Has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than $250 in the 12-month period preceding the date the officer becomes aware that such a contract has been executed or LST is considering entering into a contract with the vendor.

A local government officer is not required to file a conflicts disclosure statement in relation to a gift accepted by the officer or a family member of the officer if the gift is:

- Given by a family member of the person accepting the gift;
- A political contribution as defined by Title 15, Election Code; or
- Food, lodging, transportation, or entertainment accepted as a guest.

A local government officer shall file the conflicts disclosure statement (Exhibit B) with the records administrator (Superintendent/CEO or designee) of LST not later than 5:00 p.m. on the seventh business day after the date on which the officer becomes aware of the facts that require the filing of the statement.

A local government officer commits a Class C misdemeanor if the officer knowingly violates this law. It is an exception to the application of the penalty that the local government officer filed the required conflicts disclosure statement not later than the seventh business day after receiving notice from LST of the alleged violation.

LST must also provide access on its website to the conflicts disclosure statements and questionnaires (from vendors) required to be filed with the records administrator.

B. Statement on Federal Law. In addition to state laws described herein, LST and its Officers and Directors shall comply with the federal regulations regarding private benefit and excess benefit transactions as described in Section §4958 of the Internal Revenue Code and 26 CFR 53.4958 (the "federal tax rules") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a Director or Officer or other individual deemed to be a disqualified person under the federal tax rules. A "disqualified person" includes Directors and Officers and any person who is in a position to exercise substantial influence over the affairs of the organization. A "disqualified person" includes Family (as defined below) of the disqualified person. For compliance purpose, where state and federal regulations concerning conflicts of interest vary, LST and its Officer and Directors shall comply with the most restrictive requirement.

i. Interested Person. Any Director or Officer, employee, or member of a committee with powers delegated by the Board who has a direct or indirect Interest, as defined below, is an "Interested Person."

(1) A person has an "Interest" if the person has, directly or indirectly, through business, investment, or Family:

(a) an ownership or investment interest, directly or indirectly, in any entity with which LST has a transaction or arrangement,

(b) a compensation arrangement with LST or with any entity or individual with which the School has a transaction or arrangement, or

(c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the School is negotiating a transaction or arrangement.

(2) "Compensation" is defined to include direct and indirect remuneration as well as gifts or favors that are not insubstantial.

(3) A person has an "Interest" if the person has a substantial interest in a business entity or a substantial interest in real property as described in Section II.A(ii) above.

ii. Interested Person with Conflict of Interest. An Interested Person shall have a Conflict of Interest (as defined below) only if the Board or the appropriate committee determines that a Conflict of Interest exists in accordance with the procedures set forth below.

C. Conflict of Interest Procedures

i. Duty of Prior Disclosure. In connection with any actual or potential conflict of interest, an Interested Person shall disclose the existence of the Interest in writing to the Board as soon as he or she has knowledge of it and the Board shall give such Interested Person the opportunity

to disclose all material facts related thereto to the Board or designated committee considering the proposed transaction or arrangement. Such written disclosure shall be made part of and set forth in the Board minutes. In any event, the disclosure of any actual or potential conflict of interest by an Interested Person should occur prior to any consideration of the proposed transaction by the Board.

(1) Transaction Not Subject to Board Action. An Interested Person with any actual or potential conflict of interest with respect to a transaction or arrangement that is not the subject of Board action shall disclose to the Chief Executive Officer/Superintendent or designee. Such disclosure shall be made as soon as the Interest is known to the Interested Person.

(2) Untimely Disclosure. If an Interested Person fails to disclose the Interest before the Board acts on a transaction as to which a Director has an Interest, then the Interested Person shall promptly submit a written statement to the Board setting forth all material facts regarding the Interest, along with an explanation concerning the untimely nature of the notice.

(3) Failure to Disclose. If the Board has reasonable cause to believe that an Interested Person failed to disclose an Interest, the Board shall inform the Interested Person of the basis for such belief and afford the Interested Person an opportunity to explain the alleged failure to disclose. After hearing the Interested Person's explanation and conducting such investigation as may be warranted under the circumstances, the Board may determine that the Interested Person failed to disclose an actual Conflict of Interest. In such event, the Board shall vote on the appropriate corrective action.

ii. Determining Whether a Conflict of Interest Exists. After disclosure of the Interest and all material facts related thereto, the Interested Person shall leave the meeting of the Board or designated committee while a determination is made by disinterested Directors as to whether a conflict of interest ("Conflict of Interest") exists. No Director shall vote on any matter in which he or she has a Conflict of Interest.

iii. Vote by Disinterested Directors

(1) Nonparticipation of Directors with Conflict. A Director who has a Conflict of Interest shall neither vote nor participate in, nor be permitted to hear the Board's discussion of the matter, except to disclose material facts and to respond to questions. Such Director shall not attempt to exert his or her influence with respect to the matter, either before, during or outside of the Board meeting.

(2) Action by Disinterested Directors. If the Board concludes that a Conflict of Interest exists, the Board shall determine by voting whether the transaction should be authorized, approved or ratified. The vote shall be conducted as follows:

(a) Except as otherwise permitted by law, Directors with a Conflict of Interest shall leave the room in which the meeting is conducted.

(b) Except as otherwise allowed by law and as set forth in Section A(ii)(3), a majority of the disinterested Directors, without regard to any quorum requirement, must vote affirmatively for the transaction to be authorized, approved or ratified. However, a transaction cannot be authorized, approved or ratified by a single Director.

(3) Vote Not Disallowed by Presence of Directors with a Conflict. The presence of, or a vote cast by, a Director with a Conflict of Interest in a transaction does not affect the validity of a vote regarding the transaction if the transaction is otherwise authorized, approved or ratified as prescribed herein.

(4) **Circumstances in which Comparability Data is Necessary**. If the transaction involves compensation for services of a Director, an Officer, or other individual deemed to be a disqualified person (as defined above) under the federal tax rules, or if the transaction involves the transfer of property or other benefit to a Director, Officer, or other individual deemed to be a disqualified person under the federal tax rules, the disinterested Directors or committee must determine that the value of the economic benefit provided by LST to the Interested Person or persons does not exceed the value of the consideration received in exchange by obtaining and reviewing appropriate comparable data ("Comparability Data").

(a) When considering the comparability of compensation for example, the relevant data which the Board or committee may consider includes, but is not limited to, the following: (1) compensation levels paid by similarly situated schools; (2) the availability of similar services within the same geographic area; (3) current compensation surveys compiled by independent firms; and (4) written offers from similar institutions competing for the same person's services. When the transaction involves the transfer of real property as compensation, the relevant factors include, but are not limited to, (1) current independent appraisals of the property and (2) offers received in a competitive bidding process.

(b) Based on the Comparability Data, the Board or committee shall determine by a majority vote of the disinterested Directors or committee members whether the transaction or arrangement is fair and reasonable to LST. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

(c) If such transaction or arrangement is approved by the Board or committee, the Comparability Data and the approval shall be made part of the Board minutes in accordance with Section (iv) below.

iv. Documentation. The Board Secretary shall keep accurate minutes reporting:

(1) Interest Disclosed; Determination of Conflict of Interest. That the Interested Person(s) disclosed the Interest and the Board determined whether a Conflict of Interest exists. The minutes should include:

(a) The name(s) of the person(s) who disclosed or otherwise were found to have an Interest in connection with an actual or possible conflict of interest, the nature of the Interest, any action taken to determine whether a Conflict of Interest was present, and the 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 Conflict of Interest, 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.

(2) **Nonparticipation of Directors with Conflict.** That the Director or Directors with an Interest or a Conflict of Interest left the room and did not participate in the determination of whether a Conflict of Interest exists or the vote regarding the transaction or arrangement;

(3) **Comparability Data.** The Comparability Data considered and relied upon by the Board in its consideration of the transaction or arrangement; and

(4) **Vote of Disinterested Directors.** That the remaining disinterested Directors reviewed the Transaction and voted upon it, and the result of their vote.

D. Compensation. A Director who receives compensation, directly or indirectly, from LST for services is precluded from voting on matters pertaining to that Director's compensation.

i. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from LST for services is precluded from voting on matters pertaining to that member's compensation.

ii. No voting member of the Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from LST, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

iii. Except with respect to Board decisions regarding a bona fide class or category of employees pursuant to Local Government Code 573.062(b), a voting member of the Board or any committee whose jurisdiction includes compensation matters is precluded from voting on personnel matters (including matters related to compensation) concerning a person related within the third degree by consanguinity or within the second degree by affinity (as defined below and as specified by Section 573.002 of the Local Government Code).

E. Definitions. The following terms shall have the following meaning:

i. Director or Officer. A member of the governing body of a charter holder, a member of the governing body of a charter school, or an officer of a charter school. An officer

means a person charged with the duties of, or acting as, a chief executive officer, a central administration officer, a campus administration officer, or a business manager, regardless of whether the person is an employee or contractor of a charter holder, charter school, management company, or any other person; or a volunteer working under the direction of a charter holder, charter school, or management company. A charter holder employee or independent contractor engaged solely in non-charter activities for the charter holder is not an "officer of a charter school." 19 TAC 100.1.011(16).

ii. Business entity. A sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, agency, political subdivision, or any other entity recognized by law.

iii. Substantial interest in business entity. A person has a substantial interest in a business entity if: (1) the person owns 10% or more of the voting stock or shares of the business entity or owns either 10% or more or $15,000 or more of the fair market value of the business entity; or (2) funds received by the person from the business entity exceed 10% of the person's gross income for the previous year.

iv. Substantial interest in real estate. A person has a substantial interest in real estate if the interest is an equitable or legal ownership with a fair market value of $2,500 or more.

v. Substantial interest through a relative or family member. A Director or Officer is considered to have a substantial interest under this section if a person related to the Director or Officer within the third degree by consanguinity or the second degree by affinity, (as defined below) has a substantial interest under this section.

vi. Family. Family means a disqualified person's spouse, siblings, spouses of siblings, ancestors, children, grandchildren, great grandchildren, and spouses of children, grandchildren, and great grandchildren.

III. Nepotism

A. Nepotism Exception Based on Accountability Rating. LST is excepted from the nepotism prohibition described below if LST is rated academically acceptable or higher under the Education Code as provided for in Section 12.1055(b) of the Education Code and 19 T.A.C.§ 100.1111.

i. Personnel Matters. Notwithstanding the exception described above, Directors and Officers and LST shall comply with the requirements of the Conflicts of Interest Policy above with regard to abstentions from voting (19 T.A.C. 100.1111(e) and Sections 171.003-171.007, Local Government Code) with respect to a personnel matter concerning a person related to the Director or Officer within the third degree by consanguinity or the second degree by affinity (as described below) as if the personnel matter were a transaction with a business entity subject to those sections.

ii. Quorum. Persons related to one another within the third degree by consanguinity or within the second degree by affinity (as defined below) shall not constitute a quorum of the governing body or any committee of the governing body of the charter holder or charter school.

B. Nepotism Generally Prohibited. Except as provided by Section III.A. above and applicable law, a Director or Officer may not hire, select, appoint, confirm the appointment of, or vote for the hiring, selection, appointment, or confirmation of an individual that is to be directly or indirectly compensated from public funds or fees of office, if:

i. The person is related to the Director or Officer by consanguinity (blood) within the third degree or by affinity (marriage) within the second degree (as defined below); or

ii. The Director or Officer holds the appointment or confirmation authority as a member of a local board and the person is related to another member of the board by blood or marriage within a prohibited degree. *Local Gov't Code 573.002, 573.041.*

C. Independent Contractors. The nepotism law governs the hiring of an individual, whether the individual is hired as an employee or as an independent contractor.

D. Payment to Prohibited Person. A Director or Officer may not approve an account or draw or authorize the drawing of a warrant or order to pay the compensation of an ineligible person if the Director or Officer knows the person is ineligible. *Local Gov't Code 573.083;*19 T.A.C. § 100.1116.

E. Relation by Consanguinity. Two persons are related to each other by consanguinity (blood) if one is a descendant of the other or if they share a common ancestor. An adopted child is considered to be a child of the adoptive parents for this purpose. *Local Gov't Code 573.022.*

F. Third Degree of Consanguinity. An individual's relatives within the third degree by consanguinity are the individual's:

i. Parent or child (first degree);
ii. Brother, sister, grandparent, or grandchild (second degree); and
iii. Great-grandparent, great-grandchild, aunt or uncle (who is asibling of a parent of the person), nephew or niece (who is achild of a brother or sister of the person) (third degree). *Local Gov't Code 573.023.*

Note: There is no distinction under the nepotism statute between half-blood and full-blood relations. Thus, half-blood relationships fallwithin the same degree as those of the full blood.

G. Relation by Affinity. Two persons are related to each other by affinity (marriage) if they are married to each other or if the spouse of one of the persons is related by consanguinity to the other person. The ending of a marriage by divorce or the death of a spouse ends relationships by affinity created by that marriage unless a child of the marriage is living, in which case the

marriage is considered to continue as long as a child of that marriage lives. This provision applies to a Board member or Officer only until the youngest child of the marriage reaches the age of 21 years. *Local Gov't Code 573.024.*

H. **First Degree of Affinity.** A husband and wife are related to each other in the first degree by affinity. For other relationships, the degree of affinity is the same as the degree of the underlying relationship by consanguinity. For example, if two persons are related to each other in the second degree by consanguinity, the spouse of one of the persons is related to the other person in the second degree by affinity.

I. **Second Degree of Affinity.** A person's relatives within the second degree by affinity are:

i. The person's spouse;

ii. Anyone related by consanguinity to the person's spouse within the first or second degree; and

iii. The spouse of anyone related to the person by consanguinity within the first or second degree. *Local Gov't Code 573.025.*

J. **Existing Employees/Continuous Employment.** The nepotism prohibitions do not apply to the appointment of a person to a position if the person is employed in the position immediately before the election or appointment of the Director or Officer to whom the person is related in a prohibited degree and that prior employment is continuous for at least:

i. Thirty days, if the Director or Officer is appointed; or

ii. Six months, if the Director or Officer is elected. *Local Gov't Code 573.062(a).*

K. **Retired Teachers.** A teacher who has retired from a full-time, certified teacher position has broken his or her employment with LST and does not qualify for the continuous-employment exception to the nepotism laws. *Atty. Gen. Op. JC-442 (2001).*

L. **Continuous Employment Exception.** For purposes of calculating the appropriate date for the applicability of the continuous-employment exception, a superintendent with final authority to select personnel is an appointed Director or Officer. *Atty. Gen. Op. GA-177 (2004).* If an employee continues in a position under this exception, the Director or Officer to whom the employee is related in a prohibited degree may not participate in any deliberation or voting on the appointment, reappointment, employment, reemployment, change in status, compensation, or dismissal of the employee, if the action applies only to the employee and is not taken regarding a bona fide class or category of employees. *Local Gov't Code 573.062(b).* A "change in status" includes a reassignment within an organization, whether or not a change in salary level accompanies the reassignment. *Atty. Gen. Op. JC-193 (2000).* For an action to be "taken with respect to a bona fide category of employees," the officeholder's action must be based on objective criteria, which do not allow for the preference or discretion of the officeholder. *Atty. Gen. Op. DM-46 (1991).* The nepotism prohibitions do not apply to appointment or employment of a substitute teacher. *Local Gov't Code 573.061.*

M. **Trading Prohibited.** A Director or Officer may not hire, select, appoint, confirm the appointment of, or vote for the hiring, selection, appointment, or confirmation of an individual to

a charter position in which the individual's services are under the Director or Officer's direction or control if:

i. The person is related to another Director or Officer within the prohibited degree; and
ii. The appointment would be carried out in whole or in partial consideration for the other Director or Officer's hiring, selecting, appointing, confirming, or voting for an individual who is related to the first Director or Officer within a prohibited degree. *Local Gov't Code 573.044.*

N. **Source of Funding Irrelevant.** The rules against nepotism apply to employees paid with public funds, regardless of the source of those funds. Thus, the rules apply in the case of a teacher paid with funds from a federal grant. *Atty. Gen. L.A. No. 80 (1974).*

O. Nepotism Exceptions. The nepotism exceptions described in 19 T.A.C. § 100.1115 also apply. Notwithstanding an exception, a Director or Officer related in a prohibited degree may not participate in any deliberation or voting on the appointment, reappointment, or confirmation of same, employment, reemployment, change in status, compensation, or dismissal of an individual, unless the action is taken regarding a bona fide class or category of employees.

P. Enforcement of Nepotism Prohibitions. In accordance with state law, a Director of Officer who violates the nepotism regulations shall be removed from office by the Board of Directors of LST. A failure to thus remove is a material charter violation.

i. Removal must be in accordance with the Articles and Bylaws of LST and in accordance with the terms of the charter and other state and federal law.

ii. A Director or Officer violating the nepotism laws may also be removed by the Attorney General and may be subject to criminal and other penalties.

IV. Confidentiality

A. No Improper Disclosure. A Director and Officer shall exercise care not to disclose Confidential Information. Confidential Information is information deemed confidential by law, and any information not generally known or publicly available or that LST maintains as confidential, proprietary, restricted, or otherwise as not to be disclosed generally and any information that the Board or LST otherwise determines or deems as Confidential Information.

B. No Use of Information for Personal Benefit. A Director shall not use LST property, Confidential Information or the status of his or her position to solicit business for others or in any other manner obtain a private financial, social or political benefit.

V. Disclosure and Annual Review

A. New Directors and Officers. Each new Director and Officer shall review a copy of this Policy and shall complete the Annual Statement of Disclosure and Compliance attached hereto.

B. Periodic Review. To ensure that LST operates in a manner consistent with 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 are the result of arm's length bargaining; (b) whether partnerships, joint ventures, and arrangements with management organizations conform to LST'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.

C. Annual Review. Each Director and Officer shall annually complete the Annual Statement of Disclosure and Compliance. The Board shall treat completed Annual Statements of Disclosure and Compliance as Confidential Information to the extent permitted by law.

Adopted the _____ day of _____, 2012

_____ _____

_____ _____

_____ _____

Annual Statement of Disclosure and Compliance

Name: _____

Position: _____

☐ Please describe below any relationships, positions, or circumstances in which you are involved that you believe could be considered an Interest or that might be perceived as an actual or possible Conflict of Interest as defined in the LST Ethics, Conflict of Interest and Nepotism Policy. Please also describe any familial relationships that would qualify as relationships within the prohibited degree as defined in the LST Ethics, Conflict of Interest and Nepotism Policy.

_____

_____

_____

_____

_____

☐ I am involved in no activity, relationship, position or circumstance that could be considered an Interest or might be perceived as an actual or possible Conflict of Interest as defined in the LST's Ethics, Conflict of Interest and Nepotism Policy. I do not have any familial relationships that would qualify as relationships within the prohibited degree as defined in the LST Ethics, Conflict of Interest, and Nepotism Policy.

I hereby certify that the information as set forth above is true and complete to the best of my knowledge. I have reviewed and agree to abide by the Ethics, Conflict of Interest and Nepotism Policy of LST that is currently in effect.

Signature: _____

Date: _____

The following pages contain forms that may be used for compliance with disclosure requirements discussed above.

Exhibit A: Affidavit Disclosing Substantial Interest in a Business Entity or Real Property, as defined in Local Government Code 171.002 and Affidavit of Abstention — 2 pages

Exhibit B: ADDITIONAL DISCLOSURE: The conflicts disclosure statement required of members of the Board and the Superintendent by Local Government Code 176.003–.004 is attached and available on the Texas Ethics Commission Web site at: http://www.ethics.state.tx.us/whatsnew/conflict_forms.htm

EXHIBIT A

AFFIDAVIT DISCLOSING SUBSTANTIAL INTEREST
IN A BUSINESS ENTITY OR REAL PROPERTY
& AFFIDAVIT OF ABSTENTION

STATE OF TEXAS
COUNTY OF [_____]

I, _____ *(name)*, as a local public official of Texas Learning Schools, make this affidavit and hereby on oath state the following: I, or a person(s) related to me in the first degree, have a substantial interest in:

☐ a business entity, as those terms are defined in Local Government Code Sections 171.001–171.002, that would experience a special economic effect distinguishable from its effect on the public by a vote or decision of the Board.

or

☐ real property for which it is reasonably foreseeable that the Board's action or my action will have a special economic effect on the value of the property distinguishable from its effect on the public.

The business entity or real property is *(name/address of business or description of property)*:

_____.

_____ *("I" or name of relative and relationship)* (have)(has) a substantial interest in this business entity or real property as follows: *(check all that apply)*

☐ Ownership of ten percent or more of the voting stock or shares of the business entity.

☐ Ownership of ten percent or more of the fair market value of the business entity.

☐ Ownership of $15,000 or more of the fair market value of the business entity.

☐ Funds received from the business entity exceed ten percent of _____ *(my, her, his)* gross income for the previous year.

☐ Real property is involved and _____ *(I, she, he)* (have)(has) an equitable or legal ownership with a fair market value of at least $2,500.

The statements contained herein are based on my personal knowledge and are true and correct.

Abstention. Upon the filing of this affidavit with the Board's Secretary, I affirm that I shall abstain from participation in any decision involving this business entity or real property, unless permitted according to Local Government Code 171.004(c).

Signed this _____ day of _____ *(month)*, _____ *(year)*.

Signature of official _____

Title _____

ACKNOWLEDGEMENT

STATE OF TEXAS
COUNTY OF [_____]

Sworn to and subscribed before me on this _____ day of _____ *(month)*, _____ *(year)*.

_____, Notary Public in and for the State of Texas

EXHIBIT B

LOCAL GOVERNMENT OFFICER CONFLICTS DISCLOSURE STATEMENT

FORM CIS

(Instructions for completing and filing this form are provided on the next page.)

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.

This is the notice to the appropriate local governmental entity that the following local government officer has become aware of facts that require the officer to file this statement in accordance with Chapter 176, Local Government Code.

OFFICE USE ONLY

Date Received

1 **Name of Local Government Officer**

2 **Office Held**

3 **Name of person described by Sections 176.002(a) and 176.003(a), Local Government Code**

4 **Description of the nature and extent of employment or other business relationship with person named in item 3**

5 **List gifts accepted by the local government officer and any family member, excluding gifts described by Section 176.003(a-1), if aggregate value of the gifts accepted from person named in item 3 exceed $250 during the 12-month period described by Section 176.003(a)(2)(B)**

Date Gift Accepted _____ Description of Gift _____

Date Gift Accepted _____ Description of Gift _____

Date Gift Accepted _____ Description of Gift _____

(attach additional forms as necessary)

6 AFFIDAVIT

I swear under penalty of perjury that the above statement is true and correct. I acknowledge that the disclosure applies to a family member (as defined by Section 176.001(2), Local Government Code) of this local government officer. I also acknowledge that this statement covers the 12-month period described by Section 176.003(a), Local Government Code.

_____
Signature of Local Government Officer

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said _____, this the _____ day of _____, 20 _____, to certify which, witness my hand and seal of office.

_____ Signature of officer administering oath

_____ Printed name of officer administering oath

_____ Title of officer administering oath

LOCAL GOVERNMENT OFFICER
CONFLICTS DISCLOSURE STATEMENT

Section 176.003 of the Local Government Code requires certain local government officers to file this form. A "local government officer" is defined as a member of the governing body of a local governmental entity; a director, superintendent, administrator, president, or other person designated as the executive officer of the local governmental entity; or an employee of a local governmental entity with respect to whom the local governmental entity has, in accordance with Section 176.005, extended the requirements of Sections 176.003 and 176.004. This form is required to be filed with the records administrator of the local governmental entity not later than 5 p.m. on the seventh business day after the date on which the officer becomes aware of the facts that require the filing of this statement.

A local government officer commits an offense if the officer knowingly violates Section 176.003, Local Government Code. An offense under this section is a Class C misdemeanor.

Please refer to chapter 176 of the Local Government Code for detailed information regarding the requirement to file this form.

INSTRUCTIONS FOR COMPLETING THIS FORM

The following numbers correspond to the numbered boxes on the other side.

1. Name of Local Government Officer. Enter the name of the local government officer filing this statement.

2. Office Held. Enter the name of the office held by the local government officer filing this statement.

3. Name of person described by Sections 176.002(a) and 176.003(a), Local Government Code. Enter the name of the person described by Section 176.002, Local Government Code with whom the officer has an employment or other business relationship as described by Section 176.003(a), Local Government Code.

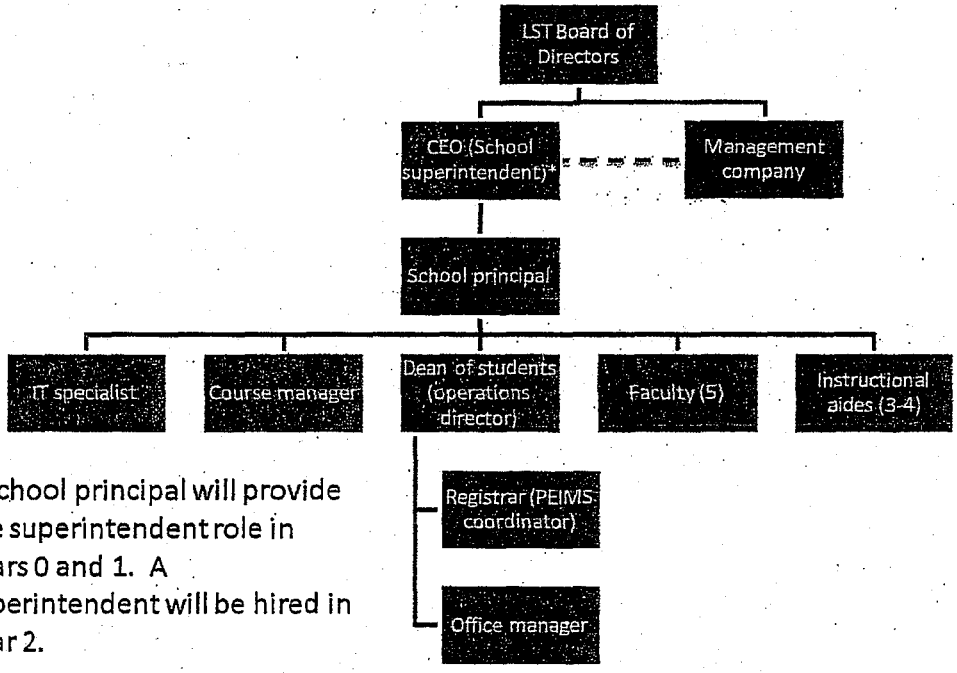
4. Description of the nature and extent of employment or business relationship with person named in item 3. Describe the nature and extent of the employment or other business relationship with the person in item 3 as described by Section 176.003(a), Local Government Code.

5. List gifts accepted, excluding gifts described by Section 176.003(a-1), if aggregate value of the gifts accepted from person named in item 3 exceed $250. List gifts accepted during the 12-month period (described by Section 176.003(a), Local Government Code) by the local government officer or family member of the officer, excluding gifts described by Section 176.003(a-1), from the person named in item 3 that in the aggregate exceed $250 in value.

6. Affidavit. Signature of local government officer.

Attachment H

LST Governance Organizational Chart



* School principal will provide the superintendent role in years 0 and 1. A superintendent will be hired in year 2.

Attachment I – Supplemental Human Resources Information Forms

Index for Supplemental Human Resources Information Forms

0. CEO/Superintendent
1. School principal – serve the role of school leader
2. Dean of students – serve the role of guidance and counseling and operations manager
3. Faculty – serve the role of content area teachers including physical education
4. Instructional aides
5. Registrar – Serve the role of PEIMS coordinator
6. Office manager
7. IT specialists
8. Course manager

Eighteenth Generation Open-Enrollment Charter Application
Supplemental Human Resources Information Form
(MUST be typed)

ANY areas left blank will result in the application being deemed "INCOMPLETE" during the review process.

Enter the name of the sponsoring entity: Learning Schools of Texas

Enter the name of the proposed charter school: Learning Schools of Texas

Position: CEO/Superintendent Reports to: Charter Holder Board of Directors

Salary Range: $124,000 - $155,000

List any other potential form of remuneration (i.e., car allowance, cell phone, memberships, travel or housing allowance, etc...) to be given to the individual in this position. In none, please state N/A.

Cell phone allowance and professional organization memberships

Proposed Location (City and County): San Antonio, Bexar

Number of Students anticipated in year one: 300 In year five: 1,500

Minimum Qualifications Required:

Education Required: Master's Degree or higher required

Experience Required: Minimum 5 years teaching experience in grades 6-12
Experience in school leadership including supervision/management required.
Knowledge and/or experience with public charter schools desirable.

Certification Required: N/A

Complete the following using information gathered from three different traditional districts comparable in size, student make-up, and location. A traditional district is identified by the abbreviation ISD or CISD. County district numbers may be accessed on line through the Texas Education Directory found at http://mansfield.tea.state.tx.us/TEA.AskTED.Web/Forms/Home.aspx. Additionally, traditional districts **will not** have an eight as the fourth digit in the county district number (CDN).

Name of District	CDN	Located in (City)	# of Students Served	Salary Range
Fort Sam Houston ISD	015914	San Antonio	1,548	$153,000
Randolph Field ISD	015906	San Antonio	1,158	$145,580
Lackland ISD	015913	San Antonio	1,113	$124,800

SAS 539-13
RFA 701-13-101

Eighteenth Generation Open-Enrollment Charter Application
Supplemental Human Resources Information Form
(MUST be typed)

ANY areas left blank will result in the application being deemed "INCOMPLETE" during the review process.

Enter the name of the sponsoring entity: Learning Schools of Texas

Enter the name of the proposed charter school: Learning Schools of Texas

Position: CEO/Superintendent Reports to: Charter Holder Board of Directors

Job Duties: List up to 10 key duties this individual will perform.

1. Assures an organizational focus on performance, cost effectiveness, and sustainability
2. Organize and manage the school's central administration. Support board operations.
3. Recruit, select, manage and evaluate the school leader. Manage the student recruitment and enrollment process.
4. Coordinate academic program, including curriculum development and workshop model of instruction.
5. Ensure successful implementation of academic program.
6. Monitor school performance and hold data driven discussions regarding student performance with the school leader
7. Ensure compliance with funding sources, reporting, and data submission required by state as directed by the Board.
8. Pro-actively communicate with parents and other stakeholders about the school's mission & individual student progress.
9. Maintain a close working relationship and accountability with the Board.
10. Create an environment fostering accountability, use of data & collaboration among teachers.

If a charter is awarded, this document becomes part of the original application. Changes to this information must be documented in the minutes of an open meeting of the charter holder board.

Eighteenth Generation Open-Enrollment Charter Application
Supplemental Human Resources Information Form
(MUST be typed)

ANY areas left blank will result in the application being deemed "INCOMPLETE" during the review process.

Enter the name of the sponsoring entity: Learning Schools of Texas

Enter the name of the proposed charter school: Learning Schools of Texas

Position: Principal Reports to: CEO/Superintendent

Salary Range: $82,000 - 92,000 commensurate with experience.

List any other potential form of remuneration (i.e., car allowance, cell phone, memberships, travel or housing allowance, etc...) to be given to the individual in this position. In none, please state N/A.

Cell phone allowance and professional organization membership.

Proposed Location (City and County): San Antonio, Bexar County

Number of Students anticipated in year one: 300 In year five: 1,500

Minimum Qualifications Required:

Education Required: Master's Degree or higher required.

Experience Required: Minimum 5 years teaching experience in grades 6-12.
Experience in school leadership including supervision/management required.
Knowledge and/or experience with public charter schools desirable.

Certification Required: Standard Principal Certificate.

Complete the following using information gathered from three different traditional districts comparable in size, student make-up, and location. A traditional district is identified by the abbreviation ISD or CISD. County district numbers may be accessed on line through the Texas Education Directory found at http://mansfield.tea.state.tx.us/TEA.AskTED.Web/Forms/Home.aspx. Additionally, traditional districts **will not** have an eight as the fourth digit in the county district number (CDN).

Name of District	CDN	Located in (City)	# of Students Served	Salary Range
Fort Sam Houston ISD	015914	San Antonio	1,548	$91,500
Randolph Field ISD	015906	San Antonio	1,158	$82,906
Lackland ISD	015913	San Antonio	1,113	$84,605

Eighteenth Generation Open-Enrollment Charter Application
Supplemental Human Resources Information Form
(MUST be typed)

ANY areas left blank will result in the application being deemed "INCOMPLETE" during the review process.

Enter the name of the sponsoring entity: Learning Schools of Texas

Enter the name of the proposed charter school: Learning Schools of Texas

Position: Principal Reports to: CEO/Superintendent

Job Duties: List up to 10 key duties this individual will perform.

1. Create a school culture that values learning; foster and maintain a college and career readiness standard for students.
2. Organize and manage the school's central administration and act as the school's instructional leader.
3. Recruit, select, manage and evaluate all school-based staff. Manage the student recruitment and enrollment process.
4. Coordinate academic program, including curriculum development and workshop model of instruction.
5. Ensure successful implementation of academic program.
6. Coach instructional staff daily through embedded professional development & data driven discussion of student performance
7. Pro-actively communicate with parents about the school's mission and individual student progress.
8. Create an environment fostering accountability, use of data and collaboration among teachers.
9.
10.

If a charter is awarded, this document becomes part of the original application. Changes to this information must be documented in the minutes of an open meeting of the charter holder board.

Eighteenth Generation Open-Enrollment Charter Application
Supplemental Human Resources Information Form
(MUST be typed)

ANY areas left blank will result in the application being deemed "INCOMPLETE" during the review process.

Enter the name of the sponsoring entity: Learning Schools of Texas

Enter the name of the proposed charter school: Learning Schools of Texas

Position: Dean of Students Reports to: Principal

Salary Range: $66,000 - 75,000 commensurate with experience.

List any other potential form of remuneration (i.e., car allowance, cell phone, memberships, travel or housing allowance, etc...) to be given to the individual in this position. In none, please state N/A.

Stipend based on additional responsibilities, if applicable.

Proposed Location (City and County): San Antonio, Bexar County

Number of Students anticipated in year one: 300 In year five: 1,500

Minimum Qualifications Required:

Education Required:	Bachelor's Degree required. Master's preferred.
Experience Required:	3 years experience in education - teaching and management. Understanding of career development preferred.
Certification Required:	Must meet training requirements outlined in Texas Administrative Code, Title 19, Part 2, Chapter 100, Subchapter AA, Division 5, Rules 100.1103,100.1104, and 100.1105, as applicable.

Complete the following using information gathered from three different traditional districts comparable in size, student make-up, and location. A traditional district is identified by the abbreviation ISD or CISD. County district numbers may be accessed on line through the Texas Education Directory found at http://mansfield.tea.state.tx.us/TEA.AskTED.Web/Forms/Home.aspx. Additionally, traditional districts **will not** have an eight as the fourth digit in the county district number (CDN).

Name of District	CDN	Located in (City)	# of Students Served	Salary Range
Fort Sam Houston ISD	015914	San Antonio	1,548	$74,280
Randolph Field ISD	015906	San Antonio	1,158	$66,781
Lackland ISD	015913	San Antonio	1,113	$69,319

SAS 539-13
RFA 701-13-101

Eighteenth Generation Open-Enrollment Charter Application
Supplemental Human Resources Information Form
(MUST be typed)

ANY areas left blank will result in the application being deemed "INCOMPLETE" during the review process.

Enter the name of the sponsoring entity: Learning Schools of Texas

Enter the name of the proposed charter school: Learning Schools of Texas

Position: Dean of Students Reports to: Principal

Job Duties: List up to 10 key duties this individual will perform.

1. Assist School Principal in implementing a nurturing yet vigorous academic program.
2. Advise teachers and other staff and assis with classroom strategies development.
3. Regularly inform School Principal of issues arising regarding the teaching staff or quality of the academic program.
4. Coordinate and resolve issues in the absence of the school principal.
5. Assist with student recruitment and enrollment.
6. Assist Principal with embedded professional development for teachers.
7. Ensure proper implementation of Special Education, Limited English Proficiency, and Gifted and Talented programs.
8. Locate substitute teaching staff as needed.
9. Plan and schedule career development activities for students.
10. Perform additional duties and accept other responsibilities as may be assigned.

If a charter is awarded, this document becomes part of the original application. Changes to this information must be documented in the minutes of an open meeting of the charter holder board.

Eighteenth Generation Open-Enrollment Charter Application
Supplemental Human Resources Information Form
(MUST be typed)

ANY areas left blank will result in the application being deemed "INCOMPLETE" during the review process.

Enter the name of the sponsoring entity: Learning Schools of Texas

Enter the name of the proposed charter school: Learning Schools of Texas

Position: Content Area Teacher Reports to: Principal

Salary Range: $54,000- 56,000 commensurate with experience.

List any other potential form of remuneration (i.e., car allowance, cell phone, memberships, travel or housing allowance, etc...) to be given to the individual in this position. In none, please state N/A.

Stipend based on additional responsibilities, if applicable.

Proposed Location (City and County): San Antonio, Bexar County

Number of Students anticipated in year one: 300 In year five: 1,500

Minimum Qualifications Required:

Education Required: Bachelor's Degree from an accredited institution of higher education.

Experience Required: Prior classroom teaching experience desired; will accept successful completion of student teaching/Internship or Alternative Certification Program.

Certification Required: Highly Qualified per NCLB guidelines.

Complete the following using information gathered from three different traditional districts comparable in size, student make-up, and location. A traditional district is identified by the abbreviation ISD or CISD. County district numbers may be accessed on line through the Texas Education Directory found at http://mansfield.tea.state.tx.us/TEA.AskTED.Web/Forms/Home.aspx. Additionally, traditional districts **will not** have an eight as the fourth digit in the county district number (CDN).

Name of District	CDN	Located in (City)	# of Students Served	Salary Range
Fort Sam Houston ISD	015914	San Antonio	1,548	$54,562
Randolph Field ISD	015906	San Antonio	1,158	$54,190
Lackland ISD	015913	San Antonio	1,113	$55,220

Eighteenth Generation Open-Enrollment Charter Application
Supplemental Human Resources Information Form
(MUST be typed)

ANY areas left blank will result in the application being deemed "INCOMPLETE" during the review process.

Enter the name of the sponsoring entity: Learning Schools of Texas

Enter the name of the proposed charter school: Learning Schools of Texas

Position: Content Area Teacher Reports to: Principal

Job Duties: List up to 10 key duties this individual will perform.

1. Implement and teach a challenging curriculum that addresses the current academic levels of school students.
2. Develop and implement lesson plans that effectively meet the needs of students with various learning styles.
3. Establish instructional strategies based on student performance information from formative and summative assessments.
4. Create a classroom environment conducive to learning and appropriate for the development of students.
5. Manage student behavior in accordance with the Student Code of Conduct and student handbook.
6. Keep informed of and comply with applicable federal, state and school regulations and policies for classroom teachers.
7. Work collaborativly with staff members and participate in staff development activities.
8. Establish and maintain open communication by conducting conferences with parents, students, principals, and teachers.
9. Serve as an advisor to a group of students, as assigned.
10. Perform additional duties and accept other responsibilities as may be assigned.

If a charter is awarded, this document becomes part of the original application. Changes to this information must be documented in the minutes of an open meeting of the charter holder board.

Eighteenth Generation Open-Enrollment Charter Application
Supplemental Human Resources Information Form
(MUST be typed)

ANY areas left blank will result in the application being deemed "INCOMPLETE" during the review process.

Enter the name of the sponsoring entity: Learning Schools of Texas

Enter the name of the proposed charter school: Learning Schools of Texas

Position: Instructional Aide Reports to: Principal

Salary Range: $15,000 - 24,000 commensurate with experience.

List any other potential form of remuneration (i.e., car allowance, cell phone, memberships, travel or housing allowance, etc...) to be given to the individual in this position. In none, please state N/A.

Stipends as assigned.

Proposed Location (City and County): San Antonio, Bexar County

Number of Students anticipated in year one: 300 In year five: 1,500

Minimum Qualifications Required:

Education Required: Bachelor's Degree preferred.

Experience Required: College level coursework and experience with technology.

Certification Required: Educational Aide Certificate as required by Texas law.

Complete the following using information gathered from three different traditional districts comparable in size, student make-up, and location. A traditional district is identified by the abbreviation ISD or CISD. County district numbers may be accessed on line through the Texas Education Directory found at http://mansfield.tea.state.tx.us/TEA.AskTED.Web/Forms/Home.aspx. Additionally, traditional districts **will not** have an eight as the fourth digit in the county district number (CDN).

Name of District	CDN	Located in (City)	# of Students Served	Salary Range
Fort Sam Houston ISD	015914	San Antonio	1,548	$23,133
Randolph Field ISD	015906	San Antonio	1,158	$15,798
Lackland ISD	015913	San Antonio	1,113	$19,049

Eighteenth Generation Open-Enrollment Charter Application
Supplemental Human Resources Information Form
(MUST be typed)

ANY areas left blank will result in the application being deemed "INCOMPLETE" during the review process.

Enter the name of the sponsoring entity: Learning Schools of Texas

Enter the name of the proposed charter school: Learning Schools of Texas

Position: Instructional Aide Reports to: Principal

Job Duties: List up to 10 key duties this individual will perform.

1. Provide direct assistance to students engaged in digital content learning.
2. Review student progress and address student motivational challenges to assure student success.
3. Coordinate with faculty on addressing student cognitive challenges discovered in the learning center.
4. Assist with basic software and technical problems encountered by students.
5. Maintain student discipline consistent with the student code of conduct and the student handbook.
6. Communicate with parents where requested.
7.
8.
9.
10.

If a charter is awarded, this document becomes part of the original application. Changes to this information must be documented in the minutes of an open meeting of the charter holder board.

Eighteenth Generation Open-Enrollment Charter Application
Supplemental Human Resources Information Form
(MUST be typed)

ANY areas left blank will result in the application being deemed "INCOMPLETE" during the review process.

Enter the name of the sponsoring entity: Learning Schools of Texas

Enter the name of the proposed charter school: Learning Schools of Texas

Position: PEIMS Coordinator/Registrar Reports to: Dean of Students

Salary Range: $24,000 - 28,000 commensurate with experience.

List any other potential form of remuneration (i.e., car allowance, cell phone, memberships, travel or housing allowance, etc...) to be given to the individual in this position. In none, please state N/A.

Stipends based on additional responsibilities, if applicable.

Proposed Location (City and County): San Antonio, Bexar County

Number of Students anticipated in year one: 300 In year five: 1,500

Minimum Qualifications Required:

Education Required: Associates degree required.
Bachelors Degree in computer science or related field preferred.

Experience Required: Prior experience in school or school district office collecting and reporting PEIMS data.
Four years experience in administrative support position requiring collecting and entering data.
Experience in coding systems.

Certification Required: N/A

Complete the following using information gathered from three different traditional districts comparable in size, student make-up, and location. A traditional district is identified by the abbreviation ISD or CISD. County district numbers may be accessed on line through the Texas Education Directory found at http://mansfield.tea.state.tx.us/TEA.AskTED.Web/Forms/Home.aspx. Additionally, traditional districts **will not** have an eight as the fourth digit in the county district number (CDN).

Name of District	CDN	Located in (City)	# of Students Served	Salary Range
Fort Sam Houston ISD	015914	San Antonio	1,548	$27,620
Randolph Field ISD	015906	San Antonio	1,158	$26,079
Lackland ISD	015913	San Antonio	1,113	$24,601

Eighteenth Generation Open-Enrollment Charter Application
Supplemental Human Resources Information Form
(MUST be typed)

ANY areas left blank will result in the application being deemed "INCOMPLETE" during the review process.

Enter the name of the sponsoring entity: Learning Schools of Texas

Enter the name of the proposed charter school: Learning Schools of Texas

Position: PEIMS Coordinator/Registrar Reports to: Dean of Students

Job Duties: List up to 10 key duties this individual will perform.

1. Coordinate the collection and reporting of Public Education Information Management Systems (PEIMS) data.
2. Maintain accurate PEIMS information/documentation, ensuring data submission to Region 20/TEA is correct and timely.
3. Provide PEIMS reports as needed by the state.
4. Perform various student enrollment and registration activities.
5. Maintain payroll and other personnel data, complete paperwork as needed and forwarding to appropriate parties.
6. Maintain accurate records and files concerning teacher, student and parent information.
7. Arrange for substitutes to fill certified and classified personnel absences and provide orientation for substitutes.
8. Assist in managing the front office, greeting visitors, providing information regarding the school, etc.
9. Serve as the on-site contact for staff on payroll and benefits matters.
10. Perform additional duties and accept other responsibilities as may be assigned.

If a charter is awarded, this document becomes part of the original application. Changes to this information must be documented in the minutes of an open meeting of the charter holder board.

Eighteenth Generation Open-Enrollment Charter Application
Supplemental Human Resources Information Form
(MUST be typed)

ANY areas left blank will result in the application being deemed "INCOMPLETE" during the review process.

Enter the name of the sponsoring entity: Learning Schools of Texas

Enter the name of the proposed charter school: Learning Schools of Texas

Position: Office Manager Reports to: Principal

Salary Range: $24,000 - 28,000 commensurate with experience.

List any other potential form of remuneration (i.e., car allowance, cell phone, memberships, travel or housing allowance, etc...) to be given to the individual in this position. In none, please state N/A.

Stipends based on additional responsibilities, if applicable.

Proposed Location (City and County): San Antonio, Bexar County

Number of Students anticipated in year one: 300 In year five: 1,500

Minimum Qualifications Required:

Education Required: High School diploma or GED required.
Associates Degree or Bachelor's Degree preferred.

Experience Required: Two years experience in administrative support position, preferably in the public education environment.
Proficient keyboarding, word processing and file maintenance skills.

Certification Required: N/A

Complete the following using information gathered from three different traditional districts comparable in size, student make-up, and location. A traditional district is identified by the abbreviation ISD or CISD. County district numbers may be accessed on line through the Texas Education Directory found at http://mansfield.tea.state.tx.us/TEA.AskTED.Web/Forms/Home.aspx. Additionally, traditional districts **will not** have an eight as the fourth digit in the county district number (CDN).

Name of District	CDN	Located in (City)	# of Students Served	Salary Range
Fort Sam Houston ISD	015914	San Antonio	1,548	$27,620
Randolph Field ISD	015906	San Antonio	1,158	$26,079
Lackland ISD	015913	San Antonio	1,113	$24,601

Eighteenth Generation Open-Enrollment Charter Application
Supplemental Human Resources Information Form
(MUST be typed)

ANY areas left blank will result in the application being deemed "INCOMPLETE" during the review process.

Enter the name of the sponsoring entity: Learning Schools of Texas

Enter the name of the proposed charter school: Learning Schools of Texas

Position: Office Manager Reports to: Principal

Job Duties: List up to 10 key duties this individual will perform.

1. Assist in front office with greeting visitors, receiving phone calls and providing information regarding school policies.
2. Coordinate communications between the Principal/Instructional Leader's office and the school and outside community.
3. Prepare and maintain a variety of records, prepare and process documents for various school activities.
4. Type from rough draft or verbal instructions a variety of documents such as letters, bulletins, reports, etc.
5. Order materials, supplies and equipment as needed
6. Sort and distribute mail.
7. Assist Principal/Instructional Leader and PEIMS Coordinator with administrative tasks as necessary
8. Coordinate the administration of the school lunch program and other student activities.
9. Assist with file maintenance.
10. Perform additional duties and accept other responsibilities as may be assigned.

If a charter is awarded, this document becomes part of the original application. Changes to this information must be documented in the minutes of an open meeting of the charter holder board.

Eighteenth Generation Open-Enrollment Charter Application
Supplemental Human Resources Information Form
(MUST be typed)

ANY areas left blank will result in the application being deemed "INCOMPLETE" during the review process.

Enter the name of the sponsoring entity: Learning Schools of Texas

Enter the name of the proposed charter school: Learning Schools of Texas

Position: IT Specialist Reports to: Principal

Salary Range: $66,000 - 72,000 commensurate with experience.

List any other potential form of remuneration (i.e., car allowance, cell phone, memberships, travel or housing allowance, etc...) to be given to the individual in this position. In none, please state N/A.

Stipends based on additional responsibilities, if applicable.

Proposed Location (City and County): San Antonio, Bexar County

Number of Students anticipated in year one: 300 In year five: 1,500

Minimum Qualifications Required:

Education Required: IT industry certifications in Microsoft Office, networking, and related areas preferred

Experience Required: Two years experience in IT support work, especially related to network systems and cloud-based computing.
Proficient keyboarding, word processing and file maintenance skills.

Certification Required: N/A

Complete the following using information gathered from three different traditional districts comparable in size, student make-up, and location. A traditional district is identified by the abbreviation ISD or CISD. County district numbers may be accessed on line through the Texas Education Directory found at http://mansfield.tea.state.tx.us/TEA.AskTED.Web/Forms/Home.aspx. Additionally, traditional districts **will not** have an eight as the fourth digit in the county district number (CDN).

Name of District	CDN	Located in (City)	# of Students Served	Salary Range
Fort Sam Houston ISD	015914	San Antonio	1,548	$66,463
Randolph Field ISD	015906	San Antonio	1,158	$68,443
Lackland ISD	015913	San Antonio	1,113	$71,374

Eighteenth Generation Open-Enrollment Charter Application
Supplemental Human Resources Information Form
(MUST be typed)

ANY areas left blank will result in the application being deemed "INCOMPLETE" during the review process.

Enter the name of the sponsoring entity: Learning Schools of Texas

Enter the name of the proposed charter school: Learning Schools of Texas

Position: IT Specialist Reports to: Principal

Job Duties: List up to 10 key duties this individual will perform.

1. Assure computer system up-time and respond in a timely manner to student needs.
2. Monitor IT equipment for quality and reliability, schedule repairs and replacements as needed.
3. Complete necessary reporting on IT related grants and system monitoring.
4. Assist with overall school culture maintenance.
5. Provide professional development to faculty and staff on IT related issues.
6. Assist with file maintenance.
7. Perform additional duties and accept other responsibilities as may be assigned.
8.
9.
10.

If a charter is awarded, this document becomes part of the original application. Changes to this information must be documented in the minutes of an open meeting of the charter holder board.

Eighteenth Generation Open-Enrollment Charter Application
Supplemental Human Resources Information Form
(MUST be typed)

ANY areas left blank will result in the application being deemed "INCOMPLETE" during the review process.

Enter the name of the sponsoring entity: Learning Schools of Texas

Enter the name of the proposed charter school: Learning Schools of Texas

Position: Course Manager Reports to: School Principal

Salary Range: $24,000 - 28,000 commensurate with experience.

List any other potential form of remuneration (i.e., car allowance, cell phone, memberships, travel or housing allowance, etc...) to be given to the individual in this position. In none, please state N/A.

Stipend based on additional responsibilities, if applicable.

Proposed Location (City and County): San Antonio, Bexar County

Number of Students anticipated in year one: 300 In year five: 1,500

Minimum Qualifications Required:

Education Required: High school diploma required.
Bachelor's Degree in statistics related field preferred.

Experience Required: College or work related experience with analyzing complex data sets to determine allocation of resources.

Certification Required: Highly Qualified per NCLB guidelines.

Complete the following using information gathered from three different traditional districts comparable in size, student make-up, and location. A traditional district is identified by the abbreviation ISD or CISD. County district numbers may be accessed on line through the Texas Education Directory found at http://mansfield.tea.state.tx.us/TEA.AskTED.Web/Forms/Home.aspx. Additionally, traditional districts **will not** have an eight as the fourth digit in the county district number (CDN).

Name of District	CDN	Located in (City)	# of Students Served	Salary Range
Fort Sam Houston ISD	015914	San Antonio	1,548	$27,620
Randolph Field ISD	015906	San Antonio	1,158	$26,079
Lackland ISD	015913	San Antonio	1,113	$24,601

Eighteenth Generation Open-Enrollment Charter Application
Supplemental Human Resources Information Form
(MUST be typed)

ANY areas left blank will result in the application being deemed "INCOMPLETE" during the review process.

Enter the name of the sponsoring entity: Learning Schools of Texas

Enter the name of the proposed charter school: Learning Schools of Texas

Position: Course Manager Reports to: School Principal

Job Duties: List up to 10 key duties this individual will perform.

1. Monitor student performance and alert faculty and instructional aides of student progress challenges
2. Establish summative assessment proctoring activities and support students in the assessment process
3. Run daily academic progress and achievement reports in support of faculty and school leaders
4. Assist with overall school culture maintenance
5. Provide professional development to faculty and staff on student performance related issues
6. Assists with file maintenance
7. Performs additional duties and accepts other responsibilities as may be assigned.
8.
9.
10.

If a charter is awarded, this document becomes part of the original application. Changes to this information must be documented in the minutes of an open meeting of the charter holder board.

Attachment J – Audit Report

LEARNING SCHOOLS OF TEXAS

February 25, 2013

Texas State Board of Education
c/o Texas Education Agency
1701 North Congress Avenue
Austin, Texas 78701

RE: Notarized Acknowledgement of Unaudited Financial Statements

Dear State Board of Education:
In accordance with the requirements stipulated in the Eighteenth Generation Open-Enrollment Charter Guidelines and Application (SAS 539-13; RFA 701-13-101), we, the undersigned President of the Board of Directors and Chief Financial Officer, do hereby attest to the accuracy and completeness of the financial information disclosed on the unaudited statement of financial position, unaudited statement of activities and the unaudited statement of cash flows enclosed herewith. We further certify that the enclosed unaudited financial statements were prepared in conformance with the requirements stipulated in Module 10 of the Financial Accountability System Resource Guide.

Cordially,

Martin Rico
Secretary/Treasurer

Will Harte
President/Chair

STATE OF TEXAS

COUNTY OF BEXAR

On this day Martin Rico and Will Harte appeared before me, the undersigned Notary Public, and deposed that they executed the above instrument and that the financial information on the attached unaudited financial statements is accurate and complete.

Subscribed and sworn to before me on the 25th of February, 2013.

Notary Public

Name of Notary Public

AMY LYNN HERRERA
MY COMMISSION EXPIRES
August 14, 2013

8-14-13
Date Commission Expires

Learning Schools of Texas
Unaudited Statement of Financial Position
As of February 25, 2013

Assets

Current Assets:	
Cash and cash equivalents	$ 12,500.00
Contributions receivable	$ -
Total Current Assets	$ 12,500.00
Other Assets	$ -
Total Assets	$ 12,500.00

Liabilities and Net Assets

Current Liabilities:	
Accounts Payable	$ -
Deferred Revenue	$ -
Total Current Liabilities	$ -
Notes Payable	$ -
Total Liabilities	$ -
Net Assets:	
Unrestricted net assets	$ -
Temporarily restricted net assets	$ 12,500.00
Total Net Assets	$ 12,500.00
Total Liabilities and Net Assets	$ 12,500.00

Learning Schools of Texas
Unaudited Statement of Activities
For the Period Ended February 25, 2013

	Unrestricted Net Assets	Temporarily Restricted Net Assets	Total Net Assets
Revenues			
Local Support:			
Contributions	$ -	$ 13,350.00	$ 13,350.00
Fundraising activities	$ -	$ -	$ -
Interest and other income	$ -	$ -	$ -
Total Local Support	$ -	$ 13,350.00	$ 13,350.00
Net assets released from restrictions	$ 850.00	$ (850.00)	$ -
Total Revenues	$ 850.00	$ 12,500.00	$ 13,350.00
Expenses			
Program services:			
Instruction and instructional-related services	$ -		$ -
Instructional and School Leadership	$ -		$ -
Support services:			
Administrative support services	$ 850.00		$ 850.00
Ancillary services	$ -		$ -
Fund raising	$ -		$ -
Total Expenses	$ 850.00		$ 850.00
Change in Net Assets	$ -	$ 12,500.00	$ 12,500.00
Net Assets, Beginning	$ -	$ -	$ -
Net Assets, Ending	$ -	$ 12,500.00	$ 12,500.00

Learning Schools of Texas
Unaudited Statement of Cash Flows
For the Period Ended February 25, 2013

Cash flows from operating activities:		
Grant payments	$	-
Contributions and fund-raising activities	$	13,350.00
Miscellaneous sources	$	-
Payments to vendors for goods and services rendered	$	(850.00)
Payments to charter school personnel for services rendered	$	-
Net cash provided by operating activities	$	12,500.00
Change in Cash	$	12,500.00
Cash, Beginning	$	-
Cash, Ending	$	12,500.00

Reconciliation of change in net assets to net cash provided by operating activities:		
Change in net assets	$	12,500.00
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	$	-
(Increase) Decrease in assets:		
Contribution receivable	$	-
Increase (Decrease) in liabilities:		
Accounts payable	$	-
Net cash provided by operating activities	$	12,500.00

CHASE

JPMorgan Chase Bank, N.A.
P O Box 659754
San Antonio, TX 78265-9754

RECEIVED
FEB 07 2013
BY:

January 29, 2013 through January 31, 2013
Account Number: [redacted]

[redacted]

LEARNING SCHOOLS OF TEXAS
517 SOLEDAD ST
SAN ANTONIO TX 78205-1508

CUSTOMER SERVICE INFORMATION

Web site:	**Chase.com**
Service Center:	**1-800-242-7338**
Deaf and Hard of Hearing:	1-800-242-7383
Para Espanol:	1-888-622-4273
International Calls:	1-713-262-1679

[redacted]

IMPORTANT UPDATES TO THE DEPOSIT ACCOUNT AGREEMENT

We will be making the following changes to the Deposit Account Agreement for Chase checking and savings accounts, effective March 24, 2013.

We have:

- Added the following language to the Important Definitions section: Debit card transaction: Includes any purchase from a merchant using your ATM card or debit card.
- Modified the agreement to clarify that we will only send one copy of any notice relating to your account, even if the account has more than one owner.
- Revised our Funds Availability Policy. Under Longer Delays May Apply, we describe circumstances where funds may not be available until the seventh business day after the day of deposit. We are deleting the sentence saying that the first $200 from your deposit will be available on the next business day, so if we delay availability in those cases the delay may apply to the full amount of the deposit.

All other terms of your account agreement remain the same. If you have questions about the changes, please call us at the number on this statement or visit your nearest branch.

CHECKING SUMMARY

Chase BusinessSelect Checking

	INSTANCES	AMOUNT
Beginning Balance		**$0.00**
Deposits and Additions	1	6,000.00
Ending Balance	**1**	**$6,000.00**

This message confirms that you have overdraft protection on your checking account.

DEPOSITS AND ADDITIONS

DATE	DESCRIPTION	AMOUNT
01/29	Deposit [redacted]	$6,000.00
Total Deposits and Additions		**$6,000.00**

DAILY ENDING BALANCE

DATE	AMOUNT
01/29	$6,000.00

SERVICE CHARGE SUMMARY

TRANSACTIONS FOR SERVICE FEE CALCULATION	NUMBER OF TRANSACTIONS
Checks Paid / Debits	0
Deposits / Credits	1
Deposited Items	1
Transaction Total	**2**

SERVICE FEE CALCULATION	AMOUNT
Service Fee	$0.00
Service Fee Credit	$0.00
Net Service Fee	**$0.00**
Excessive Transaction Fees (Above 200)	$0.00
Total Service Fees	**$0.00**

CHASE

January 29, 2013 through January January 31, 2013

[redacted] [redacted]

BALANCING YOUR CHECKBOOK

Note: **Ensure your checkbook register** is up to date with all transactions to date whether they are included on your statement or not.

1. **Write in the Ending Balance shown on this statement:** **Step 1 Balance: $**_____

2. **List and total all deposits & additions not shown on this statement:**

Date	Amount	Date	Amount	Date	Amount

Step 2 Total: $_____

3. **Add Step 2 Total to Step 1 Balance.** **Step 3 Total: $**_____

4. **List and total all checks, ATM withdrawals, debit card purchases and other withdrawals not shown on this statement.**

Check Number or Date	Amount	Check Number or Date	Amount

Step 4 Total: -$_____

5. **Subtract Step 4 Total from Step 3 Total. This should match your Checkbook Balance: $**_____

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC FUNDS TRANSFERS: Call or write us at the phone number or address on the front of this statement (non-personal accounts contact Customer Service) if you think your statement or receipt is incorrect or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent you the FIRST statement on which the problem or error appeared. Be prepared to give us the following information:

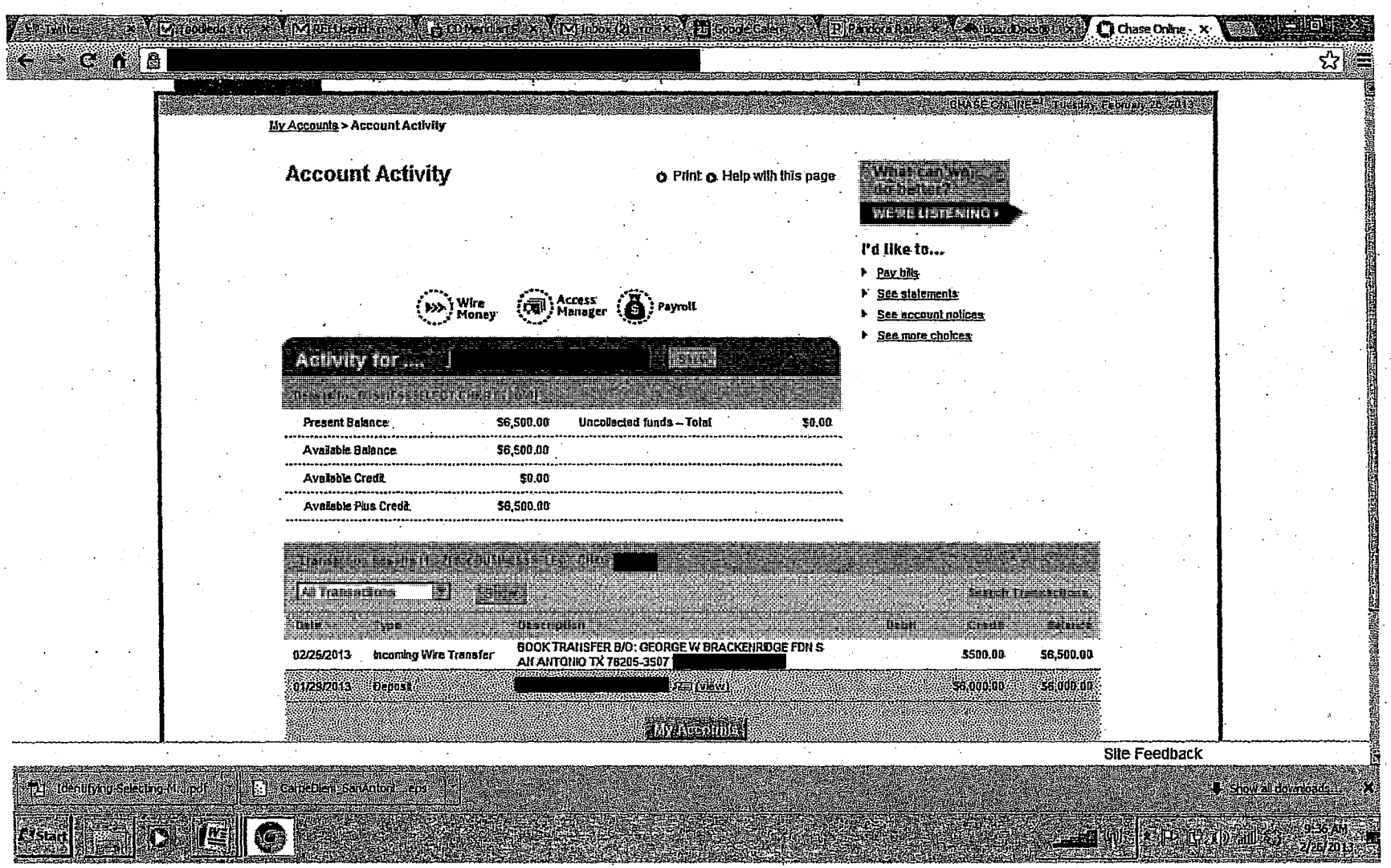
- Your name and account number
- The dollar amount of the suspected error
- A description of the error or transfer you are unsure of, why you believe it is an error, or why you need more information.

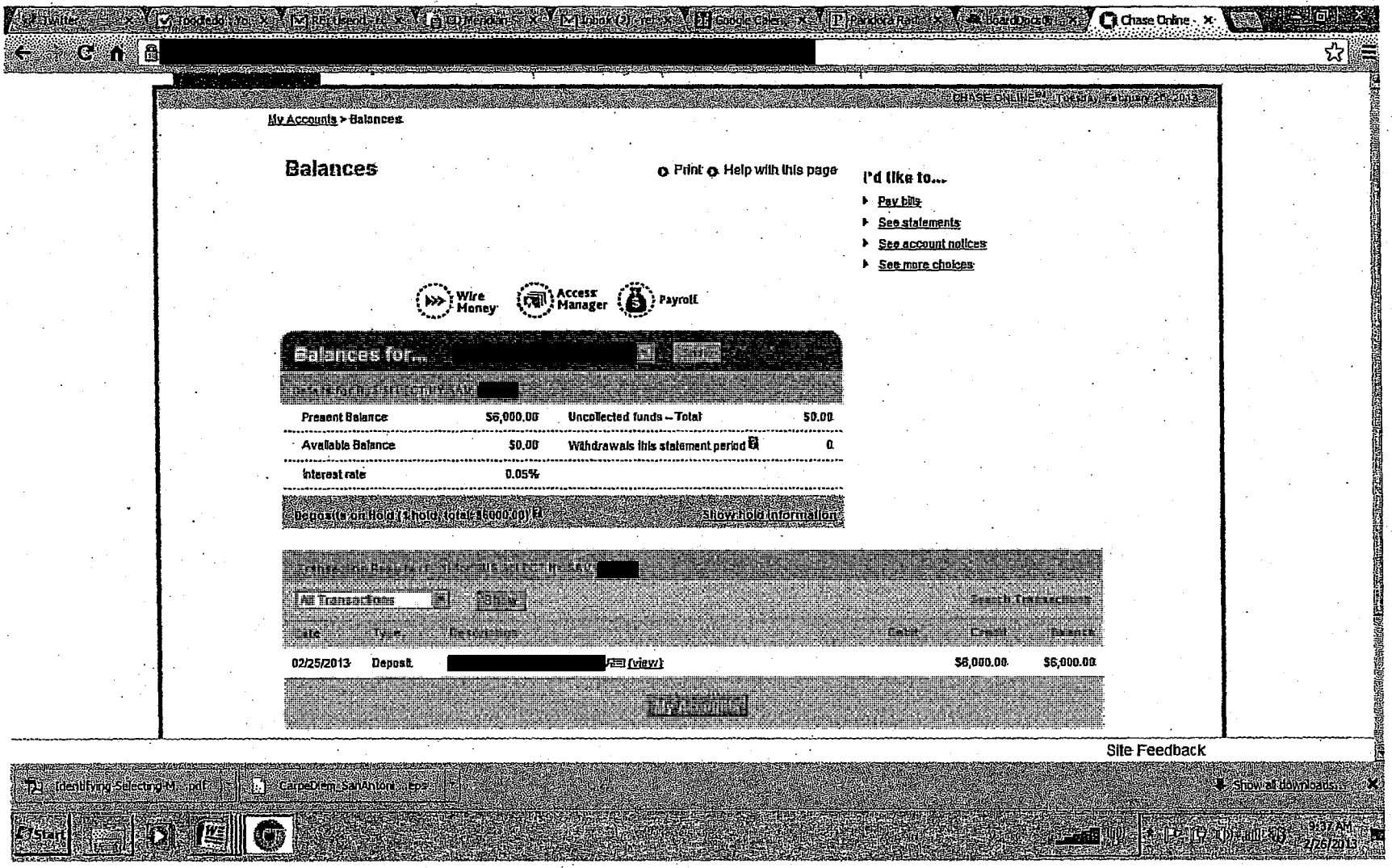
We will investigate your complaint and will correct any error promptly. If we take more than 10 business days (or 20 business days for new accounts) to do this, we will credit your account for the amount you think is in error so that you will have use of the money during the time it takes us to complete our investigation.

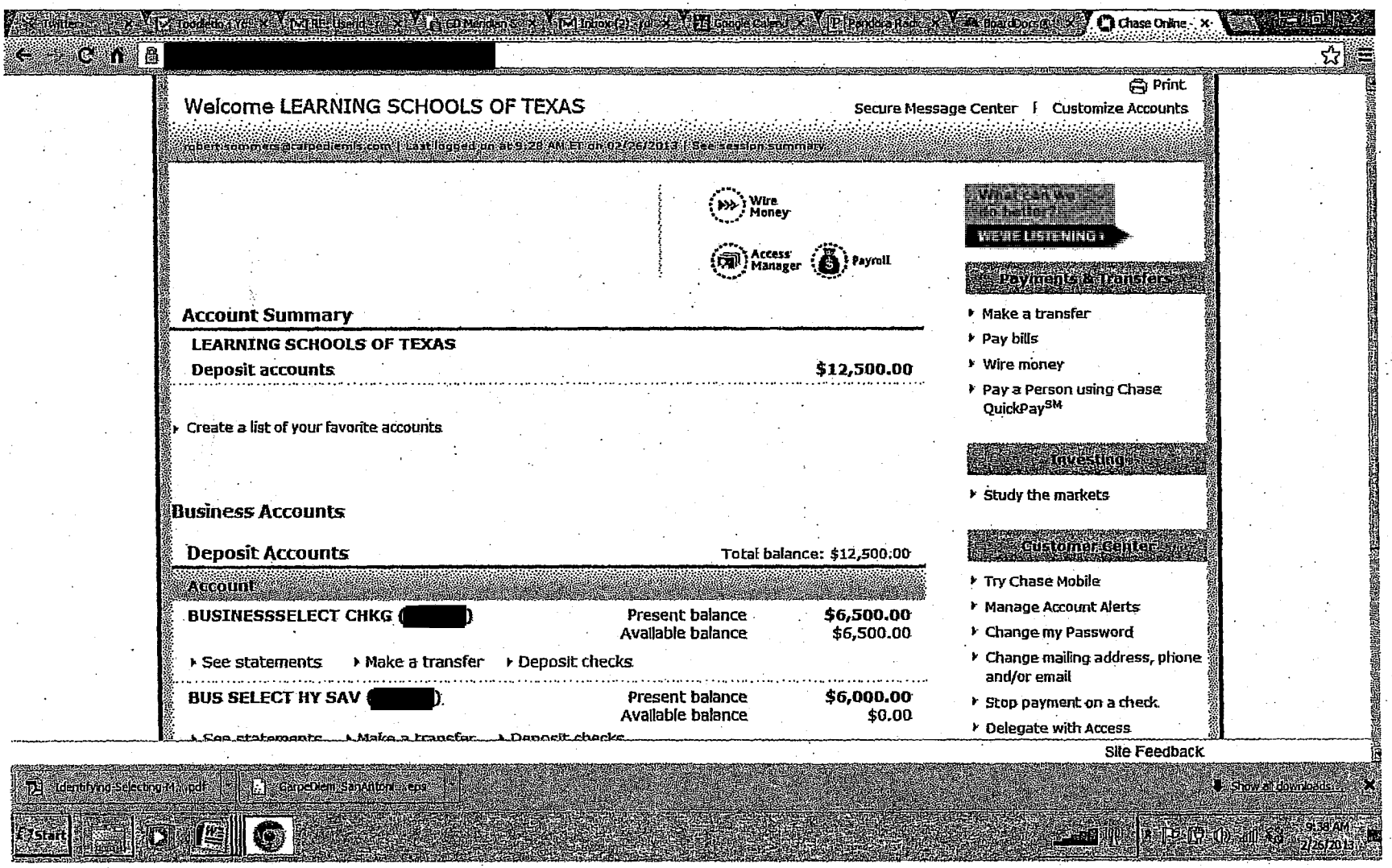
IN CASE OF ERRORS OR QUESTIONS ABOUT NON-ELECTRONIC TRANSACTIONS: Contact the bank immediately if your statement is incorrect or if you need more information about any non-electronic transactions (checks or deposits) on this statement. If any such error appears, you must notify the bank in writing no later than 30 days after the statement was made available to you. For more complete details, see the Account Rules and Regulations or other applicable account agreement that governs your account.

EQUAL HOUSING LENDER **JPMorgan Chase Bank, N.A. Member FDIC**

This Page Intentionally Left Blank


Chase Online
My Accounts > Account Activity
Account Activity
Print
Help with this page
What can we do better?
WE'RE LISTENING
I'd like to...
Pay bills
See statements
See account notices
See more choices
Wire Money
Access Manager
Payroll
Activity for:
Present Balance $6,500.00
Uncollected funds – Total $0.00
Available Balance $6,500.00
Available Credit $0.00
Available Plus Credit $6,500.00
All Transactions
Search Transactions
Date Type Description Debit Credit Balance
02/25/2013 Incoming Wire Transfer BOOK TRANSFER B/O: GEORGE W BRACKENRIDGE FDN S AN ANTONIO TX 78205-3507 $500.00 $6,500.00
01/29/2013 Deposit (view) $6,000.00 $6,000.00
My Accounts
Site Feedback
Identifying-Selecting-M...pdf
CarpeDiem-SanAntoni...eps
Show all downloads...
Start
9:36 AM
2/25/2013


Chase Online
My Accounts > Balances
Balances
Print
Help with this page
I'd like to...
Pay bills
See statements
See account notices
See more choices
Wire Money
Access Manager
Payroll
Balances for...
Present Balance $6,000.00
Uncollected funds – Total $0.00
Available Balance $0.00
Withdrawals this statement period 0
Interest rate 0.05%
Deposits on Hold (1 hold, total $6000.00)
show hold information
All Transactions
Search Transactions
Date Type Description Debit Credit Balance
02/25/2013 Deposit (view) $6,000.00 $6,000.00
Site Feedback
Start


Chase Online
Print
Welcome LEARNING SCHOOLS OF TEXAS
Secure Message Center | Customize Accounts
Wire Money
Access Manager
Payroll
Account Summary
LEARNING SCHOOLS OF TEXAS
Deposit accounts
$12,500.00
Create a list of your favorite accounts
Business Accounts
Deposit Accounts
Total balance: $12,500.00
Account
BUSINESSSELECT CHKG
Present balance
Available balance
$6,500.00
$6,500.00
See statements
Make a transfer
Deposit checks
BUS SELECT HY SAV
Present balance
Available balance
$6,000.00
$0.00
WE'RE LISTENING
Payments & Transfers
Make a transfer
Pay bills
Wire money
Pay a Person using Chase QuickPay℠
Investing
Study the markets
Customer Center
Try Chase Mobile
Manage Account Alerts
Change my Password
Change mailing address, phone and/or email
Stop payment on a check
Delegate with Access
Site Feedback
Start
9:58 AM
7/26/2013

Attachment K – Credit Report

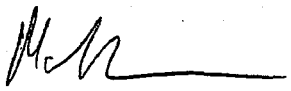
February 25, 2013

Martin Rico
Secretary/Treasurer
Learning Schools of Texas
517 Soledad Street
San Antonio, TX 78205

To Whom It May Concern:

I hereby state that no credit report is being provided because the sponsoring entity, Learning Schools of Texas, was incorporated after January 1, 2011, in January of 2013, and therefore hasn't done business long enough to generate such a report.

Respectfully,



Martin Rico
Secretary/Treasurer
Learning Schools of Texas

Attachment L – IRS 990 Filing

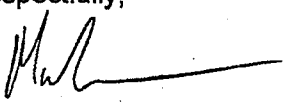
February 25, 2013

Martin Rico
Secretary/Treasurer
Learning Schools of Texas
517 Soledad Street
San Antonio, TX 78205

To Whom It May Concern:

I hereby state that no (IRS) Form 990 is being provided because the sponsoring entity, Learning Schools of Texas, was incorporated after January 1, 2011, in January of 2013, and therefore has not filed any 990 forms yet.

Respectfully,



Martin Rico
Secretary/Treasurer
Learning Schools of Texas

Attachment M – Documentation Verifying All Sources of Funding

GEORGE W. BRACKENRIDGE One Riverwalk Place | 700 North St. Mary's Street Suite 875 | San Antonio, TX 78205
FOUNDATION

February 25, 2013

Mr. William Harte
Learning Schools of Texas
517 Soledad Street
San Antonio, Texas 78205

Dear Mr. Harte:

On behalf of the George W. Brackenridge Foundation (Brackenridge), I am delighted to confirm the offer to Learning Schools of Texas of a grant commitment of $375,000 over the next five years. This letter, upon your acceptance, will serve as the grant agreement (Agreement). This Agreement is subject to the Learning Schools of Texas obtaining and maintaining its Internal Revenue Code (IRC) 501(c)(3) exemption as well as a Texas open-enrollment charter (Generation 18) and opening an open-enrollment charter school in the County of Bexar (San Antonio), Texas area. The distribution of funds will be subject to the reporting requirements to be established by the Trustees of the George W. Brackenridge Foundation.

Distributions of grant funds began with $850, provided to Learning Schools of Texas on January 14, 2013 in order to submit the Form 1023, *Application for Recognition of Exemption,* to the Internal Revenue Service (IRS) and $6,000, provided to Learning Schools of Texas on January 29, 2013 and $6,500, provided to Learning Schools of Texas on February 25, 2013 in order to establish the required assets to submit a charter application to the Texas Education Agency (TEA) on February 28, 2013. If Learning Schools of Texas is awarded a Texas open-enrollment charter, the remaining funds of $361,650 will be distributed commencing with a distribution of $50,000 in January 2014 to further assist with startup costs, and follow with additional grant payments to be determined, until the total of $375,000 is reached. To receive each amount after January 2014, Learning Schools of Texas must have opened and continue to operate a Carpe Diem charter school in the County of Bexar, Texas, and remain in good standing with the TEA and the Texas State Board of Education (SBOE). Further, an annual report will be required before the Foundation will pay any Grant installments. Details of the annual reporting requirements concerning academic performance, financial stability and growth will be determined by reasonable mutual agreement between the Foundation and Learning Schools. Should the school suspend operations, any payments not yet made shall be cancelled. Should operations then begin again, GWBF may choose to resume payments. Additionally, this Agreement will be void for amounts over $150,000 (the required amount based on 300 students, at $500 each) should the assets of the George W. Brackenridge Foundation drop more than 20% of the value after the date of this Agreement.

Based on the above, distributions are expected to occur as follows:

Event	Date	Amount
1023 Filing Fee	January 2013	$850
Bank Deposit Assets	January 2013	$6,000
Bank Deposit Assets	February 2013	$6,500
Grant Payment	January 2014	$50,000
Remaining Funds	To Be Determined	$311,650
Total Grants		$375,000

Grant funds may not be used for any political campaign purposes, to carry on propaganda, or otherwise attempt to influence in any manner legislation of any governmental body, to influence in any manner legislation of any governmental body, to influence the outcome of any public election, to carry on, directly or indirectly, any voter registration drive, or to make any payment or use grant funds for any purpose other than charitable purposes as described in IRC Section 170(c)(2)(b).

Brackenridge is pleased about the expansion of Learning Schools of Texas in San Antonio and we stand ready to assist you in any way we can.

To confirm and agree to these terms, please sign and return the enclosed copy of this Agreement.

Sincerely,

Victoria B. Rico, Chair & Trustee
George W. Brackenridge Foundation

Confirmation

Learning Schools of Texas, William Harte, Board Member

Cc: Randy J. Boatright, Trustee, George W. Brackenridge Foundation
David Roth, Trustee, George W. Brackenridge Foundation
Robert D. Sommers, CEO, Carpe Diem Learning Systems

THE EWING HALSELL FOUNDATION
711 NAVARRO - SUITE 737
SAN ANTONIO, TEXAS 78205-1735
(210) 223-2640 (210) 271-9089 FAX

February 22, 2013

Mr. William Harte
Learning Schools of Texas
517 Soledad Street
San Antonio, Texas 78205

Dear Mr. Harte:

On behalf of the Ewing Halsell Foundation (EHF), I am delighted to confirm the offer to Learning Schools of Texas of a grant commitment of $1,000,000.00 to be distributed in four equal installments. This letter, upon your acceptance, will serve as the grant agreement (Agreement). This Agreement is subject to the Learning Schools of Texas obtaining and maintaining its Internal Revenue Code (IRC) 501(c)(3) exemption as well as a Texas open-enrollment charter (Generation 18) and opening an open-enrollment charter school in the County of Bexar (San Antonio), Texas area. The distribution of funds will be subject to the reporting requirements to be established by the Directors of the Ewing Halsell Foundation. The grant funds and appreciation, if any, are restricted and shall only be used for the educational charitable purpose of expenses related to operating a charter school in the State of Texas.

Upon satisfying all requirements and restrictions, the Grant will be payable beginning with the first installment of $250,000 on or before August 31, 2014 and continuing with three additional installments of $250,000 on dates to be determined. An annual report will be required before the Foundation will pay any Grant installments. Details of the annual reporting requirements concerning academic performance, financial stability and growth will be determined by mutual agreement between the Foundation and Learning Schools of Texas. To receive each amount after August 2014, Learning Schools of Texas must have opened and continue to operate a Carpe Diem charter school in the County of Bexar, Texas, and remain in good standing with the TEA and the Texas State Board of Education (SBOE). Further, an annual report will be required before the Foundation will pay any Grant installments. Should the school suspend operations, any payments not yet made shall be cancelled. Should operations then begin again, EHF may choose to resume payments.

Based on the above, distributions are expected to occur as follows:

Event	Date	Amount
Grant Payment	August 2014	$250,000
Remaining Funds	To Be Determined	$750,000
Total Grants		$1,000,000

Grant funds may not be used for any political campaign purposes, to carry on propaganda, or otherwise attempt to influence in any manner legislation of any governmental body, to influence in any manner legislation of any governmental body, to influence the outcome of any public election, to carry on, directly or indirectly, any voter registration drive, or to make any payment or use grant funds for any purpose other than charitable purposes as described in IRC Section 170(c)(2)(b).

Acceptance of this Grant, by signing below, indicates that you have agreed to the terms of the Grant herein and creates a right in the Foundation, through its Board of Directors, to enforce the terms of the Grant. The Foundation has the right has the right to inquire into and inspect documentation related to the expenditures made with respect to these Grant funds to ensure that the restrictions detailed above are complied with.

We respectfully request acknowledgement of receipt and acceptance of the terms of the Grant at your earliest convenience by signing this letter below and returning a copy to the Foundation. Please understand that although payable over a multi-year period, the Foundation's Grant is a one-time gift and shall not be considered a basis for continued support in the future.

The EHF is pleased about the expansion of Learning Schools of Texas in San Antonio and we stand ready to assist you in any way we can.

To confirm and agree to these terms, please sign and return the enclosed copy of this Agreement.

Sincerely,

Jackie J. Moczygemba, Foundation Manager
Ewing Halsell Foundation

Confirmation

Learning Schools of Texas, William Harte, Board Member

Cc: Robert D. Sommers, CEO, Carpe Diem Learning Systems

Attachment N – Documentation Verifying All Sources of Funding NOT Requiring Repayment

GEORGE W. BRACKENRIDGE One Riverwalk Place | 700 North St. Mary's Street Suite 875 | San Antonio, TX 78205
FOUNDATION

February 25, 2013

Mr. William Harte
Learning Schools of Texas
517 Soledad Street
San Antonio, Texas 78205

Dear Mr. Harte:

On behalf of the George W. Brackenridge Foundation (Brackenridge), I am delighted to confirm the offer to Learning Schools of Texas of a grant commitment of $375,000 over the next five years. This letter, upon your acceptance, will serve as the grant agreement (Agreement). This Agreement is subject to the Learning Schools of Texas obtaining and maintaining its Internal Revenue Code (IRC) 501(c)(3) exemption as well as a Texas open-enrollment charter (Generation 18) and opening an open-enrollment charter school in the County of Bexar (San Antonio), Texas area. The distribution of funds will be subject to the reporting requirements to be established by the Trustees of the George W. Brackenridge Foundation.

Distributions of grant funds began with $850, provided to Learning Schools of Texas on January 14, 2013 in order to submit the Form 1023, *Application for Recognition of Exemption,* to the Internal Revenue Service (IRS) and $6,000, provided to Learning Schools of Texas on January 29, 2013 and $6,500, provided to Learning Schools of Texas on February 25, 2013 in order to establish the required assets to submit a charter application to the Texas Education Agency (TEA) on February 28, 2013. If Learning Schools of Texas is awarded a Texas open-enrollment charter, the remaining funds of $361,650 will be distributed commencing with a distribution of $50,000 in January 2014 to further assist with startup costs, and follow with additional grant payments to be determined, until the total of $375,000 is reached. To receive each amount after January 2014, Learning Schools of Texas must have opened and continue to operate a Carpe Diem charter school in the County of Bexar, Texas, and remain in good standing with the TEA and the Texas State Board of Education (SBOE). Further, an annual report will be required before the Foundation will pay any Grant installments. Details of the annual reporting requirements concerning academic performance, financial stability and growth will be determined by reasonable mutual agreement between the Foundation and Learning Schools. Should the school suspend operations, any payments not yet made shall be cancelled. Should operations then begin again, GWBF may choose to resume payments. Additionally, this Agreement will be void for amounts over $150,000 (the required amount based on 300 students, at $500 each) should the assets of the George W. Brackenridge Foundation drop more than 20% of the value after the date of this Agreement.

Based on the above, distributions are expected to occur as follows:

Event	Date	Amount
1023 Filing Fee	January 2013	$850
Bank Deposit Assets	January 2013	$6,000
Bank Deposit Assets	February 2013	$6,500
Grant Payment	January 2014	$50,000
Remaining Funds	To Be Determined	$311,650
Total Grants		$375,000

Grant funds may not be used for any political campaign purposes, to carry on propaganda, or otherwise attempt to influence in any manner legislation of any governmental body, to influence in any manner legislation of any governmental body, to influence the outcome of any public election, to carry on, directly or indirectly, any voter registration drive, or to make any payment or use grant funds for any purpose other than charitable purposes as described in IRC Section 170(c)(2)(b).

Brackenridge is pleased about the expansion of Learning Schools of Texas in San Antonio and we stand ready to assist you in any way we can.

To confirm and agree to these terms, please sign and return the enclosed copy of this Agreement.

Sincerely,

Victoria B. Rico, Chair & Trustee
George W. Brackenridge Foundation

Confirmation

Learning Schools of Texas, William Harte, Board Member

Cc: Randy J. Boatright, Trustee, George W. Brackenridge Foundation
David Roth, Trustee, George W. Brackenridge Foundation
Robert D. Sommers, CEO, Carpe Diem Learning Systems

THE EWING HALSELL FOUNDATION
711 NAVARRO - SUITE 737
SAN ANTONIO, TEXAS 78205-1735
(210) 223-2640 (210) 271-9089 FAX

February 22, 2013

Mr. William Harte
Learning Schools of Texas
517 Soledad Street
San Antonio, Texas 78205

Dear Mr. Harte:

On behalf of the Ewing Halsell Foundation (EHF), I am delighted to confirm the offer to Learning Schools of Texas of a grant commitment of $1,000,000.00 to be distributed in four equal installments. This letter, upon your acceptance, will serve as the grant agreement (Agreement). This Agreement is subject to the Learning Schools of Texas obtaining and maintaining its Internal Revenue Code (IRC) 501(c)(3) exemption as well as a Texas open-enrollment charter (Generation 18) and opening an open-enrollment charter school in the County of Bexar (San Antonio), Texas area. The distribution of funds will be subject to the reporting requirements to be established by the Directors of the Ewing Halsell Foundation. The grant funds and appreciation, if any, are restricted and shall only be used for the educational charitable purpose of expenses related to operating a charter school in the State of Texas.

Upon satisfying all requirements and restrictions, the Grant will be payable beginning with the first installment of $250,000 on or before August 31, 2014 and continuing with three additional installments of $250,000 on dates to be determined. An annual report will be required before the Foundation will pay any Grant installments. Details of the annual reporting requirements concerning academic performance, financial stability and growth will be determined by mutual agreement between the Foundation and Learning Schools of Texas. To receive each amount after August 2014, Learning Schools of Texas must have opened and continue to operate a Carpe Diem charter school in the County of Bexar, Texas, and remain in good standing with the TEA and the Texas State Board of Education (SBOE). Further, an annual report will be required before the Foundation will pay any Grant installments. Should the school suspend operations, any payments not yet made shall be cancelled. Should operations then begin again, EHF may choose to resume payments.

Based on the above, distributions are expected to occur as follows:

Event	Date	Amount
Grant Payment	August 2014	$250,000
Remaining Funds	To Be Determined	$750,000
Total Grants		$1,000,000

Grant funds may not be used for any political campaign purposes, to carry on propaganda, or otherwise attempt to influence in any manner legislation of any governmental body, to influence in any manner legislation of any governmental body, to influence the outcome of any public election, to carry on, directly or indirectly, any voter registration drive, or to make any payment or use grant funds for any purpose other than charitable purposes as described in IRC Section 170(c)(2)(b).

Acceptance of this Grant, by signing below, indicates that you have agreed to the terms of the Grant herein and creates a right in the Foundation, through its Board of Directors, to enforce the terms of the Grant. The Foundation has the right has the right to inquire into and inspect documentation related to the expenditures made with respect to these Grant funds to ensure that the restrictions detailed above are complied with.

We respectfully request acknowledgement of receipt and acceptance of the terms of the Grant at your earliest convenience by signing this letter below and returning a copy to the Foundation. Please understand that although payable over a multi-year period, the Foundation's Grant is a one-time gift and shall not be considered a basis for continued support in the future.

The EHF is pleased about the expansion of Learning Schools of Texas in San Antonio and we stand ready to assist you in any way we can.

To confirm and agree to these terms, please sign and return the enclosed copy of this Agreement.

Sincerely,

Jackie J. Moczygemba, Foundation Manager
Ewing Halsell Foundation

Confirmation

Learning Schools of Texas, William Harte, Board Member

Cc: Robert D. Sommers, CEO, Carpe Diem Learning Systems

Attachment O – Start-Up Budget

Application for an Open-Enrollment Charter School - Eighteenth Generation

Estimated Revenues and Expenses - Year 0 Start-Up Budget

Name of Sponsoring Entity: **Learning Schools of Texas**
Name of proposed Charter School: **Learning Schools of Texas**
For the Period: 09/01/13 to 08/31/14

Summary of Estimated Net Assets and Expenses at Beginning of Year 0 (Start-Up Budget)

Row	Acct Code	Estimated Revenue and Net Assets	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	
11		Net Assets at Beginning of Year -0-	12,500	-	-	12,500	
12							
13		Estimated Revenues	300,000	-	-	300,000	
14		Total Revenues and Net Assets:	$ 312,500	$ -	$ -	$ 312,500	
15							
Row	Acct Code	Estimated Expenses	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	Percentage
17	6100	Payroll Costs	57,870	-	-	57,870	18.2%
18	6200	Professional and Contracted Services	30,000	-	-	30,000	9.4%
19	6300	Supplies and Materials	123,974	-	-	123,974	38.9%
20	6400	Other Operating Costs	106,575	-	-	106,575	33.5%
21	6500	Debt Expenses	-	-	-	-	0.0%
22		Total Expenses:	$ 318,419	$ -	$ -	$ 318,419	
23		Change in Net Assets:	$ (18,419)	$ -	$ -	$ (18,419)	-111.2%
24 & 25		Net Assets at the End of Year 0 (Amount should be carried over TO Year 1's beginning balance)	$ (5,919)	$ -	$ -	$ (5,919)	

Application for an Open-Enrollment Charter School - Eighteenth Generation

Estimated Revenues and Expenses - Year 0 Start-Up Budget

Name of Sponsoring Entity: **Learning Schools of Texas**

Name of proposed Charter School: **Learning Schools of Texas**

For the Period: 09/01/13 to 08/31/14

Estimated Net Assets and Revenue

Row	Acct. Code	Description of Net Assets	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	Source Notes
29	3590	Beginning Cash Balance - Year 0 [Start-Up]	12,500	-	-	12,500	Refer to Support Schedule for Year 0 Budget
30		[Enter brief description here]	-	-	-	-	
31		[Enter description here]	-	-	-	-	
32		[Enter description here]	-	-	-	-	
33		[Enter description here]	-	-	-	-	
34		[Enter description here]	-	-	-	-	
35		[Enter description here]	-	-	-	-	
36		[Enter description here]	-	-	-	-	
37		[Enter description here]	-	-	-	-	
38		[Enter description here]	-	-	-	-	
39		Total Net Assets:	$ 12,500	$ -	$ -	$ 12,500	

Row	Acct. Code	Description of Estimated Revenues					Source Notes
42	5744	The Ewing Halsell Foundation	250,000	-	-	250,000	Refer to Support Schedule for Year 0 Budget
43	5744	George W. Brackenridge Foundation	50,000	-	-	50,000	Refer to Support Schedule for Year 0 Budget
44		[Enter description here]	-	-	-	-	
45		[Enter description here]	-	-	-	-	
46		[Enter description here]	-	-	-	-	
47		[Enter description here]	-	-	-	-	
48		[Enter description here]	-	-	-	-	
49		[Enter description here]	-	-	-	-	
50		[Enter description here]	-	-	-	-	
51		[Enter description here]	-	-	-	-	
52		Total Estimated Revenues:	$ 300,000	$ -	$ -	$ 300,000	
53		Total Estimated Net Assets and Revenues:	$ 312,500	$ -	$ -	$ 312,500	

Application for an Open-Enrollment Charter School - Eighteenth Generation

Estimated Revenues and Expenses - Year 0 Start-Up Budget

Name of Sponsoring Entity: **Learning Schools of Texas**
Name of proposed Charter School: **Learning Schools of Texas**
For the Period: 09/01/13 to 08/31/14

			Estimated Expenses				
Row	Acct. Code	Description of Expenses	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	⇩ Source Notes ⇩
57	6100	Payroll Costs	-	-	-	-	
58	6112	Salaries or Wages for Substitute Teachers	-	-	-	-	
59	6119	Salaries or Wages - Teachers & Other Professional Personnel	49,694	-	-	49,694	Refer to Support Schedule for Year 0 Budget.
60	6121	Extra Duty Pay/Overtime - Support Personnel	-	-	-	-	
61	6129	Salaries or Wages for Support Personnel	-	-	-	-	
62	6139	Employee Allowances	-	-	-	-	
63	6141	Social Security/Medicare	3,802	-	-	3,802	Refer to Support Schedule for Year 0 Budget.
64	6142	Group Health and Life Insurance	3,653	-	-	3,653	Refer to Support Schedule for Year 0 Budget.
65	6143	Workers' Compensation	497	-	-	497	Refer to Support Schedule for Year 0 Budget.
66	6145	Unemployment Compensation	224	-	-	224	Refer to Support Schedule for Year 0 Budget.
67	6146	Teacher Retirement/TRS Care	-	-	-	-	
68	6149	Employee Benefits	-	-	-	-	
69		Total Payroll Costs (6100s):	$ 57,870	$ -	$ -	$ 57,870	
Row	Acct. Code	Description of Expenses					⇩ Source Notes ⇩
71	6200	Professional and Contracted Services	-	-	-	-	
72	6211	Legal Services	20,000	-	-	20,000	Refer to Support Schedule for Year 0 Budget.
73	6212	Audit Services	-	-	-	-	
74	6219	Professional Services	-	-	-	-	
75	6221	Staff Tuition and Related Fees -- Higher Education	-	-	-	-	
76	6222	Student Tuition -- Public Schools	-	-	-	-	
77	6223	Student Tuition -- Other than Public Schools	-	-	-	-	
78	6229	Tuition and Transfer Payments	-	-	-	-	
79	6239	Education Service Center Services	-	-	-	-	
80	6249	Contracted Maintenance and Repair	10,000	-	-	10,000	Refer to Support Schedule for Year 0 Budget.
81	6259	Utilities	-	-	-	-	
82	6269	Rentals -- Operating Leases	-	-	-	-	
83	6299	Miscellaneous Contracted Services	-	-	-	-	
84		Total Professional and Contracted Services (6200s):	$ 30,000	$ -	$ -	$ 30,000	

Application for an Open-Enrollment Charter School - Eighteenth Generation

Estimated Revenues and Expenses - Year 0 Start-Up Budget

Name of Sponsoring Entity: **Learning Schools of Texas**
Name of proposed Charter School: **Learning Schools of Texas**
For the Period: 09/01/13 to 08/31/14

Row	Acct. Code	Description of Expenses					0 Source Notes: 0
87	6300	Supplies and Materials	-	-	-	-	
88	6311	Gasoline and Other Fuels for Vehicles (Including Buses)	-	-	-	-	
89	6319	Supplies for Maintenance and/or Operations	-	-	-	-	
90	6321	Textbooks	-	-	-	-	
91	6329	Reading Materials	-	-	-	-	
92	6339	Testing Materials	-	-	-	-	
93	6341	Food	-	-	-	-	
94	6342	Non-Food	-	-	-	-	
95	6343	Items for Sale	-	-	-	-	
96	6344	USDA Donated Commodities	-	-	-	-	
97	6349	Food Service Supplies	-	-	-	-	
98	6399	General Supplies	123,974	-	-	123,974	Refer to Support Schedule for Year 0 Budget.
99		Total Supplies and Materials (6300s):	$ 123,974	$ -	$ -	$ 123,974	
Row	Acct. Code	Description of Expenses					0 Source Notes: 0
101	6400	Other Operating Costs	-	-	-	-	
102	6411	Travel and Subsistence – Employee Only	-	-	-	-	
103	6412	Travel and Subsistence – Students	-	-	-	-	
104	6413	Stipends – Non-Employees	-	-	-	-	
105	6419	Travel and Subsistence – Non-Employees	-	-	-	-	
106	6429	Insurance and Bonding Costs	-	-	-	-	
107	6449	Depreciation Expense	66,575	-	-	66,575	Refer to Support Schedule for Year 0 Budget.
108	6494	Reclassified Transportation Expenses				-	
109	6499	Miscellaneous Operating Costs	40,000	-	-	40,000	Refer to Support Schedule for Year 0 Budget.
110		Total Other Operating Costs (6400s):	$ 106,575	$ -	$ -	$ 106,575	

Application for an Open-Enrollment Charter School - Eighteenth Generation

Estimated Revenues and Expenses - Year 0 Start-Up Budget

Name of Sponsoring Entity: **Learning Schools of Texas**
Name of proposed Charter School: **Learning Schools of Texas**
For the Period: 09/01/13 to 08/31/14

Row	Acct Code	Description of Expenses					0 Source Notes 0
112	6500	Debt Expense			-	-	
113	6521	Interest on Bonds			-	-	
114	6522	Capital Lease Interest			-	-	
115	6523	Interest on Debt			-	-	
116	6529	Interest Expenses			-	-	
117	6599	Other Debt Fees			-	-	
118		Total Debt Expense (6500s):	$ -	$ -	$ -	$ -	

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 0 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2013 to 08/31/2014

Principla half year
office manager 3 months

Assumptions

(1) Consistent with 6.(c) contained in the Instructions worksheet of the Start-Up Budget (Excel) 2-20-13.xlsx workbook template, projected capital asset acquisitions were disclosed using the accrual basis of accounting.
(2) Consistent with the instructions at 10. I. of the Eighteenth Generation Open-Enrollment Charter Guidelines and Application, Federal Public Charter School Start-Up Grant funds were not used for the development of this budget.
(3) All amounts are rounded to the nearest dollar.

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
29	Beginning Cash Balance - Year 0 [Start-Up]	$ 12,500				Cash contribution from the George W. Brackenridge Foundation deposited prior to start of fiscal year and receipt of open-enrollment charter.
42	The Ewing Halsell Foundation	$ 250,000				Pledged contribution from The Ewing Halsell Foundation. See letter enclosed as Attachment N.
43	George W. Brackenridge Foundation	$ 50,000				Pledged contribution from the George W. Brackenridge Foundation. See letter enclosed as Attachment N.
52	Total Estimated Revenues:	$ 300,000				Sum of Row 42 and 43.

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 0 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2013 to 08/31/2014

Principla half year

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
59	Salaries or Wages - Teachers & Other Professional Personnel	$ 49,694	$ 43,169	$ 86,337		Salary for Principal for a six-month period based upon average salary documented on Supplemental Human Resources Information (HRI) Form.
			$ 6,525	$ 26,100		Salary for Office Manager for a three-month period based upon average salary documented on HRI Form.
63	Social Security/Medicare	$ 3,802				Row 59 Amount x (.062 + .0145)
64	Group Health and Life Insurance	$ 3,653				Row 59 Amount x .0735
65	Workers' Compensation	$ 497				Row 59 Amount x .0100
66	Unemployment Compensation	$ 224				Row 59 Amount x .0045
72	Legal Services	$ 20,000				Estimated amount based on current experience with legal services sought by other charter schools.
80	Contracted Maintenance and Repair	$ 10,000				Estimated amount for normal contracted upkeep, repairs, maintenance and renovation of: office equipment; furniture; computers; copiers; telephone systems; facsimile machines; buildings and grounds; etc.

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 0 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2013 to 08/31/2014

Principla half year

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
98	General Supplies	$ 123,974	$ 6,000			RFID attendance system
			$ 1,219	$ 203	6	Tekk 2 way radios
			$ 12,600	$ 2,100	6	Projector (Epson powerlite 475w)
			$ 12,500	$ 2,500	5	Student response system
			$ 1,250	$ 250	5	Projector speakers
			$ 540	$ 90	6	Projector mount
			$ 300	$ 300	1	Office Printer/FAX/Scan
			$ 4,800	$ 800	6	Mimio system
			$ 1,500	$ 250	6	Projector wiring
			$ 7,200	$ 1,200	6	Coach's computer
			$ 660	$ 110	6	Coach's monitors
			$ 9,000	$ 900	10	Office/admin/ade staff computers
			$ 1,100	$ 110	10	Office/admin/ade staff monitors
			$ 328	$ 41	8	Windows Server
			$ 29,400	$ 140	210	VDI-In-A-Box VDI
			$ 7,770	$ 37	210	Citrix Maint/support
			$ 9,300	$ 30	310	Microsoft Virtual Desktop Access
			$ 1,406	$ 7	200	Symantec Endpoint Protection
			$ 6,593	$ 26	250	Websense filtering
			$ 10,508	$ 36	295	Server CALs

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 0 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2013 to 08/31/2014

Principla half year

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
107	Depreciation Expense	$ 66,575				Depreciation of capitalized technology and related infrastructure costs over five (5) years.
			$ 332,876		5	**ServerRoom:**
			$ 1,800	$ 900	2	44U Open frame server rack
			$ 240	$ 120	2	Rack PDU
			$ 400	$ 400	1	KVM (16 port rack mounted)
			$ 660	$ 660	1	KVM Console
			$ 8,800	$ 1,100	8	GB Switch (Managed 48 port)
			$ 1,080	$ 135	8	48 port patch pannel
			$ 1,780	$ 890	2	2200V UPS
			$ 5,000	$ 5,000	1	Phone system
			$ 42,800	$ 10,700	4	Server (data center)
			$ 2,729	$ 910	3	Server (Domain Controller)
			$ 1,200	$ 1,200	1	Sonicwall Firewall Appliance
			$ 850	$ 850	1	NAS
			$ 900	$ 900	1	Gigabit switches
						Other Equipment:
			$ 60,000	$ 600	100	Laptops
			$ 6,500	$ 1,300	5	Laptop cart
			$ 40,000	$ 40,000	1	P.A. System
			$ 3,005	$ 3,005	1	ID Card printer
			$ 152	$ 76	2	Printer ribbon
			$ 12,000	$ 12,000	1	Building security
			$ 40,000	$ 40,000	1	Video surveillance

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 0 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2013 to 08/31/2014

Principla half year

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
						Learning Center
			$ 2,600	$ 650	4	Wireless access point
			$ 73,500	$ 350	210	Thin clients (Wyse Xenith)
			$ 3,780	$ 18	210	Thin client 3yr maint
			$ 23,100	$ 110	210	Monitors
109	Miscellaneous Operating Costs	$ 40,000				Estimated amount for advertisement and student recruitment.
22	Total Expenses:	$ 318,419				Sum of Rows 59 through 109.

Attachment P – Budget for First Five years of Operation

Application for an Open-Enrollment Charter School - Eighteenth Generation
Estimated Revenues and Expenses - Year 1 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the period: 09/01/2014 to 08/31/2015

Summary of Estimated Net Assets and Expenses
Year 1

Row	Acct. Code	Estimated Revenue and Net Assets:	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	
11	Net Assets at Beginning of the Year		(5,919)	-	-	(5,919)	
12							
13	Estimated Revenues:						
14	5700	Local Sources	300,000	-	-	300,000	
15	5800	State Sources	1,774,645	-	-	1,774,645	
16	5900	Federal Sources	-	-	-	-	
17		Other Sources	-	-	-	-	
18		**Total Estimated Revenues:**	$ 2,074,645	$ -	$ -	$ 2,074,645	
19							
Row	Acct. Code	Estimated Expenses:	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	Percentage
21	6100	Payroll Costs	759,091	-	-	759,091	38.9%
22	6200	Professional and Contracted Services	620,170	-	-	620,170	31.8%
23	6300	Supplies and Materials	413,974	-	-	413,974	21.2%
24	6400	Other Operating Costs	157,150	-	-	157,150	8.1%
25	6500	Debt Expenses	-	-	-	-	0.0%
26		Other Expenses	-	-	-	-	0.0%
27		**Total Estimated Expenses:**	$ 1,950,385	$ -	$ -	$ 1,950,385	
28		**Change in Net Assets**	$ 124,260	$ -	$ -	$ 124,260	94.0%
29 & 30		**Net Assets at the End of Year 1**	$ 118,341	$ -	$ -	$ 118,341	

Application for an Open-Enrollment Charter School - Eighteenth Generation
Estimated Revenues and Expenses - Year 1 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the period: 09/01/2014 to 08/31/2015

		Estimated Net Assets and Revenue					
Row	Acct. Code	Description of Net Assets:	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	Source Notes
		Local Support Revenues:					
35	5710	Local Property Taxes Passed through from School Districts	$ -	-	-	-	
36	5720	Local Revenues Realized as a Result of Services Rendered to Others	$ -	-	-	-	
37	5740	Other Revenues from Local Sources	$ 300,000	-	-	300,000	Refer to Support Schedule for Year 1.
38	5750	Revenues from Co-curricular, Enterprising Services or Activities	$ -	-	-	-	
39	5760	Revenues from Intermediate Sources	$ -	-	-	-	
40		Total Local Revenues:	$ 300,000	$ -	$ -	300,000	
Row	Acct. Code	State Program Revenues:					Source Notes
42	5810	Per Capita & Foundation School Program Act Revenues	$ 1,774,645	-	-	1,774,645	Refer to Support Schedule for Year 1.
43	5820	State Program Revenues Distributed by TEA	$ -	-	-	-	
44	5830	State Revenues from State of Texas Government Agencies (other than TEA)	$ -	$ -	$ -	-	
45		Total State Revenues:	$ 1,774,645	$ -	$ -	$ 1,774,645	
Row	Acct. Code	Federal Program Revenues:					Source Notes
47	5910	Federal Revenues Distributed through Government Entities Other than State or Federal Agencies	$ -	-	-	-	
48	5920	Federal Revenues Distributed by the TEA	$ -	-	-	-	
49	5930	Federal Revenues Distributed by Other State of Texas Government Agencies (Other than TEA)	$ -	-	-	-	
50	5940	Federal Revenues Distributed Directly from the Federal Government	$ -	-	-	-	
51		Total Federal Revenues:	$ -	$ -	$ -	$ -	
52		Total Revenue and Resources ⇨	$ 2,074,645	$ -	$ -	2,074,645	

Application for an Open-Enrollment Charter School - Eighteenth Generation
Estimated Revenues and Expenses - Year 1 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the period: 09/01/2014 to 08/31/2015

54			Estimated Expenses				
Row	Acct. Code	Description of Expenses	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	Source Notes
56	6100	Payroll Costs	-	-	-		
57	6112	Salaries or Wages for Substitute Teachers	-	-	-		
58	6119	Salaries or Wages - Teachers & Other Professional Personnel	651,860	-	-	651,860	Refer to Support Schedule for Year 1.
59	6121	Extra Duty Pay/Overtime - Support Personnel	-	-	-		
60	6129	Salaries or Wages for Support Personnel	-	-	-		
61	6139	Employee Allowances	-	-	-		
62	6141	Social Security/Medicare	49,867	-	-	49,867	Refer to Support Schedule for Year 1.
63	6142	Group Health and Life Insurance	47,912	-	-	47,912	Refer to Support Schedule for Year 1.
64	6143	Workers' Compensation	6,519	-	-	6,519	Refer to Support Schedule for Year 1.
65	6145	Unemployment Compensation	2,933	-	-	2,933	Refer to Support Schedule for Year 1.
66	6146	Teacher Retirement/TRS Care	-	-	-		
67	6149	Employee Benefits	-	-	-		
68		Total Payroll Costs (6100s):	$ 759,091	$ -	$ -	$ 759,091	
Row	Acct. Code	Description of Expenses					Source Notes
70	6200	Professional and Contracted Services	-	-	-		
71	6211	Legal Services	4,500	-	-	4,500	Refer to Support Schedule for Year 1.
72	6212	Audit Services	10,000	-	-	10,000	Refer to Support Schedule for Year 1.
73	6219	Professional Services	-	-	-		
74	6221	Staff Tuition and Related Fees -- Higher Education	-	-	-		
75	6222	Student Tuition -- Public Schools	-	-	-		
76	6223	Student Tuition -- Other than Public Schools	-	-	-		
77	6229	Tuition and Transfer Payments	-	-	-		
78	6239	Education Service Center Services	-	-	-		
79	6249	Contracted Maintenance and Repair	16,813	-	-	16,813	Refer to Support Schedule for Year 1.
80	6259	Utilities	40,500	-	-	40,500	Refer to Support Schedule for Year 1.
81	6269	Rentals -- Operating Leases	175,000	-	-	175,000	Refer to Support Schedule for Year 1.
82	6299	Miscellaneous Contracted Services	373,357	-	-	373,357	Refer to Support Schedule for Year 1.
83		Total Professional and Contracted Services (6200s):	$ 620,170	$ -	$ -	$ 620,170	
Row	Acct. Code	Description of Expenses					Source Notes
85	6300	Supplies and Materials	-	-	-		
86	6311	Gasoline and Other Fuels for Vehicles (Including Buses)	-	-	-		
87	6319	Supplies for Maintenance and/or Operations	61,000	-	-	61,000	Refer to Support Schedule for Year 1.
88	6321	Textbooks	210,000	-	-	210,000	Refer to Support Schedule for Year 1.
89	6329	Reading Materials	15,000	-	-	15,000	Refer to Support Schedule for Year 1.
90	6339	Testing Materials	2,250	-	-	2,250	Refer to Support Schedule for Year 1.
91	6341	Food	-	-	-		
92	6342	Non-Food	-	-	-		
93	6343	Items for Sale	-	-	-		
94	6344	USDA Donated Commodities	-	-	-		
95	6349	Food Service Supplies	-	-	-		
96	6399	General Supplies	125,724	-	-	125,724	Refer to Support Schedule for Year 1.
97		Total Supplies and Materials (6300s):	$ 413,974	$ -	$ -	$ 413,974	

Application for an Open-Enrollment Charter School - Eighteenth Generation
Estimated Revenues and Expenses - Year 1 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the period: 09/01/2014 to 08/31/2015

Row	Acct Code	Description of Expenses					⇩ Source Notes ⇩
99	6400	Other Operating Costs	-	-	-	-	
100	6411	Travel and Subsistence – Employee Only	-	-	-	-	
101	6412	Travel and Subsistence – Students	3,000	-	-	3,000	Refer to Support Schedule for Year 1.
102	6413	Stipends – Non-Employees	-	-	-	-	
103	6419	Travel and Subsistence – Non-Employees	-	-	-	-	
104	6429	Insurance and Bonding Costs	21,000	-	-	21,000	Refer to Support Schedule for Year 1.
105	6449	Depreciation Expense	133,150	-	-	133,150	Refer to Support Schedule for Year 1.
106	6494	Reclassified Transportation Expenses	-	-	-	-	
107	6499	Miscellaneous Operating Costs	-	-	-	-	
108		Total Other Operating Costs (6400s):	$ 157,150	$ -	$ -	$ 157,150	
Row	Acct Code	Description of Expenses					⇩ Source Notes ⇩
110	6500	Debt Expense	-	-	-	-	
111	6521	Interest on Bonds	-	-	-	-	
112	6522	Capital Lease Interest	-	-	-	-	
113	6523	Interest on Debt	-	-	-	-	
114	6529	Interest Expenses	-	-	-	-	
115	6599	Other Debt Fees	-	-	-	-	
116		Total Debt Expense (6500s):	$ -	$ -	$ -	$ -	

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 1 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2014 to 08/31/2015

Assumptions

(1) Consistent with 6.(c) contained in the Instructions worksheet of the Budget for First Years of Operations (Excel) 2-20-13.xlsx workbook template, projected capital asset acquisitions were disclosed using the accrual basis of accounting.
(2) Consistent with the instructions at 10. I. of the Eighteenth Generation Open-Enrollment Charter Guidelines and Application, Federal Public Charter School Start-Up Grant funds were not used for the development of this budget.
(3) Learning Schools of Texas begins start-up of second campus.
(4) All amounts are rounded to the nearest dollar.

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
11	Net Assets at Beginning of the Year	$ (5,919)				Net assets at end of year 0 carried forward.
37	Other Revenues from Local Sources	$ 300,000	$ 250,000			Pledged contribution from The Ewing Halsell Foundation. See letter enclosed as Attachment N.
			$ 50,000			Pledged contribution from the George W. Brackenridge Foundation. See letter enclosed as Attachment N.
42	Per Capita & Foundation School Program Act Revenues	$ 1,774,645	$ 6,358	93.04%	300	State Aid per ADA ($5,068 ÷ 0.80) = $6,358; refer to Calculation of Attendance Rate worksheet for 93.04% attendance rate; refer to Application Coversheet for enrollment of 600 students; row 42 amount calculates as $6,358 x .9304 x 600.
18	Total Estimated Revenues:	$ 2,074,645				Sum of Row 37 and 42.

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 1 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2014 to 08/31/2015

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
58	Salaries or Wages - Teachers & Other Professional Personnel	$ 651,860	$ 129,506	$ 86,337	1.5	Salary for Principal based upon average salary documented on Supplemental Human Resources Information (HRI) Form. Includes Principal for operating campus and Principal (six months) for planned campus.
			$ 70,127	$ 70,127	1	Salary for Dean of Students based upon average salary documented on HRI Form.
			$ 26,100	$ 26,100	1	Salary for Course Manager based upon average salary documented on HRI Form.
			$ 273,287	$ 54,657	5	Salary for Content Area Teachers based upon average salary documented on HRI Form.
			$ 57,980	$ 19,327	3	Salary for Instructional Aides based upon average salary documented on HRI Form.
			$ 26,100	$ 26,100	1	Salary for PEIMS Coordinator based upon average salary documented on HRI Form.
			$ 68,760	$ 68,760	1	Salary for IT Specialist based upon average salary documented on HRI Form.
62	Social Security/Medicare	$ 49,867				Row 59 Amount x (.062 + .0145)

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 1 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2014 to 08/31/2015

63	Group Health and Life Insurance	$ 47,912				Row 59 Amount x .0735
64	Workers' Compensation	$ 6,519				Row 59 Amount x .0100
65	Unemployment Compensation	$ 2,933				Row 59 Amount x .0045

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 1 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2014 to 08/31/2015

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
71	Legal Services	$ 4,500				Estimated amount based on current experience with legal services sought by other charter schools.
72	Audit Services	$ 10,000				Estimated amount based on current experience with audits of other charter schools.
79	Contracted Maintenance and Repair	$ 16,813				Estimated amount for normal contracted upkeep, repairs, maintenance and renovation of: office equipment; furniture; computers; copiers; telephone systems; facsimile machines; buildings and grounds; etc.
80	Utilities	$ 40,500	$ 25,000			Estimated amount for basic utilities (electricity, garbage, sewage, water) based on current experience operating other charter schools.
			$ 15,500			Estimated amount for telecommunications and internet.
81	Rentals – Operating Leases	$ 175,000				Estimated amount based on research for rental of real property.

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 1 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2014 to 08/31/2015

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
82	Miscellaneous Contracted Services	$ 373,357	$ 212,957	12.00%		Estimated amount based on management services fee of 12% of state revenues ($1,774,645).
			$ 50,000			Estimated amount for professional development.
			$ 24,300			Estimated amount for consulting services.
			$ 80,000			Estimated amount for Special Education services.
			$ 2,500			Estimated amount for IT services.
			$ 3,600			Estimated amount for printing and copying services.
87	Supplies for Maintenance and/or Operations	$ 61,000				Estimated amount for supplies for the maintenance and operation of school facilities.
88	Textbooks	$ 210,000		$ 700	300	Estimated amount for digital content based on $700 per student enrolled.
89	Reading Materials	$ 15,000				Estimated amount for educational materials.
90	Testing Materials	$ 2,250				Estimated amount for assessment and student data.

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 1 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2014 to 08/31/2015

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
96	General Supplies	$ 125,724	$ 6,000			RFID attendance system
			$ 1,219	$ 203	6	Tekk 2 way radios
			$ 12,600	$ 2,100	6	Projector (Epson powerlite 475w)
			$ 12,500	$ 2,500	5	Student response system
			$ 1,250	$ 250	5	Projector speakers
			$ 540	$ 90	6	Projector mount
			$ 300	$ 300	1	Office Printer/FAX/Scan
			$ 4,800	$ 800	6	Mimio system
			$ 1,500	$ 250	6	Projector wiring
			$ 7,200	$ 1,200	6	Coach's computer
			$ 660	$ 110	6	Coach's monitors
			$ 9,000	$ 900	10	Office/admin/ade staff computers
			$ 1,100	$ 110	10	Office/admin/ade staff monitors
			$ 328	$ 41	8	Windows Server
			$ 29,400	$ 140	210	VDI-In-A-Box VDI
			$ 7,770	$ 37	210	Citrix Maint/support
			$ 9,300	$ 30	310	Microsoft Virtual Desktop Access
			$ 1,406	$ 7	200	Symantec Endpoint Protection
			$ 6,593	$ 26	250	Websense filtering
			$ 10,508	$ 36	295	Server CALs
			$ 1,000			Estimated amount for office supplies.
			$ 750			Estimated amount for postage, shipping and mailing.

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 1 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2014 to 08/31/2015

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
101	Travel and Subsistence – Students	$ 3,000				Estimated amount for student transportation and lodging.
104	Insurance and Bonding Costs	$ 21,000	$ 4,500	$ 15	300	Estimated amount for student insurance based on $15 per student enrolled.
			$ 16,500			Estimated amount for insurance (non-benefit; e.g., property insurance, liability insurance, bonding costs, athletic insurance, etc.).
105	Depreciation Expense	$ 133,150		$ 66,575	2	Depreciation of capitalized technology and related infrastructure costs over five (5) years ($66,575 per campus = $332,876 ÷ 5).
			$ 332,876		5	**ServerRoom:**
			$ 1,800	$ 900	2	44U Open frame server rack
			$ 240	$ 120	2	Rack PDU
			$ 400	$ 400	1	KVM (16 port rack mounted)
			$ 660	$ 660	1	KVM Console
			$ 8,800	$ 1,100	8	GB Switch (Managed 48 port)
			$ 1,080	$ 135	8	48 port patch pannel
			$ 1,780	$ 890	2	2200V UPS
			$ 5,000	$ 5,000	1	Phone system
			$ 42,800	$ 10,700	4	Server (data center)
			$ 2,729	$ 910	3	Server (Domain Controller)
			$ 1,200	$ 1,200	1	Sonicwall Firewall Appliance
			$ 850	$ 850	1	NAS
			$ 900	$ 900	1	Gigabit switches

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 1 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2014 to 08/31/2015

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 1 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2014 to 08/31/2015

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
105	Depreciation Expense	**Continued**				
						Other Equipment:
			$ 60,000	$ 600	100	Laptops
			$ 6,500	$ 1,300	5	Laptop cart
			$ 40,000	$ 40,000	1	P.A. System
			$ 3,005	$ 3,005	1	ID Card printer
			$ 152	$ 76	2	Printer ribbon
			$ 12,000	$ 12,000	1	Building security
			$ 40,000	$ 40,000	1	Video surveillance
						Learning Center
			$ 2,600	$ 650	4	Wireless access point
			$ 73,500	$ 350	210	Thin clients (Wyse Xenith)
			$ 3,780	$ 18	210	Thin client 3yr maint
			$ 23,100	$ 110	210	Monitors
27	Total Estimated Expenses:	$ 1,950,385				Sum of Rows 59 through 109.

Application for an Open-Enrollment Charter School - Eighteenth Generation

Estimated Revenues and Expenses - Year 2 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the period: 09/01/2015 to 08/31/2016

Summary of Estimated Net Assets and Expenses
Year 2

Row	Acct. Code	Estimated Revenue and Net Assets:	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	
11		Net Assets at Beginning of the Year	118,341			118,341	
12							
13		Estimated Revenues:					
14	5700	Local Sources	300,000	-	-	300,000	
15	5800	State Sources	3,549,290	-	-	3,549,290	
16	5900	Federal Sources	-	-	-	-	
17		Other Sources	-	-	-	-	
18		Total Estimated Revenues:	$ 3,849,290	$ -	$ -	$ 3,849,290	
19							
Row	Acct. Code	Estimated Expenses:	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	Percentage
21	6100	Payroll Costs	1,581,981	-	-	1,581,981	40.3%
22	6200	Professional and Contracted Services	1,184,593	-	-	1,184,593	30.2%
23	6300	Supplies and Materials	846,577	-	-	846,577	21.6%
24	6400	Other Operating Costs	314,300	-	-	314,300	8.0%
25	6500	Debt Expenses	-	-	-	-	0.0%
26		Other Expenses	-	-	-	-	0.0%
27		Total Estimated Expenses:	$ 3,927,451	$ -	$ -	$ 3,927,451	
28		Change in Net Assets	$ (78,161)	$ -	$ -	$ (78,161)	102.0%
29 & 30		Net Assets at the End of Year 2	$ 40,180	$ -	$ -	$ 40,180	

Application for an Open-Enrollment Charter School - Eighteenth Generation
Estimated Revenues and Expenses - Year 2 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the period: 09/01/2015 to 08/31/2016

		Estimated Net Assets and Revenue					
Row	Acct. Code	Description of Net Assets					
Row	Acct. Code	Local Support Revenues:	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	⇩ Source Notes ⇩
35	5710	Local Property Taxes Passed through from School Districts	$ -	-	-	-	
36	5720	Local Revenues Realized as a Result of Services Rendered to Others	$ -	-	-	-	
37	5740	Other Revenues from Local Sources	$ 300,000	-	-	300,000	Refer to Support Schedule for Year 2.
38	5750	Revenues from Co-curricular, Enterprising Services or Activities	$ -	-	-	-	
39	5760	Revenues from Intermediate Sources	$ -	-	-	-	
40		Total Local Revenues:	$ 300,000	$ -	$ -	300,000	
Row	Acct. Code	State Program Revenues:					
42	5810	Per Capita & Foundation School Program Act Revenues	$ 3,549,290	-	-	3,549,290	Refer to Support Schedule for Year 2.
43	5820	State Program Revenues Distributed by TEA	$ -	-	-	-	
44	5830	State Revenues from State of Texas Government Agencies (other than TEA)	$ -	$ -	$ -	-	
45		Total State Revenues:	$ 3,549,290	$ -	$ -	$ 3,549,290	
Row	Acct. Code	Federal Program Revenues:					⇩ Source Notes ⇩
47	5910	Federal Revenues Distributed through Government Entities Other than State or Federal Agencies	$ -	-	-	-	
48	5920	Federal Revenues Distributed by the TEA	$ -	-	-	-	
49	5930	Federal Revenues Distributed by Other State of Texas Government Agencies (Other than TEA)	$ -	-	-	-	
50	5940	Federal Revenues Distributed Directly from the Federal Government	$ -	-	-	-	
51		Total Federal Revenues:	$ -	$ -	$ -	$ -	
52		Total Revenue and Resources ⇨	$ 3,849,290	$ -	$ -	$ 3,849,290	

Application for an Open-Enrollment Charter School - Eighteenth Generation
Estimated Revenues and Expenses - Year 2 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the period: 09/01/2015 to 08/31/2016

54			Estimated Expenses				
Row	Acct. Code	Description of Expenses	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	Source Notes
56	6100	Payroll Costs	-	-	-		
57	6112	Salaries or Wages for Substitute Teachers	-	-	-		
58	6119	Salaries or Wages - Teachers & Other Professional Personnel	1,358,507	-	-	1,358,507	Refer to Support Schedule for Year 2.
59	6121	Extra Duty Pay/Overtime - Support Personnel	-	-	-		
60	6129	Salaries or Wages for Support Personnel	-	-	-		
61	6139	Employee Allowances	-	-	-		
62	6141	Social Security/Medicare	103,926	-	-	103,926	Refer to Support Schedule for Year 2.
63	6142	Group Health and Life Insurance	99,850	-	-	99,850	Refer to Support Schedule for Year 2.
64	6143	Workers' Compensation	13,585	-	-	13,585	Refer to Support Schedule for Year 2.
65	6145	Unemployment Compensation	6,113	-	-	6,113	Refer to Support Schedule for Year 2.
66	6146	Teacher Retirement/TRS Care	-	-	-		
67	6149	Employee Benefits	-	-	-		
68		Total Payroll Costs (6100s):	$ 1,581,981	$ -	$ -	$ 1,581,981	
Row	Acct. Code	Description of Expenses					Source Notes
70	6200	Professional and Contracted Services	-	-	-		
71	6211	Legal Services	10,000	-	-	10,000	Refer to Support Schedule for Year 2.
72	6212	Audit Services	15,000	-	-	15,000	Refer to Support Schedule for Year 2.
73	6219	Professional Services	-	-	-		
74	6221	Staff Tuition and Related Fees -- Higher Education	-	-	-		
75	6222	Student Tuition -- Public Schools	-	-	-		
76	6223	Student Tuition -- Other than Public Schools	-	-	-		
77	6229	Tuition and Transfer Payments	-	-	-		
78	6239	Education Service Center Services	-	-	-		
79	6249	Contracted Maintenance and Repair	42,878	-	-	42,878	Refer to Support Schedule for Year 2.
80	6259	Utilities	81,000	-	-	81,000	Refer to Support Schedule for Year 2.
81	6269	Rentals -- Operating Leases	367,500	-	-	367,500	Refer to Support Schedule for Year 2.
82	6299	Miscellaneous Contracted Services	668,215	-	-	668,215	Refer to Support Schedule for Year 2.
83		Total Professional and Contracted Services (6200s):	$ 1,184,593	$ -	$ -	$ 1,184,593	

Application for an Open-Enrollment Charter School - Eighteenth Generation
Estimated Revenues and Expenses - Year 2 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the period: 09/01/2015 to 08/31/2016

Row	Acct. Code	Description of Expenses					⇩ Source Notes ⇩
85	6300	Supplies and Materials	-	-	-		
86	6311	Gasoline and Other Fuels for Vehicles (Including Buses)	-	-	-		
87	6319	Supplies for Maintenance and/or Operations	122,000	-	-	122,000	Refer to Support Schedule for Year 2.
88	6321	Textbooks	420,000	-	-	420,000	Refer to Support Schedule for Year 2.
89	6329	Reading Materials	46,200	-	-	46,200	Refer to Support Schedule for Year 2.
90	6339	Testing Materials	6,930	-	-	6,930	Refer to Support Schedule for Year 2.
91	6341	Food	-	-	-		
92	6342	Non-Food	-	-	-		
93	6343	Items for Sale	-	-	-		
94	6344	USDA Donated Commodities	-	-	-		
95	6349	Food Service Supplies	-	-	-		
96	6399	General Supplies	251,447	-	-	251,447	Refer to Support Schedule for Year 2.
97		Total Supplies and Materials (6300s):	$ 846,577	$ -	$ -	$ 846,577	
Row	Acct. Code	Description of Expenses					⇩ Source Notes ⇩
99	6400	Other Operating Costs	-	-	-		
100	6411	Travel and Subsistence -- Employee Only	-	-	-		
101	6412	Travel and Subsistence -- Students	6,000	-	-	6,000	Refer to Support Schedule for Year 2.
102	6413	Stipends -- Non-Employees	-	-	-	-	
103	6419	Travel and Subsistence -- Non-Employees	-	-	-		
104	6429	Insurance and Bonding Costs	42,000	-	-	42,000	Refer to Support Schedule for Year 2.
105	6449	Depreciation Expense	266,300	-	-	266,300	Refer to Support Schedule for Year 2.
106	6494	Reclassified Transportation Expenses	-	-	-		
107	6499	Miscellaneous Operating Costs	-	-	-		
108		Total Other Operating Costs (6400s):	$ 314,300	$ -	$ -	$ 314,300	
Row	Acct. Code	Description of Expenses					⇩ Source Notes ⇩
110	6500	Debt Expense	-	-	-		
111	6521	Interest on Bonds	-	-	-		
112	6522	Capital Lease Interest	-	-	-		
113	6523	Interest on Debt	-	-	-		
114	6529	Interest Expenses	-	-	-		
115	6599	Other Debt Fees	-	-	-		
116		Total Debt Expense (6500s):	$ -	$ -	$ -	$ -	

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 2 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2015 to 08/31/2016

Assumptions

(1) Consistent with 6.(c) contained in the Instructions worksheet of the Budget for First Years of Operations (Excel) 2-20-13.xlsx workbook template, projected capital asset acquisitions were disclosed using the accrual basis of accounting.
(2) Consistent with the instructions at 10. I. of the Eighteenth Generation Open-Enrollment Charter Guidelines and Application, Federal Public Charter School Start-Up Grant funds were not used for the development of this budget.
(3) Learning Schools of Texas opens its second campus and begins start-up of third and fourth campus.
(4) All amounts are rounded to the nearest dollar.

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
11	Net Assets at Beginning of the Year	$ 118,341				Net assets at end of year 1 carried forward.
37	Other Revenues from Local Sources	$ 300,000	$ 250,000			Pledged contribution from The Ewing Halsell Foundation. See letter enclosed as Attachment N.
			$ 50,000			Pledged contribution from the George W. Brackenridge Foundation. See letter enclosed as Attachment N.
42	Per Capita & Foundation School Program Act Revenues	$ 3,549,290	$ 6,358	93.04%	600	State Aid per ADA ($5,068 ÷ 0.80) = $6,358; refer to Calculation of Attendance Rate worksheet for 93.04% attendance rate; refer to Application Coversheet for enrollment of 600 students; row 42 amount calculates as $6,358 x .9304 x 600.
18	Total Estimated Revenues:	$ 3,849,290				Sum of Row 37 and 42.

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 2 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2015 to 08/31/2016

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
58	Salaries or Wages - Teachers & Other Professional Personnel	$ 1,358,507	$ 141,127	$ 141,127	1	Salary for CEO/Superintendent based upon average salary documented on Supplemental Human Resources Information (HRI) Form.
			$ 172,674	$ 86,337	2	Salary for Principals based upon average salary documented on HRI Form.
			$ 140,253	$ 70,127	2	Salary for Deans of Students based upon average salary documented on HRI Form.
			$ 52,200	$ 26,100	2	Salary for Course Managers based upon average salary documented on HRI Form.
			$ 546,573	$ 54,657	10	Salary for Content Area Teachers based upon average salary documented on HRI Form.
			$ 115,960	$ 19,327	6	Salary for Instructional Aides based upon average salary documented on HRI Form.
			$ 52,200	$ 26,100	2	Salary for PEIMS Coordinators based upon average salary documented on HRI Form.
			$ 137,520	$ 68,760	2	Salary for IT Specialists based upon average salary documented on HRI Form.

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 2 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2015 to 08/31/2016

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
62	Social Security/Medicare	$ 103,926				Row 59 Amount x (.062 + .0145)
63	Group Health and Life Insurance	$ 99,850				Row 59 Amount x .0735
64	Workers' Compensation	$ 13,585				Row 59 Amount x .0100
65	Unemployment Compensation	$ 6,113				Row 59 Amount x .0045
71	Legal Services	$ 10,000				Estimated amount based on current experience with legal services sought by other charter schools.
72	Audit Services	$ 15,000				Estimated amount based on current experience with audits of other charter schools.
79	Contracted Maintenance and Repair	$ 42,878		$ 21,439	2	Estimated amount for normal contracted upkeep, repairs, maintenance and renovation of: office equipment; furniture; computers; copiers; telephone systems; facsimile machines; buildings and grounds; etc. ($21,439 per operating campus).

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 2 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2015 to 08/31/2016

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
80	Utilities	$ 81,000	$ 50,000	$ 25,000	2	Estimated amount for basic utilities (electricity, garbage, sewage, water) based on current experience operating other charter schools ($25,000 per operating campus).
			$ 31,000	$ 15,500	2	Estimated amount for telecommunications and internet ($15,500 per operating campus).
81	Rentals – Operating Leases	$ 367,500		$ 183,750	2	Estimated amount based on research for rental of real property ($183,750 per operating campus).

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 2 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2015 to 08/31/2016

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
82	Miscellaneous Contracted Services	$ 668,215	$ 425,915	12.00%		Estimated amount based on management services fee of 12% of state revenues ($3,549,290).
			$ 5,500	$ 2,750	2	Estimated amount for professional development ($2,750 per operating campus).
			$ 48,600	$ 24,300	2	Estimated amount for consulting services (24,300 per operating campus).
			$ 176,000	$ 88,000	2	Estimated amount for Special Education services ($88,000 per operating campus).
			$ 5,000	$ 2,500	2	Estimated amount for IT services ($2,500 per operating campus).
			$ 7,200	$ 3,600	2	Estimated amount for printing and copying services (#,600 per operating campus).
87	Supplies for Maintenance and/or Operations	$ 122,000		$ 61,000	2	Estimated amount for supplies for the maintenance and operation of school facilities ($61,000 per operating campus).
88	Textbooks	$ 420,000		$ 700	600	Estimated amount for digital content based on $700 per student enrolled.

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 2 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2015 to 08/31/2016

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
89	Reading Materials	$ 46,200		$ 23,100	2	Estimated amount for educational materials ($23,100 per operating campus).
90	Testing Materials	$ 6,930		$ 3,465	2	Estimated amount for assessment and student data ($3,465 per operating campus).
96	General Supplies	$ 251,447	$ 12,000	$ 6,000	2	RFID attendance system ($6,000 per campus; 3rd and 4th campus)
			$ 2,438	$ 203	12	Tekk 2 way radios
			$ 25,200	$ 2,100	12	Projector (Epson powerlite 475w)
			$ 25,000	$ 2,500	10	Student response system
			$ 2,500	$ 250	10	Projector speakers
			$ 1,080	$ 90	12	Projector mount
			$ 600	$ 300	2	Office Printer/FAX/Scan
			$ 9,600	$ 800	12	Mimio system
			$ 3,000	$ 250	12	Projector wiring
			$ 14,400	$ 1,200	12	Coach's computer
			$ 1,320	$ 110	12	Coach's monitors
			$ 18,000	$ 900	20	Office/admin/ade staff computers
			$ 2,200	$ 110	20	Office/admin/ade staff monitors
			$ 656	$ 41	16	Windows Server
			$ 58,800	$ 140	420	VDI-In-A-Box VDI
			$ 15,540	$ 37	420	Citrix Maint/support

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 2 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2015 to 08/31/2016

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
96	General Supplies	**Continued**				
			$ 18,600	$ 30	620	Microsoft Virtual Desktop Access
			$ 2,812	$ 7	400	Symantec Endpoint Protection
			$ 13,185	$ 26	500	Websense filtering
			$ 21,016	$ 36	590	Server CALs
			$ 2,000	$ 1,000	2	Estimated amount for office supplies ($1,000 per operating campus).
			$ 1,500	$ 750	2	Estimated amount for postage, shipping and mailing ($750 per operating campus).
101	Travel and Subsistence -- Students	$ 6,000		$ 3,000	2	Estimated amount for student transportation and lodging ($3,000 per operating campus).
104	Insurance and Bonding Costs	$ 42,000	$ 9,000	$ 15	600	Estimated amount for student insurance based on $15 per student enrolled.
			$ 33,000	$ 16,500	2	Estimated amount for insurance (non-benefit; e.g., property insurance, liability insurance, bonding costs, athletic insurance, etc.) ($16,500 per operating campus).

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 2 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2015 to 08/31/2016

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
105	Depreciation Expense	$ 266,300		$ 66,575	4	Depreciation of capitalized technology and related infrastructure costs over five (5) years ($66,575 per campus = $332,876 ÷ 5).
			$ 332,876		5	**ServerRoom:**
			$ 1,800	$ 900	2	44U Open frame server rack
			$ 240	$ 120	2	Rack PDU
			$ 400	$ 400	1	KVM (16 port rack mounted)
			$ 660	$ 660	1	KVM Console
			$ 8,800	$ 1,100	8	GB Switch (Managed 48 port)
			$ 1,080	$ 135	8	48 port patch pannel
			$ 1,780	$ 890	2	2200V UPS
			$ 5,000	$ 5,000	1	Phone system
			$ 42,800	$ 10,700	4	Server (data center)
			$ 2,729	$ 910	3	Server (Domain Controller)
			$ 1,200	$ 1,200	1	Sonicwall Firewall Appliance
			$ 850	$ 850	1	NAS
			$ 900	$ 900	1	Gigabit switches
						Other Equipment:
			$ 60,000	$ 600	100	Laptops
			$ 6,500	$ 1,300	5	Laptop cart
			$ 40,000	$ 40,000	1	P.A. System
			$ 3,005	$ 3,005	1	ID Card printer
			$ 152	$ 76	2	Printer ribbon
			$ 12,000	$ 12,000	1	Building security
			$ 40,000	$ 40,000	1	Video surveillance

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 2 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2015 to 08/31/2016

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
105	Depreciation Expense	**Continued**				
						Learning Center
			$ 2,600	$ 650	4	Wireless access point
			$ 73,500	$ 350	210	Thin clients (Wyse Xenith)
			$ 3,780	$ 18	210	Thin client 3yr maint
			$ 23,100	$ 110	210	Monitors
27	Total Estimated Expenses:	$ 3,927,451				Sum of Rows 59 through 109.

Application for an Open-Enrollment Charter School - Eighteenth Generation
Estimated Revenues and Expenses - Year 3 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the period: 09/01/2016 to 08/31/2017

Summary of Estimated Net Assets and Expenses
Year 3

Row	Acct. Code	Estimated Revenue and Net Assets:	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	
11	Net Assets at Beginning of the Year		40,180	-	-	40,180	
12							
13	Estimated Revenues:						
14	5700	Local Sources	300,000	-	-	300,000	
15	5800	State Sources	7,098,580	-	-	7,098,580	
16	5900	Federal Sources	-	-	-	-	
17		Other Sources	-	-	-	-	
18		Total Estimated Revenues:	$ 7,398,580	$ -	$ -	$ 7,398,580	
19							
Row	Acct. Code	Estimated Expenses:	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	Percentage
21	6100	Payroll Costs	2,999,624	-	-	2,999,624	42.2%
22	6200	Professional and Contracted Services	2,354,186	-	-	2,354,186	33.1%
23	6300	Supplies and Materials	1,321,234	-	-	1,321,234	18.6%
24	6400	Other Operating Costs	428,875	-	-	428,875	6.0%
25	6500	Debt Expenses	-	-	-	-	0.0%
26		Other Expenses	-	-	-	-	0.0%
27		Total Estimated Expenses:	$ 7,103,919	$ -	$ -	$ 7,103,919	
28		Change in Net Assets	$ 294,661	$ -	$ -	$ 294,661	96.0%
29 & 30		Net Assets at the End of Year 3	$ 334,841	$	$	$ 334,841	

Application for an Open-Enrollment Charter School - Eighteenth Generation
Estimated Revenues and Expenses - Year 3 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the period: 09/01/2016 to 08/31/2017

		Estimated Net Assets and Revenue					
Row	Acct. Code	Description of Net Assets					
Row	Acct. Code	Local Support Revenues:	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	⇩ Source Notes ⇩
35	5710	Local Property Taxes Passed through from School Districts	$ -	-	-	-	
36	5720	Local Revenues Realized as a Result of Services Rendered to Others	$ -	-	-	-	
37	5740	Other Revenues from Local Sources	$ 300,000	-	-	300,000	Refer to Support Schedule for Year 3.
38	5750	Revenues from Co-curricular, Enterprising Services or Activities	$ -	-	-	-	
39	5760	Revenues from Intermediate Sources	$ -	-	-	-	
40		Total Local Revenues:	$ 300,000	$ -	$ -	300,000	
Row	Acct. Code	State Program Revenues:					
42	5810	Per Capita & Foundation School Program Act Revenues	$ 7,098,580	-	-	7,098,580	Refer to Support Schedule for Year 3.
43	5820	State Program Revenues Distributed by TEA	$ -	-	-	-	
44	5830	State Revenues from State of Texas Government Agencies (other than TEA)	$ -	$ -	$ -	-	
45		Total State Revenues:	$ 7,098,580	$ -	$ -	7,098,580	
Row	Acct. Code	Federal Program Revenues:					⇩ Source Notes ⇩
47	5910	Federal Revenues Distributed through Government Entities Other than State or Federal Agencies	$ -	-	-	-	
48	5920	Federal Revenues Distributed by the TEA	$ -	-	-	-	
49	5930	Federal Revenues Distributed by Other State of Texas Government Agencies (Other than TEA)	$ -	-	-	-	
50	5940	Federal Revenues Distributed Directly from the Federal Government	$ -	-	-	-	
51		Total Federal Revenues:	$ -	$ -	$ -	$ -	
52		Total Revenue and Resources ⇨	$ 7,398,580	$ -	$ -	$ 7,398,580	

Application for an Open-Enrollment Charter School - Eighteenth Generation
Estimated Revenues and Expenses - Year 3 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the period: 09/01/2016 to 08/31/2017

54	Estimated Expenses							
Row	Acct. Code	Description of Expenses	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	⇩ Source Notes ⇩	
56	6100	Payroll Costs	-	-	-	-		
57	6112	Salaries or Wages for Substitute Teachers	-	-	-	-		
58	6119	Salaries or Wages - Teachers & Other Professional Personnel	2,575,889	-	-	2,575,889	Refer to Support Schedule for Year 3.	
59	6121	Extra Duty Pay/Overtime - Support Personnel	-	-	-	-		
60	6129	Salaries or Wages for Support Personnel	-	-	-	-		
61	6139	Employee Allowances	-	-	-	-		
62	6141	Social Security/Medicare	197,056	-	-	197,056	Refer to Support Schedule for Year 3.	
63	6142	Group Health and Life Insurance	189,328	-	-	189,328	Refer to Support Schedule for Year 3.	
64	6143	Workers' Compensation	25,759	-	-	25,759	Refer to Support Schedule for Year 3.	
65	6145	Unemployment Compensation	11,592	-	-	11,592	Refer to Support Schedule for Year 3.	
66	6146	Teacher Retirement/TRS Care	-	-	-	-		
67	6149	Employee Benefits	-	-	-	-		
68		Total Payroll Costs (6100s):	$ 2,999,624	$ -	$ -	$ 2,999,624		
Row	Acct. Code	Description of Expenses					⇩ Source Notes ⇩	
70	6200	Professional and Contracted Services	-	-	-	-		
71	6211	Legal Services	15,000	-	-	15,000	Refer to Support Schedule for Year 3.	
72	6212	Audit Services	20,000	-	-	20,000	Refer to Support Schedule for Year 3.	
73	6219	Professional Services	-	-	-	-		
74	6221	Staff Tuition and Related Fees -- Higher Education	-	-	-	-		
75	6222	Student Tuition -- Public Schools	-	-	-	-		
76	6223	Student Tuition -- Other than Public Schools	-	-	-	-		
77	6229	Tuition and Transfer Payments	-	-	-	-		
78	6239	Education Service Center Services	-	-	-	-		
79	6249	Contracted Maintenance and Repair	85,756	-	-	85,756	Refer to Support Schedule for Year 3.	
80	6259	Utilities	162,000	-	-	162,000	Refer to Support Schedule for Year 3.	
81	6269	Rentals -- Operating Leases	735,000	-	-	735,000	Refer to Support Schedule for Year 3.	
82	6299	Miscellaneous Contracted Services	1,336,430	-	-	1,336,430	Refer to Support Schedule for Year 3.	
83		Total Professional and Contracted Services (6200s):	$ 2,354,186	$ -	$ -	$ 2,354,186		

Application for an Open-Enrollment Charter School - Eighteenth Generation
Estimated Revenues and Expenses - Year 3 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the period: 09/01/2016 to 08/31/2017

Row	Acct. Code	Description of Expenses					0 Source Notes 0
85	6300	Supplies and Materials	-	-	-	-	
86	6311	Gasoline and Other Fuels for Vehicles (Including Buses)	-	-	-	-	
87	6319	Supplies for Maintenance and/or Operations	244,000	-	-	244,000	Refer to Support Schedule for Year 3.
88	6321	Textbooks	840,000	-	-	840,000	Refer to Support Schedule for Year 3.
89	6329	Reading Materials	92,400	-	-	92,400	Refer to Support Schedule for Year 3.
90	6339	Testing Materials	13,860	-	-	13,860	Refer to Support Schedule for Year 3.
91	6341	Food	-	-	-	-	
92	6342	Non-Food	-	-	-	-	
93	6343	Items for Sale	-	-	-	-	
94	6344	USDA Donated Commodities	-	-	-	-	
95	6349	Food Service Supplies	-	-	-	-	
96	6399	General Supplies	130,974	-	-	130,974	Refer to Support Schedule for Year 3.
97		Total Supplies and Materials (6300s):	$ 1,321,234	$ -	$ -	$ 1,321,234	
Row	Acct. Code	Description of Expenses					0 Source Notes 0
99	6400	Other Operating Costs	-	-	-	-	
100	6411	Travel and Subsistence -- Employee Only	-	-	-	-	
101	6412	Travel and Subsistence -- Students	12,000	-	-	12,000	Refer to Support Schedule for Year 3.
102	6413	Stipends -- Non-Employees	-	-	-	-	
103	6419	Travel and Subsistence -- Non-Employees	-	-	-	-	
104	6429	Insurance and Bonding Costs	84,000	-	-	84,000	Refer to Support Schedule for Year 3.
105	6449	Depreciation Expense	332,875	-	-	332,875	Refer to Support Schedule for Year 3.
106	6494	Reclassified Transportation Expenses	-	-	-	-	
107	6499	Miscellaneous Operating Costs	-	-	-	-	
108		Total Other Operating Costs (6400s):	$ 428,875	$ -	$ -	$ 428,875	
Row	Acct. Code	Description of Expenses					0 Source Notes 0
110	6500	Debt Expense	-	-	-	-	
111	6521	Interest on Bonds	-	-	-	-	
112	6522	Capital Lease Interest	-	-	-	-	
113	6523	Interest on Debt	-	-	-	-	
114	6529	Interest Expenses	-	-	-	-	
115	6599	Other Debt Fees	-	-	-	-	
116		Total Debt Expense (6500s):	$ -	$ -	$ -	$ -	

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 3 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2016 to 08/31/2017

Assumptions

(1) Consistent with 6.(c) contained in the Instructions worksheet of the Budget for First Years of Operations (Excel) 2-20-13.xlsx workbook template, projected capital asset acquisitions were disclosed using the accrual basis of accounting.
(2) Consistent with the instructions at 10. I. of the Eighteenth Generation Open-Enrollment Charter Guidelines and Application, Federal Public Charter School Start-Up Grant funds were not used for the development of this budget.
(3) Learning Schools of Texas opens its third and fourth campus and begins start-up of fifth campus.
(4) All amounts are rounded to the nearest dollar.

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
11	Net Assets at Beginning of the Year	$ 40,180				Net assets at end of year 2 carried forward.
37	Other Revenues from Local Sources	$ 300,000	$ 250,000			Pledged contribution from The Ewing Halsell Foundation. See letter enclosed as Attachment N.
			$ 50,000			Pledged contribution from the George W. Brackenridge Foundation. See letter enclosed as Attachment N.
42	Per Capita & Foundation School Program Act Revenues	$ 7,098,580	$ 6,358	93.04%	1,200	State Aid per ADA ($5,068 ÷ 0.80) = $6,358; refer to Calculation of Attendance Rate worksheet for 93.04% attendance rate; refer to Application Coversheet for enrollment of 1,200 students; row 42 amount calculates as $6,358 x .9304 x 1,200.
18	Total Estimated Revenues:	$ 7,398,580				Sum of Row 37 and 42.

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 3 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2016 to 08/31/2017

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
58	Salaries or Wages - Teachers & Other Professional Personnel	$ 2,575,889	$ 141,127	$ 141,127	1	Salary for CEO/Superintendent based upon average salary documented on Supplemental Human Resources Information (HRI) Form.
			$ 345,348	$ 86,337	4	Salary for Principals based upon average salary documented on HRI Form.
			$ 280,507	$ 70,127	4	Salary for Deans of Students based upon average salary documented on HRI Form.
			$ 104,400	$ 26,100	4	Salary for Course Managers based upon average salary documented on HRI Form.
			$ 1,093,147	$ 54,657	20	Salary for Content Area Teachers based upon average salary documented on HRI Form.
			$ 231,920	$ 19,327	12	Salary for Instructional Aides based upon average salary documented on HRI Form.
			$ 104,400	$ 26,100	4	Salary for PEIMS Coordinators based upon average salary documented on HRI Form.
			$ 275,040	$ 68,760	4	Salary for IT Specialists based upon average salary documented on HRI Form.
62	Social Security/Medicare	$ 197,056				Row 59 Amount x (.062 + .0145)
63	Group Health and Life Insurance	$ 189,328				Row 59 Amount x .0735

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 3 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2016 to 08/31/2017

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
64	Workers' Compensation	$ 25,759				Row 59 Amount x .0100
65	Unemployment Compensation	$ 11,592				Row 59 Amount x .0045
71	Legal Services	$ 15,000				Estimated amount based on current experience with legal services sought by other charter schools.
72	Audit Services	$ 20,000				Estimated amount based on current experience with audits of other charter schools.
79	Contracted Maintenance and Repair	$ 85,756		$ 21,439	4	Estimated amount for normal contracted upkeep, repairs, maintenance and renovation of: office equipment; furniture; computers; copiers; telephone systems; facsimile machines; buildings and grounds; etc. ($21,439 per operating campus).
80	Utilities	$ 162,000	$ 100,000	$ 25,000	4	Estimated amount for basic utilities (electricity, garbage, sewage, water) based on current experience operating other charter schools ($25,000 per operating campus).
			$ 62,000	$ 15,500	4	Estimated amount for telecommunications and internet ($15,500 per operating campus).

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 3 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2016 to 08/31/2017

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
81	Rentals -- Operating Leases	$ 735,000		$ 183,750	4	Estimated amount based on research for rental of real property ($183,750 per operating campus).
82	Miscellaneous Contracted Services	$ 1,336,430	$ 851,830	12.00%		Estimated amount based on management services fee of 12% of state revenues ($7,098,580).
			$ 11,000	$ 2,750	4	Estimated amount for professional development ($2,750 per operating campus).
			$ 97,200	$ 24,300	4	Estimated amount for consulting services (24,300 per operating campus).
			$ 352,000	$ 88,000	4	Estimated amount for Special Education services ($88,000 per operating campus).
			$ 10,000	$ 2,500	4	Estimated amount for IT services ($2,500 per operating campus).
			$ 14,400	$ 3,600	4	Estimated amount for printing and copying services (#,600 per operating campus).
87	Supplies for Maintenance and/or Operations	$ 244,000		$ 61,000	4	Estimated amount for supplies for the maintenance and operation of school facilities ($61,000 per operating campus).
88	Textbooks	$ 840,000		$ 700	1,200	Estimated amount for digital content based on $700 per student enrolled.

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 3 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2016 to 08/31/2017

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
89	Reading Materials	$ 92,400		$ 23,100	4	Estimated amount for educational materials ($23,100 per operating campus).
90	Testing Materials	$ 13,860		$ 3,465	4	Estimated amount for assessment and student data ($3,465 per operating campus).
96	General Supplies	$ 130,974	$ 6,000			RFID attendance system
			$ 1,219	$ 203	6	Tekk 2 way radios
			$ 12,600	$ 2,100	6	Projector (Epson powerlite 475w)
			$ 12,500	$ 2,500	5	Student response system
			$ 1,250	$ 250	5	Projector speakers
			$ 540	$ 90	6	Projector mount
			$ 300	$ 300	1	Office Printer/FAX/Scan
			$ 4,800	$ 800	6	Mimio system
			$ 1,500	$ 250	6	Projector wiring
			$ 7,200	$ 1,200	6	Coach's computer
			$ 660	$ 110	6	Coach's monitors
			$ 9,000	$ 900	10	Office/admin/ade staff computers
			$ 1,100	$ 110	10	Office/admin/ade staff monitors
			$ 328	$ 41	8	Windows Server
			$ 29,400	$ 140	210	VDI-In-A-Box VDI
			$ 7,770	$ 37	210	Citrix Maint/support
			$ 9,300	$ 30	310	Microsoft Virtual Desktop Access
			$ 1,406	$ 7	200	Symantec Endpoint Protection
			$ 6,593	$ 26	250	Websense filtering

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 3 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2016 to 08/31/2017

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
96	General Supplies	**Continued**				
			$ 10,508	$ 36	295	Server CALs
			$ 4,000	$ 1,000	4	Estimated amount for office supplies ($1,000 per operating campus).
			$ 3,000	$ 750	4	Estimated amount for postage, shipping and mailing ($750 per operating campus).
101	Travel and Subsistence – Students	$ 12,000		$ 3,000	4	Estimated amount for student transportation and lodging ($3,000 per operating campus).
104	Insurance and Bonding Costs	$ 84,000	$ 18,000	$ 15	1,200	Estimated amount for student insurance based on $15 per student enrolled.
			$ 66,000	$ 16,500	4	Estimated amount for insurance (non-benefit; e.g., property insurance, liability insurance, bonding costs, athletic insurance, etc.) ($16,500 per operating campus).

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 3 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2016 to 08/31/2017

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
105	Depreciation Expense	$ 332,875		$ 66,575	5	Depreciation of capitalized technology and related infrastructure costs over five (5) years ($66,575 per campus = $332,876 ÷ 5).
			$ 332,876		5	**ServerRoom:**
			$ 1,800	$ 900	2	44U Open frame server rack
			$ 240	$ 120	2	Rack PDU
			$ 400	$ 400	1	KVM (16 port rack mounted)
			$ 660	$ 660	1	KVM Console
			$ 8,800	$ 1,100	8	GB Switch (Managed 48 port)
			$ 1,080	$ 135	8	48 port patch pannel
			$ 1,780	$ 890	2	2200V UPS
			$ 5,000	$ 5,000	1	Phone system
			$ 42,800	$ 10,700	4	Server (data center)
			$ 2,729	$ 910	3	Server (Domain Controller)
			$ 1,200	$ 1,200	1	Sonicwall Firewall Appliance
			$ 850	$ 850	1	NAS
			$ 900	$ 900	1	Gigabit switches
						Other Equipment:
			$ 60,000	$ 600	100	Laptops
			$ 6,500	$ 1,300	5	Laptop cart
			$ 40,000	$ 40,000	1	P.A. System
			$ 3,005	$ 3,005	1	ID Card printer
			$ 152	$ 76	2	Printer ribbon
			$ 12,000	$ 12,000	1	Building security
			$ 40,000	$ 40,000	1	Video surveillance

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 3 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2016 to 08/31/2017

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
105	Depreciation Expense	**Continued**				
						Learning Center
			$ 2,600	$ 650	4	Wireless access point
			$ 73,500	$ 350	210	Thin clients (Wyse Xenith)
			$ 3,780	$ 18	210	Thin client 3yr maint
			$ 23,100	$ 110	210	Monitors
27	Total Estimated Expenses:	$ 7,103,919				Sum of Rows 59 through 109.

Application for an Open-Enrollment Charter School - Eighteenth Generation

Estimated Revenues and Expenses - Year 4 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the period: 09/01/2017 to 08/31/2018

Summary of Estimated Net Assets and Expenses
Year 4

Row	Acct. Code	Estimated Revenue and Net Assets:	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	
11	Net Assets at Beginning of the Year		334,841	-	-	334,841	
12							
13	Estimated Revenues:						
14	5700	Local Sources	50,000	-	-	50,000	
15	5800	State Sources	8,873,225	-	-	8,873,225	
16	5900	Federal Sources	-	-	-	-	
17		Other Sources	-	-	-	-	
18		Total Estimated Revenues:	$ 8,923,225	$ -	$ -	$ 8,923,225	
19							
Row	**Acct. Code**	**Estimated Expenses:**	**Unrestricted Net Assets**	**Temporarily Restricted Net Assets**	**Permanently Restricted Net Assets**	**Total Amounts**	**Percentage**
21	6100	Payroll Costs	3,708,441	-	-	3,708,441	43.0%
22	6200	Professional and Contracted Services	2,957,497	-	-	2,957,497	34.3%
23	6300	Supplies and Materials	1,501,300	-	-	1,501,300	17.4%
24	6400	Other Operating Costs	452,875	-	-	452,875	5.3%
25	6500	Debt Expenses	-	-	-	-	0.0%
26		Other Expenses	-	-	-	-	0.0%
27		Total Estimated Expenses:	$ 8,620,113	$ -	$ -	$ 8,620,113	
28		Change in Net Assets	$ 303,112	$ -	$ -	$ 303,112	96.6%
29 & 30		Net Assets at the End of Year 4	$ 637,953	$	$	$ 637,953	

Application for an Open-Enrollment Charter School - Eighteenth Generation

Estimated Revenues and Expenses - Year 4 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the period: 09/01/2017 to 08/31/2018

			Estimated Net Assets and Revenue				
Row	Acct. Code	Description of Net Assets					
Row	Acct. Code	Local Support Revenues:	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	0 Source Notes 0
35	5710	Local Property Taxes Passed through from School Districts	$ -	-	-	-	
36	5720	Local Revenues Realized as a Result of Services Rendered to Others	$ -	-	-	-	
37	5740	Other Revenues from Local Sources	$ 50,000	-	-	50,000	Refer to Support Schedule for Year 4.
38	5750	Revenues from Co-curricular, Enterprising Services or Activities	$ -	-	-	-	
39	5760	Revenues from Intermediate Sources	$ -	-	-	-	
40		Total Local Revenues:	$ 50,000	$ -	$ -	50,000	
Row	Acct. Code	State Program Revenues:					
42	5810	Per Capita & Foundation School Program Act Revenues	$ 8,873,225	-	-	8,873,225	Refer to Support Schedule for Year 4.
43	5820	State Program Revenues Distributed by TEA	$ -	-	-	-	
44	5830	State Revenues from State of Texas Government Agencies (other than TEA)	$ -	$ -	$ -	-	
45		Total State Revenues:	$ 8,873,225	$ -	$ -	$ 8,873,225	
Row	Acct. Code	Federal Program Revenues:					0 Source Notes 0
47	5910	Federal Revenues Distributed through Government Entities Other than State or Federal Agencies	$ -	-	-	-	
48	5920	Federal Revenues Distributed by the TEA	$ -	-	-	-	
49	5930	Federal Revenues Distributed by Other State of Texas Government Agencies (Other than TEA)	$ -	-	-	-	
50	5940	Federal Revenues Distributed Directly from the Federal Government	$ -	-	-	-	
51		Total Federal Revenues:	$ -	$ -	$ -	$ -	
52		Total Revenue and Resources ⇨	$ 8,923,225	$ -	$ -	$ 8,923,225	

Application for an Open-Enrollment Charter School - Eighteenth Generation

Estimated Revenues and Expenses - Year 4 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the period: 09/01/2017 to 08/31/2018

54			Estimated Expenses				
Row	Acct. Code	Description of Expenses	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	Source Notes
56	6100	Payroll Costs	-	-	-		
57	6112	Salaries or Wages for Substitute Teachers	-	-	-		
58	6119	Salaries or Wages - Teachers & Other Professional Personnel	3,184,578	-	-	3,184,578	Refer to Support Schedule for Year 4.
59	6121	Extra Duty Pay/Overtime - Support Personnel	-	-	-	-	
60	6129	Salaries or Wages for Support Personnel	-	-	-	-	
61	6139	Employee Allowances	-	-	-		
62	6141	Social Security/Medicare	243,620	-	-	243,620	Refer to Support Schedule for Year 4.
63	6142	Group Health and Life Insurance	234,066	-	-	234,066	Refer to Support Schedule for Year 4.
64	6143	Workers' Compensation	31,846	-	-	31,846	Refer to Support Schedule for Year 4.
65	6145	Unemployment Compensation	14,331	-	-	14,331	Refer to Support Schedule for Year 4.
66	6146	Teacher Retirement/TRS Care	-	-	-	-	
67	6149	Employee Benefits	-	-	-	-	
68		Total Payroll Costs (6100s):	$ 3,708,441	$ -	$ -	$ 3,708,441	
Row	Acct. Code	Description of Expenses					Source Notes
70	6200	Professional and Contracted Services	-	-	-	-	
71	6211	Legal Services	20,000	-	-	20,000	Refer to Support Schedule for Year 4.
72	6212	Audit Services	25,000	-	-	25,000	Refer to Support Schedule for Year 4.
73	6219	Professional Services	-	-	-	-	
74	6221	Staff Tuition and Related Fees -- Higher Education	-	-	-	-	
75	6222	Student Tuition -- Public Schools	-	-	-	-	
76	6223	Student Tuition -- Other than Public Schools	-	-	-	-	
77	6229	Tuition and Transfer Payments	-	-	-	-	
78	6239	Education Service Center Services	-	-	-	-	
79	6249	Contracted Maintenance and Repair	120,710	-	-	120,710	Refer to Support Schedule for Year 4.
80	6259	Utilities	202,500	-	-	202,500	Refer to Support Schedule for Year 4.
81	6269	Rentals -- Operating Leases	918,750	-	-	918,750	Refer to Support Schedule for Year 4.
82	6299	Miscellaneous Contracted Services	1,670,537	-	-	1,670,537	Refer to Support Schedule for Year 4.
83		Total Professional and Contracted Services (6200s):	$ 2,957,497	$ -	$ -	$ 2,957,497	

Application for an Open-Enrollment Charter School - Eighteenth Generation

Estimated Revenues and Expenses - Year 4 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the period: 09/01/2017 to 08/31/2018

Row	Acct. Code	Description of Expenses					Source Notes
85	6300	Supplies and Materials	-	-	-	-	
86	6311	Gasoline and Other Fuels for Vehicles (Including Buses)	-	-	-	-	
87	6319	Supplies for Maintenance and/or Operations	305,000	-	-	305,000	Refer to Support Schedule for Year 4.
88	6321	Textbooks	1,050,000	-	-	1,050,000	Refer to Support Schedule for Year 4.
89	6329	Reading Materials	115,500	-	-	115,500	Refer to Support Schedule for Year 4.
90	6339	Testing Materials	22,050	-	-	22,050	Refer to Support Schedule for Year 4.
91	6341	Food	-	-	-	-	
92	6342	Non-Food	-	-	-	-	
93	6343	Items for Sale	-	-	-	-	
94	6344	USDA Donated Commodities	-	-	-	-	
95	6349	Food Service Supplies	-	-	-	-	
96	6399	General Supplies	8,750	-	-	8,750	Refer to Support Schedule for Year 4.
97		Total Supplies and Materials (6300s):	$ 1,501,300	$ -	$ -	$ 1,501,300	
Row	Acct. Code	Description of Expenses					Source Notes
99	6400	Other Operating Costs	-	-	-	-	
100	6411	Travel and Subsistence -- Employee Only	-	-	-	-	
101	6412	Travel and Subsistence -- Students	15,000	-	-	15,000	Refer to Support Schedule for Year 4.
102	6413	Stipends -- Non-Employees	-	-	-	-	
103	6419	Travel and Subsistence -- Non-Employees	-	-	-	-	
104	6429	Insurance and Bonding Costs	105,000	-	-	105,000	Refer to Support Schedule for Year 4.
105	6449	Depreciation Expense	332,875	-	-	332,875	Refer to Support Schedule for Year 4.
106	6494	Reclassified Transportation Expenses	-	-	-	-	
107	6499	Miscellaneous Operating Costs	-	-	-	-	
108		Total Other Operating Costs (6400s):	$ 452,875	$ -	$ -	$ 452,875	
Row	Acct. Code	Description of Expenses					Source Notes
110	6500	Debt Expense	-	-	-	-	
111	6521	Interest on Bonds	-	-	-	-	
112	6522	Capital Lease Interest	-	-	-	-	
113	6523	Interest on Debt	-	-	-	-	
114	6529	Interest Expenses	-	-	-	-	
115	6599	Other Debt Fees	-	-	-	-	
116		Total Debt Expense (6500s):	$ -	$ -	$ -	$ -	

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 4 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2017 to 08/31/2018

Assumptions

(1) Consistent with 6.(c) contained in the Instructions worksheet of the Budget for First Years of Operations (Excel) 2-20-13.xlsx workbook template, projected capital asset acquisitions were disclosed using the accrual basis of accounting.
(2) Consistent with the instructions at 10. I. of the Eighteenth Generation Open-Enrollment Charter Guidelines and Application, Federal Public Charter School Start-Up Grant funds were not used for the development of this budget.
(3) Learning Schools of Texas opens its fifth campus.
(4) All amounts are rounded to the nearest dollar.

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
11	Net Assets at Beginning of the Year	$ 334,841				Net assets at end of year 3 carried forward.
37	Other Revenues from Local Sources	$ 50,000	$ -			Pledged contribution from The Ewing Halsell Foundation. See letter enclosed as Attachment N.
			$ 50,000			Pledged contribution from the George W. Brackenridge Foundation. See letter enclosed as Attachment N.
42	Per Capita & Foundation School Program Act Revenues	$ 8,873,225	$ 6,358	93.04%	1,500	State Aid per ADA ($5,068 ÷ 0.80) = $6,358; refer to Calculation of Attendance Rate worksheet for 93.04% attendance rate; refer to Application Coversheet for enrollment of 1,500 students; row 42 amount calculates as $6,358 x .9304 x 1,500.
18	Total Estimated Revenues:	$ 8,923,225				Sum of Row 37 and 42.

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 4 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2017 to 08/31/2018

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
58	Salaries or Wages - Teachers & Other Professional Personnel	$ 3,184,578	$ 141,127	$ 141,127	1	Salary for CEO/Superintendent based upon average salary documented on Supplemental Human Resources Information (HRI) Form.
			$ 431,685	$ 86,337	5	Salary for Principals based upon average salary documented on HRI Form.
			$ 350,633	$ 70,127	5	Salary for Deans of Students based upon average salary documented on HRI Form.
			$ 130,500	$ 26,100	5	Salary for Course Managers based upon average salary documented on HRI Form.
			$ 1,366,433	$ 54,657	25	Salary for Content Area Teachers based upon average salary documented on HRI Form.
			$ 289,900	$ 19,327	15	Salary for Instructional Aides based upon average salary documented on HRI Form.
			$ 130,500	$ 26,100	5	Salary for PEIMS Coordinators based upon average salary documented on HRI Form.
			$ 343,800	$ 68,760	5	Salary for IT Specialists based upon average salary documented on HRI Form.
62	Social Security/Medicare	$ 243,620				Row 59 Amount x (.062 + .0145)
63	Group Health and Life Insurance	$ 234,066				Row 59 Amount x .0735

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 4 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2017 to 08/31/2018

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
64	Workers' Compensation	$ 31,846				Row 59 Amount x .0100
65	Unemployment Compensation	$ 14,331				Row 59 Amount x .0045
71	Legal Services	$ 20,000				Estimated amount based on current experience with legal services sought by other charter schools.
72	Audit Services	$ 25,000				Estimated amount based on current experience with audits of other charter schools.
79	Contracted Maintenance and Repair	$ 120,710		$ 24,142	5	Estimated amount for normal contracted upkeep, repairs, maintenance and renovation of: office equipment; furniture; computers; copiers; telephone systems; facsimile machines; buildings and grounds; etc. ($24,142 per operating campus).
80	Utilities	$ 202,500	$ 125,000	$ 25,000	5	Estimated amount for basic utilities (electricity, garbage, sewage, water) based on current experience operating other charter schools ($25,000 per operating campus).
			$ 77,500	$ 15,500	5	Estimated amount for telecommunications and internet ($15,500 per operating campus).

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 4 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2017 to 08/31/2018

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
81	Rentals -- Operating Leases	$ 918,750		$ 183,750	5	Estimated amount based on research for rental of real property ($183,750 per operating campus).
82	Miscellaneous Contracted Services	$ 1,670,537	$ 1,064,787	12.00%		Estimated amount based on management services fee of 12% of state revenues ($8,873,225).
			$ 13,750	$ 2,750	5	Estimated amount for professional development ($2,750 per operating campus).
			$ 121,500	$ 24,300	5	Estimated amount for consulting services (24,300 per operating campus).
			$ 440,000	$ 88,000	5	Estimated amount for Special Education services ($88,000 per operating campus).
			$ 12,500	$ 2,500	5	Estimated amount for IT services ($2,500 per operating campus).
			$ 18,000	$ 3,600	5	Estimated amount for printing and copying services (#,600 per operating campus).
87	Supplies for Maintenance and/or Operations	$ 305,000		$ 61,000	5	Estimated amount for supplies for the maintenance and operation of school facilities ($61,000 per operating campus).
88	Textbooks	$ 1,050,000		$ 700	1,500	Estimated amount for digital content based on $700 per student enrolled.

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 4 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2017 to 08/31/2018

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
89	Reading Materials	$ 115,500		$ 23,100	5	Estimated amount for educational materials ($23,100 per operating campus).
90	Testing Materials	$ 22,050		$ 4,410	5	Estimated amount for assessment and student data ($4,410 per operating campus).
96	General Supplies	$ 8,750	$ 5,000	$ 1,000	5	Estimated amount for office supplies ($1,000 per operating campus).
			$ 3,750	$ 750	5	Estimated amount for postage, shipping and mailing ($750 per operating campus).
101	Travel and Subsistence – Students	$ 15,000		$ 3,000	5	Estimated amount for student transportation and lodging ($3,000 per operating campus).
104	Insurance and Bonding Costs	$ 105,000	$ 22,500	$ 15	1,500	Estimated amount for student insurance based on $15 per student enrolled.
			$ 82,500	$ 16,500	5	Estimated amount for insurance (non-benefit; e.g., property insurance, liability insurance, bonding costs, athletic insurance, etc.) ($16,500 per operating campus).

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 4 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2017 to 08/31/2018

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
105	Depreciation Expense	$ 332,875		$ 66,575	5	Depreciation of capitalized technology and related infrastructure costs over five (5) years ($66,575 per campus = $332,876 ÷ 5).
			$ 332,876		5	**ServerRoom:**
			$ 1,800	$ 900	2	44U Open frame server rack
			$ 240	$ 120	2	Rack PDU
			$ 400	$ 400	1	KVM (16 port rack mounted)
			$ 660	$ 660	1	KVM Console
			$ 8,800	$ 1,100	8	GB Switch (Managed 48 port)
			$ 1,080	$ 135	8	48 port patch pannel
			$ 1,780	$ 890	2	2200V UPS
			$ 5,000	$ 5,000	1	Phone system
			$ 42,800	$ 10,700	4	Server (data center)
			$ 2,729	$ 910	3	Server (Domain Controller)
			$ 1,200	$ 1,200	1	Sonicwall Firewall Appliance
			$ 850	$ 850	1	NAS
			$ 900	$ 900	1	Gigabit switches
						Other Equipment:
			$ 60,000	$ 600	100	Laptops
			$ 6,500	$ 1,300	5	Laptop cart
			$ 40,000	$ 40,000	1	P.A. System
			$ 3,005	$ 3,005	1	ID Card printer
			$ 152	$ 76	2	Printer ribbon
			$ 12,000	$ 12,000	1	Building security
			$ 40,000	$ 40,000	1	Video surveillance

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 4 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2017 to 08/31/2018

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
						Learning Center
			$ 2,600	$ 650	4	Wireless access point
			$ 73,500	$ 350	210	Thin clients (Wyse Xenith)
			$ 3,780	$ 18	210	Thin client 3yr maint
			$ 23,100	$ 110	210	Monitors
27	Total Estimated Expenses:	$ 8,620,113				Sum of Rows 59 through 109.

Application for an Open-Enrollment Charter School - Eighteenth Generation
Estimated Revenues and Expenses - Year 5 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the period: 09/01/2018 to 08/31/2019

Summary of Estimated Net Assets and Expenses Year 5

Row	Acct. Code	Estimated Revenue and Net Assets:	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	
11	Net Assets at Beginning of the Year		637,953	-	-	637,953	
12							
13	Estimated Revenues:						
14	5700	Local Sources	50,000	-	-	50,000	
15	5800	State Sources	8,873,225	-	-	8,873,225	
16	5900	Federal Sources	-	-	-	-	
17		Other Sources	-	-	-	-	
18		Total Estimated Revenues:	$ 8,923,225	$ -	$ -	$ 8,923,225	
19							
Row	Acct. Code	Estimated Expenses:	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	Percentage
21	6100	Payroll Costs	3,708,441	-	-	3,708,441	43.4%
22	6200	Professional and Contracted Services	2,957,497	-	-	2,957,497	34.6%
23	6300	Supplies and Materials	1,501,300	-	-	1,501,300	17.6%
24	6400	Other Operating Costs	386,300	-	-	386,300	4.5%
25	6500	Debt Expenses	-	-	-	-	0.0%
26		Other Expenses	-	-	-	-	0.0%
27		Total Estimated Expenses:	$ 8,553,538	$ -	$ -	$ 8,553,538	
28		Change in Net Assets	$ 369,687	$ -	$ -	$ 369,687	95.9%
29 & 30		Net Assets at the End of Year 5	$ 1,007,640	$	$	$ 1,007,640	

Application for an Open-Enrollment Charter School - Eighteenth Generation
Estimated Revenues and Expenses - Year 5 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the period: 09/01/2018 to 08/31/2019

		Estimated Net Assets and Revenue					
Row	Acct. Code	Description of Net Assets					
Row	Acct. Code	Local Support Revenues:	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	Source Notes
35	5710	Local Property Taxes Passed through from School Districts	$ -	-	-		
36	5720	Local Revenues Realized as a Result of Services Rendered to Others	$ -	-	-		
37	5740	Other Revenues from Local Sources	$ 50,000	-	-	50,000	Refer to Support Schedule for Year 5.
38	5750	Revenues from Co-curricular, Enterprising Services or Activities	$ -	-	-		
39	5760	Revenues from Intermediate Sources	$ -	-	-		
40		Total Local Revenues:	$ 50,000	$ -	$ -	50,000	
Row	Acct. Code	State Program Revenues:					
42	5810	Per Capita & Foundation School Program Act Revenues	$ 8,873,225	-	-	8,873,225	Refer to Support Schedule for Year 5.
43	5820	State Program Revenues Distributed by TEA	$ -	-	-		
44	5830	State Revenues from State of Texas Government Agencies (other than TEA)	$ -	$ -	$ -		
45		Total State Revenues:	$ 8,873,225	$ -	$ -	$ 8,873,225	
Row	Acct. Code	Federal Program Revenues:					Source Notes
47	5910	Federal Revenues Distributed through Government Entities Other than State or Federal Agencies	$ -	-	-		
48	5920	Federal Revenues Distributed by the TEA	$ -	-	-		
49	5930	Federal Revenues Distributed by Other State of Texas Government Agencies (Other than TEA)	$ -	-	-		
50	5940	Federal Revenues Distributed Directly from the Federal Government	$ -	-	-		
51		Total Federal Revenues:	$ -	$ -	$ -	$ -	
52		Total Revenue and Resources ⇨	$ 8,923,225	$ -	$ -	$ 8,923,225	

Application for an Open-Enrollment Charter School - Eighteenth Generation

Estimated Revenues and Expenses - Year 5 Budget

Name of Sponsoring Entity: Learning Schools of Texas

Name of proposed Charter School: Learning Schools of Texas

For the period: 09/01/2018 to 08/31/2019

54	Estimated Expenses						
Row	Acct. Code	Description of Expenses	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Amounts	Source Notes
56	6100	Payroll Costs	-	-	-	-	
57	6112	Salaries or Wages for Substitute Teachers	-	-	-	-	
58	6119	Salaries or Wages - Teachers & Other Professional Personnel	3,184,578	-	-	3,184,578	Refer to Support Schedule for Year 5.
59	6121	Extra Duty Pay/Overtime - Support Personnel	-	-	-	-	
60	6129	Salaries or Wages for Support Personnel	-	-	-	-	
61	6139	Employee Allowances	-	-	-	-	
62	6141	Social Security/Medicare	243,620	-	-	243,620	Refer to Support Schedule for Year 5.
63	6142	Group Health and Life Insurance	234,066	-	-	234,066	Refer to Support Schedule for Year 5.
64	6143	Workers' Compensation	31,846	-	-	31,846	Refer to Support Schedule for Year 5.
65	6145	Unemployment Compensation	14,331	-	-	14,331	Refer to Support Schedule for Year 5.
66	6146	Teacher Retirement/TRS Care	-	-	-	-	
67	6149	Employee Benefits	-	-	-	-	
68		Total Payroll Costs (6100s):	$ 3,708,441	$ -	$ -	$ 3,708,441	
Row	Acct. Code	Description of Expenses					Source Notes
70	6200	Professional and Contracted Services	-	-	-	-	
71	6211	Legal Services	20,000	-	-	20,000	Refer to Support Schedule for Year 5.
72	6212	Audit Services	25,000	-	-	25,000	Refer to Support Schedule for Year 5.
73	6219	Professional Services	-	-	-	-	
74	6221	Staff Tuition and Related Fees -- Higher Education	-	-	-	-	
75	6222	Student Tuition -- Public Schools	-	-	-	-	
76	6223	Student Tuition -- Other than Public Schools	-	-	-	-	
77	6229	Tuition and Transfer Payments	-	-	-	-	
78	6239	Education Service Center Services	-	-	-	-	
79	6249	Contracted Maintenance and Repair	120,710	-	-	120,710	Refer to Support Schedule for Year 5.
80	6259	Utilities	202,500	-	-	202,500	Refer to Support Schedule for Year 5.
81	6269	Rentals -- Operating Leases	918,750	-	-	918,750	Refer to Support Schedule for Year 5.
82	6299	Miscellaneous Contracted Services	1,670,537	-	-	1,670,537	Refer to Support Schedule for Year 5.
83		Total Professional and Contracted Services (6200s):	$ 2,957,497	$ -	$ -	$ 2,957,497	

Application for an Open-Enrollment Charter School - Eighteenth Generation
Estimated Revenues and Expenses - Year 5 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the period: 09/01/2018 to 08/31/2019

Row	Acct. Code	Description of Expenses					0 Source Notes 0
85	6300	Supplies and Materials	-	-	-	-	
86	6311	Gasoline and Other Fuels for Vehicles (Including Buses)	-	-	-	-	
87	6319	Supplies for Maintenance and/or Operations	305,000	-	-	305,000	Refer to Support Schedule for Year 5.
88	6321	Textbooks	1,050,000	-	-	1,050,000	Refer to Support Schedule for Year 5.
89	6329	Reading Materials	115,500	-	-	115,500	Refer to Support Schedule for Year 5.
90	6339	Testing Materials	22,050	-	-	22,050	Refer to Support Schedule for Year 5.
91	6341	Food	-	-	-	-	
92	6342	Non-Food	-	-	-	-	
93	6343	Items for Sale	-	-	-	-	
94	6344	USDA Donated Commodities	-	-	-	-	
95	6349	Food Service Supplies	-	-	-	-	
96	6399	General Supplies	8,750	-	-	8,750	Refer to Support Schedule for Year 5.
97		Total Supplies and Materials (6300s):	$ 1,501,300	$ -	$ -	$ 1,501,300	
Row	Acct. Code	Description of Expenses					0 Source Notes 0
99	6400	Other Operating Costs	-	-	-	-	
100	6411	Travel and Subsistence -- Employee Only	-	-	-	-	
101	6412	Travel and Subsistence -- Students	15,000	-	-	15,000	Refer to Support Schedule for Year 5.
102	6413	Stipends -- Non-Employees	-	-	-	-	
103	6419	Travel and Subsistence -- Non-Employees	-	-	-	-	
104	6429	Insurance and Bonding Costs	105,000	-	-	105,000	Refer to Support Schedule for Year 5.
105	6449	Depreciation Expense	266,300	-	-	266,300	Refer to Support Schedule for Year 5.
106	6494	Reclassified Transportation Expenses	-	-	-	-	
107	6499	Miscellaneous Operating Costs	-	-	-	-	
108		Total Other Operating Costs (6400s):	$ 386,300	$ -	$ -	$ 386,300	
Row	Acct. Code	Description of Expenses					0 Source Notes 0
110	6500	Debt Expense	-	-	-	-	
111	6521	Interest on Bonds	-	-	-	-	
112	6522	Capital Lease Interest	-	-	-	-	
113	6523	Interest on Debt	-	-	-	-	
114	6529	Interest Expenses	-	-	-	-	
115	6599	Other Debt Fees	-	-	-	-	
116		Total Debt Expense (6500s):	$ -	$ -	$ -	$ -	

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 5 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2018 to 08/31/2019

Assumptions

(1) Consistent with 6.(c) contained in the Instructions worksheet of the Budget for First Years of Operations (Excel) 2-20-13.xlsx workbook template, projected capital asset acquisitions were disclosed using the accrual basis of accounting.
(2) Consistent with the instructions at 10. I. of the Eighteenth Generation Open-Enrollment Charter Guidelines and Application, Federal Public Charter School Start-Up Grant funds were not used for the development of this budget.
(3) All amounts are rounded to the nearest dollar.

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
11	Net Assets at Beginning of the Year	$ 637,953				Net assets at end of year 4 carried forward.
37	Other Revenues from Local Sources	$ 50,000	$ -			Pledged contribution from The Ewing Halsell Foundation. See letter enclosed as Attachment N.
			$ 50,000			Pledged contribution from the George W. Brackenridge Foundation. See letter enclosed as Attachment N.
42	Per Capita & Foundation School Program Act Revenues	$ 8,873,225	$ 6,358	93.04%	1,500	State Aid per ADA ($5,068 ÷ 0.80) = $6,358; refer to Calculation of Attendance Rate worksheet for 93.04% attendance rate; refer to Application Coversheet for enrollment of 1,500 students; row 42 amount calculates as $6,358 x .9304 x 1,500.
18	Total Estimated Revenues:	$ 8,923,225				Sum of Row 37 and 42.

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 5 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2018 to 08/31/2019

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
58	Salaries or Wages - Teachers & Other Professional Personnel	$ 3,184,578	$ 141,127	$ 141,127	1	Salary for CEO/Superintendent based upon average salary documented on Supplemental Human Resources Information (HRI) Form.
			$ 431,685	$ 86,337	5	Salary for Principals based upon average salary documented on HRI Form.
			$ 350,633	$ 70,127	5	Salary for Deans of Students based upon average salary documented on HRI Form.
			$ 130,500	$ 26,100	5	Salary for Course Managers based upon average salary documented on HRI Form.
			$ 1,366,433	$ 54,657	25	Salary for Content Area Teachers based upon average salary documented on HRI Form.
			$ 289,900	$ 19,327	15	Salary for Instructional Aides based upon average salary documented on HRI Form.
			$ 130,500	$ 26,100	5	Salary for PEIMS Coordinators based upon average salary documented on HRI Form.
			$ 343,800	$ 68,760	5	Salary for IT Specialists based upon average salary documented on HRI Form.
62	Social Security/Medicare	$ 243,620				Row 59 Amount x (.062 + .0145)
63	Group Health and Life Insurance	$ 234,066				Row 59 Amount x .0735

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 5 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2018 to 08/31/2019

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
64	Workers' Compensation	$ 31,846				Row 59 Amount x .0100
65	Unemployment Compensation	$ 14,331				Row 59 Amount x .0045
71	Legal Services	$ 20,000				Estimated amount based on current experience with legal services sought by other charter schools.
72	Audit Services	$ 25,000				Estimated amount based on current experience with audits of other charter schools.
79	Contracted Maintenance and Repair	$ 120,710		$ 24,142	5	Estimated amount for normal contracted upkeep, repairs, maintenance and renovation of: office equipment; furniture; computers; copiers; telephone systems; facsimile machines; buildings and grounds; etc. ($24,142 per operating campus).
80	Utilities	$ 202,500	$ 125,000	$ 25,000	5	Estimated amount for basic utilities (electricity, garbage, sewage, water) based on current experience operating other charter schools ($25,000 per operating campus).
			$ 77,500	$ 15,500	5	Estimated amount for telecommunications and internet ($15,500 per operating campus).

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 5 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2018 to 08/31/2019

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
81	Rentals -- Operating Leases	$ 918,750		$ 183,750	5	Estimated amount based on research for rental of real property ($183,750 per operating campus).
82	Miscellaneous Contracted Services	$ 1,670,537	$ 1,064,787	12.00%		Estimated amount based on management services fee of 12% of state revenues ($8,873,225).
			$ 13,750	$ 2,750	5	Estimated amount for professional development ($2,750 per operating campus).
			$ 121,500	$ 24,300	5	Estimated amount for consulting services (24,300 per operating campus).
			$ 440,000	$ 88,000	5	Estimated amount for Special Education services ($88,000 per operating campus).
			$ 12,500	$ 2,500	5	Estimated amount for IT services ($2,500 per operating campus).
			$ 18,000	$ 3,600	5	Estimated amount for printing and copying services (#,600 per operating campus).
87	Supplies for Maintenance and/or Operations	$ 305,000		$ 61,000	5	Estimated amount for supplies for the maintenance and operation of school facilities ($61,000 per operating campus).
88	Textbooks	$ 1,050,000		$ 700	1,500	Estimated amount for digital content based on $700 per student enrolled.

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 5 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2018 to 08/31/2019

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
89	Reading Materials	$ 115,500		$ 23,100	5	Estimated amount for educational materials ($23,100 per operating campus).
90	Testing Materials	$ 22,050		$ 4,410	5	Estimated amount for assessment and student data ($4,410 per operating campus).
96	General Supplies	$ 8,750	$ 5,000	$ 1,000	5	Estimated amount for office supplies ($1,000 per operating campus).
			$ 3,750	$ 750	5	Estimated amount for postage, shipping and mailing ($750 per operating campus).
101	Travel and Subsistence -- Students	$ 15,000		$ 3,000	5	Estimated amount for student transportation and lodging ($3,000 per operating campus).
104	Insurance and Bonding Costs	$ 105,000	$ 22,500	$ 15	1,500	Estimated amount for student insurance based on $15 per student enrolled.
			$ 82,500	$ 16,500	5	Estimated amount for insurance (non-benefit; e.g., property insurance, liability insurance, bonding costs, athletic insurance, etc.) ($16,500 per operating campus).

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 5 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2018 to 08/31/2019

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
105	Depreciation Expense	$ 266,300		$ 66,575	4	Depreciation of capitalized technology and related infrastructure costs over five (5) years ($66,575 per campus = $332,876 ÷ 5). The capitalized costs for the first campus were fully amortized in Year 4.
			$ 332,876		5	**ServerRoom:**
			$ 1,800	$ 900	2	44U Open frame server rack
			$ 240	$ 120	2	Rack PDU
			$ 400	$ 400	1	KVM (16 port rack mounted)
			$ 660	$ 660	1	KVM Console
			$ 8,800	$ 1,100	8	GB Switch (Managed 48 port)
			$ 1,080	$ 135	8	48 port patch pannel
			$ 1,780	$ 890	2	2200V UPS
			$ 5,000	$ 5,000	1	Phone system
			$ 42,800	$ 10,700	4	Server (data center)
			$ 2,729	$ 910	3	Server (Domain Controller)
			$ 1,200	$ 1,200	1	Sonicwall Firewall Appliance
			$ 850	$ 850	1	NAS
			$ 900	$ 900	1	Gigabit switches
						Other Equipment:
			$ 60,000	$ 600	100	Laptops
			$ 6,500	$ 1,300	5	Laptop cart
			$ 40,000	$ 40,000	1	P.A. System
			$ 3,005	$ 3,005	1	ID Card printer
			$ 152	$ 76	2	Printer ribbon
			$ 12,000	$ 12,000	1	Building security
			$ 40,000	$ 40,000	1	Video surveillance

Application for an Open-Enrollment Charter School - Eighteenth Generation
Support Schedule for Year 5 Budget

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2018 to 08/31/2019

Supporting Calculations and Data Sources

Row	Row Description	Row Total Amount	Row Individual Amounts	Unit Cost	Units	Description of Supporting Calculation or Data Source
						Learning Center
			$ 2,600	$ 650	4	Wireless access point
			$ 73,500	$ 350	210	Thin clients (Wyse Xenith)
			$ 3,780	$ 18	210	Thin client 3yr maint
			$ 23,100	$ 110	210	Monitors
27	Total Estimated Expenses:	$ 8,553,538				Sum of Rows 59 through 109.

Application for an Open-Enrollment Charter School - Eighteenth Generation
Calculation of Attendance Rate

Name of Sponsoring Entity: Learning Schools of Texas
Name of proposed Charter School: Learning Schools of Texas
For the Period: 09/01/2014 to 08/31/2019

Assumptions

(1) Learning Schools of Texas will enrollment students primarily from San Antonio secondary schools.
(2)
(3)

Calculation of Attendance Rate

Source: 2011-12 Academic Excellence Indicator System

County District Campus Number	Campus Name	2010-2011 Attendance Rate
015-907-001	Brackenridge High School	91.10
015-907-002	Burbank High School	91.50
015-907-003	Edison High School	92.70
015-907-004	Fox Technical High School	93.20
015-907-005	Highlands High School	90.70
015-907-006	Houston High School	90.60
015-907-007	Jefferson High School	91.60
015-907-008	Lanier High School	90.40
015-907-022	Travis Early College High School	97.20
015-907-041	Connell Middle School	93.00
015-907-043	Davis Middle School	92.50
015-907-046	Wheatley Middle School	93.40
015-907-047	Harris Middle School	94.90
015-907-049	Irving Middle School	93.80
015-907-050	Longfellow Middle School	93.90
015-907-051	Lowell Middle School	93.70
015-907-053	Page Middle School	93.00
015-907-054	Poe Middle School	94.00
015-907-055	Rhodes Middle School	93.30
015-907-057	Rogers Middle School	93.50
015-907-058	Twain Middle School	93.10
015-007-059	Whittier Middle School	94.90
015-007-061	Tafolla Middle School	94.00
	Average Attendance Rate	93.04

Attachment Q – Combined 5 Year Budget

Application for an Open-Enrollment Charter School - Eighteenth Generation
Summary of Combined 5-year Budget Projections

Proposed Charter School Name: *Learning Schools of Texas*

Sponsoring Entity (Charter Holder) Name: *Learning Schools of Texas*

Proposed Charter Date Range: *9/1/13* **to** *8/31/19*

Row	Summary of Combined 5-Year Budgets							
12	Years⇨	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Does Not Include Year 0
13		09/01/2013 to 08/31/2014	09/01/2014 to 08/31/2015	09/01/2015 to 08/31/2016	09/01/2016 to 08/31/2017	09/01/2017 to 08/31/2018	09/01/2018 to 08/31/2019	Total Amount
14	Estimated Total Revenues and Resources	$ 312,500	$ 2,074,645	$ 3,849,290	$ 7,398,580	$ 8,923,225	$ 8,923,225	$ 31,168,965
15								
16	Estimated Total Budgeted Expenses	$ 318,419	$ 1,950,385	$ 3,927,451	$ 7,103,919	$ 8,620,113	$ 8,553,338	$ 30,155,406
17								
18	Annual Operating Surplus (Deficit) (Estimated Revenues minus Expenses)	$ (5,919)	$ 124,260	$ (78,161)	$ 294,661	$ 303,112	$ 369,887	$ 1,013,559
19	Percent of Expenses (Annual Operating Surplus (Deficit) / Total Estimated Expenses)	(0.02)	0.06	(0.02)	0.04	0.04	0.04	0.03
20								

Attachment R – Negotiated Service Agreement(s)

February 25, 2013

Martin Rico
Secretary/Treasurer
Learning Schools of Texas
517 Soledad Street
San Antonio, TX 78205

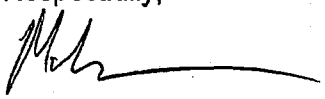
To Whom It May Concern:

Learning Schools of Texas has not entered into any agreements with financial or accounting service providers.

All financial accounting, payroll, and tax accounting services will be included in a contract for a management company. The management agreement will be engaged through arm's length negotiations with a management company which, among other requirements, can provide a complete package of financial accounting, payroll, and tax accounting services. Learning Schools of Texas intends to enter into negotiations with Carpe Diem Learning Systems for such an agreement.

Financial auditing provisions will be selected by and negotiated for by the board through an independent auditing firm not associated with the management company.

Respectfully,



Martin Rico
Secretary/Treasurer
Learning Schools of Texas

January 28, 2013

Mr. Will Harte, President
Learning Schools of Texas
517 Soledad
San Antonio, TX 78231

RE: Commitment for services to be provided to LST

Dear Mr. Harte,

This letter regards the application being submitted by LST to sponsor a public charter school that is anticipated operating in San Antonio area. You have indicated you would request our assistance in operating the school if you receive a charter.

We have experience with operating Carpe Diem based schools. We are deeply familiar with the concepts and the operations of personalized blended learning schools. Our team has created nationally recognized educational models and we have unique technology based solutions for operational processes as well. We also are committed to student and organizational performance. We will only agree to operate schools where the sponsoring entity is willing to enter into a performance guarantee contract that holds us accountable for student performance, financial performance, and organizational sustainability. Our sole purpose for existing is to expand the number of personalized blended learning schools available to provide exceptional service to students.

Our services include the following:

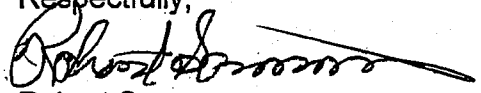
1. Educational design services designed to create learning environments consistent with the Carpe Diem model.
2. Training services for school staff to assure they can implement the Carpe Diem model with integrity.
3. Student performance data management systems that provide transparency to students, staff, parents, and the sponsoring board.
4. Financial accounting and reporting systems including CharterVision, a technology driven reporting system that provides financial reporting transparency for the board and the public.
5. Board training and support services to assure strong policy governance based operation of the board. Our training includes in the internationally recognized Carver Policy Governance model of board operation and the BoardDocs © governance management system that provides public transparency to the governance process through internet based document systems.
6. Legal support on education issues.
7. State and federal student, financial, and operational compliance and reporting support.

8. Special education management services.
9. Strategic planning support.
10. School expansion analysis and support services
11. Marketing services
12. Staff recruitment, selection, and evaluation support services
13. Other services as required to assure your school succeeds or as requested by the board.

All our services will be provided in compliance with applicable law and rules of the State of Texas as well as compliance with your charter contract. We have shared our typical fee for the services noted and look forward to engaging in final negotiations for the specific services and the exact fees to be charged.

Please let me know if you have any further questions or concerns. Best wishes with your charter application process. We look forward to speaking with you upon successful completion of this process.

Respectfully,



Robert Sommers
CEO/managing member
Carpe Diem Learning Systems

Attachment S – Certificate of Occupancy or Equivalent Certificate

February 25, 2013

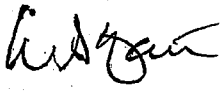
Will Harte
Learning Schools of Texas
517 Soledad Street
San Antonio, TX 78205

To Whom It May Concern:

As of the filing of this application, Learning Schools of Texas has not yet selected a site or a facility for its school. Therefore, no Certificate of Occupancy exists at this time.

Learning Schools of Texas understands that it MUST submit a valid Certificate of Occupancy to the TEA before serving students and will do so in compliance with TEA requirements when a Certificate is received.

Respectfully,



Will Harte
Chairman, Board of Directors
Learning Schools of Texas

Attachment T – Negotiated Lease Agreement(s), Deed(s) to Property, Earnest Money Contract(s), or Purchase Agreement(s)

February 25, 2013

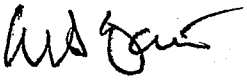
Will Harte
Learning Schools of Texas
517 Soledad Street
San Antonio, TX 78205

To Whom It May Concern:

As of the filing of this application, Learning Schools of Texas has not yet selected a site or a facility for its school. Therefore, no negotiated lease agreements, Deed to Property, Earnest Money Contracts, or Purchase Agreements for property or facilities exist at this time.

Learning Schools of Texas will be making a site selection and providing a facility for the school somewhere in San Antonio. When the appropriate agreements, deeds, or contracts are established for the site and the facility, the TEA will be notified.

Respectfully,



Will Harte
Chairman, Board of Directors
Learning Schools of Texas

Attachment U – Bilingual Education/ESL, Section 504, and Dyslexia Assurances

Sponsoring Entity: Learning Schools of Texas

Proposed Charter School Name: Carpe Diem Schools - San Antonio Campus 1

Eighteenth Generation Charter Application
Bilingual Education/ESL, Section 504, and Dyslexia Assurances

TEC, Chapter 29, Subchapter B, TEC §12.104(b)(2)(G), and *19 TAC §§89.1201-.1265* require charter schools to identify limited English proficient students based on state criteria and to provide an appropriate bilingual education or English as a second language program conducted by teachers certified for such courses.

A. The charter holder certifies that prior to serving students the charter will have policies and procedures in place ensuring that it complies with the legal and regulatory requirements concerning identifying and providing appropriate educational services to limited English proficient students.

Check one:

☒ Yes
☐ No

Section 504 of the Rehabilitation Act of 1973, *29 U.S.C. §794,* prohibits discrimination on the basis of disability in any program receiving federal financial assistance. A recipient that operates a public education program or activity shall provide a free, appropriate public education to qualified individuals.

B. The charter holder certifies that prior to serving students the charter will have policies and procedures in place ensuring that it complies with the legal and regulatory requirements concerning identifying and providing appropriate educational services to students protected by Section 504.

Check one:

☒ Yes
☐ No

TEC §38.003, TEC §12.104(b)(2)(K), 19 TAC §74.28 and Section 504 of the Rehabilitation Act of 1973, *29 U.S.C. §794,* require charter schools to identify students with dyslexia or related disorders and to provide appropriate educational services.

C. The charter holder certifies that prior to serving students the charter will have policies and procedures in place ensuring that it complies with the legal and regulatory requirements concerning identifying and providing appropriate educational services to students with dyslexia or related disorders.

Check one:

☒ Yes
☐ No

I the undersigned hereby certify that the information contained in this document is, to the best of my knowledge, correct and that the governing body of the charter holder has authorized me to provide these assurances.

Will Harte

Printed Name of Sponsoring Entity Board Chair

Signature of Sponsoring Entity Board Chair
(must sign in blue ink)

2/25/13

Date

SAS 539-13
RFA 701-13-101

Attachment V – General Application of Assurances for Federal Programs

Learning Schools of Texas — Official Name of Charter Holder

46-1667725 — FEI No./Taxpayer ID

Carpe Diem Schools - San Antonio Campus 1 — Charter School Name

N/A — County-District No.

TEXAS EDUCATION AGENCY

Division of Planning and Grant Reporting

General Application of Assurances for Federal Programs Administered by the U.S. Department of Education

Authority for Data Collection: 20 USC Section I232e and P. L. 107-110, No Child Left Behind Act of 2001, Title IX, Part C. Section 9306 (a).

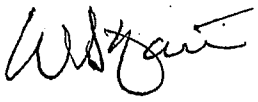
Planned Use of Data: The requirements established in United States Code Annotated, Title 20, Education, Chapter 31, Subchapter III, Section I232e stipulate that "Each local education agency which participates in an applicable program under which federal funds are made available to such agency through a State agency shall submit, to such agency or board, a general application containing the assurances set forth in subsection (b) of this section". The requirements of P. L. 107-110, No Child Left Behind Act of 2001. Title IX, Part C, Section 9306 (a) stipulate that "any applicant, other than a State educational agency that submits a plan or application under this Act, whether separately or pursuant to section 9305, shall have on file with the State educational agency a single set of assurances, applicable to each program for which a plan or application is submitted." The application shall cover the participation by the local educational agency, public agency, nonprofit private agency, institution, organization or Indian tribe in all federal programs administered by the U.S. Department of Education.

Instructions: This general application will be in effect for the duration of participation in federal programs until such lime as the requirements change. The superintendent or authorized official must sign the certification and return to the address below. Payment for federally funded applications and contracts cannot be made by this Agency until the general application is received. Payments to grantees for current grants may be delayed if the General Application of Assurances is not received in the time requested. For further information, contact the Division of Planning and Grant Reporting at (512)463-7004.

Certification:

I, the undersigned authorized official for the above-named local educational agency, public agency, nonprofit private agency, institution, organization or Indian tribe in accordance with 20 USC Section 1232e and P. L. 107-110, No Child Left Behind Act of 2001, Title IX, Part C, Section 9306 (a), hereby apply for participation in federally funded education programs.

I certify that the above-named local educational agency, public agency, nonprofit private agency, institution, organization or Indian tribe will adhere to the assurances stated on the reverse side of this form.

Typed Name of Authorized Official or Charter Holder	Date	Telephone	Authorized Original Signature (blue ink)
Will Harte	2/05/13	210-538-5385	
Typed Title of Authorized Official of Charter Holder			
Chairman			

Address of Charter Holder	City	State	Zip Code
517 Soledad Street	San Antonio	Texas	78205

DF/GA/CS-001R03

ASSURANCES

The following assurances are provided in accordance with the United States Code Annotated, Title 20, Education, Chapter 31, Subchapter III, Section 1232e and P. L. 107-110, No Child Left Behind Act of 2001, Title IX, Part C, Section 9306 (a):

Assurance is hereby given that

(1) the local educational agency will administer each program covered by the application in accordance with all applicable statutes, regulations, program plans, and applications;

(2) the control of funds provided to the local educational agency under each program, and title to property acquired with those funds, will be in a public agency and a public agency will administer those funds and property;

(3) the local educational agency will use fiscal control and fund accounting procedures that will ensure proper disbursement of, and accounting for, Federal funds paid to that agency under each program;

(4) the local educational agency will make reports to the Texas Education Agency or State Board of Education and to the Secretary of Education as may reasonably be necessary to enable the Texas Education Agency or State Board of Education and the Secretary of Education to perform their duties and the local educational agency will maintain such records, including the records required under section I232f * of this title, and provide access to those records, as the Texas Education Agency or State Board of Education or the Secretary of Education deem necessary to perform their duties;

(5) the local educational agency will provide reasonable opportunities for the participation by teachers, parents, and other interested agencies, organizations, and individuals in the planning for and operation of each program;

(6) any application, evaluation, periodic program plan or report relating to each program will be made readily available to parents and other members of the general public:

(7) in the case of any project involving construction-

(A) the project is not inconsistent with overall State plans for the construction of school facilities, and

(B) in developing plans for construction, due consideration will be given to excellence of architecture and design and to compliance with standards prescribed by the Secretary of Education under section 794 of Title 29 in order to ensure that facilities constructed with the use of Federal funds are accessible to and usable by individuals with disabilities;

(8) the local educational agency has adopted effective procedures for acquiring and disseminating to teachers and administrators participating in each program significant information from educational research, demonstrations, and similar projects, and for adopting, where appropriate, promising educational practices developed through such projects; and

(9) none of the funds expended under any applicable program will be used to acquire equipment (including computer software) in any instance in which such acquisition results in a direct financial benefit to any organization representing the interests of the purchasing entity or its employees or any affiliate of such an organization.

AND

In addition to the above, the following assurances are provided in accordance with P. L. 107-110, No Child Left Behind Act of 2001, Title IX, Part C, Section 9306 (a):

(1) (A) the control of funds provided under each such program and title to property acquired with program funds will be in a public agency or in a nonprofit private agency, institution, organization, or Indian tribe, if the law authorizing the program provides for assistance to those entities; and

(B) the public agency, nonprofit private agency, institution, or organization, or Indian tribe will administer the funds and property to the extent required by the authorizing statutes;

(2) the applicant will adopt and use proper methods of administering each such program, including —

(A) the enforcement of any obligations imposed by law on agencies, institutions, organizations, and other recipients responsible for carrying out each program; and

(B) the correction of deficiencies in program operations that are identified through audits, monitoring, or evaluation;

(3) the applicant will cooperate in carrying out any evaluation of each such program conducted by or for the State educational agency, the Secretary, or other Federal officials;

(4) before the application was submitted, the applicant afforded a reasonable opportunity for public comment on the application and considered such comment.

*** Section 1232f, United States Code, Title 20, Education**

RECORDS

Each recipient of Federal funds under any applicable program through any grant, subgrant, cooperative agreement, loan, or other arrangement shall keep records which fully disclose the amount and disposition by the recipient of those funds, and the total cost of the activity for which the funds are used, the share of that cost provided from other sources, and such other records as will facilitate an effective financial or programmatic audit.

Attachment W – Special Assurances Document

Sponsoring Entity: Learning Schools of Txas

Proposed Charter School Name: Carpe Diem Schools - San Antonio Campus 1

Eighteenth Generation Charter Application
Special Assurances Document

The chair of the proposed sponsoring entity shall initial each of the following on this page and the next to indicate an understanding of and a commitment to comply with each of following assurances:

✓ ***Open Meetings Requirements:***
The charter holder assures that all meetings in which charter school business is discussed will be posted to provide public notice, held in an open public forum, and any action items voted upon in a public forum as required by the Open Meetings Act in Government Code, Chapter 551.

Furthermore, the charter holder assures that all of the following will be discussed in open meetings and only acted upon with approval of the charter holder board:

- The annual budget and all amendments to the budget,
- Any changes to job descriptions from those submitted in the application for charter, and
- Any changes in compensation from compensation as submitted in the application for charter.

✓ ***Public Information Requirements:***
The charter holder assures that information, that is considered public, requested by anyone will be provided in accordance with Government Code, Chapter 552.

✓ ***Criminal History Check Requirements:***
The charter holder assures that criminal history checks will be completed in accordance with law and that no person will serve as a member of the governing body of a charter holder, as a member of the governing body of the charter school, or as an officer or employee of an charter school if the person has been convicted of a misdemeanor involving moral turpitude, a felony, an offense listed in TEC 37.007(a) or an offense listed in Article 62.01(5) Code of Criminal Procedure.

✓ ***Annual Training Requirements:***
The charter holder assures that all annual training requirements for board members and school administrators will be completed in accordance with law and commissioner rules.

✓ ***Residential Facilities Monitoring (RFM) System:***
The charter holder assures that it understands that, pursuant to 19 Texas Administrative Code (TAC) §97.1072, there is a specific system for monitoring school districts and charter schools that serve students with disabilities who reside in RFs. The charter holder further assures that it understands that it will be required to report data related to students with disabilities residing in RFs in TEA's data collection system known as *RF Tracker* and that it may be subject to RFM intervention activities and on-site visits based upon a review of the data it reports or on random or other means of selection.

✓ ***Special RF Training:***
The charter holder assures that all personnel involved with serving students with disabilities residing in an RF and personnel involved with reporting data in *RF Tracker* will receive training on the RFM system.

Sponsoring Entity: Learning Schools of Texas

Proposed Charter School Name: Carpe Diem Schools - San Antonio Campus 1

Admission and Enrollment

✓ The charter holder assures that parents or prospective students will not be required to attend an interview or meeting of any kind prior to admitting and/or enrolling a student, or during the time in which the student is enrolled.

✓ The charter holder assures that volunteer hours, or payment in lieu of volunteer hours, will not be required of the parent or guardian as a requirement for student admission or enrollment.

✓ The charter holder assures that there will be no specified days designated for enrollment and/or admission. If space is available, a student will be enrolled and admitted on any day at any time of day and must be counted as and considered a charter student immediately. State law does not allow for a trial enrollment period at a public school.

✓ The charter holder assures that no student auditions will be required prior to enrollment and admission at the charter school unless the charter is originally approved by the State Board of Education (SBOE) as a performing arts school with an audition component or the charter was amended by the commissioner of education to designate the school a performing arts school with an audition component.

✓ The charter holder understands that a student may be ineligible for enrollment at a charter school based on a history of a criminal offense, a juvenile court adjudication, or discipline problems under Texas Education Code (TEC), Chapter 37, Subchapter A, only if the enrollment prohibition was specifically approved by the SBOE when the charter was originally awarded, or if the charter was amended by the commissioner of education to allow this enrollment prohibition. It must be noted that the enrollment prohibition is not allowed for any prior discipline problems, but only those specified in TEC, Chapter 37, Subchapter A.

Withdrawal and Expulsion Issues

✓ The charter holder understands that only the parent or guardian may withdraw a student from the charter school, and the only time charter administrators may withdraw a student and use administrative withdrawal as the leaver code is in the rare instances when:

- a student is withdrawn by the district because the district discovers, when verifying enrollment information, that the student was not a resident of the district at the time of enrollment;
- the district discovers that the student has falsified enrollment information;
- proof of identification is not provided; or
- immunization records are not provided.

✓ The charter holder understands that a student who fails to comply with the charter school's student code of conduct may not be administratively withdrawn. If a student commits an expellable offense, as outlined in the student code of conduct, the charter holder further understands that charter administrators may expel the student only after due process has been afforded the student, and the charter holder board has determined that expulsion is the appropriate consequence.

✓ The charter holder understands that it has an obligation to notify the school district in which the student resides within three business days of any action expelling or **withdrawing** a student from the charter school. See 19 TAC §100.1211 (c).

I the undersigned hereby certify that the governing body of the charter holder has authorized me to provide these assurances as noted by my initials on this and the previous page.

Will Harte

Printed Name of Sponsoring Entity Board Chair

Signature of Sponsoring Entity Board Chair

2/05/13

Date

Attachment X – State Board of Education Disclosure of Campaign Contributions Form

Sponsoring Entity: Learning Schools of Texas

Proposed Charter School Name: Carpe Diem Schls - San Antonio Campus 1

Eighteenth Generation Charter Application
Initial Report of Benefits or Campaign Contributions
Conferred on Members of or Candidates for the State Board of Education
For the period January 1, 2008 to the present

Individual Making Report: Will Harte

Employer or company represented: Learning Schools of Texas

Position/Title: Board President

Services rendered to SBOE or contract, grant, or charter issued by SBOE:

None

Transaction 1.

Date:

Amount:

Name of person(s) receiving benefit or contribution:

Detailed description of expenditure:

SAS 539-13
RFA 701-13-101

Eighteenth Generation Charter Application
Initial Report of Benefits or Campaign Contributions
Conferred on Members of or Candidates for the State Board of Education
For the period January 1, 2008 to the present

Transaction 2.

Date: _____

Amount: _____

Name of person(s) receiving benefit or contribution:

_____

Detailed description of expenditure:

Transaction 3.

Date: _____

Amount: _____

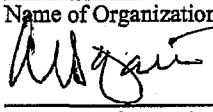
Name of person(s) receiving benefit or contribution:

_____

Detailed description of expenditure:

Will Harte — Name of Organization President

February 25, 2013 — Date



Signature of Organization President

2/25/13

SAS 539-13
RFA 701-13-101