

CHARTER SCHOOL AGREEMENT

DATED AS OF SEPTEMBER 4, 1998

BETWEEN

DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOL BOARD

AND

WASHINGTON MATH SCIENCE TECHNOLOGY  
PUBLIC CHARTER HIGH SCHOOL, INC.

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## CHARTER SCHOOL AGREEMENT

This **CHARTER SCHOOL AGREEMENT** (this "Agreement") is dated as of September 4, 1998 and entered into by and between the **DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOL BOARD** (the "Board") and **WASHINGTON MATH SCIENCE TECHNOLOGY PUBLIC CHARTER HIGH SCHOOL, INC.**, (the "School Corporation").

### RECITALS

**WHEREAS**, pursuant to Section 2203 of the District of Columbia School Reform Act of 1995, as amended (as now and hereafter in effect, or any successor statute, the "Act"), the Board has the authority to approve petitions to establish charter schools in the District of Columbia;

**WHEREAS**, the School Corporation submitted a petition in accordance with Section 2202 of the Act to establish a public charter school (such petition, as amended through the date hereof, the "Application"; a copy is attached hereto as Exhibit A);

**WHEREAS**, the Board has (i) determined that the Application satisfies the requirements set forth in Subtitle B of the Act and (ii) approved the Application subject to the execution of this Agreement by the Board and the School Corporation; and

**WHEREAS**, the Board and the School Corporation hope to foster a cooperative and responsive working relationship;

**NOW, THEREFORE**, in consideration of the premises and the agreements, provisions and covenants herein contained, the Board and the School Corporation agree as follows:

### SECTION 1. ESTABLISHMENT OF SCHOOL

1.1 Charter. The School Corporation shall establish a public charter school (the "School") in the District of Columbia and shall operate such school in accordance with the Act, this Agreement and the Application. The Application is incorporated in this Agreement and binding on the School Corporation. To the extent any provision in this Agreement conflicts with any provision of the Application, the provision in this Agreement shall govern. This Agreement and the Application shall constitute the School Corporation's charter for purposes of Section 2203(h)(2) of the Act.

1.2 . Term; Renewal. A. This Agreement shall commence on the date hereof and shall continue for a term of fifteen years unless sooner terminated in accordance with Section 7.1 hereof.

B. The School Corporation may seek to renew its authority to operate the School as a public charter school in the District of Columbia pursuant to the terms of the Act and any rules established by the Board. If such renewal is granted by the Board, the Board and the School Corporation shall (i) renew this Agreement with amendments satisfactory to the Board and the School Corporation or (ii) enter into a substitute agreement satisfactory to the Board and the School Corporation.

1.3 Location; Permits. The School shall be located at Waterside Mall, 401 M Street, S.W., Washington, D.C. 20024 (the School Corporation's fee or leasehold interest in such property, the "School Property"). At least 7 days prior to the first day of the School's first academic year, the School Corporation shall submit to the Board (i) a report regarding the status of all Authorizations required for the School Corporation's use of the School Property, including occupancy permits and health and safety approvals, and (ii) a report identifying any lease, sublease, deed or other instrument authorizing the use or evidencing the ownership of the School Property by the School Corporation and summarizing any financing entered into in connection therewith. The School shall not begin instruction of students at the School Property until the School Corporation has provided to the Board a copy of the certificate of occupancy for the School Property certified by an officer of the School Corporation, a member of the Board of Trustees or the chief administrator of the School as true, correct and complete. The School Corporation shall not operate the School at a location other than the School Property without the prior written consent of the Board. "Authorizations" shall mean (a) any consent, approval, license, ruling, permit, certification, exemption, filing, variance, order, decree, directive or other authorization of, by or with, (b) any notice to or from, (c) any declaration of or with, or (d) any registration with, any governmental authority, in each case relating to the operation of the School.

## SECTION 2. EDUCATIONAL PROGRAM

2.1 Mission Statement. The School Corporation shall operate the School in accordance with the mission statement set forth in the Application.

2.2 Age; Grade. The School shall instruct students in grades 9 to 12. The School shall not instruct students of any other grade without the prior written consent of the Board.

2.3 Enrollment. A. Enrollment in the School shall be open to any pupil in the grade range set forth in Section 2.2 who resides in the District of Columbia. Students who are not residents of the District of Columbia may be enrolled at the School to the extent permitted by the Act. The School Corporation shall determine whether

each pupil resides in the District of Columbia according to the procedure set forth in the random selection process established pursuant to clause C below. Subject to clause B below, the School Corporation shall maintain an enrollment of no more than 200 pupils in its first academic year and no more than 420 pupils in subsequent academic years substantially in accordance with Schedule I attached hereto.

B. No later than April 1, 2003 and April 1, 2008, the School Corporation may petition the Board in writing to change the maximum enrollment of the School for the five academic years succeeding the deadline applicable to such petition. The Board shall review the petition and determine the maximum enrollment of the School for such five-year period. The School Corporation shall provide promptly to the Board any additional information requested by the Board in connection with such petition. Notwithstanding the foregoing, prior to the end of any five-year period, the School Corporation may petition the Board to increase the maximum enrollment of the School by up to 5% from the original maximum enrollment for such five-year period provided that the School Corporation delivers to the Board (i) evidence that (a) the School Property has sufficient capacity to accommodate the increased enrollment, (b) the financial position of the School Corporation will improve as a result of such increase, (c) the quality of the educational program at the School is satisfactory and will not deteriorate as a result of such increase and (ii) such other items as the Board may request.

C. If eligible applicants for enrollment at the School for any academic year exceed the number of spaces available at the School for such academic year, the School Corporation shall select students pursuant to the random selection process set forth as Exhibit B attached hereto. The School Corporation shall notify the Board in writing of any material change to the random selection process at least 60 days prior to the date (as set forth in the notice to the Board) of the proposed implementation thereof. With respect to any such proposed change, the School Corporation shall consider any comments of the Board, its staff and its agents in connection with such change. The School Corporation shall not implement any material change to the random selection process unless after giving effect to such change the random selection process would (i) include (a) an annual deadline for enrollment applications that is fair and set in advance of such deadline and (b) a process for selecting students for each academic year (1) if applications submitted by the deadline exceed available spaces for such academic year, and (2) for spaces available after the beginning of such academic year, (ii) publicize the application deadline and the selection processes, and (iii) provide a procedure to determine whether applicants reside in the District of Columbia.

D. Notwithstanding Section 2.3C until September 14, 2002, the School Corporation may give enrollment priority to (i) students enrolled in the School at the time the Board approved the Application, (ii) siblings of students described in clause (i) and (iii) students who reside in the attendance boundaries in which the School is located.



E. The School Corporation shall keep records of student enrollment and daily student attendance that are accurate and sufficient to permit preparation of the reports described in Sections 5.1E and Section 5.1F.

2.4 Curriculum. A. The School Corporation shall design and implement the educational program set forth in the Application, as modified in accordance with this Agreement. The School Corporation shall notify the Board in writing of any change in the curriculum or instructional method of the School that is a significant departure from the curriculum or instructional method in the plan set forth in the Application as amended in accordance with this Agreement at least 120 days prior to the date (as set forth in the notice to the Board) of the proposed implementation thereof (the "**Implementation Date**"). With respect to any such proposed change, the School Corporation shall consider any comments of the Board, its staff and its agents in connection with such change. The School Corporation shall provide promptly to the Board any materials requested by the Board in connection with such change in curriculum or instructional method.

B. The School Corporation shall not implement any material change in the curriculum or instructional method of the School without the prior written consent of the Board if

(i) the Board has previously notified the School Corporation in writing that the School Corporation is on probation for failure to satisfy performance targets set forth in the Accountability Plan and such notice has not been rescinded by the Board in writing; or

(ii) the Board determines in consultation with the School Corporation that such change would constitute a significant departure from the mission and goals set forth in the Application, as previously amended in accordance with this Agreement, and notifies the School Corporation of such determination in writing within 60 days after the Board receives notification of such change.

2.5 Standards. As part of its Accountability Plan, the School Corporation shall adopt student content and performance standards for all subject areas at all grade or other performance levels served by the School. The School's educational program shall be aligned with the School's content and performance standards.

2.6 Students with Disabilities. The School Corporation shall comply with all federal requirements concerning the education of students with disabilities and shall designate and notify the Board and the Director of the Office of Special Education of the District of Columbia Public Schools of the individual responsible for case management of the education of the School's students with disabilities. At least 7 days prior to the first day of the School's first academic year, the School Corporation shall notify the Board in writing of its election to act as either a local education agency or a

District of Columbia Public School for purposes of Part B of the Individuals with Disabilities Education Act, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended. The School Corporation shall notify the Board in writing by April 1 prior to any academic year for which the School Corporation shall change such election from the current academic year.

2.7 Student Policies; Expulsion and Suspension. A. No later than 7 days prior to the beginning of the School's first academic year, the School Corporation shall deliver to the Board in writing copies of the policies governing students at the School. The School Corporation shall notify the Board in writing of any material change to such policies within 30 days of the adoption of such change. The School Corporation shall consider the comments of the Board, its staff and its agents in connection with such policies. Notwithstanding the foregoing, the School Corporation shall not adopt any policy with respect to the expulsion or suspension of students without the prior written consent of the Board. Until the Board approves such expulsion and suspension policies, the School Corporation shall use the expulsion and suspension criteria approved by the governmental body responsible for the District of Columbia Public Schools (the "Board of Education") for use in District of Columbia Public Schools. No later than November 15, 1998, the School Corporation shall submit to the Board in writing its proposed policies with respect to expulsion and suspension, which shall include (i) actions that may result in expulsion or suspension and (ii) procedures for expulsion or suspension. The School Corporation shall make the policies governing students at the School available in writing to parents and students.

B. The School Corporation shall notify the Board promptly of any expulsion or any suspension of more than 5 school days of any student enrolled in the School.

### SECTION 3. EVALUATION

3.1 Accountability Plan. A. The School Corporation shall develop an accountability plan setting forth (i) goals, content and performance standards and performance indicators for the School, (ii) specific annual and long-term performance targets for such performance indicators related to each goal, (iii) a method to measure the School's achievement of such performance targets, (iv) timelines for achieving performance targets set forth in the Accountability Plan, (v) procedures for taking corrective action when the School's performance falls below such performance targets, (vi) strategies for reporting the School's performance and progress to parents, the community and the Board, and (vii) such other items as the Board may require. In developing or modifying an accountability plan, the School Corporation shall cooperate with the Board, its staff and its agents.

B. By September 1, 1998, the School Corporation shall submit an accountability plan in writing to the Board. Upon notice to the School Corporation of

the Board's approval of an accountability plan, such accountability plan (the "Accountability Plan") shall be attached to this Agreement and, without further action by the Board or the School Corporation, shall become a part hereof and be binding upon the School Corporation.

C. The School Corporation shall provide the Board written notice of any change in the Accountability Plan at least 120 days prior to the proposed implementation thereof. If such change significantly amends the performance goals, objectives, standards, indicators, targets or other basis against which the School Corporation has elected to have its performance judged, the School Corporation shall not implement such change without the prior written approval of the Board. With respect to any other proposed change in the Accountability Plan, the School Corporation shall consider any comments of the Board, its staff and its agents in connection with such change. With respect to any proposed change in the Accountability Plan requiring the Board's approval, the Board shall rule on such change within 90 days after the Board's receipt thereof.

3.2 Corrective Action. In connection with the Board's review of the School's performance, if the Board determines that the School is not progressing toward one or more performance goals set forth in the Accountability Plan or that the quality of the School's educational program is not satisfactory, then the Board, in consultation with the School Corporation, may require the School Corporation to develop and implement a corrective action plan. Nothing contained herein shall restrict the Board's ability to revoke the School Corporation's charter in accordance with the Act.

3.3 Standardized Testing. At a minimum, the School Corporation shall administer, in accordance with the policies of the Board of Education, any District-wide assessments used to measure student achievement required by the Board of Education to be administered in public schools in the District of Columbia covering the same grades or ages as the School and the results of which the Board of Education intends to make publicly available; provided that with respect to students receiving special education, the School Corporation shall only be required to administer tests related to such students' individual education plans.

## SECTION 4. CONTRACTS

4.1 Contracts. A. Within 45 days after the end of each fiscal quarter, the School Corporation shall submit to the Board with respect to each contract (other than an employment contract) entered into, materially amended or terminated during such fiscal quarter that has (i) a value equal to or in excess of \$10,000, or (ii) a term that exceeds one Fiscal Year, a list of the following items: (a) the parties, (b) an indication of whether any party is an Affiliate of the School Corporation, (c) the product or service that is the subject of such contract, and (d) whether the value of such contract equals or exceeds \$50,000 or such other threshold as the Board may determine in writing.

B. By October 1 of the School's first academic year and by October 1 of each subsequent year in which there is a change, the School Corporation shall submit to the Board a range of salaries and benefits in effect for each category of employees identified by the School Corporation. Within 45 days after the end of each fiscal quarter, the School Corporation shall submit to the Board a list of each employment contract entered into, materially amended or terminated during such fiscal quarter which provides an annual salary and benefits package in excess of the relevant range delivered to the Board pursuant to the preceding sentence.

C. Each contract described in clause A or B above shall be referred to herein as a "Material Contract." Upon the request of the Board, the School Corporation shall deliver to the Board copies of any Material Contract.

4.2 Contracts for School Management. A. Without the prior written consent of the Board, the School Corporation shall not (i) enter into any contract (a "School Management Contract") for the management of the School by another entity, (ii) cancel or terminate or provide a notice of cancellation or termination of any School Management Contract or consent to or accept any cancellation or termination thereof, or (iii) enter into any material amendment, modification or supplement of any School Management Contract.

B. — If the Board has previously notified the School Corporation in writing that the School Corporation is on probation for failure to satisfy performance targets set forth in the Accountability Plan or for fiscal management reasons and such notice has not been rescinded by the Board in writing, the School Corporation shall notify the Board in writing 5 business days prior to taking any of the following actions: (1) waiving any material default under, or material breach of, any School Management Contract or waiving, failing to enforce, forgiving, compromising, settling, adjusting or releasing any material right, interest or entitlement, howsoever arising, under, or in respect of any School Management Contract, or giving any consent, waiver or approval under any School Management Contract, or in any way varying, or agreeing to the variation of, any material provision of any School Management Contract or of the performance of any material covenant or obligation by any other party under any School Management Contract, or (2) providing any notice, request or other document permitted or required to be provided pursuant to any School Management Contract affecting any material rights, benefits or obligations under any such School Management Contract in any material respect. If the Board so notifies the School Corporation in writing prior to the intended date of such action, the Board shall have the right to approve such action, and the School Corporation shall not take such action without the prior written consent of the Board.

4.3 Insurance Coverage. A. The School Corporation shall procure and maintain in full force and effect at all times insurance policies with an independent

insurance broker with a license in the District of Columbia providing at least the limits and coverage provisions set forth below:

(i) Workers' compensation insurance as required by applicable Law. "Law" shall mean any statute, law, constitutional provision, code, regulation, ordinance, rule, judgment, order, decree, permit, concession, grant, franchise, license, agreement, directive, binding guideline or policy or rule of common law, requirement of, or other governmental restriction of or determination by, or any interpretation of any of the foregoing by, any governmental authority, whether now or hereafter in effect.

(ii) General liability insurance on an occurrence basis against claims for personal injury (including bodily injury and death) and property damage. Such insurance shall provide coverage with a \$1,000,000 minimum limit per occurrence for combined bodily injury and property damage, a maximum deductible of \$2,500 per occurrence and aggregate limits of liability of at least \$2,000,000.

(iii) Automobile liability insurance against claims for personal injury (including bodily injury and death) and property damage covering all owned, lease non-owned and hired motor vehicles, including loading and unloading, with a \$1,000,000 minimum limit per occurrence for combined bodily injury and property damage and containing appropriate no-fault insurance provisions wherever applicable.

(iv) Excess liability insurance on an occurrence basis covering claims in excess of the underlying insurance described in the foregoing clauses (ii) and (iii), with (a) if the School provides transportation for any of its students, a \$5,000,000 minimum limit per occurrence and (b) otherwise, a \$3,000,000 minimum limit per occurrence; provided that aggregate limits of liability, if any, shall apply separately to each location.

(v) Property damage insurance on an "all risk" basis, boiler and machinery insurance on a comprehensive basis and providing coverage for (a) the School Corporation in a minimum aggregate amount equal to the "full insurable value" of the School Property, and (b) attorneys' fees, engineering and other consulting costs, and permit fees directly incurred in order to repair or replace damaged insured property in a minimum amount sufficient to cover 100% of the cost to reconstruct the School Property. For purposes of this clause (v), "full insurable value" shall mean the full replacement value of the School Property, including any improvements, equipment, fuel and supplies, without deduction for physical depreciation and/or obsolescence; all such policies may have deductibles of not greater than \$2,500 per occurrence; provided that to the extent such policies do not have such deductibles, the School Corporation shall establish adequate reserves or other appropriate provisions, if any, as shall be required by the Board. Such insurance shall (x) not include any coinsurance provision, (y) provide for increased cost of construction and loss to undamaged property as a result of enforcement of building Laws with sub-limits not less than 10% of the "full insurable value" of the School Property, and (z) include debris removals with a sub-limit of not less than

\$50,000. The property damage coverage shall not contain an exclusion for freezing, mechanical breakdown, loss or damage covered under any guarantee or warranty, or resultant damage caused by faulty workmanship, design or materials.

(vi) Directors and officers liability insurance and professional liability insurance with a \$1,000,000 minimum limit per occurrence. The policies for such insurance shall name the Board of Trustees, the School Corporation, School employees and School volunteers as insureds.

(vii) Educators legal liability insurance with a \$1,000,000 minimum limit per occurrence.

B. If the School Corporation has entered into a School Management Contract, the School Corporation shall require the Person managing the School pursuant to that School Management Contract (the "**School Manager**") to maintain management professional liability insurance with a \$1,000,000 minimum limit per occurrence.

C. The School Corporation may satisfy its obligations under this Section 4.3 by being an additional named insured on insurance policies of an Affiliate of the School Corporation or the School Manager, if any, providing the School Corporation the coverage required pursuant to this Section 4.3 to the same extent as if the School Corporation obtained such required insurance itself.

D. All policies of insurance required to be maintained pursuant to clause A (except subclauses (vi) and (vii)) shall be endorsed to name the Board and its directors, officers, employees and agents as additional insureds. All policies of insurance required to be maintained pursuant to this Section 4.3 shall be endorsed to provide that the insurer is required to provide the Board with at least 30 days' prior notice of substantial reduction in coverage or amount (other than a reduction in coverage or amount resulting from a payment thereunder), cancellation or non-renewal of any policy. The Board may from time to time, by written notice to the School Corporation, amend the amount and scope of insurance coverage required by this Section 4.3 to include such additional insurance coverage which, in the reasonable opinion of the Board, is generally maintained with respect to schools by prudent school management, subject to the availability of such insurance in such amounts on commercially reasonable terms.

4.4 Insurance Certificates. No later than September 1, 1998 and no later than August 1 of each subsequent year, the School Corporation shall deliver to the Board a certificate of insurance with respect to each insurance policy required pursuant to Section 4.3. Such certification shall be executed by each insurer providing insurance hereunder or its authorized representative and shall (1) identify underwriters, the type of insurance, the insurance limits and the policy term and (2) specifically list the special provisions enumerated for such insurance required by Section 4.3. Concurrently with the furnishing of the certification referred to in this Section 4.4, the School Corporation shall

furnish the Board with a report of an independent insurance broker satisfactory to the Board, signed by an officer of such broker, stating that all premiums then due have been paid. In addition, the School Corporation will notify the Board in writing promptly of any default in the payment of any premium and of any other act or omission on the part of the School Corporation or the School Manager, if any, which may invalidate or render unenforceable, in whole or in part, any insurance being maintained pursuant to Section 4.3. Upon request by the Board, the School Corporation will promptly furnish the Board with copies of all insurance policies, binders and cover notes or other evidence of insurance relating to the insurance required to be maintained pursuant to Section 4.3.

4.5 Transactions with Affiliates. The School Corporation shall not, directly or indirectly, enter into or permit to exist any transaction (including the purchase, sale, lease or exchange of any property or the rendering of any service) with any Affiliate of the School Corporation, any member of the board of trustees of the School Corporation (the "**Board of Trustees**") or any employee of the School Corporation unless the terms of such transaction (considering all the facts and circumstances) are no less favorable to the School Corporation than those that could be obtained at the time from a Person that is not such an Affiliate. "**Affiliate**" shall mean, as applied to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, that Person and, if such Person is an individual, any member of the immediate family (including parents, spouse, children and siblings) of such individual and any trust whose principal beneficiary is such individual or one or more members of such immediate family and any Person who is controlled by any such member or trust; for purposes of the definition of "Affiliate," "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities or by contract or otherwise. "**Person**" shall mean and include natural persons, corporations, limited liability companies, limited liability partnerships, limited partnerships, general partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities, governments and agencies or other administrative or regulatory bodies thereof.

4.6 Costs. The School Corporation shall be responsible for all costs associated with its operation and the operation of the School including the costs of goods, services and the assessments administered pursuant to Section 3.3 hereof.

4.7 No Agency. The School Corporation shall disclose to all third parties entering into contracts with the School Corporation that the Board has no responsibility for the debts or actions of the School Corporation. The School Corporation shall not purport to act as the agent of the Board or the government of the District of Columbia with respect to any contract.

4.8 Inventory. The School Corporation shall maintain an inventory of all assets of the School Corporation purchased with District of Columbia public funds or federal funds. The School Corporation shall make such inventory available to the Board from time to time upon the Board's request.

## SECTION 5. REPORTS

5.1 Reporting Requirements. The School Corporation shall deliver to the Board:

A. **Annual Reports:** no later than November 1 of each year, beginning November 1, 1999, an annual report in a format acceptable to the Board which shall set forth the financial status, academic program and performance of the School Corporation as of the close of the prior academic year including all items required by Section 2204(c)(11)(B) of the Act, the results of any standardized tests not contained in the prior annual report delivered to the Board pursuant to this clause A (or in the case of the first annual report, any such results obtained prior to the submission of such report), an assessment of compliance with the performance goals, objectives, standards, indicators or targets or any other basis for measuring the School's performance set forth in the Accountability Plan and such other items as the Board may reasonably request; such report shall be delivered to the Board in a paper format and transmitted electronically in a format acceptable to the Board; such report shall be made available to the public upon request;

B. **Audited Financial Statements:** as soon as available but no later than 120 days after the end of each Fiscal Year, audited financial statements for such Fiscal Year prepared in accordance with generally accepted auditing standards and the *Government Auditing Standards* issued by the Comptroller General of the United States, by an independent certified public accountant licensed in the District of Columbia and reasonably acceptable to the Board; such audited financial statements shall be made available to the public upon request; "**Fiscal Year**" shall mean the fiscal year of the School Corporation ending on June 30 of each calendar year;

C. **Interim Financial Reports:** as soon as available and in any event within 45 days after the end of each Interim Period starting with the Interim Period beginning July 1, 1998, (i) the balance sheet of the School Corporation as at the end of such Interim Period and the related statements of income and cash flows of the School Corporation for such Interim Period and for the period from the beginning of the then current Fiscal Year to the end of such Interim Period, all in reasonable detail and certified by the treasurer or chief financial officer of the School Corporation that they fairly present, in all material respects, the financial condition of the School Corporation as at the dates indicated and the results of their operations and their cash flows for the periods indicated, subject to changes resulting from audit and normal year-end adjustments, and (ii) notes to the balance sheet describing the financial status of the



School Corporation including contributions (monetary or in-kind) in excess of \$500 and fundraising efforts for such Interim Period and for the period from the beginning of the then current Fiscal Year to the end of such Interim Period; "**Interim Period**" shall mean (x) initially, month and (y) from time to time thereafter, upon written notice by the Board to the School Corporation, the period designated by the Board in such notice; the Board may require the School Corporation to submit the financial reports to be delivered pursuant to this Section 5.1C on a computer disk or in another electronic format compatible with software designated by the Board from time to time; notwithstanding the foregoing, the School Corporation may deliver the reports required pursuant to this clause C for July and August 1998 on October 15, 1998;

D. **Budget; Fiscal Year:** no later than June 1 of each year starting June 1, 1999, an annual operating budget, an annual capital budget and cash flow projections (collectively, a "**Budget**") for the next succeeding Fiscal Year; the School Corporation's operating budget for the period from July 1, 1998 to June 30, 2000 is set forth in Exhibit C hereto; the School Corporation shall deliver to the Board no later than October 30, 1998 a revised operating budget for the period from July 1, 1998 to June 30, 2000; the School Corporation shall consider the comments of the Board, its staff and its agents with respect to each Budget; if the Board has previously notified the School Corporation in writing that the School Corporation is on probation for fiscal management reasons and such notice has not been rescinded by the Board in writing, the School Corporation may only implement such Budget with the prior written approval of the Board;

E. **Enrollment Census:** on dates identified by the Board in writing, a report (i) identifying the number of students (including nonresident students and students receiving special education) currently enrolled in the School in each of (a) preschool, (b) prekindergarten, (c) grades kindergarten through 12, (d) adult, community and vocational programs and (e) nongrade level programs, (ii) identifying the number of students enrolled in the School and their grade levels who are any of the following: (a) nonresident students, (b) students receiving special education, (c) emergency migrants, (d) new or leaving students, (e) eligible for free or reduced meals or (f) students with limited English proficiency, (iii) setting forth the amount of fees and tuition assessed and collected from nonresident students currently enrolled in the School and (iv) certified by the chair of the Board of Trustees and the principal or other chief administrator of the School that such report is true and correct in all material respects; unless the Board notifies the School Corporation otherwise in writing, such report shall be in the format required by the Board of Education for similar reports from public schools in the District of Columbia and such count shall be conducted in a manner comparable to that required by the Board of Education for enrollment counts by District of Columbia Public Schools;

F. **Attendance:** no later than 15 days after the end of each month during the academic year, a report listing the average daily attendance for the School during such month;

G. **Key Personnel Changes:** promptly upon the chair of the Board of Trustees or an officer of the School Corporation obtaining knowledge of the departure or anticipated departure of a person from his or her position with the School Corporation who is a member of the Board of Trustees or an officer of the School Corporation or holds a key personnel position identified on Exhibit D hereto (but no later than the time the School Corporation announces such departure publicly), a notice identifying the person, the position such person is leaving, the date of such departure and the actions the School Corporation has taken or intends to take to replace such person;

H. **Events of Default, Etc.:** promptly upon the chair of the Board of Trustees or an officer of the School Corporation obtaining knowledge of any event or circumstance that could reasonably be expected to have a material adverse effect on the operation, properties, assets, condition (financial or otherwise), prospects or reputation of the School Corporation or the School including (i) any material breach of any covenant or agreement contained in this Agreement (including the Application or Accountability Plan) or any Material Contract, (ii) any notice given to the School Corporation or any other action taken with respect to a claimed default under any financing obtained by the School Corporation, or (iii) the failure of the School Corporation to comply with the terms and conditions of any Authorization, a report in reasonable detail of the nature and date, if applicable, of such event or circumstance and the School Corporation's intended actions with respect thereto;

I. **Litigation:** (i) promptly upon a member of the Board of Trustees or an officer of the School Corporation obtaining knowledge of (a) the institution of or nonfrivolous threat of any action, suit, proceeding, governmental investigation or arbitration against or affecting the School Corporation or any property thereof (collectively, "**Proceedings**") not previously disclosed in writing by the School Corporation to the Board, or (b) any material development in any Proceeding to which the School Corporation is a party or the School Corporation's property is subject, written notice thereof; (ii) no later than February 14 and August 14 of each year, a schedule of all Proceedings involving an alleged liability of, or claims against or affecting, the School Corporation or, if there has been no change since the last such report, a statement to that effect, and (iii) promptly after request by the Board, such other information as may be reasonably requested by the Board to enable the Board and its counsel to evaluate any of such Proceedings;

J. **Authorizations:** (i) within 45 days after the end of each Fiscal Year starting in Fiscal Year 1999, a certification by an officer of the School Corporation, a member of the Board of Trustees or the chief administrator of the School that all Authorizations required for the operation of the School and the lease or sublease, if any, of the School Property remain in full force and effect; and (ii) within 7 days after the School Corporation receives notice (whether formal or informal, written or oral) of any alleged failure of the School Corporation to comply with the terms and conditions of any

Authorization, a report in reasonable detail of the nature and date, if applicable, of such notice and the School Corporation's intended actions with respect thereto; and

K. **Other Information:** such other reports, financial statements and information as the Board shall reasonably request.

5.2 Reports Required by the Act. The School Corporation shall comply with all reporting requirements set forth in the Act and shall provide the Board with a copy of each such report at the time the School Corporation provides such report to the Person required to receive such report under the Act.

## SECTION 6. ORGANIZATION

6.1 Organization. A. The School Corporation is and shall remain a District of Columbia nonprofit corporation in accordance with the District of Columbia Nonprofit Corporation Act, as now and hereafter in effect, or any successor statute.

B. Copies of the School Corporation's articles of incorporation and bylaws are attached hereto as Exhibit E and Exhibit F, respectively. The School Corporation shall notify the Board in writing of any material change to its articles of incorporation or bylaws within 30 days after the effective date of such change. The School Corporation shall consider any comments of the Board, its staff and its agents in connection with such change.

6.2 Tax-Exempt Status. The School Corporation shall obtain tax-exempt status from the federal government and the District of Columbia within two years from the date hereof and shall maintain such tax-exempt status.

6.3 Powers. The School Corporation shall have the powers set forth in the Act.

6.4 Accreditation. The School Corporation shall comply with the accreditation requirements set forth in the Act.

6.5 Nonsectarian. The School Corporation and the School are and shall remain nonsectarian and are not and shall not be affiliated with a sectarian school or religious organization.

6.6 Financial Management. The School Corporation shall operate in accordance with generally accepted standards of fiscal management and shall maintain a system of accounting established and administered in accordance with sound business practices to permit preparation of the audited financial statements described in Section 5.1B.

6.7 Board of Trustees. A. The School Corporation shall have a Board of Trustees that complies with the requirements set forth in the Act. The Board of Trustees shall (i) set the policy for the School Corporation, (ii) be responsible for overseeing the academic and fiscal integrity of the School Corporation and assuring the School Corporation's compliance with this Agreement and the Act and (iii) select and evaluate the performance of the School Corporation's senior management.

B. Each member of the Board of Trustees shall act in an ethical manner consistent with its fiduciary obligations to the School.

6.8 Hiring. The School Corporation shall perform an initial background check with respect to each employee and each person who regularly volunteers at the School more than 10 hours a week prior to the commencement of such employment or volunteer assignment. The School Corporation shall conduct such other background checks as the Board may direct in accordance with such timetable as the Board may establish. The School Corporation shall consider the results of such background checks in its decision to employ or utilize such persons.

6.9 Employee Handbook. The School Corporation shall develop and maintain an employee handbook in compliance with Law.

6.10 Complaint Process. No later than October 30, 1998, the School Corporation shall deliver to the Board in writing a copy of the complaint resolution process that the School Corporation is required to maintain pursuant to the Act. The School Corporation shall notify the Board in writing of any proposed material change to the complaint resolution process at least 45 days prior to the implementation of such change. The School Corporation shall consider any comments of the Board, its staff and its agents in connection with such complaint resolution process or any material change thereto.

## SECTION 7. TERMINATION

7.1 Termination. A. This Agreement may be terminated and the charter of the School Corporation revoked:

- (i) by the Board in accordance with Section 2213 of the Act; or
- (ii) by mutual agreement of the parties hereto; or
- (iii) by the Board if, in the reasonable judgment of the Board, any circumstance or condition shall exist at the School which jeopardizes the safety, health or welfare of any students at the School, and the School Corporation shall fail to remedy such circumstance or condition within 90

days after the Board delivers written notice to the School Corporation that the Board has determined such circumstance or condition exists; or

(iv) by the Board, if the School Corporation fails to secure use of the School Property by August 1, 1999; or

(v) by the Board, if the School fails to begin instructing students by December 31, 1999.

If the School has begun operation, any such termination shall be effective at the end of the academic year unless the Board determines compelling circumstances require otherwise.

B. This Agreement shall be terminated:

(i) upon invalidation or termination of the statutory authority for the School to exist as a public charter school in the District of Columbia; or

(ii) upon termination of the Board or the Board's authority to oversee public charter schools in the District of Columbia unless the Board has assigned its rights and obligations under this Agreement.

7.2 Actions Upon Expiration or Termination. Upon expiration or termination of this Agreement (the date upon which such charter expires or terminates, the "**Termination Date**"), the School Corporation shall:

A. if the School ceases operations on the Termination Date,

(i) promptly but no later than 60 days after the Termination Date, deliver all student records, reports, documents and files to the Board;

(ii) promptly but no later than 60 days after the Termination Date, transfer all other assets of the School Corporation purchased with District of Columbia public funds or federal funds as directed by the Board; and

(iii) for 5 years after the Termination Date, maintain all its other records, reports, documents and files of the School Corporation and shall not dispose of such records, reports, documents and files without first offering them in writing to the Board;

B. if the Board of Education (or any other entity permitted by the Act to assume the management of the School) assumes management of the School pursuant

to the terms of the Act, take such actions as the Board of Education (or such entity) shall reasonably require (subject to any rights of grantors, donors or creditors of the School Corporation);

C. if the Board of Education places the School in a probationary status pursuant to Section 2212(d)(5)(B) of the Act, take such actions as the Board of Education shall reasonably require;

D. if the School continues operations but not as a public school,

- (i) promptly but no later than 60 days after the Termination Date, deliver to the Board all student records, reports, documents and files created during or covering periods during which the School was a public charter school;
- (ii) promptly but no later than 60 days after the Termination Date, transfer all other assets of the School Corporation purchased with District of Columbia public funds or federal funds as directed by the Board; and
- (iii) for 5 years after the Termination Date, maintain all its other records, reports, documents and files of the School Corporation created during or covering periods during which the School was a public charter school and shall not dispose of such records, reports, documents and files without first offering them in writing to the Board.

## SECTION 8. COMPLIANCE

8.1 Laws. The School Corporation shall comply with all applicable Laws (including the Act) and Authorizations and shall from time to time and on a timely basis obtain, renew and comply with all Authorizations as shall now or hereafter be necessary under applicable Laws.

8.2 Cooperation. The School Corporation shall, and shall cause its trustees, officers, employees and contractors to, cooperate with the Board, its staff and its agents in connection with the Board's obligations to monitor the School Corporation.

8.3 Access. The School Corporation shall authorize and permit the Board, its staff and its agents to have access to the extent permitted by law, upon reasonable notice and in such manner as will not unreasonably interfere with the conduct of the School, to all of the School Corporation's properties, books, records, operating instructions and procedures, curriculum materials and all other information with respect to the operation of the School and the School Corporation that the Board may from time

to time request, and to make copies of such books, records and other documents and to discuss the operation of the School and the School Corporation with such third persons, including, without limitation, the School Corporation's trustees, officers, employees, students, accountants, counsel, contractors and creditors, as the Board considers necessary or appropriate for the purposes of evaluating the operation and performance of the School and the School Corporation in accordance with this Agreement and the Act. The School Corporation shall, and shall cause its trustees, officers, employees and contractors to, cooperate with the Board, its staff and its agents in connection with the foregoing activities.

8.4 School Emergency. If the Board determines (i) any event or circumstance could have a material adverse effect on the operation, properties, assets, condition (financial or otherwise), prospects or reputation of the School Corporation or the School, (ii) any action or failure to act by the School Corporation could threaten the health, safety, welfare or education of the students of the School, (iii) the School Corporation has failed to act in a fiscally responsible manner, or (iv) there has been a sudden and significant decrease in enrollment at the School (each of clause (i) through (iv), a "School Emergency"), then the Board of Trustees, upon the request of the Board, shall meet with the Board to discuss the School Corporation's response to such School Emergency. The School Corporation shall cooperate with the Board to resolve such School Emergency to the reasonable satisfaction of the Board.

## SECTION 9. MISCELLANEOUS

9.1 Administrative Fee. The School Corporation shall pay annually to the Board, no later than November 15 of each year, the maximum amount permitted by the Act to cover the administrative responsibilities of the Board. Notwithstanding the foregoing, the Board shall not seek any remedy against the School Corporation for failure to timely pay such fee if the School Corporation shall not have received the fall allocation of its annual academic year funding from the government of the District of Columbia by such date provided that the School Corporation pays the Board such fee within 5 business days of the School Corporation's receipt of such funding.

9.2 Assignment. This Agreement shall not be assignable by either party; provided that if the Board shall no longer have authority to charter public schools in the District of the Columbia, the Board may assign this Agreement to any entity authorized to charter or monitor public charter schools in the District of Columbia.

9.3 Definitional Provisions. Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context indicates is appropriate. When a reference is made in this Agreement to an introduction, recital, section, appendix, exhibit or schedule, such reference shall be to the introduction, a recital, a section or a paragraph of, or an appendix, an exhibit or a

schedule to, this Agreement unless otherwise indicated. The words "hereof", "herein" and "hereunder" and words of similar import shall be deemed to refer to this Agreement as a whole and not to any particular provision of this Agreement. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation." Accounting terms not expressly defined in this Agreement shall have the respective meanings given to them under generally accepted accounting principles.

9.4 Entire Agreement; Amendments. This Agreement, together with all the attachments hereto (including the Application and Accountability Plan as amended hereby), constitutes the entire agreement of the parties and all prior representations, understandings and agreements are merged herein and superseded by this Agreement. This agreement may not be amended or modified other than by a written agreement executed by the Board and the School Corporation; provided that the Board shall have the right to require that any amendment to this Agreement changing the curriculum, instructional method, grades, student ages or management of the School that differs substantially from the curriculum, instructional method, grades, student ages or management as set forth in the Application shall occur only in accordance with the procedures set forth in the Act.

9.5 Dispute Resolution. Subject to the last sentence of this Section 9.5, neither the School Corporation nor the Board shall exercise any legal remedy with respect to any dispute arising from this Agreement without (i) first providing a notice to the other party hereto setting forth a description of the dispute and (ii) thereafter, causing representatives of the School Corporation and the Board to meet and attempt in good faith to negotiate a resolution of such dispute. Nothing contained herein shall restrict the Board's ability to terminate this Agreement and revoke the School Corporation's charter in accordance with the terms of the Act.

9.6 Notices. Unless otherwise specifically provided herein, any notice or other communication herein required or permitted to be given shall be in writing and shall be deemed to have been given when (a) delivered by hand (with written confirmation of receipt), (b) sent by telecopier (with written confirmation of receipt), provided that a copy is mailed by certified or registered mail, postage prepaid, return receipt requested, or (c) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested) or certified or registered mail, postage prepaid, return receipt requested, in each case to the appropriate addresses and telecopier numbers set forth below (until notice of a change thereof is delivered as provided in this Section 9.6) shall be as follows:

If to the Board:



District of Columbia Public Charter School Board  
1717 K Street, N.W.  
Suite 802  
Washington, D.C. 20006  
Attention: Chairperson  
Telephone: (202) 887-5011  
Telecopier: (202) 887-5026

If to the School Corporation:

until November 1, 1998:

Washington Math Science Public Charter High School, Inc.  
c/o William J. McCarthy, Treasurer  
2501 M Street, N.W. #720  
Washington, D.C. 20037  
Telephone: (202) 775-5826  
Telecopier: (202) 775-8549

after November 1, 1998:

Washington Math Science Public Charter High School, Inc.  
Waterside Mall  
401 M Street, S.W., 2nd Floor  
Washington, D.C. 20460  
Telephone: (202) 488-1996  
Telecopier: (202) 488-1997

9.7 Failure or Indulgence Not Waiver; Remedies Cumulative. No failure or delay on the part of the Board in the exercise of any power, right or privilege hereunder shall impair such power, right or privilege or be construed to be a waiver of any default or acquiescence therein, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other power, right or privilege. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available.

9.8 Severability. In case any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions or obligations, shall not in any way be affected or impaired thereby.

9.9 Applicable Law. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE

LAWS OF THE DISTRICT OF COLUMBIA, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES.

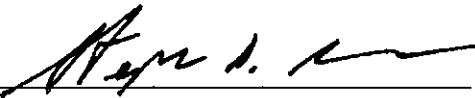
9.10 No Third Party Beneficiary. Nothing in this Agreement expressed or implied shall be construed to give any Person other than the parties hereto any legal or equitable rights under this Agreement.

9.11 Counterparts; Effectiveness. This Agreement and any amendments, waivers, consents or supplements hereto or in connection herewith may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document. This Agreement shall become effective upon the execution of a counterpart hereof by each of the parties hereto and receipt by the School Corporation and the Board of written or telephonic notification of such execution and authorization of delivery thereof.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

WASHINGTON MATH SCIENCE  
TECHNOLOGY PUBLIC CHARTER  
HIGH SCHOOL, INC.

  
By: \_\_\_\_\_  
Title: *president*

DISTRICT OF COLUMBIA PUBLIC  
CHARTER SCHOOL BOARD

\_\_\_\_\_  
By:  
Title:

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

**WASHINGTON MATH SCIENCE  
TECHNOLOGY PUBLIC CHARTER  
HIGH SCHOOL, INC.**

\_\_\_\_\_  
By:  
Title:

**DISTRICT OF COLUMBIA PUBLIC  
CHARTER SCHOOL BOARD**

\_\_\_\_\_  
*Josephine C. Baker*  
By: JOSEPHINE C. BAKER  
Title: CHAIR

Washington Math Science Technology Public Charter High School

SCHEDULE I

Maximum Enrollment

Grade	Academic Year 1	Academic Year 2	Academic Year 3	Academic Year 4	Academic Year 5 +
9	100	100	100	120	120
* 10		100	100	100	100
* 11			100	100	100
* 12				100	100
Maximum Enrollment Total	200	281	355	420	420

\* The maximum number of students grades 10-12 will be 100 for Academic year 1;  
the maximum number of students grade 11-12 will be 81 for Academic year 2;  
the maximum number of students in grade 12 will be 55 for Academic year 3.

## **EXHIBIT A**

[Intentionally omitted. A copy of the Application  
is on file in the offices of the District of  
Columbia Public Charter School Board.]

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## **EXHIBIT B: RANDOM SELECTION PROCESS**

**TO COME**



## **EXHIBIT C: INITIAL BUDGET**

# PUBLIC CHARTER SCHOOL TWELVE MONTH CASH BUDGET 1998-1999

DESCRIPTION	Jul-98 Budget	Aug-98 Budget	Sep-98 Budget *	Oct-98 Budget	Nov-98 Budget	Dec-98 Budget	Jan-99 Budget	Feb-99 Budget	Mar-99 Budget	Apr-99 Budget	May-99 Budget	Jun-99 Budget	TOTAL Budget
<b>REVENUES</b>													
Per Pupil Charter Payments	0	0	0	660,000	0	0	0	0	0	660,000	0	0	1,320,000
Federal Entitlements	0	0	0	0	43,750	0	0	21,875	0	0	21,875	0	87,500
Federal Competitive/Categorical Grants	0	0	0	0	0	0	0	0	74,764	0	0	0	74,764
Philanthropic Support	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans	0	0	50,000	0	0	0	0	0	0	0	0	0	50,000
Other Revenue	0	0	0	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	81,000
<b>TOTAL REVENUES:</b>	0	0	50,000	669,000	52,750	9,000	9,000	30,875	83,764	669,000	30,875	9,000	1,613,264
<b>EXPENSES</b>													
<i>Personnel Salaries and Benefits</i>													
Principal/Executive	0	0	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	58,330
Teachers	0	0	52,062	52,062	52,062	52,062	52,062	52,062	52,062	52,062	52,062	52,062	520,620
Teacher Aides/Assistants	0	0	500	500	500	500	500	500	500	500	500	500	5,000
Other Education Professionals	0	0	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	25,000
Clerical	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	40,000
Custodian	0	0	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	32,500
Other Staff	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
Employee Benefits	0	0	17,787	17,787	17,787	17,787	17,787	17,787	17,787	17,787	17,787	17,787	177,870
Staff Development	3,125	3,125	3,125	3,125	3,125	3,125	3,125	3,125	3,125	3,125	3,125	3,125	37,500
<i>Subtotal: Personnel</i>	12,458	12,458	94,390	94,390	94,390	94,390	94,390	94,390	94,390	94,390	94,390	94,390	968,820
<i>Direct Student Costs</i>													
Textbooks	0	17,500	0	0	0	0	0	0	0	0	0	0	17,500
Supplies and Materials	0	17,500	0	0	0	0	0	0	0	0	0	0	17,500
Library and Media Center Materials	0	5,000	0	0	0	0	0	0	0	0	0	0	5,000
Computers and Materials	0	12,000	0	0	0	0	0	0	0	0	0	0	12,000
Other Instructional Equipment	0	6,000	0	0	0	0	0	0	0	0	0	0	6,000
Classroom Furnishings	0	5,000	0	0	0	0	0	0	0	0	0	0	5,000
Student Assessment Materials	0	12,000	0	0	0	0	0	0	0	0	0	0	12,000
Contracted Instructional/Student Services	0	0	7,875	7,875	7,875	7,875	7,875	7,875	7,875	7,875	7,875	7,875	78,750
Other Instructional Equipment	0	0	500	500	500	500	500	500	500	500	500	500	5,000
<i>Subtotal: Direct Student Costs</i>	0	75,000	8,375	8,375	8,375	8,375	8,375	8,375	8,375	8,375	8,375	8,375	158,750
<i>Occupancy</i>													
Rent	1,550	1,550	5,025	5,025	5,025	5,025	5,025	5,025	5,025	5,025	5,025	5,025	53,350
Mortgage	0	0	0	0	0	0	0	0	0	0	0	0	0
Maintenance and Repairs	0	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	10,000
Renovation (Including Reserves)	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities	0	0	500	500	500	500	500	500	500	500	500	500	5,000
Janitorial Supplies	0	0	1,000	0	0	0	1,000	0	0	0	0	0	2,000
Equipment Rental and Maintenance	0	0	300	300	300	300	300	300	300	300	300	300	3,000
Contracted Services	0	0	0	0	0	0	0	0	0	0	0	0	0
<i>Subtotal: Occupancy</i>	1,550	1,550	7,825	6,825	6,825	6,825	7,825	6,825	6,825	6,825	6,825	6,825	73,350
<i>Office Expenses</i>													
Supplies and Materials	167	167	167	167	167	167	167	167	167	167	167	167	2,000
Furnishings	1,000	0	0	0	0	0	0	0	0	0	0	0	1,000
Equipment Rental and Maintenance*	0	0	2,000	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	15,500
Telephone	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Accounting and Payroll	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	16,000
Printing and Copying	417	417	417	417	417	417	417	417	417	417	417	417	5,000
Postage and Shipping	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Other	200	200	200	200	200	200	200	200	200	200	200	200	2,400
<i>Subtotal: Office</i>	4,367	3,367	5,367	4,867	4,867	4,867	4,867	4,867	4,867	4,867	4,867	4,867	56,900
<i>General Expenses</i>													
Insurance	1,458	1,458	1,458	1,458	1,458	1,458	1,458	1,458	1,458	1,458	1,458	1,458	17,500
Debt Service	0	0	0	50,333	0	0	0	0	0	0	0	0	50,333
Transportation	0	0	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	40,000
Food Service	0	0	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	35,000
Administration Fee	750	750	750	750	750	750	750	750	750	750	750	750	9,000
Other	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	5,000	27,000
<i>Subtotal: General</i>	4,208	4,208	11,708	82,041	11,708	11,708	11,708	11,708	11,708	11,708	11,708	14,708	178,833
<b>TOTAL EXPENSES</b>	22,583	96,583	127,665	176,498	126,165	126,165	127,165	126,165	126,165	126,165	126,165	129,165	1,436,653
<b>GAIN (OR LOSS)</b>	-22,583	-96,583	-77,665	492,502	-73,415	-117,165	-118,165	-95,290	-42,401	542,835	-95,290	-120,165	176,611
<b>CASH POSITION:</b>	100,000	3,417	-74,248	418,264	344,839	227,674	109,509	14,219	-28,182	614,863	419,363	289,198	

\* The cash position shortage in September will be relieved by a loan from the Appletree Institute, an affiliated association.

# Actual cash positions for July 31 and August 31 were \$53,550 and \$15,700 respectively

\*Telecommunications and network equipment at the school.

## **EXHIBIT D: KEY PERSONNEL**

**TO COME**

**EXHIBIT E: ARTICLES OF INCORPORATION**

**ARTICLES OF INCORPORATION  
OF**

**Washington Math Science Technology Public Charter High School, Inc.**

TO: Department of Consumer and Regulatory Affairs  
Business Regulation Administration  
Corporations Division  
Washington, D.C.

**FILED**  
JAN 29 1998  
BY: *[Signature]*

THE UNDERSIGNED, all of whom are natural persons of the age of eighteen years or more, acting as incorporators of a corporation pursuant to the District of Columbia Nonprofit Corporation Act, hereby certify:

FIRST: The name of the Corporation is Washington Math Science Technology Public Charter High School, Inc.

SECOND: The period of duration of the Corporation is perpetual.

THIRD: The Corporation is organized exclusively for education, within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986, as now in effect or as may hereafter be amended (the "Code"). The purposes for which the Corporation is formed are to operate a public charter high school in accordance with the laws of the District of Columbia. The Corporation may also engage in all activities which may lawfully be carried on by a corporation formed under the District of Columbia Nonprofit Corporation Act and which are not inconsistent with the Corporation's qualification as an organization described in Section 501(c)(3) of the Internal Revenue Code or corresponding section of any future tax code.

In furtherance of its purposes, the Corporation shall have all the general powers enumerated in section 29-505 of the District of Columbia Nonprofit Corporation Act as now in effect or as may hereafter be amended, together with the power to solicit grants and contributions for such purposes.

FOURTH: The Corporation shall have two classes of members: voting members and non-voting members. The following organizations shall be voting members of the Corporation: AppleTree Institute for Education Innovation and The Ballou Math Science Technology Academy. The voting members shall elect additional voting members, shall have rights to elect directors, and shall have such other rights as may be prescribed in the Bylaws. Non-voting members shall be elected by the Board of Directors in accordance with the Bylaws.

Except as may otherwise be provided in these Articles of Incorporation, the manner of election or appointment of the directors of the Corporation shall be prescribed by the Bylaws of the Corporation.

Any qualifications and any rights which are not otherwise conferred upon the membership by the provisions of these Articles of Incorporation shall be prescribed by the provisions of the Bylaws of the Corporation.

FIFTH: There shall be at least three directors who shall be elected or appointed as provided by the Bylaws.

SIXTH: Provisions for the regulation of the internal affairs of the Corporation, including provisions for distribution of assets on dissolution or final liquidation, are as follows:

A. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, any director or officer of the Corporation, or any other private person, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to or for the Corporation and to make payments and distributions in furtherance of the purposes set forth in Article THIRD hereof.

B. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation (except as otherwise permitted by section 501(h) of the Code and not prohibited by any corresponding laws of the District of Columbia), and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements concerning) any political campaign on behalf of (or in opposition to) any candidate for public office.

C. During such period or periods of time as the Corporation is treated as a "private foundation" pursuant to section 509 of the Code, the directors shall distribute the Corporation's income at such times and in such a manner so as not to subject the Corporation to tax under section 4942 of the Code. The Corporation shall not engage in any act of self-dealing (as defined in section 4941(d) of the Code), retain any excess business holdings (as defined in section 4943(c) of the Code) which would subject the Corporation to tax under section 4943 of the Code, make any investments or otherwise acquire assets in such manner so as to subject the Corporation to tax under section 4944 of the Code, retain any assets which would subject the Corporation to tax under section 4944 of the Code if the directors have acquired such assets, nor make any taxable expenditures (as defined in section 4945(d) of the Code).

D. Notwithstanding any other provisions of these Articles of Incorporation, the Corporation shall not directly or indirectly carry on any activity which would prevent it from obtaining exemption from Federal income taxation as a corporation described in section 501(c)(3) of the Code, or cause it to lose such exempt status, or carry on any activity not permitted to be carried on by a corporation, contributions to which are deductible under section 170(c)(2) of the Code.

E. In the event of dissolution or final liquidation of the Corporation, all of the remaining assets and property of the Corporation shall, after paying or making provision for the payment of all of the liabilities and obligations of the Corporation and for necessary expenses thereof, be distributed to such organization or organizations organized and operated exclusively for charitable or educational purposes as shall at the time qualify as an exempt organization or

organizations under section 501(c)(3) of the Code as the Board of Directors shall determine. In no event shall any of such assets or property be distributed to any director, officer, or any private individual.

SEVENTH: The initial registered office of the Corporation and the name of the Corporation's initial registered agent at such address shall be:

Corporation Service Company  
1090 Vermont Avenue, N. W.  
Washington, D.C. 20005

The Board of Directors may change the location of the Corporation's registered office in the District of Columbia and may change its registered agent in accordance with applicable law.

EIGHTH: The number of directors constituting the initial Board of Directors is three (3), and the names and addresses, including street and number of the persons who are to serve as the initial directors until the first annual meeting or until their successors are elected and qualify are as follows:

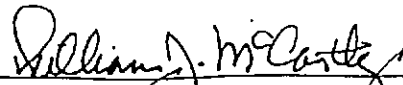
<u>Name</u>	<u>Address</u>
William J. McCarthy	2501 M Street, N.W. #720 Washington, DC 20037
Alex C. Towle	2501 M Street, N.W. #720 Washington, DC 20037
Dr. Mary Johnson	3401 4th Street, S.E. Washington, DC 20032

NINTH: The name and address, including street and number, of each incorporator is as follows:


<u>Name</u>	<u>Address</u>
William J. McCarthy	2501 M Street, N.W. #720 Washington, DC 20037
Alex C. Towle	2501 M Street, N.W. #720 Washington, DC 20037
Jocelyn A. Aqua	2550 M Street, N.W. Washington, DC 20037



IN WITNESS WHEREOF, the undersigned subscribe these Articles of Incorporation this 27th day of January, 1998.

  
\_\_\_\_\_  
William J. McCarthy

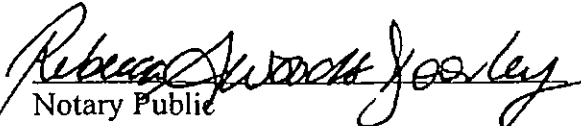
  
\_\_\_\_\_  
Alex C. Towle

  
\_\_\_\_\_  
Jocelyn A. Aqua

DISTRICT OF COLUMBIA )

) ss

I, Rebecca Woods-Doorley, a notary public, hereby certify that on the 27th day of January, 1998 personally appeared before me William J. McCarthy, Alex C. Towle and Jocelyn A. Aqua who each being first duly sworn, declared that he signed the foregoing document as incorporator, and that the statements therein contained are true.

  
\_\_\_\_\_  
Notary Public

(Notarial Seal)

Rebecca A. Woods-Doorley  
Notary Public, District of Columbia  
My Commission Expires: 8/15/02

GOVERNMENT OF THE DISTRICT OF COLUMBIA  
DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS  
BUSINESS REGULATION ADMINISTRATION



**C E R T I F I C A T E**


***THIS IS TO CERTIFY*** that all applicable provisions of the DISTRICT OF COLUMBIA NONPROFIT CORPORATION ACT have been complied with and accordingly, this ***CERTIFICATE of INCORPORATION*** is hereby issued to

***WASHINGTON MATH SCIENCE TECHNOLOGY  
PUBLIC CHARTER HIGH SCHOOL, INC.***

as of ***JANUARY 29TH, 1998.***

W. David Watts  
Director

Patricia A. Montgomery  
Administrator  
Business Regulation Administration

  
Desiree M. Jones  
Act. Asst. Corporate Program Manager  
Corporations Division

Marion Barry, Jr.  
Mayor

## **EXHIBIT F: BYLAWS**

BYLAWS.  
OF  
WASHINGTON MATH SCIENCE TECHNOLOGY  
PUBLIC CHARTER HIGH SCHOOL INC.  
(a District of Columbia nonprofit corporation)

July 17, 1998

ARTICLE I

General Provisions

Section 1.1 Name. The name of this corporation shall be Washington Math Science Technology Public Charter High School Inc., and shall herein be referred to as the "Corporation."

Section 1.2 Offices. The principal business office of the corporation shall be at 2501 M Street, NW, Suite 515, Washington, D.C. 20037. The corporation may also have offices at such other places as the corporation may require.

Section 1.3 Fiscal Year. The fiscal year of the corporation shall begin July 1 and end the following June 30 of each year.

ARTICLE 2

Statement of Purposes

The corporation is organized exclusively for educational purposes within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986. The corporation was formed to operate a public charter high school in the District of Columbia. The corporation may also engage in all activities which may lawfully be carried on by a corporation formed under the District of Columbia Nonprofit Corporation Act and which are not inconsistent with the corporation's qualification as an organization described in Section 501(c)(3) of the Internal Revenue Code or corresponding section of any future tax code.

## ARTICLE 3

### Members

Section 3.1 Members. The corporation shall have two classes of members, voting members and nonvoting members.

#### Section 3.2 Voting Members.

(a) The following two organizations shall be Founding Voting Members of the Corporation: AppleTree Institute for Education Innovation, Inc., and The Ballou Math Science Technology Academy (the "Founding Voting Members"). Each Founding Voting Member shall be entitled to one vote.

(b) A Founding Voting Member shall serve as a voting member until (i) it resigns or (ii) it is dissolved and there is no successor organization.

(c) The voting members may at any time elect additional voting members. An additional voting member may be elected by the affirmative votes of both (i) all of the Founding Voting Members and (ii) two-thirds of all other voting members, if any. Voting members shall serve a five-year term, and each shall be entitled to one vote.

(d) A voting member (other than a Founding Voting Member) shall serve as a voting member until it (i) its term expires, (ii) it is dissolved or ceases to exist or (iii) it is removed by a vote of two-thirds of all other voting members for good cause.

(e) For purposes of this section, the term "good cause" means (i) failure to attend meetings of voting members or cast timely votes or (ii) engaging in conduct that is detrimental to the best interests of the corporation. No voting member shall be removed from the corporation for cause unless the notice of the meeting at which removal is to be considered states such purpose and opportunity to be heard at such meeting is given to the voting member whose removal is sought.

Section 3.3 Powers and Rights. The voting members, by majority vote except where noted, shall have the following powers and rights of the corporation: to elect trustees of the corporation as provided in Sections 4.2 and 4.12 of these bylaws; to approve all amendments to the Articles of organization of the corporation; to approve all amendments to these bylaws as provided in Article 12; to approve, by a two-thirds vote of the entire voting membership, all sales or other disposition of all or substantially all of the property of the corporation; such other powers and rights as are vested in members by law, by the Articles of Incorporation and by these bylaws.

Section 3.4 Meetings. The voting members shall hold an annual meeting each year in the month of June and at such other times as meetings may be called pursuant to this section. Meetings of the members may be called by request of 50% or more of the voting members, the

president of the corporation, or by a majority of the trustees then in office, by giving written notice of the date, time, place, and such meeting to the voting members at least seven (7) days in advance of such meeting.

Section 3.5 Quorum and Action at Meetings. A majority of the voting members shall constitute a quorum for the transaction of business at any meeting of the voting members. Any action of the voting members shall require a majority of voting members (whether present or not) except as otherwise specifically provided in these bylaws or by law. Procedural motions shall require a majority vote of those voting members present and voting at a meeting.

Section 3.6 Proxy Voting. At all meetings of the voting members the vote of each voting member may be cast by written proxy. Proxies shall be filed with the secretary of the meeting before being voted. A proxy purporting to be executed by or on behalf of a voting member shall be deemed valid unless challenged at or prior to its exercise, in which event the burden of proving invalidity shall rest on the challenger.

Section 3.7 Meetings by Telephone. One or more members may participate in any annual, regular, or special meeting of the voting members by means of conference telephone or similar communications equipment by which all persons participating in the meeting are able to hear each other at the same time. Such participation shall constitute presence in person at such meeting.

Section 3.8 Action Without a Meeting. Any action required or permitted to be taken at any meeting of the voting members may be taken without a meeting if a consent in writing, setting forth the action as taken, shall be signed by all persons comprising the voting members with respect to such subject matter. Such consent, which may be signed in counterparts, shall have the same force and effect as a vote of the voting members.

Section 3.9 Waiver of Notice for Meetings. Whenever any notice of a meeting is required to be given to any voting member under the Articles of Incorporation, these bylaws, or the laws of the District of Columbia, a waiver of notice in writing signed by the voting member, whether before or after the time of the meeting, shall be equivalent to the giving of such notice.

Section 3.10 Resignation. Any member may resign as such at any time by written notice to the secretary of the corporation.

Section 3.11 Nonvoting Members. Nonvoting members shall be elected by a majority vote of the voting members. The role, number and term limit of nonvoting members shall be determined by the Board of Trustees.

## ARTICLE 4

### Board of Trustees

Section 4.1 Authority. The business and affairs of the corporation shall be controlled and governed by a board of directors to be known as the "Board of Trustees," which shall have the right to exercise all powers of the corporation that are not expressly reserved to the members of the corporation by law, the Articles of Incorporation, or these bylaws.

Section 4.2 Composition. Trustees of such number as shall be fixed by the District of Columbia School Reform Act of 1995 shall be elected each year by the voting members at an annual or other meeting of members. Within the first year that the school admits students, at least four trustees shall be residents of the District of Columbia and at least two trustees shall be parents of students enrolled in the school. If the District of Columbia School Reform Act does not fix the number of trustees, the corporation shall have no more than 15 trustees (or if greater, the minimum number required by such Act or, if lesser, the maximum number required by such Act.) Trustees shall hold office until the next annual meeting of the members of the corporation and thereafter until their respective successors are chosen and qualified.

Section 4.3 Procedure for Election. Trustees shall be elected by majority vote of the voting members. Each voting member shall be entitled to one vote for each vacancy being filled. Cumulative voting is prohibited. If more candidates receive a majority of votes than the number of vacancies, the candidates with the most votes shall be elected, subject to the composition requirements of Section 4.2.

Section 4.4 Meetings. The Board of Trustees shall hold annual meetings each year in the month of June and may elect the time and place for annual and other meetings of the board. Other meetings of the Board of Trustees may be called by the president or by a majority of the trustees then in office by delivering notice in writing, of the date, time, place, and purpose of such meeting, to all trustees at least three (3) days in advance of such meeting.

Section 4.5 Quorum and Voting. A majority of the Board of Trustees shall constitute a quorum for the transaction of business at any meeting of the board. At any meeting of the Board of Trustees at which a quorum is present, a majority of those trustees present shall decide any matter, unless a different vote is specified by law, the Articles of Organization, or these Bylaws.

Section 4.6 Meetings by Telephone. One or more trustees may participate in any annual, regular, or special meeting of the board by means of conference telephone or similar communications equipment by which all persons participating in the meeting are able to hear each other at the same time. Such participation shall constitute presence in person at such meeting.

Section 4.7 Action Without a Meeting. Any action required or permitted to be taken at any board meeting may be taken without a meeting if a consent in writing, setting forth the action as taken, shall be signed by all of the trustees with respect to such subject matter. Such

consent, which may be signed in counterparts, shall have the same force and effect as a vote of the board of trustees.

Section 4.8 Waiver of Notice for Meetings. Whenever any notice of a meeting is required to be given to any trustee under the Articles of Organization, these bylaws, or the laws of the District of Columbia, a waiver of notice in writing signed by the trustee, whether before or after the time of the meeting, shall be equivalent to the giving of such notice.

Section 4.9 Committees. The Board of Trustees may create such standing and special committees as it determines to be in the best interest of the corporation. The Board of Trustees shall determine the duties, powers, and composition of such committees, except that the board shall not delegate to such committees those powers which by law may not be delegated. Each such committee shall submit to the Board of Trustees at such meetings as the board may designate, a report of the actions and recommendations of such committees for consideration and approval by the board of trustees. Any committee may be terminated at any time by the Board of Trustees.

Section 4.10 Compensation. Trustees as such shall not receive any salaries for their services on the board, but trustees shall not be precluded from serving the corporation in any other capacity and receiving reasonable compensation.

Section 4.11 Resignation. Any trustee may resign by delivering a written resignation to the corporation at its principal office or to the president or clerk. Such resignation shall be effective upon receipt unless it is specified to be effective at some later time.

Section 4.12 Removal. Any trustee may be removed, with or without assignment of cause, by a vote of a majority of all the members at any meeting of the members or by a vote of three fourths of the entire Board of Trustees at any meeting of the trustees. No trustee shall be removed from office unless the notice of the meeting at which removal is to be considered states such purpose and opportunity to be heard at such meeting is given to the trustee whose removal is sought.

Section 4.13 Vacancies. Any vacancy occurring in the board of trustees shall be filled by the voting members. A trustee selected to fill a vacancy shall serve for the unexpired term of his or her predecessor in office.

## ARTICLE 5

### Officers

Section 5.1 Officers. The officers of the corporation shall be a president, vice president, treasurer, and secretary and such other officers as may be elected in accordance with the provisions of this Article.



Section 5.2 Election. The officers of the corporation shall be elected annually by the Board of Trustees at the annual meeting. Each officer shall hold office until a successor shall have been elected and qualified.

Section 5.3 Vacancies. A vacancy in any office because of death, resignation, disqualification, or otherwise may be filled by the board of trustees for the unexpired portion of the term.

Section 5.4 Removal. Any officer may be removed, with or without assignment of cause, by a vote of a majority of the entire Board of Trustees at any meeting of the Board of Trustees. No officer shall be removed from office unless the notice of the meeting at which removal is to be considered states such purpose and opportunity to be heard at such meeting is given to the officer whose removal is sought.

Section 5.5 President. The president shall preside at all meetings of the Board of Trustees. The president, or other proper officer or agent of the corporation authorized by the Board of Trustees, may sign any deeds, mortgages, bonds, contracts, or other instruments which the Board of Trustees has authorized to be executed. The president shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Trustees from time to time.

Section 5.6 Vice President. The vice president shall assist the president at meetings of the Board of Trustees. The vice president shall perform all duties incident to the office of vice president and such other duties as may be prescribed by the Board of Trustees. The vice president may preside over a meeting of the Board of Trustees if the president is unable to perform this duty, from time to time.

Section 5.7 Treasurer. The treasurer, or other proper officer or agent of the corporation authorized by the Board of Trustees, shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipt for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the board of trustees; and in general perform all of the duties incident to the office of treasurer and such others as may from time to time be assigned by the Board of Trustees.

Section 5.8 Secretary. The secretary shall keep the minutes of the meetings of the board of trustees in one or more books provided for that purpose; ensure that all notices are given in accordance with the provisions of these bylaws; be custodian of the corporate records; and in general perform all such duties as may from time to time be assigned by the board of trustees.

Section 5.9 Other Officers. The Board Of Trustees may vote to appoint assistant secretaries, assistant treasurers, vice presidents and other officers as it deems appropriate.

## ARTICLE 6

### Corporate Transactions

Section 6.1 Contracts. The board of trustees may authorize any officer or officers, agent or agents of the corporation in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined by specific instances.

Section 6.2 Indebtedness. All checks, drafts, or orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the corporation, shall be signed by such officer or agent of the corporation as from time to time may be determined by the Board of Trustees. In the absence of such determination of the board, such instruments shall be signed by the treasurer of the corporation.

Section 6.3 Deposits. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the board of trustees shall select.

Section 6.4 Contributions. The Board of Trustees may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation.

## ARTICLE 7

### Books and Records

The corporation shall keep at the principal office of the corporation correct and complete books and records of account; minutes of the proceedings of Board of Trustees; and a register of the names and addresses of the trustees of the corporation. All books, and records of the corporation may be inspected by any trustee, or agent or attorney thereof, for any proper purpose at any reasonable time.

## ARTICLE 8

### Restrictions on Activities

Notwithstanding any other provisions of these bylaws, no trustee, officer, employee, agent, or any other representative of the corporation shall take any action or carry on any activity by or on behalf of the corporation not permitted to be taken by an organization exempt under section 501(c)(3) of the Internal Revenue Code, as it now exists or may hereafter be amended, or any corresponding section of any future tax code.

## ARTICLE 9

### Dissolution

In the event of dissolution of the corporation, the Board of Trustees shall, after paying or making provisions for the payment of all of the liabilities of the corporation to the extent assets of the corporation permit, dispose of all the assets of the corporation exclusively for the purposes of the corporation, as the Board of Trustees shall determine, in such manner as required by section 501(c)(3) of the Internal Revenue Code (or corresponding provision of any future United States Internal Revenue law) and in accordance with the statutes of the District of Columbia.

## ARTICLE 10

### Personal Liability

No officer, trustee or member of the corporation shall be personally liable to the corporation for monetary damages for or arising out of a breach of fiduciary duty as an officer or trustee notwithstanding any provision of law imposing such liability; provided, however, that the foregoing shall not eliminate or limit the liability of an officer or trustee to the extent that such liability is imposed by applicable law (i) for a breach of the trustee's duty of loyalty to the corporation, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law, or (iii) for any transaction from which the officer or trustee derived an improper personal benefit.

## ARTICLE 11

### Indemnification

The corporation shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as an officer, trustee, member, employee, or agent of the corporation against all expenses and liabilities, including, without limitation, counsel fees, judgments, fines, excise taxes, penalties and settlement payments, reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or proceeding in which he or she may become involved by reason of his or her service in such capacity; provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not have acted in good faith in the reasonable belief that such action was in the best interests of the corporation; and further provided that any compromise or settlement payment shall be approved by a majority vote of a quorum of trustees who are not at that time parties to the proceeding.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of persons entitled to indemnification hereunder. The right of indemnification under this Article shall be in addition to and not exclusive of all other rights to which any person may be entitled.

This Article constitutes a contract between the corporation and the indemnified persons. No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified person under this Article shall apply to such indemnified person with respect to those acts or omissions which occurred at any time prior to such amendment or repeal.

## ARTICLE 12

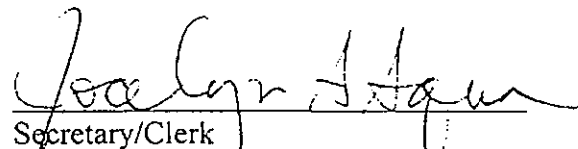
### Amendments to Bylaws

These bylaws may be amended by a majority vote of all of the voting members or by a majority vote of the entire board of trustees. An amendment approved by the Board of Trustees shall not be effective until the earlier of (i) the date the amendment is ratified by the voting members or (ii) thirty days after voting members are notified of the amendment. Any amendment made by the Board of Trustees may be voided by vote of the voting members.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of the Bylaws of Washington Math Science Technology Public Charter High School, Inc., a District of Columbia nonprofit corporation as in effect on the date hereof.

WITNESS my hand and seal of the corporation.

Dated: July 17, 1998

  
Secretary/Clerk  
Washington Math Science Technology  
Public Charter High School, Inc.

CERTIFICATE OF THE SECRETARY

OF

WASHINGTON MATH SCIENCE TECHNOLOGY  
PUBLIC CHARTER HIGH SCHOOL, INC.

I, Jocelyn A. Aqua, hereby certify that I am the Secretary of Washington Math Science Technology Public Charter High School, a District of Columbia non-profit corporation (the "**Corporation**"), and do hereby further certify that:

(a) Attached to the Charter School Agreement between the Corporation and the District of Columbia Public Charter School Board (the "**Agreement**") as Exhibit E thereto is a true and complete copy of the Articles of Incorporation of the Corporation, [as amended to the date hereof,] which Articles of Incorporation are in full force and effect as of the date hereof.

(b) Attached to the Agreement as Exhibit F is a true and complete copy of the bylaws of the Corporation, as in full force and effect as of the date hereof.

(c) Attached hereto as Annex A is a true and complete copy of the resolutions duly and validly adopted by the Corporation's Board of Trustees; such resolutions have not been amended, modified or rescinded in any respect and remain in full force and effect as of the date hereof; and such resolutions are the only resolutions adopted by the Corporation's Board of Trustees or by any committee thereof relating to the Agreement.

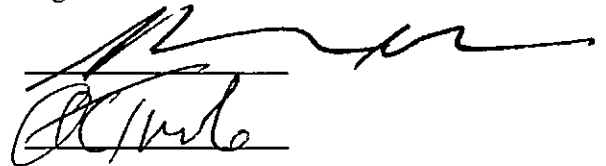
(d) Each of the persons listed below has been duly elected to and now holds the office of the Corporation below his or her name and is currently serving, and at all times since September 9, 1998 has served, in such capacity, and the signature of each such person set forth opposite his or her name is his or her true and genuine signature:

Name and Office

Signature

Dr. Steven Gladis, President

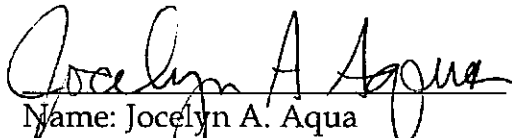
Alexis C. Towle, Vice President

The block contains two handwritten signatures. The first signature, corresponding to Dr. Steven Gladis, is a stylized, cursive signature in black ink. The second signature, corresponding to Alexis C. Towle, is also a stylized, cursive signature in black ink, appearing below the first one.

(e) Each person who, as a trustee or officer of the Corporation, signed the Agreement was, at the time or respective times of such execution and delivery of the Agreement, duly elected, qualified and acting as such trustee or

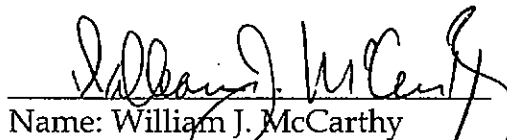
officer, with authority to execute the Agreement, and the signature of each such person appearing on any such documents is his or her respective genuine signature.

IN WITNESS WHEREOF, I have hereunto signed my name this 15 day of September, 1998.

  
Name: Jocelyn A. Aqua

I, William J. McCarthy, Treasurer of the Corporation, do hereby certify that Jocelyn A. Aqua is the duly elected, qualified and acting Secretary of the Corporation, and that the signature of Jocelyn A. Aqua set forth above is her true and genuine signature.

IN WITNESS WHEREOF, I have hereunto signed my name this 15 day of September, 1998.

  
Name: William J. McCarthy

**Washington Math Science Technology**  
**Public Charter High School**

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**Meeting of the Board of Trustees**  
**September 9, 1998**

**Minutes**

**Attendees: Wm. J. McCarthy, Dr. Mary Johnson, Alex C. Towle**

1. The board members present, constituting a quorum, resolved to elect as new trustees:

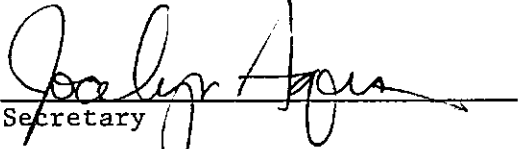
Dr. Steven Gladis, Chairman of the Board  
Director, Northern Virginia Center, University of Virginia  
7054 Haycock Road, Falls Church, VA 22043

Robert R. Hobson, Parent Trustee  
34 G Street, S.W.  
Washington, D.C. 20024

M. Danette Kauffman  
MCI Corporate Community Partnership  
1200 Hayes Street  
Arlington, VA 22202

2. The board also resolved to elect Dr. Steven Gladis as WMST President. Dr. Gladis will have check signing authority.
3. The board also resolved to make Dr. Mary Johnson the Ex-officio President. Dr. Johnson will continue to have check signing authority.
4. The board also resolved to make Dr. Eugene Williams an Ex-officio member of the board and an Ex-Officio Vice-president.

Respectfully submitted,

  
Secretary

## **ANNEX A**



## D.C. COUNCIL Committee on EDUCATION and LIBRARIES

FY 1999 APPLICATION FOR THE D.C. PUBLIC CHARTER  
SCHOOL FACILITY ALLOWANCE

- A. Identification of the Public Charter School
1. Name of School WASHINGTON MATH SCIENCE TECHNOLOGY PUBLIC CHS.
  2. Address 2501 M St, Suite 515, WDC 20037
  3. Financial Officer's Name and Title  
LEX TOWLE, Founding Member  
Telephone 202.775.5826  
Fax 202.775.8549
  4. Vendor (DUNS) # 160924098 EIN # 52-2082432

- B. Anticipated Student Enrollment for SY 1998-1999  
(according to plans filed with your chartering board)

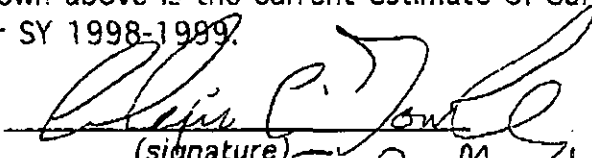
175  
Starting when? SEPTEMBER 1998

- C. Application of the Formula for the Facility Allowance

Multiply the number of students shown above by the  
FY 1999 Facility Allowance amount\* of 1,000;  
show the total here \$ 175,000. This represents the  
estimated facility allowance for your charter school for FY 1999.  
Payments will be made on the same schedule as those for the  
public charter school Per Pupil Allotments.

- D. Certification

As the responsible financial officer for WASHINGTON MATH SCIENCE TECHNOLOGY PUBLIC CHS.,  
public charter school, I, LEX TOWLE, certify that the  
anticipated enrollment shown above is the current estimate of our  
anticipated enrollment for SY 1998-1999.

  
(signature) Founding Member

(\* We use \$1000 as an estimate. It is understood that the Per Pupil Facility Allowance formula may produce a different amount. In which case, the amount produced by the formula would be substituted.)

## D.C. COUNCIL Committee on EDUCATION and LIBRARIES

FY 1999 APPLICATION FOR THE D.C. PUBLIC CHARTER  
SCHOOL FACILITY ALLOWANCE

## A. Identification of the Public Charter School

1. Name of School CEJAR CHAVEZ PUBLIC POLICY PCHS
2. Address 2501 M ST, SUITE 515, Washington, DC 20037
3. Financial Officer's Name and Title  
LEX TOWLE, Founding Member  
Telephone 202. 775. 5826  
Fax 202. 775. 8549
4. Vendor (DUNS) # 00-833.6351 EIN # 52-2086937

## B. Anticipated Student Enrollment for SY 1998-1999

(according to plans filed with your chartering board)

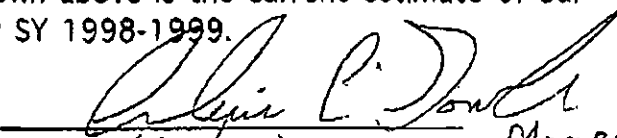
60 (SIXTY)  
Starting when? SEPTEMBER 1998

## C. Application of the Formula for the Facility Allowance

Multiply the number of students shown above by the  
FY 1999 Facility Allowance amount\* of 1,000;  
show the total here \$ 60,000. This represents the  
estimated facility allowance for your charter school for FY 1999.  
Payments will be made on the same schedule as those for the  
public charter school Per Pupil Allotments.

## D. Certification

As the responsible financial officer for CEJAR CHAVEZ PUBLIC POLICY PCHS  
public charter school, I, LEX TOWLE, certify that the  
anticipated enrollment shown above is the current estimate of our  
anticipated enrollment for SY 1998-1999.

  
(signature) Founding Member

(\* We use \$1000 as an estimate. It is understood that the Per Pupil Facility Allowance formula may produce a different amount. In which case, the amount produced by the formula would be substituted.)

**Frank W. Ballou**  
**Mathematics Science Technology Academy**  
**Staff Directory**

**Administrative Office****Room 200-208**

Dr. Mary H. Johnson  
Director

Telephone Number  
(202) 645-3365

Mr. William F. Edmead  
Assistant Director

Ms. Marcia D. Young  
Secretary

**Teachers****Room Number****Mathematics, Science, Technology**

Mr. Mchan Divanbaigzand  
Mathematics

309

Dr. Carl Keels  
Biology/Chemistry

103

Ms. Carla Libanati  
Mathematics/Physics/Spanish

210

**English, Foreign Language, Social Studies**

Ms. Donna Ashaka  
Communications Lab

205

Mr. Spencer Carey  
Social Studies

308

Ms. Robin Megibow  
English

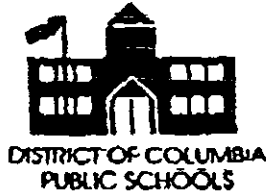
204

Ms. Beatrice Merchant  
English

307

Ms. C. Adrienne White  
English/French

209



Frank W. Ballou

Mathematics Science Technology Academy  
3401 4th Street, S.E.  
Washington, D.C. 20032

(202) 645-3365

(202) 645-3365 FAX (Call First)

ROSTER OF FACULTY AND STAFF - BALLOU MATHEMATICS SCIENCE TECHNOLOGY ACADEMY

Dr. Mary H. Johnson - Director

Ms. Donna Ashaka

Mr. Spencer Carey

Mr. Mehran Divanbaigzand

Mr. William Edmead

Dr. Carl Keels

Ms. Carla Libanati

Ms. Robin Megibow

Ms. Beatrice Merchant

Mr. Paul Trotter - (New)

Ms. C. Adrienne White

Ms. Marcia Young - Secretary



Frank W. Ballou Senior High School

Mathematics Science Technology Academy  
3401 4th Street, S.E.  
Washington, D.C. 20032

(202) 645-3365  
(202) 645-3365 (FAX)

### Facsimile Transmission

Date: November 12, 1997  
Attention: Mr. Christophe  
Company: D.C. Public Charter School Board  
Telephone #:  
Fax #: (202) 887-5026  
Subject: Roster of BMSTA Faculty and Staff

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Sender: Mr. William Edmead

Sender Telephone #: 645-3365

Sender Fax #: 645-3365 (FAX)

You should receive 2 pages, including this cover sheet. If you do not receive all the pages, please call the number above.

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COMMENTS:

BYLAWS  
OF  
WASHINGTON MATH SCIENCE TECHNOLOGY  
PUBLIC CHARTER HIGH SCHOOL INC.  
(a District of Columbia nonprofit corporation)

July 17, 1998

ARTICLE I

General Provisions

Section 1.1 Name. The name of this corporation shall be Washington Math Science Technology Public Charter High School Inc., and shall herein be referred to as the "Corporation."

Section 1.2 Offices. The principal business office of the corporation shall be at 2501 M Street, NW, Suite 515, Washington, D.C. 20037. The corporation may also have offices at such other places as the corporation may require.

Section 1.3 Fiscal Year. The fiscal year of the corporation shall begin July 1 and end the following June 30 of each year.

ARTICLE 2

Statement of Purposes

The corporation is organized exclusively for educational purposes within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986. The corporation was formed to operate a public charter high school in the District of Columbia. The corporation may also engage in all activities which may lawfully be carried on by a corporation formed under the District of Columbia Nonprofit Corporation Act and which are not inconsistent with the corporation's qualification as an organization described in Section 501(c)(3) of the Internal Revenue Code or corresponding section of any future tax code.

## ARTICLE 3

### Members

Section 3.1 Members. The corporation shall have two classes of members, voting members and nonvoting members.

### Section 3.2 Voting Members.

(a) The following two organizations shall be Founding Voting Members of the Corporation: AppleTree Institute for Education Innovation, Inc., and The Ballou Math Science Technology Academy (the "Founding Voting Members"). Each Founding Voting Member shall be entitled to one vote.

(b) A Founding Voting Member shall serve as a voting member until (i) it resigns or (ii) it is dissolved and there is no successor organization.

(c) The voting members may at any time elect additional voting members. An additional voting member may be elected by the affirmative votes of both (i) all of the Founding Voting Members and (ii) two-thirds of all other voting members, if any. Voting members shall serve a five-year term, and each shall be entitled to one vote.

(d) A voting member (other than a Founding Voting Member) shall serve as a voting member until it (i) its term expires, (ii) it is dissolved or ceases to exist or (iii) it is removed by a vote of two-thirds of all other voting members for good cause.

(e) For purposes of this section, the term "good cause" means (i) failure to attend meetings of voting members or cast timely votes or (ii) engaging in conduct that is detrimental to the best interests of the corporation. No voting member shall be removed from the corporation for cause unless the notice of the meeting at which removal is to be considered states such purpose and opportunity to be heard at such meeting is given to the voting member whose removal is sought.

Section 3.3 Powers and Rights. The voting members, by majority vote except where noted, shall have the following powers and rights of the corporation: to elect trustees of the corporation as provided in Sections 4.2 and 4.12 of these bylaws; to approve all amendments to the Articles of organization of the corporation; to approve all amendments to these bylaws as provided in Article 12; to approve, by a two-thirds vote of the entire voting membership, all sales or other disposition of all or substantially all of the property of the corporation; such other powers and rights as are vested in members by law, by the Articles of Incorporation and by these bylaws.

Section 3.4 Meetings. The voting members shall hold an annual meeting each year in the month of June and at such other times as meetings may be called pursuant to this section. Meetings of the members may be called by request of 50% or more of the voting members, the

president of the corporation, or by a majority of the trustees then in office, by giving written notice of the date, time, place, and such meeting to the voting members at least seven (7) days in advance of such meeting.

Section 3.5 Quorum and Action at Meetings. A majority of the voting members shall constitute a quorum for the transaction of business at any meeting of the voting members. Any action of the voting members shall require a majority of voting members (whether present or not) except as otherwise specifically provided in these bylaws or by law. Procedural motions shall require a majority vote of those voting members present and voting at a meeting.

Section 3.6 Proxy Voting. At all meetings of the voting members the vote of each voting member may be cast by written proxy. Proxies shall be filed with the secretary of the meeting before being voted. A proxy purporting to be executed by or on behalf of a voting member shall be deemed valid unless challenged at or prior to its exercise, in which event the burden of proving invalidity shall rest on the challenger.

Section 3.7 Meetings by Telephone. One or more members may participate in any annual, regular, or special meeting of the voting members by means of conference telephone or similar communications equipment by which all persons participating in the meeting are able to hear each other at the same time. Such participation shall constitute presence in person at such meeting.

Section 3.8 Action Without a Meeting. Any action required or permitted to be taken at any meeting of the voting members may be taken without a meeting if a consent in writing, setting forth the action as taken, shall be signed by all persons comprising the voting members with respect to such subject matter. Such consent, which may be signed in counterparts, shall have the same force and effect as a vote of the voting members.

Section 3.9 Waiver of Notice for Meetings. Whenever any notice of a meeting is required to be given to any voting member under the Articles of Incorporation, these bylaws, or the laws of the District of Columbia, a waiver of notice in writing signed by the voting member, whether before or after the time of the meeting, shall be equivalent to the giving of such notice.

Section 3.10 Resignation. Any member may resign as such at any time by written notice to the secretary of the corporation.

Section 3.11 Nonvoting Members. Nonvoting members shall be elected by a majority vote of the voting members. The role, number and term limit of nonvoting members shall be determined by the Board of Trustees.



## ARTICLE 4

### Board of Trustees

Section 4.1 Authority. The business and affairs of the corporation shall be controlled and governed by a board of directors to be known as the "Board of Trustees," which shall have the right to exercise all powers of the corporation that are not expressly reserved to the members of the corporation by law, the Articles of Incorporation, or these bylaws.

Section 4.2 Composition. Trustees of such number as shall be fixed by the District of Columbia School Reform Act of 1995 shall be elected each year by the voting members at an annual or other meeting of members. Within the first year that the school admits students, at least four trustees shall be residents of the District of Columbia and at least two trustees shall be parents of students enrolled in the school. If the District of Columbia School Reform Act does not fix the number of trustees, the corporation shall have no more than 15 trustees (or if greater, the minimum number required by such Act or, if lesser, the maximum number required by such Act.) Trustees shall hold office until the next annual meeting of the members of the corporation and thereafter until their respective successors are chosen and qualified.

Section 4.3 Procedure for Election. Trustees shall be elected by majority vote of the voting members. Each voting member shall be entitled to one vote for each vacancy being filled. Cumulative voting is prohibited. If more candidates receive a majority of votes than the number of vacancies, the candidates with the most votes shall be elected, subject to the composition requirements of Section 4.2.

Section 4.4 Meetings. The Board of Trustees shall hold annual meetings each year in the month of June and may elect the time and place for annual and other meetings of the board. Other meetings of the Board of Trustees may be called by the president or by a majority of the trustees then in office by delivering notice in writing, of the date, time, place, and purpose of such meeting, to all trustees at least three (3) days in advance of such meeting.

Section 4.5 Quorum and Voting. A majority of the Board of Trustees shall constitute a quorum for the transaction of business at any meeting of the board. At any meeting of the Board of Trustees at which a quorum is present, a majority of those trustees present shall decide any matter, unless a different vote is specified by law, the Articles of Organization, or these Bylaws.

Section 4.6 Meetings by Telephone. One or more trustees may participate in any annual, regular, or special meeting of the board by means of conference telephone or similar communications equipment by which all persons participating in the meeting are able to hear each other at the same time. Such participation shall constitute presence in person at such meeting.

Section 4.7 Action Without a Meeting. Any action required or permitted to be taken at any board meeting may be taken without a meeting if a consent in writing, setting forth the action as taken, shall be signed by all of the trustees with respect to such subject matter. Such

consent, which may be signed in counterparts, shall have the same force and effect as a vote of the board of trustees.

Section 4.8 Waiver of Notice for Meetings. Whenever any notice of a meeting is required to be given to any trustee under the Articles of Organization, these bylaws, or the laws of the District of Columbia, a waiver of notice in writing signed by the trustee, whether before or after the time of the meeting, shall be equivalent to the giving of such notice.

Section 4.9 Committees. The Board of Trustees may create such standing and special committees as it determines to be in the best interest of the corporation. The Board of Trustees shall determine the duties, powers, and composition of such committees, except that the board shall not delegate to such committees those powers which by law may not be delegated. Each such committee shall submit to the Board of Trustees at such meetings as the board may designate, a report of the actions and recommendations of such committees for consideration and approval by the board of trustees. Any committee may be terminated at any time by the Board of Trustees.

Section 4.10 Compensation. Trustees as such shall not receive any salaries for their services on the board, but trustees shall not be precluded from serving the corporation in any other capacity and receiving reasonable compensation.

Section 4.11 Resignation. Any trustee may resign by delivering a written resignation to the corporation at its principal office or to the president or clerk. Such resignation shall be effective upon receipt unless it is specified to be effective at some later time.

Section 4.12 Removal. Any trustee may be removed, with or without assignment of cause, by a vote of a majority of all the members at any meeting of the members or by a vote of three fourths of the entire Board of Trustees at any meeting of the trustees. No trustee shall be removed from office unless the notice of the meeting at which removal is to be considered states such purpose and opportunity to be heard at such meeting is given to the trustee whose removal is sought.

Section 4.13 Vacancies. Any vacancy occurring in the board of trustees shall be filled by the voting members. A trustee selected to fill a vacancy shall serve for the unexpired term of his or her predecessor in office.

## ARTICLE 5

### Officers

Section 5.1 Officers. The officers of the corporation shall be a president, vice president, treasurer, and secretary and such other officers as may be elected in accordance with the provisions of this Article.

Section 5.2 Election. The officers of the corporation shall be elected annually by the Board of Trustees at the annual meeting. Each officer shall hold office until a successor shall have been elected and qualified.

Section 5.3 Vacancies. A vacancy in any office because of death, resignation, disqualification, or otherwise may be filled by the board of trustees for the unexpired portion of the term.

Section 5.4 Removal. Any officer may be removed, with or without assignment of cause, by a vote of a majority of the entire Board of Trustees at any meeting of the Board of Trustees. No officer shall be removed from office unless the notice of the meeting at which removal is to be considered states such purpose and opportunity to be heard at such meeting is given to the officer whose removal is sought.

Section 5.5 President. The president shall preside at all meetings of the Board of Trustees. The president, or other proper officer or agent of the corporation authorized by the Board of Trustees, may sign any deeds, mortgages, bonds, contracts, or other instruments which the Board of Trustees has authorized to be executed. The president shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Trustees from time to time.

Section 5.6 Vice President. The vice president shall assist the president at meetings of the Board of Trustees. The vice president shall perform all duties incident to the office of vice president and such other duties as may be prescribed by the Board of Trustees. The vice president may preside over a meeting of the Board of Trustees if the president is unable to perform this duty, from time to time.

Section 5.7 Treasurer. The treasurer, or other proper officer or agent of the corporation authorized by the Board of Trustees, shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipt for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the board of trustees; and in general perform all of the duties incident to the office of treasurer and such others as may from time to time be assigned by the Board of Trustees.

Section 5.8 Secretary. The secretary shall keep the minutes of the meetings of the board of trustees in one or more books provided for that purpose; ensure that all notices are given in accordance with the provisions of these bylaws; be custodian of the corporate records; and in general perform all such duties as may from time to time be assigned by the board of trustees.

Section 5.9 Other Officers. The Board Of Trustees may vote to appoint assistant secretaries, assistant treasurers, vice presidents and other officers as it deems appropriate.

## ARTICLE 6

### Corporate Transactions

Section 6.1 Contracts. The board of trustees may authorize any officer or officers, agent or agents of the corporation in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined by specific instances.

Section 6.2 Indebtedness. All checks, drafts, or orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the corporation, shall be signed by such officer or agent of the corporation as from time to time may be determined by the Board of Trustees. In the absence of such determination of the board, such instruments shall be signed by the treasurer of the corporation.

Section 6.3 Deposits. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the board of trustees shall select.

Section 6.4 Contributions. The Board of Trustees may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation.

## ARTICLE 7

### Books and Records

The corporation shall keep at the principal office of the corporation correct and complete books and records of account; minutes of the proceedings of Board of Trustees; and a register of the names and addresses of the trustees of the corporation. All books, and records of the corporation may be inspected by any trustee, or agent or attorney thereof, for any proper purpose at any reasonable time.

## ARTICLE 8

### Restrictions on Activities

Notwithstanding any other provisions of these bylaws, no trustee, officer, employee, agent, or any other representative of the corporation shall take any action or carry on any activity by or on behalf of the corporation not permitted to be taken by an organization exempt under section 501(c)(3) of the Internal Revenue Code, as it now exists or may hereafter be amended, or any corresponding section of any future tax code.

## ARTICLE 9

### Dissolution

In the event of dissolution of the corporation, the Board of Trustees shall, after paying or making provisions for the payment of all of the liabilities of the corporation to the extent assets of the corporation permit, dispose of all the assets of the corporation exclusively for the purposes of the corporation, as the Board of Trustees shall determine, in such manner as required by section 501(c)(3) of the Internal Revenue Code (or corresponding provision of any future United States Internal Revenue law) and in accordance with the statutes of the District of Columbia.

## ARTICLE 10

### Personal Liability

No officer, trustee or member of the corporation shall be personally liable to the corporation for monetary damages for or arising out of a breach of fiduciary duty as an officer or trustee notwithstanding any provision of law imposing such liability; provided, however, that the foregoing shall not eliminate or limit the liability of an officer or trustee to the extent that such liability is imposed by applicable law (i) for a breach of the trustee's duty of loyalty to the corporation, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law, or (iii) for any transaction from which the officer or trustee derived an improper personal benefit.

## ARTICLE 11

### Indemnification

The corporation shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as an officer, trustee, member, employee, or agent of the corporation against all expenses and liabilities, including, without limitation, counsel fees, judgments, fines, excise taxes, penalties and settlement payments, reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or proceeding in which he or she may become involved by reason of his or her service in such capacity; provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not have acted in good faith in the reasonable belief that such action was in the best interests of the corporation; and further provided that any compromise or settlement payment shall be approved by a majority vote of a quorum of trustees who are not at that time parties to the proceeding.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of persons entitled to indemnification hereunder. The right of indemnification under this Article shall be in addition to and not exclusive of all other rights to which any person may be entitled.

This Article constitutes a contract between the corporation and the indemnified persons. No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified person under this Article shall apply to such indemnified person with respect to those acts or omissions which occurred at any time prior to such amendment or repeal.

## ARTICLE 12

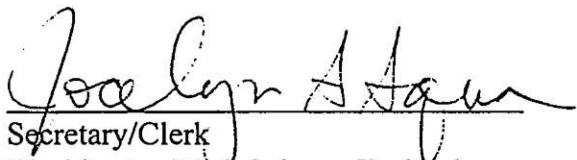
### Amendments to Bylaws

These bylaws may be amended by a majority vote of all of the voting members or by a majority vote of the entire board of trustees. An amendment approved by the Board of Trustees shall not be effective until the earlier of (i) the date the amendment is ratified by the voting members or (ii) thirty days after voting members are notified of the amendment. Any amendment made by the Board of Trustees may be voided by vote of the voting members.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of the Bylaws of Washington Math Science Technology Public Charter High School, Inc., a District of Columbia nonprofit corporation as in effect on the date hereof.

WITNESS my hand and seal of the corporation.

Dated: July 17, 1998

  
Secretary/Clerk  
Washington Math Science Technology  
Public Charter High School, Inc.



## Random Selection Process

The lottery process will be used in our random selection process in the event that a larger number of students submit completed applications on or before the published deadline date for receipt of applications for a given year. The lottery will take place at a public site which will be announced at least three weeks in advance of the lottery. The lottery will proceed as follows:

- Cards bearing the name and application completion date of each student will be placed in a container. Cards will be individually drawn by a person who is not interested in the outcome.  
**(Master lists will be made available for public review).**
- The maximum number of cards drawn for incoming 9<sup>th</sup> grade students will equal the prior determined number of 9<sup>th</sup> grades seats.
- Students whose names are drawn will be enrolled in the Washington Math Science Technology Public Charter High School grade 9.
- The wait list will be determined by the order that the remaining cards are taken from the container.
- Each student's card drawn will be numbered and the corresponding numbers will be posted on the master list as well as on the student's card drawn.

The ordering of the students from the lottery will be final. The maximum number of seats will be published prior to the lottery each year. The wait list will be published and/or posted at the Washington Math Science Technology Public Charter High School and updated periodically.