EXHIBIT A

MINUTES OF
ROCKETSHIP EDUCATION
BOARD MEETING
9:00am – 4:30pm   August 15, 2012

Health Trust
2105 South Bascom Avenue, Suite 220
Campbell, CA 95008

Dial-in Conference Number: (650) 479-3207
Access Code: 622-773-868
WebEx Link
WebEx Password: Paloalto420

Teleconference location:
John Rosenberg
Berkeley Square House, 2nd Floor
Berkeley Square
London W1J 6BD, United Kingdom

1. **Call to Order:**
   At 9:12am, Mr. Cole took roll call. With a quorum of members present, Mr. Cole called the
   meeting to order at 9:15am.

   Present Members: Marcus Cole, Fred Ferrer, Alex Terman, Deborah McGriff, Tim Ranzetta,
   John Rosenberg, Timothy Sheehy, Jeff Wetzler, Alex Hernandez

   Absent Members: Kim Smith, Shawn Carolan

   Also Present: John Danner, Preston Smith, Andy Stern, Kristoffer Haines, Lynn Liao, Josh
   Mukhopadhyay

2. **Public Comment:**
   None.

3. **Consent Items:**

   Mr. Cole called for a motion to approve all consent items. The motion was made by Mr.
   Ranzetta, 2nd by Mr. Wetzler. The consent items were approved unanimously.

4. **Closed Session:** (*As permitted by Section 54957(b)(1) of the Brown Act*)
   a. Discussion of Personnel Matters related to Staff Transitions and Employee Appointment and Dismissal

Mr. Cole called for a motion to close adjourn the open session and convene the closed session and for Mr. Danner to remain in the room to discuss the closed session items and take minutes. The motion was made by Ms. McGriff, 2nd by Mr. Wetzler, and carried unanimously by roll call vote. The board adjourned at 9:18am.

5. **Report of Actions Taken in Closed Session:**
   Mr. Cole reported back from closed session at 10:15am. No actions were taken.

6. **Discussion Items:**
   At 10:16am, Mr. Cole took roll call to reconvene the open session. With a quorum of members present, Mr. Cole called the open session to order at 10:19am.

   Present Members: Marcus Cole, Fred Ferrer, Alex Terman, Deborah McGriff, Tim Ranzetta, John Rosenberg, Timothy Sheehy, Jeff Wetzler, Alex Hernandez, Al Crites, Jennifer Niles

   Absent Members: Louis Jordan, Kim Smith, Shawn Carolan (Kim Smith joined at 11:41am)

   Also Present: John Danner, Preston Smith, Andy Stern, Kristoffer Haines, Lynn Liao, Aylon Samouha, Josh Mukhopadhyay (Arielle Rittvo joined at 11:42am)

   a. President's Report/Vision for the Day – 1,000,000 Rocketeers
      i. The Board provided input and direction on the item.
   b. Financial Discussion
      i. The Board provided input and direction on the item.

Mr. Cole called for a motion to adjourn for lunch. The motion was made by Ms. McGriff, 2nd by Ms. Smith, and carried unanimously by roll call vote. The board adjourned at 12:28pm.

At 1:00pm, Mr. Cole took roll call to reconvene the open session. With a quorum of members present, Mr. Cole called the open session to order at 1:01pm.

Present Members: Marcus Cole, Fred Ferrer, Alex Terman, Deborah McGriff, Tim Ranzetta, John Rosenberg, Timothy Sheehy, Jeff Wetzler, Alex Hernandez, Al Crites, Jennifer Niles, Kim Smith

Absent Members: Louis Jordan, Shawn Carolan

Also Present: John Danner, Preston Smith, Andy Stern, Kristoffer Haines, Lynn Liao, Aylon Samouha, Arielle Rittvo, Josh Mukhopadhyay

    c. Evolving the School Model
       i. The Board provided input and direction on the item.

Mr. Cole called for a motion to adjourn for a 10 minute recess. The motion was made by Mr. Wetzler, 2nd by Ms. Smith, and carried unanimously by roll call vote. The board adjourned at 2:26pm.

At 2:38pm, Mr. Cole took roll call to reconvene the open session. With a quorum of members present, Mr. Cole called the open session to order at 2:39pm.

Present Members: Marcus Cole, Fred Ferrer, Alex Terman, Deborah McGriff, Tim Ranzetta, John Rosenberg, Timothy Sheehy, Jeff Wetzler, Alex Hernandez, Al Crites, Jennifer Niles, Kim Smith

Absent Members: Louis Jordan, Shawn Carolan

Also Present: John Danner, Preston Smith, Andy Stern, Kristoffer Haines, Lynn Liao, Aylon Samouha, Arielle Rittvo, Josh Mukhopadhyay

    d. Growth
       i. The Board provided input and direction on the item.

7. Action Items:
No actions taken. Board input and direction on discussion items listed above in Section 6.

8. Adjourn:
With no further business, Mr. Cole called for a motion to adjourn. The motion was made by Mr. Wetzler, 2nd by Mr. Sheehy, and carried unanimously by roll call vote. The board adjourned at 4:10pm.

EXHIBIT B

CORPORATE RESOLUTIONS
(APPROVAL AT BOARD MEETING)

The undersigned hereby certifies that he or she is the Secretary or Assistant Secretary of

| Rocketship Education |

, a | California | corporation ("Company"), that the following are

true and correct resolutions adopted by Company's Board of Directors, at a duly authorized meeting held on

| | , throughout which a quorum of such directors was present in accordance with applicable

law, and that these resolutions have not been in any way altered, amended or rescinded and are now in full force and effect:

"RESOLVED that any one of the following Company officers [*designate titles only*];

| | , | | ,

| | , | | .

is individually authorized to, and to designate one or more other Company officers, agents or employees (each such officer or designated officer, an "Officer" and each such designated agent or employee, a "Designee") to: (a) open or close one or more deposit and/or securities accounts (the "Accounts") with Wells Fargo Bank, National Association ("Bank"); (b) execute and deliver in Company's name such agreement(s) regarding the Accounts and the services related thereto as Bank may from time to time require; (c) authorize and execute transactions on the Accounts, including, without limitation, (i) signing checks and other instruments withdrawing funds from the Accounts, including those payable to cash or to persons who sign them, (ii) requesting funds transfers by Bank to and from the Accounts, (iii) entering into arrangements for the processing of automated clearing house ("ACH") debit entries and/or ACH credit entries to and from the Accounts, and (iv) endorsing on behalf of Company, and otherwise negotiating, checks and other items payable to Company; (d) incur overdrafts and other obligations in the Accounts at Bank in connection with any of the products, services, or activities authorized by these resolutions; and (e) invest Company's funds on such terms and conditions as such Officer or Designee, as applicable, deems appropriate;

RESOLVED, that Company is authorized to enter into any other arrangements, agreements and documents with respect to any of Bank's deposit and treasury management products and services, in such form and on such terms and conditions as may be agreed to by an Officer or Designee signing such agreements and documents;

RESOLVED, that except to the extent provided otherwise in any agreement between Company and Bank, Company authorizes Bank to rely on any act or communication, including telephone, wire or electronic communication, purporting to be done by any officer, employee or agent of Company if such reliance is in good faith, and Company shall be bound to Bank by any such act or communication relied on by Bank in good faith;

RESOLVED, that these resolutions are in addition to, and not by way of limitation on, other resolutions, if any, of Company's Board of Directors or shareholders in favor of Bank, and that the authority conferred by these resolutions shall be deemed retroactive and any and all acts authorized by these resolutions performed prior to the passage of these resolutions are hereby approved and ratified as the official acts and deeds of Company; and

RESOLVED, that each of these resolutions shall continue in full force and effect until Bank has received express written notice of its rescission or modification by a resolution duly adopted by Company's Board of Directors and certified by a Secretary or Assistant Secretary of Company."

I further certify that there is no provision in Company's Articles of Incorporation or By-Laws or any shareholder agreement limiting the power of Company's Board of Directors to pass the foregoing resolutions, that such resolutions are in conformity with the provisions of such Articles of Incorporation and By-Laws, and that no approval by the shareholders of, or of the outstanding shares of, Company is required with respect to the matters which are the subject of such resolutions.

IN WITNESS WHEREOF, I have subscribed my name and, if required by Bank, affixed Company's seal to this document on this

	day of		, 20	

Signed:

Check one: ☐ Secretary   ☐ Assistant Secretary

CERTIFICATE OF INCUMBENCY

I, [ ] , Secretary/Assistant Secretary of [ ]

a corporation, hereby certify that the offices referred to in the foregoing resolution are now held by the following individuals, and that true and correct specimen signatures of such individuals appear after their respective names as set forth below:

Name and Title	**Signature**

Dated: [ ]

[ ]

Secretary / Assistant Secretary

[ ]

President

(Note: When Secretary or Assistant Secretary is among those authorized, President should also sign Certification.)

EXHIBIT C

WELLS FARGO

CORPORATE RESOLUTIONS
(APPROVAL AT BOARD MEETING)

The undersigned hereby certifies that he or she is the Secretary or Assistant Secretary of

| Launchpad |
| Development Company |

, a | California | corporation ("Company"), that the following are

true and correct resolutions adopted by Company's Board of Directors, at a duly authorized meeting held on

| | , throughout which a quorum of such directors was present in accordance with applicable

law, and that these resolutions have not been in any way altered, amended or rescinded and are now in full force and effect:

"RESOLVED that any one of the following Company officers [*designate titles only*];

| | , | | , |
| | , | | . |

is individually authorized to, and to designate one or more other Company officers, agents or employees (each such officer or designated officer, an "Officer" and each such designated agent or employee, a "Designee") to: (a) open or close one or more deposit and/or securities accounts (the "Accounts") with Wells Fargo Bank, National Association ("Bank"); (b) execute and deliver in Company's name such agreement(s) regarding the Accounts and the services related thereto as Bank may from time to time require; (c) authorize and execute transactions on the Accounts, including, without limitation, (i) signing checks and other instruments withdrawing funds from the Accounts, including those payable to cash or to persons who sign them, (ii) requesting funds transfers by Bank to and from the Accounts, (iii) entering into arrangements for the processing of automated clearing house ("ACH") debit entries and/or ACH credit entries to and from the Accounts, and (iv) endorsing on behalf of Company, and otherwise negotiating, checks and other items payable to Company; (d) incur overdrafts and other obligations in the Accounts at Bank in connection with any of the products, services, or activities authorized by these resolutions; and (e) invest Company's funds on such terms and conditions as such Officer or Designee, as applicable, deems appropriate;

RESOLVED, that Company is authorized to enter into any other arrangements, agreements and documents with respect to any of Bank's deposit and treasury management products and services, in such form and on such terms and conditions as may be agreed to by an Officer or Designee signing such agreements and documents;

RESOLVED, that except to the extent provided otherwise in any agreement between Company and Bank, Company authorizes Bank to rely on any act or communication, including telephone, wire or electronic communication, purporting to be done by any officer, employee or agent of Company if such reliance is in good faith, and Company shall be bound to Bank by any such act or communication relied on by Bank in good faith;

RESOLVED, that these resolutions are in addition to, and not by way of limitation on, other resolutions, if any, of Company's Board of Directors or shareholders in favor of Bank, and that the authority conferred by these resolutions shall be deemed retroactive and any and all acts authorized by these resolutions performed prior to the passage of these resolutions are hereby approved and ratified as the official acts and deeds of Company; and

RESOLVED, that each of these resolutions shall continue in full force and effect until Bank has received express written notice of its rescission or modification by a resolution duly adopted by Company's Board of Directors and certified by a Secretary or Assistant Secretary of Company."

I further certify that there is no provision in Company's Articles of Incorporation or By-Laws or any shareholder agreement limiting the power of Company's Board of Directors to pass the foregoing resolutions, that such resolutions are in conformity with the provisions of such Articles of Incorporation and By-Laws, and that no approval by the shareholders of, or of the outstanding shares of, Company is required with respect to the matters which are the subject of such resolutions.

IN WITNESS WHEREOF, I have subscribed my name and, if required by Bank, affixed Company's seal to this document on this

| | day of | | , 20 | |

Signed:

Check one: ☐ Secretary   ☐ Assistant Secretary

CERTIFICATE OF INCUMBENCY

I, [_____] , Secretary/Assistant Secretary of [_____]
a corporation, hereby certify that the offices referred to in the foregoing resolution are now held by the following
individuals, and that true and correct specimen signatures of such individuals appear after their respective names as
set forth below:

Name and Title	Signature

Dated: [_____]

[_____]
Secretary / Assistant Secretary

[_____]
President

(Note: When Secretary or Assistant Secretary is among those authorized, President should also sign Certification.)

EXHIBIT D

FOCUS
Business Bank

I/we, the undersigned, hereby certify to Focus Business Bank ("Bank") that: I/we are the representatives or governing body of the person named below as the customer ("Customer"); that the following Resolutions were adopted by that governing body, and that I/we have full authority to make the representations set forth in these Resolutions on behalf of Customer.

1.   Resolved, that it is in the best interest of the Customer to obtain access to and use the deposit and cash management services (collectively, the "Services") offered by the Bank; and

2.   Resolved that the persons shown below as Authorized Agents are authorized and directed, for and on behalf of the Customer, to execute and deliver or otherwise agree to any and all contracts, documents, agreements or forms required or sought by Bank in connection with the Services, including an Enrollment Form; and to do any actions deemed necessary by an Authorized Agent related to one or more Services; and

3.   Resolved, that each Authorized Agent shown below, whether individually or collectively, and any successor to him or her by title, is authorized to negotiate the terms and conditions of the following (collectively the "Agreements"): (i) the Focus Business Bank Cash Management Services Enrollment Form (in conjunction with the Cash Management Service Agreements and Disclosures ("Cash Management Services Booklet")); (ii) Focus Business Bank Business Online Banking Service Agreement ("Online Banking Agreement"), (iii) Focus Business Banks Fund Transfer Agreement ("Wire Agreement); (iv) ACH Origination and Security Agreement ("ACH Agreement"); (v) Positive Pay Services Agreement ("Positive Pay Agreement"); (vi) Remote Deposit Services Agreement; (vii) Online Banking Multiple Access Agreement ("Multi Access Agreement"); (viii) Courier Services Agreement (ix) ACH Third Party Sender Agreement (collectively "the Various Agreements") and (x) Depository Agreement & Disclosures.   Also, each Authorized Agent shown below, whether individually or collectively, and any successor to him or her by title, is authorized to agree to any modifications to those Agreements as he, she or it may in his, her or its determination deem necessary or appropriate. If there is more than one Authorized Agent, any one of them acting alone or together may be the Customer. Also, an Authorized Agent acting together or alone, may bind the Customer. All acts and deeds of an Authorized Person are the acts and deeds of the Customer; and

4.   Resolved, that all Authorized Agents, are appointed as agents of Customer for purpose of accessing and using the Services, to obtain account information, to make withdrawals and payments from an account (including payments to themselves), to remotely deposit checks or items payable to Customer, to provide the Bank with pay or return instructions for Exception Items, as defined in the Positive Pay Services Agreement, to initiate draw down requests on loans, to initiate transfers between deposit accounts of Customer held at the Bank, to initiate transfers between deposit accounts of Customer held at the Bank and deposit accounts of others held at the Bank that are owned by persons that share common control or ownership with Customer, as set forth in the Multi Access Agreement, to initiate payment orders payable to third parties in the name of the Customer to use and authorize security procedures, including, but not limited to, using a "Code" or "Codes" as those terms are defined in the Focus Business Bank Business Online Banking Service Agreement, which may include, but is not limited to, use of a password and access identification, to authenticate payment orders give in Customer's name, including, but not limited to Requests and ACH Entries as defined in the Wire Agreement and ACH Agreement or to authenticate any other type of communication given in the Customer's name in connection with one or more Services, which will

1

cause the Customer to be bound by such payment order or communication if authenticated by the security procedures as agreed to by Customer, and to otherwise engage in any banking or financial service or product approved by Bank for Customer, as set forth in any agreement between Bank and Customer or as otherwise evidenced by the conduct of Customer; and

5.   Resolved, that the Customer recognizes that the System, as defined in the Focus Business Bank Business Online Banking Service Agreement, will allow for the Customer to designate one or more Client Administrators for the operation of the Services. Each Client Administrator, in turn, will be allowed to designate one or more persons as an authorized user ("Authorized User") who will be allowed to access the Services and to engage in one or more of the Services, subject only to such limits as may be imposed by the Services or by the Client Administrator. A Client Administrator may use the System in all matters relative to the Customer's Codes, including but not limited to the right to: (i) establish additional access identification(s) ("Access ID"), password(s) ("Password") and Codes, that are of the sort that Bank allows Customer or Customer's Client Administrator(s) to have access and control of, on the Customer's behalf for the Client Administrator's use or for use by any Authorized User, (ii) terminate or cancel any/all existing Access IDs, Passwords or applicable Codes; (iii) change the Customer's account(s) associated with any Access ID, Password or applicable Code, (iv) change the activity level of an account associated with any Access ID, Password or applicable Code, (v) name additional persons who will have maintenance authority over Customer's Access ID(s) Password(s) or applicable Code(s), or terminate the authority of any person with maintenance authority over Customer's Access ID(s), Password(s) or applicable Code(s). All transactions authenticated pursuant to the security procedures, or as otherwise provided in the Agreements described in paragraph 3. above, will be treated by Bank as a valid instruction of and binding on the Customer.

6.   Resolved, that the foregoing Resolutions shall remain in full force and effect and the authority herein given to all of said persons shall remain irrevocable as far as Bank is concerned until three (3) business days after Bank is notified in writing of the revocation of such authority and that receipt of such notice shall not affect any action taken by Bank prior thereto; and

7.   Resolved, that this authorization supersedes any resolution, signature card or other document currently on file with Bank that limits authority over the Agreements shown in paragraph 3. above or over the transactions contemplated thereunder. This authorization shall remain in force and effect notwithstanding any subsequent change in such specific or general account resolution, signature card or related documentation. Any notice of a termination or change with respect to the identity of an Authorized User or the authority of any person to use a Access ID, Password, Code or Codes must specifically state that it relates to one or more or all Access IDs, Passwords or Codes and must specifically describe the termination or change requested.

AUTHORIZED AGENTS:

Name	Signature	Title	Date

I/we hereby certify that the forgoing is a true copy of Resolutions duly and legally adopted by the governing body of **Rocketship Education** (the "Customer") and that said Resolutions has not been revoked and are currently in full force and effect. I/we further certify that the individuals whose signatures appear above as Authorized Agents currently hold the positions shown. I/we certify

that: (a) I am the Secretary of an Assistant Secretary of Customer, if Customer is a corporation; (b) I/we constitute all of the partners of Customer, if Customer is a partnership; (c) I/we are the members of Customer, if Customer is a limited liability company (LLC) managed by its members, or all of its managers if Customer is an LLC managed by its managers; (d) I am the sole proprietor, if Customer is a sole proprietorship; or (e) I/we are a duly authorized agent(s), if Customer is a legal entity other than the aforementioned. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and complete of my own personal knowledge.

Customer: Rocketship Education

Signature: _____

Print Name: _____

Title: _____

Date: _____

Customer: _____

Signature: _____

Print Name: _____

Title: _____

Date: _____

Customer: _____

Signature: _____

Print Name: _____

Title: _____

Date: _____

Customer: _____

Signature: _____

Print Name: _____

Title: _____

Date: _____

*   *   *   *   *   *

SECRETARY'S CERTIFICATE (Corporation)

The undersigned is the duly appointed Secretary or Assistant Secretary of **Rocketship Education** (the "Customer"). The undersigned attests that the above Resolutions were adopted by the Board of Directors of the Customer at a meeting held on the _____ day of _____, 20____, which a quorum was present and acting throughout, or adopted by the written consent of a majority of those entitled or required to act to bind the Customer, and that such Resolutions are in full force and effect and have not been amended or rescinded. The undersigned certifies under penalty of perjury under the laws of the State of California that the foregoing is true and correct of the undersigned's personal knowledge.

Signature: _____

Print Name: _____

Title: _____
(must be Assistant Secretary or Secretary)

Date:_____

EXHIBIT E

To: Board Members
From: Preston Smith, President
Date: November 6, 2012
Re: President's Update

In this memo, I want to give you an update on the successes and challenges we've had since our last board meeting in August.   I've organized this report in alignment with our guiding principles or key organizational priorities: quality, scalability, and growth. The last section of this memo addresses how our leadership is managing the change process.

Just to refresh your memory, here is how we are thinking of our work and major initiatives for 2012-13 which is clearly outlined in the attached 2012-13 Priorities PowerPoint deck.

1.   Quality
   a.   Great Schools
   b.   School Model Redesign
2.   Scalability
   a.   Leadership Pipeline
   b.   Facilities
   c.   Regional Success
3.   Growth
   a.   Expanding Our Impact

Quality: Great Schools

As I alluded to in a previous email on September 21, we now have official results and we have some big wins to celebrate:

- Rocketship Education again is **the highest-performing elementary school system in California serving predominantly low-income students**, achieving an overall score of 855 on the 2012 Academic Performance Index (API) growth score, which is above our projected API of 850 for the network in the 2011-12 school-year.
- Rocketship Mateo Sheedy, our flagship school, hit 924 (goal was 900) which is comparable to the 2008 and 2009 school-years and a significant improvement over 892 last year.   Rocketship Mateo is **one of the premier schools in the state.**
- Rocketship Mosaic, a first-year school, hit 873 (goal was 800), which is extremely strong for a new start (goal is 800)and ranks among the **best new school openings** in the state of California
- Rocketship Discovery Prep, a first year school, hit 804 (goal was 800), which is **a strong start**, especially as we faced numerous challenges from student recruitment, to an elevated number of students with severe needs, and teachers instructing multiple grade levels during the year due to the initial enrollment challenge.
- We realized **strong results in math**. Overall, our Rocketeers demonstrate proficiency at levels that are equivalent to high-income districts throughout the state.   This is an incredible indicator of our work and reality that we are daily eliminating the achievement gap in this subject area.

- Our schools rank in the **top decile of schools serving low-income and ELL populations in the state** and our overall network will continue to be the premier charter school system in California.

Although we still have several areas to grow in (ELA, Tutoring instruction, ISD, and a significant focus on Rocketship Los Sueños this year), which were outlined in the previous email, there is a great deal to celebrate this year as under the leadership and guidance of our talented team of teachers, coaches, and school leaders, along with the support of the regional support staff, and national teams we continue to provide daily transformative outcomes for our Rocketeers and communities and actively work towards our mission of eliminating the achievement gap in our lifetimes.

Quality: School Model Redesign

Over the past few months, we have been building momentum in regards to the school model redesign, planning a great deal for the upcoming implementations, and preparing for a large organizational and cultural shift in managing the change process. Our largest aha in this process occurred in collaborating with school leaders and other leaders throughout the organization and we converged on the resolution that we needed to focus first on our end model that we were aiming for, prior to focusing on the 12.13 school year. Subsequently, we have focused on a school model that involves a large cohort of students (80-120) or essentially a grade level, in a single space (possibly with walls or without), under the leadership of two teachers and a coach, with tutoring, technology, enrichment, and multiple learning experiences integrated into this single space. These changes will allow for **better use of time and talent** and **improved individualization for all students**.
- Teachers will be able to design each student's instructional path by determining the right lessons for the right students at the right time.
- Teachers and Coaches will work in teams with joint ownership of a specific cohort of students, which will enable closer collaboration, support in problem solving, and a more effective approach to family engagement.
- These innovations to our model will improve teacher and leader career paths by increasing professional development opportunities.
I have included some overview documents in the packet as well for your information and reference.

Since arriving at this end vision, we have had several schools, especially Rocketship Discovery Prep, Rocketship Si Se Puede, and Rocketship Mosaic; more deeply delve into this conversation and begin to plan the transition of individual grade levels as early as November 13. Rocketship Discovery Prep is planning on transitioning the entire school on this date and each grade level, along with having an entire grade level move into the learning lab space so that we can begin to learn how best to execute within this space and better understand the necessary tenant improvements for 13.14 for all sites. As this is a large transition, the National team has shifted several resources to the Regional Support team and to schools in order to support the implementation of the redesign, better plan for the execution of the work, and also to document the work in order to pass on best practices to the other campuses throughout the year. Likewise, Alanna Phelan on our Regional Support team is leading this work and is currently shadowing Summit College Prep, who is engaged in similar work, so that we can learn from

their best practices in regards to documentation, walk-throughs, data, and how to regularly and quickly iterate on the redesign on a week to week basis. Finally, we are establishing working committees on a number of design elements that will include national, regional and school staff.

In addition, a couple of weeks ago we had our large roll out and announcement for the school redesign with our entire Rocketship staff. The tone of the room was overall positive at the conclusion of the evening and although there is still much work to be done in order to further gain momentum with this change, it is clear that teachers are intrigued by this opportunity, by this redesign, and that many are excited to participate in this transition, which is evident by several grade levels requesting to 'move' earlier in regards to their school redesign implementation.   Over the next few weeks, we will begin to deeply engage in this work and begin to engage our parent community. This will give us a much greater sense of the challenges and the possibilities. Lastly, during our Board Meeting, I will announce the establishment of an ad-hoc committee that will meet monthly and focus on this work. If you are interested in having greater insight and input into the work and school model redesign, I would encourage you to think about joining this group as this will be a quickly evolving and iterating process.

Overall, we have been making significant positive progress in this work; however, this also remains as the primary initiative and focus for our Rocketship community this year as our results and quality of education for our Rocketeers is at the core of our work. Moreover, this work will require a substantial influx of resources in regards to tenant improvements, curricula, computers, and other resources throughout the year and especially in 2013-14. In addition, we are using the school model redesign as an opportunity to shore up areas of our instructional program: use of scripted curriculum for phonics, improving practice in guided reading, writing, and tutoring. Thus, we are in the initial beginning stages of implementation, which will be critical to our ability to continue to gain momentum and ensure that this level of instructional change is embraced by our entire Rocketship community, invested in, and led in a manner that ensures its success and great outcomes for our Rocketeers, schools, school staff, and parents/families.

Scalability: Leadership Pipeline

Our leadership pipeline is critical for our work and ability to scale and must improve. Overall, it must improve in two areas: 1) Building a bench and robust recruitment pipeline and 2) Redesigning our staff model to meet the needs of our school redesign. As I mentioned in August, we have significant work to do in revisiting several areas of our talent model, which include recruitment, development, training, and even the staffing of our founding regional teams. Over the past few months, we have made significant progress on the make-up of the regional team model and recruitment. On the same hand, we have to re-envision our work in the training, recruitment, and development of our teachers and even school leaders with this school model redesign. The redesign causes some significant changes to the role of our school site staff and we are in the midst of planning and preparing to support and develop staff through these changes.

Lynn and team have begun to further address the matters above and we have made significant progress on our 'Founding Fellow's program, which is a program intended to recruit individuals from expansion cities to come and work at Rocketship Bay Area for a few years, demonstrate results, and then return to

their expansion city to found our first school in that region. This program is critical to our ability to create a bench of regional founders within our network and further generate depth in school leadership overall, which is the largest limiter in regards to expansion. Over the past few months, Lynn and team have made considerable progress and it gives me greater confidence that we can build a bench of individuals that will allow us to successfully expand into new regions.

With that said, we are also focusing very explicitly on ensuring that we are more actively working to recruit individuals that represent the communities that we work in. Diversity has long been a challenge for Rocketship in regards to our overall staff and we are aggressively working to address this in the 12.13 school year. Especially as we prepare to enter new communities and cities, it is critical that we are aware of how we are perceived by others, especially in distant cities and regions, and this is one of the main criticisms that we face—that Rocketship does not reflect the community that we serve as an organization. This is my and the teams responsibility to lead and address, and consequently, we will be working aggressively to address the diversity of Rocketship Education, especially in regard to our teaching and school leadership staff, but also as an overall organization during the year.

Scalability: Regional Success

As you will recognize from Priority 2 on the dashboard, we are in the midst of learning a great deal about regionalization and have a great deal of progress and learning that we must still realize and must improve. The past few months have helped us clearly begin to identify areas for growth and focus as we begin to engage in regional expansion. Similarly, it has become very clear to me over the past few months that we have significant work to do in this priority area and consequently, it is in our interest to step back as an organization and execute in a manner that will ensure that we are opening high quality schools for the communities that we are expanding to. Moreover, we are at a critical point in time as an organization that we must regionalize in a high quality manner in order to gain and maintain the trust of the communities in which we are expanding and cannot afford to flip flop too often in regards to our stances with regions and cities, especially as we still have much to learn in regards to our operating requirements and constraints of various regions/cities.

The primary areas of focus in this priority area include our ability to identify the necessary operating requirements to successfully expand in new cities and regions. By the end of 2012-13, I expect for us to have made significant progress on the following items in Priority 2: Scalability:

- Address the leadership pipeline and have a founding fellows program established that recruits individuals from our preferred regions
- Governance resolved for California and a clear path forward in regards to governance for 2013-14 (TN and MKE)
- Two zoning paths established for Bay Area and zoning items resolved in MKE and TN
- Operations team hired and realizing the completion of internal controls and systems, especially the establishment of a compliance calendar
- Hire a managing director for Milwaukee and a local Bay Area VP

- A robust list of operating requirements established for TN and then refined as it is expanded to subsequent three expansion regions.

As mentioned above, Andy, Arielle, Kristoffer, Josh, and several others are currently working to identify the operating requirements that our model necessitates so that we can operate in a manner that allows us to establish high quality schools and grow in a manner that we can eliminate the achievement gap quickly upon entering a region. This work is quite complex and laborious, thus, we are focusing on our most immediate regions most immediately (Tennessee and Milwaukee) and later in the Spring of 2013 will branch out to other cities and regions following this initial work. Our goal is to create a list of operating requirements, which will then grant the board and ourselves much greater guidance and visibility in selecting cities to green-light (an ability to Tier the cities in regards to preferences and fit with our model in regards to their compliance standards) and will also allow Kristoffer and the Development team a runway to begin addressing any of these operating requirement several months and years prior to our actual opening of a school.

Scalability: Regional Success in the Bay Area

The Bay Area foreshadows the challenges that we will face as an organization when we are unaware of necessary operating requirements in a region, or become aware and delay in addressing these items prior to our opening of the initial school and subsequent growth in a region. For example, we are currently facing a significant challenge in the Bay Area in regards to zoning exemptions that increases the barriers to opening new facilities. At the end of the day, we were unable to get ahead of the game in the Bay Area and are now paying the price. Although a challenging lesson, this is why this is now an operating requirement as we enter new regions as we are working to ensure that there are multiple zoning paths and options.

Although we are aggressively working to address this matter by creating several paths to zoning exemptions for high quality charter schools like Rocketship, this is still a significant challenge for the organization and our ability to serve an additional number of students and communities in need in San Jose. We remain confident that this matter can be addressed locally, but if not, it may slow down our ability to have a positive impact on several hundred more Rocketeers over the next school year, which would not be ideal for the many kids and communities in San Jose that are in need of a great school. Moreover, we will be utilizing Prop 39 (state proposition that allows charter schools to access district facilities at a reduced cost) this year with several districts, which will be the first time we use this measure and is known for creating even more contention between districts and charters. The site that is the greatest challenge currently is the Tamien site and we will keep the board updated as this site progresses. Currently we are working to have the Purchase and Sale Agreement approved by the City of San Jose on 12/11/12 (CEQA has been completed with favorable findings) and then go before the SCCOE Board in January to grant the zoning exemption. We are continuing to build community support through door to door and partnership outreach along with continuing to advocate and partner with San Jose City Councilmembers, SCCBOE Board Members, and several other community organizations and partners.

Similarly, we are focusing a great deal on ensuring that the Bay Area is able to again scale effectively through high quality schools (school model redesign), a financially stable model, and a strong bench of school leaders. We currently have multiple initiatives focused on these above items and I am confident that we will make significant progress on each of the above, especially as we further invest in the school model redesign throughout the school year.

Growth and Scalability: Finances and Facilities

Over the past few months, under Andy's leadership, we have made significant progress in understanding our financial position as an organization. Due to the work of Andy and his team, we now have much greater insight into our individual school model, regional model, national model, and facilities. Although the news has not always been great in regards to our finances, it has been especially helpful in grounding Rocketship as a whole, helping us prioritize matters, and focus on necessary decisions and next steps.   A few items that we have learned/confirmed since our last board meeting:

- Our regional model <u>does</u> breakeven at eight schools. This is a big deal and a great win for the organization as it will allow our regions to be fully self-funded after their eighth school and be better able to control their own destiny in regards to staffing and growth.
- Our national budget for 2012.2013 was significantly higher than what was stated in our business plan, by almost $1.2M. We will discuss this in greater depth during our time together next week, but since then we have reduced the national budget by $1M (14%) in order to realign with the previous business plan.

Overall, it is good to know where we stand as an organization, especially as we face another incredibly challenging financial year in California. Most importantly, we are now focused on holding each school, the region, and national accountable financially. I am excited that we now have a much clearer path as an organization, are committed to it, and excited to see us move forward diligently on this path from here forward.

Similarly, Andy and his team have made significant progress with facilities financing over the past few months. We are exploring four different paths to facility financing, with the explicit focus of working to identify and build a scalable path for facilities long-term. As many of you know, we have made significant progress over the past two years with the municipal bond market and having this market finance our facilities. This 'standard' financing model that we have been using involves construction financing initially (75% through a bank and 25% of our own equity or others) that is then converted to the municipal bonds upon the completion of construction and enrollment of the school. This model has been very successful, but the need for us to provide 25% equity for each building is a large constraint. Andy is looking into a model that will allow us to issue a bond that would cover <u>both</u> the construction and financing costs of the school. This is a far more scalable path and we will most likely be pursuing this, along with possibly some other partnerships (Mass Equity, Canyan Agassi, etc.) in the upcoming year. Although this bond process will most likely be a bit bouncy and a learning experience at times, I am excited to have us explore this path and possibly realize an even more scalable option in financing

our facilities. More importantly, it is great to see the progress that Andy and the team have made in such a short amount of time!

Growth: Expanding Our Impact

Given all the change we have been managing with redesigning our school model, tackling our finances, and laying the groundwork for strong regions, we are currently planning on bringing forward <u>one other region</u> for green-lighting in February 2013, rather than two regions, which was previously planned. Our rationale is that this will allow us to focus on much higher quality execution of our work in this single expansion region and Milwaukee, while also ensuring that we do not become committed to a region and any subsequent operating requirements that we are unaware of at the time and could have detrimental effects on our work and ability to establish and maintain quality schools. By taking a thoughtful and diligent approach initially, we are much more likely to then be able to make appropriate commitments to external cities, execute well upon these commitments, and over the year ramp up our regional expansion as we build muscle towards this work.

The Team:

We have a very strong team as adding Andy, Lynn, and Kate Mehr to the executive team have all been great additions and brought much needed skills and perspectives. Even though the team is strong, we have recognized the need for us to bring on an instructional leader to complement our work and help us build more rigorous academic systems, which we will address later in the year. Although I still have much to learn as a manager and leader, having such a strong team surrounding me has been incredibly helpful. Moreover, over the past few months they have all continued to step-up, take on greater responsibilities, and push even more urgently towards our mission and work.

This is evident in the progress that we have already made in regards to regionalization, the depth of conversation that we are engaging in regards to governance, the progress that we have already made with our leadership pipeline, and the investment that the team has led throughout the organization in regard to the school model redesign and our overall growth towards 1,000,000 Rocketeers by 2030.

Moreover, our fiscal discipline in being able to reduce the national budget by $1M (14%) and then prioritize initiatives with a laser like focus is a great indicator of our core values as an organization, our ability to align with our schools and communities in these tight financial times, and our ability to live within our means and use the austerity to focus our priorities.

The team has engaged in some challenging decisions over the past few months and rallied around them, built a stronger Rocketship culture in the midst of them, and truly led. It seems as though we are headed in many new directions and opportunities and to that end over the next few weeks, we will be opening our new office in Redwood Shores and the Bay Area Team will open a new office in San Jose as well. I am looking forward to a new space, decorated with college paraphernalia, pictures of Rocketeers and their families, and further building a culture of who we are as educators, innovators, and a

committed team working towards eliminating the achievement gap in our lifetimes. I am excited at the progress that we have made so far and also realize that there is still a great deal to accomplish, which will be exciting to realize and I look forward to updating each of you on our continued progress with our initiatives throughout the year.
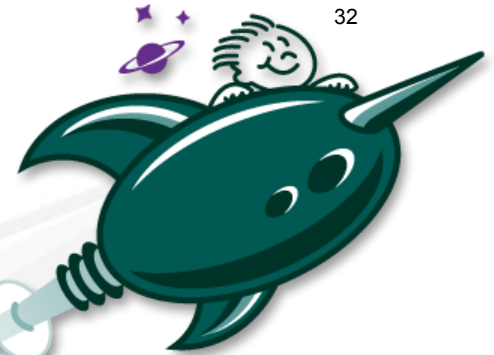
EXHIBIT F

2012-2013 Network Health Dashboard -- Board Update October 30, 2012

Priority 1: Quality: Ensure that skillfully developed teachers and leaders facilitate transformational outcomes for Rocketeers by creating outstanding schools (10,10,10) and partnering with parents and families to advocate for all children's education in their community.

		Aspirational Metric	2012-13 Threshold	Actuals/Leading Indicators	Threshold Met	All Schools	Next Steps
Ensure that all schools realize transformational impacts for Rocketeers and communities		School Model Redesign: By end of year, transition 100% of schools to a new instructional model that realizes equivalent (if not better) academic results by leveraging an increase in learning lab time	School Model Redesign: By end of year, transition 100% of schools to a new instructional model that realizes equivalent (if not better) academic results by leveraging an increase in learning lab time	1) Oct 31: Proposals for initial 12-13 model changes (including integration of multiple classes/teachers) vetted for 2 schools 2) Nov 13: 2 schools implementing initial 12-13 model changes toward final implementation	🟢	N/A	Rocketship Si Se Puede, Rocketship Discovery Prep, and Rocketship Mosaic are all deeply engaged in the school model redesign currently. RSSP will have 2nd grade implementing the redesign on Nov.13 and RDP will have the entire school implementing the model on that date as well. RSSP will work 'across walls' so the model will not be fully implemented, but as much as possible within current constraints. RDP will do this as well, but they will also have a class occupy the Learning Lab space so that we can begin to learn how best to construct the 'open' classroom. The other campuses, especially Rocketship Mateo and Los Suenos, are beginning to plan and prepare for a January implementation. We are working to build specific and discrete plans towards RSSP, RDP, and RoMo's implementations and supporting these aggressively with National and Regional support staff and resources.
Great Schools: All schools meet API targets and teachers meet NWEA MAP growth goals	CST	API: Year 1 API: Green: ≥800, Red: ≤760 Year 2 API: Green: ≥850, Red: ≤810 Year 3+ API: Green: ≥900, Red: ≤860	API: Year 1 API: Green: ≥800, Red: ≤760 Year 2 API: Green: ≥850, Red: ≤810 Year 3+ API: Green: ≥900, Red: ≤860	Yr 1: RDP 804, ROMO 872 Yr 2: RLS 793 Yr 3+: RSSP 861, RMS 924	🟡	🟡	Rocketship Los Suenos has developed an internal plan that is heavily focused on implementing tutoring more effectively at their campus, along with an explicit focus on coaching of ELA teachers and fourth grade (lowest grade level last year). We are also focusing intently on incorporating core instructional components to the school model redesign (tutoring, scripted phonics instruction, writing, online learning, etc.) in order to ensure that the school quality constantly improves.
	NWEA	Average NWEA Growth is ≥ 1.5 Growth Proportion Mat	Green: ≥ 1.5 growth proportion (End of Year) Red: < 1.0 growth proportion (End of Year)	Average: 1.61 All schools met 1.5	🟢	🟢	11-12 data being compared to 12-13 threshold. No 11-12 threshold ever set
		Average NWEA Growth is ≥ 1.5 Growth Proportion ELA	Green: ≥ 1.5 growth proportion (End of Year) Red: < 1.0 growth proportion (End of Year)	Average: 1.46 RMS, RDP, and RLS did not meet 1.5	🟡	🔴	11-12 data being compared to 12-13 threshold. No 11-12 threshold ever set
	School Finance	≥100% Enrollment [(average enrollment) / (budgeted enrollment)]	Green: ≥100% Red: <100% enrollment	RBM: 107% RDP: 101% RLS: 100% RMS: 100% ROMO: 100% RSA: 101% RSSP: 104%	🟢	🟢	
		Effective ADA% [(ADA) / (budgeted enrollment)]	Green: ≥96% Red: ≤95%	RBM: 105% RDP: 99% RLS: 98% RMS: 98% ROMO: 98% RSA: 97% RSSP: 101%	🟢	🟢	
	School Culture	100% of schools at Proficient in School Culture Walk-Throughs by November	Green: ≥100% Red: ≤80'%	85% of schools	🟢	🟡	RLS missed by 1 point: they chose more rigorous academic foci than other schools - but they have set concrete goals around both improving the culture and productivity in LL, and increasing student talk time, and focusing on "the deeper why" with all staff in terms of their planning for and execution of lessons
		70% overall attendance schools average at parent events (community meetings, exhibition nights, etc.)	Green: ≥70% Red: <60%	RMS 72% parent turnout at community meetings RSSP - 60% parent turnout RLS - 51% parent turnout RDP 53% parent turnout ROMO 78% parent turnout RSA 48% parent turnout RBM - 54% parent turnout	🔴	🟡	Review data with each Principal and develop strategies to improve participation by school; Share best practices (i.e.: Multiple meetings, parent led meetings) at November Principal Meeting; add to monthly school health dashboard to increase accountability

2012-2013 Network Health Dashboard -- Board Update October 30, 2012

		Aspirational Metric	12-13 Threshold	Actuals/Leading Indicators	Threshold Met	Next Steps
Priority 2: Scalability: Create systems, processes, and tools that enable Rocketship to have the human capital, financial and operational capacity to achieve the vision of serving over 1 million Rocketeers in outstanding schools by 2030.						
Priority 2 Focus Areas	Talent--Build a leadership recruiting and development process that can deliver on growth requirements		Generate screened pool of leaders projected/on track to be principals in 14-15 that is 30% greater than need	At greenlighting (Feb 2013) and at hiring (Dec 2013): 22 leaders projected/on track to be a principal (for 17 positions)	🔴	Denice and Caitlyn are working to aggressively recruit school leaders and have several leads and candidates currently in the queue, however, it is early and there is still much progress necessary.
			Over 3 years, recruit or identify 15 Emerging Leaders (ELs) or Network Fellows (NFs) to found a region with the expectation that 10 would ultimately go		🟡	Green for MKE; focus is on finding a 2nd AP. Yellow for Nashville: focus on cultivating internal interests (webinar scheduled for Nov) and external founding fellows (planning Dec recruiting trip).
			Augment school leader pipeline for expansion regions: - Pilot program to run from Feb 2013-July 2013 with 3 participants - Full program from June 2013 to June 2014 with 8 fellows		🟡	Yellow for mid-year program. Increase 1:1 outreach to cultivate nominations for mid-year starts. Green for full-year program.
		Teaching force that resembles our communities	30% of teachers hired are Latino or African American	For 12-13, 17% of new teachers are AA or Latino, 42% are people of color	🟡	Recruiting candidates in TFA sites with high AA/Latino representation and developing candidate pipelines by cultivating relationships with partner organizations with high percentage of AA or Latino teachers/leaders. Providing coaching calls to candidates unfamiliar with TFA lingo prior to selection day to reduce potential for selection bias. Monitoring retention of AA and Latino teachers and school leaders to determine if supports for current staff are needed.
		School leaders who resemble our communities	30% of school leaders hired are Latino or African American	For 12-13, 25% of hired leaders are AA or Latino, 50% are people of color	🟡	See row above.
	Regional Success: Identify the structure, systems, and tools that we must build at the next 5 years in order to ensure that Rocketship can successfully scale	Zoning	Bay Area Zoning: Establish two scalable, viable zoning options in the Bay Area	No leading indicator; next one: 12/15: SCCBOE adopts zoning regulations	🔴	On state option, we have shared a memo with Trish on the SBE on this issue. The next step is to f/u with a meeting to discuss entitlement process at the state level. For SCCOE, zoning exemption guidelines have been drafted but we have a number of issues (i.e.: Exhaustive list of documentation, District naming where they will place us w/o a zoning exemption). Working with Board Member Julia Hover-Smoot to make revisions. Unclear on timeline on approval. For the City, we need to develop a clear "ask" from the City. To date, we have met with Ru Weerakoon (Land Use Staff) and discussed legislation to allow commercial property to be approved through routine CUP process
		Operating Requirements	Established and vet a list of requirements for regional expansion and vet 15.16 cities	No leading indicator; next one: Nov 1: create project plan	🟡	Draft Operating Requirements project plan -- to be finished by November dashboard
	Business: Build a financial model and facilities team and strategy that can deliver on the growth requirements	Flexible, 5-year financial model that enables evaluating various growth alternatives and financial impact of each	Flexible, 5-year financial model that enables evaluating various growth alternatives and financial impact of each	Model 2.0 completed Nov 1st	🟢	To be finished by mid November; need to roll in assumptions about LaunchPad and facilities financing and review in 10/30 mtg with estaff. Business plan project schedule to be developed over next 30 days.
Priority 3: Growth: Develop, invest in, and build community relationships, facilities, charters, funding, and talent needed to realize Rocketship's mission of eliminating the achievement gap within ten years upon entering a city and the entire gap within our lifetime.						
		Aspirational Metric	2012-13 Threshold	Actuals/Leading Indicators	Threshold Met	Next Steps
Focus Areas	Growth: Build a pipeline and address legislative items in order for Rocketship to realize our mission of eliminating the achievement gap within our lifetimes.		Deliver 2 cities for 14.15 greenlighting	Sep 12 – Leaders identified and committed to cities a) Oct 12 – 2 cities determined and communication distributed to local champions b) eStaff approves 2 finalist cities based on leader, and bus/gov/fac implications c) Governance and business implications understood on 2 finalist cities	🔴	Only going to Nashville in 13.14, DC no longer on the table; Adam is committed to Nashville. All other metrics are on target for Feb green-lighting.
			Deliver 3 cities for 15.16 greenlighting	Upcoming, Dec: RSED Legal names ideal structure and implications on 3 finalist cities	🟢	Currently on track
	Business– Build a facilities team and strategy that can deliver on the growth requirements	Adequate pipeline of facilities alternatives to support planned school openings and contingency plan for each opening	Adequate pipeline for 13.14 openings (2x plus contingency plans), for 15.16 openings (2x)	2x pipeline in Bay Area for 13.14 schools	🟡	Currently 2x in Bay Area instead of 3x as metric changed in August to 3x and the facilities team has not caught up yet; however, we have milestones and are in the process of creating a 3x pipeline. Expect to be on-track by February.
		Have dependable financing options for all planned facilities	Demonstrate at least 2 financing available to RSED for facilities	Explore least 4 potential options for facilities financing for 13.14 and beyond	🟢	10/16 presented 4 potential options to business committee; continue discussions with external parties about viability of construction bond
			Implement facilities strategy that allows organization to meet school financial model metrics as it relates to facility targets (no more than $100K deposit/no more than 20% of annual revenue)	13.14 Portfolio average < 20% of annual revenue	🟢	Yellow for RS8, green for RS9, green for RS6. As a portfolio, average less than 20%

EXHIBIT G

Rocketship Board Meeting
11.6.2012

Guiding Principles

2012-13 Priorities

QUALITY

1) <u>GREAT SCHOOLS</u> → Achieve API targets for all schools (800 API+ for 1ˢᵗ year, 850 API+ for 2ⁿᵈ year, and 900+ for 3ʳᵈ year+ schools) and NWEA goals for teachers

- Rocketship Education again is **the highest-performing elementary school system in California serving predominantly low-income students**
- Our schools rank in the **top decile of schools serving low-income and ELL populations in the state**
- Great results in **math** and still work to be realized in **ELA**

Rocketship Education

2012-13 Priorities

QUALITY

2) <u>SCHOOL MODEL REDESIGN</u> → 100% of schools implementing by end of 2012-13 school year a high quality, scalable school model that realizes excellent academic results by shifting the use of instructional time to best meet the needs of our Rocketeers.

- 100% of schools, 100% of grade levels implementing School Model redesign by June 2013
- Focus explicitly on elevating tutoring, language arts, and instruction through the school model redesign.
- Ensure that school model redesign allows us to ensure excellent schools that realize the above metrics for school quality and student achievement.
- Significant investment of resources as an organization and team required in 2012-13 and 2013-14

Rocketship Education

2012-13 Priorities

SCALABILITY

3) <u>LEADERSHIP PIPELINE</u> → Build recruitment and development capacity to deliver leaders required to lead our schools and support growth.

- Get great teachers and leaders that **represent our communities** for existing regions (Bay Area and MKE)
- Get great teachers and leaders that **represent our communities** for future preferred regions.
- Founding Fellows Program

Rocketship Education

2012-13 Priorities

SCALABILITY

4) <u>FACILITIES</u> → Build a facilities team and strategy that can deliver on growth requirements

- Establish **two viable zoning paths in the Bay Area**
- Establish and demonstrate at least one **repeatable interim financing mechanism.**

2012-13 Priorities

SCALABILITY

5) <u>REGIONAL SUCCESS</u> → Identify the systems, processes, and practices we must succeed at in the next five years to replicate success within regions and to new regions and address 2-3 priority initiatives for 2012.13.

- Open **one region** in 2014-15 and learn a lot about what is important, **best way to regionalize**, and subsequently **build our knowledge of operating requirements and systems** to accommodate.
- As we grow, **Regional Success team modifies** our systems, regional structure, operating condition requirements, etc as necessary and as we learn/grow.

Rocketship Education

2012-13 Priorities

Growth

6) *EXPANDING OUR IMPACT* → Ensure *that the Bay Area and Milwaukee continue to grow and thrive as we also ensure that two new regions are ready for Rocketeers in 2014-15.*

- **Make Bay Area scalable again** - financially, school quality, real estate and diligently work to realize our 30 Bay Area schools. This will require ramping up over subsequent years in regards to openings (2 to 4 to 6, etc.)
- Ensure that we are **learning from Milwaukee growth and regionalization processes**. Focus on greenlighting one new region each year for opening in 2014 so that we have 3 regions operating by Fall 2014.

EXHIBIT H

Rocketship School Model Redesign
November 1, 2012

Our thinking and plans have evolved dramatically since we spoke to the full board in mid-August. We have included the key planning documents that summarize messaging to staff, the "blueprint" of a new school model, and initial plans for implementation in 2012-13 and 2013-14.

1. Message from Preston to all staff about school model redesign (sent October 12, 2012)
2. Blueprint Draft
3. 2012-13 and 13-14 Plans

I.   Message to all staff about school model redesign (10/12/12)

OUR PATH FORWARD

Rockin' Rocketeers,

We knew when we launched Rocketship, six years ago, that eliminating the achievement gap in our lifetimes would require a radically different approach. Our first steps towards rethinking the traditional education model were bold: teacher specialization, students moving between teachers, and tutors and technology as a key to individualization. Over the years, our results have indicated that our current school model delivers strong results, but not at the level or consistency required to fully realize our mission.

Over the past few months, a team of Rocketeers--school leaders, regional and national support staff, and myself--have started to re-imagine our school model by fully integrating the strengths of our classrooms and Learning Labs into the same space, allowing for **better use of time and talent** and**improved individualization for all students**. Implications of this change for the 2012-2013 school year **can be found in this link**.

I'm certain a variety of benefits will result from this model redesign: Teachers will be able to design each student's instructional path by determining the right lessons for the right students at the right time. Also, teachers and ILSs will work in teams with joint ownership of a specific cohort of students, which will enable closer collaboration, support in problem solving, and a more effective approach to family engagement. Finally, these innovations to our model will improve teacher and leader career paths by increasing professional development opportunities.

I know that the year will include many challenges, successes, and opportunities as we learn about and refine this model, and I also know that we have the talent—**EACH OF YOU**—within our Rocketship community to ensure that this is an incredible success. Success relies on the collective effort, creativity, and support of our entire Rocketship community: school-site teams, the regional support team, national, and parents. Since 2006, Rocketship has achieved extraordinary results. In many ways, this redesign marks the next chapter in the story of our pursuit to eliminate the achievement gap in our lifetimes.

Over the next few months, there will be multiple opportunities for you to further engage in discussion and share your insights on what is best for Rocketeers as we grow within this model. In addition to these in-person discussions, please share your feedback and questions at **Rocketeer Reflections**. I look forward to engaging in this endeavor with each and every one of you!

Preston

IMPLICATIONS FOR 2012-13

As we explore options and strategies for the school model redesign, we anticipate several key changes during the 2012-13 school year, which are outlined below. National and regional support staff will be partnering closely with schools to support planning and implementation and to capture best practices that will be shared across the network. Individual schools will roll-out site specific plans for these changes by end of October.

Best Use of Time and Talent

  • Teachers and ILS's will collaborate as a grade-level team with a large cohort of students.

  • Some grade levels in some schools will be occupying a single learning space.

  • Most teams will be collaborating across rooms. We are exploring options for modifying the physical structure of our schools that will increase collaboration and communication.

Increased Individualization

  • Every grade level in each school will be operating with Learning Lab, especially tutoring and technology, fully integrated within the classroom.

Frequently Asked Questions
Please share your feedback and questions at **Rocketeer Reflections**.

Will teachers be let go next year as a result of changes to the model? Great teachers are at the core of our work and success. We are opening two new schools in the Bay Area next year and anticipate having positions for all of our outstanding educators.

What role will ILSs play in the new model? We have seen the profoundly positive impact of tutoring and coaching in our results over the years. ILSs will be fully integrated into the new model and instructional day and will have opportunities to collaborate with teachers in directly supporting student learning and growth.

How and when will we assign "lead" or "senior" teacher roles?   These roles will not be implemented in the 2012-13 school year. We plan to partner with schools to learn more about the model and to define pathways and readiness for teacher leadership roles. We hope to begin some type of implementation of these roles in the 2013-14 school year but will not move forward until they are clearly defined. To date, we have not made any decisions on redefining instructional roles, but will communicate decisions that result from our collaboration with schools in the redesign.

What will the new instructional day and schedule look like? In order to better use time and talent and improve individualization for all students, we plan on integrating core subjects, RtI, online learning, and tutoring into one common learning space. While we do not yet know the exact bell schedule, the goal of this redesign is to maximize components that are critical to our success (tutoring, guided reading, technology, direct instruction, etc.) and allow our teachers to have greater flexibility in designing each student's instructional day. Some of our schools will begin various levels of implementation in the next few weeks, where we will learn more about best practices and share accordingly.

What will our new learning spaces look like? We envision flexible learning spaces that support small-group and larger-group instruction, the integration of online learning into the classroom, and greater collaboration between teachers and coaches. This may include larger spaces with breakout rooms, three-quarter walls, or classrooms connected by windows and doorways. We are excited to partner with teachers, schools, our facilities team, and others to learn more about what facilities improvements will best support our model. In 2012-13, the majority of instructional changes will take place in our current classrooms, with few structural modifications to the buildings. However, at least one grade level in each school will move toward a more open learning space this year to help us better understand the implications of these structural changes.

How are we aligning organizational priorities and resources to support school model redesign?   The school model redesign is one of our **six core priorities for the 2012-13** school year, which will ensure that it receives the necessary prioritization and resources for success. Consequently, schools, regional, and national staff will partner to support each school as we move toward the model redesign. We are committing several resources across the national and regional support teams to directly assist schools with this work.   Various supports include embedding regional and national staff directly within schools, re-allocating financial resources towards instruction and facilities improvements, and directly supporting staff to ensure that current instructional initiatives (i.e. ELA, coaching, and planning) are integrated into the new model. The entire Rocketship community is fully committed to the success of our schools and Rocketeers in this new model.

What motivated this change? Individualization and the best use of time and talent have always been at the core of Rocketship's mission and vision. This belief has led to innovations such as the Learning Lab, teacher specialization, small-group tutoring, the roles of Academic Dean and Assistant Principal, and various other critical innovations. The challenges of public funding in California and states across the country have also pushed our innovation since Rocketship's inception. In creating a model that will allow us to provide a high-quality education to one million students by 2030, we are compelled to be at the forefront of innovation in all aspects of education. In many ways, this model redesign is just another stage in our evolution towards a radically different approach to education. Finally, this is the last year that the majority of our resources and talent are located in a single region, which adds a greater sense of urgency for Rocketship to take on a challenge of this magnitude to further transform the educational outcomes for current and future Rocketeers.

II. A "blueprint" for Rocketship schools

In the proposed model, all students from a given grade level are grouped together in a large, flexible learning space with a team of several educators. These educators have a range of levels of expertise: each group of students works with at least one senior teacher (someone who has led students to significant academic gains repeatedly over time and now functions as the leader/manager of the space), one associate teacher (someone who is new(er) to the profession and is still honing his/her craft), and perhaps 1+ coach(es) (people who are not credentialed teachers, but who receive specialized training on how to support student learning needs across a variety of activities).

Working as a team, with computers and online learning integrated into this learning space, these educators have greater flexibility in terms of time and tools to offer students more opportunities for individualization and a broader range of learning experiences.

Key numbers[1]:
- An entire grade in one classroom/learning space[2]
- ~100 students[3] per grade level
- One senior teacher per grade level
- One associate teacher per grade level
- One coach per grade level
- One computer per child

Key differences for teachers:
- Teachers determine time allocations between subject areas and activities for each student
- Teachers teach ~6 hours per day and have more collaboration time
- Teachers interact with one entire grade level

Key differences for leadership/management:
- Leaner management ratio for school leaders (more reasonable number of direct reports for school leaders to make school leadership more sustainable)
  - Two school leaders[4]
  - Staff reporting to principal: 1 other SL, OM, and six senior teachers, ISD staff
  - Staff reporting to other SL: ECC, any NGOs providing enrichment services, support staff for lunch/recess
- Senior teachers manage associate teachers and any other adults who work solely with their grade level (i.e. coach). Lowers the management ratio for school leaders while allowing teachers to more quickly develop as managers/school leaders.

---

[1] Note: exact numbers of senior teachers, associate teachers, and coaches are to be determined based on what is working for students and on financial needs.

[2] The exact design of this learning space is to be determined (i.e. could be one large learning space with break-out spaces, multiple connected rooms, etc.)

[3] The exact number of students is to be determined, but we imagine a grade level would include ~80-110 students.

[4] If we were to move forward with this, the responsibilities of our current school leader positions would need to be reallocated thoughtfully across a two-person leadership team.

This model has the potential to bring positive changes to our schools:

Current challenges (2012)	Benefits of proposed model
Current model is good, but not great We are seeing good results and our staffs are working incredibly diligently, but we still have an achievement gap on our current campuses and want to see even stronger results for our Rocketeers.	**More consistent results for all students** Differentiated instruction and targeted tutoring are high-yield for students, and the proposed model allows for more tailored instruction throughout the entire day.
Instructional time isn't maximized; we struggle to elevate the teaching profession Teachers devote significant amounts of time to activities that could be executed by someone with fewer specialized skills. Teachers don't have the flexibility of time or teaching modalities to individualize for all students.	**Maximize instructional flexibility** Maximize instructional flexibility for senior teachers by giving them access to all tools, instructional supports, and staff in one place. Senior teachers can focus on introduction to new material, interventions, and higher-order components of teaching while associate teachers and coaches can focus on basic skills instruction, leading smaller groups, etc. Online learning and small-group targeted instruction can happen at any time of day to individualize content for students.
Instruction isn't as individualized as we'd like; we have external dependencies on data and tech In some ways, people can differentiate more easily than technology; however, our teachers aren't with students in lab and can't make assignments for what ILSs do during tutoring etc.	**Maximize opportunities for individualization** Senior teachers manage other instructional staff (associate teacher + coach) and determine how much time each student spends in each activity focused on each subject: we recognize that improvements in data and tech will have a huge positive impact, but we won't be dependent upon them to get started. There's greater flexibility to pull small groups for targeted instruction throughout the entire day.
Haven't yet realized desired gains from LL Separation of LL and classroom leads to different culture across the two spaces and makes it more difficult to share information about student progress in each space. Not all teachers/ILSs/SLs feel desired levels of shared ownership over both spaces.	**Consistent classroom and LL culture** Classroom and LL are combined into one large, flexible space where students can learn with a teacher, in groups, or online. Combined learning space has potential for greater consistency in culture and greater
It's difficult for staff to find time to collaborate Teachers are excited	**More opportunity for collaboration; more consistent communication across all grade-level teachers**

about prep time but struggle to find minutes during the school day to work with others.	Senior teachers can communicate directly and observe associate teachers who may lead interventions with students. We could build more grade-level collaboration time in the day by extending the enrichment center block.
Many of our teachers feel there's no pathway for growth other than school leadership This is certainly a great pathway, but it's not the best fit for all staff; we want all staff to feel valued and developed in their roles and want our best teachers to see a pathway to stay and grow with Rocketship.	**Make teaching more sustainable from career growth and financial perspective** We want teaching to be sustainable and want our best, most passionate teachers to be able to focus on teaching and stay in the classroom if interested while still having a career development pathway. This model let teachers gain management experience without leaving the classroom.
It's a large jump to go from teacher to school leader Teachers don't have management experience when they begin in school leadership roles; management ratio for principals is quite high.	**Earlier management experience creates smoother transition to school leadership** Senior teachers manage the other adults who work with the grade level, which builds leadership/management skills for them and reduces the overall management ratio for principals.
Shared ownership across three spaces makes it difficult to maintain clear communication with families At least three teachers/ILSs working with students across three different learning spaces can make it difficult for families to know who to contact about their child's learning.	**Team-based approach has potential for developing closer relationships with families** All teachers and coaches at the same grade level work as a team with all students, creating clearer communication lines and the potential for closer relationships with families.

III.   Initial Plans for 2012-13 and 2013-14

2012.13: What We Know	
What is the goal of changes in 12.13?	By end of 12.13 school year, the goal is for all grades at all schools to combine classes across a grade level into a cohort, moving toward more collaborative teaching with teachers and coaches (3-4 instructors with each grade level), and designing more flexible instructional groups.
What qualifies as a full grade-level transition?	One in which the grade level is being treated as a single cohort, the teachers are working as a team and pulling flexible groups, the students engage in both homogeneous and heterogeneous activities, and the instructional day includes the core components we've started to outline. - If a grade level is grouping two classes and treating them as a cohort, is that enough of a change for 12-13? No. - If a grade level is self-contained and has a different background than other nearby grade-level with which it could be combined (i.e., a 4th and 5th grade), is it enough to keep it as a self-contained class and just incorporate technology into the classroom? Yes. - Is it ok to keep students in tiered groups all day? (For instance, if a grade consists of 5 classes, and the school creates a schedule in which students rotate through 5 activities in homogeneous groups each day Yes, that qualified for the initial shift, but within 4-6 weeks the school should have much more heterogeneous mixing and a focus on student experiences.
Which schools are implementing changes when?	Mid-Nov: RSSP, ROMO, RDP initiate changes with 1-2 grade levels
	Mid-January: RMS, RLS initiate changes with 1-2 grade levels (or may opt for earlier date)
	Post-CST: RBM, RSA initiate changes (or may opt for earlier date)
	Schools partner with regl/natl to set timeline for moving additional grade levels throughout the year
What facilities changes will we make this year?	We'll teach across classroom walls at most schools this year.
	Our facilities team is identifying what facilities improvements might be feasible for 12.13 given fire code, financing, and site-specific constraints. Possibilities include: double-door entryways between classrooms, glass windows, and electrical upgrades to enable computers in the classroom.
	Given the lead time needed for permitting, major changes in facilities would occur during spring break or over the summer. The facilities team will be working with school leadership teams to identify what facilities changes will be most flexible to support instruction in the new school model.
	*NOTE: In 12.13, we will mostly be teaching across classroom walls, but we ideally want to plan for at least one grade level at each school to move toward teaching in a more open learning space, which will allow us to further realize the vision of a grade level team teaching a cohort of students within a single grade level. By moving to a more open space with at least a grade level at each school, we can better understand what our ideal future learning spaces might look like.
What resources and budget are we committing to support redesign?	We are aligning regional and national resources to support redesign. Two national staff (Kate Lewis-LaMonica and Megan Grube) are moving to the regional achievement team (to support redesign project planning and Tier II RtI implementation).
	Regional and national staff will also be partnering with school leadership teams to support redesign changes (i.e. Anna, Farah, and Lindsey are site-based leads at RSSP, RDP, and ROMO and will be spending ~50% of their time embedded at each site; site-based leads help plan changes, trouble-shoot implementation challenges, share best practices from other schools, and capture learnings to support future school sites).
	We are earmarking $500K for redesign, and are also aligning resources behind the instructional, technological, and facilities improvements that schools need to implement changes. Schools will outline the resources they most need and why so we can support changes at their site.
	School model redesign is one of our six core priorities for the 12.13 school year, which will ensure that it receives the necessary prioritization and resources to ensure success.

How will teachers and staff be involved in ongoing redesign discussions?	We encourage every school leadership team to connect with teachers and get input about the changes you're planning to implement on your campus in 12.13. Other teachers beyond those at the first grade to move at a school may be interested in brainstorming and sharing ideas for instruction. Teachers can begin phasing in changes (i.e. creating groups from two classes at a grade level) before their whole grade level starts working as a cohort.
	We are committed to involving teachers and staff as we tackle the many open questions we have related to instruction, talent, facilities, etc. We plan to engage staff through working committees, but the exact structure and frequency of working committee meetings still needs to be determined.
What does phase I of project planning look like with the first schools to move toward the blueprint?	We will partner with schools to develop project plans and align resources to support changes. As each school creates a project plan, we intend to share those plans with other sites to keep each other informed and learn from one another. Phase I planning includes:

	I. What each school is addressing through implementing changes and why
	
	    -Overview of changes, including GL/staff involved
	    -How does this get closer to blueprint (which design elements)?
	    -How will these changes lead to better outcomes for Rocketeers?

	II. Instructional plan
	
	    -For each instructional component (ELA, math,Tier II RtI, online learning, ISD) outline how much time will be spent on it, what learning activities are happening during that time, who's leading them, how students are being grouped, and using what data.
	    -Feel free to attach instructional plans you've already created.

	III. Bell Schedule -How will these changes affect the school schedule? Attach bell schedule if being revised.
	IV. Measures of Success -What data will the team use and how often to know if each instructional component is on track? (Broken out by above components.)
	V. Resources -What resources re: technology, facilities, instruction/training are most essential and why?
	VI. Next Steps/Timeline -What GLs do you anticipate will move toward the model next and when?
2013.14: What We Know	
What will the staffing ratio be for 13.14?	We are moving toward ~100:3 ratio (having 2 teachers, 1 coach at each grade level), but this ratio is not firm for 13.14.
	Clearly we're not planning to reduce the size of pre-existing grade level cohorts, so we need to partner to determine the best staffing model to accommodate larger grade levels in 13.14.
	We will partner with schools to think through how to structure cohorts for 'bubble grades' (i.e. grades with ~150 students) that may require alternate staffing models
	We recognize some grade levels (i.e. kinder) may need a different staffing ratio and look forward to partnering with schools this year to determine which grade levels may need more or fewer teachers (i.e. potentially more staff for kinder, fewer for 5th grade)
Will teachers be let go next year as a result of changes to the model?	As we grow, we will see an increasing shortage in instructional talent and therefore need to integrate strategic changes to our model that will allow all of our students to have access to great educators. We are opening two new schools in the Bay Area next year and anticipate having positions for all of our outstanding educators.

What role do coaches (ILS/AT staff) play in the new model?	We have seen the profoundly positive impact of our ILS and AT staff members, especially in the area of tutoring and realize what a difference this has made in our results. In years that we have focused exclusively on tutoring, we have seen our Rocketeers thrive, especially in the near elimination of our Far Below Basic and Below Basic quintiles. Similar to teachers, we are opening two new schools in the Bay Area next year and anticipate having positions for all of our high performing educators and team members.
What will the new instructional day and schedule look like?	We are excited about the potential of this model to maximize the current components of our day that are critical to our success (tutoring, guided reading, online learning, direct instruction of core components like phonics instruction, etc.) along with the ability for our talented teachers to have greater flexibility to design a student's instructional day and improve opportunities for individualization. We will partner this year as we integrate ELA, math, science, social studies, RtI Tier II, and online learning into a common learning space.
	We know that certain components are core to our success (tutoring, online learning, greater individualization and differentiation like guided reading, writer's workshop, etc.), which we will rigorously integrate into this model while also further learning about the role of various other strategies and methods of instruction which we expect to have schools and teachers innovate upon, learn from, and help us implement to maximize the learning within our classrooms and spaces.
	We are also excited about the idea of building more collaboration time into the instructional day, but we do not yet know what the exact bell schedule will look like.
What will our learning spaces look like?	We want to move toward more flexible learning spaces that support more small-group and larger-group instruction, the integration of online learning into the classroom, and greater collaboration between teachers and coaches. We do not yet know exactly what this space will look like. It may include larger spaces with breakout rooms or half- and three-quarter walls or interconnected classrooms. We are excited to partner with teachers, schools, our facilities team, and others to learn more about what facilities improvements will best support our model.
How and when will we assign "lead" or "senior" teacher roles?	We are reconsidering our staffing structure in order to best use instructional talent and to create a teacher career pathway. To date, we have not made any decisions on redefining instructional roles, but will communicate decisions that result from our collaboration with schools in the redesign. We need to partner with school leaders and teachers but think it's unlikely that we'll have senior teachers in 2013-14. We will not introduce senior teachers in 12.13.
How many school leaders will there be in 13.14?	There will be 3 school leaders at each site in 13.14 unless some schools are interested in leading with fewer. As we move toward having fewer school leaders, we plan to re-evaluate each leadership role and how responsibilities would best be split across them or if those responsibilities are better held by staff not serving as a school leader (e.g. operations specialist).

EXHIBIT I

Note: this document is intended to be a brief overview of the proposed 'blueprint' school model, which has evolved from the proposals outlined by school teams during the summer and then discussed by the School Redesign Team throughout September. This is not a complete or final proposal for our school model; rather, it represents our latest thinking about what type of school model we'll need in order to deliver consistently great outcomes for students and staff and be able to serve many more Rocketeers. Let's continue to brainstorm, question, and push this further!

A "blueprint" for Rocketship schools v 2.0

	K	1	2	3	4	5
8am	Class	Class	Class	Class	Class	Class
9am	Class	Class	Class	Class	Class	Class
10am	Class	Class	Class	Class	Class	Class
11am	Lunch	Lunch	Lunch	Enrichm.	Enrichm.	Enrichm.
12pm	Enrichm.	Enrichm.	Enrichm.	Lunch	Lunch	Lunch
1pm	Class	Class	Class	Class	Class	Class
2pm	Class	Class	Class	Class	Class	Class
3pm	Class	Class	Class	Class	Class	Class
4pm	Optional online HW time	Optional online HW time	Optional online HW time	Optional online HW time	Optional online HW time	Optional online HW time

Key numbers:
- 80-120 students per grade level
- One senior teacher per grade level (average pay: $95k)
- One associate teacher per grade level
- One coach per grade level
- One computer per child
- An entire grade in one classroom/learning space

Key differences for teachers:
- Teacher determines time allocations between subject areas and activities for each student
- Teachers teach 6 hours per day and have one hour of lunch/collaboration time
- Teachers interact with one entire grade level

Key differences for leadership/management:
- Leaner management ratio (more reasonable number of direct reports for Principals to make school leadership more sustainable; additional school leader support to dig in on culture, instruction, procedures, etc.)
  - Two school leaders[1]
  - Staff reporting to principal: 1 other SL, OM, and six senior teachers
  - Staff reporting to other SL: ECC and any NGOs providing enrichment services, support staff for lunch/recess
- Senior teachers manage associate teachers and any other adults who work solely with their grade level (coach/ILS, etc.) (lowers the management ratio for principals, while allowing teachers to more quickly develop as managers/school leaders)

In this model, all students from a given grade level are grouped together in a large, flexible learning space with several adults. These adults have a range of levels of expertise: each group of students works with at least one senior teacher (someone who has led students to significant academic gains repeatedly over time and now functions as the leader/manager of the space), one associate teacher (someone who is new(er) to the profession and is still honing his/her craft), and perhaps 1+ coach(es) (people who are not credentialed teachers, but who receive specialized training on how to support student learning needs across a variety of activities).

This model has the potential to bring positive changes to our schools:

Current challenges (2012)	Benefits of proposed model
Separation of LL and classroom (culture is markedly different between the two spaces, it's difficult to share information about progress in each space, and not all teachers/ILSs/SLs feel desired levels of shared ownership over both spaces) *Haven't realized desired gain/lift in LL given the resources invested *Question quality of tutoring in LL space	**Consistent classroom and LL culture** Classroom and LL are combined into one large, flexible space where students can learn with a teacher, in groups, or online
Instructional time isn't maximized; we struggle to elevate the teaching profession (teachers devote significant amounts of time to activities that could be executed by someone with fewer specialized skills)	**Maximize instructional flexibility time** Maximize instructional flexibility for senior teachers by giving them access to all tools, instructional supports, and staff in one place. Senior teachers can focus on introduction to new material and higher-order components of teaching while associate teachers and coaches can focus on basic skills instruction and leading interventions. Online learning and small-group targeted instruction can happen at any time of day to

---

	individualize content for students.
Instruction isn't as individualized as we'd like; we have external dependencies on data and tech (in some ways, people can differentiate more easily than technology; however, our teachers aren't with students in lab and can't make assignments for what ILSs do during tutoring etc.)	**Maximize opportunities for individualization** Senior teachers manage other instructional staff (associate teacher + coach/ILS) and determine how much time each student spends in each activity focused on each subject: we recognize that improvements in data and tech will have a huge positive impact, but we won't be dependent upon them to get started. There's greater flexibility to pull small groups for targeted instruction throughout the entire day.
It's difficult to find time to collaborate (teachers are excited about prep time but struggle to find minutes during the school day to work with others)	**More opportunity for collaboration; more consistent communication across all grade-level teachers** Senior teachers can communicate directly and observe associate teachers who may lead interventions with students. (All K-2 teachers and all 3-5 teachers have a lunch/planning block if we implement a two hour lunch/enrichment center program for students.)
Would need to increase student-teacher ratio with current model beyond what seems feasible (For our current model to be financially viable, we'd need to increase the student-teacher ratio beyond what seems feasible while still protecting strong student and family relationships. Having a manageable ratio matters for lots of reasons, including building trusting relationships between students and teachers and reaching the level of parent engagement that Rocketship schools depend on)	**Optimize student-teacher ratio to maintain strong relationships with students and families** Student-teacher ratio stays close to current level (no teacher is assigned to work with 240 students, as in previous proposals)#. (At 100:2 or 100:3, the ratio is better than our current model.) In addition, a teacher is more able to get to know the same group of students and their families, which is a variation of the small school model.
It's a large jump to go from teacher to school leader (teachers don't have management experience when they begin in school leadership roles; management ratio for principals is quite high)	**Earlier management experience for smoother transition to school leadership** Senior teachers manage the other adults who work with the grade level, which builds leadership/management skills for them and reduces the overall management ratio for principals.
Many of our teachers feel there's no pathway for growth other than school leadership (this is certainly a great pathway, but it's not the best fit for all staff; we want all staff to feel valued and developed in their roles and want our best teachers to see a	**Make teacher career more sustainable from career growth and financial perspective** We want teaching to be sustainable and want our best, most passionate teachers to be able to focus on teaching and stay in the classroom if interested while still having a career development pathway.

pathway to stay and grow with Rocketship)	This model let teachers gain management experience without leaving the classroom.
Current model is good, but not great (we are seeing good results and our staffs are working incredibly diligently, but we still have an achievement gap on our current campuses and want to see even stronger results for our Rocketeers)	**More consistent results for all students** Differentiated instruction and targeted tutoring are high-yield for students, and the proposed model allows for more tailored instruction throughout the entire day
Current model is not financially sustainable (we cannot continue to operate our schools in the long-term given our current school and financial model)	**Develop a scalable model (in terms of financing and staffing)** This leaner staffing model creates the financial security we need to operate schools in the long-term. It contributes to elevating the teaching profession and making it more sustainable (see above) and makes our schools more scalable from a human capital perspective.

EXHIBIT J

National Office
Financial Overview

National Office "Original" Business Plan

	Business Plan			
	Year 11.12	Year 12.13	Year 13.14	Year 14.15
Revenue				
Schools	5	8	13	21
Students	2,228	3,584	5,832	9,436
Fundraising	$2,480,256	$3,442,943	$500,000	
Management Fees	$2,499,481	$4,067,278	$6,661,168	$10,968,047
National Fee	**$1,996,441**	**$3,222,630**	**$5,137,167**	**$8,313,599**
Expenses				
Headcount	$3,160,527	$3,689,820	$4,740,836	$6,155,692
Other	$2,079,558	$2,207,962	$2,634,453	$3,201,649
Total	**$5,240,085**	**$5,897,782**	**$7,375,289**	**$9,357,341**
Recurring Net Income	**($3,243,645)**	**($2,675,151)**	**($2,238,122)**	**($1,043,741)**
Net Income (Incl Grants)	**($763,389)**	**$767,792**	**($1,738,122)**	**($1,043,741)**

Notes:
- Assumed National Office would be at 12% (versus 10% now)
- Assumed that National Office by itself would have negative cash by end of 14.15 (i.e. looked at cash balance on a total organization standpoint)
- Targeted to reach positive net income in Year 15.16 at 34 schools

Rocketship Education

2

Were not reflected in budgeted spending

- Management fees were assumed to be substantially higher than the Business Plan
  - Original model assumed 12% (now reduced to 10%)
  - The prior methodology (i.e. 35% minus facilities fees) yielded a fee of 17.3% to National in 2011/12 year

- Absorption of expenses for Launchpad team
  - Approximately $600K per year added to National budget starting in 2012/13 year without offsetting cuts further added to recurring net income shortfall

- Result for 2012/13 year was that the loss for the 2012/13 year was expected to be $2.8 million higher than 2011/12 year (and $2.0 million higher than Business Plan)
  - Launchpad -- $0.6 million
  - Fee change -- $1.0 million
  - Other expenses (excluding Launchpad) -- $1.2 million

Result: National Office Net Income
Substantially above Business Plan

Board approved budget in May 2013.

Prior Look "view" in August 2013

	Business Plan	Current Year Plan		
		Actual	Approved	Prior Look
	Year 12.13	Year 11.12	Year 12.13	Year 12.13
Revenue				
Schools	8	5	7	7
Students	3,584	2,425	3,756	3,756
Fundraising	$3,442,943	$4,644,455	$2,386,946	$2,336,946
Management Fees	$4,067,278	$3,907,413	$4,882,000	$3,750,390
National Fee	**$3,222,630**	**$3,524,433**	**$3,479,000**	**$2,500,260**
Expenses				
Headcount	$3,689,820	$3,080,419	$5,363,249	$5,363,249
Other	$2,207,962	$2,271,433	$1,811,782	$1,811,782
Total	**$5,897,782**	**$5,351,852**	**$7,175,031**	**$7,175,031**
Recurring Net Income	**($2,675,151)**	**($1,827,418)**	**($3,696,031)**	**($4,674,771)**

Reduced fee to 10%

Added $0.6 million from Launchpad

Rocketship Education

Overview of Budget Reduction

- $1.0M of cuts made to 2012/13 budget including:
  - Postponement of previously planned positions
  - Not filling some vacated positions

- Result: National Office expenses are now closer to plan
  - Achieve net income target in next 2 years
  - Saves $4.0M in cash over that period
  - Path to break-even in same year as originally intended

Rocketship Education

Result: National Office Net Income
More closely aligned with expected Fees

	Business Plan	Current Year Plan			Variance (F/U)
		Actual	Prior Look	Revised	Revised
	Year 12.13	Year 11.12	Year 12.13	Year 12.13	Year 12.13
Revenue					
Schools	8	5	7	7	(1)
Students	3,584	2,425	3,756	3,756	172
Fundraising	$3,442,943	$4,644,455	$2,336,946	$2,110,000	($1,332,943)
Management Fees	$4,067,278	$3,907,413	$3,750,390	$3,716,192	($351,086)
National Fee	**$3,222,630**	**$3,524,433**	**$2,500,260**	**$2,477,461**	**($745,169)**
Expenses					
Headcount	$3,689,820	$3,080,419	$5,363,249	$4,354,735	($664,915)
Other	$2,207,962	$2,271,433	$1,811,782	$1,801,783	$406,179
Total	**$5,897,782**	**$5,351,852**	**$7,175,031**	**$6,156,518**	**($258,736)**
Recurring Net Income	**($2,675,151)**	**($1,827,418)**	**($4,674,771)**	**($3,679,057)**	**($1,003,905)**

Reduce National expenses by $1.0 million to align better with current management fee expectation

Still $1.0 million higher loss than Business Plan (partly due to Launchpad) although less than the $2.0 million variance in Prior Look

Rocketship Education

National Office Net Income
Back on target for Business Plan in 18 months

	Current Year Plan	Early Target			Variance (F/U)		
	Revised				Revised	Early Target	Early Target
	Year 12.13	Year 13.14	Year 14.15		Year 12.13	Year 13.14	Year 14.15
Revenue							
Schools	7	10	17		(1)	(3)	(4)
Students	3,756	6,258	10,710		172	426	1,274
Fundraising	$2,110,000	-	-		($1,332,943)	($500,000)	-
Management Fees	$3,716,192	$5,768,896	$10,469,805		($351,086)	($892,272)	($498,242)
National Fee	**$2,477,461**	**$3,845,931**	**$6,979,870**		**($745,169)**	**($1,291,236)**	**($1,333,729)**
Expenses							
Headcount	$4,354,735	$5,225,681	$6,270,818		($664,915)	($484,845)	($115,126)
Other	$1,801,783	$1,967,091	$2,162,338		$406,179	$667,362	$1,039,311
Total	**$6,156,518**	**$7,192,772**	**$8,433,156**		**($258,736)**	**$182,517**	**$924,185**
Recurring Net Income	**($3,679,057)**	**($3,346,841)**	**($1,453,286)**		**($1,003,905)**	**($1,108,719)**	**($409,544)**

Based on 20% growth at National for next several years:
- Expect to be just $0.4 million "off" of original Business Plan despite absorption of Launchpad and lower fees than the Business Plan
- Expect to be net income positive in 2015/16 year on 28 schools consistent with original Business Plan timing

Rocketship Education

Cash at National Office
(Excludes Expansion Fundraising)

- Cash expected to be at the following EOY amounts:
  - End of 2011/12 = $4.5 million
  - End of 2012/13 = $4.4 million
  - End of 2013/14 = $0.7 million
  - End of 2014/15 = (1.0 million)

- With expected Regional Greenlighting of 4-8 regions during this timeframe, an additional $4-8 million is expected, and, therefore, the National Office is not expected to run out of cash, but….

- **Caution: The National Office needs significantly higher cash balance even with expected funding from regional expansion**
  1. Operates as backstop to school startup funding shortages
  2. Lenders for facilities and working capital look to RSED National as the ultimate guarantor. Weak National B/S makes meeting credit needs more difficult
  3. Likely funding of Bay Area RO needed to fill current gap for next 2 years until it can sustain itself

Rocketship Education

EXHIBIT K

Bay Area Governance Structure

# Rocketship Board of Directors 11/6/12

I. Goals

- Board of Directors will:

  - Understand current Bay Area governance structure and advantages/disadvantages

  - Understand options for Bay Area reorganization and advantages/disadvantages and impacts of this decision on National growth

  - Make a recommendation on preferred Bay Area governance structure

II. Potential Governance Models

- ## Direct Governance vs. Indirect Governance
  - Direct Governance: RSED Board governs schools directly
  - Indirect Governance: RSED Board governs schools through separate entity which has an independent governing board
  - Each structure has unique advantages/disadvantages

- ## Current Bay Area Structure:
  - Hybrid Structure: Direct Governance for RS 1, Indirect Governance for RS 2-7
  - Direct Governance for RS1 imposes extra compliance requirements on RSED
  - Board members for RS 2-7 entities are restive and dissatisfied with their current roles and responsibilities
  - Business considerations favor completing reorganization by 12/31/12 or 6/30/13

III. Current Bay Area Governance Structures

RSED (Governing Board)

RS 1

6 Rocketship School Entities (6 separate Governing Boards)

RS 2-7
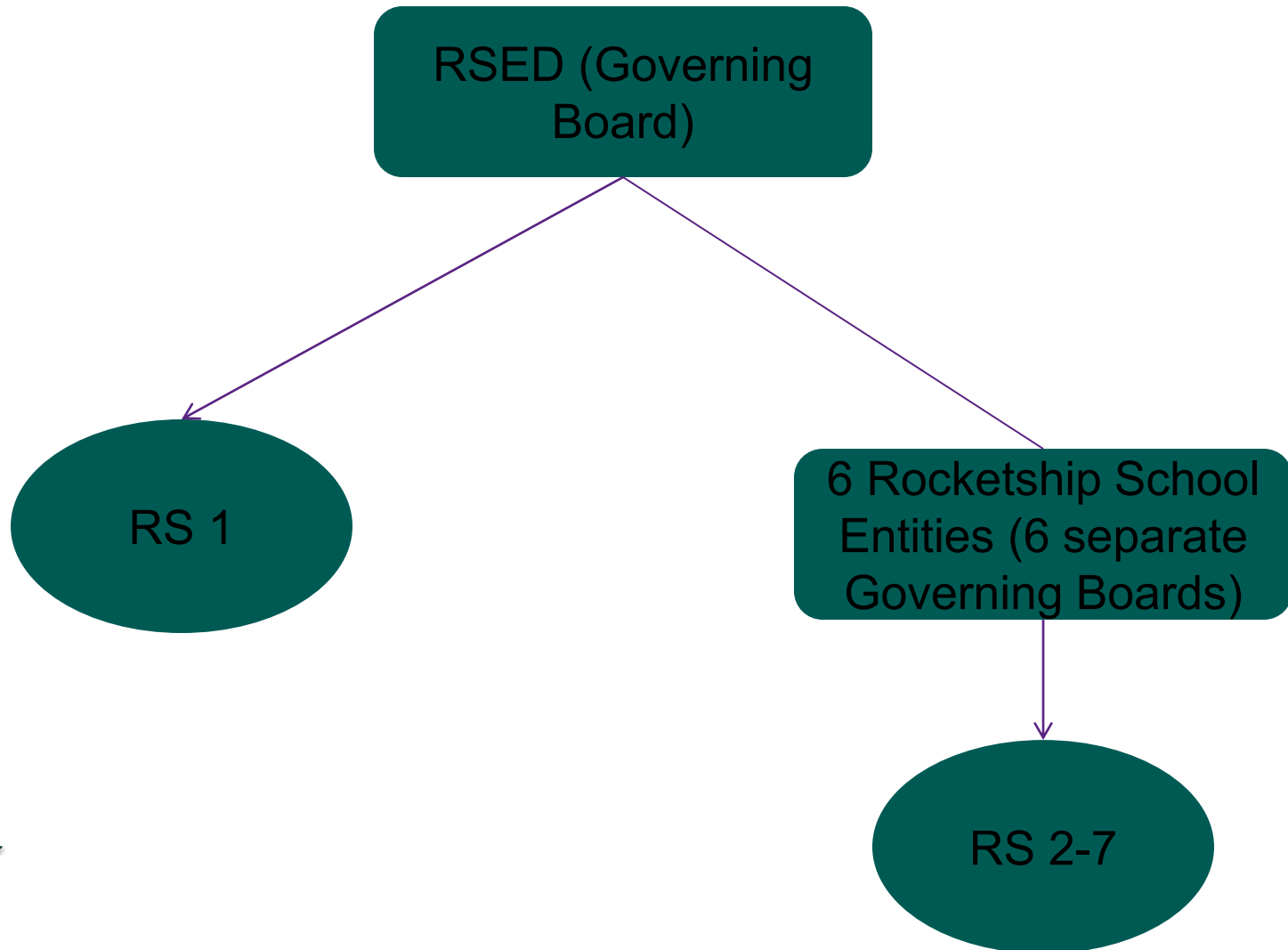
IV. Direct Governance Reorganization
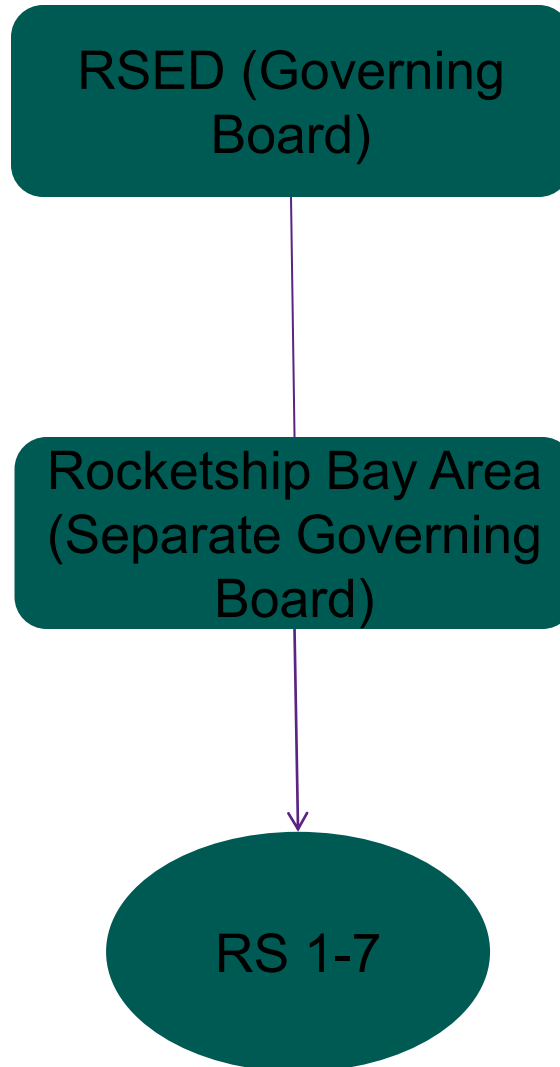
RSED (Governing Board)

RS 1-7

V. Indirect Governance Reorganization

VI. Implementing Direct Governance Model

- Given RSED's California governance options and considerations for expansion elsewhere, what governance structure should be selected for the Bay Area?

  – RSED's current hybrid structure needs to change because it exposes us to the disadvantages of both models

- Direct Governance is the preferred model

  – Optimal control over school operations

  – Efficient governance that does not require managing separate entities and governing boards

  – Sets an example for governance structure RSED wants potential expansion regions to allow

VIII. Recommendations

- ## Staff Recommendations:
  - Implement Direct Governance in Bay Area
    - Obtain all third party and authorizer approvals needed to reorganize RS 2-7 entities
    - Consolidate RS 2-7 into RSED at soonest practical date
    - Establish Bay Area Advisory Committee with 1 RSED Board member
  - Continue working to implement Indirect Governance in Milwaukee while exploring alternative structures more similar to Direct Governance
  - Continue working to optimize governance structure options in Tennessee with a focus on Direct Governance
  - Continue exploring Direct and Indirect Governance as potential national models

EXHIBIT L

Rocketship Education
Board of Directors
November 6, 2012
Staff Report on Agenda Item 7c – Bay Area Governance Structure

A. Current Bay Area Governance Structures

RSED has seven schools in the Bay Area (RS 1-7). RSED itself holds the charter for RS 1, and the RSED Board directly governs that school (this structure is referred to as "Direct Governance"). The charters for RS 2-7 are held by six separate nonprofit corporations (the "School Entities"), each of which has its separate and independent governing board that has ultimate decision-making authority over a particular school (this structure is referred to as "Indirect Governance"). RSED is the sole statutory member of each of the School Entities, and as such has ultimate decision-making authority over appointments to the School Entities' boards of directors, changes to the School Entities' bylaws, and certain transactions the School Entitles' boards of directors have preliminarily approved.

B. Current Milwaukee Governance Structure

RSED will open a school in Milwaukee in August 2013 and has approvals for a total of eight schools in that region. While Wisconsin state law is silent on the matter, RSED's agreement with the authorizer obligates RSED to utilize the Indirect Governance structure. While RSED may be able to persuade the authorizer to lift this requirement, RSED is preparing to abide by the terms of the existing contract for the 2013-2014 school year.

RSED has formed a separate Wisconsin-based nonprofit corporation called Rocketship Education Milwaukee ("REM"). RSED is the sole statutory member of REM and will have similar authority over REM as that described above in Section A. RSED has identified local education reform champions to serve as the initial governing board of REM, and RSED expects these board members to be supportive of RSED's mission and practices.

C. Summary of Direct Governance

See the table attached on pages 5-6 for a detailed comparison of the advantages and disadvantages of the Direct Governance structure. This list is an initial assessment and is subject to revision as staff further researches the issues.

Under Direct Governance, there would be no governing board in between RSED and any of the schools in its network. This would allow the RSED Board to directly control the schools through selecting management, school leaders, other staff and setting policy. There is no opportunity for another governing board to contradict the RSED Board or refuse to implement its decisions. For these reasons, from a scalability and control perspective, Direct Governance is an extremely attractive theoretical model upon which to build a national school system. However, from a practical perspective Direct Governance is problematic for two main reasons. First, it exposes the RSED Board to many more compliance requirements than would be the case under Indirect Governance. Second, there are very few, if any, states where the current legal and regulatory environment would allow RSED to implement Direct Governance and control out-of-state schools from California. The primary impediments are charter school laws that require local governing boards and open meeting laws that require a governing board to be physically present in the same jurisdiction as the schools. In some states there are

workarounds RSED could implement and attempt to pursue Direct Governance under current conditions, but this could create a climate of uncertainty and vulnerability to legal challenge and negative public perception for attempting to flaunt the intent of various laws and regulations. It is difficult to predict how much time and resources it would take to change these laws and regulations, and in the meanwhile RSED's growth potential and ability to leverage its successes and relevancy may languish. No other school organization has implemented the Direct Governance model on the scale RSED proposes, and should RSED choose this path there would be a significant period of identifying constraints and problem solving, therefore directing organizational resources away from the schools themselves.

D. Summary of Indirect Governance

See the table attached on pages 5-6 for a detailed comparison of the advantages and disadvantages of the Indirect Governance structure. This list is an initial assessment and is subject to revision as staff further researches the issues.

Under Indirect Governance, RSED would establish a separate legal entity with a separate governing board in every state (each a "Regional Entity" and similar to REM). These Regional Entities would hold the school charters and their boards of directors would share school decision-making authority with the RSED Board. In states where RSED is permitted to be the sole statutory member of a regional entity, RSED would control the Regional Entity's board composition, bylaw amendments, and would need to approve specified Regional Entity transactions and governance actions. Still, this is not total control over the schools and RSED's ability to effectuate change at the school level will be attenuated compared to Direct Governance and student outcomes may suffer as a result. Furthermore, not all states allow one legal entity with a governing board (RSED) to be the sole statutory member of another (the Regional Entity), and in these jurisdictions RSED's ability to influence the regional governing board would be minimal or nonexistent. Even with sole statutory member authority, if a Regional Entity's board became dissatisfied with their lack of control it could simply refuse to conduct business and force RSED to recruit new board members and reconstitute the Regional Entity's board. This would expend significant resources and political capital. To prevent a Regional Board from becoming dissatisfied, RSED will have to invest significant staff time in managing these boards and making them feel valuable when in reality they have minimal discretion. The primary benefit of Indirect Governance is that it can today be implemented in every state. RSED will be able to select expansion regions without having to factor in the need to change laws and regulations that permit Direct Governance to operate. The ability to grow without external constraints will allow RSED to more easily meet its growth targets and work towards closing the achievement gap at scale. A secondary benefit of Indirect Governance is that it creates a more direct connection between a school's constituents (parents and community members) and the board that governs the school. Since empowering parents is a hallmark of the RSED model, Indirect Governance is well-suited to facilitate that empowerment.

Besides the sole member authority described above in Section A, there are other means for RSED to indirectly control a Regional Entity. As described above, it is crucial to cultivate the governing board of the Regional Entity so that it understands the limitations on its authority and the expectation that it cooperate with RSED. This cultivation will require the investment of significant RSED staff time to brief Regional Entity board members on the happenings at the RSED Board and answer Regional Entity board members questions on the governance items RSED is asking them to approve.

There already exist Management Agreements between RSED and the RS 2-7 school entities which delegate the responsibility for conducting the school entities' business to RSED staff. RSED expects to enter into a similar agreement with REM and provide 100% of the staffing such that REM has no actual employees. If successfully implemented, even school leaders and teachers could work for RSED rather than REM. Having RSED staff conduct business for the Regional Entities provides RSED with implicit control of school business, but the Regional Entities can always elect to renegotiate or terminate the Management Agreements. Furthermore, the authorizer or IRS (while reviewing a Regional Entity's tax exemption application) could reject Management Agreements or Licensing Agreements (discussed below) because they take away too much control from the Regional Entity.

RSED also expects to enter into a Licensing Agreement with REM. Under the terms of this agreement, REM will be entitled to use RSED's trademark and intellectual property (name, learning lab software, professional development materials, etc.) only at RSED's discretion. If REM is managed in a way that RSED does not approve of, RSED will have the option of withdrawing REM's right to use RSED's property. This provides yet another lever for RSED control of the Regional Entity.

E. Staff Recommendations

Staff is not currently ready to recommend to the board of directors and board committees a favored governance structure for RSED's national expansion. Staff hopes to bring this item forward for review and approval no later than series of meetings culminating with the February 28, 2013 board meeting, but this schedule could be pushed back depending on competing priorities.

In the meantime, RSED needs to reorganize the Bay Area entities as soon as possible, because the current structure is mixed and does not provide RSED with the fullest array of benefits that would result by choosing either Indirect Governance or Direct Governance. If RSED fails to reorganize by the end of 2012, the next best opportunity is June 30, 2013 (the end of FY 2012-2013). Staff is in the process of evaluating internal capacity and external pro bono legal support to get a better idea of a feasible timeline for this reorganization.

As described above, from a control perspective the Direct Governance structure has clear advantages over the Indirect Governance structure and it can be executed in the Bay Area under current California law. While Indirect Governance has other advantages and is more scalable to other states under the current legal and regulatory framework, this comes at the cost of control and efficient governance that makes the trade-off less attractive. Indirect Governance may allow for more rapid growth, but potentially at the cost of school quality. Implementing Direct Governance in the Bay Area will yield immediate and tangible benefits for school governance in California, keep the Board in touch with school governance rather than limiting its work to higher-level policy making, all while simultaneously setting an example for the structure RSED will ask other states to accommodate. Aspire and other CMOs currently use the Direct Governance model, and Aspire is in the process of trying to implement it for its Tennessee expansion.

Consistent with the information set forth above, staff recommends that the Board act to:

- **Reorganize the Bay Area School Entities consistent with the Direct Governance model.**
  - **Notify all parties that have contractual agreements in place with RS 2-7.**
  - **Obtain consents from the subset of these parties that so require.**

- o **Obtain charter authorizer approval of reorganization through material revisions of RS2-7 charters. These material revisions should also capture any other changes to school operations that require authorizer approval.**
- o **Consolidate the RS 2-7 School Entities into RSED.**
- o **Form a Bay Area advisory board and work on other systems to facilitate getting feedback from RS 1-7 parents and other constituents to the RSED board.**

Since the direction RSED takes for its Bay Area governance structure will have national repercussions, at the same time a new structure is implemented for RSED's California schools it is necessary to work to implement the same structure in Milwaukee and prospective expansion regions. RSED should act to allow it to maximize the control it will have over schools outside California, and to the extent possible, implement Direct Governance across the country.

Consistent with the information set forth above, staff further recommends that the Board act to:

- • **Continue implementing Indirect Governance in Milwaukee and optimizing control under this model's limitations, while simultaneously assessing how quickly RSED can remove legal and regulatory impediments to Direct Governance.**

- • **Advocate to authorizer and state legislature to allow for implementation of Direct Governance in Tennessee in advance of the February 2013 greenlighting decision.**

- • **Continue researching the benefits and disadvantages of Direct Governance and Indirect Governance and be prepared to make a recommendation to the Board for a national governance structure at a later meeting.**

Issue	Direct Governance		Indirect Governance	
	Advantages	Disadvantages	Advantages	Disadvantages
Control Over Individual School Operations	Because the RSED Board directly controls the schools, governance is very predictable.	Since the RSED Board directly controls the schools, it must deal with all of the day-to-day school business.	Frees the RSED Board from day-to-day school business, potentially allowing it to focus on higher-level strategy for the entire network of Rocketship schools.	Because there is an independent governing board in-between RSED and the schools, governance is less predictable. School Entity board members may not govern in the manner RSED prefers, and RSED can only intervene indirectly by exercising its sole member authority and reconstituting the board.
Scalability	Managing one board overall will be a much more scalable path as Rocketship expands to multiple states with multiple schools.	Current laws and regulations in states make this path challenging and may limit RSED's ability to grow.	This governance model is possible in all states and initially will allow RSED to scale.	Although initially will allow scalability, long-term this will become more and more complex and limit growth.
Efficiency of Governance Structure	Because there is no separate governing board below RSED, staff time need not be invested in managing this board and conducting its meetings.	Since the RSED Board will have to deal with day-to-day school business, this may increase the volume of business the RSED Board must conduct.	Frees the RSED Board calendar from day-to-day school business, providing more capacity for other business.	Staff time will have to be dedicated to managing the School Entity governing board, and if problems arise RSED will have to intervene using its sole member authority.

Limited Liability		Since RSED will be the only legal entity, all school liabilities will by default be liabilities of RSED.	Since the Bay Area schools will be held by a separate entity, it will be easier to claim that RSED should not be responsible for any of that entity's liabilities.	Since RSED will indirectly control the Bay Area school entity, it is possible that a court could expose RSED to School Entity liabilities in the event of litigation.
Disclosure by Board of Directors and Potential Board Member Liability	Board members are covered by D&O insurance, so potential liability may not be a major concern.	As governing body for the schools, board members are subject to more personal disclosure requirements and potential personal liability in the event of litigation.	Board members of Bay Area school entity will be responsible for personal disclosure requirements and be first in line for personal liability.	
Sharing Financial Resources between Schools	As all schools' funding streams will be consolidated with National funding streams in the RSED entity, it may be easier to move resources as necessary to support any arising needs within the organization as a whole.	Since Bay Area schools funding streams will be consolidated with National funding streams in the RSED entity, it may be difficult to share resources across Bay Area schools.	Since Bay Area school funding streams will be held in an entity separate from RSED, it will be easier to pool resources for continued Bay Area growth without worrying about intermingling with National assets.	
Open Meetings Law (Brown Act)	RSED will be subject to the Brown Act and therefore its governance will be conducted in a manner that is transparent to friends and foes alike.	Since all Rocketship business will be conducted in open meetings, opponents will have more ready access to RSED's inner workings.	Brown Act will apply to School Entity governing board, allowing RSED board to conduct its business in a more private manner.	If RSED chooses to voluntarily comply with the Brown Act for maximum transparency, all Rocketship business will be subject to the open meetings law.