AMENDED COMMUNITY SCHOOL CONTRACT

This Amended Community School Contract ("Contract") is entered into by and between the Ohio Council of Community Schools (hereinafter "**Sponsor**"); and the Board of Directors and governing authority of the Foundation Academy, Inc. (hereinafter "**Governing Authority**"), an entity established in accordance with Chapter 1702 of the Ohio Revised Code and is made effective upon the execution hereof. The parties intend for this Contract to fully supersede and replace any previous version of this Contract, including any amendments thereto, prior to execution.

WHEREAS, Chapter 3314 of the Ohio Revised Code permits the formation and operation of community schools; and

WHEREAS, the Ohio Council of Community Schools is an authorized **Sponsor** under Chapter 3314 of the Ohio Revised Code; and

WHEREAS, Ohio law allows the **Governing Authority** and the **Sponsor** to enter into a renewal contract to allow for the continued operation of a community school; and

WHEREAS, the **Governing Authority** seeks to continue to operate a community school.

NOW THEREFORE, the **Governing Authority** and the **Sponsor** enter into this Contract, pursuant to the following terms and conditions.

A. **Continuation of Community School**. The **Governing Authority** and the **Sponsor** agree that the **Governing Authority** may continue to operate the community school (hereinafter referred to as the "**School**") as permitted by and subject to applicable federal laws, the laws of the state of Ohio, and the terms of this Contract. The **Governing Authority** shall be responsible for carrying out the provisions of this Contract, unless the Contract specifically places a duty upon the **Sponsor**.

B. **Community School Obligations**. The **Governing Authority**, for itself and on behalf of the **School**, covenants and agrees as follows:

1. As required by Section 3314.03(A)(1) of the Ohio Revised Code, the **School**, having been established as either a nonprofit corporation (if established under Chapter 1702 of the Ohio Revised Code prior to April 8, 2003), or a public benefit corporation (if established after April 8, 2003), shall be operated and maintain its status as a nonprofit corporation in good standing.

2. The **School's** Certificate of Incorporation, Articles of Incorporation, Appointment of Statutory Agent, Code of Regulations, Taxpayer Employer ID No., Ohio certificate of non-profit status, and IRS Letter of Determination of the **School's** federal tax-exempt status (or, until the Letter of Determination is issued, copy of the submitted IRS Form 1023) are attached as **ATTACHMENT 1** to this Contract. If any of these documents are modified or created subsequent to this Contract being

executed, the **School** must submit these documents to the **Sponsor** in a timely manner, not to exceed 30 days after receipt or execution.

3. Except as otherwise addressed or permitted by this Contract or the **Sponsor**, any third-party service contracts entered into or amended after the effective date of this Contract shall provide for a right to cancel, terminate, or non-renew effective upon the termination or expiration date of this Contract.

4. In accordance with the Ohio Revised Code, as a community school pursuant to Chapter 3314 of the Ohio Revised Code, the **School** shall comply with Sections 9.90, 9.91, 109.65, 121.22, 149.43, 2151.357, 2151.421, 2313.19, 3301.0710, 3301.0711, 3301.0712, 3301.0715, 3301.0729, 3301.24, 3301.948, 3302.037, 3313.472, 3313.473, 3313.474, 3313.50, 3313.539, 3313.5310, 3313.5318, 3313.5319, 3313.608, 3313.609, 3313.6012, 3313.6013, 3313.6014, 3313.6020, 3313.6024, 3313.6026, 3313.6028, 3313.6029, 3313.6031, 3313.643, 3313.648, 3313.6411, 3313.6413, 3313.66, 3313.661, 3313.662, 3313.666, 3313.667, 3313.668, 3313.669, 3313.6610, 3313.67, 3313.671, 3313.672, 3313.673, 3313.69, 3313.71, 3313.716, 3313.718, 3313.719, 3313.7112, 3313.7117, 3313.721, 3313.753, 3313.80, 3313.814, 3313.816, 3313.817, 3313.818, 3313.819, 3313.8110, 3313.86, 3313.89, 3313.96, 3319.073, 3319.077, 3319.078, 3319.0812, 3319.238, 3319.318, 3319.321, 3319.324, 3319.39, 3319.391, 3319.393, 3319.41, 3319.46, 3319.614, 3319.90, 3320.01, 3320.02, 3320.03, 3320.04, 3321.01, 3321.041, 3321.13, 3321.14, 3321.141, 3321.17, 3321.18, 3321.19, 3322.20, 3322.24, 3323.251, 3327.10, 4111.17, 4113.52, 5502.262, 5502.703, and 5705.391 and Chapters 117., 1347., 2744., 3365., 3742., 4112., 4123., 4141., and 4167. of the Ohio Revised Code, as if it were a school district and will comply with Section 3301.0714 of the Ohio Revised Code in the manner specified in Section 3314.17 of the Ohio Revised Code. Additionally, if applicable, the **School** will comply with Sections 3301.50 to 3301.59 of the Ohio Revised Code and the minimum standards for preschool programs prescribed in rules adopted by the Department of Children and Youth under Section 3301.53 of the Ohio Revised Code, as well as Section 3313.7118 of the Ohio Revised Code if it serves elementary school students.

   The **School** will comply with Sections 3313.6021 and 3313.6023 of the Ohio Revised Code as if it were a school district unless it is an internet- or computer-based community school, or a community school in which a majority of the enrolled students are children with disabilities as described in division (B)(2) of Section 3314.35 of the Ohio Revised Code. The **School** will comply with Section 3321.191 of the Ohio Revised Code, unless it is an internet- or computer-based community school that is subject to Section 3314.261 of the Ohio Revised Code.

   As outlined in Section 3323.012 of the Ohio Revised Code, the **School** is considered a school district for purposes of Chapter 3323 of the Ohio Revised Code. The **School** is also considered a school district for all purposes provided for in Section 3314.082 of the Ohio Revised Code. The **Governing Authority** and **School** shall also comply with Chapter 102 and Section 2921.42 of the Ohio

Revised Code and must have a conflicts of interest policy. The **Governing Authority** and **School** will comply with Sections 3302.04 and 3302.041 of the Ohio Revised Code, except that any action required to be taken by a school district pursuant to those Sections shall be taken by the **Sponsor** in accordance with the Ohio Revised Code. The **School** shall comply with federal and state laws regarding the education of students with disabilities.

To comply with requirements in this Section, members of the **Governing Authority**, the designated fiscal officer, the Chief Administrative Officer, other administrative employees of the **School**, and, if applicable, all individuals performing supervisory or administrative services for the **School** under a contract with the operator shall complete training on an annual basis on the public records and open meetings laws as may be required by law. All **Governing Authority** members shall annually submit to the **Sponsor** a conflicts of interest disclosure.

The **School**, unless it is an internet- or computer-based community school, will comply with Section 3313.801 of the Ohio Revised Code, as if it were a school district.

5. The **School** and **Governing Authority** shall not carry out any act or perform any function that is not in compliance with the Ohio Community School Law located in Ohio Revised Code Chapter 3314 or other applicable laws in the Ohio Revised Code, the United States Constitution, the Ohio Constitution, or Federal law.

6. **ATTACHMENT 2** contains the deed or lease agreement and an outline of the **School** facilities including: a detailed description of each facility used for instructional purposes, specifying the location of the **School**, the physical and/or mailing address, and approximate number of square feet utilized by the **School**; the annual costs associated with leasing each facility that are paid by or on behalf of the **School**; if applicable, the annual mortgage principal and interest payments that are paid by the **School**; and the name of the lender or landlord, identified as such, and the lender's or landlord's relationship to the operator, if any. The facilities used by the **School** will not be changed or altered in a way that would materially impact the available square footage without the prior written consent of the **Sponsor**, which consent shall not be unreasonably withheld, delayed, or conditioned. To the extent that square footage is moved or replaced with alternative classroom settings, the **Sponsor** must consent to any such changes which consent shall not be unreasonably withheld, delayed, or conditioned.

   If the **School** changes or expands its location, and such location has been or will be leased, no lease shall be signed by the **Governing Authority** unless in accordance with the financial plan included with **ATTACHMENT 7**, which may be revised to include the specifics of the costs for the new location. The **Sponsor** shall have the right to inspect the site before a lease is signed. If the location has been or will be purchased by the **Governing Authority**, the contract of sale and related documents shall not be signed unless in accordance with the financial plan included with

ATTACHMENT 7, which may be revised to include the specifics of the costs for the new location. Approval of the financial plan or site shall not be unreasonably withheld, delayed, or conditioned. After leasing or purchasing a site, a copy of the fully executed lease or conveyance documents, subsequent amendments, modifications, or renewals thereof, and all related documents shall be provided to the **Sponsor** within 10 business days and included in **ATTACHMENT 2**, along with updated facilities information as specified above and in Section 3314.03(A)(9) of the Ohio Revised Code.

Any facility used for or by the **School** shall meet all applicable standards established by state or federal law for community school buildings, including, but not limited to, all requirements imposed by the Americans with Disabilities Act unless legally exempted.

The **Governing Authority** recognizes the rights of public health and safety officials to inspect the facilities of the **School** and to order the facilities closed if those facilities are not in compliance with health and safety laws and regulations.

The Ohio Department of Education and Workforce has the authority as the community school oversight body to suspend the operation of the **School** under Section 3314.072 of the Ohio Revised Code if the Ohio Department of Education and Workforce has evidence of conditions or violations of law at the **School** that pose an imminent danger to the health and safety of the **School's** students and employees working in the **School** and the **Sponsor** refuses to take such action.

7. The **School** shall be authorized to provide learning opportunities for grades K-12 for at least 25 students for a minimum of 920 hours per school year or in accordance with any applicable changes of law.

8. The **School** was not a non-public chartered or non-chartered school in existence on January 1, 1997. This representation is material, and if in error, the **Sponsor** may terminate this Contract. For purposes of this Section, if the **School** is new but the faculty and students in 1997 were almost all located at the same non-public chartered or non-chartered school in existence on January 1, 1997, the **School** will be considered to be a non-public chartered or non-chartered school.

9. The **School** shall be nonsectarian in its programs, admissions policies, employment practices, and all other operations, and it will not be operated by a sectarian school or religious institution.

10. A list of the current members of the **Governing Authority**, including all contact information required by law, is included as **ATTACHMENT 3**. A description of the process by which the **Governing Authority** of the **School** shall be selected in the future shall also be included, unless that process is outlined in the Code of Regulations included with **ATTACHMENT 1**. The **Governing Authority** shall consist of not less than 5 members and a majority of the members must be

comprised of individuals who live or work in the county in which the **School** is located, or an adjacent county. In accordance with Section 3314.035 of the Ohio Revised Code, the **Governing Authority** shall ensure the name of each member is posted on the **School's** website. For new members, the **School's** website shall be updated within 30 days of appointment.

No person shall serve on the **Governing Authority** under any of the circumstances prohibited by Section 3314.02(E) of the Ohio Revised Code, including, but not limited to, serving on the governing authority of more than 5 community schools at the same time, unless as allowed by Section 3314.02(E)(3) of the Ohio Revised Code. Additionally, in accordance with Section 3314.02(E)(7), each then current member of the **Governing Authority** shall make the required annual disclosures by October 31 of each year or within 60 days of appointment to the **Governing Authority**.

Meetings of the **Governing Authority** must occur at least 6 times per year in the county in which the **School** is located, or an adjacent county, and at least 1 meeting must be held at the **School**. Unless the **Governing Authority** has approved a different rule in compliance with the requirements in Section 121.22 of the Ohio Revised Code, proper notice of any regularly scheduled meeting and all special meetings shall be published on the **School's** website and any other location that the **School** determines would be useful to provide notice of its public meeting. Written notification of any regularly scheduled meeting shall be provided to the **Sponsor** at least 7 days in advance and notice to the **Sponsor** shall be provided immediately upon the scheduling of any special or emergency meeting. Appropriate documents related to any public meeting under Section 121.22 of the Ohio Revised Code shall be provided to the **Sponsor** at the same time they are provided to **Governing Authority** members.

At all times, 1 representative of the **Sponsor** or its designee shall be granted all rights and privileges associated with being a non-voting member of the **Governing Authority**, but shall not be considered a member of the **Governing Authority** under any provision of Ohio law or this Contract. This representative or designee has the authority to attend all executive sessions, unless explicitly excused by the **Governing Authority** so that the **Sponsor** may be discussed or to avoid unintentional waiver of attorney-client privilege. Any **Sponsor** representative or designee present during executive session of the **Governing Authority** must maintain appropriate confidentiality. This confidentiality requirement does not preclude the individual from sharing information with other employees or agents of the **Sponsor**, as long as the employees or agents require such information to perform services under this Contract and likewise maintain the level of confidentiality of information discussed in such executive sessions as is required of members of the **Governing Authority**.

All members of the **Governing Authority** must be approved by the **Sponsor** prior to appointment as an official member counted for quorum and voting purposes,

which approval shall not be unreasonably withheld, delayed, or conditioned. Any individual under final consideration for appointment to the **Governing Authority** shall have an Ohio and federal criminal records check conducted in the manner described in Section 3319.39 of the Ohio Revised Code and as may be required by law every 5 years after the initial criminal records check is performed. The results of these criminal records checks shall be provided first to the **Governing Authority** or its legal counsel and then to the **Sponsor**. Any consent needed to forward the results of the criminal records checks by prospective **Governing Authority** members shall be obtained by the **Governing Authority**. The names, mailing addresses, electronic mail addresses, telephone numbers, and biographical information reflecting experience, education, and/or professional information of current and prospective members of the **Governing Authority** shall also be provided to the **Sponsor**. To the extent that the **Sponsor** needs assistance from the **Governing Authority** confirming the lack of findings of recovery, assistance from the **Governing Authority** will not be unreasonably withheld.

Within 1 year of appointment to the **Governing Authority**, all members without community school governing authority experience must attend at least 8 hours of training. Any training offered by the **Sponsor** shall be free of charge. The annual training required in Section 3314.037 of the Ohio Revised Code shall count toward the required hours of training noted above. The **Governing Authority** shall be permitted to obtain training from an outside provider with approval given by the **Sponsor**, which approval shall not be unreasonably withheld, delayed, or conditioned.

The **Governing Authority** may provide by resolution for the compensation of each of its members in accordance with Ohio law. The **Governing Authority** shall submit such a resolution to the **Sponsor** promptly upon its approval.

Additionally, any attorney, accountant, or entity specializing in audits contracted by the **Governing Authority** shall be independent from the **Sponsor** and operator as contracted by the **Governing Authority**.

11. The **School's** Chief Administrative Officer will be the **School's** leader and chief administrator. This individual is responsible for the daily operations at the **School** and will be listed in any state reporting system as the Superintendent, or other similar title. Within 5 business days, the **School** or the **School's** designee shall notify the **Sponsor**, in writing, of any change in the identity of the **School's** Chief Administrative Officer and shall include any documentation required by law.

12. The **School** shall begin operation for the academic year no later than September 30 (unless it is a drop-out prevention and recovery program) by teaching the minimum number of students required by law or this Contract.

13. The **School's** Educational Plan, including its mission, academic goals, characteristics of students the **School** is hoping to attract (including ages and

grades), instructional program and methods, focus of the curriculum, educational philosophy of the **School**, and a description of the learning opportunities that will be offered to students (including both classroom and non-classroom based learning opportunities, if present) that complies with the criteria for student participation in Section 3314.08(H)(2) of the Ohio Revised Code are attached as **ATTACHMENT 4**. If applicable, **ATTACHMENT 4** shall also include a notation if the **Governing Authority** is seeking designation as a STEM school equivalent under Section 3326.032 of the Ohio Revised Code, and, if the **School** is operating using the blended learning model as defined in Section 3301.079 of the Ohio Revised Code, the required information as outlined in Section 3314.03(A)(29) of the Ohio Revised Code. The **Governing Authority** shall give the **Sponsor** advanced written notice of its desire to update **ATTACHMENT 4**; however, changes shall not be implemented without prior written approval of the **Sponsor**, which approval shall not be unreasonably withheld, delayed, or conditioned. Additionally, if the **School** is serving any of grades K-8, multiple grade levels shall not be served concurrently in the same classroom without prior written approval of the **Sponsor**, which approval shall not be unreasonably withheld, delayed, or conditioned.

In the event the **School** is at risk of state-issued sanctions, including, but not limited to, permanent closure based upon poor academic performance, the **Sponsor** may take prompt action to require additional information and requirements be incorporated into **ATTACHMENT 4**. In such an instance, the **School** and **Governing Authority** agree to comply with reasonable requests, including, but not limited to, an in-depth evaluation of the **School's** curriculum and instructional methods by qualified curriculum and instructional professionals, quarterly reviews of the School Improvement Plan, and any other items deemed necessary by the **Sponsor**.

14. The Performance and Accountability Plan is included as **ATTACHMENT 5** and identifies the minimum performance standards and/or performance requirements to be satisfied by the **Governing Authority** and the **School** in the Core Performance Areas of legal compliance, organization and operational performance, financial performance, and student and academic performance, including all applicable report card measures set forth in Sections 3302.03 or 3314.017 of the Ohio Revised Code.

Within 60 days of being notified by the **Sponsor**, the **Governing Authority** shall submit a Performance Improvement Plan, as outlined in the Performance and Accountability Plan, for any individual indicator, goal, or data point where the **Governing Authority** or **School** did not meet the standards.

The Performance and Accountability Plan will be a significant factor in any **Sponsor** action in accordance with Section F. of this Contract, including, but not limited to, requiring a Performance Improvement Plan, being placed on probation, or issuing an intent to suspend operations. Additionally, an egregious underperformance or a consistent inability to meet the standards of indicators,

goals, or data points in any of the Core Performance Areas will also factor into any action taken by the **Sponsor**. The **Sponsor** reserves the right to make changes to the Performance and Accountability Plan as necessary. The **Governing Authority** recognizes that these changes may be required and the **Sponsor** agrees to reasonably negotiate any changes with the **Governing Authority**, prior to implementation.

The **School** shall timely administer all statewide achievement assessments required by law, and the results of the assessments will be a factor used to determine progress toward meeting the student and academic performance requirements included in the Performance and Accountability Plan.

15. Within 4 months after the end of each school year, the **Governing Authority** must submit a report of its activities and progress in meeting the goals and standards set forth in this Contract and its financial status to the **Sponsor** and the parents of all students enrolled in the **School**.

16. The **Governing Authority** or its designee shall report annually to the **Sponsor** and the Ohio Department of Education and Workforce on the day set by the Ohio Department of Education and Workforce all of the reporting requirements set by Chapter 3314 of the Ohio Revised Code, including, but not limited to, those found in Section 3314.08(B) of the Ohio Revised Code.

17. The **Governing Authority** or its designee shall report in writing every month to the **Sponsor** with statistics and other items required by the **Sponsor**, including financials, enrollment, staff and teacher turnover, expulsions, suspensions, and shall respond promptly to the **Sponsor's** inquiries regarding such information or other matters the **Sponsor** reasonably deems important. The **Sponsor** shall be allowed to observe the **School** in operation at site visits and shall have open access for such visits. The **Sponsor** will use its reasonable discretion when determining when to conduct such visits, and, while visiting the **School**, the **Sponsor** shall use best efforts to avoid undue disruption of the learning environment. Upon the written request of **Sponsor**, the **Governing Authority** shall also report in writing all of the following data: total assets, current assets, total liabilities, current liabilities, total number of people on payroll, gross revenue, occupancy cost, payroll/instruction cost, state revenue, operator fee cost, grant revenue, and total number of students.

The **Governing Authority**, **School**, and **Sponsor** agree and state that pursuant to 20 U.S.C. Section 1232g, the Family Educational Rights and Privacy Act ("FERPA") and 34 CFR Part 99, the **Sponsor** is an authorized representative of a state educational authority and that the **School** is permitted to disclose to the **Sponsor** personally identifiable information from an education record of a student without parental consent (or student consent where applicable) so long as the **Sponsor** has a necessary and a legitimate educational interest. Uses of the information may include conducting audits, compliance evaluations, and other reviews as necessary for the **Sponsor** to carry out its statutory duties. Accordingly,

the **School** agrees to grant to **Sponsor's** employees with an applicable legitimate educational interest access as defined hereinafter to "education records" as defined by FERPA and all documents, records, reports, databases, and other information made available to or maintained by the **School** or its agent(s) (including, if applicable, the operator) that is reportable to the Ohio Department of Education and Workforce or its agencies, to the Ohio Auditor of State, or to any outside vendor, and to which the **Sponsor** has a legitimate educational interest. Such information shall include, but is not limited to, the School Options Enrollment System, and the Education Management Information System, or any successor systems. "Full and complete access" shall include the ability to inspect and copy paper and electronic documents at the **School** and the **School** or its agent(s) (including, if applicable, the operator) shall provide usernames and passwords where applicable to enable the **Sponsor** to have remote self-service access in read-only format, if available.

The **Governing Authority** hereby appoints the **Sponsor** as a representative pursuant to Section 3319.39(D) of the Ohio Revised Code, for purposes of receiving and reviewing the results of criminal records checks performed pursuant to Section 3319.39(A)(1) of the Ohio Revised Code for employees working at the **School** and authorizes its agent(s) (including, if applicable, the operator) to communicate this information directly to the **Sponsor**.

The **Sponsor** agrees to comply with FERPA and the regulations promulgated thereunder and warrants that it uses reasonable methods to limit **Sponsor** employee access to only those records in which they have legitimate educational interests and that as required by law the **Sponsor** will destroy all copies of the educational records when no longer needed for the purposes outlined in this Contract, or otherwise needed under state or federal law or any applicable court order.

The **Sponsor** agrees that it is responsible for any and all reasonable costs or damages that result from the **Sponsor's** failure to comply with FERPA, or the **Sponsor's** failure to comply with other state and federal laws regarding the privacy of education records and the results of criminal records checks. **Sponsor** shall also be responsible for any liability or adverse consequence(s) resulting from an accidental or other deletion, release, or alteration of information or data systems of the **School** or Ohio Department of Education and Workforce as a result of such access.

18. The admission procedures of the **School** are set forth in **ATTACHMENT 6** and shall comply with Section(s) 3314.06, and, if applicable, 3314.061 of the Ohio Revised Code, including the following requirements:

    (a) Specify that the **School** will not discriminate in its admission of students to the **School** on the basis of gender, race, religion, color, national origin, disability, intellectual ability, athletic ability, or measurement of achievement or aptitude; and,

(b) Be open to any individual entitled to attend school in the state of Ohio pursuant to Section 3313.64 or Section 3313.65 of the Ohio Revised Code, except that admission to the **School** may be limited to (i) students who have obtained a specific grade level or are within a specific age group; (ii) students who meet a definition of "at-risk" that the parties to this Contract agree upon, and/or; (iii) residents of a specific geographic area within the district as defined in this Contract.

The **Governing Authority** and **School** shall allow the enrollment of students who reside in any district in the state of Ohio, unless the admissions procedures set forth in **ATTACHMENT 6** establishes a different and lawful enrollment policy.

The **School** will not restrict its marketing or recruiting efforts to any particular racial or ethnic group, but will attempt to achieve the racial and ethnic balance reflective of the community it serves. The **School's** methods for achieving this balance are described in **ATTACHMENT 6**.

Notwithstanding the admissions procedures of this Contract, in the event that the racial composition of the enrollment of the **School** violates a federal desegregation order, the **School** shall take all corrective measures to comply with the desegregation order.

If the number of applicants exceeds the capacity of the **School's** programs, classes, grade levels, or facilities, then students shall be admitted by lot from all eligible applicants, except preference shall be given to students attending the **School** the previous year and to students who reside in the district in which the **School** is located. Preference may also be given to eligible siblings of students attending the **School** the previous year and children of full-time staff members employed by the **School**, provided the total number of children of staff members receiving this preference is less than five percent of the **School's** total enrollment.

19. Tuition in any form shall not be charged for the enrollment of any student, except for the enrollment of any student who is not a resident of Ohio in accordance with Section 3314.08(F) of the Ohio Revised Code. The **School** shall not require contributions either from any student eligible to enroll or enrolled in the **School** or from any parent or guardian of a student who is enrolled or intending to enroll in the **School**. Nothing in this Section shall prevent the **School** from charging reasonable class, book, or similar fee(s), or engaging in voluntary fund-raising activities.

20. The **School** shall follow all reasonable dismissal procedures, according to Section 3314.03(A)(6)(a) of the Ohio Revised Code.

21. The **Governing Authority** shall adopt a school attendance policy that includes procedures for verifying attendance, as required by law, and for automatically withdrawing a student from the **School** if the student, without legitimate excuse, fails to participate in 72 consecutive hours of the learning opportunities offered to

the student. Attendance and participation policies will be available for public inspection. Attendance and participation records shall be made available to the Ohio Department of Education and Workforce, the Ohio Auditor of State, and the **Sponsor**, to the extent permitted by FERPA and Section 3319.321 of the Ohio Revised Code.

The **Governing Authority** shall adopt an enrollment and attendance policy or policies requiring a student's parent to notify the **School** when there is a change in the location of the parent's or student's primary residence. Such policy or policies shall also require the verification of student residence and address information for students enrolling in or attending the **School**.

22. The **Governing Authority** shall adopt a policy regarding suspension, expulsion, emergency removal, and permanent exclusion of a student that specifies, among other things, the types of misconduct for which a student may be suspended, expelled, or removed, and the due process related to any action taken under this Section. The policy and practices shall comply with the requirements of Sections 3313.66, 3313.661, and 3313.662 of the Ohio Revised Code. Those policies and practices shall not unlawfully infringe upon the rights of students with disabilities as provided by state and federal law.

23. Unless operations are suspended in accordance with Section 3314.072 of the Ohio Revised Code, the **School** must remain open for students to attend until the end of the school year in which it is determined that the **School** must close. The programs provided to students in the final year of the **School** must continue without interruption or reduction to the fullest extent possible, unless program changes are approved in writing by the **Sponsor**. The **Sponsor** may, but is not obligated to, assume operation of the **School** as provided for in Section 3314.073 of the Ohio Revised Code. Provided prior written notice is delivered to all members of the **Governing Authority**, and a reasonable opportunity to cure, the **Sponsor** may also remove or replace members of the **Governing Authority** if the member abandons or materially breaches their duties under this Contract or at law in a manner that could cause immediate and irreparable harm to the **School** and/or its students.

24. At least 1 full-time classroom teacher or 2 part-time classroom teachers each working more than 12 hours per week must be employed to work in the **School**. The full-time classroom teachers and part-time classroom teachers working more than 12 hours per week shall be licensed in accordance with Sections 3319.22 to 3319.31 of the Ohio Revised Code. Pursuant to Section 3319.301 of the Ohio Revised Code, non-licensed persons, who are otherwise qualified, may teach up to 12 hours per week. Non-licensed persons, who are otherwise qualified, teaching in a STEM school or an industry-recognized credential program offered at a dropout recovery community school may teach classes for not more than 40 hours per week in the **School**. In accordance with Section 3314.104 of the Ohio Revised Code, the **School** shall not employ an individual in any position if the State Board of Education permanently revoked or permanently denied the individual a license under section 3319.31 of the Ohio Revised Code or if the individual entered into a

consent agreement under division (E) of section 3319.311 of the Ohio Revised Code in which the individual agreed never to apply for a license after the date on which the agreement was entered into. The student to full-time equivalent classroom teacher ratio shall be no more than 28:1 without prior written approval of the **Sponsor**, which will not be unreasonably withheld. The **School** may employ non-teaching employees.

If the **School** is the recipient of moneys from a grant awarded under the federal race to the top program, Division (A), Title XIV, Sections 14005 and 14006 of the "American Recovery and Reinvestment Act of 2009," Pub. L. No. 111-5, 123 Stat. 115, the **School** will pay teachers based upon performance in accordance with Section 3317.141 and will comply with Section 3319.111 of the Ohio Revised Code as if it were a school district.

25. Although the **Governing Authority** may employ teachers and non-teaching employees necessary to carry out its mission and fulfill this Contract, no contract of employment shall extend beyond the expiration of this Contract or termination according to the procedures set forth in the Ohio Revised Code.

26. The **Governing Authority** shall specify any arrangements for providing health and other benefits to employees. To the extent required by law, the benefits provided by the **School** must include and are subject to Chapters 3307 and 3309 of the Ohio Revised Code ("STRS" and "SERS"), as applicable.

27. The **School's** financial records shall be maintained in the same manner as are financial records of school districts, pursuant to rules of the Ohio Auditor of State.

The **School** shall submit to the **Sponsor** no later than November 15th of each year a draft of the statutorily-required reports to be generated and submitted to the Ohio Auditor of State no later than 150 days following the close of the fiscal year. In the event this statutory requirement is lifted, the **School** shall be required to comply with relevant statutory provisions.

The **School** shall meet the requirements of the duly authorized laws, rules, and procedures for program and financial audits established by the Ohio Auditor of State and the Ohio Department of Education and Workforce. The audits shall be conducted in accordance with Section 117.10 of the Ohio Revised Code.

The **Sponsor** may order a financial audit of the **School** if, in the sole discretion of the **Sponsor**, the **Sponsor** has reason to believe that the **School** has:

(a) Engaged in, been a victim of, or is in any way otherwise connected to irregularities or improprieties involving the **School's** finances;

(b) Improperly maintained its financial records; and/or,

(c) Insufficient financial controls in place.

If an audit is ordered under this Section, the **Governing Authority** or **School** shall pay the costs. In the event this audit does not materially support findings regarding any of the reasons for which the **Sponsor** may order such audit as described in (a) through (c) above, the **Sponsor** shall reimburse the **Governing Authority** or **School** for direct costs associated with a third-party auditor within a reasonable time period.

Any breach of this provision will be considered a material breach. The **Sponsor** may exercise all rights afforded to it under statutory or common law to enforce this provision. To the extent that the **Sponsor** incurs damages based upon the **School's** breach of this provision, the **School** agrees to compensate the **Sponsor** for all reasonable costs and damages resulting directly from the **School's** breach of this provision.

28. The fiscal year for the **School** shall begin July 1 and end June 30 of the following year.

29. A financial plan detailing a projected **School** budget for each fiscal year of this Contract and specifying the total estimated per pupil expenditure amount for each such year is included with **ATTACHMENT 7**. The **Governing Authority** and **School** agree that if a deficit is projected, the parties will take appropriate measures to budget for a positive cash flow. All projected and actual revenue sources must be included in the plan. In accordance with Section 3314.042 of the Ohio Revised Code, the **Governing Authority** agrees to comply with Section 3301.07(B)(2) of the Ohio Revised Code in terms of financial reporting.

An appropriately licensed and bonded, fiscal officer shall be designated by the **Governing Authority**. Except as provided by Section 3314.011(D) of the Ohio Revised Code, the fiscal officer shall be employed by or engaged under a contract with the **Governing Authority** of the **School**. The **School's** designated fiscal officer shall maintain the internal financial controls, as approved by the **Governing Authority**, and carry a bond for this individual **School** in an amount no less than $25,000.00. All revenue received by the **School** pursuant to state or federal law, or pursuant to a grant shall be placed in the custody of the fiscal officer. The fiscal officer's bond, proper contact information, license, and the approved policies and procedures establishing internal financial controls shall be included in **ATTACHMENT 7**. If the fiscal officer changes, the **Governing Authority** shall immediately notify the **Sponsor** in writing and provide updated fiscal officer documentation within 10 business days, such as confirmation of the bond and other requirements of this Contract as they relate to the **School's** fiscal officer.

The **Governing Authority** agrees that annual documents created or overseen by the fiscal officer, including but not limited to the three-year forecast, annual operating budget, and federal spending plan, shall not be approved at a meeting unless the fiscal officer participates either in-person or by means of teleconference, video conference, or any other similar electronic technology, for the discussion of

those documents. If the fiscal officer is unable to participate in the meeting, an individual designated by the fiscal officer, who is familiar with the document(s) being discussed and can answer questions posed by the **Governing Authority**, can be substituted.

If the Ohio Auditor of State or other independent auditor concludes the **School**'s financial records are unauditable, for any fiscal year in which the individual listed in **ATTACHMENT 7** was the fiscal officer of the **School**, the **School** shall take immediate action to suspend the fiscal officer and retain the services of another fiscal officer in good standing.

If the **Governing Authority** enters into an agreement with an operator to manage daily operations at the **School**, the **Governing Authority** agrees to procure from the operator, sufficient data, at the **Sponsor's** discretion, to allow the **Sponsor** to review the **Governing Authority** and **School's** financial information relative to revenue, expenses, and all other financial information allowed by law.

30. Pursuant to Section 3314.08(G) of the Ohio Revised Code, the **School** may borrow money to pay any necessary and actual expenses of the **School** in anticipation of receipt of any portion of the payments to be received by the **School** pursuant to Section 3317.022 of the Ohio Revised Code. The **School** may issue notes to evidence such a borrowing to mature as necessary. The proceeds from the notes shall be used only for the purposes for which the anticipated receipts may be lawfully expended by the **School**. The **School** may borrow money for a term not to exceed 15 years for the purpose of acquiring facilities. Any monies loaned to the **School** by the operator, including facilities loans or cash flow assistance, must be accounted for, documented, and bear interest at a fair market rate.

31. The **Governing Authority** shall purchase, or ensure that, insurance coverage providing for the general liability of the **School** is maintained at all times. The **Governing Authority** shall ensure that this liability insurance policy provides coverage for itself; the **School** and its employees; and shall include the **Sponsor**, its Board, officers, employees, and contractors of the **Sponsor** as additional insureds thereunder. The policy or certificate indicating coverage shall be provided to the **Sponsor** upon execution of this Contract. This policy shall provide coverage in amounts not less than $1 million per occurrence, $2 million in the aggregate, and at least a $5 million umbrella covering all claims otherwise payable under the policy. The **Governing Authority** shall provide documentation regarding any change in or renewal of this policy to the **Sponsor** as soon as reasonably practicable following the renewal of the policy and shall require the insurer to notify the **Sponsor** in writing promptly upon receiving notification from the insurer of any material adverse change to, or cancellation of, such coverage. To the extent obtained under this Contract, the **School** must provide copies of all commercial general liability, real or personal property, directors and officers liability insurance, proof of workers' compensation payments, and unemployment compensation payments, and notice of lapse of any such coverage to **Sponsor** within 5 business days of written request by the **Sponsor**.

32. The **Governing Authority** and **School** shall indemnify and hold harmless the **Sponsor** and its Board, and their respective members, employees, agents, and officers, from any claims, demands, actions, suits, causes of action, obligations, losses, costs, expenses, attorneys' fees, damages, judgments, orders and liabilities of whatever kind or nature, in law, equity or otherwise, arising from any of the following, which include, but are not limited to:

(a) A failure of the **Governing Authority** and/or **School** or any of its officers, trustees, directors, employees, successors, agents, or contractors to perform any duty, responsibility, or obligation imposed by law or by this Contract; and/or

(b) An action or omission by the **Governing Authority** and/or **School** or any of its officers, trustees, directors, employees, successors, agents, or contractors that result in injury, death, or loss to person or property, breach of contract, or violation of statutory law or common law (state and federal).

The entering into of this Contract and the oversight of the **Sponsor** of the **School** and the **Governing Authority** pursuant to this Contract, shall in no way implicate the **Sponsor** or render it liable or responsible for the acts or omissions of the **Governing Authority** or the **School**.

The parties agree that the **Governing Authority** and **School** will not be required to indemnify the **Sponsor** and its Board to the extent that the relevant actions were attributable to specific acts or omissions by the **Sponsor** and/or its Board. In addition, in the event that the **Governing Authority** and **School** engage in litigation that is adverse with the **Sponsor** and/or its Board, or vice versa, no indemnification applies.

To comply with Ohio law, this indemnification provision is limited to $5 million. The **Governing Authority** and **School** hereby agree that it will name the **Sponsor** as an additional insured under its required insurance policies up to and including the required amount of indemnification.

33. Where required by this Contract, the **Governing Authority** and **School** shall comply with all reasonable requests of the **Sponsor**. Unless otherwise directed in writing for a longer period of time, any reasonable request of the **Sponsor** shall be fulfilled in writing within 10 business days.

34. If the **School** includes a high school, the **School** shall comply with Sections 3313.61, 3313.611, 3313.614, 3313.617, 3313.618, and 3313.6114 of the Ohio Revised Code, except with regard to students who entered ninth grade for the first time before July 1, 2010, the requirement in Sections 3313.61 and 3313.611 of the Ohio Revised Code that a person must successfully complete the curriculum in any high school prior to receiving a high school diploma may be met by completing the

curriculum adopted by the **Governing Authority**. Beginning with students who entered ninth grade for the first time on or after July 1, 2010, the requirement in Section 3313.61 and 3313.611 of the Ohio Revised Code that a person must successfully complete the curriculum of a high school prior to receiving a high school diploma shall be met by completing the requirements prescribed in Section 3313.6027 and division (C) of Section 3313.603 of the Ohio Revised Code, unless the person qualifies under division (D) or (F) of that Section. The **School** shall comply with the plan for awarding high school credit based on demonstration of subject area competency, and beginning with the 2017-2018 school year, with the updated plan that permits students enrolled in seventh and eighth grade to meet curriculum requirements based on subject area competency adopted by the Ohio Department of Education and Workforce under divisions (J)(1) and (2) of Section 3313.603 of the Ohio Revised Code. Beginning with the 2018-2019 school year, the **School** shall comply with the framework for granting units of high school credit to students who demonstrate subject area competency through work-based learning experiences, internships, or cooperative education developed by the Ohio Department of Education and Workforce under division (J)(3) of Section 3313.603 of the Ohio Revised Code.

35. In addition to provisions provided in the Ohio Revised Code, any individual, responsible for the care, custody or control of a student, under final consideration for appointment or employment with the **Governing Authority** or **School** shall have an Ohio and federal criminal records check conducted in the manner described in Section 3319.39 of the Ohio Revised Code and as may be required by law every 5 years after the initial criminal records check is performed. The results of all employee criminal records checks will be provided to the **Sponsor** within 3 business days of receipt and/or appointment and subsequently upon request.

36. Pursuant to Section 3314.03(A)(35) of the Ohio Revised Code, the plan and procedures for the **School's** management and administration is fulfilled through various portions of ATTACHMENT 1 – Corporate Documents, ATTACHMENT 2 – School Facilities, ATTACHMENT 3 – Governing Authority, ATTACHMENT 4 – Education Plan, ATTACHMENT 7 – Financial Plan, ATTACHMENT 8 – Management Agreement, and ATTACHMENT 9 – Organizational Structure.

C. **Sponsor Obligations**. The **Sponsor** shall work with the **Governing Authority** to perform a high-stakes review before considering any renewal of this Contract pursuant to Section F., or, in the **Sponsor's** sole discretion, as appropriate based on the academic and/or financial performance, and at least once every five years. Additionally, and consistent with applicable law, the **Sponsor** shall provide monitoring, oversight, and technical assistance to the **Governing Authority** and **School** including, but not limited, to:

1. Monitoring the **School's** compliance with applicable law, and the terms of this Contract;

2. Monitoring and evaluating the academic and fiscal performance and the organization and operation of the **School** on at least an annual basis;

3. Submitting the necessary, sponsor-required reports to the Ohio Department of Education and Workforce, or other appropriate entities;

4. Providing technical assistance to assist the **School** in complying with applicable laws and this Contract;

5. Intervening and taking action as the **Sponsor** deems necessary in the **School's** operation to correct problems with overall performance, including, but not limited to, exercising its right to place the **School** on probation, suspend operations of the **School**, and/or terminate this Contract according to Sections 3314.073, 3314.072 or 3314.07, respectively, of the Ohio Revised Code;

6. Preparing and assisting with contingency plans in the event the **School** experiences financial difficulties or closes before the end of the school year;

7. Timely performance of any other duties related to the **School** that may be relegated to the **Sponsor** through state or federal law; and,

8. Pursuant to Section G. of this Contract and in compliance with Ohio law, the **Sponsor** will oversee the **Governing Authority** and **School's** actions in the closure of a community school established under Chapter 3314 of the Ohio Revised Code.

D. **Fee Structure**. The parties covenant and agree as follows:

1. As permitted by Section 3314.03(B) of the Ohio Revised Code, in consideration for time, organization, monitoring, oversight, technical assistance, fees, and costs of the **Sponsor** pursuant to this Contract, the **Governing Authority** shall pay to the **Sponsor** the amount of 3.0% of the total amount of payments for operating expenses that the **School** receives from the state each year. Such payments shall be paid based on invoices from the **Sponsor**. The invoices shall be payable within 10 days of receipt of the invoice and the **School's** receipt of the associated state funds. Calculations for the invoicing shall be taken from the Ohio Department of Education and Workforce-issued report identifying the amount of state funds paid to the **School** for the invoice period.

   The **Governing Authority** and/or **School's** financial obligations regarding any fees due to the **Sponsor** under this Contract prior to termination shall survive termination, non-renewal, and expiration of this Contract. The fees due shall be limited in coverage to the term of this Contract or the duration of the Contract whichever is shorter, provided, that the **Sponsor** shall be entitled to its fees related to amounts received by the **School** or **Governing Authority** which are related to periods prior to termination, non-renewal, or expiration of this Contract whether such amounts are actually received during or after the term of this Contract. Similarly, the **Sponsor** shall repay any fees it receives from the **School** or **Governing Authority**, as appropriate, related to amounts adjusted by the Ohio

Department of Education and Workforce that are related to periods prior to termination, non-renewal, or expiration of this Contract whether such adjustment is made during or after the term of this Contract. Such repayment shall be within a timeframe mutually agreed to or such time as may be required by the Ohio Department of Education and Workforce or the Ohio Auditor of State.

E. **Contract Authorization**. Prior to signing this Contract, each party must authorize, in accordance with applicable laws and regulations, the execution of this Contract and vest one or more individuals with the authority to execute this Contract for and on behalf of the party with full authority to bind that party. Upon its execution, the **Governing Authority** and **Sponsor** shall provide a resolution, or other verification, indicating authorization to execute this Contract.

F. **Renewal; Termination; Closure**. Upon the expiration of this Contract and approval of the **Governing Authority**, the **Sponsor** may elect to renew this Contract in accordance with Section 3314.03(D) of the Ohio Revised Code for a term determined by the **Sponsor**, but not expiring earlier than the end of any school year. The **Sponsor** may elect not to renew the Contract upon, or terminate the Contract prior to, its expiration pursuant to Section 3314.07 of the Ohio Revised Code; suspend operations of the **School** pursuant to Section 3314.072 of the Ohio Revised Code, which may or may not void this Contract under Section 3314.072(E) of the Ohio Revised Code; and/or, place the **School** on probation or assume operation of the **School** in accordance with Section 3314.073 of the Ohio Revised Code for any reason defined in Section 3314.07(B)(1) of the Ohio Revised Code or any of the following:

1. Failure to meet student performance requirements stated in this Contract and the Performance and Accountability Plan (**ATTACHMENT 5**);

2. Failure to meet generally accepted standards of fiscal management;

3. Violation of any provision of this Contract or applicable local, state, or federal law; or,

4. Other good cause.

The **Sponsor** and **Governing Authority** recognize the authority of the Ohio Department of Education and Workforce to act in accordance with Sections 3314.072 and 3314.015(C) of the Ohio Revised Code.

In reaching a decision on any **Sponsor** action as outlined in this Section, the **Sponsor** will consider all of the student performance requirements stated in this Contract and the Performance and Accountability Plan (**ATTACHMENT 5**), an egregious underperformance or a consistent inability to meet the standards of indicators, goals, or data points in any of the Core Performance Areas, as well as applying any other objective, reasonable criteria in accordance with the **Sponsor's** policies in its reasonable discretion, and state and/or federal law.

Not later than January 15 in the year in which the **Sponsor** intends to terminate or non-renew this Contract, the **Sponsor** shall notify the **Governing Authority** of the proposed action in writing. The notice shall include the reasons for the proposed action in detail. The **Governing Authority** may, within 14 days of receiving the notice, request in writing an informal hearing before the **Sponsor**, unless this time period is modified upon the agreement of both the **Governing Authority** and the **Sponsor**. No other appeals will be granted to the **Governing Authority** other than those provided for in Ohio law.

If the **Governing Authority** does not intend to renew this Contract with the **Sponsor**, the **Governing Authority** shall notify the **Sponsor** at least 180 days prior to the expiration date of this Contract in writing, or otherwise in compliance with Ohio law. If the **Governing Authority** issues notice under this Section F., the **Governing Authority** agrees that no further action from the **Sponsor** is necessary, the Contract shall expire at the end of the term set forth in Section I., and shall not be renewed.

In the event the **Governing Authority** provides notice to the **Sponsor** in accordance with this Section and Ohio law, the **Governing Authority** agrees to diligently pursue any necessary approval for changing sponsors and to apply for sponsorship with one or more eligible sponsors. The **Governing Authority** shall promptly respond to reasonable requests from the **Sponsor** regarding the status of such approval and the search for a different sponsor. By March 15 of the year this Contract expires, the **Governing Authority** shall provide the **Sponsor** with documentation showing that the **Governing Authority** has executed a charter contract with a different sponsor for a term beginning July 1 of that year, or, if it has not yet executed a charter contract, documentation which is sufficient to support the conclusion that a charter contract will be signed prior to July 1. For good cause and in the sole discretion of the **Sponsor**, the March 15 deadline can be extended until April 15. In the absence of undue hardship on students, good cause will exist under circumstances supporting that the **Governing Authority** will likely obtain a new sponsor. In the event the **Governing Authority** does not provide such documentation, the **Governing Authority** agrees to begin planning for closure and cease operations on June 30 if it does not have a signed sponsor contract to be effective July 1, and work with the **Sponsor** to ensure an orderly and timely school closure, including, but not limited to, prompt notification of parents and students.

G. **Closing the Community School**. Regardless of the reason the **School** is closing, once it is determined the **School** will cease operations as a community school established under Chapter 3314 of the Ohio Revised Code, the following requirements and procedures apply regarding the **Governing Authority** and the **School** (unless operations continue as a public school of an existing school district):

1. If the **School** is non-renewed or terminated under Sections 3314.07(B)(1)(a) or (b) of the Ohio Revised Code or permanently closed under 3314.35, the **School** shall permanently close at the end of the school year or applicable and lawful date. In the event the **School** permanently closes or the **Governing Authority** secures a new sponsor and for the time following expiration of this Contract, the **Sponsor**,

Governing Authority, and **School** agree to continue to follow all reporting requirements and relinquish all necessary documents until all of their responsibilities under this Contract are completed.

2. Upon termination of this Contract, by law or by these Contract provisions, or upon dissolution of the Ohio non-profit corporation which operates the **School**, all equipment, supplies, real property, books, furniture or other assets of the **School**, including, property acquired by the operator in the manner described in Section 3314.0210 of the Ohio Revised Code, shall be distributed in accordance with Sections 3314.015(E) and 3314.074 of the Ohio Revised Code, and the **Governing Authority's** Articles of Incorporation, and Code of Regulations.

3. Upon prior written request of the **Sponsor**, the **Governing Authority**, **School**, and/or their agents will immediately provide the **Sponsor** any and all documentation and records, including, but not limited to, financial records deemed necessary within reason by the **Sponsor** to facilitate the **School's** closure. This transmittal of documentation and records to the **Sponsor** excludes all students' educational records, which should be forwarded to the individual student's school district of residence or where the student has enrolled.

4. In accordance with Section 3314.44 of the Ohio Revised Code, the **School's** leader, as Chief Administrative Officer of the **School**, shall take all reasonable steps necessary to collect and assemble the students' educational records in an orderly manner and transmit the records to the student's school district of residence within 7 business days of the **School's** closing. The fiscal officer shall deliver all financial and enrollment records to the **Sponsor** within 30 days of the **School's** closure. The **School** agrees that any fiscal services agreement entered into after the effective date of this Contract will state that the fiscal officer is primarily responsible for all finance-related portions of the closing procedures if the **School** closes. Additionally, the **Governing Authority** agrees that the fiscal officer is primarily responsible for closing procedures related to the finances of the **School** and, upon the written request of the **Sponsor**, the **Governing Authority** agrees to remain in place and will use its best efforts to retain the services of a fiscal officer to complete a final audit, if the current fiscal officer is no longer available.

5. The **School** also hereby agrees that it will cooperate fully with **Sponsor** to complete the appropriate procedures and paperwork as outlined by the **Sponsor**, the Ohio Department of Education and Workforce, or in statute in the event the **School** is closed. Any refusal by the **School** to cooperate fully with **Sponsor** will be considered a material breach of this Contract.

6. In the event that this Contract is voided by operation of Section 3314.016(C) of the Ohio Revised Code or similar provision based upon sponsor rating, the parties agree that neither may seek damages as a result of the voiding of this Contract by operation of such a provision.

H. **Dispute Resolution**. Other than a dispute falling under Section F. of this Contract, for all other disputes regarding either any term of this Contract or any community school issue, the parties shall use the following non-binding dispute resolution procedure: The parties shall make initial attempts to resolve any dispute through an agent designated by the **Sponsor** and an agent designated by the **Governing Authority**. If those parties cannot resolve the dispute, the dispute will be submitted to mediation. The parties will take efforts to agree mutually on a mediator with relevant background and experience with community schools. In the event the parties cannot agree to a mediator within 21 days of the request for mediation, the party requesting dispute resolution will request a list of 7 mediators, with experience in charter schools and/or education from the Ohio State Bar Association but not a party who has ever represented the **Sponsor** or the **Governing Authority** or who is conflicted out due to business conflict reasons. Each party, beginning with the party requesting mediation, will strike one name from the list, until one name remains, which shall be the mediator.

The mediator shall conduct proceedings as he or she deems appropriate to resolve the dispute. The parties maintain sole discretion on resolution. Pending mediation, all other obligations of the parties hereto will continue as stipulated herein, and all monies not directly involved in such dispute or difference will be paid when due. The fees and expenses of the mediator shall be divided equally between the parties. All other costs or fees incurred by each party will be borne by the respective party.

This Contract shall be construed in accordance with, and governed by, the laws of Ohio. The parties agree that any legal action sought by either party in state court shall be brought in Franklin County, Ohio. Any legal action sought by either party in federal court shall be brought in the United States District Court for the Southern District of Ohio, Eastern Division, in Columbus, Ohio. Furthermore, the parties agree to waive all questions of personal jurisdiction or venue so as to give full effect to this provision.

I. **Term**. This Contract shall be for a term commencing on **July 1, 2025** and expiring on **June 30, 2031**.

J. **Management by Third Parties**. The **Governing Authority** may enter into a contract with an operator to assist with its obligations under this Contract or for any other lawful reason that does not conflict with the terms of this Contract. If the **Governing Authority** contracts with an operator, the **Governing Authority** shall immediately notify the **Sponsor**. The fully-executed management agreement between the **Governing Authority** and operator must be provided to the **Sponsor** and is attached as **ATTACHMENT 8**. Prior to the execution of any agreement with a new operator, the **Governing Authority** shall provide reasonable notice to the **Sponsor** and obtain the **Sponsor's** approval prior to changing operators. The **Governing Authority** shall make a written request for approval to the **Sponsor** and the **Sponsor** shall respond within fifteen business days. The **Sponsor's** approval of such change shall not be unreasonably withheld, delayed, or conditioned, and any decision to withhold approval must: (a) be provided in writing; (b) state the specific reason(s) for withholding approval; and (c) identify any conditions or corrective actions that, if satisfied, would result in approval. If the **Sponsor** does not issue a written decision

within fifteen business days or receive an extension in writing from the **Governing Authority**, approval shall be deemed granted. Any new, renewed, or amended management agreement shall comply with the provisions set forth in this Contract and Section 3314.032 of the Ohio Revised Code. Further, the **Governing Authority** shall ensure full compliance with additional requirements placed on its relationship with an operator, including, but not limited to, Sections 3314.02(E), 3314.0210, 3314.024, and 3314.036 of the Ohio Revised Code. Any changes to the management agreement shall be provided to the **Sponsor** within 10 business days, after which the **Sponsor** may notify the **Governing Authority** if it believes that any provisions do not comply with this Contract and the applicable law. The **Governing Authority** must hold all rights to the name or a license to use the name of the **School**.

K. **Organizational Structure**. The organizational structure and management / administration, employee, **Governing Authority** relationships must be accurately reflected in an organizational chart and attached as **ATTACHMENT 9**. Written summaries which describe working relationships of each entity if not in the contract itself must also be included. Any material modifications to the chart, relationships, descriptions, and/or positions must be submitted in written form to the **Sponsor** within 10 business days.

L. **Headings and Attachments**. Headings are for the convenience of the parties only. Headings have no substantive meaning. All **ATTACHMENTS 1-9** of this Contract are attached hereto and incorporated by reference into this Contract.

M. **Assignments and Modifications**. Subject to Section J. above, this Contract and its terms shall not be assigned or delegated without the written approval of the other party which shall not be unreasonably withheld. No modifications to this Contract shall be valid and binding unless signed by both the **Sponsor** and the **Governing Authority**. Notwithstanding the preceding sentence, modifications to and substitutions of any attachment hereto may be done in accordance with applicable laws and the regulations of each party.

N. **Notification Procedures**. Any notice to one party by the other shall be satisfied upon receipt, and delivered by personal delivery or by certified mail, return receipt requested, as well as electronic mail service. As for delivery via electronic mail, burden of proving receipt, if necessary, lies with the sending party.

Notice to the **Governing Authority** shall be sent to the Chair or President at the most current address with copies to the address in **ATTACHMENT 2** and to legal counsel as identified in **ATTACHMENT 3**. Additions, changes and/or modifications to the Notification Procedures for the **Governing Authority** may only be made at the express written request of the **Governing Authority** Chair or President or legal counsel for the **Governing Authority**.

Notice to the **Sponsor** shall be sent to the **Sponsor's** Executive Director with a copy to the **Sponsor's** Legal Counsel. At the inception of this Contract, notice shall be sent to the following persons and addresses:

Sponsor:
Lenny Schafer, M.Ed.
Ohio Council of Community Schools
3131 Executive Parkway, Suite 306
Toledo, OH 43606
lenny@ohioschools.org

With a copy to:
Benjamin Humphrey
Fishel Downey Albrecht & Riepenhoff, LLC
7775 Walton Parkway, Suite 200
New Albany, OH 43054
bhumphrey@fisheldowney.com

Additions, changes and/or modifications to the Notification Procedures for the **Sponsor** will be made in writing to the **Governing Authority** pursuant to the notification procedures outlined herein.

O. **Severability**. If any term, provision or clause of this Contract is unlawful or unenforceable, the parties agree that the remaining provisions and terms of the Contract shall continue to be in full force and effect and the unlawful or unenforceable term, provision, or clause shall be removed and replaced in a manner that most nearly conforms to the removed portion and original intent of the parties, in a written modification.

P. **Counterparts**. This Contract may be executed in one or more counterparts including signing a facsimile or scanned electronic version. Each counterpart shall be deemed an original and all counterparts together shall constitute one and the same instrument.

OHIO COUNCIL OF COMMUNITY SCHOOLS

By: R + R — 7 MAY 2026
Robert Rice, Chairman — Date

FOUNDATION ACADEMY, INC.

By: Susan M Lehr — 3/26/26
Susan Lehr, Chairman — Date

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

DEPARTMENT OF THE TREASURY

RECD MAY 12 2010

Date: MAY 10 2010

FOUNDATION ACADEMY, INC.
C/O ARTHUR CLEMENTS, III
NICOLA, GUDBRANSON & COOPER LLC
25 W PROSPECT, SUITE 1400
CLEVELAND, OH 44115

Employer Identification Number:
26-0675871
DLN:
309354000
Contact Person:
LISA M VAN DER SLUYS ID# 95264
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
June 30
Public Charity Status:
509(a)(2)
Form 990 Required:
Yes
Effective Date of Exemption:
March 30, 2007
Contribution Deductibility:
Yes
Addendum Applies:
Yes

Dear Applicant:

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

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

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

FOUNDATION ACADEMY, INC.

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

Sincerely,

Robert Choi

Robert Choi
Director, Exempt Organizations
Rulings and Agreements

Enclosure: Publication 4221-PC

FOUNDATION ACADEMY, INC.

INFORMATION FOR CHARTER SCHOOLS

You are not subject to the specific publishing requirements of Revenue Procedure 75-50, 1975-2 C.B., page 587, as long as you are operating under a contract with the local government. If your method of operation changes to the extent that your charter is terminated, cancelled, or not renewed, you should notify us. You will also be required to comply with Revenue Procedure 75-50.

DOC ID ----> 201431700750

DATE	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
11/13/2014	201431700750	CERTIFICATE OF CONTINUED EXISTENCE (CCE)	25.00	0.00	0.00	0.00	0.00

Receipt

This is not a bill. Please do not remit payment.

DICKINSON WRIGHT PLLC
AMY J BORMAN ESQ
150 E GAY ST - STE 2400
COLUMBUS, OH 43215

STATE OF OHIO
CERTIFICATE

Ohio Secretary of State, Jon Husted

1689308

It is hereby certified that the Secretary of State of Ohio has custody of the business records for

FOUNDATION ACADEMY, INC.

and, that said business records show the filing and recording of:

Document(s)	Document No(s):
CERTIFICATE OF CONTINUED EXISTENCE	**201431700750**

Effective Date: 11/12/2014

United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the Secretary of State at Columbus, Ohio this 13th day of November, A.D. 2014.

Jon Husted

Ohio Secretary of State

DOC ID ----> 201431700750



Form 522 Prescribed by:
JON HUSTED
Ohio Secretary of State
Central Ohio: (614) 466-3910
Toll Free: (877) SOS-FILE (767-3453)
www.OhioSecretaryofState.gov
Busserv@OhioSecretaryofState.gov

Mail this form to one of the following:

Regular Filing (non expedite)
P.O. Box 788
Columbus, OH 43216

Expedite Filing **(Two-business day processing time requires an additional $100.00).**
P.O. Box 1390
Columbus, OH 43216

Statement of Continued Existence
Filing Fee: $25

CHECK ONLY ONE (1) Box

(1) ☒ Statement of Continued Existence (163-CCE) (Domestic Nonprofit Corporation)

(2) ☐ Verification of Foreign Nonprofit (173-FCE) (Foreign Nonprofit Corporation)

By submitting this form the corporation is verifying with the secretary of state's office that it is still actively engaged in exercising its corporate privileges

Name of Corporation: Foundation Academy, Inc.

Charter or License Number: 1689308

Complete the information in this section if box (1) is checked

Location of Principal Office: Mansfield (City) Richland (County)

Date of Incorporation: 03/30/2007 (Date)

RECEIVED
SECRETARY OF STATE
2014 NOV 12 PM 12:17
CLERK SERVICES DEPT

Complete the information in this section if box (2) is checked

Date of Qualification in Ohio: (Date)

Jurisdiction of Formation: (Jurisdiction)

Location of Office NOT in Ohio:
Mailing Address
City State Zip Code

Location of Office IN Ohio:
Mailing Address
City Ohio (State) Zip Code

DOC ID ----> 201431700750

All Corporations must complete this section

Current Statutory Agent's Name and Address

Amy J. Borman, Esq.
Name of Agent

Dickinson Wright PLLC; 150 E. Gay Street, Suite 2400
Mailing Address

Columbus	Ohio	43215
City	State	Zip Code

By signing and submitting this form to the Ohio Secretary of State, the undersigned hereby certifies that he or she has the requisite authority to execute this document.

Required
The statement must be signed by a director, officer, or three members in good standing.

If authorized representative is an individual, then they must sign in the "signature" box and print their name in the "Print Name" box.

If authorized representative is a business entity, not an individual, then please print the business name in the "signature" box, an authorized representative of the business entity must sign in the "By" box and print their name in the "Print Name" box.

Foundation Academy, Inc.
Signature

Thomas Hunt - President
By (if applicable)

Thomas Hunt, President
Print Name

Signature

By (if applicable)

Print Name

Signature

By (if applicable)

Print Name

DOC ID ----> 200914200632

DATE:	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
05/26/2009	200914200632	DOMESTIC/AMENDED RESTATED ARTICLES (AMA)	50.00	100.00	.00	.00	.00

Receipt

This is not a bill. Please do not remit payment.

FOUNDATION ACADEMY, INC.
75 N WALNUT ST
MANSFIELD, OH 44902

STATE OF OHIO

CERTIFICATE

Ohio Secretary of State, Jennifer Brunner

1689308

It is hereby certified that the Secretary of State of Ohio has custody of the business records for

FOUNDATION ACADEMY, INC.

and, that said business records show the filing and recording of:

Document(s)	Document No(s):
DOMESTIC/AMENDED RESTATED ARTICLES	**200914200632**

United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the Secretary of State at Columbus, Ohio this 22nd day of May, A.D. 2009.

Ohio Secretary of State

DOC ID ----> 200914200632

Prescribed by:
The Ohio Secretary of State
Central Ohio: (614) 466-3910
Toll Free: 1-877-SOS-FILE (1-877-767-3453)

www.sos.state.oh.us
e-mail: busserv@sos.state.oh.us

Expedite this Form: (Select One)	
Mail Form to one of the Following:	
◉ Yes	PO Box 1390 Columbus, OH 43216 *** Requires an additional fee of $100 ***
○ No	PO Box 1329 Columbus, OH 43216

Certificate of Amendment by Shareholders or Members

(Domestic)

Filing Fee $50.00

2009 MAY 22 AM 8:58

(CHECK ONLY ONE (1) BOX)

(1) Domestic for Profit		(2) Domestic Nonprofit	
☐ Amended (122-AMAP)	**PLEASE READ INSTRUCTIONS** ☐ Amendment (125-AMDS)	☑ Amended (126-AMAN)	☐ Amendment (128-AMD)

Complete the general information in this section for the box checked above.

Name of Corporation: Foundation Academy, Inc.

Charter Number: 1689308

Name of Officer: Karen Hunter

Title: President, Board of Directors

☑ Please check if additional provisions attached.

The above named Ohio corporation, does hereby certify that:

☑ A meeting of the ☐ shareholders ☑ directors *(nonprofit only)*

☐ members was duly called and held on May 18, 2009 (Date)

at which meeting a quorum was present in person or by proxy, based upon the quorum present, an affirmative vote was cast which entitled them to exercise 100 % as the voting power of the corporation.

☐ In a writing signed by all of the ☐ shareholders ☐ directors *(nonprofit amended articles only)*
☐ members who would be entitled to the notice of a meeting or such other proportion not less than a majority as the articles of regulations or bylaws permit.

Clause applies if amended box is checked.

Resolved, that the following amended articles of incorporations be and the same are hereby adopted to supercede and take the place of the existing articles of incorporation and all amendments thereto.

DOC ID ----> 200914200632

All of the following information must be completed if an amended box is checked.
If an amendment box is checked, complete the areas that apply.

FIRST: The name of the corporation is: Foundation Academy, Inc.

SECOND: The place in the State of Ohio where its principal office is located is in the City of:

Mansfield (city, village or township) Richland (county)

THIRD: The purposes of the corporation are as follows:

see attachment

FOURTH: The number of shares which the corporation is authorized to have outstanding is: _____
(Does not apply to box (2))

REQUIRED
Must be authenticated **(signed)** by an authorized representative
(See Instructions)

Authorized Representative — May 18, 2009 (Date)

Karen K. Hunter, Board President
(Print Name)
140 West Raleigh Avenue
~~Lorain~~ Mansfield, OH 44907

Karen K. Hunter
Authorized Representative — May 18, 2009 (Date)
Karen K. Hunter
(Print Name)

DOC ID ----> 200914200632

FOUNDATION ACADEMY, INC.
AMENDED ARTICLES OF INCORPORATION – ATTACHMENT

ARTICLE THIRD – PURPOSE

The purposes for which the Corporation is organized are exclusively charitable purposes within the meaning of § 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), or in the corresponding provision of any subsequent law, including the making of distributions to organizations that qualify as exempt organizations under §501(c)(3) of the Code or corresponding provision of the subsequent law. Without limitation to the foregoing the Corporation is a non-profit organization formed for the exclusively charitable purpose of educating children in the State of Ohio.

ARTICLE FIFTH – NAMES AND ADDRESSES OF DIRECTORS

	Name	Address	Position
1.	Karen Hunter	140 West Raleigh Avenue ~~Lorain~~, OH 44907	Director / Board President
2.	Laura Rushton	355 Davis Road Mansfield, OH 44907	Director / Board Secretary
3.	Ed Olson	50 Park Ave. East Mansfield, OH 44902	Director
4.	Nanci Shaffer	320 Kiwanis Huron, OH 44839	Director
5.	Paul Jones	565 S. Illinois Ave. Mansfield, OH 44907	Director

ARTICLE SIXTH – ADDITIONAL PROVISIONS

1. The Corporation shall neither have nor exercise any power, nor shall it engage directly or indirectly in any activity, that would invalidate it's status (1) as a corporation which is exempt from federal income taxation, as an organization of the type described in §501(c)(3) of the Internal Revenue Code, or in the corresponding provision of any subsequent law, or (ii) as a corporation to which contributions are deductible under §170(c)(2) of the Internal Revenue Code, or under the corresponding provision of any subsequent law.
2. No part of the net earnings of the Corporation shall insure to the benefit of, or will be distributable to its directors, officers, members or other private persons, except that the Corporation shall be authorize and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the Corporation's purposes.
3. No substantial part of the activities of the Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation (except as may be permitted under §501(b) of the Code, or under the corresponding provision of any subsequent law); nor shall the Corporation participate or intervene (including the publishing or distributing of statements) in any political campaign on behalf of or in opposition to any candidate for public office.

DOC ID ----> 200914200632

4. In furtherance of the purposes set forth in Article Third above, the Corporation shall have all the powers created by law, so long as they are consistent with the requirements of §501(c)(3) of the Code, including, but not limited to, the power to accept gifts, grants, devises, request of funds, or any other property from any public or governmental bodies and any private persons who shall include, but not be limited to, private and public foundation, corporations and individuals.
5. Upon the dissolution of this organization, assets shall be distributed for one or more exempt purposes within the meaning of §501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

Karen Hunter, President

May 18, 2009
Date

DOC ID ----> 200709200214

DATE:	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
04/02/2007	200709200214	DOMESTIC ARTICLES/NON-PROFIT (ARN)	125.00	100.00	.00	.00	.00

Receipt

This is not a bill. Please do not remit payment.

CT CORPORATION SYSTEM
ATTN: TIMOTHY ROBERSON
17 S. HIGH ST.,SUITE 1100
COLUMBUS, OH 43215

STATE OF OHIO
CERTIFICATE
Ohio Secretary of State, Jennifer Brunner

1689308

It is hereby certified that the Secretary of State of Ohio has custody of the business records for

FOUNDATION ACADEMY, INC.

and, that said business records show the filing and recording of:

Document(s)	Document No(s):
DOMESTIC ARTICLES/NON-PROFIT	**200709200214**

United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the Secretary of State at Columbus, Ohio this 30th day of March, A.D. 2007.

Ohio Secretary of State

DOC ID ----> 200709200214

03/30/2007 13:53 FAX 001/001

Prescribed by **J. Kenneth Blackwell**
Ohio Secretary of State
Central Ohio: (614) 466-3910
Toll Free: 1-877-SOS-FILE (1-877-767-3453)

www.state.oh.us/sos
e-mail: busserv@sos.state.oh.us

Expedite this Form: (Select One)

☒ Yes — PO Box 1390, Columbus, OH 43216
*** Requires an additional fee of $100 ***

○ No — PO Box 670, Columbus, OH 43216

INITIAL ARTICLES OF INCORPORATION

(For Domestic Profit or Non-Profit)
Filing Fee $125.00

THE UNDERSIGNED HEREBY STATES THE FOLLOWING:

(CHECK ONLY ONE (1) BOX)

(1) ☐ Articles of Incorporation Profit (113-ARF) ORC 1701	(2) ☒ Articles of Incorporation Non-Profit (114-ARN) ORC 1702	(3) ☐ Articles of Incorporation Professional (170-ARP) Profession _____ ORC 1785

Complete the general information in this section for the box checked above.

FIRST: Name of Corporation: Foundation Academy, Inc.

SECOND: Location: Lorain (City) Lorain (County)

Effective Date **(Optional)** 03/30/07 (mm/dd/yyyy) ***Date specified can be no more than 90 days after date of filing. If a date is specified, the date must be a date on or after the date of filing.***

☐ ***Check here if additional provisions are attached***

Complete the information in this section if box (2) or (3) is checked. Completing this section is optional if box (1) is checked.

THIRD: Purpose for which corporation is formed

Foundation Academy, Inc, has been formed for the purpose of founding and running a charter school in the state of Ohio.

Complete the information in this section if box (1) or (3) is checked.

FOURTH: The number of shares which the corporation is authorized to have outstanding (Please state if shares are common or preferred and their par value if any)

_____ (No. of Shares) _____ (Type) _____ (Par Value)

(Refer to instructions if needed)

DOC ID ----> 200709200214

Completing the information in this section is optional

FIFTH: The following are the names and addresses of the individuals who are to serve as initial Directors.

Sylvester Jeffries SR
(Name)
328 West 29th Street
(Street) NOTE: P.O. Box Addresses are NOT acceptable.
Lorain (City) Ohio (State) 44055 (Zip Code)

(Name)
(Street) NOTE: P.O. Box Addresses are NOT acceptable.
(City) (State) (Zip Code)

(Name)
(Street) NOTE: P.O. Box Addresses are NOT acceptable.
(City) (State) (Zip Code)

REQUIRED
Must be authenticated (signed) by an authorized representative
(See instructions)

Sylvester Jeffries, Sr
Authorized Representative
3/30/07
Date
Sylvester Jeffries
(print name)
328 West 29th Street
Lorain, OH 44055

Authorized Representative
Date
(print name)

Authorized Representative
Date
(print name)

DOC ID ----> 200709200214

Complete the information in this section if box (1) (2) or (3) is checked.

ORIGINAL APPOINTMENT OF STATUTORY AGENT

The undersigned, being at least a majority of the incorporators of Foundation Academy, Inc. hereby appoint the following to be statutory agent upon whom any process, notice or demand required or permitted by statute to be served upon the corporation may be served. The complete address of the agent is

C T Corporation System
(Name)

1300 East 9th Street
(Street) NOTE: P.O. Box Addresses are NOT acceptable.

Cleveland, Ohio 44114
(City) (Zip Code)

Must be authenticated by an authorized representative

Authorized Representative — Date: 3/30/07

Authorized Representative — Date:

Authorized Representative — Date:

ACCEPTANCE OF APPOINTMENT

The Undersigned, C T Corporation System, named herein as the Statutory agent for, Foundation Academy, Inc., hereby acknowledges and accepts the appointment of statutory agent for said entity.

Signature: Mary R Adams (Statutory Agent) MARY R. ADAMS ASSISTANT SECRETARY

Appendix 121-A
CODE OF REGULATIONS OF FOUNDATION ACADEMY, INC.

ARTICLE I
PURPOSE

Section 1. Purpose. Foundation Academy, Inc. (the "Corporation") is organized exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States Internal Revenue law to operate as a community school in the State of Ohio.

ARTICLE II
MEMBERSHIP

Section 1. Membership. The Corporation shall not have Members. The Directors of the Corporation, in conformance with the procedures established for the Board of Directors and to the extent required by law, shall have the authority that is granted to, and carry out the duties that are imposed upon, the Members of a nonprofit corporation under Ohio law.

ARTICLE III
DIRECTORS

Section 1. Number. The number of Directors of the Corporation shall be at least five (3) and no more than twelve (12) or such greater number as may be subsequently determined by the Directors; provided however, in no case shall the number of Directors be less than five (5) once the Corporation has entered into a community school contract with a sponsor, unless Ohio law is amended to allow the governing authority of an Ohio community school to be composed of less than five (5) Directors.

Section 2. Term. Each Director will serve a three-year term, which expires on June 30th of the third year following the year of their election, and which may be renewed as many times as such Director is elected. Each Director shall hold office until that Director's term expires, or until his or her successor is elected, or until his or her earlier resignation, removal from office, or death. In order to create initial staggered terms, each initial director shall be assigned a term of one to three years. Each Director shall hold office until that Director’s term expires, or until his or her successor is elected, or until his or her earlier resignation, removal from office, or death.

Section 3. Qualifications and Role of Directors. Once the Corporation becomes a public school, the Directors, in their capacity as Directors, shall be the Governing Board of a public Ohio community school. The Directors shall have a strong interest in the welfare of the Corporation and in education. Each Director should be willing and able to attend all meetings, both regular and special, and also be willing to accept special assignments and serve on committees.

Section 4. Nominations and Election of Directors. Candidates for Director shall be nominated by the Board of Directors or a committee thereof. At the annual meeting of Directors that is held on or before the date that such term expires, the Board of Directors shall elect a successor to any Director whose term is set to expire. The remaining Directors shall fill any vacancy in the Board of Directors created by the resignation, removal or death of a Director at a regular or special meeting of the Board of Directors. The remaining Directors shall have the authority to fill any such vacancy despite the fact that the remaining Directors do not constitute a quorum. Candidates for Director may be nominated by any Director.

Section 5. Meetings. The annual meeting of the Directors shall be held in June of each year on such date, at such time, and at such place as a majority of the Directors may determine. In the event the Board of Directors is unable to hold its annual meeting in June, it shall hold such annual meeting on a date and at a time and place determined by a majority of the Directors. Special meetings may be called at any time by the President or by any two (2) Directors. Once the Corporation becomes a public school, meetings relating in any way to the business or operation of the public school must be open to the public and publicized or advertised as required by law.

Section 6. Quorum and Voting. The presence of a simple majority of the total number of Directors shall constitute a quorum for the transaction of business at all meetings of the Board of Directors. Except as otherwise provided by law, the Corporation's Articles of Incorporation, or this Code of Regulations, a vote of a simple majority of the Directors present at a meeting at which a quorum is present shall be required to effectuate action on all matters within the powers of the Board of Directors. In addition to those Directors who are actually present at a meeting, Directors shall for purposes of this section be deemed present and able to vote at such meeting if a conference telephone or similar communications equipment is used by means of which all persons participating in the meeting can communicate with each other at the same time. Provided however, once the Corporation becomes a public school, the Directors must be physically present at a meeting in order to be counted as part of a quorum and to vote, for so long as required by law.

Section 7. Notice and Waiver. Any notice required to be given by this Code shall be in writing and shall be delivered personally or sent by telegram, telecopy, or electronic mail transmission or by United States mail, express mail, or courier service, with postage or fees prepaid. For any notice made by personal delivery, telegram, telecopy or electronic mail, notice shall be deemed to be given when delivered or transmitted. For any notice sent by United States mail, or courier service, notice shall be deemed to be given when deposited in the mail or with the courier service. Unless waived in writing, notice of each annual meeting communicating the day, hour, and place shall be given to each Director by the Secretary of the Corporation not more than sixty (60) days nor less than three (3) days before any such meeting. Unless waived in writing, notice of each special meeting communicating the day, hour and place, and the purpose or purposes thereof shall be given to each Director by the Secretary of the Corporation not more than sixty (60) days nor less than three (3) days before any such meeting. Notice of the time, place and purposes of any meeting may be waived in writing, either before or after the holding of such meeting, by any Director, which writing shall be filed with or entered upon the records of the meeting. The attendance of any Director at a meeting without protesting, prior to or at the commencement of the meeting, shall waive notice or lack of proper notice for that meeting. Nothing in this Section 7 shall alter, however, the duty of the Corporation to provide notice to the public of meetings, once the Corporation becomes a public school. Notice to the public shall be given in accordance with Ohio law and pursuant to Board policy.

Section 8. Action by Written Consent. Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if a written consent to such action is signed by all of the Board of Directors or all of such committee, as the case may be, and such written consent is filed with the minutes of proceedings of the Board of Directors or committee. Such a written consent may be signed by facsimile signatures which shall be construed as originals, and/or on separate but identical documents which shall be construed as one original. Provided however, if the Corporation is operating as a public school, all action must be taken at open and public meetings and action by written consent shall not be allowed.

Section 9. Committees of Directors. The Board of Directors may create a committee or committees as the Directors may determine, the members of which committee or committees shall consist of not less than one (1) Director. A simple majority of the members of any such committee shall constitute a quorum, and the act of a simple majority of the votes cast at a meeting at which a quorum is present shall be the act of the committee. In every instance, however, the final action on all committee business shall only be a recommendation to the Board of Directors with respect to such matter. Notwithstanding anything to the contrary in this Section 9 however, once the Corporation becomes a public school, no committee nor any group of Directors, which consist of a majority of the Board of Directors, shall meet in a prearranged manner to discuss school business, without proper notice to the public of a regular or special meeting, and, only the votes of the Board of Directors shall be valid and binding.

Section 10. Other Advisory Councils. The Board of Directors may, at its discretion, also consider recommendations of associations, supporting organizations or advisory councils which are not part of the Board of Directors, such as those of parents or other pertinent groups.

Section 11. Removal of Directors. Any Director may be removed, with or without cause, at any time by the majority vote of the entire Board of Directors.

Section 12. Resignations and Vacancies. Any Director may resign by tendering a written resignation to the Board of Directors. The resignation shall be effective upon the date of receipt by the Board of Directors, or, if later, upon the date specified by the Director in his/her resignation. Vacancies in the Board of Directors shall be filled in accordance with Sections 4 of this Article III.

Section 13. Powers of Directors. The policies of the Corporation shall be directed by the Board of Directors in accordance with the law, and once the Corporation becomes a public school, also in accordance with the Corporation's community school contract and applicable laws. Subject to the provisions of Ohio law in general, the Ohio Nonprofit Corporation Law, the Articles of Incorporation and this Code of Regulations of the Corporation, the Board of Directors shall do and perform every act and thing whatsoever which it shall deem necessary, expedient or advisable to carry out the purposes of the Corporation.

Section 14. Honorary Directors. Any individual, whether an emeritus Director or not, who has provided extraordinary service to the Corporation over a period of time, may be honored with the title "Honorary Director," at the discretion of the Board. Honorary Directors are not voting members of the Board and are permitted but not required to attend meetings. The Board of Directors may remove an Honorary Director at any time, with or without cause, by a majority vote of the entire Board.

ARTICLE IV
OFFICERS

Section 1. Number, Title and Election. The officers of the Corporation shall consist of a President, Vice President, Secretary, and Treasurer and may include such other officers and assistant officers as the Board of Directors shall deem advisable, each of whom shall be elected by the Board at the annual meeting of the Board. With the exception of the office of President, an

individual may simultaneously hold two offices. Officers shall hold office for a term of one year, or until their successors are elected and qualified, except in the event of their earlier death, resignation or removal.

Section 2. Vacancies. A vacancy in any office because of death, resignation or removal of an officer shall be filled by the Board of Directors for the unexpired term of such office.

Section 3. Resignation or Removal of Officers. An officer of the Corporation may resign at any time by tendering his or her resignation in writing to the Board of Directors and such resignation shall become effective immediately upon its delivery to the Board. An officer of the Corporation may be suspended or removed at any time, with or without cause, by the Board of Directors. The election or appointment of an officer for a term of office shall not be deemed to create employment or other contractual rights.

Section 4. President. The President shall preside at all meetings of the Board and shall coordinate the activities directed by the Board of Directors and shall oversee the actions and administration of the Corporation subject to the policies and goals established by the Board of Directors.

Section 5. Vice President. The Vice President shall perform the duties of the President when the President is absent, and all other duties as may be assigned by the Board of Directors.

Section 6. Secretary. The Secretary shall be responsible for providing notice of meetings to the Board of Directors where notice is required, and to the public for the matters concerning the public school, and shall keep a record of the proceedings of the Board of Directors, and shall perform other duties as may be required by the Board of Directors or the President. The Board of Directors may contract with a third party to carry out part or all of the Secretary's duties, pursuant to approval of the Board of Directors.

Section 7. Treasurer. The Treasurer shall act as the fiscal officer of the Corporation and shall have custody of the cash, securities, and other assets of the Corporation, shall receive contributions, bequests, revenues, and other assets to which the Corporation is entitled and disburse funds as directed by the Board of Directors, maintaining records thereof. The Treasurer shall maintain appropriate books of account and supporting records and shall prepare and file all returns, and related reports required by federal and state statutes and regulations and by the Board of Directors. However, in all of the above responsibilities, subject to approval of the Board of Directors, the Board of Directors may contract with a third party to provide for all or part of the Treasurer’s responsibilities. The Board may require a bond in any amount, at its discretion or as directed by law, and the cost of the bond or bonds shall be paid for by the Corporation.

ARTICLE V
INDEMNIFICATION

Section 1. Indemnification of Directors, Officers, Employees and Agents. Each person who at any time is or shall have been a Director, officer, employee or agent of the Corporation, or a Director member of the Governing Authority of the school, and such person's heirs, executors and administrators, shall be indemnified by the Corporation, both during and after their association with the Corporation, for those acts or omissions concerning the Corporation, in accordance with

and to the full extent permitted by the Nonprofit Corporation Law of the State of Ohio (Ohio Revised Code Chapter 1702) as in effect at the time of the adoption of these Regulations or as amended from time to time thereafter. The foregoing right of indemnification shall not be deemed exclusive of other rights to which any Director, officer, employee, agent or other person may be entitled in any capacity as a matter of law or under any regulations, agreement, vote of Directors, or otherwise. As authorized by the Board of Directors, the Corporation may purchase and maintain insurance against liability on behalf of any such person to the full extent permitted by law in effect at the time of the adoption of these Regulations or as amended from time to time thereafter.

ARTICLE VI
CONTRACTS BETWEEN CORPORATION AND RELATED PERSONS

Section 1. Limits on Contracts. To the greatest extent allowed by Ohio law and, while operating as public Ohio community school specifically subject to the limitations and restrictions imposed on public officers, any contract or other transaction between this Corporation and one or more of its Directors, or between this Corporation and any entity of which one or more of this Corporation's Directors are interested, whether such Director is a member of the Governing Authority of the school or not, shall be valid for all purposes, notwithstanding the presence of such Director at the meeting at which the Board of Directors of the Corporation acts upon, or in reference to, such contract or transaction, and notwithstanding the participation of the Director in such action, if the fact of such interest shall be disclosed or known to the Board of Directors, and the Board of Directors nevertheless, authorize, approve or ratify such contract or transaction by a vote of a majority of the Directors present. Unless Ohio law otherwise prohibits or permits, the interested Director may be counted in determining whether a quorum is present but may not be counted in voting upon the matter or in calculating the majority of such quorum necessary to carry such vote. This Article shall not be construed to invalidate any contract or other transaction which would otherwise be valid under the common and statutory law applicable thereto.

ARTICLE VII
BOOK AND RECORDS

Section 1. Records. The Corporation shall keep correct and complete books, records and minutes of the Board of Directors' meetings, and, during the time when the Corporation is functioning as a public school, such books and records shall be public records to the extent required by law. The Secretary of the Corporation shall keep an accurate list of the names and addresses of the Board of Directors.

ARTICLE VIII
AMENDMENTS

Section 1. Amendments. The Code of Regulations shall be adopted and, from time to time, amended by a majority vote of the entire Board of Directors.

DOC ID ----> 201929003496

DATE	DOCUMENT ID	DESCRIPTION	FILING	EXPED	CERT	COPY
10/18/2019	201929003496	SUBSEQUENT AGENT APPOINTMENT (AGS)	25.00	0.00	0.00	0.00

Receipt

This is not a bill. Please do not remit payment.

DICKINSON WRIGHT PLLC
ADAM J. SCHIRA, ESQ.
150 E GAY ST. 24TH FL.
COLUMBUS, OH 43215

STATE OF OHIO
CERTIFICATE

Ohio Secretary of State, Frank LaRose

1689308

It is hereby certified that the Secretary of State of Ohio has custody of the business records for

FOUNDATION ACADEMY, INC.

and, that said business records show the filing and recording of:

Document(s)	Document No(s):
SUBSEQUENT AGENT APPOINTMENT	**201929003496**

Effective Date: 10/15/2019

United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the Secretary of State at Columbus, Ohio this 18th day of October, A.D. 2019.

Ohio Secretary of State

DOC ID ----> 201929003496

Form 521 Prescribed by:

Frank LaRose
Ohio Secretary of State

Toll Free: 877.767.3453
Central Ohio: 614.466.3910
OhioSoS.gov
business@OhioSoS.gov
File online or for more information: OhioBusinessCentral.gov

For screen readers, follow instructions located at this path.

Mail this form to one of the following:

Regular Filing (non expedite)
P.O. Box 788
Columbus, OH 43216

Expedite Filing (**Two business day processing time. Requires an additional $100.00**)
P.O. Box 1390
Columbus OH 43216

Statutory Agent Update
Filing Fee: $25
Form Must Be Typed

(CHECK ONLY ONE(1) BOX)

(1) Subsequent Appointment of Agent
- [x] Corp (165-AGS)
- [ ] LP (165-AGS)
- [ ] LLC (171-LSA)
- [ ] Business Trust (171-LSA)
- [ ] Real Estate Investment Trust (171-LSA)

(2) Change of Address of an Agent
- [ ] Corp (145-AGA)
- [ ] LP (145-AGA)
- [ ] LLC (144-LAD)
- [ ] Business Trust (144-LAD)
- [ ] Real Estate Investment Trust (144-LAD)

(3) Resignation of Agent
- [ ] Corp (155-AGR)
- [ ] LP (155-AGR)
- [ ] LLC (153-LAG)
- [ ] Partnership (153-LAG)
- [ ] Business Trust (153-LAG)
- [ ] Real Estate Investment Trust (153-LAG)

Name of Entity: Foundation Academy, Inc.

Charter, License or Registration No.: 1689308

Name of Current Agent: Amy J. Borman, Esq.

Complete the information in this section if box (1) is checked

Name and Address of New Agent

Adam J. Schira, Esq.
Name of Agent

150 East Gay St, 24th Floor
Mailing Address

Columbus
City

OH
State

43215
ZIP Code

DOC ID ----> 201929003496

Complete the information in this section if box (1) is checked and business is an Ohio entity

ACCEPTANCE OF APPOINTMENT FOR DOMESTIC ENTITY'S AGENT

The Undersigned, Adam J. Schira, Esq. (Name of Agent), named herein as the

statutory agent for Foundation Academy, Inc. (Name of Business Entity), hereby acknowledges

and accepts the appointment of statutory agent for said entity.

Signature: Adam J. Schira, Esq.

Individual Agent's Signature/Signature on behalf of Business Serving as Agent

Complete the information in this section if box (2) is checked

New Address of Agent

Mailing Address

City | OH (State) | ZIP Code

Complete the information in this section if box (3) is checked

The agent of record for the entity identified on page 1 resigns as statutory agent.

Current or last known address of the entity's principal office where a copy of this Resignation of Agent was sent as of the date of filing or prior to the date filed.

Mailing Address

City | State | Zip Code

By signing and submitting this form to the Ohio Secretary of State, the undersigned hereby certifies that he or she has the requisite authority to execute this document.

Required

Agent update must be signed by an authorized representative (see instructions for specific information).

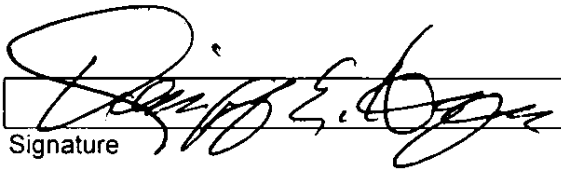
If authorized representative is an individual, then they must sign in the "signature" box and print their name in the "Print Name" box.

If authorized representative is a business entity, not an individual, then please print the business name in the "signature" box, an authorized representative of the business entity must sign in the "By" box and print their name in the "Print Name" box.

Foundation Academy, Inc.
Signature

By (if applicable)

President Roeliff S. Harper
Print Name


Signature

By (if applicable)

Print Name

By signing and submitting this form to the Ohio Secretary of State, the undersigned hereby certifies that he or she has the requisite authority to execute this document.

Required

Agent update must be signed by an authorized representative (see instructions for specific information).

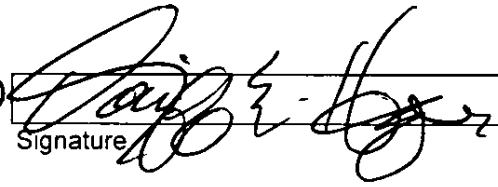
If authorized representative is an individual, then they must sign in the "signature" box and print their name in the "Print Name" box.

If authorized representative is a business entity, not an individual, then please print the business name in the "signature" box, an authorized representative of the business entity must sign in the "By" box and print their name in the "Print Name" box.

Foundation Academy, Inc.
Signature

By (if applicable)

President Roeliff Harper
Print Name

(X) 
Signature

By (if applicable)

Roeliff E. Harper
Print Name

DOC ID ----> 201431700749

DATE	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
11/13/2014	201431700749	DOMESTIC AGENT SUBSEQUENT APPOINTMENT (AGS)	25.00	0.00	0.00	0.00	0.00

Receipt

This is not a bill. Please do not remit payment.

DICKINSON WRIGHT PLLC
AMY J BORMAN ESQ
150 E GAY ST - STE 2400
COLUMBUS, OH 43215

STATE OF OHIO
CERTIFICATE

Ohio Secretary of State, Jon Husted
1689308

It is hereby certified that the Secretary of State of Ohio has custody of the business records for

FOUNDATION ACADEMY, INC.

and, that said business records show the filing and recording of:

Document(s)	Document No(s):
DOMESTIC AGENT SUBSEQUENT APPOINTMENT	**201431700749**
Effective Date: 11/12/2014	

United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the Secretary of State at Columbus, Ohio this 13th day of November, A.D. 2014.

Jon Husted

Ohio Secretary of State

DOC ID ----> 201431700749

Form 521 Prescribed by:
JON HUSTED
Ohio Secretary of State
Central Ohio: (614) 466-3910
Toll Free: (877) SOS-FILE (767-3453)
www.OhioSecretaryofState.gov
Busserv@OhioSecretaryofState.gov

Mail this form to one of the following:

Regular Filing (non expedite)
P.O. Box 788
Columbus, OH 43216

Expedite Filing **(Two-business day processing time requires an additional $100.00).**
P.O. Box 1390
Columbus, OH 43216

Statutory Agent Update
Filing Fee: $25

(CHECK ONLY ONE(1) BOX)

(1) Subsequent Appointment of Agent
- [X] Corp (165-AGS)
- [ ] LP (165-AGS)
- [ ] LLC (171-LSA)
- [ ] Business Trust (171-LSA)
- [ ] Real Estate Investment Trust (171-LSA)

(2) Change of Address of an Agent
- [ ] Corp (145-AGA)
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(3) Resignation of Agent
- [ ] Corp (155-AGR)
- [ ] LP (155-AGR)
- [ ] LLC (153-LAG)
- [ ] Partnership (153-LAG)
- [ ] Business Trust (153-LAG)
- [ ] Real Estate Investment Trust (153-LAG)

RECEIVED
SECRETARY OF STATE
2014 NOV 12 PM 12: 17
CLERICAL SERVICES SECTION

Name of Entity: Foundation Academy, Inc.

Charter, License or Registration No.: 1689308

Name of Current Agent: Arthur L. Clements, III

Complete the information in this section if box (1) is checked

Name and Address of New Agent

Amy J. Borman, Esq.
Name of Agent

Dickinson Wright PLLC; 150 E. Gay Street, Suite 2400
Mailing Address

Columbus (City) | Ohio (State) | 43215 (Zip Code)

DOC ID ----> 201431700749

Complete the information in this section if box (1) is checked and business is an Ohio entity

ACCEPTANCE OF APPOINTMENT FOR DOMESTIC ENTITY'S AGENT

The Undersigned, Amy J. Borman, Esq. (Name of Agent), named herein as the statutory agent for Foundation Academy, Inc. (Name of Business Entity), hereby acknowledges and accepts the appointment of statutory agent for said entity.

Signature: _____

Individual Agent's Signature/Signature on behalf of Business Serving as Agent

Complete the information in this section if box (2) is checked

New Address of Agent

Mailing Address

City | Ohio (State) | Zip Code

Complete the information in this section if box (3) is checked

The agent of record for the entity identified on page 1 resigns as statutory agent.

Current or last known address of the entity's principal office where a copy of this Resignation of Agent was sent as of the date of filing or prior to the date filed.

Mailing Address

City | State | Zip Code

DOC ID ----> 201431700749

By signing and submitting this form to the Ohio Secretary of State, the undersigned hereby certifies that he or she has the requisite authority to execute this document.*

Required
Agent update must be signed by an authorized representative (see instructions for specific information).

If authorized representative is an individual, then they must sign in the "signature" box and print their name in the "Print Name" box.

If authorized representative is a business entity, not an individual, then please print the business name in the "signature" box, an authorized representative of the business entity must sign in the "By" box and print their name in the "Print Name" box.

Foundation Academy, Inc.
Authorized Representative

Thomas Hunt, President
By (if applicable)

Thomas Hunt, President
Print Name

Authorized Representative

By (if applicable)

Print Name

DOC ID ----> 200935100107

DATE:	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
12/17/2009	200935100107	DOMESTIC AGENT SUBSEQUENT APPOINTMENT (AGS)	25.00	.00	.00	.00	.00

Receipt

This is not a bill. Please do not remit payment.

NICOLA, GUDBRANSON & COOPER LLC
25 W. PROSPECT AVENUE - #1400
CLEVELAND, OH 44115

STATE OF OHIO
CERTIFICATE
Ohio Secretary of State, Jennifer Brunner

1689308

It is hereby certified that the Secretary of State of Ohio has custody of the business records for

FOUNDATION ACADEMY, INC.

and, that said business records show the filing and recording of:

Document(s)	Document No(s):
DOMESTIC AGENT SUBSEQUENT APPOINTMENT	**200935100107**

United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the Secretary of State at Columbus, Ohio this 15th day of December, A.D. 2009.

Ohio Secretary of State

DOC ID ----> 200935100107

Form 521 Prescribed by the:
Ohio Secretary of State

Central Ohio: (614) 466-3910
Toll Free: (877) SOS-FILE (767-3453)

www.sos.state.oh.us
Busserv@sos.state.oh.us

Expedite this form: (select one)
Mail form to **one** of the following:

- ○ Expedite — PO Box 1390, Columbus, OH 43216
  ***** Requires an additional fee of $100 *****
- ◉ Non Expedite — PO Box 788, Columbus, OH 43216

STATUTORY AGENT UPDATE

Filing Fee: $25

(CHECK ONLY ONE (1) BOX)

(1) Subsequent Appointment of Agent	(2) Change of Address of an Agent	(3) Resignation of Agent
☑ Corp (165-AGS)	☐ Corp (145-AGA)	☐ Corp (155-AGR)
☐ LP (165-AGS)	☐ LP (145-AGA)	☐ LP (155-AGR)
☐ LLC (171-LSA)	☐ LLC (144-LAD)	☐ LLC (153-LAG)
		☐ Partnership (155-AGR)

Name of Entity Foundation Academy, Inc.

Charter, License or Registration No. 1689308

Name of Current Agent CT Corporation

Complete the information in this section if box (1) is checked

Name and Address of New Agent

Arthur L. Clements, III
Name of Agent

25 W. Prospect Ave., Suite 1400
Mailing Address

Cleveland — City
Ohio — State
44115 — Zip Code

DOC ID ----> 200935100107

Complete the information in this section if box (1) is checked and business is an Ohio entity

ACCEPTANCE OF APPOINTMENT FOR DOMESTIC ENTITY'S AGENT

The Undersigned, Arthur L. Clements, III, named herein as the
Name of Agent

Statutory agent for, Foundation Academy, Inc. ,hereby acknowledges
Name of Business Entity

and accepts the appointment of statutory agent for said entity.

Signature: _____
Statutory Agent

☐ **If the agent is an individual using a P.O. Box, the agent must check this box to confirm that the agent is an Ohio resident.**

Complete the information in this section if box (2) is checked

New Address of Agent

_____
Mailing Address

_____ **Ohio** _____
City State Zip Code

☐ **If the agent is an individual using a P.O. Box, check this box to confirm that the agent is an Ohio resident.**

Complete the information in this section if box (3) is checked

The agent of record for the entity identified on page 1 resigns as statutory agent.

Current or last known address of the entity's principal office where a copy of this Resignation of Agent was sent as of the date of filing or prior to the date filed.

_____
Mailing Address

_____ **Ohio** _____
City State Zip Code

DOC ID ----> 200935100107

Dec. 11. 2009 9:22AM NEWHOPE THERAPY SERVICES No. 2550 P. 4

By signing and submitting this form to the Ohio Secretary of State, the undersigned hereby certifies that he or she has the requisite authority to execute this document.

REQUIRED Must be authenticated (signed) by an authorized representative **(See Instructions)**	Authorized Representative	Date 12/11/09
	Print Name Karen Hunter	
	Authorized Representative	Date
	Print Name	

MAY 1 0 2010

TION ACADEMY, INC.
THUR CLEMENTS, III
, GUDBRANSON & COOPER LLC
ROSPECT, SUITE 1400
AND, OH 44115

Employer Identification Number:
26-0675871
DLN:
309354000
Contact Person:
LISA M VAN DER SLUYS ID
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
June 30
Public Charity Status:
509(a)(2)
Form 990 Required:
Yes
Effective Date of Exemption:
March 30, 2007
Contribution Deductibility:
Yes
Addendum Applies:
Yes

General Information

School Name:	Foundation Academy		
Physical Address:	1050 Wyandotte Avenue Mansfield, OH 44906		
Phone Number:	(419) 526-9540	**Fax Number:**	(419) 526-9542
County:	Richland County		
Grade Levels Served:	K-8	**Grade Levels in Contract:**	K-12
Public School District:	Mansfield City Schools District		

Description of the Facility (including the approx. number of sq. ft. used):

The school owns the entire property. Foundation Academy is situated on 7 ½ acres on the corner of Trimble Road and Wyandotte Avenue in Mansfield, Ohio. This building was Roseland Elementary School when owned by the Mansfield City Schools. Foundation Academy purchased the school in 2009. In the spring of 2010 the students and staff left our former home at the Richland Academy of the Arts and opened school in our new building. The main building is approximately 38,600 square feet. In 2012 we leased a nine room modular addition that was placed on site. It has since been purchased and fully renovated. A playground was added in 2011 and in 2020 a second playground was added. There is a learning pavilion behind the school for our students and teachers to utilize. We recently put an outbuilding behind the gymnasium for storage purposes. The gymnasium has been completed renovated over the past 5 years.

Financial Information

Lease Information	N/A		N/A
Monthly Payment:	N/A	**Annual Payment:**	N/A
Lease Start Date:	N/A	**Lease Expiration Date:**	N/A
Additional Information re: Lease Agreement			

Mortgage Information

Monthly Payment:	N/A	**Annual Principal:**	N/A
Annual Interest Payment:	N/A		

Landlord Information

Name of Landlord/Lender:	N/A	**Relationship to the Operator:**	N/A

Is there any relationship or conflict of interest between the Landlord/Lender and Operator of the school? (This includes individuals with ownership stakes.)		**Yes**
	XX	**No**

TRANSFER APPROVED
RICHLAND COUNTY
TAX MAP
INITIAL 22909 DATE 12309

tion 319.202 of the Ohio Revised Code.
DATE 12/29/09
CONVEYANCE FEE $ 1,200.00
TRANSFER FEE $ 2.00
EXEMPT
PATRICK W. DROPSEY, County Auditor BY

DEED 28.00
OR Book 1953 Page 643 - 644

200900014666
CHICAGO TITLE
FILE/JOY

BK: 1953 PG: 643

12/30/09
TRANSFER NOT NECESSARY
PATRICK W. DROPSEY, County Auditor
BY NC

GENERAL WARRANTY DEED*

Mansfield Tyger All Sports Booster Club, an Ohio Non-Profit Corporation, of Richland County, State of Ohio for valuable consideration paid, grant(s), with general warranty covenants to **Foundation Academy, Inc., an Ohio Not-for-Profit Corporation** whose tax mailing address is: 1050 Wyandotte Avenue, Mansfield Ohio 44906

the following real property:

See Attached Exhibit "A" for full and complete legal description

Property also known as: 1050 Wyandotte Avenue, Mansfield Ohio 44906

Except building and use restrictions, zoning ordinances, easements of record and taxes and assessments, if any, which shall be pro-rated to the date of delivery of this deed.

Prior Instrument Reference: Volume 1693 Page 376 of the Official Records of Richland, County, Ohio.

Witness my hand(s) this 29th day of December, 2009.

Mansfield Tyger All Sports Booster Club,
An Ohio Non-Profit Corporation

By: Kendall Grogoza, Trustee

State of Ohio

SS:

County of Richland

The foregoing instrument was acknowledged before me this 29th day of December 2009 by: Kendall Grogoza, Trustee on behalf of the Mansfield Tyger All Sports Booster Club, an Ohio Non-Profit Corporation

M. Jack Huff
Notary Public
My Commission Expires: _____

NOTARY PUBLIC STATE OF OHIO

M. JACK HUFF
NOTARY PUBLIC, STATE OF OHIO
My Commission Expires
April 3, 2010

Prepared by: James M. Neumann, Attorney-at-Law, Mansfield Ohio

CT MA# 80831

*See ORC 5302.05 and 5302.06

BK: 1953 PG: 644

EXHIBIT "A"

Legal Description

PARCEL #1
Situated in the City of Mansfield, County of Richland and State of Ohio, being known as Lots Number Nineteen Thousand Seventy-seven (#19077) through Nineteen Thousand Eighty-one (#19081) of the consecutively numbered lots of the City of Mansfield, formerly Lots 1 through 5 of Block 34 in Waid & Duffeys Broadview Park Allotment as shown at Plat Volume 13 Page 18.
SAVE AND EXCEPTING:
Beginning at the southeast corner of Lot Nineteen Thousand Seventy-seven (#19077) of the consecutively numbered lots of the City of Mansfield, also being a part of Broadview Park Allotment as recorded in Volume 13 Page 18 of the records of Richland County said point being 30 feet left of and at right angles to Station 71+02.52 in the centerline of survey as established by Richland County for Trimble Road; thence North 89 degrees 20 minutes 51 seconds West 9 feet along the South line of Lot 19077 and Grantor's land to a point 39 feet left of and at right angles to centerline Station 71+02.58; thence North 45 degrees 27 minutes 09 seconds East, 7.05 feet to a point 34 feet left of and at right angles to centerline Station 71+07.55; thence North 0 degrees 15 minutes 09 seconds East 245 feet to a point in the North line of Lot 19081 and Grantor's land 34 feet of and at right angles to centerline Station 73+52.55; thence South 89 degrees 20 minutes 51 seconds East 4 feet along said line to a point in the East line of Lot 19081 and the present right of way of Trimble Road 30 feet left of and at right angles to centerline Station 73+52.52; thence South 0 degrees 15 minutes 09 seconds West 250 feet along said line to the place of beginning and containing 1013 square feet more or less. This instrument based on a survey made by Marion R. Schaus, Registered Surveyor No 5751. Being parts of Lots Nineteen Thousand Seventy-seven; Nineteen Thousand Seventy-eight; Nineteen Thousand Seventy-nine; Nineteen Thousand Eight and Nineteen Thousand Eighty-one (#19077, #19078, #19079, #19080 and #19081).

Also being Lots Nineteen Thousand Ninety (#19090) through Nineteen Thousand Ninety-seven (#19097) and Lots Nineteen Thousand One Hundred Fifty-two (#19152) through Nineteen Thousand One Hundred Sixty-three (#19163) of the consecutively numbered lots in the City of Mansfield, formerly Lots 1 through 4 of Block 36 and Lots 1 through 4 of Block 37 and Lots 1 through 3 of Block 56, Lots 1 through 3 of Block 57, Lots 1 through 3 of Block 58 and Lots 1 through 3 of Block 59 of Waid & Duffey's Broadview Park Allotment as shown on the recorded Plat Volume 13 Page 18. Also Lots Numbers Nineteen Thousand Eighty-six (#19086) and Nineteen Thousand Eighty-seven (#19087) of the consecutively numbered lots in said City, formerly 1 and 2 of Block 35 Waid & Duffey's Broadview Park Allotment, as shown at Plat Volume 13 Page 8 and Plat Volume 22 Page 73.
Permanent Parcel # 027-04-292-35-000

PARCEL #2:
Situated in the City of Mansfield, County of Richland, State of Ohio and being known as Lot Numbers Nineteen Thousand One Hundred Fifty and Nineteen Thousand One Hundred Fifty-one (#19150 and #19151) of the consecutively numbered lots of the City of Mansfield, Ohio.
Permanent Parcel # 027-04-501-41-000 and 027-04-501-42-000

PARCEL #3:
Situated in the City of Mansfield, County of Richland and State of Ohio: Being Lot Number Nineteen Thousand One Hundred (#19100) in the City of Mansfield of the consecutively numbered lots in the City of Mansfield, formerly Lot #3 in Block 38 in Broadview Park Allotment as recorded in Volume 13 Page 18 of Richland County Records of Plats.
Permanent Parcel # 027-04-007-04-000

TRANSFER APPROVED
RICHLAND COUNTY
TAX MAP
INITIAL
12.29.09
DATE
12.30.09

Governing Authority Composition

Foundation Academy

Name	Email Address
Branham, Sherry	SherryBran@aol.com
Corley, Edward	edwardcorleylaw@gmail.com
Gregory, Thomas	dedeandtom@yahoo.com
Howard, Michael	mjh36106@gmail.com
Lehr, Susan	moap3673@yahoo.com
Miranda, Adriana	adriana@adrianaenterprises.com
Rocks, Alexander	rocks213@hotmail.com

Contact the members by mail:
1050 Wyandotte Avenue, Mansfield, OH 44906

Contact the members by phone:
(419) 526-9540

Uploaded: May 2026

Selection of Governing Authority Members

Article III, Section 12 – Resignations and Vacancies

Any Director may resign by tendering a written resignation to the Board of Directors. The resignation shall be effective upon the date of receipt by the Board of Directors or, if later, upon the date specified by the Director in his/her resignation. Vacancies in the Board of Directors shall be filled in accordance with Section 3 of this Article III.

Article III, Section 3 – Nominations and Election of Directors

Candidates for Director shall be nominated by the Board of Directors or a committee thereof. At the annual meeting of Directors that is held on or before the date that such term expires, the Board of Directors shall elect a successor to any Director whose term is set to expire. The remaining Directors shall fill any vacancy in the Board of Directors created by the resignation, removal or death of a Director at a regular or special meeting of the Board of Directors. The remaining Directors shall have the authority to fill any such vacancy despite the fact that the remaining Directors do not constitute a quorum. Candidates for Director may be nominated by any Director.

Foundation Academy

Attachment 04 – Educational Plan

Mission, Core Values, and Vision

Mission

We – students, staff, and families of the Foundation Academy are committed to creating a safe and conducive learning environment of respect – where children will develop good character and positive relationships while aspiring to achieve academic excellence.

Vision

Foundation Academy will strive to provide a quality education by empowering students to become leaders, lifelong learners, and productive citizens in an ever-changing world.

Our core values would be:

- To reach academic excellence with our goal being to attain A and/or B on the new State Report Card to maintain or exceed our value added measures.
- To maintain and continue to grow our enrollment; we strive for three classes of K, grade 1 and grade 2
- To continue to be fiscally healthy
- To attain and retain top notch staff at all levels
- To be a vital part of our neighborhood and surrounding community
- To be compliant in all areas for the management company and our authorizer and special education
- To establish a safe and nurturing environment where all students can feel welcomed; through the positive behavior support system, expectations for behavior will be clear and consistent for all stakeholders.
- To offer students the opportunity for the skills they need to become critical thinkers and problem-solvers so they can be productive members in a global society.

Our management company is ACCEL. Their core values are:

- We care about every student and are committed to preparing children for lifelong success.
- We know that each student has unique needs, and our educational approach ensures we provide an educational path that engages all students.
- We bring great teachers, proven educational practices, and rigorous standards to every classroom.
- With a network of more than 25 schools, we share best practices in curriculum design, teacher training, and integrated technology to drive continuous gains in academic performance.
- Those who live and work in a community know it best.
- ACCEL Schools honors your values and partners with your school, community, and government leaders to serve your community.
- Our driving principle is to bring great schools to communities everywhere.
- We foster a culture that is reflective of local values and interests, and are open to all students.
- We care about the well-being and development of each child. We are interested in each child's future.
- Secure and orderly learning environments are our top priority. We address every aspect of security, from building codes and safety procedures, to codes of conduct and character education.

ACCEL believes in creating successful schools one child at a time. The focus is on tailoring the learning experiences to each individual making a difference. They are a network of charter schools includes 50+ schools, 1200+ educators, 13,250+ students!

The ACCEL Difference:
There is no one right way to make a school effective. With some of the most successful schools in the country as part of our network, and a wealth of academic and operational expertise, we can find the right solution for your school.

Education Technology: We see technology as a tool to support excellent teachers. Our blended learning approach combines individualized electronic instruction with traditional teaching methods. Each student has their own chrome book.

Professional Development: Our teachers are engaged, highly qualified, and supported by a team of mentors and specialists. Teachers receive regular professional development and performance reviews.

Curriculum and Teaching Best Practices: Innovate, validate, replicate. We take proven methods from high-performing programs and apply them to other schools across our network.

Operational Efficiency: Efficient school operations mean more resources for students. Our schools achieve a level of administrative diligence that matches our academic rigor. Best practices and transparency are a part of everything we do.

Personalization: Regular, short-cycle assessments allow us to review student performance for each learning objective and react quickly to accelerate instruction or provide support. Data walls are posted.

Community Integration: We intentionally serve a broad range of communities, and we believe that community involvement is vital to the success of our schools. We work to identify the unique circumstances facing your area and include community leaders in our planning and operations.

Characteristics of Students

Foundation Academy was founded to provide choice for the families who live within the struggling Mansfield City School District. Foundation Academy's social-economic make-up is 92% free and reduced lunch. Our demographics are 10% Multi-racial, 60% Caucasian, 30% African-American. 18% of our student population is special needs students. We are a building-wide Title I school.

The Academy is a tuition-free public charter school which serves students from Mansfield, Madison and Shelby. We are an arts-infused school with offerings in technology, art, performing arts, STEM, finance, health, keyboard/typing, and band. We want to instill the value of an education to our students. We ask them each to give their best every day. We also serve the special needs population with a varied inclusionary model.

Curricular Plan

Our English/Language Arts program: Foundation Academy incorporates the Science of Reading, which provides proven, evidence-based best practices for teaching reading and supporting students of all abilities. With evidence-based instruction, students and teachers do not waste time on unproved practices. We have selected Savvas curriculum for K-8th grade, which is one of the selections listed with Ohio Department of Education and Workforce . Savvas curriculum encompasses the Science of Reading. For grades 6-8 we offer 45-minute ELA class and a 45-minute writing class; therefore, we double dose in ELA. Grades K-5 is also double do time in ELA and writing by having Title push in for small group. We have two (DOA) Director of Academics, which plan and deliver professional development for the staff. Our teachers are getting immersed in the Science of Reading skills during TBT – Teacher-Based-Teams and our scheduled 5 Professional Development days throughout each academic school year.

The simple view of our literacy plan is word recognition (the ability to convert print into oral language) coupled with language comprehension (the ability to understand oral language) completing the final outcome of reading comprehension. We believe that achievement in reading involved 5 components: phonemic awareness, phonic, fluency, vocabulary, and comprehension.

Currently our math curriculum is Into Math (HMH) for Kindergarten to grade 8. *Into Math* makes it easy for teachers to choose the instructional delivery—print, digital, or a combination of both—that fits their teaching style, their school's resource availability, and their students' needs. Ready-to-teach, standards-aligned, and interactive sessions for whole-class instruction save teachers time and keep students engaged. For grades 4-8 we schedule a 2nd math time called "Keeping On Track" where we have Title push-in for small group intensive skills instruction. As a supplement we use Zearn Math.

We use Generation Genisus series Kindergarten through grade 8. Our science classes engage students in scientific inquiry by tapping into their sense of wonder about the world around them. Students will question, and then plan how they will find answers to their questions. This will lead to conducting investigations, which may take form as activities, research, reading or interviews with experts. Student will then reflect on what they have learned through their investigations and share the outcomes of their discoveries. Foundation Academy will remain focused on strengthening scientific, technological, engineering, and mathematical (STEM) concepts and skills through the use of its inclusion in grades 3-8. Our STEM program works with various enrichment groups to produce project-based activities. We have acquired a greenhouse where we use this for plot studies, growing plants, and various other STEM projects.

All our classrooms are equipped with a SmartBoard and a projector or a Boxlight. We have a shared doc camera for each grade level. We have one-on-one chrome books.

Foundation Academy uses a data driven design to guide instruction. All students receive baseline testing.

Test	Grades	Frequency
i-Ready	K-8	3 times per year
Restart Readiness	3-8	2 times per year
KRA-R	K Only	Fall Only
AIR	3-8	3rd ELA Fall Only

(ELA, Math, Science*)		3-8 Spring
Short cycle assessments	K-8	Every two weeks

Data for the individual: In the late fall, the teachers can use many data points to identify specific areas of needs and address them throughout the year. We discuss data during TBT (Teacher-Based Team meetings) and/or professional development days.

School Improvement and Other Teams

The Academy has a Building Leadership Team (BLT) that meets monthly. It is the core team of the school. It has representation from the primary, intermediate, and middle school grades as well as a non-certified staff member. We try to have a parent on the team as well. This team examines all school data and addresses the needs of the school. We also have a well-run RTI committee. This committee meets once per month to discuss various student needs and situations. TBT meetings happened twice per month. We also schedule a few vertical alignment meetings during professional development days.

LEP/ELL Students

We currently have 2 LEP/ELL students enrolled at Foundation Academy. We contract an outside company to provide instruction on-line. The school will identify all English Language Learners and will meet all state and federal requirements regarding English Language Learners according to The Provision of an Equal Education Opportunity to Limited English Proficient Students (1992), the U.S. Department of Education, and Office for Civil Rights. Upon enrollment, the school will identify all students whose primary or home language is other than English. The school will utilize the Language Usage Survey to identify these students. The enrollment coordinator will refer the student to our English for Speakers of Other Languages (ESOL) test administrator for assessment. When the identified language is something other than English, the student is further assessed using the Ohio English Language Proficiency Screener (OELPS).

The Ohio English Language Proficiency Screener (OELPS) assesses one's ability to read, write, speak, listen and comprehend the English language. This assessment will assist the school in assessing both academic and social language skills. The results of this assessment are used to guide the design of the educational programming to ensure a student becomes English proficient. The OELPS also allows the school to measure progress with regards to English proficiency. Students determined to be English Language Learners will also be registered to take the Ohio English Language Proficiency Assessment (OELPA). Students must continue to participate in this assessment until they meet criteria established by the state.

Students with Disabilities

Our students with disabilities are looked at closely for the rate of student growth. The Academy will always be in compliance with required paperwork. We look at various data points; we are able to see if those students are making the necessary academic gains and then adjust their goals accordingly through the IEP meetings. We have a special education audit twice a year through OCCS which is of great value in preparing us for a possible state audit. Our ISs (intervention specialists) attend staff development when necessary to address changes in the law as it pertains to students with disabilities. Aside from the

conferences held for all students, special education students receive progress reports from the IS and the regular education staff. There are conferences for the IEP which must be completed within a year, depending on the date of the previous meeting. This IS and the regular education teacher discuss any concerns either may have. All stated accommodations are followed for required testing. All teachers who provide accommodations and/or modifications must complete a log each month to ensure the fidelity of meeting the needs of the student as written in their IEP.

The Alternate Assessment for Students with Significant Cognitive Disabilities is used to provide a means of assessing valued skills that cannot be directly assessed with traditional testing. These tests provide a more realistic setting for student performance than traditional testing.

The test focuses on student performance and the quality of the work performed by the student. Teachers use the Extended Standards to work with these students that take the grade level standards and begin at the grade level where the students are currently working to move them to where we need them to be.

Parent and Community Involvement

We do not have a PTO at the Academy. However, we have various events that parent attend. We have Family Literacy Night for K-3, Math Night for grades 4-8, Band concerts, Art Fair, Science Fair, Donuts with Dads and Grandpas and Muffins with Moms and Grandmas. We offer Awards Day (quarterly) and have Band concerts. Our sport program is another way of bringing parent into our school. Starting the 25-26 school year, we will offer volleyball and girls and boys basketball.

Crystal Care Nursing Home has graciously consented to be our off-campus evacuation site in case we would need to move the entire student body to a safe haven for the short term. We have a mutual exchange of services; our music students perform for the patients.

The Richland County Fairgrounds are also a partner if we have long term needs where we can continue to hold classes for an extended period of time.

Foundation Academy

Attachment 5 – Performance and Accountability Plan

Effective Date: July 1, 2025

Overview

The Performance and Accountability Plan sets out the performance standards and requirements measured annually in the four Core Performance Areas: Legal Compliance; Organization and Operational Performance; Financial Performance; and, Student and Academic Performance.

I. Legal Compliance

The Legal Compliance section determines how well the governing authority and school adhered to state and federal statutes and the community school contract using the following indicators:

1. The school had a substantiated compliance rate of 96% as outlined by the Ohio Department of Education.

2. The school had a compliance rate of 96% for all applicable laws and rules as outlined by the Ohio Department of Education and the Council.

3. The governing authority submitted the school's annual report to the parents and Council by October 31.

4. The governing authority and school receive a rating of "Needs Assistance" or better on the Special Education Performance Determination.

5. The school's Emergency Management Plan is uploaded and marked compliant in the school's OHID Account.

Rating Scale – Legal Compliance

Exceeds Standards: The school receives this rating if it meets the compliance rate for indicators one and two AND has met the requirements of two of the last three indicators for two consecutive years.

Meets Standards: The school receives this rating if it meets the compliance rate for indicators one and two AND met the requirements of two of the last three indicators.

Does Not Meet Standards: The school receives this rating if it fails to meet the standards.

Falls Far Below Standards: The school receives this rating if it fails to meet the standards for two consecutive years or, as outlined in the first indicator, has a substantiated compliance rate of less than 92% as outlined by the Ohio Department of Education in any single year.

II. Organization and Operational Performance

The Organization and Operational Performance section is used to determine the performance of the school's governing authority. The section rates how well the governing authority executes its governance duties using the following indicators:

1. The governing authority held at least the contractually required number of meetings.

2. The governing authority was not out of compliance with regard to the required number of approved members for more than 60 cumulative days throughout the year.

3. The governing authority members completed all trainings as required by the Ohio Revised Code and ODE.

4. The governing authority members filed annual conflicts of interest statements.

5. The governing authority and/or school met at least one of the following governance goals:

    a) **School Mission-specific Goal**: For each year of the contract and as reported to the Sponsor by June 30, the school will demonstrate it has re-enrolled 70% of students in each grade level who were enrolled during the previous full academic year (as defined by ODEW).

    b) **Governing Authority Goal**: During each year of the contract and as reported to the Sponsor by June 30, each governing authority member will attend at least two school functions.

Rating Scale – Organization and Operational Performance

Exceeds Standards: The school receives this rating if its governing authority executes its governance duties in all five indicator areas for two consecutive years.

Meets Standards: The school receives this rating if its governing authority executes its governance duties in four of the five indicator areas.

Does Not Meet Standards: The school receives this rating if its governing authority fails to meet the standards.

Falls Far Below Standards: The school receives this rating if its governing authority fails to meet the standards for two consecutive years.

III. Financial Performance

The school's Financial Performance is rated by using the information provided in the financial reports, monthly financial reviews, five-year forecasts, compliance with internal financial controls, and the annual audit. These items provide the necessary information to determine if the school met the standards for the financial viability indicators:

1. The school's annual total margin is greater than or equal to -2.5%.

2. The school's current assets to current liabilities ratio is greater than or equal to 1.0, or, on average, the school's available cash on hand is at least 30 days.

3. The school does not experience an unplanned decrease in enrollment by more than 15%.

4. The school's annual budget is in alignment with the annual total margin standard and includes reasonable assumptions that align with trend data.

5. No audit will contain:
    - A "Qualified" Opinion;
    - The same finding for two consecutive years; or,
    - As outlined in the Schedule of Findings, a Finding for Recovery of more than $2,500 in any audit or any Finding for Recovery for any amount in two consecutive audits.

Rating Scale – Financial Performance

Exceeds Standards: The school receives this rating if it meets the standards for four out of five of the financial viability indicators for two consecutive years.

Meets Standards: The school receives this rating if it meets the standards for a majority of the financial viability indicators.

Does Not Meet Standards: The school receives this rating if it fails to meet the standards.

Falls Far Below Standards: The school receives this rating if it fails to meet the standards for two consecutive years.

IV. Student and Academic Performance

The Student and Academic Performance section determines how well the school is educating students based on all applicable Local Report Card measures of student performance receiving a star rating using the following indicators:

1. Based on the school's Local Report Card, the school met at least one of the following:

   a) Receives at least a two-star rating in "Overall Star Rating";

   b) Receives at least a three-star rating in at least half of all applicable component measures of student performance receiving a star rating; or,

   c) When comparing all measures of student performance receiving a star rating, the school was not outperformed by a majority of the individual members of the school's Comparison Group.

   Note: For 1(b) and 1(c), the calculations will include a maximum of six rated areas and will exclude the Overall Star Rating. The school will be considered to be outperformed by an individual member of the Comparison Group if the member outperforms the school in a majority of the star-rated components given to both entities. In determining whether the school was outperformed in any of the star-rated components where the school and an individual member of the Comparison Group both receive one star, the school will only be deemed as to have been outperformed in that area if the member of the Comparison Group exceeds the school's performance by more than five percentage points.

2. The school does not meet the criteria in Section 3314.35 or Section 3314.351 (or successor) of the Ohio Revised Code for potential closure due to operation of law for academic underperformance.

The school's Comparison Group is comprised of the local district, a local district school, and two nearby community schools. As of the effective date of the P&A Plan, the Comparison Group includes the following:

District:	Mansfield City	Dist. School 2:	Madison South Elementary
IRN:	044297	IRN:	School (022152)
Dist. School 1:	Madison Middle School	Dist. School 3:	Malabar Intermediate School
IRN:	022103	IRN:	003624

Rating Scale – Student and Academic Performance

Exceeds Standards: The school receives this rating if it met the criteria in both indicators AND the "Overall Star Rating" is at least four stars or is at least three stars for the two most recent school years.

Meets Standards: The school receives this rating if it met the criteria in both indicators.

Does Not Meet Standards: The school receives this rating if it fails to meet the standards.

Falls Far Below Standards: The school receives this rating if it fails to meet the standards for two consecutive years.

Communication from the Council to the Governing Authority

Intervention and Probation

While the Overall Rating in each Core Performance Area is an annual determination based on multiple indicators, goals, and data points, the individual indicators, goals, and data points will be used to determine intervention strategies and aid in determining any discipline as outlined in the Council's Intervention Policy. As of the above date:

Performance Improvement Plan: If the governing authority or school fails to meet the standards for any individual indicator, goal, or data point, the governing authority will be required to submit a Performance Improvement Plan to address each area of noncompliance and/or underperformance and to outline steps and actions being taken to increase compliance and/or performance over the course of the year within 60 days of being notified.

Probation: The governing authority will be placed on Probation, in accordance with the charter contract, if it Falls Far Below Standards in any Core Performance Area or fails to meet standards as outlined in their current Performance and Accountability Plan, or, in extenuating circumstances, as deemed necessary and appropriate by the Council.

Please note, at the sole discretion of the Council and based on the totality of the performance of the governing authority or school, egregious underperformance or a consistent inability to meet the standards of indicators, goals, or data points will factor into decisions about intervention, reauthorization, probation, suspension, and termination.

High-Stakes Review and Charter Contract Reauthorization

In the Council's work to enable data-driven decision, the Performance and Accountability Plan and performance indicators throughout the term of the charter contract will be used during a high-stakes review and the charter contract reauthorization process. As outlined above, these are the minimum performance standards and/or performance requirements to be satisfied by the governing authority and school in the Core Performance Areas for the review and reauthorization.

For the high-stakes review and charter contract reauthorization process, the annual performance of the governing authority and school in each of the Core Performance Areas will be measured as follows:

Exceeds Standards: Schools receiving this rating are able to demonstrate that their performance surpasses expectations and that the school has clearly exceeded standards of success. Those schools consistently receiving this rating have a very strong likelihood of reauthorization.

Meets Standards: The target for this rating category sets the minimum expectations for a successful community school. Schools repeatedly earning this rating generally perform well and are likely to continue previous success. Those schools consistently receiving this rating have a strong likelihood of reauthorization.

Does Not Meet Standards: Schools receiving this rating have failed to meet the minimum performance standards. Those schools receiving this rating are less likely to be reauthorized.

Falls Far Below Standards: Schools continuously failing to meet the minimum standards fall into this rating category. Schools receiving this rating are not likely to be reauthorized.

In the event there are changes to Ohio's accountability system and sponsor rating system, the parties agree to make changes to this Performance and Accountability Plan to keep it effective under any new system in place. Additionally, the communication section is for the benefit of the Governing Authority of the school and, in the Council's discretion, is subject to change.

Foundation Academy of will serve the students of the Mansfield and the surrounding communities. The school will serve the general population.

Proposed enrollment goals and grades for each year of the charter contract

Admission/Lottery

Foundation Academy will fully comply with Ohio law regarding admission policies and procedures, as well as all other applicable state and federal provisions. In particular, as a public charter school, the school will not discriminate on the basis of intellectual or athletic ability, measures of achievement or aptitude, status as a handicapped person, or any other basis not permitted by a school district. The school will be nonsectarian in all respects, and will comply with state and federal laws applicable to public schools concerning church-state issues. In accordance with the charter school law, Foundation Academy will not charge tuition.

Foundation Academy of will actively publicize open enrollment to all community sectors. If necessary, Foundation Academy will host its first enrollment lottery at a date compliant with the application enrollment window dependent upon the approval process with subsequent annual held in February of each year.

Foundation Academy of shall enroll any eligible student in the Mansfield area and surrounding communities who submits a timely application unless the number of applicants exceeds the capacity of the appropriate grade level or total school enrollment. If the number of applications exceeds the number of seats available in a grade Foundation, Academy will accept students by a random selection process, or lottery. The school will grant enrollment preference to: 1) a sibling of a student enrolled in the start-up charter school, and 2) a student whose parent or guardian is a member of the governing board of the charter school or is a full-time teacher, professional, or other employee at the charter school. The school will maintain a waiting list of the remaining applicants. Foundation Academy of will notify applicant families within one week of the lottery of student placements.

The following applies to Foundation Academy process:

- If applications exceed the school's capacity a lottery is held;
- Foundation Academy lottery policies and processes will be clearly written and distributed to reflect state laws regarding random selection;
- Foundation Academy of admission lotteries will be witnessed and occur in a public setting;
- A neutral party will conduct the lottery on behalf of the school.

The lottery will be well publicized, open to all, and will be easily understood and followed by all observers. To minimize the risk of bias, the school will exclude individuals who are employed by the school, individuals whose relatives are school employees, and those individuals who are seeking admission for their children, from the task of drawing names. Rather, an impartial individual, such as a certified public accountant or a retired judge, will be asked to draw the names. All students whose applications were filed by the application deadline will be separated by grade and entered into the lottery. A drawing of names by grade will then be held until all

spaces are filled. Any applicant who is not admitted to the school during the lottery will be placed on the school's waitlist.

The pool of applications will be sorted according to admissions' preferences provided for by statute and by grade level. Within each grade level, applications will be sorted according to the following categories arranged in order of admissions preference: 1} siblings of enrolled students, and 2) students whose parent or guardian is a member of the governing board or is a full-time teacher, professional, or other employee at the school.

Students whose applications are received after the deadline will be placed on the school's waitlist according to the categories listed above in the order that their applications are received. In each successive school year, students who were enrolled in the school the previous year will keep their spaces in the school until they graduate or leave the school.

Waiting Lists

After all available spaces are filled, waiting lists will be maintained for each grade. Foundation Academy will maintain complete student files for each student on the waiting list. When a space becomes available in a grade, the parent of the first student on the waiting list will be contacted and given a set period of time in which they can accept the position (one week). If the space is declined the next person on the list will be contacted.

Once the parent has accepted the position for their child:

- The Request for Transfer form will be immediately sent to the school of origin.
- A transportation request will be sent to the appropriate department, if applicable.
- Qualifying parents will complete the application for free or reduced lunches.
- The parent is given a copy of Foundation Academy Code of Civility and asked to return their signed verification and agreement before the student enters the school.
- Emergency cards are completed prior to the student's attendance.

The parent is given a copy of the absentee/tardy policies of the school as well as all other office procedures (visiting the school, drop off and pick-up sites, classroom protocol, etc.).

The pool of applications will be sorted according to admissions' preferences provided for by statute and by grade level. Within each grade level, applications will be sorted according to the following categories arranged in order of admissions preference: 1) siblings of enrolled students, and 2) students whose parent or guardian is a member of the governing board or is a full-time teacher, professional, or other employee at the school.

Recruitment

The unique and promising programming at the Foundation Academy will offer an intriguing and unprecedented choice in the district. Board members and Accel staff will work to bring a network of community-based education opportunities to the doors of the school. These learning partnerships- with museums, businesses, science labs, etc. – will play an additional role in our

marketing plan. To recruit students and educate parents, community members, and businesses, we plan to implement the following strategies:

- Hosting a series of well-advertised public informational sessions or "Open Houses." These will be scheduled on a three-part basis, with some repeats if warranted:
- Publicizing in the community (including ethnic and foreign-language) newspapers and area newsletters, and taking advantage of public notice opportunities and low-cost airtime from local radio and television stations (including cable);
- Widely distributing informational flyers at locales such as libraries; coffee shops; public announcement boards in apartment complexes; social clubs; houses of worship; and area businesses (e.g., supermarkets, hair salons, laundromats, etc.);
- Sending announcements to local support organizations;
- Contacting the families and other individuals who expressed interest and provided us with contact information;
- Mailing letters of introduction to local publicly elected officials, government agencies with area offices, and local social services and cultural arts organizations and asking them to post an informational flyer; and
- Making announcements at community meetings.

Assurances:

- Foundation Academy will exercise non-discrimination in enrollment practices based on gender, race, religion, color, national origin, handicap, sexual orientation, transgendered status, intellectual ability, athletic ability or measurement of achievement or aptitude.
- Foundation Academy will comply with state and federal civil rights laws.
- Foundation Academy will not charge tuition (but may charge fees in the same manner as existing public schools).
- Foundation Academy will comply with all state and federal law applicable to public schools concerning church-state issues.
- The governing authority of Foundation Academy will adopt an attendance policy that includes a procedure for automatically withdrawing a student from the school if the students, without a legitimate excuse, should fail to participate in seventy-two consecutive hours of the learning opportunities offered by the school to the student.

Continuation
Certificate

Westfield Insurance Company

Westfield Insurance®
1 Park Circle, PO Box 5001
Westfield Center, Ohio 44251-5001

In consideration of an agreed premium payable in advance, the Bond described below is hereby continued in force for the period indicated. Continuation is subject to the condition that the maximum aggregate liability under the Bond and any and all continuations thereof shall in no event exceed the amount of liability shown herein. This endorsement shall be valid only when executed by an attorney-in-fact of this Company.

BOND NO.	BOND AMOUNT	RENEWAL PREMIUM	CONTINUED FROM	CONTINUED TO
BND 3168589	$ 25,000.00	$ 390.00	9/1/2024	9/1/2027
PRINCIPAL: Christopher D Massa (on behalf of Foundation Acad of Mansfield)				
OBLIGEE: State of Ohio				

Signed, sealed and dated this 5th day of June, 2024.

O'NEILL INSURANCE AGENCY INC
Agency

111 High Street Wadsworth, OH 44281-1857
City & State

By: Jody Maibach
Jody Maibach Attorney-in-Fact

WESTFIELD INSURANCE COMPANY SEAL

BD 5403 (10-2011)

POWER NO: 34-0858
Power of Attorney

Westfield Insurance Company

CERTIFIED COPY

1 Park Circle, PO Box 5001, Westfield Center, Ohio 44251-5001

Know All Men by These Presents, That **Westfield Insurance Company**, a corporation, hereinafter referred to individually as a "Company" duly organized and existing under the laws of the State of Ohio, and having their principal offices in Westfield Center, Medina County, Ohio, do by these presents make, constitute and appoint **Jody Maibach** of **Wadsworth** and State of **OH** its true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred in their name, place and stead, to execute, acknowledge and deliver

Bond Number: **BND 3168589**
Principal Name: **Christopher D Massa (on behalf of Foundation Acad of N**
Obligee Name: **State of Ohio**
Bond Penalty: $ **25,000.00**

and to bind the Company thereby as fully and to the same extent as if such bond was signed by the President, sealed with the corporate seal of the applicable Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney(s)-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolution adopted by the Board of Directors of the **Westfield Insurance Company**.

"**BE IT RESOLVED**, that the President, any Senior Executive, any Secretary or any Surety Operations Executive or other Executive shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

The Attorney-in-Fact may be given full power and authority for and in the name of and on behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements of indemnity and other conditional or obligatory undertakings and any and all notices and documents cancelling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be as binding upon The Company as if signed by the President and sealed and attested by the Corporate Secretary."

"**BE IT FURTHER RESOLVED**, that the signature of any such designated person and the seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signatures or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached." (Each adopted at a meeting held on February 8, 2000.)

In Witness Whereof, **Westfield Insurance Company** has caused these presents to be signed by their **Senior Executive** and their corporate seal to be hereto affixed this **17th** day of **December 2019**.

By: **Gary W. Stumper,** *National Surety Leader and Senior Executive*

Affixed Corporate Seal

WESTFIELD INSURANCE COMPANY SEAL

State of Ohio
County of Medina ss:

CERTIFICATE

I, **Frank Carrino,** Secretary of the **Westfield Insurance Company**, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; and furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seal of said Company at Westfield Center, Ohio, this **5th** day of **June**, A.D. **2024**.

By: **Frank Carrino,** *Secretary*

On this **17th** day of **December**, A.D., **2019**, before me personally came **Gary W. Stumper**, to me known, who, being by me duly sworn, did depose and say, that he resides in **Hartford, CT**; that he is **National Surety Leader and Senior Executive** of **Westfield Insurance Company** the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.

Notarial Seal Affixed

NOTARY PUBLIC STATE OF OHIO

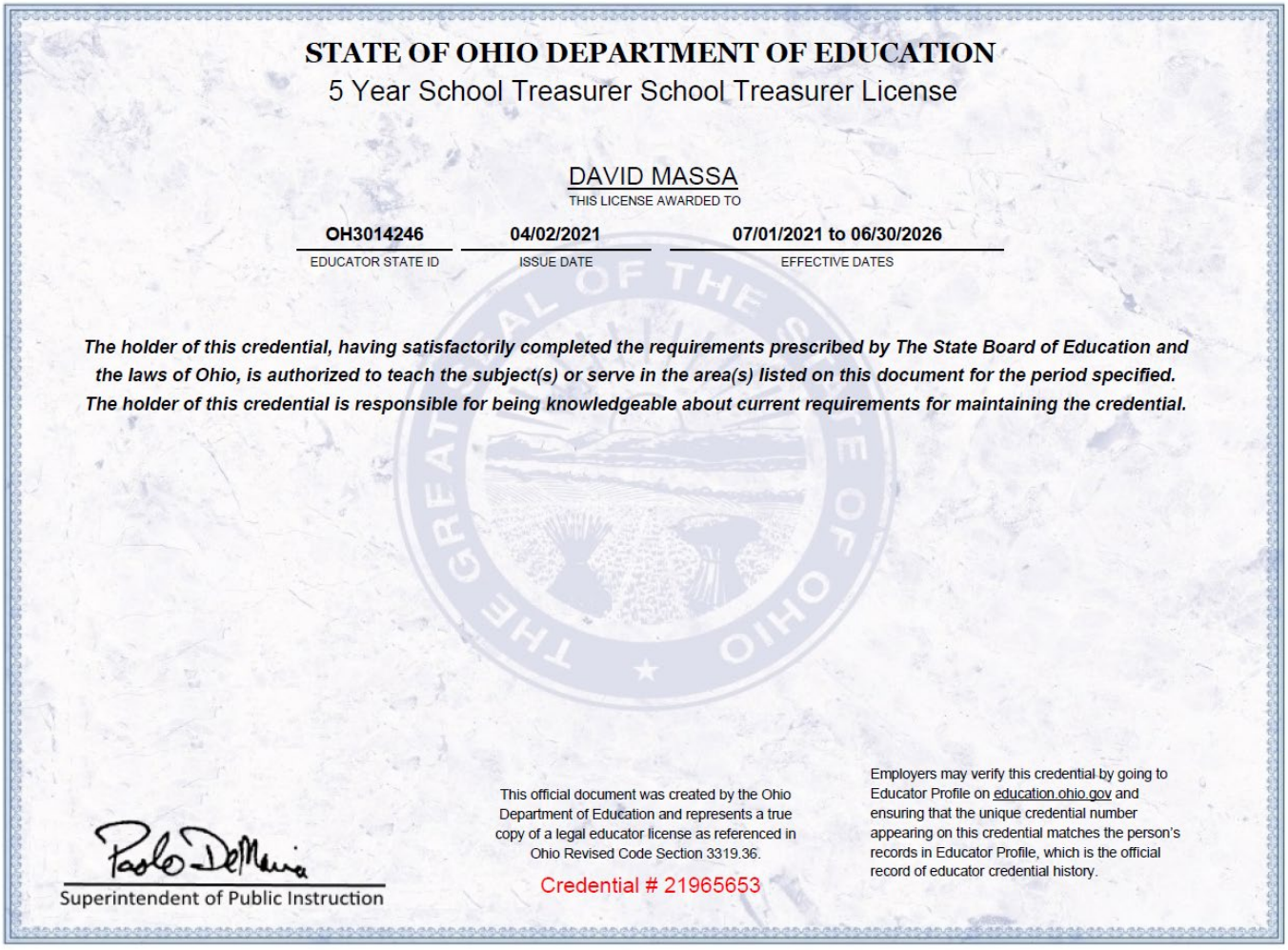
By:
David A. Kotnik, Attorney at Law, *Notary Public*
My Commission Does Not Expire (Sec. 147.03 Ohio Revised Code)

State of Ohio
County of Medina ss.:

Fiscal Officer License and Contact Information

C. David Massa
Massa Financial Solutions, LLC
219 East Maple Street, Suite 202
North Canton, OH 44720

Phone: (330) 515-0572
Email: dave@massasolutionsllc.com



STATE OF OHIO DEPARTMENT OF EDUCATION

5 Year School Treasurer School Treasurer License

DAVID MASSA
THIS LICENSE AWARDED TO

OH3014246	04/02/2021	07/01/2021 to 06/30/2026
EDUCATOR STATE ID	ISSUE DATE	EFFECTIVE DATES

The holder of this credential, having satisfactorily completed the requirements prescribed by The State Board of Education and the laws of Ohio, is authorized to teach the subject(s) or serve in the area(s) listed on this document for the period specified. The holder of this credential is responsible for being knowledgeable about current requirements for maintaining the credential.

Superintendent of Public Instruction

This official document was created by the Ohio Department of Education and represents a true copy of a legal educator license as referenced in Ohio Revised Code Section 3319.36.

Credential # 21965653

Employers may verify this credential by going to Educator Profile on education.ohio.gov and ensuring that the unique credential number appearing on this credential matches the person's records in Educator Profile, which is the official record of educator credential history.



Financial Policies and Controls Manual

v. 2025

Table of Contents

Financial Management Overview 3

Banks Accounts 4

Investments 5

Revenues 6

Accounts Receivable 8

Requisitioning/ Purchasing Policy 9

Procurement Policy for Federal Grants 11

Accounts Payable and Cash Disbursements 23

Purchasing Card ("PEX Card") Policy 25

Payroll 28

Capital Assets, Federally Funded Equipment and Inventory 30

Loans and Long-Term Debt 33

Business Expense Reimbursement 34

Budgeting 35

Federal Programs 36

Month End Closing Procedures 37

Year End Close and Financial Statement Preparation 38

Community School Funding Adjustments 39

Annual Audit 40

Cybersecurity 41

SOC Reports 42

Disaster Recovery Summary for Massa Financial Solutions 43



Massa
Financial Solutions, LLC

Fiscal Management Overview

Massa Financial Solutions (MFS) strives to reflect sound internal controls and accounting policies in the operation of the Schools it serves. MFS believes that having established procedures and strong internal controls is an integral part of delivering the educational model and achieving the overall school mission.

MFS has established the following procedures to maintain internal control over all school assets and processes. The purpose for establishing internal control is to provide reasonable assurance that the school will accomplish its objectives of safeguarding assets, providing accurate financial information, promoting operational efficiency and ensuring compliance with laws, regulations and established school policies and procedures.

MFS utilizes SAGE 50 Accounting Software to record the financial transactions of the schools it serves. This same software is used to generate all of the financial statements and related reports that are presented to stakeholders such as the Board of Directors, Authorizers (Sponsors), and State Departments of Education. The accounting system is maintained on a Microsoft Azure cloud-based environment that is secured and backed up on a daily basis, thus providing piece of mind to MFS clients that its financial systems are protected. (see Disaster Recovery Plan at end of this document) Additionally, MFS utilizes cloud applications such as BOX.com and AVIDxChange to store scans of all School financial records generated during the course of an engagement with MFS. Finally, as described in the Payroll section of this document, MFS strongly encourages the use of ADP payroll service, where applicable. This service not only ensures that the School will remain in compliance with its tax reporting and filing obligations, but that all payroll records are protected and available for viewing at any time through password restricted access to the School's private payroll portal. SOC Reports are available for both the ADP and AvidxChange systems.

Finally, MFS employees high quality individuals with several years of charter school experience dating back to 1999. Many of the team members are credentialed as CPAs and Licensed School Treasuers or have many years of expertise in School Finance. MFS always maintains appropriate levels of professional services insurance or bonds, as required.

Bank Accounts

General

Bank accounts will be maintained at a financial institution as designated by the Board of Directors. If necessary, separate accounts will be established to properly segregate financial activity where needed. The School Fiscal Officer will maintain online access to these accounts via the bank's website which will allow for regular and timely monitoring of the financial transactions in the school's accounts.

Reconciliation

On at least a monthly basis, the School Fiscal Officer shall perform a reconciliation of the bank account activity with the activity posted in the School's accounting system. Any reconciling items requiring attention will be adjusted prior to the completion of the following month's bank reconciliation. All reconciliations completed in the system will be published as a standard part of the School's monthly financial package.

Authorized Signatories

Certain designated individuals will be authorized to conduct business on the School's accounts. Such individuals shall be approved by resolution of the Board of Directors and also be on the appropriate signature card on file at the bank. For MFS clients, only the designated Fiscal Officer will be the authorized signer on all account, unless otherwise resolved by the Board of Directors.

Investments

General

If there are sufficient liquid cash balances on hand, the School may wish to invest a certain amount of School reserve funds in authorized investment vehicles. The Board of Directors shall be solely responsible for authorizing and establishing the School's investment strategy through a separate investment policy.

MFS may assist the Board in this effort by providing information and analysis of eligible investment options, as well as, executing investment transactions.

At all times, any investments of the School shall be as permitted under current Ohio law. Depending on currently available interest rates, the School may look to invest excess funds in the following:

- Money Market Accounts
- US Treasuries
- Certificates of Deposit
- STAR Ohio

The amounts of invested funds shall always be approved by the Board of Directors and should not reduce the School's operating cash balance below 60 days cash on hand.

Revenues

State and Federal Programs

Revenues of the School will primarily consist of direct deposits of monies from the State for various State and Federal Programs. Currently, the Schools receive monies from the following sources:

- State Aid (based on the legislative formula)
- National School Lunch and Breakfast Reimbursement (if applicable)
- Federal program funds passed through the Ohio Department of Education and Workforce (e.g., Title I, IIA, IDEA, etc) as applicable.
- Casino Tax Distribution
- Medicaid Reimbursement (if applicable)
- Quality Community School Support Fund. (if qualified)

Receipts of direct deposits from these sources throughout the year are recorded as revenue according to their source (using appropriate Fund codes) in the month they are received. At year end, receivables are established for any amounts due as of the end of the fiscal year, but not yet received. These receivables are established under "AR-Grants". Once received in the subsequent fiscal year, monies are credited against the established receivable in the SAGE 50 accounting system in the month they are received. Federal revenues should generally be equal to federal expenditures at June 30.

Miscellaneous Receipts

General

From time to time, Schools may receive cash or checks on-site. This may be related to special events admissions, book fairs, fundraising, donations or other such sources. Regardless of the source, it is important for the School to account for and safeguard all cash or cash equivalents (checks and money orders) received. To the extent possible, it is recommended that all cash be placed in a combination safe that is kept in the School leader's office. If this is not possible, any monies should, at a minimum be secured in a locked drawer or cabinet. On a regular basis, such collections can be sent to the Fiscal Officer via UPS, courier, or mail. Actual cash however, should never be sent by mail. If pre-arranged, the Fiscal Officer may permit monies to be deposited locally into the School's operating account.

Revenues – Page Two

Once the monies have been deposited by the Fiscal Officer, the deposit receipt from the bank shall be maintained with the School's other financial records and be available for review and audit at all times. This activity will also be recorded in the general ledger and reconciled with other cash activity on a monthly basis.

Accounts Receivable

Accounts Receivable (AR)

To the extent required, MFS will generate invoices to outside entities/agencies on behalf of the School. Such invoices will be generated through the SAGE 50 accounting system, reviewed by the Fiscal Officer and sent to the appropriate party for collection.

Upon collection of monies due on a particular invoice, the Fiscal Officer will deposit the funds and credit the appropriate invoice in the accounting system.

AR-Grants

As described in the Revenue policy, the School will establish a receivable for Federal monies as needed in any given month, but primarily at year end. Once the cash request is generated, and the funds are deposited, the receivable will be credited.

AR-Other

Items owed to the School that are outside of the State and Federal sources should be recorded in the AR-other account. Primarily, this account will be used for items that the School paid for that are expected to be refunded or reimbursed at a future point.

AR Monitoring

On a regular basis, no less frequently than monthly, outstanding amounts left unpaid will be reviewed for collectability by the Fiscal Officer. After an amount has remained uncollected after 6 months, a determination will be made (based on the specific circumstances that may exist) as to what action will be taken on the receivable (leave open or write-off).

Requisitioning/ Purchasing Policy

General

In general, the School Fiscal Officer is responsible for assuring that all purchases are appropriate and necessary. However, based on the structure of some management agreements, the procurement process for some schools may be performed by the management company. In the absence of other procurement guidance and/ or board approved purchasing policies, the following process will be utilized by a school to requisition needed goods or services.

Requisition Initiation

The purchasing process is initiated when a staff member submits a purchase requisition via email to the School Leader or Business Manager (if one exists).

All requisitions from staff must be sent using the established Requisition Form. This form should be completed in full and attached to the email sent to the address established for requisitions. Requisitions not in the prescribed format will not be approved.

Additional requisitions less than $1,000 may be made as authorized by the School Leader/ Board of Directors/ School Fiscal Officer via email approval. Requisitions under $100 may be authorized by the School Leader/ Board of Directors/ Fiscal Officer via verbal approval.

Fiscal Approval

Once the Requisition has been approved by the School Leader, it will then be forwarded to the School Fiscal Officer for budget review and approval. If there are insufficient funds available in the budget or the Fiscal Officer has questions about the requisition, the form will be returned to the originator who will modify the request and return it to the Fiscal Officer. If the modifications are satisfactory, the Fiscal Officer will then approve the requisition and return it to the School for procurement.

Placing Orders

Once the School receives an approved requisition, the order will be placed. If required by the vendor, a PO may have to be generated. Completed POs will then be used as the basis for contacting the appropriate vendor and placing the order. Only one individual at the School should be authorized to actually place orders with vendors. When orders are placed, the billing address should always list the School's physical address.

Receiving

Once goods and services are received, packing slips shall be reviewed by the receiver. If the goods or services are accurate, the packing slip will be initialed by the receiver and maintained at the School for audit purposes. The invoice can then be approved by the school and submitted to Accounts Payable for processing. The Accounts Payable process is addressed in a separate policy.

Enforcement

Please note that requisitions made outside of this process will not be recognized as liabilities of the School, but of the individual initiating the unauthorized order. Exceptions to this policy are only permitted with the express written approval of the School Fiscal Officer. Further, any violation of this policy by members of the School staff may result in disciplinary action.



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Procurement Policy for Federal Grants

Policies developed in accordance with federal guidelines in OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (**2 CFR §200**).

Purpose of these Procurement Standards/Policies

To clarify Federal requirements and procedures for the procurement of supplies and other expendable property, equipment, real property and other services with Federal funds. These standards are furnished to ensure that such materials and services are obtained in an effective manner and in compliance with the provisions of applicable Federal statutes and executive orders.

School (Recipient) Responsibilities

The standards contained in this section do not relieve the School (recipient of Federal funds) of the contractual responsibilities arising under its contract(s). The recipient is the responsible authority, without recourse to the Federal awarding agency, regarding the settlement and satisfaction of all contractual and administrative issues arising out of procurements entered into in support of an award or other agreement. This includes disputes, claims, protests of award, source evaluation or other matters of a contractual nature. Matters concerning violation of statute are to be referred to such Federal, State or local authority as may have proper jurisdiction.

Codes of Conduct

No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the recipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub-agreements. However, recipients may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The School may take appropriate disciplinary actions for violations of such standards by officers, employees, or agents of the recipient.

Procurement Policy for Federal Grants – Page Two

Competition and Cost/Price Analysis

All procurement transactions must be conducted in a manner that provides, to the maximum extent practical, open and free competition. This means that, even if it seems like a "good deal," grantee agencies (the School or program) cannot make the purchase until a *cost/price analysis* has been done, or other vendors also are given consideration

Cost analysis is the review and evaluation of each element of cost to determine whether it is reasonable, allocable to that grant program, and an allowable cost for that grant program. *Cost analysis* involves an examination of all the elements used in calculating a contract's total estimated cost. For example, when fixed-price contracts are based on cost estimates, grantee agencies should perform a cost analysis to determine the reasonableness of the prices. Every cost element listed in the vendor's offer must be examined. Additional cost analysis should be done if there are contract modifications that introduce new conditions or more current information is needed.

Price analysis involves a comparison of marketplace prices. There are various ways to conduct a price analysis. These include comparing offered prices including discounts with those listed in commercial catalogs, or with those recently submitted for similar services. It can be done, for example, by comparing the price quotes submitted by vendors, or by telephoning other vendors to obtain their market price, or simply by comparing published market prices (such as from a classroom supply catalog, for example).

Soliciting competitive bid prices from vendors might be done in different ways. For example, a grantee agency could get vendor prices by advertising in newspapers, sending letters to prospective vendors, telephoning prospective vendors, or even by comparing prices in office supply catalogs.

The recipient shall be alert to organizational conflicts of interest as well as noncompetitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. Also, to eliminate unfair advantage, contractors who develop or draft grantee applications or contract specifications or requirements (or statements of work, invitations for bids or requests for proposals) must be excluded from the competition for that procurement.

Solicitations for bids should clearly state all the requirements the vendor must fulfill in order for the bid or offer to be evaluated by the grantee agency. The procurement should be given to the vendor whose bid or offer is responsive to the solicitation, and is the most advantageous to the grantee agency (considering price as the primary factor, quality, and other applicable factors). Any and all bids or offers may be rejected when it is in the grantee agency's interest to do so. This means that grantees do not have to accept the lowest bid received because other factors, such as quality of the product or service record of the vendor, also may be considered by the grantee in making the decision.

METHODS OF PROCUREMENT

The following is a summary of available procurement methods. Additional information on each method is presented following the table:

Method	Aggregate Dollar Amt.	Notes 1:	Notes 2:
Micro-Purchase	Not to exceed $10,000 ($2,000 in the case of acquisitions for construction subject to the Davis-Bacon Act).	No quotations required if price is reasonable.	To extent practicable, distribute equitably among qualified suppliers.
Small Purchase	$10,001 to $250,000	Rate quotations from an adequate number of qualified sources.	No cost or price analysis required.
Sealed Bid	Over $250,000	Primarily constructions projects, firm fixed price contract.	Price is a major factor, formal process for bidding
Competitive Proposals	Over $250,000	Fixed price or cost reimbursement	RFP with evaluation methods for an adequate number of qualified sources.
Sole Source	Any dollar amount	No competition must be authorized by agency (or pass-through entity).	Unique or public emergency.

MICRO PURCHASES (< $10,000)

Purchases under $10,000 require little formal documentation; they are likely to be catalog purchases, with prices that are readily available from many vendors. A quick notation or copy of prices checked from at least one other source should be attached to the order or noted in the file. Conduct all procurement transactions in a manner that maximizes opportunities, increases quality (if a factor), and reduces the cost of the purchase.

SMALL PURCHASES ($10,000 to $250,000)

Purchases from $10,000 to $250,000 should have telephone or other quotations and simple purchase or performance descriptions. Inquire in the open market to ensure an advantageous price and quality. The file should document the inquiries made and offers received from at least three sources.

LARGE PURCHASES (>@250,000 – "Simplified Acquisition Threshold")

Purchases greater than $250,000 should be treated more formally, either through competitive proposals or sealed bids:

Procurement By Sealed Bids

Primarily used for construction projects, sealed bids are publicly solicited requests for bids or proposals at a fixed contract price. The contracts are awarded to the bidder whose bid conforms in all material respects to the specified requirements and offers the lowest price. Sealed bids are the preferred method for procuring construction contracts if the following conditions apply:

- A complete, adequate, and realistic specification or purchase description is available;
- Two or more responsible bidders are willing and able to compete effectively for the business; and
- The procurement lends itself to a fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

If sealed bids are used, the following requirements apply:

- The invitation for bids shall be publicly advertised;
- Bids must be solicited from an adequate number of known suppliers, providing them sufficient time to respond;
- The invitation for bids must fully describe the items or services sought, so that the bidder may properly respond;

- All bids will be opened at the time and place prescribed in the invitation for bids;
- A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
- Any or all bids may be rejected if there is a sound, documented reason

Procurement by Competitive Proposals

Competitive proposals are used when more than one source is submitting an offer, and either a fixed price or cost-reimbursement contract is awarded. It is generally used when conditions are appropriate for the use of sealed bids. When this method is used the following conditions apply:

- Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to the publicized requests for proposals must be considered to the maximum extent practical;
- Proposals must be submitted from an adequate number of sources;
- A written method will be used for conducting technical evaluations of the proposals received and for selecting recipients;
- Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
- Competitive proposal procedures may be used for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

SOLE SOURCE PROCUREMENT

"Sole source" or non-competitive procurement may be used only when one or more of the following circumstances apply:

- The item is available only from a single source.
- Public exigency or emergency will not permit a delay resulting from competitive solicitation.
- The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the School.
- After solicitation of a number of sources, competition is determined to be inadequate.

GENERAL PROCUREMENT PROCEDURES

(a) Federal procurement procedures require at a minimum, (1), (2) and (3) below.

(1) Recipients must avoid purchasing unnecessary items.

(2) Where appropriate, an analysis is made of lease and purchase alternatives to determine which would be the most economical and practical method of procurement for each Federal Government grant expenditure.

(3) When soliciting competitive bids for goods and services, the solicitation process must provide for all of the following.

(i) A clear and accurate description of the technical requirements for the material, product or service to be procured. In competitive procurements, such a description shall not contain features which unduly restrict competition.

(ii) Requirements which the bidder/offeror must fulfill and all other factors to be used in evaluating bids or proposals.

(iii) A description, whenever practicable, of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.

(iv) The specific features of "brand name or equal" descriptions that bidders are required to meet when such items are included in the solicitation.

(v) The acceptance, to the extent practicable and economically feasible, of products and services dimensioned in the metric system of measurement.

(vi) Preference, to the extent practicable and economically feasible, for products and services that conserve natural resources and protect the environment and are energy efficient.

(b) Positive efforts shall be made by recipients to utilize small businesses, minority-owned firms, and women's business enterprises, whenever possible.

When soliciting bids for goods or services, recipients of Federal awards shall take all of the following steps to further this goal:

(1) Ensure that small businesses, minority-owned firms, and women's business enterprises are used to the fullest extent practicable.

(2) Make information on forthcoming opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms, and women's business enterprises.

(3) Consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned firms, and women's business enterprises.

(4) Encourage contracting with consortiums of small businesses, minority-owned firms and women's business enterprises when a contract is too large for one of these firms to handle individually.

(5) Use the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Department of Commerce's Minority Business Development Agency in the solicitation and utilization of small businesses, minority- owned firms and women's businesses.

(c) The type of procuring instruments used (e.g., fixed price contracts, cost reimbursable contracts, purchase orders, and incentive contracts) shall be determined by the recipient, but shall be appropriate for the particular procurement and for promoting the best interest of the program or project involved. The "cost-plus-a-percentage-of-cost" or "percentage of construction cost" methods of contracting **shall not be used.**

(d) Contracts shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement. Consideration shall be given to such matters as contractor integrity, record of past performance, financial and technical resources or accessibility to other necessary resources.

In certain circumstances, contracts with certain parties are restricted by agencies' implementation of E.O.s 12549 and 12689, "Debarment and Suspension." Recipients shall comply with the nonprocurement debarment and suspension common rule implementing E.O.s 12549 and 12689, "Debarment and Suspension." This common rule restricts subawards and contracts with certain parties that are debarred, suspended or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.

No contract shall be made with parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Nonprocurement Programs in accordance with E.O.s 12549 and 12689, "Debarment and Suspension." This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory or regulatory authority other than E.O. 12549. Contractors with awards that exceed the Simplified Acquisition Threshold shall provide the required certification regarding its exclusion status and that of its principal employees.

(e) Recipients shall, on request, make available for the Federal awarding agency, pre-award review and procurement documents, such as request for proposals or invitations for bids, independent cost estimates, etc., when any of the following conditions apply.

(1) A recipient's procurement procedures or operation fails to comply with the procurement standards in the Federal awarding agency's implementation of this Circular.

(2) The procurement is expected to exceed the "Simplified Acquisition Threshold" (currently $250,000) and is to be awarded without competition or only one bid or offer is received in response to a solicitation.

(3) The procurement, which is expected to exceed the Simplified Acquisition Threshold, specifies a "brand name" product.

(4) The proposed award over the Simplified Acquisition Threshold is to be awarded to other than the apparent low bidder under sealed bid procurement.

(5) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the amount of the Simplified Acquisition Threshold.

Procurement records. Some form of cost or price analysis shall be made and documented in the procurement files in connection with every procurement action. For price analysis, this would mean keeping copies of all the documentation of the prices and vendors that were compared, identifying which vendor was chosen, and stating why that vendor was chosen. For cost analysis, it would mean keeping written documentation of the determination of whether a cost was reasonable, allocable to that grant, and allowable for that grant.

In addition, the procurement records for purchases in excess of the Simplified Acquisition Threshold (currently $250,000) shall include the following at a minimum:

- Basis for contractor selection,
- Justification for lack of competition when competitive bids or offers are not obtained, and
- Basis for award cost or price.

Contract administration. A system for contract administration shall be maintained to ensure contractor conformance with the terms, conditions and specifications of the contract and to ensure adequate and timely follow up of all purchases. Recipients (Linfield School person overseeing the grant) shall evaluate contractor performance and document, as appropriate, whether contractors have met the terms, conditions and specifications of the contract.

Contract provisions. The recipient shall include, in addition to provisions to define a sound and complete agreement, the following provisions in all contracts. The following provisions shall also be applied to subcontracts.

(a) Contracts in excess of the Simplified Acquisition Threshold shall contain contractual provisions or conditions that allow for administrative, contractual, or legal remedies in instances in which a contractor violates or breaches the contract terms, and provide for such remedial actions as may be appropriate.

(b) All contracts in excess of the Simplified Acquisition Threshold shall contain suitable provisions for termination by the recipient, including the manner by which termination shall be affected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.

c) Except as otherwise required by statute, an award that requires the contracting (or subcontracting) for construction or facility improvements shall provide for the recipient to follow its own requirements relating to bid guarantees, performance bonds, and payment bonds unless the construction contract or subcontract exceeds $150,000. For those contracts or subcontracts exceeding $150,000, the Federal awarding agency may accept the bonding policy and requirements of the recipient, provided the Federal awarding agency has made a determination that the Federal Government's interest is adequately protected.

If such a determination has not been made, the minimum requirements shall be as follows:

(1) A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder shall, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.

(2) A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

(3) A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by statute of all persons supplying labor and material in the execution of the work provided for in the contract.

(4) Where bonds are required in the situations described herein, the bonds shall be obtained from companies holding certificates of authority as acceptable sureties pursuant to 31 CFR part 223, "Surety Companies Doing Business with the United States."

(d) All negotiated contracts (except those for less than the Simplified Acquisition Threshold) awarded by recipients shall include a provision to the effect that the recipient, the Federal awarding agency, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the contractor which are directly pertinent to a specific program for the purpose of making audits, examinations, excerpts and transcriptions.

(e) All contracts, including small purchases, awarded by recipients and their contractors shall contain the procurement provisions of Appendix A to this Circular, as applicable.

Costs

All allowable costs will be determined by **OMB 2 CFR §200**, FARs, and/or by the granting entity through grant manuals or award terms and conditions.

For Federally Sponsored awards, allowable costs generally fall within these guidelines:

1. Costs must be reasonable. This is defined as the action that a prudent person would take under the circumstances.
2. Costs must be allocable to federally sponsored agreements under the principles and methods described in OMB A-21. (See OMB Circular A-21; Unallowable Costs.)
3. Costs must be given consistent treatment through application of Generally Accepted Accounting Principles (GAAP) appropriate to the circumstances as dictated by Cost Accounting Standards (CAS). This includes the use of account codes for cost classification.
4. Costs must conform to any limitations or exclusions set forth in OMB Circular A-21 or in the sponsored agreement as to types or amounts of cost items.

Cost Classification: Assigning Account Codes

The administration of a contract or grant project involves identifying all costs associated with it. Cost information is needed both to manage the internal affairs of the School and to satisfy external requirements. An account code is assigned to each cost to classify the expenditure according to goods or services received.

Allowable Direct Costs

Direct costs are expenditures associated with grants, contracts, and cooperative agreements that are necessary for and can be identified with the performance of a specific sponsored project. Direct costs of a sponsored project include all personnel costs charged to the project, expenditures for supplies and equipment, travel expenses, printing, other service department charges, and any other expenses specifically identified with the project. The award document contains requirements or restrictions specific to the project.

Unallowable Costs

Unallowable functions, such as lobbying, public relations, and fund raising, are groups of costs that due to the nature of the function will make the expenditure unallowable. For example, salaries and wages are generally allowable costs; however, those same salaries and wages incurred for the benefit of a fundraiser are unallowable. Therefore, the function makes the expenditure unallowable.

Some unallowable costs, such as alcoholic beverages, are types of expenditures that are specifically unallowable by law, regulations and/or contract terms. See OMB Circular A-21 section J. Both unallowable costs and expenses connected with unallowable functions must not be direct charged to sponsored agreements. Other costs, such as utilities and building maintenance are unallowable as a direct cost unless approved in the proposal process and by the sponsor.

Facilities and Administrative Costs (Formerly Indirect Costs)

Facilities and Administrative (F & A) costs are expenditures associated with a grant, contract, or cooperative agreement that cannot be directly charged to nor specifically identified with individual sponsored projects. These costs include maintenance of physical facilities, library services, administrative services, and departmental administration. In general, F&A costs involve expenditures necessary for the development and maintenance of an environment conducive to research and other sponsored projects.

Most grants and contracts provide for the recovery of F&A costs incurred in their executions and management. The recovery is based upon negotiated rates and assessed to individual projects on a percentage basis. The negotiation is based on a review of the School's costs and assessment of the reasonableness of the charges.

In most cases, F&A costs for a sponsored project are calculated by multiplying the approved F&A rate and the wages paid on the award. F&A cost is charged based upon the rate and base in the approved award, up to the federally negotiated rate. Slight F&A cost adjustments may be made manually by the Grants Coordinator during the award closeout process.



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Accounts Payable and Cash Disbursements

Massa Financial Solutions utilizes **AvidxChange** (avidxchange.com) to capture and route invoices for approval and to import approved invoices into the SAGE accounting system. Once invoices are selected for payment from the aging report in SAGE, approved payments are then exported back to AVID for payment processing. AVID will then debit the school's bank account for the appropriate amount of each individual item being paid. AVID's Supplier team will then communicate with the vendor to handle the payment terms, reducing the administrative burden on the MFS accounting team. As authorized debits are being made from the school's bank account, there are very few outstanding items on the school's monthly bank reconciliation.

Steps to the invoicing/ payment cycle using AVID:

- Invoices are sent to the Fiscal Officer's office for upload into AVID or emailed directly to AVID at MassaAP@avidbill.com
- Invoice then is routed through a pre-established approval workflow that is custom to the school. School level approvals are typically conducted first and it goes to the Account Payable teams (Accel and/ or Massa Financial) for additional review to make sure all source documents are included, account numbers appear correctly, general ledger coding and descriptions are accurate, etc.
- Fiscal Officer conducts the final review of all invoices and then authorizes the AP Manager to begin the batching process.
- Once all approved invoices are batched by school, they are imported into SAGE and AP Agings are generated for review by the Fiscal Officer. This process is performed on a weekly or a bi-weekly basis.
- Fiscal Officer determines from the aging report which items are to be paid depending on the available cash flow at the time and highlights the items to pay directly on the aging report.
- The AP manager at Massa then selects the invoices in SAGE that were approved to be paid. A file is then generated that exports the paid items back to AVID for payment processing.
- The Fiscal Officer is required to do a secondary review and approval once the payment is in the AVID queue.
- All approved payments are then then debited directly out the school's bank account by AVID. Each debit is clearly noted on the bank statement, including the vendor name.
- Once the debits are made to the school's account, AVID then reaches out to the vendors and asks how they would like to receive the payment: by check, ACH, or a virtual credit card.
- Massa has the ability to void or cancel any payment if necessary.

In order to determine the completeness of accounts payable at the end of each fiscal year, the Fiscal Officer will review all invoices paid by the School after yearend (6/30/XX) during the months of July and August (the "review period"). The review will primarily focus on the date that services were rendered or the period for which the charge is intended to benefit. The review will only apply to individual invoices that exceed $3,500. Each item reviewed will be evaluated to determine if it was properly included or properly excluded from the School's accounts payable listing at 06/30/XX. If adjustments are required to properly classify items reviewed, they will be posted in real-time to the SAGE 50 accounting system as they are identified. Items identified outside of the review period that should be included in the School's accounts payable listing at 06/30/XX, should be brought to the Fiscal Officer's attention for a final determination on how the item will be recorded.

Checks are signed electronically by authorized signatories (See Bank Accounts Policy) using the MFS check writing software (PrintBoss). The checks and the appropriate back-up documents are then assembled and presented for final review by the Fiscal Officer. Any corrections needed are made immediately. Once the review is completed and any necessary corrections made, the check is then authorized for release and the supporting documents are uploaded to a secure cloud environment. No manual checks are authorized without consent of the Fiscal Officer.

Finally, all other disbursement transactions outside of the procedures described in this policy require specific approval from the School Fiscal Officer (i.e., transfers, cashier's check, withdrawals) and without such approval are unauthorized.



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Purchasing Card ("PEX Card") Policy

The purpose of the School PEX card is to facilitate small purchases for the School when other means are not practical or efficient. The card is not a credit card nor a debit card. The card is a purchasing card intended to facilitate small dollar purchases via a pre-authorized funding of the card. This policy shall govern the appropriate use of the School's card and accounting for any card activity.

GENERAL

1. The Fiscal Officer will be responsible for the issuance, account monitoring, card retrieval or cancellation, and generally for overseeing compliance with the PEX Card Policy. The PEX card will be issued in the name of the Fiscal Officer and/or an employee designated by the Fiscal Officer.

2. The Fiscal Officer or an employee designated by the Fiscal Officer may use the PEX card, only for goods or services for the official business of the School.

3. Documentation detailing the goods and services purchased must be submitted though the standard requisition process and approved before payment with the card can occur.

4. The School will use disciplinary measures consistent with current law for any unauthorized use.

5. Any benefits derived from the use of the PEX card will be the property of the School.

6. The PEX card account will be funded prior to purchase being made. The School accepts full responsibility for funding the PEX card.

PEX CARD GUIDELINES

A VISA PEX card will only be issued to the School Fiscal Officer and those designated by the Fiscal Officer to receive a card. It will be honored for School business by any vendor or merchant who accepts the card. The PEX card does not have a set limit, but purchases are limited to the amount of funding available on the card, which is done by direct transfer and pre-approved by the School Fiscal Officer.

PEX Card Policy – Page Two

Purchases made via the PEX card must comply with the School's financial policies and purchasing guidelines. This card in no way changes such policies. It simply provides another method for making certain payments.

Violations of this Policy and Guidelines may result in revocation of use privileges and termination of employment. Anyone who has inappropriately used the PEX card will be required to reimburse the School for all costs associated with such improper use.

CARD USAGE PROCEDURES

All PEX card transactions can be performed over the internet, over the phone, or in person by authorized individuals. When the PEX card is used, the following guidelines shall be used.

- Plan expenditures in advance and obtain appropriate approvals in accordance with School purchasing and requisition policies.
- Once approved, proceed with the purchase. Tell the merchant that payment will be made with the School's PEX card and that it is a non-taxable purchase. If it is an internet, phone or mail order, give the merchant the card number and expiration date.
- Ensure all receipts are itemized.
- Retain all receipts and PEX card slips for audit purposes.

TAX EXEMPTION

Individuals making the purchase must notify the vendor or merchant that the PEX card transaction should be tax exempt, as it is for goods or services to be used by the School. If requested, the standard Ohio Sales Tax Exemption Certificate should be presented to the vendor for audit purposes.

ALLOWABLE CHARGES

In general, the PEX card may be used for the following expenses:

1. Travel expenses
2. Conference registration fees.
3. School Materials
4. Small Equipment purchases (less than $500)
5. Supplies
6. Other expenses not listed but approved in advance by the Fiscal Officer.

The PEX card may not be used for personal use, items not covered by the categories listed above, or for non-School use. However, should such unauthorized use occur, reimbursement by the responsible party will be due to the School immediately.

PEX CARD SECURITY

Authorized users of the PEX card are responsible for its protection and custody, and must keep the card in a secure location at all times. The Fiscal Officer will maintain ultimate control of the PEX card through the PEX secure website. If a card is lost or stolen, the Fiscal Officer must be notified immediately so that the card can be disabled.

ACCOUNTING PROCEDURES

PEX card statements, along with receipts for all items paid for by the School will be reconciled on a monthly basis by the Fiscal Officer. This will include reconciling original receipts to the statement transactions. Receipts must show the date, purpose, and name(s) for which the expense was incurred.

The Fiscal Officer or designee will then assign an account code to each charge and record all activity in the School's SAGE50 accounting system on at least a monthly basis.

The Fiscal Officer must retain the approved PEX card statements and accompanying receipts on file in accordance with the School's Record Retention Policy.

Payroll and Related Liabilities

The School Leader, designated official, or management company is responsible for the monitoring the hiring or employees, authorizing salaries, initiating employment contracts and maintaining the staffing levels approved in the annual budget.

For those school clients that do not process payroll through their contracted management company, MFS strongly encourages the use of Automatic Data Processing (ADP), a national payroll provider, to execute its semi-monthly payroll. However, other similar companies may be used if circumstances warrant it. This decision will rest with the School fiscal officer. Using a national provider will help ensure a timely execution of payroll, the filing of required returns, and overall compliance with current tax laws.

A designated School representative will work closely with MFS to collect all employee paperwork necessary to create an employment profile in the ADP payroll system. All contracts are paid equally over 24 pays (or 26 pays if cycle was established prior to engaging MFS) unless otherwise designated by the Board of Directors. Additionally, all contracts are pro-rated for varying dates of hire. Before each pay, any changes (new hire, termination, pay increase, etc) are forwarded to the School Leader for review and approval prior to entering the change into the ADP payroll system and employee records.

The School is responsible for reporting staff absences and the use of substitute employees. These reports are submitted to School Administration and are used to update employee leave balances. Leave taken without sufficient leave balances are docked from employee's pay.

Enrollments and notices for all insurances and other deductions are submitted to School Administration on the required forms and maintained in the employee personnel file. Such deductions are made from the employees' pay once approved by both the School and MFS.

Payroll and Related Liabilities – Page Two

Upon the completion of preparing the semi-monthly payroll in the ADP system, a "Payroll Preview" is generated by the School and submitted to the School leader, Fiscal Officer, and management company (if applicable) for review and approval. If no changes are necessary, the School then authorizes the Fiscal Officer to submit the payroll for processing and payment. Payroll is automatically debited from the School's operating cash account. In cases, where the management company employs the staff, payroll may be debited directly from the School's account or invoiced to the School for reimbursement based on established protocols.

As noted in previous sections, all of the School's bank accounts are reconciled on a monthly basis.

Capital Assets, Federally Funded Equipment, and Inventory

This policy defines the accounting treatment and reporting of all capital assets belonging to the School in accordance with applicable accounting standards and federal guidelines and shall be consistently applied by the School Fiscal Officer. Management of all physical assets, including periodic inventories, is the responsibility of School on-site personnel and/ or the related management company.

The School will follow a policy of capitalizing individual assets costing greater than $10,000 or other thresholds as approved by the Board of Directors. This is an increase from a threshold of $5,000 and will be in effect beginning in fiscal year 2025. Items capitalized under the prior threshold will not be restated for financial reporting purposes.

For purposes of this policy, capital assets are defined as:

Tangible or intangible assets used in operations having a useful life of more than one year which are capitalized in accordance with GAAP. Capital assets include:

- Land, buildings, technology, furniture, vehicles, equipment, and intellectual property (including software), whether acquired by purchase, construction, manufacture, exchange; and
- Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance)
- In accordance with GASB Pronouncement No. 87, capital assets may also include the recording of intangible right-to-use assets.

The School through the direction of the Fiscal Officer will maintain a record of all assets owned by the School and meeting the criteria for capitalization in a Schedule of Capital Assets.

The Schedule shall include than the following information:

- Asset tag number
- Description
- Serial number (if available)
- Check number
- Acquisition date
- Estimated life

All depreciation expense related to the maintaining of these assets will be calculated using the straight-line method based on estimated useful lives of the individual assets and recorded in the financial statements of the School through a posting to the SAGE 50 accounting system.

Current estimated useful lives are established as follows for each type of asset classification:

- Land (not depreciated)
- Building and Building Improvements – 39-40 years
- Leasehold Improvements – school specific
- Computers and Software – 3 years
- Furniture and Fixtures – 5 years
- Equipment – 5 years
- Vehicles – 5 years

Net Book Value (NBV) of all assets is equal to the original acquisition cost less accumulated depreciation.

All requests for removal of surplus property, deletions and discards must be approved by the Board of Directors. All requests must be processed through the Fiscal Officer who will review the request and determine if it is reasonable. In no case should equipment be removed or discarded without prior authorization from the Board. If practical, photos should be taken of the disposed equipment.

For Federally funded assets, including equipment, with a current per unit fair market value of $10,000 or less may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency.

Items greater than $10,000 must have the approval of the Federal awarding agency. If disposition instructions are not provided within 120 days of the initial request, items of equipment with a current per-unit fair-market value in excess of $10,000 may be retained by the non-Federal entity or sold. The Federal awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the Federal awarding agency's percentage of participation in the cost of the original purchase. If the equipment is sold, the Federal awarding agency may permit the non-Federal entity to deduct and retain from the Federal share, $1,000 for its selling and handling of the equipment.

Additional Federal Considerations (excerpt of 2 CFR 200.439)

The following rules of allowability must apply to equipment and other capital expenditures made from Federal funds:

(1) Capital expenditures for general purpose equipment, buildings, and land are unallowable as direct charges, except with the prior written approval of the Federal awarding agency or pass-through entity (Ohio Department of Education).

(2) Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of $10,000 or more have the prior written approval of the Federal awarding agency or pass-through entity (Ohio Department of Education).

(3) Capital expenditures for improvements to land, buildings, or equipment which materially increase their value or useful life are unallowable as a direct cost except with the prior written approval of the Federal awarding agency, or pass-through entity. See § 200.436 Depreciation, for rules on the allowability of depreciation on buildings, capital improvements, and equipment. See also § 200.465 Rental costs of real property and equipment.

(4) When approved as a direct charge pursuant to paragraphs (b)(1) through (3) of this section, capital expenditures will be charged in the period in which the expenditure is incurred, or as otherwise determined appropriate and negotiated with the Federal awarding agency.

(5) The unamortized portion of any equipment written off as a result of a change in capitalization levels may be recovered by continuing to claim the otherwise allowable depreciation on the equipment, or by amortizing the amount to be written off over a period of years negotiated with the Federal cognizant agency for indirect cost.

(6) Cost of equipment disposal. If the non-Federal entity is instructed by the Federal awarding agency to otherwise dispose of or transfer the equipment the costs of such disposal or transfer are allowable.

(7) Equipment and other capital expenditures are unallowable as indirect costs. See § 200.436 Depreciation.

(8) OMB Circulars A-87, A-102, A-110, A-21 should be monitored for any changes in guidance.



Massa
Financial Solutions, LLC

Loans and Other Long-Term Debt

From time to time, schools may have to take out a loan or other long-term debt. This may be related to working capital needs or facility financing. Once the loan or debt is executed, the corresponding liability is recorded on the School's Statement of Net Position and split between the Current and Long-Term Portions. As principal payments are made against the outstanding debt (based on a frequency determined in the terms of the debt agreement), an entry is recorded to reduce the liability accordingly. Any associated interest with such payments is recorded as an non-operating expense at the time of payment. All debt must be approved by the School's board of Directors prior to any proceeds being received.

Note: On the School's audited statements, the School may be need to record entries required by the Governmental Accounting Standards Board (GASB) to record certain assets and liabilities related to leases, pension and other post-employment benefits. These entries are required by current accounting standards as described in GASB Pronouncements Nos., 68, 75, and 87 and are made *for presentation purposes only*. They do not represent debt liabilities under which the school is required to make any structured payments with the school's operating funds.

Business Expense Reimbursement

Employees and Board Members of the School are entitled to reimbursement of business-related expenses associated with their performance of official school business. Where applicable, all reimbursements are processed in accordance with any pre-established travel policies or guidelines. Mileage shall be reimbursed at the rate currently established by the Internal Revenue Service for business travel.

Reimbursement requests must be submitted on a standard form established by the School and completed with all required information (dates, places, business purpose, amount). All requests, with the exception of mileage, shall be accompanied by an original receipt to evidence the expense incurred. Finally, all requests must be signed by the individual seeking reimbursement and their immediate supervisor.

All employees/ Board members are eligible for reimbursement of travel related expenses upon return from their trip. Prepayment for meals and/or lodging is not allowable.

Approved reports are submitted to the Fiscal Officer for processing under the Accounts Payable guidelines.

Reimbursement for any items not specifically related to the approved travel or for items that do not serve a proper public purpose (e.g. alcohol) are strictly prohibited and are not reimbursable to the employee.

Budgeting

The Board of Directors will annually adopt an operating budget for the upcoming School year. Depending on the School, the Operating Budget will be prepared under the direction of the Board, management company (if applicable), School leaders or their designees, and the Fiscal Officer. In all cases, the final budget draft will be reviewed by the Fiscal Officer. The final decision-making authority with regard to budget issues rests with the Board with input from the Fiscal Officer and School or management personnel.

If any increases, decreases, or other material adjustments to the final operating budget become necessary throughout the year, they must be presented to the Board for approval. Once approved, the change is recorded in the budget and updated in the SAGE 50 accounting system by the Fiscal Officer. A revised budget is then issued and becomes the new operating budget for the School.

At each regular meeting of the Board, the Fiscal Officer shall present to the Board a statement that compares YTD actual financial results to the YTD budget.

These guidelines shall also be followed in the development and approval of all five-year forecasts as required by the Ohio Revised Code.

Federal Programs

Comprehensive Continuous Improvement Plan (CCIP)

All schools are entitled to receive annual allocations of formula-based funds through the Department of Education including, but not limited to Title I, Title IIA, Title IV, IDEA funds, etc.

Upon receipt of an allocation award notice, an application and budget is prepared in the CCIP and then submitted to the Fiscal Officer for review and approval. Once approved by the Fiscal Officer, it is then approved by the Authorized Representative (typically the School Leader) and then forwarded to the Department of Education for FINAL review and approval. No funds can be drawn against the allocation until the school receives an initial Final Approval.

Final approved grant budgets are included in the School's overall operating budget. The Fiscal Officer is then responsible for monitoring grant award budgets. The School official or program coordinator is responsible for monitoring any specific compliance issues related to the grant.

Project Cash Requests

Project Cash Requests (PCRs) related to approved grant programs will be completed and submitted once a month or less frequently if determined to be reasonable. For the most part, requests for program cash will be supported by expenditures already made by the school in the month prior (negative cash request). If there is cash on hand at the time a project cash request is made, this will be taken into consideration and adjusted on the request accordingly.

Final Expenditure Reports

At the conclusion of each program period and by the required due date required (typically September 30th), the School shall submit Final Expenditure Reports for each program detailing and certifying the total amounts expended or obligated during the reporting period. All amounts reported on the Final Expenditure Report shall be supported by underlying financial records that reflect amounts paid to eligible employees and vendors.

Overall, the School shall follow all applicable provisions of the Education Department General Administrative Regs (EDGAR), which is inclusive of 2 CFR (Code of Federal Regulations), Part 200.

Month End Closing Procedures

On a monthly basis, MFS staff will conduct a series of closing procedures to ensure the monthly statements are reconciled and reflective of the true financial position of the School. Upon final review by the Fiscal Officer, MFS will produce a standard set of financial statements that will consist of no less than the following components:

- Statement of Net Position
- Statement of Revenues, Expenses, and Changes in Net Position (compared to Budget)
- Bank Reconciliation for all accounts
- Monthly Check Register
- Accounts Payable Aging

Optional reports that may be included are:

- Statement of Cash Flows
- ODEW Payment Comparison Report

These documents will be presented to the Board of Directors at the regularly scheduled meetings for approval. On a monthly basis, the financial statements will be also submitted to the School's Sponsor according to the established schedule for submissions. From time to time, the Fiscal Officer may respond to inquiries from the Sponsor about certain aspects of the financial statements.

Year End Closing and Financial Statement Preparation

At each year end (6/30/XX), MFS staff will begin the annual closing process which includes additional adjustments beyond what are typically recorded during the monthly close process of interim periods. These adjustments may include, but are not limited to the following:

- Accounts Receivable – Grants
- Accounts Receivable – FTE (State Aid)
- Accrued Wages and Benefits
- Accrued Expenses
- Accounts Payable (longer evaluation for accrual)
- Depreciation Expense
- GASB Statements Nos. 68, 75, and 87 Entries

Once all yearend adjustments are posted to the SAGE 50 system, a trial balance is exported and dropped into an Excel-based financial statement template that includes the following:

- Statement of Net Position
- Statement of Revenues, Expenses and Changes in Net Position
- Statement of Cash Flows

These statements collectively make up what is referred to as the "Basic Financial Statements". All three statements are reviewed by the Fiscal Officer for accuracy and consistency. Once reviewed and approved, the Statements are then used to create and/ or update the "Notes to the Basic Financial Statements" which include all required and necessary disclosures about the school's financial statements. In addition, a draft Management's Discussion and Analysis (MD&A) is prepared, as well as any Required Supplementary Information. This comprehensive package of Basic Financial Statements, Notes, MD&A, and RSI Schedules is then combined into a single PDF document and submitted for a final review by the Fiscal Officer. Any needed changes are made immediately, and an updated copy is generated. Once the final draft is approved, it is then submitted by the Fiscal Officer to the Hinkle filing system which is contained within the Auditor of State's eServices system. A report for each school is required to be filed in the system within 150 days of fiscal yearend, which is generally around the end of November. Once the report is filed, an email confirmation of submission is received. Finally, though it is not a required part of the Hinkle filing, MFS staff will also draft a Schedule of Expenditures of Federal Awards (SEFA) for instances when the auditor is performing a Single Audit of federal funds expended.

Community School Funding Adjustments

In Ohio, ORC Section 3314.08 provides that funding for community schools is primarily driven by enrollment that is calculated on an annualized full-time equivalent basis or "FTE". These calculations are based on the monthly submission of specific student data into EMIS. At the end of the year, a final EMIS submission is done and funding is adjusted accordingly. In addition to changes in data, FTE adjustments may also occur through FTE reviews conducted by the ODEW to verify the accuracy of data reported. Through either the data submission process and/or an FTE review, adjustments are determined on an annual basis by comparing these "final" results to what the revenues the School actually received during the fiscal year. These adjustments may result in either additional funds being owed to the School (receivable)...or additional funds being owed by the School (payable).

MFS staff will continuously monitor the monthly ODEW Settlement Reports and the posting of Final FTE Adjustment Listings on the ODEW website for information on necessary adjustments. MFS will also monitor the results of any FTE review for any additional adjustments that may be required. MFS will record all such adjustments (positive or negative) at the time that they are identified. Generally, because these adjustments are determined after the year end of a given fiscal year, MFS will record these adjustments in the appropriate fiscal year on an accrual basis (positive adjustment="receivable" and negative adjustment="payable") up until the 150-day unaudited financial statement deadline. After this deadline, such adjustments will be discussed with the auditor to evaluate materiality and discuss the proper treatment of such adjustments on the School's financial statements.

After properly accounting for the revenue adjustments, MFS staff will work with the community school to identify all contracts and agreements that may be based on a percentage of revenue or number of FTEs. (e.g., often management agreements or sponsor contracts), as well as, determine which components of the ODEW Settlement Report should be considered in the calculation. Any such contracts or agreements identified as meeting this requirement will also have amounts paid (or owed) to the other party adjusted accordingly with the final FTE/ Revenues set by the State. If necessary, MFS will work with the School and legal counsel to determine the proper handling of these items. Otherwise, MFS will work to ensure that these parties are aware of the adjustments needed and will also monitor current year invoices received from (or payments made) to these parties to ensure the adjustments are properly and timely accounted for. Should the School end their relationship with one of these providers, any amounts remaining due to School will be payable in full prior to the transition date. Lastly, MFS will advise the School if collateralization of possible future repayments is necessary.

Audit

The School will undergo an annual independent financial audit by a State Agency or independent firm qualified to perform audits of charter schools. In cases where the auditor is an independent firm, the Fiscal Officer shall make the selection after review of proposals from interested firms. The auditor will perform their audit in accordance with Generally Accepted Accounting Principles (GAAP), Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards to determine whether the financial statements are fairly presented, financial reporting controls and policies have been properly designed and implemented, and whether the School has complied with all applicable laws and regulations. However, the auditor shall only render an opinion on the fair presentation of the financial statements. Additionally, if the School has expended over $750,000 in federal monies, the auditor shall be required to perform a Single Audit of the School in accordance with OMB Circular A-133. Throughout the course of any audit, MFS will support the School and audit team by answering questions, being a liaison between the School and the audit staff, and providing all of the underlying records that support the amounts and disclosures contained in the School's financial statements.

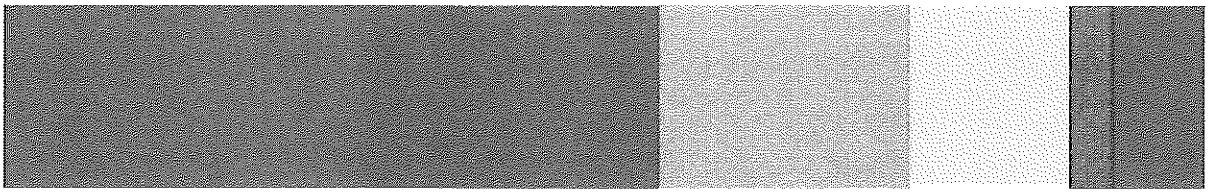
Once the audit is completed, it will be released and made available to all stakeholders (board members, authorizers (sponsors), and management company officials). Audits are electronically distributed based on the roster of stakeholders established in the Auditor of State's eServices system.

Cybersecurity

MFS is acutely aware of the risks posed by cyber-attacks, phishing schemes (payment redirect), and other fraudulent activities. To every extent possible, the Fiscal Officer and MFS staff will take measures to mitigate this risk wherever possible. This includes validating information received that requests that payment information to a particular vendor or employee be updated. Further, while ACH and wire transfers may be used as a payment method, these types of transactions are only executed by the Fiscal Officer after careful consideration of all payment details and/ or circumstances. Finally, MFS works continuously with its technology partner to implement active measures of protection and monitoring of all systems, including email. MFS believes that the controls outlined in this manual, the inherent controls of the systems that are in place to perform routine/ ongoing transactions, and the cumulative experience of the Fiscal Officer and MFS staff provides a strong defense against these types of events occurring. However, as a precautionary measure, MFS carries appropriate levels of cyber and professional liability insurance.

SOC Reports

In support of some of the key processing systems described in this policy manual, System and Organization Control ("SOC") Reports are available for FIT Technologies, ADP, and AVIDxChange on an annual basis, in addition to any related "bridge letters". These reports provide verification of a company's compliance with best practices for information security and further support the overall internal control environment of MFS. Any complimentary user entity controls described in these reports are implemented as applicable. The most recent reports are available upon request.



fIT
TECHNOLOGIES

Massa Financial Solutions, LLC
Disaster Recovery
February 2, 2025



Overview

In this document, FIT outlines the disaster recovery plans and options for Massa Financial Solutions, LLC as it pertains to the business-critical platform for the organization hosted within Microsoft Azure and Massa data contained within Microsoft 365.

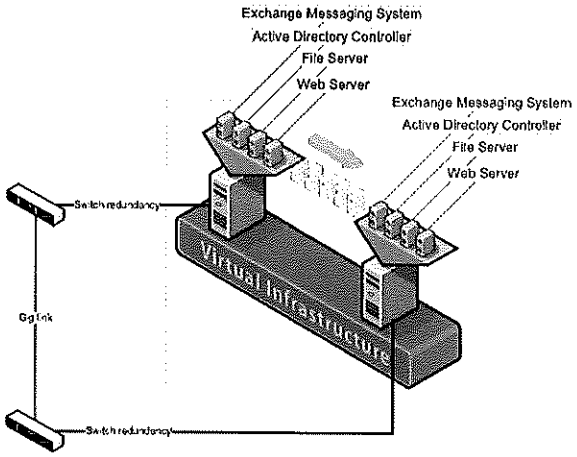
Microsoft Azure

All Massa Financial Solutions' servers are hosted in a fully redundant server cluster using Microsoft Azure. This cluster is hosted within an Azure datacenter with redundant uninterruptible power and generator backup. Azure is composed of a globally distributed datacenter infrastructure, supporting thousands of online services and spanning more than 100 highly secure facilities worldwide.

Azure is a cloud computing platform offered by Microsoft. Massa Financial Solutions uses the infrastructure as a service (IaaS) to provide storage, network, servers, and virtualization. Virtualization hides the physical characteristics of a computing resource from its applications and/or end users. This makes a single physical resource (such as a server, an operating system, an application, or storage device) appear to function as multiple logical resources; or it can include making multiple physical resources (such as storage devices or servers) appear as a single logical resource. Hosting servers in this environment provides ease of storage, backup of stored data and redundant power systems.

By virtualizing the systems in place, an additional means of failover can be utilized. Normally, if a system fails all its roles are unavailable until that system is replaced. In a virtual environment, it is possible to configure virtual machines to host those critical roles on a shared storage platform allowing the virtual machines to be re-attached to another system which will return the environment to an operational state.

The image below depicts virtual servers running on a physical server in a virtual infrastructure environment. The diagram demonstrates the virtual hosts' portability from one physical server to another across a redundant switched network. The diagram assumes a shared storage system is attached to each of the two systems.



Security

Microsoft strictly enforces and controls physical access to the areas where Massa data is stored through state-of-the-art physical security. A layered approach is used to reduce the risk of unauthorized physical access to the data and datacenter resources. The layers that Microsoft uses are as follows:

- Perimeter security
  - Camera-monitored entrance gates and security guards patrol nondescript buildings that have perimeter fencing and 24-hour exterior lighting.
- Entering the datacenter
  - All entrances are staffed with professional security officers who have gone through rigorous training and background checks. These officers patrol the datacenter and monitor video feeds from security cameras.
- Inside the datacenter
  - To continue moving through the datacenter, two-factor authentication with biometrics is required. Once authenticated, access is granted to the authorized portion of the data center for only the time approved. Areas designated as highly sensitive require additional two-factor authentication.
- Datacenter floor
  - The floor can only be accessed with prior approval and after a full body metal detection screening at the time of entry. Only approved devices can make their way onto the datacenter floor. Video cameras monitor the front and back of every server rack. Upon exiting the floor, all individuals are subject to an additional full body metal detection screening.
- Leaving the datacenter
  - When leaving the facility, each person must go through a final security checkpoint and all visitors must surrender their temporary badges. After collection, all badges have the access levels removed before being reused for future visits.

To access the resources within Microsoft Azure, Massa Financial uses a managed user accounts in Microsoft Entra ID. Microsoft Entra ID is a cloud-based identity and access management service. It is continuously replicated to multiple geographically dispersed data centers. To secure the Local Area Network ("LAN") environment from outside intrusion, the hosted service solution uses Azure Bastion. The Azure Bastion service is a fully platform-managed PaaS service that you provision inside your virtual network. It provides secure and seamless RDP/SSH connectivity to your virtual machines directly from the Azure portal over TLS. When you connect via Azure Bastion, your virtual machines do not need a public IP address, agent, or special client software.

Azure Backup
With the Azure Backup service offering, backups are provided for all Massa Financial Solution servers. Azure Backup is a policy-based data and recovery solution that provides image-based backups daily. The service ensures that all operating system, file system, and application data hosted on the Massa Financial Solution servers are captured as a snapshot image. All imaged based backups have a retention period of thirty (30) days.

Acronis Microsoft Cloud Backups
On top of the Azure backups for all Massa Financial Solution servers, Massa also backs up company data contained within Microsoft 365 (specifically OneDrive, SharePoint, and Outlook) using a third-party vendor. The third-party vendor is Acronis and performs daily backups of the data contained in the Microsoft 365 services indicated above. This data has an infinite retention allowing Massa to recover from any accidental or non-accidental deletions and/or changes. All access to backed up data included is secured and protected by two-factor authentication.

Microsoft 365 does, by default, retain copies of Massa data held within the Microsoft 365 environment, however, holds no liability to being able to restore the data. It is the responsibility of Massa to provide backups of their data in Microsoft 365, which is why a third-party vendor is used to provide restorable data contained within Microsoft 365.

Foundation Academy: 009192

Statement of Receipt, Disbursements, and Changes in Fund Cash Balances
the Fiscal Years Ending 2026 through 2031, Forecasted

	Forecasted					
	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031
Operating Receipts						
State Foundation Payments (3110, 3211)	$ 4,778,374	$ 5,211,161	$ 5,500,670	$ 5,674,375	$ 5,674,375	$ 5,674,375
Charges for Services (1500)						
Fees (1600, 1700)						
Other (1830, 1840, 1850, 1860, 1870, 1890, 3190)	247,922	260,318	273,334	287,000	287,000	287,000
Total Operating Receipts	$ 5,026,296	$ 5,471,479	$ 5,774,004	$ 5,961,376	$ 5,961,376	$ 5,961,376
Operating Disbursements						
100 Salaries and Wages	$ 2,579,504	$ 2,708,914	$ 2,843,767	$ 2,985,356	$ 2,985,356	$ 2,985,356
200 Employee Retirement and Insurance Benefits	901,065	943,596	989,544	1,046,091	1,046,091	1,046,091
400 Purchased Services	1,896,871	2,016,824	2,111,690	2,078,135	2,078,135	2,078,135
500 Supplies and Materials	232,963	232,908	234,223	325,381	325,381	325,381
600 Capital Outlay -New	-	-	-	-	-	-
700 Capital Outlay - Replacement	-	-	-	-	-	-
800 Other	4,534	4,670	4,810	4,954	4,954	4,954
819 Other Debt	-	-	-	-	-	-
Total Operating Disbursements	$ 5,614,937	$ 5,906,912	$ 6,184,035	$ 6,439,916	$ 6,439,916	$ 6,439,916
Excess of Operating Receipts Over (Under) Operating Disbursements	$ (588,641)	$ (435,433)	$ (410,031)	$ (478,541)	$ (478,541)	$ (478,541)
Nonoperating Receipts/(Disbursements)						
Federal Grants (all 4000 except fund 532)	$ 877,703	$ 908,460	$ 938,259	$ 950,328	$ 950,328	$ 950,328
State Grants (3200, except 3211)	-	-	-	-	-	-
Restricted Grants (3219, CS Facilities Grant)	-	-	-	-	-	-
Donations (1820)	-	-	-	-	-	-
Interest Income (1400)	-	-	-	-	-	-
Debt Proceeds (1900)	-	-	-	-	-	-
Debt Principal Retirement	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
Transfers - In	-	-	-	-	-	-
Transfers - Out	(765)	(4,061)	(3,206)	(2,315)	-	-
Total Nonoperating Revenues/(Expenses)	$ 876,939	$ 904,399	$ 935,054	$ 948,013	$ 950,328	$ 950,328
Excess of Operating and Nonoperating Receipts Over/(Under) Operating and Nonoperating Disbursements	$ 288,297	$ 468,965	$ 525,023	$ 469,472	$ 471,787	$ 471,787
Fund Cash Balance Beginning of Fiscal Year	$ 7,258,453	$ 7,546,750	$ 8,015,716	$ 8,540,739	$ 9,010,211	$ 9,481,998
Fund Cash Balance End of Fiscal Year	$ 7,546,750	$ 8,015,716	$ 8,540,739	$ 9,010,211	$ 9,481,998	$ 9,953,785

Assumptions

	Forecasted					
	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031
Staffing/Enrollment						
Total Student FTE	412	437	461	475	475	475
Instructional Staff	51	52	53	54	54	54
Administrative Staff	4	4	4	4	4	4
Other Staff	4	4	4	4	4	4
Purchased Services						
Rent	$ -	$ -	$ -	$ -	$ -	$ -
Utilities	61,500	63,345	65,246	67,203	67,203	67,203
Other Facility Costs	103,017	106,107	109,291	112,569	112,569	112,569
Insurance	18,448	19,002	19,572	20,159	20,159	20,159
Management Fee	565,877	616,833	649,990	669,884	669,884	669,884
Sponsor Fee	143,351	156,335	165,020	170,231	170,231	170,231
Audit Fees	13,281	13,679	14,089	14,512	14,512	14,512
Contingency	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Legal	5,150	5,305	5,464	5,628	5,628	5,628
Marketing	27,749	28,582	29,439	30,322	30,322	30,322
Consulting	200,912	206,821	210,114	118,856	118,856	118,856
Salaries and Wages	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-

Special Education Services	370,632	381,751	393,204	405,000	405,000	405,000
Technology Services	37,525	38,651	39,810	41,005	41,005	41,005
Food Services	341,736	372,493	402,292	414,361	414,361	414,361
Other	7,692	7,922	8,160	8,405	8,405	8,405
Total	$ 1,896,871	$ 2,016,824	$ 2,111,690	$ 2,078,135	$ 2,078,135	$ 2,078,135
Financial Metrics						
Debt Service Payments	$ -	$ -	$ -	$ -	$ -	$ -
Debt Service Coverage	0.00	0.00	0.00	0.00	0.00	0.00
Growth in Enrollment	106.25%	105.88%	105.56%	103.16%	103.16%	103.16%
Growth in New Capital Outlay	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Growth in Operating Receipts	102.12%	108.86%	105.53%	103.25%	103.25%	103.25%
Growth in Non-Operating Receipts/Expenses	103.08%	103.13%	103.39%	101.39%	101.39%	101.39%
Days of Cash	471.84	466.33	473.11	484.07	484.07	484.07

Fiscal Year 2026-2031 Projected Debt						
Description	**Beginning Year Balance**	**Principle Retirement**	**Interest Expense**	**Ending Year Balance**		**Debitor/ Creditor**
FTE Review	$ -	$ -	$ -	$ -		
Loan A	$ -	$ -	$ -	$ -		
Loan B	$ -	$ -	$ -	$ -		
Line of Credit	$ -	$ -	$ -	$ -		
Notes, Bonds	$ -	$ -	$ -	$ -		
Capital Leases	$ -	$ -	$ -	$ -		
Payables (Past Due 180+ days)	$ -	$ -	$ -	$ -		
Total	$ -	$ -	$ -	$ -		

MANAGEMENT AGREEMENT

This Management Agreement (the "Agreement") is made and entered into as of the 15th day of July, 2015, effective upon the closing of the purchase of certain assets of Mosaica Education, Inc. by the Operator (as defined below) (the "MEI Closing"), by and between Accel Schools Ohio LLC, a Delaware limited liability company ("Operator"), and the Foundation Academy (the "Academy"), a non-profit Ohio corporation. If the MEI Closing has not occurred on or before July 31, 2015, this Agreement shall be null and void.

RECITALS

A. The Academy is sponsored and authorized by the Ohio Council of Community Schools (the "Sponsor") to govern a public community school under Chapter 3314 of the Revised Code of the State of Ohio (as such provision may be amended from time to time, the "Code").

B. The Operator was established, among other things, to manage public schools, and is expected to provide invaluable assistance and expertise, including regulatory, financial, facilities, and other advice, in connection with the operation of the Academy.

C. The Academy and the Operator (collectively, the "Parties") desire to create an enduring educational relationship whereby they will pursue and provide educational excellence at the Academy based on an agreed upon school design, comprehensive educational program and management principles.

THEREFORE, the Parties mutually agree to the following terms:

ARTICLE I.
EDUCATIONAL SERVICES AND ADMINISTRATIVE SERVICES

1.01 Educational Services.

(a) For the Term (as defined in ARTICLE II below), the Operator will provide to the Academy and its students the following educational services (the "Educational Services"):

(i) Curriculum. The development and implementation of the curriculum called the Paragon™ Resource Materials or the related, expanded, updated or derivatives of such Paragon curriculum shall be licensed to the School as part of the Management Fee, including the corresponding use of such resource materials, reference books, videotapes and disks, computer software or other necessary means to access the full curriculum. Outside of the Paragon curriculum, costs for agreed-upon curriculum purchases shall be part of the costs of operation of the Academy, prorated if used by other schools.

(ii) Instruction. Oversight and coordination of the services to be provided by instructional personnel, including the administrators, leadership team, teaching and non-teaching or support staff in accordance with ARTICLE V below;

(iii) Instructional Tools. The selection of instructional tools, equipment and supplies, including text books, computers, software and multi-media teaching tools;

(iv) Extra-Curricular and Co-Curricular Programs. The development and implementation of appropriate and mutually desirable extra-curricular and co-curricular activities and programs;

(v) Academic Progress Reports. Provision to the Board on a monthly basis, a report detailing the Academy's students' academic performance, and the Operator's performance of the Educational and Administrative Services, and such other reports reasonably requested by the Board;

(vi) Method of Delivery. Subject to this Agreement, the Contract, the Code and applicable laws, rules, regulations and requirements, the Operator may modify the methods, means and manner by which Administrative Services or Educational Services are provided at any time, but may not transfer regional leaders, administrators, staff, or make material changes without the approval of the Chief Administrator, and, without the consent of the Board which shall not be unreasonably withheld. The Operator shall obtain approval for modifications requiring a change in the Contract.

(vii) Additional Educational Services. Any other services required by the Sponsor, the State of Ohio Department of Education and such other services as are necessary or expedient for the provision of teaching and learning at the Academy as agreed to from time to time between the Operator and the Academy.

(b) The Educational Services will be provided in accordance with the educational goals, curriculum, methods of pupil assessment, admissions policy, student recruitment policy, school calendar, school day schedule and age and grade range of pupils to be enrolled at the Academy (the "Educational Program") as adopted by the Board of Directors of the Academy (the "Board") and as provided for in the Academy's contract with its Sponsor ("Contract"). The Chief Administrator and the Superintendent/Regional Representative shall set the School calendar.

(c) The Operator will be responsible and accountable to the Board for the provision and quality of the Educational Services, the academic success of the students of the Academy and the professional development and training of all administrative, teaching and non-teaching staff.

1.02 Administrative Services.

(a) For the Term (as defined in ARTICLE II below), subject to the Contract and the approval of the Board, the Operator will provide to the Academy the following administrative services (the "Administrative Services"):

(i) Personnel Management. Management and professional development of all personnel providing Educational Services and Administrative Services in accordance with ARTICLE V below;

(ii) Facility Operation and Maintenance. Operation and maintenance of the Academy's facility (the "Facility") to the extent consistent with any and all leases or other documents pertaining to the Facility and pursuant to all applicable laws rules and regulations. The Academy shall consider input, recommendations or proposals from the Operator concerning the Facility but shall make the final decisions in matters of the Facility locations, expansion, or improvements.

(iii) Business Administration. Administration of the following business aspects of the Academy;

(A) Payroll. Provide payroll services itself or through a suitable alternative payroll provider as the Operator may select from time to time. The Operator shall be responsible for all data input, including errors or omission in data input.

(B) Transportation and Food Services. Coordination with entities with which the Academy contracts for the provision of transportation and food services for the students enrolled at the Academy, management and assessment of the services provided under such contracts, and supervision of employees involved in providing such services, all as required by the Board; and

(C) Public Relations and Marketing. Coordination and implementation of all advertising, marketing, recruitment, media and public relations efforts, including community outreach programs, and all marketing and enrollment plans which shall be presented to the Academy's Board. All public relations will be subject to the mutual approval of both Parties, which approval may not be unreasonably withheld;

(D) Contracts. The bidding, procurement and responsibility for selection of vendors or providers for necessary services or supplies for the Academy, provided however, that the Operator shall not sign any contracts in the name of the Academy. Should a contract need to be in the name of the Academy, it shall be reviewed, authorized and approved by the Board and its legal counsel.

(E) Litigation. Reports to the Board of litigation or administration complaints, actions, audits or hearings having to do with the Academy, through Academy's legal counsel.

(vi) Budgeting and Financial Reporting.

(A) Annual budgets (the " Budget") will be prepared by the Operator and will be subject to the approval of the Board, which approval will not be unreasonably withheld. Budget compliance and accuracy will be reviewed with the Board monthly. Detail in budgets must

be provided to the Board in a manner sufficient for the Board to monitor all financial issues related to the Academy. The projected annual budgets will include, but not be limited to, the financial details relating to the Educational Services and Administrative Services to be provided pursuant to this Agreement, the supplies and material, programming and operations. The budget for each Fiscal Year shall be provided prior to May 1st of the immediately preceding Fiscal Year.

(B) The preparation of detailed statements of all revenues received, from whatever source, with respect to the Academy, and detailed statements of all expenses, including an accounting of all expenditures for services rendered to, or on behalf of, the Academy, whether incurred on-site or off-site.

(C) The monthly preparation and presentation of a budget to actual comparison of revenues and expenditures and detailed statements of all revenues received, from whatever source, with respect to the Academy, and detailed statements of all expenses, including an accounting of all expenditures for services rendered to, or on behalf of, the Academy by Operator, prepared in conformity with the Contract, Ohio law and any rules and regulations for the Auditor of State's office or any independent certified public accountants, whether incurred on-site or off-site.

(D) The preparation of other financial statements as required by and in compliance with the Contract, Ohio law and any laws and regulations, including such documentation as may be required by the independent certified public accountants or the Auditor of State retained by the Board to perform annual audits of the Academy's financial statements. The cost of the audit will be the responsibility of the Academy, and will be provided for in the budget.

(E) The preparation of such other reports on the finances and operation of the Academy as requested or required by the Ohio Department of Education, the Board or the Sponsor or as necessary or requested to enable the Board to monitor performance and assess the effectiveness and efficiency of the operations of and at the Academy.

(vii) Other Financial Responsibilities

(A) The Board must authorize and approve all applications for federal funds or grants. The administration and management of state and federal funds or grants shall be the responsibility of the Operator, unless otherwise specified herein.

(B) The cost for preparation of the financial statements and provision of a licensed school treasurer and fiscal officer will be the responsibility of the Operator, subject to Board approval. If due to a change in law the Operator is no longer permitted to provide or pay for the services of the fiscal officer or licensed school treasurer, the Board shall be permitted to hire its own fiscal officer/licensed school treasurer and reduce the Management Fee by the cost of services provided by a Board chosen licensed school treasurer and fiscal officer. In all cases, the Operator will prepare all of the accounting services and the preparation of financial statements. The treasurer or fiscal officer's duties shall be limited to review and consultation unless the Operator fails to perform the services adequately.

(C) At any time, the Board, at its own expense, may hire its own financial consultant to review the responsibilities and financial records of the Operator as they pertain to the Academy.

(D) Should the Operator fail to provide complete, accurate, legal, truthful, detailed, or timely financial information (monthly and in at least five days before every regular or re-scheduled regular meeting and as stated in this Agreement), the Board may hire its own fiscal officer, grants manager and administrator and licensed school treasurer and reduce the Management Fee by the costs of those services, who at such point shall assume responsibility for the accounting services and the preparation of financial statements. In no case should financial statements be required prior to the tenth (10th) business day prior of the following month. For example, the March financial statements shall not be required prior to April 15th.

(E) The cost of any state special audits or federal audits, whether FTE, special education, food/lunch, title, grant audits required by matters under the Operator's staff or control will be borne by the Operator in the case where the results of the audit are the faults of Operator error.

(F) Vendors shall be paid on time and in accordance with a written and agreed-upon payment schedule.

(G) Academy funds shall not be used for the benefit of another school or co-mingled with another school's money or accounts, excepting out only the earned and paid Management Fee and the Federal Management Fee (as defined below).

(vii) Maintenance of Financial and Student Records.

(A) The Operator will maintain accurate financial records pertaining to its operation of the Academy, together with all Academy financial records prepared by the Operator, and retain all such records for a period of seven (7) years (or longer if required by the Code or other applicable laws and regulations) from the close of the fiscal year to which such books, accounts and records relate. All the Academy financial records retained by Operator pertaining to the Academy will be available to the Academy, the Sponsor, or the Auditor of State or Ohio Department of Education for inspection and copying upon request. The Board shall have access to copies of all financial back-up documentation, reports, graphs, budgets and similar information for review, upon reasonable request, and shall be presented with complete reports in advance of each regular Board meeting.

(B) The Operator will maintain accurate student records pertaining to the students enrolled at the Academy as is required and in the manner provided by the Contract, the Code and applicable laws, rules and regulations, together with all additional Academy student records prepared by or in the possession of Operator, and retain such records permanently on behalf of the Academy, (it being understood that all student and financial records and information are and shall be at all times the property of the Academy).until this Agreement or its successor (if any) is terminated, at which time such records will be delivered to the Academy and become the responsibility of the Board. The Operator and the Academy will maintain the proper confidentiality of such records as required by state and federal law.

(C) The Operator will maintain accurate employment, business and other records pertaining to the operation of the Academy as is required and in the manner provided by the Contract, the Code and applicable state and federal laws and regulations, together with all additional Academy employment, business and other records prepared by or in the possession of Operator, and retain such records permanently on behalf of the Academy until this Agreement or its successor agreement (if any) is terminated, at which time such records will be delivered to the Academy, who shall thereafter be responsible for the retention and maintenance of such records (it being understood that such employment, business, and other records are and shall be at all times the property of the Academy). The Operator and the Academy will maintain the proper confidentiality of such records as required by law and the Charter.

(D) The Operator shall provide qualified and experienced Education Management Informational System (EMIS) services, all federal grants management and administration support, all CCIP grant and E-Rate grant support and services and other essential services for accurate data and revenue enhancement of the Academy. All Academy data and electronic records shall be preserved at least once daily to a secure backup system in case of loss of data. Under all circumstances, the Academy shall be granted unfettered access to such data and electronic records which shall be maintained at a secure location by the Operator.

(viii) Admissions. Implementation of the Academy's admissions, residency and lottery policies in accordance with all applicable state and federal laws rules and regulations.

(ix) Student Hearings. Administration and enforcement of student disciplinary and special education hearings in conformity with the requirements of the Code and other applicable laws and regulations (including, but not limited to, requirements involving due process and confidentiality) to the extent consistent with the Academy's duties and obligations under the Code and other applicable laws and regulations. If a due process hearing is lost due to matters under the control of Operator's staff and such loss results in monetary findings or legal fees, such fees shall be covered by the Operator's own insurance or Management Fee.

(x) Rules and Procedures. The Parties may each recommend policies, rules, regulations and procedures applicable to the Academy and its students and will enforce such rules, regulations and procedures adopted by the Board that are in compliance with state and federal laws, rules and regulations.

(xi) Parent Satisfaction Forms. The Operator will provide to the Board copies of Parent Satisfaction Forms to be completed by parents of Academy students, with copies and summaries thereof promptly provided to the Academy on an annual basis.

(xii) Additional Administrative Services. Any other services reasonably necessary or expedient for the effective administration of the Academy as agreed to from time to time by the Operator and the Board.

1.03 Place of Performance; Provision of Offices. The Academy will provide the Operator with necessary and reasonable classroom and office space at the Facility to perform the on-site services described in this Agreement. The Operator will provide instructional, extra-curricular and co-curricular services at the Facility.

1.04 Authority. By this Agreement, the Academy provides the Operator such authority as is necessary for it to undertake its responsibilities, duties and obligations provided for in this Agreement, except in cases wherein such authority may not be delegated by the Code, the Contract, or by laws, rules or regulations.

ARTICLE II.
TERM

2.01 Term. The term of this Agreement is for two (2) years, beginning on July 1, 2015 and ending on June 30, 2017, unless extended as stated in Section 2.02 below.

2.02 Renewal. The Term may be renewed at any time before the expiration of a Term or a Renewal Term for an additional period (a "Renewal Term") of two (2) years, each Renewal Term to run from July 1 to June 30 as applicable, unless, (a) written notice of an intent to terminate is given by either Party to the other by December 31 of the year of expiration, or, (b) written notice to renegotiate (which if renegotiation fails results in a termination effective June 30 of that year) is given by either Party to the other prior to any May1 before the end of the then existing Term or Renewal Term, or, (c) this Agreement is terminated pursuant to Article VI, Section 6.01 or Section 6.02.

ARTICLE III.

RELATIONSHIP OF THE PARTIES

3.01 Status of the Parties. The Operator is not a division or part of the Academy. The Academy is a separate and distinct corporation authorized under the Code and is not a division or a part of Operator. The relationship between the parties was developed and entered into through arms-length negotiations and is based solely on the terms of this Agreement. Nothing herein will be construed to create a partnership or joint venture by or between the Academy and the Operator, or to make one the agent or fiduciary of the other. Neither Party will

hold itself out as a partner or agent of the other or otherwise state or imply by advertising or otherwise any relationship between it and the other in any manner contrary to the terms of this Agreement. Neither Party has, and neither will represent that it has, the power to bind or legally obligate the other. No employee of the Operator will be considered an employee of the Academy by either Party, for any purpose whatsoever.

3.02 No Related Parties or Common Control. The Operator will not have any role or relationship with the Academy that, in effect, substantially limits the Academy's ability to exercise its rights under this Agreement. The Board shall not include any director, officer or employee of the Operator and the Operator may not hire any Board member without the prior written approval of the Board, and subject to all public officer's or Code restrictions. None of the voting power of the Board will be vested in operator or its agents, members, managers, officers, shareholders or employees, and none of the voting power of the directors, officers, managers, owners, or employees or contractors of the Operator will be vested in the Academy. Furthermore, the Academy and the Operator will not be members of the same control group, as defined in Section 1.150-(f) of the regulations under the Internal Revenue Code of 1986 as amended (or its successor), or related persons, as defined in Section 144(a)(3) of the Internal Revenue Code of 1986, as amended (or its successor).

3.03 Other Schools. The parties acknowledge that this arrangement is not exclusive and that the Operator may have the right to render similar services to other persons or entities including other public or private schools or institutions ("Other Schools"). The Operator will maintain separate accounts for reimbursable and other expenses incurred on behalf of the Academy and only charge the Academy for expenses incurred or an agreed upon portion thereof, on behalf of the Academy. All revenues, grants or donations received by the Academy, or by the Operator for the specific benefit of the Academy, will be maintained in separate accounts and used solely for the Academy. If the Operator incurs authorized reimbursable expenses on behalf of the Academy and Other Schools which are incapable of precise allocation between the Academy and Other Schools, then the Operator will allocate such expenses among all such Other Schools and the Academy on a *pro rata* basis based upon the number of students enrolled at the Academy and the Other Schools, or upon such other equitable basis as the Parties shall agree..

ARTICLE IV.
CONSIDERATION

4.01 Compensation for Services.

(a) For the term of this Agreement, including any Renewal Term, the Board will pay the Operator an annual fee of twelve and one half percent (12.50%) of the annual base state per-pupil allocation funds (the "State Allocation") that the Academy receives for the students enrolled in the Academy (the "Management Fee"). The State Allocation shall not include facilities funding from any source, Medicaid revenues or reimbursements, charitable contributions, private grants unless solicited, prepared, procured and written by Operator and allowable therein, proceeds from fundraisers, PTA/PTO income, transportation reimbursements, casino revenue, or Grant Revenue (collectively "Non-Qualified Gross Revenue") which shall be retained one hundred percent (100%) for the benefit of the Academy and accounted for separately. "Grant Revenue" shall mean all revenue received as a result of any application submitted by or on behalf of the Academy or any funding agreement reached by or on behalf of the Academy, or any Title funding from the federal government, including but not limited to National School Lunch Program, Individuals With Disabilities in Education Act, CCIP, and other grants for facilities, professional development, replication, transportation, or other needs of the School. Such consideration will not preclude the payment of additional consideration if additional consideration is permitted or specified elsewhere in this Agreement or in other agreements between the parties. Subject to Article I, Section 1.02(a)(vii)(D), the Operator shall receive an annual fee of twenty thousand dollars ($20,000) or 10% of federal funds received by the Academy, whichever is less, for grants procurement, writing, administration, and management, including all reporting (the "Federal Management Fee"), provided, however, that any failure to use such grant proceeds that cannot be rolled over into the next fiscal year and which result in return to the government or grantor, or, any recovery due to maintenance or effort or other audit shall be deducted from the Federal Management Fee.

(b) Reasonable Compensation. The Management Fee and the Federal Management Fee under this Agreement is reasonable compensation for services rendered. The Operator's compensation for services under this Agreement will not be based, in whole or in part, on a share of net profits from the operation of the Academy.

4.02 Payment of Costs.

Unless otherwise stated herein, in addition to the Management Fee described in Section 4.01 above, the Academy will reimburse the Operator for all costs incurred and paid by the Operator in providing the Educational Services and Administrative Services to the Academy. Such costs include, but are not limited to, rent and/or lease payments, salaries of the Operator's employees working at the Academy, costs related to curriculum and instructional materials unless otherwise limited herein, textbooks, library books, computers, software, supplies, food service, transportation, and special education, psychological services and medical services unless otherwise limited herein. The Operator will not charge an added fee or interest unless such the Board approves such fee or interest.

4.03 Time and Priority of Payments.

(a) Subject to the priority set forth in sub-part (b) below and to sub-part (c) below, the Operator will receive its Management Fee in the same number of installments and in the same proportion that the Academy receives its revenues, and each installment of the Management Fee will be due and payable within five (5) business days of receipt by the Academy of the revenues related thereto.

(b) The Operator shall pay the costs of operating the Academy in the following order of priority:

(i) Any Academy Facility payment and other costs due pursuant to any lease, mortgage or Facility financing;

(ii) Salaries and Benefits

(iii) Insurance, Sponsor and Professional Fees of the Academy;

(iv) Third party vendors;

(v) Debt to the Operator through notes or advances;

(vi) The Management Fee and the Federal Management Fee, which shall be subordinated to (i) through (v) above.

(c) Interest Rate and Fee Carryovers.

(i) Subject to any other provisions in this Agreement as to loans, refinancing of debt, carryover of debt to subsequent fiscal years or other express terms herein, loans to the Academy to pay expenses other than the Management Fee and the Federal Management Fee will accrue interest at the prime rate of interest announced by Comerica Bank as its prime rate (the "Prime Rate"), plus three percent (3%) per annum, for the time overdue;

(ii) There will be no limits to what indebtedness or fees owed to Operator may be carried over from year to year unless expressly provided otherwise in this Agreement;

(iii) With regard to unpaid Management Fees and Federal Management Fees, interest will accrue at the Prime Rate, for the time overdue. This amount will be limited from year to year carryover, to twenty-five percent (25%) of the applicable fee, provided that (a) no accelerated debt payments are made to other third parties, lenders or vendors, (b) the Board does not spend outside of an agreed to budget which allows it to service its expenses; and (c) the Board does not insist on spending that the Operator disagrees with.

4.04 Other Revenue Sources.

(a) The Parties may, together or independently, solicit and receive grants and donations from public and private sources consistent with the mission and of the Academy, in the name of either the Operator or the Academy; provided, however, that any solicitation of such grants by Operator in the name of the Academy or which identifies the Academy shall be subject to the prior approval of the Academy Board. The Academy may also receive funds from other sources and programs, including without limitation any before and after school programs and food sales.

(b) All funds received by the Academy or by the Operator for the benefit of the Academy from such other revenue sources pursuant to this Section 4.04 will be deemed Academy funds, as if Grant Revenue, and separately accounted for by the Operator.

4.05 Incentive Pay If the Board has no debt to the Operator and is able to timely pay the Management Fee, the Board may, at its sole discretion, agree to pay to the Operator an incentive of up to an additional one and one-half percent (1.5%) of the base state per pupil allocation as a result of the Academy meeting the Academic Goals identified in Appendix A attached hereto and in the Contract (the "Incentive Pay"). Such Academic Goals shall include but not be limited to, results in academic performance, teacher retention and competitive pay and benefits.

ARTICLE V.
PERSONNEL AND TRAINING

5.01 Personnel Responsibility.

(a) The Operator will determine staffing levels, and select, evaluate, assign, discipline, supervise, manage and terminate personnel necessary to carry out the Educational Services, the Administrative Services, the Supplemental Programs, and all other services provided under this Agreement. The Board shall have the authority to approve the hiring of the Academy's Chief Administrator by the Operator and shall be presented with the Operator's preferred candidates for its input.

(b) Except as otherwise specified or allowed in writing between the Parties, the administrators, teachers and support staff will be employees of the Operator. The Operator will be responsible for conducting reference, employment checks, criminal background checks, unprofessional conduct checks, and licensed professional misconduct reporting on its employees to the extent required under the Code and other applicable laws, rules and regulations as if the employees were employed by a public community school. The Operator shall obtain approval of the Academy of any rehabilitation of employees required or allowed under the Code pursuant to background checks, and the approval of the Academy's legal counsel of any unclean background checks. Obtaining consent to release such background checks to the Academy Board and its legal counsel. The Operator may not transfer or dismiss the Chief Administrator or any supervisor of the Chief Administrator acting as a Regional or other type of supervisor or superintendent without the Academy Board's written consent.

5.02 Other Hiring, Terminating and Supervision. Unless otherwise specified in this Agreement, the Operator will determine the employment terms of and select, supervise and terminate the administration and staff and to the staff accountable for the success of the Academy. The Superintendent/Regional Representative shall recommend contracts based on attendance, student achievement increases and overall improvement and contributions to the mission of the Academy.

5.03 Teachers. Teachers may work at the Academy on a full or part time basis. Each teacher assigned to the Academy will be qualified in his or her grade levels and subjects, hold a valid teaching license issued by the State of Ohio and be highly qualified to the extent required under the Code. The Operator shall provide the Academy and/or the Sponsor with documentary evidence of its compliance with this Section 5.03.

5.04 Support Staff. The Operator will provide the Academy with such support staff as are required to provide the Educational Services, Administrative Services and Supplementary Programs.

5.05 Training. The Operator will provide high quality professional development and training in instructional

methods, curriculum, the educational program, as well as technology and technology support on a regular and continuous basis, as well as compliance and support staff development and training. All professional development days shall be scheduled with the Superintendent/Regional Representative in accordance with the Academy calendar.

The Operator is not responsible for training outsourced service providers, but shall monitor and oversee the services provided.

ARTICLE VI.

TERMINATION OF AGREEMENT

6.01 Termination.

Either party may terminate this Agreement pursuant to Article II, Section 2.02, or, for cause, as follows:

(a) in the event that either party fails to remedy a material breach within thirty (30) days after receipt of written notice specifying the breach has been delivered to that party by the other party; or

(b) upon a breach of the other party that renders the terminating party unable to perform its material obligations under this Agreement, after ten (10) business days prior written notice from the terminating party to the breaching party, with a chance for the breaching party to cure the breach within those ten (10) business days; or

(c) by the Academy upon a failure of the Operator to account for its expenditures of Academy funds or for other expenses incurred by the Academy at the Operator's direction, which cannot be cured to the Academy's satisfaction within ten (10) business days of written notice from the Academy to the Operator; or

(d) upon either Party's prior written notice to the other, of the failure to substantially follow policies, procedures, rules, regulations or curriculum duly adopted by the Board which are not in violation of applicable federal and state laws, rules or regulations and regulations, and which failure(s) are not able to be cured without harm, loss, damage to reputation or operations of the Academy; or

(e) upon the Operator's failure to abide by and meet the educational goals set forth in the Contract; or

(f) if continued operation of the Academy with Operator as its management company would result in the Academy losing it Contract, or its Sponsor losing its ability to Sponsor the Academy; or

(g) any act or omission that violates laws, rules or regulations, or, which may cause a breach of the Contract, and which cannot be cured within a time period stated in a prior written notice from one party to the other or which causes monetary, reputational, academic, or material harm; or

(h) loss or termination of the Contract without a successful replacement contract with an authorized sponsor in the State of Ohio; or

(i) a decrease in enrollment, or a decrease in amount of funding, or a decrease due to an FTE, financial, special education, or other audit that would cause the Academy to operate at a loss; or

(j) the insolvency, appointment of a receiver, or filing of bankruptcy by the Operator; or

(k) any material misrepresentation of or negligence in student enrollment data, testing, or financial data, reporting or other procedures that is not curable, or that causes material or irreparable, monetary loss, reputational or operation harm.

6.02 Change in Law. If any federal, State or local law or regulation, court or administrative decision or Attorney General's opinion has a materially adverse effect on the ability of either party to carry out its obligations under this Agreement, such party, upon written notice, may request renegotiation of this Agreement. Such renegotiation will be undertaken in good faith and should the Parties be unable to renegotiate the terms within ninety (90) days after such notice the party requesting the renegotiation may terminate this Agreement on ten (10) days' further written notice, or, at the end of a school year, whichever is earlier.

6.03 Advances/Out-of-Pocket Expenses. Upon termination, the Academy shall reimburse the Operator for all expenditures due and owning, for services rendered as of the date of termination.

6.04 Return of Personal Property and Materials. Within five business days of any termination by either party for any reason, all materials, supplies, assets, furniture, fixtures, personal property, manuals of each party shall be separated and returned to the party whose funds paid for the same.

6.05 Employees. Upon termination, the Academy shall not have the right to offer employment to or hire any of Operator's employees or contractors for a period of one (1) year.

ARTICLE VII.
PROPRIETARY INFORMATION AND OWNERSHIP

7.01 Ownership. Curriculum or other educational materials purchased by the Operator or by the Academy, with Academy funds or with funds the Operator receives pursuant to this Agreement will be and remain the property of the Academy. Each party shall own its own proprietary rights, marks, trademarks, tradenames, copyrights or other intellectual property, and all derivatives, additions or revisions thereto that exist on the day this Agreement is first signed, or as are thereafter protected or created by it during the Term or any Renewal Term. Operator shall own purchases of curriculum paid for through its own Management Fee upon clear proof of such payment for the curriculum purchased.

ARTICLE VIII.
INDEMNIFICATION

8.01 Mutual Indemnification. Each Party shall indemnify, defend and save and hold the other and all of their respective employees, officers, directors, members, owners, subcontractors and agents harmless against any and all claims, demands, suits or other forms of liability that may arise out of, or by reason of, any noncompliance by the other with any agreements, responsibilities, duties, undertakings contained in or made pursuant to this Agreement, and any misrepresentations or breach of representations or warranties contained in or made pursuant to this Agreement.

8.02 Indemnification of the Sponsor. The Operator will indemnify and hold the Sponsor, its Board, officers, employees, agents and representatives harmless from all claims, demands, or liability, including reasonable attorneys' fees and related expenses, on account of injury, loss or damages, including without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage, or any other loss of any kind whatsoever not caused by the acts or negligence of the Sponsor, which arise out or are caused by the acts or omissions of the Operator in connection with the operations of the Academy, or, which are incurred as a result of the reliance by the Sponsor upon representations made in this Agreement or to the Sponsor by the Operator.

8.03 Limitations of Liabilities. The Academy will assert all immunities and statutory limitations of liability in connection with any claims arising from its operations, and will not waive any immunities or limitations without the prior written consent of the Operator. The Operator will not waive any of Academy's immunities or statutory limitations of liability without the prior written consent of the Academy.

ARTICLE IX.
INSURANCE

9.01 Insurance Coverage. The Operator will maintain comprehensive general liability insurance and umbrella insurance coverage for the Academy Board, employment liability coverage and property insurance in the amounts required by the Contract and with the Academy and the Sponsor as additional insureds.

9.02 Workers' Compensation Insurance and Unemployment Compensation Insurance. The Operator shall maintain workers' compensation insurance and pay unemployment compensation as required by law, covering its employees, and for the benefit of the Academy.

9.03 Directors and Officers Liability. The Academy Board shall obtain its own Directors and Officers Liability Coverage purchased through Academy operating funds.

9.04 Medical Insurance and Other Benefits. The Operator shall maintain reasonably and comparatively good medical and other health benefits for it employees and provide proof of the same to the Academy Board. The Operator shall be responsible for all COBRA or other continuation notices.

9.05 Retirement. The Operator shall provide retirement plans of a quality sufficient to be competitive and to retain and attract quality staff for all employees working at or for the Academy, in a format as may be required by law.

9.06 Policies. Copies of all policies and benefits required in this Agreement shall be given to the Academy Board, and shall have a provision that notice of cancellation be given to the Academy thirty (30) days' prior to any cancellation.

ARTICLE X.
WARRANTIES AND REPRESENTATIONS

10.01 Representations and Warranties of the Operator. The Operator hereby represents and warrants to the Academy:

(a) It is a duly organized limited liability company in good standing in the State of Delaware and is authorized to conduct business in the State of Ohio.

(b) It has the authority under the Code and other applicable laws and regulations to execute, deliver, perform this Agreement, and to incur the obligations provided for under this Agreement.

(c) Its actions under this Agreement have been and are duly and validly authorized, and it will adopt any and all further resolutions or approvals required for execution of this Agreement.

(d) It agrees to comply with the terms and conditions of the Contract.

(e) As an incentive to enter into this Agreement, and in order to enhance the stability of the Academy, the Operator hereby (i) forgives debt in the amount of up to forty thousand dollars ($40,000.00) which was previously owed to Mosaica Education, Inc. and purchased by the Operator and which may include advances previously owed to Mosaica Education, Inc., and (ii) affirms that there is no debt then owed to the Operator after the MEI Closing which was previously owed to Mosaica Education, Inc. and purchased by the Operator, and (iii) agrees to make improvements to the Facility as follows: new windows, central air conditioning; a playground; and paving the parking lot during the Term as may be requested by the Academy Board. Should such improvements require an advance or loan from the Operator, then such loan shall be in the form of a promissory note for fifteen (15) or more years at two and one-half percent (2.5%) simple interest per annum.

10.02 Representations and Warranties of the Academy. The Academy hereby represents and warrants to the Operator:

(a) It may operate and receive the state and federal revenues customarily following the creation and operation of an Ohio community school.

(b) It has the authority under the Code to contract with a private entity to perform the Educational Services, Administrative Services, Supplemental Programs, and all other services under this Agreement and execute, deliver and perform this Agreement, and to incur the obligations provided for under this Agreement.

(c) Its Board's execution of this Agreement has been duly and validly authorized.

(d) To the best of its knowledge, it is not and will not be in breach of the terms of the Contract.

(e) It is a duly organized non-profit corporation in good standing under the laws of the State of Ohio.

ARTICLE XI.
MISCELLANEOUS

11.01 Sole Agreement. This Agreement supersedes and replaces any and all prior agreements and understandings between the Academy and the Operator.

11.02 Force Majeure. Notwithstanding any other sections of this Agreement, neither party will be liable for any delay in performance or inability to perform due to acts of God or due to war, riot, terrorism, civil war, embargo, fire, flood, explosion, sabotage, accident, labor strike or other acts beyond its reasonable control.

11.03 Governing Law. The laws of the State of Ohio will govern this Agreement, its construction, and the determination of any rights, duties and remedies of the parties arising out of or relating to this Agreement.

11.04 Agreement in Entirety. This Agreement constitutes the entire agreement of the parties.

11.05 Counterparts. This Agreement may be executed in counterpart is, each of which will be deemed an original, but both of which will constitute one and the same instrument.

11.06 Official Notices. All notices and other communications required by the terms of this Agreement will be in writing and sent to the parties hereto at the addresses set forth below (and such addresses may be changed upon proper notice to such addressees). Notice may be given by: (i) certified or registered mail, postage prepaid, return receipt requested, or (ii) facsimile (with confirmation of transmission by sender's facsimile machine) or (iii) by scan and electronic mail delivery with follow-up confirmation of delivery through return email or (iv) by personal delivery to the President of the Academy's Board, or to the Operator's Chief Administrator on site with copies by any other means stated above. Notice will be deemed to have been given two days after mailing, or on the date of personal delivery, or on the date of transmission of a facsimile if on a business day during normal business hours (or, if not, the first business day thereafter), or upon scan and electronic mail with confirmation of delivery. The addresses of the parties are:

To:
Accel Schools Ohio LLC
1650 Tyson's Boulevard, Suite 630
McLean, Virginia 22102

With a copy to:
Parker Partners PLC
Attn: Christina L. Parker, Esq.
P.O. Box 544
McLean, Virginia 22102

To:

Foundation Academy
Attn: President, Board of Directors
1050 Wyandotte Avenue
Mansfield, OH 44906

With a copy to:

Dickinson Wright, PLLC
Attn: Amy J. Borman
150 E. Gay St. Suite 2400
Columbus, OH 43215

11.07 Assignment. This Agreement may not be assigned by either Party without the written consent of the other.

11.08 Amendment. This Agreement will not be altered, amended, modified or supplemented except in a written document approved by the Board and signed by authorized officers of both the Academy and Operator.

11.09 Waiver. No waiver of any provision of this Agreement will be deemed to be or will constitute a waiver of any other provision, nor will such waiver constitute a continuing waiver unless otherwise expressly stated.

11.10 Severability. The invalidity of any of the covenants, phrases or clauses in this Agreement will not affect the remaining portions of this Agreement, and this Agreement will be construed as if such invalid covenant, phrase or clause had not been contained in this Agreement. To the extent that any of the services to be provided by the Operator are found to be an invalid delegation of authority by the Academy, such Services will be constituted to be limited to the extent necessary to make the services valid and binding.

11.11 Successors and Assigns. Except as limited by Section 11.07 above, this Agreement will be binding upon, and inure to the benefit of, the parties and their respective successors and assigns.

11.12 No Third Party Rights. This Agreement is made for the sole benefit of the Academy and the Operator, and their permitted successors and assigns. Except as otherwise expressly provided, nothing in this Agreement will create or be deemed to create a relationship between the parties to this Agreement, or either of them, and any third person, including a relationship in the nature of a third party beneficiary or fiduciary.

11.13 Survival of Termination. All representations, warranties and indemnities made in this Agreement will survive termination of this Agreement.

11.14 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and may be executed in any number of counterparts each of which shall be deemed an original and all of which together shall be deemed one and the same instrument. Electronic signatures shall be deemed as originals

ARTICLE XII.
ALTERNATIVE DISPUTE RESOLUTION PROCEDURE

12.01 Alternative Dispute Resolution Procedure. The parties hereto will endeavor to resolve in good faith any controversy, disagreement or claim arising between them, whether as to the interpretation, performance or operation of this Agreement or any rights or obligations hereunder. If they are unable to do so, any such controversy, disagreement or claim will be submitted for mediation by either party giving written notice to the other of the existence of a dispute which it desires to have mediated. The place of mediation shall be the County in which the Academy is located. The Parties shall share the cost of a mediator, and if the mediator cannot be mutually agreed upon, each party shall choose one mediator, and the third shall be selected by the Sponsor. The expenses of the mediators shall be split equally by the Parties. In all cases, the results of mediation or the recommendations of the mediators shall be as recommendation and not binding. Either Party may proceed to any court of competent jurisdiction in the County in which the Academy is located seek a relief, if mediation fails.

IN WITNESS WHEREOF, the undersigned have executed this Agreement to be effective as of the date and year first above written.

Accel Schools Ohio LLC

By: _____

Its: CCO

Foundation Academy

By: Rev. Thomas C. Hunt

Its: BOARD PRESIDENT

Organizational Chart

Board of Trustees

Ohio Council for Community Schools

ACCEL Schools, LLC

Regional Vice President

Principal

Teaching and Non-Instructional Staff