

Sponsorship Agreement

This Agreement is entered by and between the Ohio Department of Education (the "Department") and Zanesville City School District, 956 Moxahala Ave., Zanesville, Ohio 43701 (the "Sponsor"), effective July 1, 2017.

Background Information

- A. The Sponsor began sponsoring schools pursuant to Section 3314.02 of the Ohio Revised Code during the 2007-2008 school year.
- B. The Sponsor notified the Department of its intent to continue to sponsor community schools in Ohio and enter into this Agreement with the Department.

Provisions

In consideration of the foregoing and the mutual covenants set forth herein the parties agree as follows:

- 1. Term: This Agreement is effective as of July 1, 2017 and shall continue through June 30, 2019. This agreement may be renewed for an additional term pursuant to the provisions in ORC 3314.015(B)(2).
- 2. Community School Sponsor Corporate Status: The Sponsor is a Board of Education of a School District.
- 3. Sponsorship territory: Sponsor is located in Muskingum County, Ohio and is permitted to sponsors a school in the following locations:

Zanesville City School District, Muskingum County, Ohio

Sponsor may continue to sponsor the schools in the following territory:

Zanesville City School District, Muskingum County, Ohio

Sponsor further agrees that the territorial restrictions of this Agreement are subject to the additional requirements of ORC 3314.02(B) and (C).

- 4. Sponsorship of Schools: Sponsor currently sponsors the following community school in Ohio:

Zanesville Community School (IRN 009148)
920 Moxahala Ave., Zanesville, Ohio 43701

Sponsor may sponsor no more than one (1) school. Should Sponsor no longer sponsor one of the schools listed above, the sponsor may enter into a preliminary agreement or sponsor agreement for additional schools so long as the total number of schools sponsored does not exceed one (1) school for the term of this Agreement. The Sponsor's ability to sponsor a community school in addition to the ones listed above are subject to the sponsor's sponsor evaluation rating and the requirements of ORC 3314.016(B)(7)(b). In addition, pursuant to ORC 3314.015(B)(1)(b) if Sponsor receives an overall rating of "exemplary" for at least two consecutive years on the sponsor evaluation conducted pursuant to ORC 3314.016, Sponsor shall not be subject to the limit on the number of community schools that Sponsor may sponsor or any territory restrictions in paragraphs 3 and 4 of this Agreement for so long as Sponsor continues to be rated "exemplary" on the sponsor evaluation conducted pursuant to ORC 3314.016.

Sponsor further agrees that it shall not enter into an agreement with a community school that extends beyond the term of this Agreement.

5. Compliance with Ohio law. Sponsor understands and agrees to comply with the laws of the State of Ohio, including all amendments, restatements, rules, and policies that are currently in effect or that come into effect at any time during the existence of this Agreement including, without limitation, the following:
 - a. Ohio Ethics Laws. By its signature on this document, Sponsor certifies: (1) it has reviewed and understands the Ohio ethics and conflict of interest laws including, without limitation, ORC §§ 102.01 *et seq.*, §§ 2921.01, 2921.42, 2921.421 and 2921.43, and §§ 3517.13(I) and (J), and (2) will take no action inconsistent with those laws, as any of them may be amended or supplemented from time to time. Sponsor understands that failure to comply with the Ohio ethics and conflict of interest laws, is in itself, grounds for termination of this Agreement and the grant of funds made pursuant to this Agreement and may result in the loss of other contracts or grants with the State of Ohio.
 - b. Ohio Elections Law. Sponsor affirms that, as applicable to Sponsor, no party listed in ORC 3517.13(I) or ORC 3517.13(J) or spouse of such party has made, as an individual, within the two previous calendar years, one or more contributions totaling in excess of \$1,000.00 to the Governor or to his campaign committees.
 - c. Fees. Sponsor agrees to receive no payments from the community school other than those for monitoring, oversight and technical assistance, which shall be specified in the community school contract and which shall not exceed three percent (3%) of the total amount of payments for operating expenses that each sponsored community school receives from the State of Ohio, unless the Sponsor and community school entered into a contract for goods or services in which at least one of the following apply:
 - i. The goods or services are sold under a contract with an effective date prior to February 1, 2016 and such contract has not yet expired;
 - ii. The sponsor is also the school district in which the community school is

located and the goods or services are sold at no profit to the sponsor; or

- iii. The sponsor is a state university, as defined in section 3345.011 of the Revised Code, and the goods or services are sold at not profit to the sponsor.
- d. Adjustments to Community School Payments. Sponsor agrees that any payments received by the Sponsor for monitoring, oversight, or technical assistance shall be adjusted to reflect any change in a community school's total amount of payments for operating expenses that results from overpayment or an FTE Review conducted in accordance with ORC 3314.08.
- e. Sponsor Evaluation. Sponsor agrees to fulfill all requests from the Department necessary to conduct the evaluation described by ORC 3314.016, including, but not limited to, timely certification and submission in the system designated by the Department of all materials required to review compliance with all laws and rules and materials required to assess adherence to quality sponsorship practices. The Department shall annually update and share the list of all materials required for submission for the upcoming fiscal year no later than July 1st each year, the most current version of which is attached hereto and incorporated by reference as Exhibit A.
- f. Quality Improvement Plan. Sponsor understands that if it receives a rating of "ineffective" on its most recent evaluation performed in accordance with ORC 3314.016, Sponsor will be placed on a quality improvement plan based on correcting the deficiencies that led to the "ineffective" rating, which shall include timelines and benchmarks that have been developed by the Department.
- g. Report on Expenditures. As required by ORC 3314.025, Sponsor agrees to submit, no later than August 15th of 2017 and each year thereafter, a report of the amount and type of expenditures made to provide monitoring, oversight, and technical assistance to community schools it sponsors during the previous fiscal year. The Sponsor shall submit the report in the format and manner prescribed by the Department.
- h. Governing Authority Compensation. As required by ORC 3314.02(E)(5), Sponsor shall ensure no individual who serves on the governing authority of any community school(s) which it sponsors is compensated more than one hundred twenty-five (\$125.00) dollars per meeting or a total amount of five thousand (\$5,000.00) dollars per year for all governing authorities upon which the governing authority member serves. Further, Sponsor shall ensure that no individual who serves on the governing authority of any community school(s) which it sponsors receives more than sixty (\$60.00) dollars a day for attendance at a training program three hours or less in length and one hundred twenty-five (\$125.00) dollars a day for attendance at a training program longer than three hours in length.

- i. Governing Authority Membership. As required by ORC 3314.02(E)(6), Sponsor shall ensure that no employees of Sponsor shall serve on the governing authority of any community school it sponsors.
- j. Annual Disclosure Statement. Sponsor shall ensure that the members of the school's governing authority for each of the community schools it sponsors annually files a disclosure statements in compliance with ORC 3314.02(E)(7).
- k. Monthly Financial Review. Sponsor agrees to comply with ORC 3314.023 for each of its sponsored schools. Further, Sponsor agrees to meet monthly with each sponsored school's governing authority to review financial and enrollment records. Sponsor agrees that it will provide a written report to the school regarding the review within 10 days of each review.
- l. Closure. Sponsor shall ensure that upon the closure of any community school it sponsors, it will ensure that the school complies with the requirements of ORC 3314.023 and obtain all financial and enrollment records within thirty days of the school's closure and seek recovery of any funds owed as a result of any findings of recovery by the auditor of state.
- m. Monitoring Compliance with Laws. Sponsor agrees to monitor all of the community schools it sponsors compliance with all laws applicable to the schools as required by ORC 3314.023(A).
- n. Monitoring School Compliance with Sponsorship Contract. Sponsor agrees to monitor all of the community schools it sponsors compliance with the terms of the school's contract with Sponsor as required by ORC 3314.023(A).
- o. Monitoring Academic and Fiscal Performance. Sponsor agrees to monitor and evaluate the academic and fiscal performance of each of the community schools it sponsors on at least an annual basis as required by ORC 3314.023(B).
- p. Monitoring Organization and Operation of Schools. Sponsor agrees to monitor and evaluate the organization and operation of each community school it sponsors on at least an annual basis as required by ORC 3314.023(B).
- q. Annual Report of Schools. Sponsor agrees to report on an annual basis to the Department the results of the evaluation of each of its community schools completed as required by ORC 3314.03(D)(2). Sponsor further agrees to provide copies of the annual report completed pursuant to ORC 3314.03(D)(2) to the parents of each community school it sponsors.
- r. Technical Assistance to Schools. Sponsor agrees to provide technical assistance to each community school it sponsors to ensure that the community school complies with all laws applicable to the school and the terms of the contract with the community school as required by ORC 3314.023(D).

- s. Sponsor Intervention in Community School Operations. Sponsor agrees to take steps to intervene in the operations of its community schools to correct problems in the school's overall performance including placing the school in probationary status pursuant to ORC 3314.073, suspending the operation of the school pursuant to ORC 3314.072, or terminating the contract with the school pursuant to ORC 3314.07.
 - t. Plan of Action for Financial Difficulties. Sponsor agrees to have in place a plan of action to be undertaken should any of the community schools it sponsors experience financial difficulties or close prior to the end of the school year.
 - u. Participation in Meetings with Auditor of State. Sponsor agrees to participate in meetings between the community schools it sponsors and the auditor of state as required by ORC 3314.019.
 - v. Opening Assurances. Sponsor agrees to timely submit to the Department the opening assurances for each of the community schools it sponsors ten business days prior to the opening of the school as required by ORC 3314.19.
 - w. Administrative Rules. Sponsor agrees to comply and cause any sponsored community school to comply with all administrative rules applicable to sponsors or community schools currently in effect or that come into effect at any time during the existence of this agreement. Sponsor agrees to amend this Agreement as required by changes to OAC 3301-102-04: Sponsorship Agreement, as such changes are adopted by the State Board of Education.
6. Participation in Training by the Department: Sponsor agrees to attend all mandatory training seminars whether required in person or by video or telephone. If sponsor fails to participate in any mandatory training, sponsor is subject to a finding of non-compliance and may be subject to revocation of their authority to sponsor community schools as stated in section 10 of this Agreement. Notice of all mandatory conferences shall be provided within a reasonable time to permit attendance.
7. Preliminary Agreements: Prior to entering into a contract with a conversion community school or a new community school pursuant to ORC 3314.02, Sponsor agrees to enter into a preliminary agreement with the proposed community school as required by OAC 3310-102-03(F) and submit a copy of such preliminary agreement with the Department within ten (10) business days of executing the preliminary agreement as required by OAC 3301-102-05(C).
8. Modification of Agreement due to Sponsor Evaluation: If the Sponsor's overall rating as determined by the Sponsor Evaluation completed by the Department pursuant to ORC 3314.016(B) is "effective" or "exemplary", the Sponsor may within sixty (60) days of the increased rating request a modification of the sponsor agreement related to its term, territory and sponsorship of new schools that is authorized under sections 1, 3, and 4

above. The Department may consider prior sponsor evaluations and other factors in determining whether to modify this Agreement.

9. Modification of Agreement: If the Department finds that community schools sponsored by Sponsor have poor fiscal management or a lack of academic progress, the Department may modify this Agreement as required by ORC 3314.015(B)(1). Sponsor agrees that any modifications to this Agreement made pursuant to ORC 3314.015(B)(1) shall be made part of this Agreement and Sponsor shall not unreasonably withhold its consent to the additional provisions.
10. Revocation of Sponsorship Authority: If Sponsor violates any provision of Ohio law or and Federal Regulation or materially breaches this Agreement, the Department may immediately suspend and/or terminate this Agreement. The Department shall provide Sponsor with written notice and a reasonable period to cure the violation before suspending or terminative this Agreement.

The actions taken by the Department under this section are separate and apart from actions relating to the sponsor's revocation of authority by the State Board of Education under ORC 3314.015(C) and the "Revocation of Sponsorship Authority" section of the Original Agreement. The Department may intervene and terminate this agreement, which will result in revocation of sponsorship authority, in event of any of the following:

 - a. Sponsor receiving an overall rating on the sponsor evaluation system conducted in accordance with ORC 3314.016 of "poor" for any one school year or "ineffective" for three consecutive school years; or
 - b. Sponsor failing to deliver a corrective action plan satisfactory to the Department that results from the written notice from the Department or failing to timely implement the approved corrective action plan pursuant to ORC 3314.015(F).
11. Acceleration of Term. The Sponsor acknowledges and agrees that upon final adoption of OAC 3301-102-04, the Sponsor shall enter into an amendment to the Agreement that conforms to the terms of such administrative rule and failure of the Sponsor to enter into such amendment to the Agreement within such time period shall trigger the paragraph 10 of this Agreement.
12. Sponsor Capacity. Upon request of the Department, Sponsor agrees to provide current documentation of the Sponsor's capacity to monitor and provide technical assistance to each community school that it sponsors regarding the community school's compliance with all laws and rules applicable to the community school's operations.
13. Corrective Action. The Sponsor acknowledges and agrees that the Department may require actions of the Sponsor to correct deficiencies in the sponsor's compliance with its obligations in law and/or rule and may impose restrictions on the conditions of the

sponsorship agreement if such deficiencies are not remedied in a reasonable time based on the circumstances.

14. Criteria and Documentation Requirements for Student Participation in Learning Opportunities. Sponsor shall ensure classroom-based and non-classroom based learning opportunities at community school(s) which it sponsors comply with criteria and documentation requirements for students participation established by the Department in accordance with ORC 3314.08(H)(2). Such criteria and documentation requirements for student participation shall be published on the Department's website (education.ohio.gov) annually as part of the "FTE Review and Community School Enrollment" manual.
15. Assumption of Sponsorship. In the event of revocation of sponsorship authority and/or termination of this Agreement in accordance with paragraph 10, the Office of School Sponsorship at the Department shall assume sponsorship of any community schools with which Sponsor had contracted. To facilitate transfer of sponsorship authority, Sponsor shall provide any records and supporting documentation regarding its oversight, monitoring, or technical assistance of each community school to the Office of School Sponsorship, including, but not limited to the following:
 - a. Transferring prior reports of sponsor monitoring, oversight, and technical assistance as well as site-visit reports;
 - b. Providing contact information for governing authority members, the operator, and school leaders; and
 - c. Sharing copies of communications with the community schools.
16. Contracts with Newly Established Community Schools. If the Sponsor is prohibited from sponsoring additional community schools pursuant to ORC 3314.016(A), any contract between such sponsor and any sponsored community school that has not yet opened for operation, as of the effective date of that action, shall be void and the school shall not open until the governing authority secures a new sponsor by entering into a contract with the new sponsor under section ORC 3314.03. However, such community schools may apply for and be approved for sponsorship by the Office of School Sponsorship in accordance with ORC 3314.016(C) and ORC 3314.029.
17. Miscellaneous:
 - a. Governing Law. This Agreement shall be governed by the laws of the State of Ohio as to all matters including, but not limited to, its validity, construction, effect and performance.
 - b. Forum and Venue. Sponsor irrevocably submits to the non-exclusive jurisdiction of any federal or State court sitting in Columbus, Ohio, in any action or proceeding arising out of or related to this Agreement. Sponsor agrees that all claims in respect of such action or proceeding may be heard and determined in any such court, and

Sponsor irrevocably waives any objection it may now or hereafter have as to the venue of any such action or proceeding brought in such court or that such court is an inconvenient forum. Nothing in this Agreement shall limit the right of the Department to bring any action or proceedings against Sponsor in the courts of any other jurisdiction. Any actions or proceedings by Sponsor against the Department or the State involving, directly or indirectly, any matter in any way arising out of or related to this Agreement shall be brought only in a court in Columbus, Ohio.

- c. Entire Agreement. Should any of the terms in this Agreement conflict with any section of the Agreement, the Agreement shall control as being the more specific terms and conditions. This Agreement, including its exhibits and documents incorporated into it by reference, constitutes the entire agreement and understanding of the parties with respect to its subject matter. Any prior written or verbal agreement, understanding or representation between the parties or any of their respective officers, agents, or employees is superseded and no such prior agreement, understanding or representation shall be deemed to affect or modify any of the terms or conditions of this Agreement.
- d. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions of this Agreement.
- e. Amendments. Either party may at any time during the term of this Agreement request amendments or modifications. Requests for amendment of this Agreement shall be in writing and shall specify the requested changes and the justification for each change. The parties shall review the request for amendment taking into consideration the statutes, administrative rules, and the sponsor's most recent rating on the evaluation performed in accordance with section 3314.016 of the Revised Code. If the parties concur on changes to the terms of this Agreement, an amendment shall be written, approved, and executed in the same manner as the Agreement.
- f. Forbearance Not a Waiver. No act of forbearance or failure to insist on the prompt performance by Sponsor of its obligations under this Agreement, either express or implied, shall be construed as a waiver by the Department of any of its rights under this Agreement or applicable law.
- g. Pronouns. The use of any gender pronoun shall be deemed to include the other gender, and the use of any singular noun or verb shall be deemed to include the plural, and vice versa, whenever the context so requires.
- h. Headings. Section headings contained in this Agreement are inserted for convenience only and shall not be used in construing this Agreement.

- i. Assignment. Neither this Agreement nor any rights, duties, or obligations of the Sponsor pursuant to this Agreement shall be assigned by the Sponsor without the prior express written consent of the Department, which shall not be unreasonably withheld. Any purported assignment not made in accordance with this paragraph shall be void.
- j. Binding Effect. Each and all of the terms and conditions of this Agreement shall extend to and bind and inure to the benefit of the Department, its successors and permitted assigns.
- k. Survival. Any provision of this Agreement which, by its nature, is intended to survive the expiration or other termination of this Agreement, including, without limitation, any indemnification obligation, shall so survive and shall benefit the parties and their respective successors and permitted assigns.
- l. Authorized Representative. The Sponsor represents and warrants that the Sponsor, through its authorized representative signing below, has full power and authority to execute and enter into this Agreement.
- m. Counterpart. This Agreement 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.

18. Signature. Each of the parties has caused this Agreement to be executed by its authorized representatives as of the dates set forth below their respective signatures effective as of the Effective Date.

The Agreement is not valid and binding until executed by both parties.

On Behalf of the Sponsor:

By: Vicky L. French
Vicky L. French

Date: 6/12/2017

On Behalf of the Ohio
Department of Education

By: Paolo DeMaria
Paolo DeMaria, Superintendent of Public Instruction

Date: 1/22/18

