

CONTRACT FOR OHIO START-UP COMMUNITY SCHOOL

This Contract for Ohio Community School (this "Contract") is effective on the 1st day of July, 2023 ("Effective Date") by and between the Richland Academy of the Arts ("RAA" or "Sponsor") and Dublin Preparatory Academy (dba Northside Preparatory Academy) ("School Governing Authority"), an Ohio non-profit corporation.

RECITALS

WHEREAS, Chapter 3314 of the Ohio Revised Code (the "Revised Code") permits the establishment of community schools; and

WHEREAS, RAA received approval from the Ohio Department of Education ("ODE") to sponsor community schools under Chapter 3314 of the Revised Code; and

WHEREAS, RAA and the School Governing Authority entered into a Contract for the operation of an Ohio community school under the name of Northside Preparatory Academy (the "School"), which expires on June 30, 2024 and

WHEREAS, RAA and the School Governing Authority desire to enter into a renewed Contract for the operation of an Ohio Community School ("Contract") after the positive results of a high stakes review and a review of Ohio's accountability system and school data.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

ARTICLE I

Establishment and Authority

A. TERM. This Contract shall be for a term commencing on the Effective Date hereof and ending on June 30, 2026.

1. Term Exceeding Five Years. If the Term of this Contract is longer than five years, Sponsor will conduct a high-stakes review no later than five years after the effective date of this Contract. The Sponsor will also conduct monthly and annual reviews, and periodic site visit reviews. The Sponsor shall provide notice of at least twenty-four (24) hours prior to any site visit, unless there are extenuating circumstances that will require the sponsor to give less notice.

B. CORPORATE FORMALITIES.

1. Non-profit Status. The School must be established and operated as a non-profit corporation under Chapter 1702 of the Revised Code if established prior to April 8, 2003, or as a

public benefit corporation under Chapter 1702 of the Revised Code if established after April 8, 2003. The School shall at all times maintain in good standing its status as a non-profit corporation. Appendix A requires a copy of a recent Ohio Secretary of State Good Standing Certificate.

C. AUTHORIZED LOCATION.

1. Facility Location. The facility to be used for the School will be maintained at 4750 Winton Road, Cincinnati, Ohio 45232. Any lease or use of the facility must be documented in writing. If the facility has been or will be leased, the School shall provide a copy of the fully executed lease to the Sponsor within three (3) business days of its execution, as well as a resolution by the School Governing Authority approving said lease. If the facility has been or will be purchased by the School, the School shall provide a copy of the contract of sale and related documents, including a resolution by the School Governing Authority approving the purchase, to the Sponsor within three (3) business days of execution. After purchase, the School shall immediately send a copy of the recorded conveyance documents to the Sponsor. The facility may not be changed nor may the square footage be reduced without prior notification to the Sponsor. Any lease or mortgage payments must be consistent with the budgets given to and approved by the Sponsor. Upon change of facility, the Sponsor, at its sole discretion, but without obligation to do so, may request maps, plans, revised budgets showing adequate service of the debt and reserves for maintenance or repairs, and/or attorney, accountant or financial consultant assurances or opinions regarding structure, financing or otherwise. The Sponsor may request any information the Sponsor deems necessary to assess adequate planning for facilities, but the Sponsor shall not, under any circumstances whatsoever, be liable for the debts, obligations or business of the School. A detailed description of the facilities, as well as costs, operator addendum (if applicable), and related parties of any lease or mortgage, is attached at Appendix I.

2. Facility Inspection. Any facility used for or by the School shall meet all health and safety standards established by law. Public health and safety officials may inspect the facilities of the School and order the facilities closed if those officials find that the facilities are not in compliance with health and safety laws and regulations.

D. AGE AND GRADE LEVELS. The School is a start-up community school located in the Cincinnati City School District. The School proposes to serve grades K-8. The School shall not make any changes to the enrollment area or grades without the prior written approval of the Sponsor and modification of this Contract.

E. OPEN FOR OPERATION. The School shall open for operation not later than the thirtieth day of September each school year, unless the Sponsor both (a) consents to a later start date, and (b) the Sponsor is rated "exemplary" for at least two consecutive years or the School is designated as a dropout prevention and recovery school. If the School fails to open within one (1) year after the Effective Date of this Contract under section 3314.02(D) of the Revised Code or permanently closes prior to the expiration of the Contract, this Contract shall be void and the School shall not enter into a contract with another sponsor.

F. DISPUTE RESOLUTION. The Sponsor and the School Governing Authority agree to informal mediation of any dispute not otherwise governed by mandatory administrative procedures pursuant to this Contract or as otherwise provided by law. Such mediation shall be non-binding and the parties, if failing to agree on one mediator, shall obtain a list of three mediators from the Ohio State Bar Association. Each party shall eliminate one mediator, and the parties agree to use the one mediator left after eliminations. Mediation will take place in the county where the School is located or at a place mutually agreeable. All costs of the mediator shall be split equally between the parties.

G. ORGANIZATIONAL STRUCTURE. The Organizational Structure and management/administration, employees, Governing Authority and relationships must be accurately reflected in an Organization Chart appended in Appendix B. Written clarifications that describe working relationships of each entity (for example a management company) must also be included. Any modifications to the Organizational Structure must be submitted in written form to the Sponsor prior to implementation.

H. CONSULTANTS AND MANAGEMENT COMPANIES.

1. The School Governing Authority shall be responsible for entering into any contract(s) for management or operation of the School or its curriculum or operations, or any portion thereof. Any such contract(s), or modifications therein, shall require prior written approval of the Sponsor and shall be attached to this Contract as Appendix F. The School shall employ an attorney, who shall be independent from the operator, for any services related to the negotiation of the School's contract with the operator or if the operator and School should become adverse to each other in any particular matter. Management companies, or consultants who rise to the level of an operator/management company of the School, shall provide to the School Governing Authority and the Sponsor a detailed accounting of the nature and costs of the services provided to the School.

If the Sponsor reasonably deems, at its discretion, that due to material mismanagement, poor governance or performance, it is advisable or necessary that the School engage an operator or consultant, or new operator or consultant if the School has an existing agreement for services, the Sponsor may require that the Governing Authority interview, select, and enter into a new or different agreement for such services, and such operator and services contract must be approved by the Sponsor as a modification to this Contract. If the School has an existing agreement with an operator for services, prior to requiring the Governing Authority to engage with a new operator, the Sponsor shall provide the Governing Authority with written notice of the Sponsor's concerns with particularity, and the Sponsor shall allow the School and the operator sixty (60) days to cure any defects or to provide a plan to cure the defect to the satisfaction of the Sponsor.

2. The School Governing Authority shall also be responsible for the oversight and approval of any consulting or other contracts entered into by the School for purposes of daily operation of the School. Such consulting or other contracts shall require prior written approval of

the Sponsor unless a minor consulting contract not rising to the level of an operator, or, an expense under \$25,000 annually.

I. POWER OF ATTORNEY. The Governing Authority hereby grants to the Sponsor a power of attorney to carry out all provisions of applicable law and this Contract on behalf of the Governing Authority, should it become necessary in the Sponsor's sole opinion, to appoint some or all of a new Board of Directors for cause for abandonment of duties or for breach of this Contract. The Governing Authority confirms its consent to this power by signing below and shall execute and deliver to the Sponsor all agreements and other documents that the Sponsor reasonably shall deem necessary or appropriate to comply with this paragraph. Upon any failure by the Governing Authority promptly to comply with the requirements of this subparagraph, the Sponsor shall be entitled to an order of specific performance from a court of law, ordering the Governing Authority to comply. In addition, any failure by the Governing Authority promptly to comply with the requirements of this subparagraph shall be good cause for termination of this Contract. In order to effectuate this provision, the Code of Regulations/By-Laws of the School must contain a provision allowing the Sponsor to appoint and/or dismiss Directors if the Sponsor, exercising reasonable judgement, deems it necessary. Necessity is defined as conditions including but not limited to the serious nature of the following: repeated violations or uncorrected violations of open meetings, public records or ethics and conflicts laws; abandonment of governing authority responsibilities; material breach of this Contract; uncorrected chaos in operations of the School or School Governing Authority; inability to make decisions due to lack of quorum or deadlock in voting; one or more directors exceeding authority; or, repeated disruption by one or more directors. In all cases the Sponsor will limit this power of attorney to replacement and appointment to the extent Sponsor feels necessary to accomplish correction of the specific issue hampering the governance, operations or progress of the School.

ARTICLE II General Public School Requirements

A. COMPLIANCE WITH STATE LAW.

1. The School shall comply with all applicable Ohio laws, including, but not limited to, the following provisions of the Ohio Revised Code as if it were a school district:

- i. Section 9.90 (Insurance or Deferred Compensation for Educational Employees);
- ii. Section 9.91 (Placement or Purchase of Tax-sheltered Annuity for Educational Employees);
- iii. Section 109.65 (Missing Children Clearinghouse);
- iv. Section 121.22 (Public Meetings);
- v. Section 149.43 (Availability of Public Records for Inspection and Copying);
- vi. Sections 2151.357 and 2151.421 (Juvenile Records and Reporting of Child

- Abuse or Neglect);
- vii. Section 2313.19 (No Penalty for Jury Duty);
- viii. Sections 3301.0710, 3301.0711, 3301.0712 and 3301.0715 (Ohio Graduation Tests);
- ix. Section 3301.0714 of the Revised Code in the manner specified in section 3314.17 of the Revised Code (Statewide Education Management Information Systems);
- x. Section 3301.0729 (Time spent on Assessments)
- xi. Sections 3301.50 to 3301.59 of the Revised Code and the minimum standards for preschool programs prescribed in rules adopted by the state board under R.C. 3301.53, if the School operates a preschool program that is licensed by the Department of Education;
- xii. Section 3301.948 (Provision of data to multi-state consortium prohibited);
- xiii. Section 3302.037 (Notice of Report Cards)
- xiv. Sections 3313.472, 3313.50, 3313.539, 3313.5310, 3313.603(J), 3313.608, 3313.609, 3313.6012, 3313.6013, 3313.6014, 3313.6015, 3313.6020, 3313.6024, 3313.6025, 3313.6026, 3313.6411, 3313.643, 3313.648, 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, 3313.721, 3313.80, 3313.801 (as if the school were a district unless an internet or computer based community school), 3313.814, 3313.816, 3313.817, 3313.818, 3313.86, 3313.89, and 3313.96 (Rules and Regulations of the State Board of Education);
- xv. Sections 3319.39, 3319.41, 3319.073, 3319.077, 3319.078, 3319.238, 3319.318, 3319.321, 3319.391, 3319.393 (School Employees and Conduct);
- xvi. Section 3319.46 (Positive Behavior Intervention Supports);
- xvii. Sections 3320.01, 3320.02, and 3320.03 (Religious Freedom);
- xviii. Sections 3321.01, 3321.041 3321.13, 3321.14, 3321.141, 3321.17, 3321.18, 3321.19 and 3321.191 (except if the school is an internet- or computer-based community school that does not receive a dropout prevention and recovery report card, in which case the School shall comply with Section 3314.261) (School Attendance);
- xix. Section 3323.251 (Dyslexia Education);
- xx. Section 3327.10 (Qualification of Drivers);
- xxi. Section 4111.17 (Prohibiting Discrimination in Payment of Wages);
- xxii. Section 4113.52 (Reporting Violations of Law);
- xxiii. Section 5502.262 (Emergency Management Plan);
- xxiv. Section 5502.703 (Ohio School Safety Crisis Center);
- xxv. Section 5705.391 (Board of Education Spending Plan);
- xxvi. Chapter 117 (State Auditor Requirements);
- xxvii. Chapter 1347 (Personal Information Systems);
- xxviii. Chapter 1702 (Non-Profit Corporation Law);

- xxix. Chapter 2744 (Political Subdivision Tort Liability);
- xxx. Chapters 3307 and 3309 (State Retirement Systems);
- xxxi. Chapter 3314 (Community School);
- xxxii. Chapter 3365 (Post-Secondary Enrollment Options Program);
- xxxiii. Chapter 3742 (Lead Abatement);
- xxxiv. Chapter 4112 (Civil Rights Commission);
- xxxv. Chapter 4123 (Worker's Compensation);
- xxxvi. Chapter 4141 (Unemployment Compensation); and
- xxxvii. Chapter 4167 (Public Employment Risk Reduction Program) as if it were a school district.

2. The School and the members of the School Governing Authority shall comply with Ohio Ethics Laws, including Chapter 102 and section 2921.42, 2921.43, 2921.44 of the Revised Code.

3. To the extent applicable, the School shall comply with sections 3313.61, 3313.611, 3313.614, 3313.617, 3313.618, and 3313.6114 of the Revised Code, which relate to the awarding of a high school diploma, except that for students who enter ninth grade for the first time before July 1, 2010, the requirement in sections 3313.61 and 3313.611 of the 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 School Governing Authority rather than the curriculum specified in Title XXXIII of the Revised Code or any rules of the state board of education. Beginning with students who enter ninth grade for the first time on or after July 1, 2010, the requirement in sections 3313.61 and 3313.611 of the 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 the Ohio core curriculum prescribed in division (C) of section 3313.603 of the 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 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 state board of education under divisions (J)(1) and (2) of section 3313.603 of the Revised Code.

The School shall comply with the framework developed by the Ohio Department of Education under R.C. 3313.603(J)(3) for granting units of high school credit to students who demonstrate subject area competency through work-based learning experiences, internships, or cooperative education.

4. The School shall comply with the performance standards and continuous improvement plan set forth in section 3302.04 and 3302.041 of the Revised Code, except that any action required to be taken by a school district pursuant to that section shall be taken by the Sponsor. Notwithstanding the foregoing, the Sponsor shall not be required to take any action described in division (F) of section 3302.04 of the Revised Code.

5. The School and the School Governing Authority may carry out any act or insure the performance of any function that is in compliance with federal, state, or local law.

6. 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," the School will pay teachers based upon performance in accordance with section 3317.141 and will comply with section 3319.111 of the Revised Code as if it were a school district, including requirements that the School adopt and implement a comprehensive evaluation system for teachers and principals.

7. Each person employed to work in the School as a nurse, teacher, counselor, school psychologist, or administrator shall complete a minimum of four (4) hours of in-service training at least once every two (2) years. In-service training shall include training on the School's harassment, intimidation and bullying policy; child abuse prevention and intervention; school safety and violence prevention (including human trafficking content); dating violence prevention; substance abuse prevention; the promotion of positive youth development; and youth suicide awareness and prevention. The School shall also require in-service training on child sexual abuse, which shall be presented by either a prosecutor or law enforcement officer who has experience in handling cases involving child sexual abuse or child sexual violence.

ARTICLE III Governing Authority

A. COMPOSITION. The board members of the School Governing Authority are responsible for carrying out all obligations of this Contract and charged with the responsibility of establishing policies and procedures for the operation and management of the School. The School Governing Authority must contain at least five (5) voting directors. Governing Authority members are prohibited from being owners or employees, or relatives of owners or employees, of the School or of any company or individual that operates or manages the School. For purposes of this Contract, the word 'relative' shall include, but not be limited to, spouses, children, parents, grandparents, and siblings, as well as in-laws residing in the same household as the person serving on the Governing Authority. In addition, the School Governing Authority shall be composed of people knowledgeable in the areas of budget, finance, legal issues, education and school curriculum. The board members shall provide to the Sponsor all contact information, including, but not limited to, their names, addresses, e-mails and telephone numbers, on a regular basis and within five (5) business days of any change of such information. No Director may serve on the Board if restricted from doing so by R.C. 3314.02(E) or any other state or federal law, rule, or regulation.

B. BACKGROUND CHECKS. All Governing Authority Members must provide a copy of the following documents to the Sponsor prior to the effective date of this contract and/or the effective date of the term of the member:

1. Copy of the results of both a BCI and FBI background check.*

2. Signed consent to release background check results to the Sponsor.
3. Resume or biographical vitae that accurately reflects experience, education, and other professional competencies related to serving on the charter school governing authority.
4. Signed Annual Conflict of Interest Disclosure Statement.

All BCI and FBI criminal records checks must be repeated every five (5) years with results sent to the Sponsor, unless the Governing Authority member has lived in Ohio for the past five years in which case only the BCI criminal records check is required. Results of the criminal records check must be submitted within thirty (30) days of expiration of the previous check.

C. MEETINGS. Governing Authority meetings must be held a minimum of 6 regular meetings per year, and notice of such regular meetings shall be provided to the Sponsor in writing at least seven (7) days in advance of the meeting. Notice of special meetings must be sent to the Sponsor as soon as scheduled and in no case with less than 24 hours advanced written notice, along with telephone call invitation. In the case of an emergency meeting, the Governing Authority shall contact the Sponsor as soon as the meeting is determined to be necessary. The Governing Authority must approve a policy stating how it will notify the public of all meetings. Minutes must accurately reflect the topics discussed and the motions and votes of the Governing Authority and reports or documents presented shall be maintained electronically and made available to the public at the school building per the Ohio Public Records Act and R.C. 121.22. The Governing Authority shall copy the Sponsor on all notices of meetings when posted, advertised, or otherwise conveyed.

The Governing Authority shall allow the Sponsor or its designee into all executive session meetings unless discussing pending or imminent litigation against Sponsor, or those needing preservation of attorney/client privilege, or by mutual agreement of the parties. Subject to the foregoing only, the Sponsor representative 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.

D. REGULATIONS. The School Governing Authority shall adopt, and at all times maintain, policies and regulations for the operation of the School Governing Authority, which shall include, but not be limited to, policies and procedures with respect to meetings, including quorum and voting rules, conflicts of interest, meeting notices, Ohio ethics and conflicts laws, corporate governance, duties of officers and directors, audits, term limits, succession plans, removal procedures, committee responsibilities, and other necessary corporate governance or applicable public school requirements..

All Governing Authority members, Directors, as well as the Chief Administrative Officer and other administrative employees, shall complete training on an annual basis on public records and open meetings law. Members new to this School's Board must complete a minimum of five (5) hours of Board training, at least two (2) hours of which are on public records and open meetings law, within three (3) months of being elected to the Board. The Sponsor may extend the deadline

for completion of training at its sole discretion. Such training must be approved by the Sponsor. The Governing Authority shall timely comply with such training, as well as conflict disclosures and signed ethics and conflicts policies annually or more frequently as may be reasonably required.

E. CLOSURE. In the event of the School's closure, the Governing Authority and its officers must remain in their positions and participate in necessary meetings and documentation of professional development from the time the School learns it must close or votes to close or is closed, until the School is fully closed and the final closing audit is completed.

F. COMPENSATION. The School Governing Authority may provide, by resolution, for the compensation of each of its members in an amount up to, but not to exceed, One Hundred Twenty Five Dollars (\$125) per meeting that the member attends and the statutorily limited compensation for professional development/training. Such compensation must be voted on before the term of a director. No member shall be compensated more than a total amount of five thousand dollars per year for all community school governing authorities upon which the individual serves.

G. REPORTING.

1. Annual Report. Within four (4) months after the end of each school year, the School Governing Authority shall submit to the Sponsor and the parents of all students enrolled in the school a report of its activities and progress in meeting its goals and performance standards, as well as its financial status.

2. Reports to Sponsor. The School Governing Authority with the administration shall report to the Sponsor monthly on a template sent by the sponsor, and, at least on a bi-monthly basis, unless otherwise noted, provide all information or documents required under applicable law, including, but not limited to:

- i. that information required under R.C. 3314.08(B)(1) – (9);
- ii. the number of students suspended and expelled;
- iii. the number and names of students withdrawn, withdrawal reasons and documentation;
- iv. the number of students receiving Special Education or services related to an IEP, special education program information and compliance;
- v. school attendance reports as per Sponsor template suitable for calculating full time equivalent as required by Ohio law;
- vi. attendance and participation logs for non-classroom based learning opportunities;
- vii. all material events, changes, omissions or occurrences which may be required to be reported by the Sponsor to ODE and the School Governing Authority's position, cure, or plan of action;
- viii. School Governing Authority meeting minutes with all approved resolutions and all attachments to the minutes handed out in public sessions of any meeting;

- ix. all items required to be reported in this Contract;
- x. all required financials, budgets, assets, liabilities, or similar information, as well as aged payables;
- xi. the required reporting under the state Sponsor Performance Review that is expected or required from or about the School;
- xii. staff and teacher turnover;
- xiii. any changes in structure, governance or operational information;
- xiv. current roster of staff by position, including notations on licensure, HQT status, and FBI/BCI&I completion;
- xv. current roster of Board members, including contact information (home phone numbers and home addresses will not be released to the public);
- xvi. evidence of Board member training completion, FBI/BCI&I completion, and conflict of interest disclosure and signed conflict of interest policy;
- xvii. any findings for recovery issued by the auditor of state against any Board member, or against any management company or school employee with responsibility for fiscal operations of the School or authorization to spend money on the School's behalf at least annually and when requested;
- xviii. schedule of regular Board meetings, including dates, times, and location;
- xix. notice of all regular, special, or emergency Board meetings as soon as scheduled;
- xx. monthly financial and enrollment reports, monthly residency verifications;
- xxi. board-approved five-year forecast and budgets, whenever updated;
- xxii. CCIP, SOES, EMIS, and OEDS-R administrator information;
- xxiii. school calendar, including assessment schedule;
- xxiv. progress on internal and state-wide assessments, mission-driven programs, and contract goals;
- xxv. lease/rental agreement or mortgage/deed, loans and settlement agreements;
- xxvi. building inspection certificates – fire and health department inspections, school environment inspection report, building permits, Certificate of Occupancy, etc.
- xxvii. Inventory and Fixed Assets List updated annually;
- xxviii. Articles of Incorporation, Code of Regulations, Employer ID No., IRS Determination Letter (if any), corporate Code of Regulations/By-Laws;
- xxix. current safety plan as filed with the Attorney General's office (unless required to be kept confidential), evidence of approved Emergency Management Plan;
- xxx. material changes in finances, litigation, settlement obligations or risks
- xxxi. any staff, student, finance, operational, safety, Board, and other school policies, upon Sponsor's request
- xxxii. structural/organizational chart;

- xxxiii. any required/requested information in Sponsor's document management system, Epicenter, on a timely basis;
- xxxiv. annually, verification of completion of annual public records and open meetings law training by each governing authority member, fiscal officer, chief administrative officer, administrative employees of the School, and all individuals performing supervisory or administrative services for the school through an operator contract;
- xxxviii. annually, any finding for recovery issued by the auditor of state against any member of the governing authority, the operator, or any employee of the School;
- xxxix. annually, disclosure statements for each member of the governing authority as filed pursuant to R.C. 3314.02(E)(7);
- xl. annually, updated asset reports showing all assets purchased with public funds and all assets purchased by nonpublic funds, divided into state and federal assets, with proper USAS codes, and purchase price if available, as well as depreciation schedules, and the ownership of each; and
- xli. annually, a detailed accounting of the nature and costs of the goods and services that the operator provides to the School, pursuant to R.C. 3314.024, if the operator receives more than twenty percent (20%) of the School's gross annual revenues.

H. PAYMENT TO SPONSOR. In accordance with section 3314.03(C) of the Ohio Rev. Code, the School Governing Authority shall pay the Sponsor three percent (3%) of the total amount of payments for operating expenses that the school receives from the state in consideration for providing monitoring, oversight, and technical assistance as required by law. Prior to billing for sponsorship services each month, the Sponsor shall review the Community School Settlement Report and make adjustments to its billing as necessary to attempt to prevent any overpayment of sponsorship fees. Payments to the Sponsor shall be made by monthly automatic transfer to the general fund of the Sponsor, and the School Governing Authority agrees to sign documentation necessary to accomplish the same.

I. CONFLICTS OF INTERESTS. The Governing Authority shall have a Conflict of Interest policy. Such policy shall address public officers' ethics and conflict rules, corporate conflict rules, and if the School is an Internal Revenue Code (IRC) tax-exempt entity, IRC conflict rules. The Conflict of Interest policy shall be signed annually by all required public officials of the School. In addition, annual conflict of interest disclosures must be submitted to the Sponsor by those same public officials.

J. LIABILITY INSURANCE. The School Governing Authority shall at all times maintain comprehensive general liability insurance in amounts not less than One Million Dollars (\$1,000,000) per occurrence and Three Million Dollars (\$3,000,000) in the aggregate, plus an excess or umbrella policy extending coverage as broad as primary coverage in an amount no less

than Five Million Dollars (\$5,000,000). The insurance coverage shall be not only for the School and the School Governing Authority, its directors, officers and its employees but also for the Sponsor, its board, superintendent and employees as additional insured's. The School Governing Authority shall also maintain directors and officers liability/errors and omissions coverage in the amount of One Million Dollars (\$1,000,000) per occurrence. The insurance coverage must be occurrence coverage rather than claims made coverage. The School Governing Authority must obtain policies that notify the Sponsor in writing at least thirty (30) days in advance of any material adverse change to, or cancellation of, such coverage. The School Governing Authority shall provide copies of all of the foregoing insurance policies to the Sponsor.

K. INDEMNIFICATION.

1) The School Governing Authority and School shall defend, indemnify, save and hold harmless the Sponsor, its representatives, officers, agents, board, superintendent and employees from any and all claims, debts, actions, causes of actions, proceedings, judgments, mitigation costs, fees, liabilities, obligations, damages, losses, costs, or expenses (including, without limitation, attorneys', expert, accounting, auditor or other professionals' fees and court costs) of whatever kind or nature in law, equity or otherwise arising from any of the following:

i. A failure of the School Governing Authority and/or School or any of its officers, directors, employees, agents, or contractors to perform any duty, responsibility or obligation imposed by law or this Contract, or other obligation between or on behalf of the School and another party;

ii. An action or omission, misrepresentation or inaccuracy by or of the School Governing Authority and/or School or any of its officers, directors, employees, or contractors that results in injury, death or loss to person or property, breach of contract, or violation of statutory law or common law (state and federal);

iii. Any sum that the Sponsor may pay or become obligated to pay on account of: (1) any inaccuracy or breach of any representation under this Contract; (2) any breach or any failure of the School to duly perform, comply with, or observe any term, provision, covenant, agreement, obligation, or condition under this Contract or under the law, and all agreements delivered in any way connected herewith, on the part of the School, to be performed, complied with, or observed; or (3) liabilities to lenders, vendors, the State of Ohio, receivers, parents, students, the School Governing Authority or to third parties in any way related to the School or arising out of this Contract; and

iv. Any and all liabilities incurred by Sponsor or any of its officers, directors, employees, agents or contractors as a result of an action or legal proceeding at law or equity brought against Sponsor relating to activities and/or operations of the School or the School Governing Authority by a third party.

v. The School shall indemnify, defend, hold harmless and reimburse the Sponsor for costs incurred by the Sponsor in connection with the Sponsor's oversight and monitoring of the

School. The total amount of such payments shall not exceed three per cent of the total amount of payments for operating expenses that the School receives from the state. The word "received" means the receipt and acceptance by the Sponsor in accordance with and pursuant to the revenues received on the monthly School Foundation Statement. The Sponsor has a right to rely upon the monthly statement and is not responsible for FTE findings, except for reductions due to FTE findings already deducted in the then current monthly School Foundation Statement, or those FTE findings deducted in future statements upon which Sponsor figures its fee.

L. **LIABILITY OF SCHOOL GOVERNING AUTHORITY.** Liability under this Contract, and any other contract entered into by the School Governing Authority, shall be deemed to be in accordance with section 3314.071 of the Revised Code and other applicable provisions of Ohio law.

M. **COMPREHENSIVE PLAN.** The School shall submit, through the School Governing Authority, a comprehensive plan to the Sponsor. The plan shall specify the following:

1. The process by which the governing authority of the school will be selected in the future (to be included in the School's corporate Code of Regulations/By-Laws);
2. The management and administration of the school;
3. That the School was not a currently existing public school or an educational service center building when it opened;
4. The instructional program and educational philosophy of the school;
5. The internal financial controls and the governing authority policies regarding internal financial controls; and
6. Any other statutory requirement for the Comprehensive Plan.

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

ARTICLE IV Enrollment/Students

A. **ADMISSIONS STANDARDS.** The School Governing Authority shall adopt admission procedures that specify the following per R.C., Section 3314.03:

1. Enrollment is limited to students who reside in the district in which the school is located, is open to residents of other adjacent districts, or is open to students who reside in any district in the state of Ohio;

2. That there will be no discrimination in the admission of students to the School on the basis of race, creed, color, disability, or gender, except as may otherwise be permitted by law in order to carry out a specific educational goal or purpose;

3. That the School may not limit admission to students on the basis of intellectual ability, measures of achievement or aptitude, or athletic ability, except that the School may limit its enrollment to students as described in Section 3314.06(E) of the Revised Code;

4. That the School will admit the number of students that does not exceed the capacity of the School's programs, classes, grade levels, or facilities; and

5. That, except as otherwise provided under Subsection 3 above or Section 3314.061 of the Revised Code, if the number of applicants exceeds the capacity restrictions, students shall be admitted by lot from all those submitting applications, except preference may be given to students attending the School the previous year and shall be given to students who reside in the district in which the School is located (to the extent such preference is permitted by then federal law). Preference may also be given to siblings of students attending the school the previous year; or to students of full-time staff members to the extent permitted by law.

B. **COMMUNITY BALANCE.** The School shall attempt to achieve racial and ethnic balance reflective of the community it serves by doing the following: The School will have an open enrollment process. The School 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 community 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 applicable law. The school will be nonsectarian in all respects, and will comply with state and federal laws applicable to public schools concerning church-state issues. The School will not charge tuition unless otherwise expressly authorized by law.

The School will actively publicize open enrollment to all community sectors. If necessary, the School will conduct its first enrollment lottery at a date compliant with the application enrollment window with subsequent annual lotteries held on the first Monday of April in each year. The School will market or recruit to attempt to achieve a racial/ethnic balance reflective of the community it serves by actively involving the entire community in the school, and by reaching out during the enrollment process, to those sectors of the community which are underrepresented and underserved. It is our goal to found a true community school which is reflective in every way of the neighborhood and the community which it serves.

C. **ATTENDANCE AND PARTICIPATION POLICY.** The School Governing Authority shall adopt an attendance policy, including any policy or procedures for non-classroom learning opportunities (and/or blending learning program if applicable), that includes a procedure for automatically withdrawing a student from the School if the student, without legitimate excuse, fails to participate in seventy two (72) consecutive hours of the learning opportunities. The School

Leader or designee may be notified to intervene on behalf of the School after a student misses the hours and/or days specified in the School's attendance policy. The School must follow through on all truancy requirements under state law until the student is withdrawn. The School's attendance and participation policies must be available for public inspection. The School's attendance and participation records shall be made available, upon request, to the Department of Education, auditor of state, and Sponsor, to the extent permitted by 20 U.S.C. 1232g, the Family Educational Rights and Privacy Act (FERPA), R.C. 3319.321, and any applicable rule or regulations thereto.

The School must submit to the Sponsor its Residency Policy and its procedures for verifying residency in the home districts of its enrollees for Sponsor approval, which shall include also that parents must notify the School of any change of address of parent's or student's location. Monthly verifications shall be signed by an administrator or his or her designee and sent each month to the Sponsor for its records.

The School must submit its Enrollment, Truancy and Withdrawal policy(ies) to the Sponsor and it shall contain provisions including, but not limited to, the requirements as to automatic withdrawal and those under the latest truancy and attendance laws, as well as the completion of parent withdrawal forms and automatic withdrawal letters stating the reason for withdrawal. If the parent or guardian is not responsive, the School shall notate the apparent reason for withdrawal on the form.

D. STUDENTS RESIDING OUTSIDE THE HOME DISTRICT. The School Governing Authority shall adopt a policy with respect to admission of students who reside outside the home district in which the School is located. Such policy shall comply with the requirements set forth in section (A) of this Article and shall do one of the following: (a) prohibit the enrollment of students who reside outside the district in which the School is located; (b) permit the enrollment of students who reside in districts adjacent to the district in which the School is located; or (c) permit the enrollment of students who reside in any other district in the State of Ohio.

E. NOTICE. The Governing Authority shall distribute to parents of students upon their enrollment the required statement concerning state-prescribed testing and compulsory attendance law as prescribed in ORC 3314.041 and a copy of the school's most recent State report card.

F. SUSPENSION AND EXPULSION. The School shall adopt a policy regarding the circumstances under which a student may be suspended, expelled or removed from the School. A copy of such policy shall be available to the Sponsor upon request.

Prior to suspension, expulsion or removal of any student, the superintendent or principal must adhere to the procedures set forth in the policy. The School's policies and practices must comply with the requirements of sections 3313.66, 3313.661, 3313.662, and 3313.668 of the Revised Code, which set forth procedures regarding suspension, expulsion, removal and permanent exclusion. The policies and practices must not infringe upon the rights of handicapped

students, as provided by state and federal law, and the School shall maintain a policy for the discipline of students receiving special education services.

G. MINIMUM NUMBER OF STUDENTS. The School shall provide learning opportunities to a minimum of one hundred fifty (150) students, or as otherwise agreed to in writing by Sponsor, for a minimum of nine hundred twenty (920) hours per school year. At least thirty (30) days prior to the first day of school the School shall have at least seventy-five (75) students enrolled if the School is a traditional K-12 school or at least fifty (50) student enrolled if the School is a drop-out prevention or recovery school. If the School is unable to maintain this initial enrollment, and in the Sponsor's determination the financial position of the School is insufficient for the School to remain open for the full school year, the Sponsor may require the School to take corrective action, up to and including requiring the School to secure a guaranty of funding from its operator or other individual or entity that sufficient funding will be available to keep the School in operation for the entire school year.

ARTICLE V. Staffing

A. TEACHER QUALIFICATIONS. The School shall employ at least one (1) full-time classroom teacher or two (2) part-time classroom teachers each working more than twelve (12) hours per week for every twenty five (25) students attending the School. All teachers must be licensed in accordance with sections 3319.22 to 3319.31 of the Revised Code, except that the School may employ non-certified persons to teach up to twelve (12) hours per week pursuant to section 3319.301 of the Revised Code. The school-wide students to full-time equivalent classroom teacher ratio shall be no more than 25 to 1, unless otherwise agreed to in writing between Sponsor and School. The School may also employ necessary non-teaching employees. Except in limited circumstances and duration, and with the approval of the Sponsor which shall not be unreasonably withheld, all teachers shall be individuals who maintain a regular physical presence in the building unless the School is operating as a blended learning program or internet- or computer-based community school.

B. EMPLOYEE BENEFITS. The School or operator must provide health and other benefits to all full-time employees as per their policies. A summary of employee benefits shall be detailed in Appendix E.

C. DISCIPLINARY PROCEDURES FOR EMPLOYEES. The School shall provide to the Sponsor the procedures for discipline, suspension and termination of employees. Additionally, the School shall provide to the Sponsor a written and signed acknowledgement by each teacher that he/she is an employee-at-will, if applicable.

D. DISMISSAL OF EMPLOYEES. If this Contract is terminated or non-renewed and there is no successor Sponsor, the School shall follow the dismissal requirements and procedures set forth on Appendix E.

E. CRIMINAL BACKGROUND CHECKS.

1. The School Governing Authority, or its community school management company, must request that the FBI and the superintendent of the bureau of criminal identification and investigation conduct a criminal records check for any applicant who has applied to the School or its management company for employment, in any position, as a person responsible for the care, custody and control of a child, including those who may be in unsupervised contact with a child. The School Governing Authority shall notify, on a timely basis or upon Sponsor's request, that the criminal records checks for each employee, staff member, or person described above do not reveal any disqualifying offense and have been reviewed and approved by the Governing Authority's legal counsel. If the results of the criminal records check indicate that the employee does not qualify for employment or care, custody or control of, or unsupervised contact with children, the employee shall be released from employment immediately.

All BCI&I and FBI criminal records checks must be repeated every five (5) years with notification to the Sponsor as described in the immediatly proceeding paragraph, unless the Governing Authority employee, staff member, or person described above has lived in Ohio for the past five years in which case only the BCI&I background check is required. All employees, staff members, or persons described above must complete a new criminal records check within thirty (30) days of expiration of the previous check.

2. All volunteers must be notified that the School may require a criminal records check of the volunteer at any time, at the School's request. All volunteers in direct contact with children will be required to submit to a criminal records check; provided however, to preserve parent participation, parents are permitted to have unsupervised contact with their own child and supervised contact with other children without being required to submit to a criminal records check.

F. CHIEF ADMINISTRATOR. The School's Chief Administrative Officer will be the School's leader. This individual is responsible for the daily operations at the School and will be listed as such in any State reporting system. The Superintendent shall be the person listed in OEDS-R as the "Superintendent" of the School even if the School does not call or employ a position of Superintendent.

ARTICLE VI.
Fiscal Standards

A. FINANCIAL AUDITS. The School shall maintain all financial records in the same manner as are financial records of school districts, as required by Ohio law, so that audits by the auditor of the state may be conducted of such financial records in accordance with section 117.10 of the Revised Code. The School shall make all such financial records available to the Sponsor for review. In the event the auditor of the state declares the School unauditable, the School shall cooperate with the Sponsor to create a plan for providing the auditor with the documentation necessary to complete the audit for the School and for ensuring that all financial documents are available in the future. Within five (5) business days of receiving notification from the auditor,

the School shall notify the Sponsor in writing of the time, date, and location of any scheduled meetings with the Auditor. If the governing authority contracts with an entity specializing in audits, including an attorney or accountant, that entity must be independent from the operator with which the School has contracted.

B. FISCAL OFFICER.

1. The School Governing Authority shall be responsible for employing or contracting with a fiscal officer of the School. No fiscal officer may be employed who has audit findings against them or their company. The fiscal officer of the School, before entering upon duties as fiscal officer of the School, must execute a bond in an amount and with surety to be approved by the School Governing Authority, payable to the State of Ohio, conditioned for the faithful performance of all the official duties required of the fiscal officer. Any such bond shall be deposited with the School Governing Authority, and a copy thereof, certified by the School Governing Authority, shall be filed with the county auditor. If the School and the Sponsor have waived the requirement of employing or contracting with the fiscal officer, pursuant to R.C. 3314.011(D), the current resolution waiving this requirement must be attached to this Contract at Appendix A. Such resolution shall only be valid for one year, and any subsequent resolution adopted by the School must be approved by the Sponsor and submitted to the Ohio Department of Education.

In lieu of a surety bond, the School may adopt a policy permitting its Fiscal Officer to obtain insurance coverage through an "employee dishonesty and faithful performance of duty policy" issued by a joint self-insured pool. Insurance coverage must for no less than twenty-five thousand dollars (\$25,000), and both the School and Sponsor shall be listed as additional insured parties. Coverage must be in place prior to the start of the Fiscal Officer's term of office. The Fiscal Officer must notify the Governing Authority in writing at least thirty (30) days in advance of any material adverse change to, or cancellation of, such coverage; and the School shall provide evidence of coverage and notice of lapse of any such coverage to Sponsor within five (5) business days of request, and, within five (5) business days of any change or notice to School by the applicable insurance entity.

2. Prior to assuming the duties of fiscal officer, the fiscal officer designated by the School Governing Authority shall be licensed under section 3301.074 of the Revised Code. The School's fiscal officer shall also complete training on an annual basis on public records and open meetings law.

3. The School Governing Authority shall require the fiscal officer to provide all financial statements. The fiscal agent shall prepare statements of revenue and expense, balance sheets and accounts payable in accordance with accepted accrual accounting procedures. Records, files and reports shall be provided to the School Governing Authority on a monthly basis. The Sponsor shall be granted access to such statements and other financial information.

4. The fiscal officer must be employed by or enter into a written contract with the Governing Authority which must include, among other obligations, that the fiscal officer will prepare and maintain the fiscal records of the school even if the school closes, the school is suspended, the fiscal officer is terminated or the sponsorship agreement is terminated, until the records are deemed auditable by the state auditor. The fiscal officer is obligated to turn over records in auditable condition at the time of the closure of the school or as soon as possible thereafter and this obligation survives the termination of this agreement and any agreement with the fiscal agent.

C. FINANCIAL PLAN. The School shall maintain a financial plan detailing an estimated school budget for each year of this Contract, by October 31 of each year, and specifying the total estimated per pupil expenditure amount for each such year including developing a 5-year budget and including all required elements under Ohio Revised Code Section 3314.032(C). A copy of the financial plan is attached hereto and incorporated herein as Appendix A.

D. BORROWING. 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 the Ohio Revised Code Section 3314.08(C). The School may issue notes to evidence such a borrowing. The proceeds from the notes shall be used only for the purposes for which the anticipated receipts may be lawfully expended by the School (ORC 3314.08(G)(1)(a)). A school may also borrow money for a term not to exceed fifteen years, unless a longer term becomes legally permissible, for the purpose of acquiring facilities pursuant to Ohio Revised Code 3314.08(G)(1)(b). All borrowing must be documented in a promissory note and copies of all notes must be provided to the Sponsor within ten (10) business days of signing. All moneys borrowed from the School's operator, including facilities loans or cash flow assistance, must be accounted for, documented, and bear interest at a fair market rate.

E. The SCHOOL shall comply with the latest FTE Manual of the Ohio Department of Education including, but not limited to, documentation of participation in learning opportunities. The SPONSOR shall spot-check such documentation at least once annually. Notwithstanding anything contrary in this Contract, under no circumstances is the Sponsor liable for the debts, obligations, FTE or audit findings of any kind of the School.

F. The SCHOOL shall have a policy to recover overpayments to vendors and employees which shall be included in Appendix D.

ARTICLE VII. Educational Plan

A. LEARNING OPPORTUNITIES. The School shall provide the learning opportunities, including both classroom based and non-classroom based learning opportunities, as set forth on Appendix C attached hereto and incorporated herein by reference.

The School may register a blended learning program under R.C. 3302.41(A), upon receiving prior written approval by Sponsor, provided that the details of the School's blended learning model are explicitly set forth in Appendix C. If the School operates a preschool program that is licensed by the Ohio Department of Education under R.C. 3301.52 to 3301.59, such operation shall be detailed in Appendix C.

If the School operates as an internet- or computer-based community school, or as a blended learning program, such operation(s) shall be detailed in Appendix C.

B. GOALS. The academic, financial, and operational/organizational goals are attached as Appendix G, which shall be the performance standards by which the School will be evaluated by the Sponsor, including as a part of any high-stakes review. The Performance Standards and goals included therein may be updated from time-to-time pursuant to changes in the School's education program, and updates in law or the sponsor performance review.

1. Performance Standards. Academic goals and performance shall include, but are not limited to, all applicable report card measures set forth in R.C. 3302.03 or 3314.017 and assessments administered by the School. Operational performance measures and fiscal performance measures shall also be included in the Performance Standards. Performance Standards shall be specified in Appendix G.

2. Method of Measurement. The School shall be evaluated by the Sponsor based upon the Performance Standards specified in Appendix G and pursuant to Sponsor procedures, at least once every five (5) years and as a part of the high stakes review prior to any contract renewal. If, due to abnormalities in the customary timing of, or the suspension of the issuance of the official state report cards, the Sponsor, at its sole discretion, may use other criteria for evaluations of the performance standards and may adjust or prorate the scoring in a fair and equitable manner. If other criteria are to be used, the Sponsor shall notify the School of what those criteria are as soon as possible after determining to use such other criteria.

C. EDUCATIONAL PROGRAM.

1. Mission of the School. The School shall adopt a mission. The School's education program, including the School's mission and philosophy shall be set forth in Appendix C. The School's curriculum and academic goals shall be tied to this mission, and the mission shall be integrated into the curriculum and academic goals.

2. Student Characteristics. The School shall describe the anticipated characteristics of the student population in Appendix C.

3. Education Plan. The School shall describe its plan for education, including a summary of its instructional program and educational philosophy, in Appendix C.

D. CURRICULUM. The School shall follow the curriculum set forth on Appendix C attached hereto and incorporated herein by reference. The School shall comport with the requirements of RC 3314.0310 as applicable.

E. EDUCATION AUDITS. The School shall maintain all data required by section 3301.0714 of the Revised Code in a manner suitable so that audits may be conducted by ODE, as provided by Ohio law. The School shall provide such information to the Sponsor upon request.

ARTICLE VIII Obligations of the Sponsor

A. SPONSORSHIP DUTIES. The duties and responsibilities of the Sponsor include the following:

1. Evaluate the academic, operational and fiscal performance of the School. The performance standards by which the Sponsor shall make such evaluations are set forth on Appendix G.

2. Verify by a site visit prior to the School's initial opening or relocation to a new facility for the first time as per RC 3314.19 (Opening Assurances by Community School Sponsors) for instruction whether the School complies with all requirements, including, but not limited to, the following:

- i. Local health and safety requirements, including a certificate of occupancy;
- ii. Safety plan and proof of dissemination to local fire and police authorities;
- iii. Criminal background investigations completed or in-progress for all staff and Governing Authority members;
- iv. Current staff list and proof of proper teacher licensure of all faculty;
- v. Proper licensure for the credentialed fiscal officer of the School, as set forth in section 3314.011 of the Revised Code;
- vi. Bonding for those responsible for the fiscal operations of the School;
- vii. Worker's Compensation Certificate;
- viii. Food service inspection and/or licensure;
- ix. Name and contact information as assurance that qualified personnel are in place for the following reporting duties: EMIS, SOES, OEDS, EMAD, and FLICS;
- x. Liability insurance for the School stating Sponsor as additional insured;
- xi. School calendar for the upcoming year;
- xii. Business Plan for the upcoming year;
- xiii. Minimum enrollment as recommended by fiscal officer;
- xiv. School Governing Authority roster with contact information and committee assignments, if any;
- xv. List of School Governing Authority meeting dates and times; and

- xvi. Current census or FTE count.

If the Sponsor verifies that the School complies with all of the requirements, then the Sponsor shall submit written notice of the School's opening date for instruction to ODE not less than ten (10) business days prior to such opening date.

3. Provide monitoring, oversight and technical assistance, including monitoring the School's compliance with all laws applicable to the School and with the terms of this Contract, including, but not limited to, the following:

- i. Conduct comprehensive site visits to the School as necessary, but at least twice annually while classes are in session.
- ii. Make written reports of all information obtained during site visits, and provide written reports of all site visits to ODE upon request.
- iii. Corrective actions will be implemented if Adequate Yearly Progress is not met for two or more consecutive school years.
- iv. Monitor and evaluate the academic and fiscal performance and the organization and operation of the School at least once each fiscal year based upon all information obtained from site visits, monthly fiscal and attendance records' reviews, and any other information obtained in conjunction with performance requirements set forth in Appendix G of this Contract, state report cards, and any other analysis conducted by the Ohio Department of Education or the Sponsor.
- v. Report on an annual basis the results of the evaluation conducted under subsection (iv) herein to ODE and to the parents of students enrolled in the School.
- vi. Report the results of the evaluations conducted under subsections (iii) and (iv) herein to the parents of the students enrolled in the School, and submit a written report of the evaluation to ODE by November thirtieth (30th) of each year.
- vii. Provide technical assistance to the School in complying with laws applicable to the School and the terms of this Contract.
- viii. Determine whether steps should be taken to intervene in the School's operation to correct problems in the School's overall performance, declare the School to be on probationary status pursuant to section 3314.073 of the Revised Code, suspend the operation of the School pursuant to section 3314.072 of the Revised Code, or terminate this Contract pursuant to section 3314.07 of the Revised Code as determined necessary by the Sponsor.
- ix. Have in place a written plan of action to be undertaken in the event that the School experiences financial difficulties or closes prior to the end of a school year, consistent with requirements of division (E) of section 3314.015 of the Revised Code, and submit for approval the written plan of action (including, but not limited to, the handling of facilities, equipment,

materials, supplies, employees, students, school records and addressing any other obligations of the School) to ODE within ten (10) business days of the execution of this Contract. Disposition of assets shall occur in accordance with Chapter 1702 of the Ohio Revised Code, as well as R.C. 3314.015(E), 3314.074, and any other applicable laws, rules, or regulations.

- x. Have a representative of the Sponsor, knowledgeable in school finance, meet with a representative of the School to review the financial records of the School monthly and prepare written reports which shall be made available to ODE upon request.
- xi. Notify the Principal or CEO of the School, of complaints received by the Sponsor or complaints of the Sponsor, as soon as possible.
- xii. Offer other activities, as determined by the Sponsor, specifically designed to benefit the School.
- xiii. Report on the amounts and types of expenditures made to provide monitoring, oversight, and technical assistance to sponsored schools, pursuant to the specific requirements of R.C. 3314.025.
- xiv. Oversee, monitor and give technical assistance throughout any closure process of the School.

4. Liability of Sponsor. In accordance with section 3314.07(E) of the Revised Code, the Sponsor, its representatives, officers, directors, and employees shall not, under any circumstances whatsoever, be liable for the debts, obligations or business of the School arising out of, relating to or in connection with (i) any failure of the School Governing Authority, the School or any of its employees or representatives to perform any obligation imposed by law or this Contract, or (ii) any act or omission of the School Governing Authority, the School or any of its employees or representatives that results in harm, loss, or liability.

5. ODE Takeover. If at any time the state board of education finds that the Sponsor is not in compliance or is no longer willing to comply with this contract or with ODE's rules for sponsorship, the Sponsor recognizes ODE's statutory rights under R.C. 3314.015.

6. ODE Suspension of School. If at any time the state board of education finds the Sponsor is not in compliance or is no longer willing to comply with (i) the authority of public health and safety officials to inspect the facilities of the school and to order the facilities closed if those officials find that the facilities are not in compliance with health and safety laws and regulations; (ii) 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 and the Sponsor refuses to take such action, the Sponsor recognizes ODE's statutory rights to suspend the school under R.C. 3314.072.

7. Intervention. The Sponsor shall intervene as required pursuant to R.C. 3314.023 and the Sponsor's Community School Intervention Policy and Process when conditions triggering intervention are identified. Interventions may include, but are not limited to, placing the School on a corrective action plan, probation, suspension, termination or non-renewal of this Agreement.

B. SUSPENSION OR TERMINATION, NON-RENEWAL OR PROBATION.

1. Suspension of School.

- i. The Sponsor may suspend operations of the School for any or all of the reasons listed in subsection 2(i) in this division, below, if Sponsor sends a written notice of intent to suspend explaining the reasons and provides the School Governing Authority with five (5) business days to submit a remedy, and promptly reviews and disapproves the proposed remedy, or if the School Governing Authority fails to submit a remedy or fails to implement the remedy.
- ii. Once the School is suspended it must cease operations on the next business day, immediately send notice to all School employees and parents stating that the School is suspended and the reasons therefore, and the School again has an opportunity to submit a proposed remedy within five (5) business days. At all times during suspension, the School remains subject to non-renewal or termination laws and proceedings in accordance with the law and as provided herein.

2. Non-Renewal, Suspension or Termination of Contract.

- i. The Sponsor may suspend, choose not to renew this Contract at its expiration or may choose to terminate the Contract prior to its expiration for any of the following reasons:
 - a. Failure to meet student performance requirements stated in the Contract or as set forth by ODE and/or law;
 - b. Failure to meet generally accepted standards of fiscal management, as set forth by ODE and/or law;
 - c. Violation of any provision of the Contract or applicable state or federal law;
 - d. Other good cause,
 - e. Lack of faithfulness to the Contract terms,
 - f. Debt, loans or obligations, findings or repeated audit violations, material litigation that is opined by the School's attorney in an audit, or any of the former, whether disclosed or undisclosed, determined to be a material risk to the School's financial status, or
 - g. Failure to adhere to or make progress in any required improvement, corrective action or performance plan.
- i. The Sponsor may choose to terminate the Contract prior to its expiration if the Sponsor has suspended the operation of the Contract under section 3314.072 of the Revised Code.

- ii. In advance of a renewal decision, as well as annually, the Sponsor will provide the School with the following: (i) a cumulative performance report that summarizes the School's performance record over the charter term and states the Sponsor's summative findings concerning the School's performance and (ii) a summary statement regarding its prospects for renewing the contract. The Sponsor shall conduct a high stakes review prior to any renewal decision.
- iii. By January 15 of the year in which the Sponsor intends to not to renew this Contract, or, to terminate this Contract, the Sponsor shall notify the School of the proposed action in writing. The notice shall include the reasons for the proposed action in detail, the effective date of the non-renewal, and a statement that the School may, within fourteen (14) days of receiving the notice, request, in writing, an informal hearing before the Sponsor. The informal hearing shall be held within fourteen (14) days of the receipt of a request for the hearing. Within fourteen (14) days of the informal hearing, the Sponsor shall issue a written decision either affirming or rescinding the decision to not renew or not to terminate (as the case may be) this Contract.
- iv. The termination of the Contract under this section shall be effective upon the occurrence of the later of the following events:
 - a. the date of the notice of termination; or
 - b. if an informal hearing is requested and as a result of that hearing the Sponsor affirms its decision to terminate the Contract, the effective date of the termination specified in the notice issued by the Sponsor.

No termination shall be effective until the end of a school year unless there is immediate danger to the health and safety of the students, in which case the school shall close on the date specified in the notice of termination.

3. Permanent Closure. If this Contract is terminated or not renewed by the Sponsor for failure to meet student performance requirements stated in the Contract or for failure to meet generally accepted standards of fiscal management, the School must close permanently at the end of the then-current school year or on a date specified in the notification of termination and the School shall not enter into any other contract with any other sponsor.

4. Closing Procedures. The Governing Authority and School administrators shall comply with and cooperate with the closing requirements summarized on Appendix J and all other required procedures, including any Ohio Department of Education Closing Procedure Guidance at the pertinent time.

5. Good Faith Deposit. Immediately upon receipt of any Notice of Intent to Suspend sent by the Sponsor or closure notice or suspension from any governmental or administrative agency, or immediately upon a vote of closure by the School, the School shall submit to the Sponsor a good faith deposit of \$10,000.00 to cover costs of any legal or other professional fees

or operational costs that may be required or necessary for the Sponsor to facilitate matters including, but not limited to, notices to parents, transfer of files, change of locks, fees, securing assets, segregating or selling assets, returning assets, or other professional or non-professional fees or costs incurred by Sponsor that are in any way associated with termination and closure of the School, in case the School fails to perform some or all of its responsibilities upon cessation of operations for any reason. The good faith deposit is to be returned to the School, or sent to the appropriate creditor without interest, if all costs, expenses, and obligations paid by the Sponsor, at the discretion of the Sponsor, to comply with the School's closing responsibilities, are authorized to be paid from, and are actually covered by, remaining School funds, if available.

6. Probation.

- i. In lieu of termination of this Contract or suspension of the operation of the School as provided for in sections 3314.07 and 3314.072 of the Revised Code, respectively, after consultation with the School Governing Authority, if the Sponsor finds that any of the conditions prescribed in division (B)(1) of section 3314.07 of the Revised Code apply to the School (see also Article VIII Section (B)(2)(i), above), the Sponsor may provide written notice to the School Governing Authority that the School is in a probationary status which shall not extend beyond the end of the current school year. The notice shall specify the conditions that warrant probationary status, and the targets and timelines required for improvement. The Sponsor may declare the School to be in such status only if it has received from the School Governing Authority reasonable assurances to the satisfaction of the Sponsor that the School Governing Authority can and will take actions necessary to remedy the conditions that have warranted such probationary status as specified by the Sponsor.
- ii. The Sponsor shall monitor the actions taken by the School Governing Authority to remedy the conditions that have warranted probationary status as specified by the Sponsor and may take over the operation of the School as provided by section 3314.073 of the Revised Code or may take steps to terminate this Contract or to suspend operation of the School if the Sponsor at any time finds that the School Governing Authority is no longer able or willing to remedy those conditions to the satisfaction of the Sponsor.

ARTICLE IX
Miscellaneous

A. NOTICES. Unless otherwise stated herein, any notice or other communication required or intended to be given under this Contract shall be in writing and shall be deemed to be duly given if delivered personally or if deposited in the United States mail, marked certified or registered, return receipt requested, with postage prepaid, or delivered by nationally recognized overnight

courier, by confirmed fax transmission, or email which receipt is acknowledged by the recipient:

addressed to the Sponsor at:

Richland Academy of the Arts
75 North Walnut St.
Mansfield, Ohio 44902
Attn: Sheri Hughes, Director of Community Schools
Email: shughes@richlandacademy.com

with a copy to:

Adam Schira
180 E. Broad St., 34th Floor
Columbus, Ohio 43215
Email: aschira@dickinsonwright.com

and addressed to the School Governing Authority at:

4750 Winton Rd
Cincinnati, OH 45232

with a copy to:

Jamie S. Callender, Jr.
The Callender Law Group
100 E. Broad St., Ste. 1700
Columbus, Ohio 43215
Email: jamie@thecallendergroup.com

or to such other addresses as the Sponsor or School Governing Authority may designate from time to time in a written notice to each other.

B. SURVIVAL. All representations, obligations, covenants and agreements contained herein shall survive expiration, termination, non-renewal, suspension or abandonment of this Contract. This includes but is not limited to responsibilities to ensure that financial records are prepared or kept in auditable condition, that final accounting for SOES purposes is prepared, and that closure activities as required by this contract, the Ohio Department of Education and Ohio law are completed.

C. ASSIGNMENT OR MERGER. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party.

The School shall notify the Sponsor of any impending merger at least sixty (60) days prior

to the effective date of the merger. In the event of a merger, this Contract shall not be assigned to the sponsor of any surviving entity.

D. ENTIRE AGREEMENT. This document and the Appendices attached hereto and made a part hereof constitute the entire agreement between the parties and supersedes all prior or contemporaneous discussions, representations or agreements relating to the subject matter contained herein. No amendments, modifications or additions to this Contract shall be made or be binding on any party unless made in writing and signed by each party. Provided however, (1) Sponsor has internal policies posted, provided and explained to School and with which the School must comply. Sponsor shall provide notice of modifications or updates to such policies to the governing authority and shall post them on Sponsor's website or link therein concerning community schools and (2) Sponsor has an obligation to update this Contract for changes in laws or regulations and School agrees, understands and shall cooperate with the need for modifications to this Contract within the term of this Contract, due to changes in laws and regulations, Ohio's accountability system of data reviews and assessments, as well as the ODE's Sponsor Performance Review requirements.

E. GOVERNING LAW; SEVERABILITY OF PROVISIONS. This Contract shall be construed in accordance with the laws of the state of Ohio. Jurisdiction and venue shall lie with the courts situated in the county in which the Sponsor is located. If any part of this Contract is held to be invalid or unenforceable for any reason, the remainder of this Contract shall continue in full force and effect.

F. HEADINGS AND PRONOUNS. The headings to the sections hereof have been inserted for convenience of reference only and shall in no way modify or restrict any provision hereof or be used to construe any of such provisions. Any pronoun used herein shall include all other numbers and genders, as the context or the number and gender of its antecedent may require.

G. CONTRACT AUTHORIZATION. The Governing Authority shall employ an attorney independent from the Sponsor for any negotiation of this Contract or its amendments.

For purposes of this Contract, approval of the Sponsor may mean written approval by the RAA Executive Director or his/her designee or other authorized agent of the Sponsor.

H. CONTRACT MODIFICATIONS. The Sponsor shall require modifications of this Contract (a) whenever Laws, rules or regulations change, (b) whenever required to do so for Sponsor evaluations by the Ohio Department of Education, or (c) whenever changes in conditions make modifications necessary, at the Sponsor's discretion. The governing authority shall have the opportunity to review and approve each modifications prior to execution. The School shall request modifications from the Sponsor, in writing, whenever of any of the above (a)-(c) are implicated.

I. APPENDICES. The following Appendices are made a part of this Contract.

Appendix A

- The process by which the governing authority of the school will be selected in the future (to be included in the School's corporate Code of Regulations/By-laws);
- That the School was not a currently existing public school or an educational service center building when it opened;
- Certificate of Good Standing as an Ohio Non-profit corporation;
- IRS tax exemption determination letter;
- Current resolution waiving the requirement of employing or contracting with the fiscal officer (if applicable); and
- Financial plan.

Appendix B

- The management and administration of the school; and
- The organizational chart.

Appendix C

- The instructional program, curriculum and educational philosophy of the school;
- Learning opportunities;
- STEM designation or use of blended learning model, if applicable;
- Mission; and
- Anticipated characteristics of student population.

Appendix D

- The internal financial controls and the governing authority policies regarding internal financial controls, including the FTE True-Up Policy;
- Policy regarding overpayment to vendors and employees; and
- Current five-year forecast and the funding calculations and requirements under 3314.08 of the Ohio Revised Code.

Appendix E

- Dismissal of employees upon closure; and
- Summary of employee benefits.

Appendix F

- Operator Contract, if applicable.

Appendix G

- Performance Standards.

Appendix H

- Intentionally left blank

Appendix I

- Facilities Plan.

Appendix J

- ODE Closing Procedures and Sponsor Supplemental Closing Plan.

[Signatures on next page]

IN WITNESS WHEREOF, this Contract has been executed and is effective as of this 30
day of May, 2023.

Richland Academy of the Arts
Sponsor

Dublin Preparatory Academy dba Northside
Preparatory Academy

By: Sheri Hughes

By: Matt Wahlert
Matt Wahlert (May 25, 2023 14:12 EDT)

Printed Name: Sheri Hughes

Printed Name: Matt Wahlert

Its: Director of Community Schools
(Title)

Its: Board President
(Title)

Appendix A

- The process by which the governing authority of the school will be selected in the future (to be included in the School's corporate Code of Regulations/ By-laws);
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**Bylaws/Code of Regulations
of
DUBLIN PREPARATORY ACDAEMY**

**Article I
General**

Section 1. NAME

The name of this Ohio nonprofit corporation shall be Dublin Preparatory Academy (hereinafter the "Corporation" or "School").

Section 2. OPERATION, OBJECTIVES, AND GUIDING PRINCIPLES

Subject to all of the terms and conditions set forth in these Bylaws, the Corporation is organized, and will be operated, exclusively for charitable, educational, and scientific purposes within the meaning of 501(c)(3) and 170(c)(2) of the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future federal tax code (the "Code"), as follows:

- a. To form, maintain and provide a school exclusively for educational, literary, scientific, and related teaching services of all kinds that qualifies as an exempt organization under Section 501(c)(3) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended, and to receive and maintain real or personal property, or both, and subject to the restrictions and limitations hereinafter set forth, to use and apply the whole or any part of the income therefrom and the principal thereof exclusively for the purposes set forth hereinabove.
- b. In addition, the Corporation may engage in other charitable and educational activities described in 501(c)(3) and 170(c)(2) of the Code.
- c. In carrying out its charitable, educational, and scientific purposes, the Corporation shall have all of the powers that may be conferred upon nonprofit corporations formed under the laws of the State of Ohio to carry out such purposes.

In carrying out its charitable, educational, and scientific purposes, the Corporation shall have authority to receive and maintain real and tangible or intangible personal property and shall use and apply all or any part of such property and/or the income therefore exclusively for charitable, educational, and scientific purposes within the meaning of 501(c)(3) and 170(c)(2) of the Code.

Mission

The mission of the school is to allow students to become productive global citizens of the world by providing them with a world-class, high quality education.

Vision

Our vision is to become a school that provides highly qualified, high school and college ready students. The school curriculum model embraces standards-based instruction in such a way that allows for research-based resources to be used within a framework of best practices fostering engagement to produce students who are considered highly qualified applicants for high school and college. Research shows that the four components of high school and college readiness are: cognitive strategies, content knowledge, self-management skills, and knowledge about postsecondary education. With this understanding in mind our school's curriculum model embeds the very components that foster high school and college readiness.

Philosophy Statement

In embracing a new vision of challenging learning activities, our curriculum for all students emphasizes the integration of higher order thinking skills, authentic tasks, and mixed-ability groupings. Instead of students practicing discrete, isolated skills (such as spelling and punctuation done on worksheets), the curriculum stresses composition, comprehension, and applications of skills. Rather than treating basic skills as an obstacle that must be surmounted before exposing students to more complex and meaningful learning activities, we give at-risk students opportunities to learn and practice basic skills in the context of working on authentic tasks. At-risk students work more in heterogeneous groupings as part of collaborative classrooms and less in ability groupings or pull-out classes for compensatory instruction. They are judged on their ability to perform a complex task and to reflect on and describe the thinking that went into it rather than on their facility with multiple-choice tests.

Research on classrooms that have put constructivist teaching and learning models into practice also indicates that technology can enhance student engagement and productivity. More specifically, technology increases the complexity of the tasks that students can perform successfully, raises student motivation, and leads to changes in classroom roles and organization. These role changes, with students moving toward more self-reliance and peer coaching, and teachers functioning more as facilitators than as lecturers, support educational reform goals for all students.

The school will serve students in grades K-8 whose families desire school choice. We will provide a safe, secure, and positive individualized learning environment for children as an alternative to traditional public schools that have been ineffective in meeting certain family and student learning needs, or cost-prohibitive private schools. The school serves students who have either been displaced or underserved by traditional public schools. Since our students often arrive more than one full grade level behind, our instruction is focused on mastery of standards not time

in the seat.

All students have different needs, learn at various rates and have different learning styles. No one educational program is appropriate for all students. Therefore, students will have a broad experience of activities that engage them in media-rich content, direct instruction, project based learning, interest driven and talent-driven opportunities with a healthy mind and body emphasis. Students will learn from their teachers, peers, and community partners. This broad-based approach to learning will be an exciting and valuable experience creating lifelong 21st century learners as well as competent 21st century citizens. Students will learn and grow with the guidance of Highly Qualified Teachers, Instructional Aides, and Intervention Specialists. The school will provide a safe and nurturing environment, placing a premium on self-discipline, individuality and responsibility. The dedicated staff will work in small groups and one-on-one with students, addressing not only their learning issues but also their life situations that have prevented success in traditional schools.

The school is built on a strong foundation of high expectations for academic achievement for all students. A standards-based curriculum that teaches students skills for college and career readiness is fundamental to the teaching and learning program implemented at the school. Teachers will receive on- going professional development in unpacking learning standards so that students develop the skills necessary to successfully advance from one grade level to the next.

The curriculum is built on the Ohio Learning Standards (OLS) for English Language Arts, mathematics, science, social studies, visual arts, and physical education.

English Language Arts Model Curriculum Standards

Mathematics Standards

Ohio's Science Learning Standards

Ohio's Socials Studies Learning Standards

Ohio's Music Learning Standards

Ohio's Visual Arts Standards

The Ohio Association of Health, Physical Education, Recreation, and Dance (OHPERD):

The Ohio Technology Learning Standards

Section 3. LOCATION

The Corporation's headquarters shall be located and maintained in Hamilton County, Ohio, or at such other location within the State of Ohio as the Board of Directors may from time to time determine.

Section 4. PROPERTY

The Corporation may purchase, lease, rent, accept as gifts or contributions, or otherwise receive, acquire, and manage real and personal property in furtherance of its purposes.

Section 5. FISCAL YEAR

The fiscal year shall begin on July 1 and end on June 30 of each year.

Section 6. AUDIT

The fiscal records of the Corporation may be prepared each year by independent Certified Public Accountants and the report thereof made available to the Executive Director, the Board of Directors, and such other persons as may be necessary or appropriate. The level of the report shall be at least a review by the Certified Public Accountants, and the Board shall determine on an annual basis whether or not audited financial statements are appropriate. The Board shall comply with Ohio law for the purposes of fiscal oversight of the school.

Article II
Membership

The Corporation has no members. The rights which would otherwise vest in the members vest in the Board of Directors (the "Board") of the Corporation. Actions which would otherwise require approval by a majority of all members or approval by members require only approval of a majority of all Directors.

Article III
Directors

Section 1. NUMBER

The corporation shall have at least five directors but not more than ten, as set forth below, plus non-voting ex officio Directors, if any. Collectively they shall be known as the Board. Upon the action of the Board, these Bylaws may be amended to alter the size or composition of the Board of Directors.

Section 2. POWERS

Except when the law provides, the Articles or these Bylaws otherwise provided, all of the Corporation's authority shall be vested in and exercised by the board. To the extent permitted by

law, any authority of the Directors may be delegated to such persons or committees as the Directors so acting may determine.

Section 3. DUTIES

It shall be the duty of the directors to:

- a. Perform any and all duties imposed on them collectively or individually by law, by the articles of incorporation, or by these bylaws;
- b. Meet at such times and places as required by these bylaws;
- c. Register their postal addresses and email with the secretary of the corporation, and notices of meetings mailed or emailed to them at such addresses shall be valid notices thereof.

Section 4. ELECTIONS AND TERMS OF OFFICE

- a. The Interim Directors of the Corporation shall be named at a time to be determined by the Incorporator. The Interim Directors shall serve until a Board of Directors is elected.
- b. The Board may elect any person who, in its discretion, it believes will serve the interests of the Corporation faithfully and effectively.
- c. Two of the initial five directors elected shall hold office for a period of five years, two shall hold office for a period of two years, and one or two for a period of one year. Thereafter each director shall hold office for a period of up to three years and until his or her successor is elected and qualifies. Each director's term of office shall be specified at the time of election. The term of no more than 40% of the directors shall expire in the same year.
- d. Any Director may, by written notice to the Board of Directors, resign at any time.
- e. Any Director may be removed by a majority vote of all of the remaining members of the Board of Directors without cause at any time, with the exception of the CEO who can only be removed by a majority vote of the remaining directors.

Section 5. EX OFFICIO DIRECTORS

The Chairperson of Board of Directors may appoint one or more *ex officio* members of the Board of Directors. The individual holding the office of Executive Director of the Corporation shall be an *ex officio* member of the Board. *Ex officio* members of the Board of Directors shall be entitled to a notice to be present in person, to present matters for consideration and to take part in consideration of any business by the Board of Directors at any meeting of the Board of Directors, shall not be counted for purposes of a quorum and shall have no voting rights for purposes of authorizing any act or transaction of business by the Board of Directors. Except for the individual

holding the office of Executive Director of the Corporation (who shall serve so long as he or she is the Executive Director), the term of an *ex officio* Director shall be for such time as the Board of Directors shall designate.

Section 6. COMPENSATION

A Director may be compensated in accordance with Ohio Revised Code §3314.02(E)(4), or reimbursed for expenses incurred in furtherance of the purposes of the Corporation as authorized and approved by a majority of the current Directors. Any payments to Directors shall be approved in advance in accordance with this Corporation's conflict of interest policy, as set forth in Article 9 of these Bylaws and Chapter 3314 of the Ohio Revised Code.

Section 7. ANNUAL AND REGULAR MEETINGS

Annual Meetings of the Board of Directors shall be held each year during the first quarter of each fiscal year at a time and place, within the State of Ohio, designated by the Directors. Regular Meetings of the Board of Directors may be held at such other times and places as may be fixed by the Directors, however, the Board of Directors will meet at least quarterly upon the call of the Chair, or any two other Directors.

Section 8. SPECIAL MEETINGS

Special Meetings of the Board of Directors may be held at any time upon the written call of the Chair or at the written request of a majority of the Directors entitled to vote on matters presented to the Board of Directors.

Section 9. NOTICE OF MEETINGS

Except for Special Meetings, written notice of any Board of Directors Meeting shall be given to the Directors at least five (5) days prior to such meeting and shall set forth the reasons therefore. Notice of any Special Meeting may be made other than by written notice when circumstances dictate.

Whenever any notice of a meeting is required to be given to any director of this corporation under provisions of the articles of incorporation, these bylaws, or the law of this state, a waiver of notice in writing signed by the director, whether before or after the time of the meeting, shall be equivalent to the giving of such notice.

The Board shall ensure compliance with Ohio Revised Code section 121.22(F), and shall follow the following guidelines as it related to the posting of meeting notices:

The Secretary of the Board of Directors shall cause and/or direct an administrator of the school post notice of a meeting in the following manners:

1. **Regular Meetings:** Notice of regular meetings shall be posted (i) on the main entrance of the school or in a conspicuous place in the school no less than five (5) days prior to the date of the meeting; (ii) notice will be provided to any news media that requests notification no less than five (5) days prior to the date of the meeting; and (iii) notice will be provided via e-mail to any person requesting advanced notice of meetings no less than five (5) days prior to the date of the meeting.
2. **Special Meetings:** Notice of special meetings shall be posted (i) on the main entrance of the school or in a conspicuous place in the school no less than 24 hours prior to the date of the meeting; (ii) notice will be provided to any news media that requests notification no less than 24 hours prior to the date of the meeting; and (iii) notice will be provided via e-mail to any person requesting advanced notice of meetings no less than 24 hours prior to the date of the meeting.
3. **Emergency Meeting:** Notice of emergency meetings shall be posted (i) on the main entrance of the school or in a conspicuous place in the school immediately and prior to the start of the meeting; (ii) notice will be provided to any news media that requests notification immediately and prior to the start of the meeting; and (iii) notice will be provided via e-mail to any person requesting advanced notice of meetings immediately and prior to the start of the meeting.

Section 10. WAIVER OF NOTICE

Notice of any meeting of the Board may be waived in writing, either before or after the holding of such meeting, by any Board of Director, which writing shall be filed with or entered upon records of the meeting. The attendance of any Board of Director at any meeting of the Board without protesting, prior to or at the commencement of the meeting, the lack of proper notice, shall be deemed to be a waiver of notice of such meeting.

Section 11. ACTION WITHOUT A MEETING AUTHORIZED

The Board may authorize actions by means of a writing or writings signed by all of the Directors, without a meeting.

Section 12. QUORUM FOR MEETINGS

Except as otherwise provided in these Bylaws, the minimum number of Directors necessary to constitute a quorum for the transaction of business at any meeting shall be a majority of the Directors entitled to vote who are then in office.

Section 13. MAJORITY ACTION AS BOARD ACTION

Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless the articles of

incorporation, these bylaws, or provisions of law require a greater percentage or different voting rules for approval of a matter by the board.

Section 14. CONDUCT OF MEETINGS

The Chair shall employ such rules of order as the Chair deems appropriate in conducting meetings, except that each item placed for vote or other action shall be placed before the Board by motion of a member of the Board other than the Chair with a second by another member of the Board other than the Chair.

Section 15. MEETINGS HELD THROUGH COMMUNICATION EQUIPMENT

Meetings the Board may be held through communications equipment provided that all persons participating in such meeting can hear and otherwise communicate with each other. Such participation shall constitute presence at such a meeting. Provided however, once the Corporation becomes a community school, the Directors must be physically present at a meeting as defined by Ohio's Open Meetings Act in order to be counted as part of a quorum and to vote, for so long as required by law.

Section 16. NONLIABILITY OF DIRECTORS

The Directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

Article IV **Officers**

Section 1. DESIGNATION OF OFFICERS

The officers of the corporation shall be a chair, a vice chair, a secretary, and a treasurer. The corporation may also have one or more vice chairs, assistant secretaries, assistant treasures, and other such officers with such titles as may be determined from time to time by the board of directors.

Section 2. QUALIFICATIONS AND AUTHORITY OF OFFICERS

The Officers of the Corporation may, but do not need to, be Directors of the Corporation. Officers of the Corporation shall have such authority as may be specified from time to time by the Directors.

Section 3. ELECTION AND TERM OF OFFICE

Officers shall be elected by the board of directors, at anytime, and each officer shall hold office for a period of one year, until he or she resigns, or is removed, or is otherwise disqualified to serve, or until his or her successor shall be elected and qualified, whichever occurs first.

Section 4. REMOVAL AND RESIGNATION

Any officer may be removed, either with or without cause, by the board of directors, at any time. Any officer may resign at any time by giving written notice to the board of directors or to the chair or secretary of the corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the board of directors relating to the employment of any officer of the corporation.

Section 5. VACANCIES

Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the board of directors. In the event of a vacancy in any office other than that of Chair, such vacancy may be filled temporarily by appointment by the Chair unless such time as the board shall fill the vacancy. Vacancies occurring in offices of officers appointed at the discretion of the board may or may not be filled as the board shall determine.

Section 6. DUTIES OF CHAIRPERSON

The Chairperson ("Chair"), subject to the control of the board of directors, shall supervise and control the affairs of the corporation and the activities of the officers. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, by the articles of incorporation, or by these bylaws, or which may be required by law, by the articles of incorporation, or by these bylaws, or which may be prescribed from time to time by the board of directors. Unless another person is specifically appointed as chairperson of the board of directors, the Chair shall preside at all meetings of the board of directors and, if this corporation has members, at all meetings of the members.

Section 7. DUTIES OF VICE CHAIR

In the absence of the Chair, or in the event of his or her inability or refusal to act, the Vice Chair shall perform all the duties of the Chair, and when so acting shall have all the powers of, and be subject to all the restrictions on, the Chair. The Vice Chair shall have other powers and perform such other duties as may be prescribed by law, by the articles of incorporation, or by these bylaws, or as may be prescribed by the board of directors.

Section 8. DUTIES OF SECRETARY

The secretary shall:

Certify and keep at the principal office of the corporation the original, or a copy, of these bylaws as amended or otherwise altered to date.

Keep at the principal office of the corporation or at such other place as the board may determine, a book of minutes of all meetings of the directors, and, if applicable, meetings of committees of directors and of members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.

See that all notices are duly given in accordance with the provisions of these bylaws or as required by law. Be custodian of the records and of the seal of the corporation and affix the seal, as authorized by law or the provisions of these bylaws, to duly executed documents of the corporation.

Exhibit at all reasonable times to any director of the corporation, or to his or her agent or attorney, on request therefore, the bylaws and the minutes of the proceedings of the directors of the corporation.

In general, perform all duties incident to the office of secretary and such other duties as may be required by law, by the articles of incorporation, or by these bylaws, or which may be assigned to him or her from time to time by the board of directors.

Section 9. DUTIES OF TREASURER

The treasurer shall:

Oversee the Ohio licensed school fiscal officer in his/her charge and custody of, and his/her responsibility for, all funds and securities of the corporation, and deposit all such funds in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the board of directors.

Oversee the Ohio licensed school fiscal officer in his/her receiving, and giving receipt for, monies due and payable to the corporation from any source whatsoever.

Oversee the Ohio licensed school fiscal officer in his/her disbursements, or cause to be disbursed, the funds of the corporation as may be directed by the board of directors, taking proper vouchers for such disbursements.

Oversee the Ohio licensed school fiscal officer in his/her keeping and maintaining adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains, and losses.

Oversee the Ohio licensed school fiscal officer in his/her exhibits, at all reasonable times, the books of account and financial records to any director of the corporation, or to his or her agent or attorney, on request therefore.

Oversee the Ohio licensed school fiscal officer in his/her rendering to the Chair and directors, whenever requested, an account of any or all transactions and of the financial condition of the corporation.

Oversee the Ohio licensed school fiscal officer in his/her preparation, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.

In general, Oversee the Ohio licensed school fiscal officer in his/her performance of duties incident to the school financials and such other duties as may be required by law, by the articles of incorporation of the corporation, or by these bylaws, or which may be assigned to him or her from time to time by the board of directors.

Article V **Committees**

Section 1. EXECUTIVE COMMITTEE

The board of directors may, by a majority vote of its members, designate an Executive Committee consisting of not less than three but no more than five board members and may delegate to such committee the powers and authority of the board in the management of the business and affairs of the corporation, to the extent permitted, and, except as may otherwise be provided, by provisions of law.

By a majority vote of its members, the board may at any time revoke or modify any or all of the executive committee authority so delegated, increase or decrease but not below two (2), the number of the executive committee, and fill vacancies on the Executive Committee from the member of the board. The executive committee shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the board from time to time as the board may require.

Section 2. OTHER COMMITTEES

The corporation shall have such other committees as may from time to time be designated by resolution of the board of directors. These committees may consist of persons who are not also members of the board and shall act in an advisory capacity to the board.

Section 3. MEETINGS AND ACTION OF COMMITTEES

Meetings and action of committees shall be governed by, noticed, held, and taken in accordance with the provisions of these bylaws concerning meetings of the board of directors, with such changes in the context of such bylaw provisions as are necessary to substitute the committee and its members for the board of directors and its members, except that the time for regular and special meetings of committees may be fixed by resolution of the board of directors or by the committee. The board of directors may also adopt rules and regulations pertaining to the conduct of meetings

of committees to the extent that such rules and regulations are not inconsistent with the provisions of these bylaws.

Article VI **Indemnification and Insurance**

Section 1. GENERAL INDEMNIFICATION

The Corporation: (a) shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether, civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a Director or volunteer of the Corporation, or while a Director or volunteer of the Corporation is or was serving at the request of the Corporation as a director, trustee, fiduciary, officer, employee, partner, joint venturer, agent, or volunteer of any other corporation domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, employee benefit plan or other enterprise; and (b) may indemnify or agree to indemnify any person who is or was a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than any action by or in the right of the Corporation) by reasons of the fact that he or she is or was an officer, employee, or agent of the Corporation, or while an officer, employee, or agent of the Corporation is or was serving at the request of the Corporation as a director, trustee, fiduciary, officer, employee, partner, joint venturer, agent or volunteer of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, employee benefit plan or other enterprise, against expense (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believes to be in or not opposed to the best interest of the Corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order settlement or conviction, upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner he or she reasonably believes to be in or not opposed to the best interest of the Corporation, and with respect to any criminal action or proceeding, the person had reasonable cause to believe that the conduct was unlawful.

Section 2. SUITS BY THE CORPORATION

The Corporation may indemnify or agree to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that the person is or was a Director, officer, employee, agent or volunteer of the Corporation, or is or was serving at the request of the Corporation as a director, trustee, fiduciary, officer, employee, partner, joint venturer, agent or volunteer of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, employee benefit plan or other enterprise against expenses (including attorney's fees) actually and reasonably incurred by the person in connection with the

defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believes to be in or not opposed to the best interest of the Corporation.

No such indemnification shall be made in respect of: (a) any claim, issue or matter as to which such person is adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Corporation unless and only to the extent that the court of common pleas, or the court in which such action or suit was brought, determined upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonable entitled to indemnity for such expense as the court of common pleas or such other court shall deem proper; or (b) any action or suit in which the only liability asserted against a Director is pursuant to Section 1702.55 of the Ohio Revised Code.

Section 3. INDEMNIFICATION FOR EXPENSES

To the extent that a Director, officer, employee, agent or volunteer has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 6.1 and 6.2, including any action or suit brought against a Director pursuant to Section 1702.55 of the Ohio Revised Code, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by the individual in connection with the action, suit or proceeding.

Section 4. DETERMINATION REQUIRED

Any indemnification under Section 6.1 and 6.2 (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that the indemnification of the Director, officer, employee, agent or volunteer is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Section 6.1 and 6.2. Such determination shall be made by any one of the following: (a) the Board of Directors by a majority vote of a quorum consisting of Directors, who were not and are not parties to, or threatened with, such action, suit or proceeding; (b) if such a quorum is not obtained or if a majority of a quorum of disinterested Directors so directs, in a written opinion by independent legal counsel other than an attorney, or a firm having associated with it an attorney, who has been retained by or who has performed services for the Corporation or any person to be indemnified within the past five years; (c) the Members; or (d) the court of common pleas or the court in which the action, suit or proceeding was brought. If any action by or in the right of the Corporation is involved, any determination made by the disinterested Directors or by the independent legal counsel under this Section 6.4 shall be communicated promptly to the person who threatened or brought the action or suit by or in the right of the Corporation under Section 6.2, and such person shall have the right, within ten days after receipt of such notification, to petition the court of common pleas or the court in which action or suit was brought to review the reasonableness of such determination.

Section 5. ADVANCES FOR EXPENSES

(a) Expenses (including attorney's fees) incurred by a Director or a volunteer in defending any

civil or criminal action, suit or proceeding referred to in Section 6.1 and 6.2 of this Article VI, except where the only liability asserted against a Director is pursuant to Section 1702.55 of the Ohio Revised Code, shall be paid by the Corporation as they are incurred, in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the Director or volunteer in which he or she agrees to: (i) repay such amount if it is proved by clear and convincing evidence in a court of competent jurisdiction that his or her action or failure to action involved in act or omission undertaken with deliberate intent to cause injury to the Corporation or undertaken with reckless disregard for the best interest of the Corporation; and (ii) reasonably cooperate with the Corporation concerning the action, suit or proceeding.

(b) Expenses (including attorney's fees) incurred by a Director, officer, employee, agent or volunteer in defending any action, suit or proceeding referred to in Section 6.1 and 6.2 of this Article VI, including any action or suit brought against a Director pursuant to Section 1702.55 of the Ohio Revised Code, may be paid by the Corporation as they are incurred in advance of the final disposition of the action, suit or proceeding as authorized by the Director in the specific case upon receipt of an undertaking by or on behalf of the Director, officer, employee, agent or volunteer to repay such amount of it is ultimately determined that he or she is not entitled to be indemnified by the Corporation.

Section 6. NOT EXCLUSIVE

The indemnification authorized by this Article VI shall not be deemed exclusive of, and shall be in addition to, any other rights granted to those seeking indemnification under the Articles, common law, the Nonprofit Corporation Law of the State of Ohio, these Bylaws or any agreement, vote of Members or disinterested Directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director, officer, employee, agent or volunteer and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 7. INSURANCE

The Corporation may purchase and maintain insurance or furnish similar protection, including but not limited to trust funds, letters of credit or self-insurance, on behalf or for any person who is or was a Director, officer, employee, agent or volunteer of the Corporation, or is or was serving at the request of the Corporation as a director, trustee, fiduciary, officer, employee, partner, joint venturer, agent or volunteer of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, employee benefit plan or other enterprise, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provision of this Article VI. Insurance may be purchased from or maintained with a person in which the Corporation has financial interest.

Section 8. SECTIONS 1 AND 2

The authority of the Corporation to indemnify persons pursuant to Sections 1 and 2 of this Article VI does not limit the payment of expenses as they are incurred, indemnification, insurance or other protection that may be provided pursuant to another Section of Article VI. Sections 1 and 2 of this Article VI do not create any obligation to repay or return payments made by the Corporation under other Sections of this Article VI.

Section 9. DEFINITION OF "THE CORPORATION" AND "VOLUNTEER"

As used in this Article VI, references to "the Corporation" include all constituent corporations in a consolidation or merger, and the new or surviving corporation, so that any person who is or was a trustee, director, officer, employee, agent or volunteer of such a constituent corporation, or is or was serving at the request of such constituent corporation as a director, trustee, fiduciary, officer, employee, partner, joint venturer, agent or volunteer of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, employee benefit plan or other enterprise, shall stand in the same position under the provision of this Article VI with respect to the new or surviving corporation in the same capacity. As used in this Article VI, references to a "volunteer" include any person defined as a "volunteer" with respect to the Corporation under Section 1702.01 of the Ohio Revised Code.

Article VII

Corporate Records, Reports, and Seal

Section 1. MAINTENANCE OF CORPORATE RECORDS

The Corporation shall keep at its principal office:

- a. Minutes of all meetings of directors, committees of the board, and, if this corporation has members, of all meetings of members, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;
- b. Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains, and losses;

- c. A record of its members, if any, indicating their names and addresses and, if applicable, the class of membership held by each member and the termination date of any membership;
- d. A copy of the corporation's articles of incorporation and bylaws as amended to date, which shall be open to inspection by the members, if any, of the corporation at all reasonable times during office hours.

Section 2. CORPORATE SEAL

The board of directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

Section 3. DIRECTORS' INSPECTION RIGHTS

Every director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of the corporation, and shall have such other rights to inspect the books, records, and properties of this corporation as may be required under the articles of incorporation.

Section 4. RIGHT TO COPY AND MAKE EXTRACTS

Any inspection under the provisions of this article may be made in person or by agent or attorney and the right to inspect shall include the right to copy and make extracts.

Section 5. PERIODIC REPORT

The board shall cause any annual or periodic report required under law to be prepared and delivered to an office of this state or to the members, if any, of this corporation, to be so prepared and delivered within the time limits set by law.

Article VIII

IRC 501(c)(3) Tax Exemption Provision

Section 1. LIMITATIONS ON ACTIVITIES

No substantial part of the activities of this corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation (except as otherwise provided by Section 501(h) of the Internal Revenue Code), and this corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office. Notwithstanding any other provisions of these bylaws, this corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

Section 2. PROHIBITATION AGAINST PRIVATE INURNMENT

No part of the net earnings of this corporation shall inure to the benefit of, or be distributable to, its members, directors or trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this corporation.

Section 3. DISTRIBUTION OF ASSETS

Upon the dissolution of this corporation, the Board of Directors shall, after paying or making provision for the payment of all the liabilities of the Corporation, dispose of all the assets of the Corporation exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue law), as the Board of Directors shall determine. Any of such assets not so disposed of shall be disposed by the Court of Common Pleas of the county in which the principal office of the Corporation is then located, exclusively for such purposes, or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

**Section 4. PRIVATE FOUNDATION REQUIREMENTS AND
RESTRICTIONS**

In any taxable year in which this corporation is a private foundation as described in Section 509(a) of the Internal Revenue Code, the corporation 1) shall distribute its income for said period at such time and manner as not to subject it to tax under Section 4942 of the Internal Revenue Code; 2) shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code; 3) shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code; 4) shall not make any investments in such manner as to subject the corporation to tax under Section 4944 of the Internal Revenue Code; and 5) shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

Article IX
Conflict of Interest Policy and Compensation Approval Procedures

Section 1. PURPOSE

The purpose of the conflict-of-interest policy is to protect Dublin Preparatory Academy, an Ohio non-profit corporation and tax-exempt organization (the "Organization") interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2. DEFINITIONS

A) Interested Person. Any director, principal officer, or member of a committee with Corporate Board or Governing Board (collectively the "Board") delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

B) Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

1. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement;
2. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement; or
3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Section 3 (B), a person who has a financial interest may have a conflict of interest only if the appropriate Board or committee decides that a conflict of interest exists.

Section 3. PROCEDURES

A) Duty to Disclose.

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with Board delegated powers

considering the proposed transaction or arrangement

B) Determining Whether a Conflict of Interest Exists.

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.

C) Procedures for Addressing the Conflict of Interest.

1. An interested person may make a presentation at the Board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

2. The chairperson of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

3. After exercising due diligence, the Board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

D) Violations of the Conflicts of Interest Policy.

1. If the Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

2. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4. RECORDS OF PROCEEDINGS

The minutes of the Board and all committees with board delegated powers shall contain:

- A) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, the action taken to determine whether a conflict of interest was present, and the Board's or committees decision as to whether a conflict of interest in fact existed.
- B) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5. COMPENSATION

Any compensation received by Board members will be in compliance with State and Federal laws and/or regulations, and only after a vote of the board.

Section 6. ANNUAL STATEMENTS

Each director, principal officer and member of a committee with Board delegated powers shall sign a statement which affirms such person:

- A) Has received a copy of this Conflict of Interest Policy;
- B) Has read and understands the policy;
- C) Has agreed to comply with the policy; and
- D) Understands the Organization is charitable, and in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 7. PERIODIC REVIEWS

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- A) Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.
- B) Whether partnerships, joint ventures, and arrangements with management

organizations conform to the Organizations written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Section 8. USE OF OUTSIDE EXPERTS

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

Article X

Compensation Policy

Section 1. PURPOSE

The Compensation Policy (the "Compensation Policy") of the School, an Ohio non-profit corporation and tax exempt organization, has established this policy to ensure compliance with the Internal Revenue Service guidelines for approval of senior management compensation. The corporate board of directors of the School shall follow the following review and approval guidelines.

Section 2. INDIVIDUALS SUBJECT TO THIS POLICY ("COVERED INDIVIDUAL")

1. Chief Employed Executives: The individual or individuals who have the ultimate responsibility for implementing the decisions of the School's corporate board or for supervising the management, administration, or operations of the School, including the School's top management official and top financial official. If this ultimate responsibility resides with two or more individuals (i.e. co-presidents or co-treasurers) who may exercise such responsibility in concert or individually, then each individual shall be included.
2. Officers: The individual or individuals elected or appointed to manage Dublin Preparatory Academy daily operations, such as president, vice-president, secretary or treasurer. The officers of an organization are determined by references to its organizing document, by-laws, and include, at a minimum, those officers required by applicable state law.
3. Key Employees: Individuals who are not a Chief Employed Executive or an Officer of the School, but who meet all of the following tests, applied in the following order:
 - a. \$150,000 Test: The individual receives reportable compensation¹ from Dublin Preparatory Academy and all related organizations² in excess of

¹ Compensation that is reported on Form W-2, Box 5, or in Box 1 if the employee's compensation is not reported in Box 5, or Form 1099-MISC, Box 7, filed for the calendar year ending with or within the organization's tax year.

² An organization that stands in one or more of the following relationships to the filing organization: (1) Parent -- an organization that controls the filing organization; (2) Subsidiary -- an organization controlled by

\$150,000 for the calendar year ending with or within Dublin Preparatory Academy's tax year.

- b. Responsibility Test: At any time during the calendar year ending with or within the School's tax year:
 - i. has responsibilities, power or influence over the School as a whole that is similar to those officers, directors, or trustees;
 - ii. manages a discrete segment or activity of School that represents 10% or more of the activities, assets, income, or expenses of the organization, as compared to the organization as a whole; or
 - iii. has or shares authority to control or determine 10% or more of Dublin Preparatory Academy's capital expenditures, operating budget, or compensation for employees.
- c. Top 20 Test: In addition to meeting the \$150,000 Test and the Responsibility Test, the individual is one of the top 20 most highly compensated employees (including all income from Dublin Preparatory Academy and related organizations) for the calendar year ending with or within Dublin Preparatory Academy's calendar year.
- 4. Highest Compensated Employees: One of the five highest compensated employees of Dublin Preparatory Academy whose reportable compensation (including all income from Dublin Preparatory Academy and related organizations) is greater than \$100,000 for the calendar year ending with or within School's calendar year who are not also current officers, directors, or key employees of the School.

Section 3. PROCEDURE FOR APPROVING COMPENSATION

In reviewing and approving the compensation of any Covered Individuals the School corporate board of directors, or a delegated committee of the corporate board (the "Approval Body") will utilize the following process:

1. Impartial Decision Makers: The compensation arrangement must be approved in advance (before any payment is made) by the Approval Body of Dublin Preparatory Academy composed entirely of individuals who do not have conflict of interest with respect to the compensation arrangement (i.e. neither the executive whose compensation is being determined nor any of his/her family members may be present during the discussion/debate or participate in the vote).
2. Comparability Data: When the Approval Body is considering compensation to Covered Individuals, it must rely on comparability data that demonstrates the fair market value of the compensation in question (i.e., when creating compensation packages, the Approval Body must secure data that documents compensation levels

the filing the filing organization; (3) Supporting/Supported – an organization that is (or claims to be) at any time during the organization's tax year (i) a supporting organization of the filing organization within the meaning of Section 509(a)(3), if the filing organization is a supported organization within the meaning of Section 509(f)(3), or (ii) a supported organization, if the filing organization is a supporting organization.

for similarly qualified individuals in like positions at like organizations). This data may include the following:

- a. expert compensation studies by independent firms;
 - b. written job offers for positions at similar organizations;
 - c. documented telephone calls about similar positions at both non-profit and for-profit organizations.
3. Concurrent Documentation: The Approval Body must document how it reached decisions, including the data on which it relied. To qualify as Concurrent Documentation, written or electronic records of the Approval Body (i.e. meeting minutes) must note:
- a. the terms of the compensation and the date it was approved;
 - b. the members of the Approval Body who were present during the debate on the compensation that was approved and those who voted on it;
 - c. the comparability data obtained and relied upon and how the data was obtained; and
 - d. any action taken with respect to the consideration by anyone who is otherwise a member of the Approval Body, but who had a conflict of interest with respect to the decision on the compensation.

Section 4. RECORDS

Dublin Preparatory Academy shall retain all records relating to compensation in accordance with Dublin Preparatory Academy's Record Retention and Destruction Policy.

Article XI

Code of Ethics Policy

Section 1. PURPOSE

The following Code of Ethics (the "Code") of Dublin Preparatory Academy ("School"), an Ohio non-profit corporation and tax exempt organization, is intended to guide ethical decision making by its directors, officers and staff members. The Code is based on the following key values:

1. Respect for all persons.
 2. Transparency for our actions.
 3. Responsibility for our decisions and their consequences.
 4. Accountability for our actions.
- a. We are committed to being responsible, transparent and accountable for all our actions.
 - b. We are committed to avoiding conflicts of interest.
 - c. We are committed to complying with the spirit and the letter of all applicable laws.

- d. We are committed to treating our staff members with respect and fairness in a workplace that safeguards the rights and welfare of all.
- e. We are committed to a philanthropic and educational community that is transparent and accountable.

Section 2. POLICIES AND PROCEDURES SUPPORTING THE CODE OF ETHICS

The School has a number of policies and procedures in place to assume ethical conduct. The following are examples of the major policies and procedures that support and reflect our Code:

1. The School has a detailed Conflict of Interest Policy to protect its interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director or may result in a possible excess benefit transaction. If any conflict is found, the officer or director must abstain from voting on the particular proposal and the abstaining officer or director is not counted toward a quorum for a vote.
2. There is no salary compensation of the officers and directors of the School except as provided within these Bylaws.

Article XII Nondiscrimination Policy

Dublin Preparatory Academy, an Ohio non-profit corporation (the "School"), admits students of any race, color, national and ethnic origin to all the rights, privileges, programs, and activities generally accorded or made available to students at the School. the School does not discriminate on the basis of race, color, national or ethnic origin in administration of its educational policies, admissions policies, scholarship and loan programs, and athletic and other School administered programs.

The School will ensure that this policy is placed in all literature of the School, including, but not limited to, public notices, student handouts, promotional materials, etc.

The School will maintain records to support this policy as required by Internal Revenue Procedure 75-50.

Article XIII

DOCUMENT RETENTION AND DESTRUCTION POLICY

The Board shall adopt a Document Retention and Destruction Policy in accordance with applicable laws.

Article XIV

NON-PROFIT FUNDRAISING POLICY

Purpose

The Non-Profit Fundraising Policy (the "Fundraising Policy") of the School, an Ohio non-profit corporation and tax exempt organization, has established this policy to ensure the directors and officers honor the intentions of donors and ensure that their intentions are honestly fulfilled. As a part of the annual audit, the independent auditors will review any grant and contribution related correspondence and review financial transactions to ensure that any restrictions imposed were met.

Donor Privacy

All information concerning donors or prospective donors, including their names, addresses, telephone numbers, amount of their gifts and other information shall be kept strictly confidential by the School's directors, officers and staff unless permission is obtained from the donor to release such information.

Gifts and donations may be restricted by a donor for use in any specific service area and/or for any stated the School purpose or program, and these requests must be honored.

Solicitations shall be free from undue influence or excessive pressure and shall be respectful of the needs and interests of the donor or prospective donor.

All fundraising solicitations shall include the following:

1. The School does not share, sell, trade or rent donor lists.
2. Include an option for the donor's gift to remain anonymous.

Acceptance of Gifts

Whereas the School actively solicits gifts and grants to further the goals of the organization, there is the potential for controversy if certain gifts are accepted that could damage the ability for the School to accomplish its goals. The following procedures are adopted as policy:

1. All decisions to solicit and/or accept potentially controversial gifts are to be made by the corporate board of directors, preferable prior to soliciting such gifts.
2. It is recognized that the School cannot generally ascertain whether the value of the gift was generated using commonly accepted ethical and moral standards. Furthermore, the School asserts that its primary responsibility is to use any gifts to further the organizations mission, goals and objectives.

When considering, soliciting and/or accepting gifts that might be potentially controversial, the corporate board of directors shall consider the following:

1. Will accepting the gift compromise any core values of the organization?
2. Will accepting the gift further the mission, goals and/or objectives of the organization and the donor?
3. Will there be a perceived conflict of interest for the organization?
4. Is there clear charitable intent and a commitment to serve the community? It is understood that it is usually appropriate for there to be tax incentives, community acceptance and publicity value for donors.
5. Will acceptance of the gift be inconsistent with other fundraising activities and/or gifts?
6. Will the reputation of the donor have a negative effect upon the reputation of the receiving organization?
7. If controversy develops, will it likely be significant enough to undermine the stability of the organization? If so, will there be a sufficient reservoir of community image and goodwill to allow the organization to continue to thrive?
8. Will the nature of the in-kind contribution create problems, such as in advertising or sponsorship?
9. Will the gift encourage or discourage others to give?
10. What will be the net effect on the bottom line?

Outside Parties Fundraising on Behalf of The School

Outside organizations raising money without charge on behalf of the School must be reviewed and approved by the corporate board of directors.

Records

The School shall retain for a period of at least seven (7) years, all records relating to any gift or donation received in accordance with the School's Record Retention and Destruction Policy.

Article XV

INVESTMENT POLICY

Purpose

This Investment Policy (the "Investment Policy") of the School, an Ohio non-profit corporation and tax-exempt organization, has established this policy in order to:

1. Define and assign the responsibilities of all involved parties.
2. Establish a clear understanding for all involved parties of the investment goals and objectives of Fund assets.
3. Offer guidance and limitations to all Investment Managers regarding the investment of Fund assets.
4. Establish a basis for evaluating investment results.
5. Manage Fund assets according to prudent standards as established in common trust law.
6. Establish the relevant investment horizon for which the Fund assets will be managed.

In general, the purpose of this statement is to outline a philosophy and attitude which will guide the investment management of the assets toward the desired results. It is intended to be sufficiently specific to be meaningful, yet flexible enough to be practical.

Definitions

1. "Fund" shall mean the School's investment portfolio.
2. "Executive Committee" shall refer to the Committee authorized to administer the Fund as specified by the corporate board of directors of the School.
3. "Fiduciary" shall mean any individual or group of individuals that exercise discretionary authority or control over Fund management or any authority or control over management, disposition or administration of the Fund assets.
4. "Investment Manager" shall mean any individual, or group of individuals, employed to manage the investments of all or part of the Fund assets.
5. "Investment Management Consultant" shall mean any individual or organization employed to provide advisory services, including advice on investment objectives and/or asset allocation, manager search, and performance monitoring.
6. "Securities" shall refer to the marketable investment securities which are defined as acceptable in this statement.

7. "Investment Horizon" shall be the time period over which the investment objectives, as set forth in this statement, are expected to be met. The investment horizon for this Fund is 3-5 years.

Delegation of Authority

The School's Executive Committee is a Fiduciary and is responsible for directing and monitoring the investment management of Fund assets on behalf of the School. As such, the Executive Committee is authorized to delegate certain responsibilities to professional experts in various fields. These include, but are not limited to:

1. Investment Management Consultant. The consultant may assist the Executive Committee in establishing investment policies, objectives, and guidelines; selecting Investment Managers; reviewing such managers over time; measuring and evaluating investment performance; and other tasks as deemed appropriate.
2. Investment Manager. The Investment Manager has discretion to purchase, sell, or hold the specific securities that will be used to meet the Fund's investment objectives.
3. Custodian. The custodian will physically (or through agreement with a sub-custodian) maintain possession of securities owned by the Fund, collect dividend and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The custodian may also perform regular accounting of all assets owned, purchased, or sold, as well as movement of assets into and out of the Fund accounts.
4. Additional specialists such as attorneys, auditors, actuaries, retirement plan consultants, and others may be employed by the Executive Committee to assist in meeting its responsibilities and obligations to administer Fund assets prudently.

No officer or director of the School shall act as Investment Management Consultant, Investment Manager, or Custodian.

The Executive Committee will not reserve any control over investment decisions, with the exception of specific limitations described in these statements. Managers will be held responsible and accountable to achieve the objectives herein stated. While it is not believed that the limitations will hamper Investment Managers, each Investment Manager should request modifications which they deem appropriate.

If such experts employed are also deemed to be Fiduciaries, they must acknowledge such in writing. All expenses for such experts must be customary and reasonable, and will be borne by the Fund as deemed appropriate and necessary.

General Investment Principles

1. Investments shall be made solely in the interest of the Fund.
2. The Fund shall be invested with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in like capacity and

familiar with such matters would use in the investment of a fund of like character and with like aims.

3. Any attempt to engage in "market timing" will be avoided.
4. There shall be no short sales or trading on margin.
5. There shall be no options, including puts or calls, unless they are covered options.
6. Cash is to be employed productively at all times, by investment in short term cash equivalents to provide safety, liquidity, and return.

Investment Management Policy

1. Preservation of Capital. Consistent with their respective investment styles and philosophies, Investment Managers should make reasonable efforts to preserve capital, understanding that losses may occur in individual securities.
2. Risk Aversion. Understanding that risk is present in all types of securities and investment styles, the Executive Committee recognizes that some risk is necessary to produce long-term investment results that are sufficient to meet the Fund's objectives. However, the Investment Managers are to make reasonable efforts to control risk, and will be evaluated regularly to ensure that the risk assumed is commensurate with the given investment style and objectives.
3. Adherence to Investment Discipline. Investment Managers are expected to adhere to the investment management styles for which they were hired. Managers will be evaluated regularly for adherence to investment discipline.
4. Liquidity. The Fund will require the ability to deposit and withdraw funds on a continuous basis. Investment Managers therefore should make decisions that will maximize returns through short term investments, while understanding the need for liquidity.
5. Long Term Investments. A portion of the Fund's overall portfolio will be invested in long term growth mechanisms. This amount will be determined either as a percentage of the overall Fund or a fixed amount of the Fund by the Executive Committee on the advice of the Investment Managers.
6. Alternative Fund Sources. This Fund may receive funds from various sources which have their own specific investment policies in place. The sources of these funds may come from planned giving or estate planning, foundation sources or others. In these cases, this Investment Policy will be modified to reflect those conditions and subsequently guide Investment Managers in the handling of those specific funding mechanisms.

Investment Goals

In order to meet its needs, the School's investment objective emphasizes capital growth with some focus on income.

Specific Investment Goals

Over the investment horizon established in this statement, it is the goal of the aggregate Fund assets to exceed:

1. An absolute rate of return of 3-6%, including fixed income.

The investment goals above are the objectives of the aggregate Fund, and are not meant to be imposed on each investment account (if more than one account is used).

Definition of Risk

The Executive Committee realizes that there are many ways to define risk. It believes that any person or organization involved in the process of managing the School's assets understands how it defines risk so that the assets are managed in a manner consistent with the Fund's objectives and investment strategy as designed in this statement of Investment Policy. The Executive Committee considers the tolerance for risk to be classified as medium. That is, comfortable with fluctuations in the portfolio, and the possibility of larger declines in value, in order to grow the portfolio over time. The School's risk/return trade-off is classified as moderate.

Asset Allocation

Based on the School's profile, the asset allocation will be 40% Equity, 60% Fixed Income. Additionally, the following guidelines shall be followed:

1. Investment in any one company shall be limited to no more than 5% of the total Fund.
2. No more than 25% of the Fund shall be invested in any one industry.
3. The School shall not control any more than 10% of the stock in any one company.
4. The maximum remaining maturity on each bond is limited to 30 years.
5. There shall be no direct investment in gold, other commodities, and collectibles.
6. There shall be no direct investment in real estate partnerships.

Guidelines for Fixed Income Investments and Cash Equivalents

The mutual funds selected have been evaluated by the Investment Management Consultant who conducted a screening process that includes both quantitative and qualitative criteria. Investment options are reviewed periodically to ensure that high-quality standards are maintained. The overall process seeks to ensure that the investment strategies implemented will be compatible with the School's return requirements and tolerance for risk.

Performance Review and Evaluation

Performance reports generated by the Investment Management Consultant shall be compiled at least quarterly and communicated to the Executive Committee for review. The

investment performance of total portfolios, as well as asset class components, will be measured against commonly accepted performance benchmarks. Consideration shall be given to the extent to which the investment results are consistent with the investment objectives, goals, and guidelines as set forth in this statement. The Executive Committee intends to evaluate the portfolio(s) over at least a three year period, but reserves the right to terminate an Investment Manager for any reason including the following:

1. Investment performance which is significantly less than anticipated given the discipline employed and the risk parameters established, or unacceptable justification of poor results.
2. Failure to adhere to any aspect of this statement of Investment Policy, including communication and reporting requirements.
3. Significant qualitative changes to the investment management organization.

Investment Managers shall be reviewed regularly regarding performance, personnel, strategy, research capabilities, organizational and business matters, and other qualitative factors that may impact their ability to achieve the desired investment results.

Investment Policy Review

To assure continued relevance of the guidelines, objectives, financial status and capital markets expectations as established in this statement of Investment Policy, the Executive Committee plans to review this investment policy at least annually.

Records

The School shall retain all records relating to investments in accordance with The School's Record Retention and Destruction Policy.

Article XVI

PUBLIC RECORDS POLICY

The Board shall adopt a Public Records Policy in accordance with applicable laws.

Article XVII
WHISTLEBLOWER POLICY

Section I

Purpose

The Code of Ethics (the "Code") of the School, an Ohio non-profit corporation and tax exempt organization, requires the directors, officers and staff members to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As staff members and representatives of the School, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations. It also is our responsibility to report violations of the Code in accordance with this Whistleblower Policy. No director, officer or staff member who in good faith reports a violation of the Code shall suffer harassment, retaliation or adverse employment consequence. The School has adopted this Whistleblower Policy to address the submission by directors, officers and staff members of complaints, concerns and suspected violations with respect to one or more of the following matters:

1. Questionable accounting, internal accounting controls and auditing matters.
2. Compliance with legal and regulatory requirements.
3. A violation or suspected violation of the School's Code of Ethics.
4. A retaliatory act against a director, officer or staff member who reports a suspected violation of any of the above matters.

Section II

Reporting Responsibility

It is the responsibility of all directors, officers and staff members to comply with the Code and to report violations or suspected violations in accordance with this Whistleblower Policy. Under this policy, it is a disciplinary issue for a staff member to know of ethical misconduct and stay silent.

Section III

No Retaliation

No director, officer or staff member who in good faith reports a violation of the Code shall suffer harassment, retaliation or adverse employment consequence. A staff member who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable staff members and others to raise serious concerns within the School prior to seeking resolution outside the organization.

Section IV

Reporting Violations

The Code addresses the School's open door policy and suggests that staff members share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, a staff member's supervisor is in the best position to address an area of concern. However, if you are not comfortable speaking with your supervisor or you are not satisfied with your supervisor's response, you are encouraged to speak with the Executive Director or anyone in management whom you are comfortable in approaching. Supervisors and managers are required to report suspected violations of the Code of Conduct to the Compliance Officer, who has specific and exclusive responsibility to investigate all reported violations. For suspected fraud, or when you are not satisfied or uncomfortable with following the School's open door policy, individuals should contact the Compliance Officer directly.

Section V

Compliance Officer

The School's Compliance Officer is responsible for investigating and resolving all reported complaints and allegations concerning violations of the Code and, at his/her discretion, shall advise the Executive Director and/or the audit committee. The Compliance Officer has direct access to the audit committee and is required to report to the audit committee at least annually on compliance activity. The School's Compliance Officer is the Superintendent, or his/her designee. If a director, officer or staff member thinks it is inappropriate to report a complaint, concern or suspected violation to the Compliance Officer, the complainant should report such matters to the President of the Board of Directors.

Section VI

Accounting and Auditing Matters

In the event that a reported concern of complaint involves corporate accounting practices, internal controls or auditing matters, the Compliance Officer shall immediately notify the audit committee of the complaint and work with the audit committee until the matter is resolved. The audit committee shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing matters.

Section VII

Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly false will be viewed as a serious disciplinary offense.

Section VIII

Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Section IX

Handling of Reported Violations

The Compliance Officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated, and appropriate corrective action will be taken if warranted by the investigation.

Section X

Acknowledgement and Distribution of Policy

As it is the intent of the School to strive for high ethical conduct from all directors, officers and staff. The Board of Directors is particularly sensitive to individuals who hold management and governance positions of trust and confidence in fulfilling the mission and goals of the School. These sensitive positions include all officers, members of the Board of Directors, the Executive Director and key senior staff members designated by the Executive Director. Therefore, each of the above staff will receive a copy of this Policy, and any subsequent updates, and will be requested to acknowledge and sign this Code by July 1st of each year. This acknowledgement will be kept on file in the personnel files of each staff member and in the board files for each board member.

Section XI

Records

The Compliance Officer shall retain for a period of at least seven (7) years, all records relating to any complaint, concern or suspected violation reported to him/her in accordance with this Whistleblower Policy.

Article XVIII
Employee Dismissal and Grievance Procedures

All employees of the School are and shall be at-will employees that may be terminated or whose contracts may be non-renewed for any reason, provided that the decision is not in violation of any applicable law. In the event the Building Leader or Superintendent intends to recommend the non-renewal of an employee's contract, s/he shall comply with applicable statutory and contractual non-renewal procedures. Any decision to terminate a staff member's employment contract shall be subject to review consistent with the grievance procedures.

DEFINITIONS

For purposes of this grievance procedure, the following definitions shall apply:

"Workplace safety" refers to any condition of employment or duty, responsibility, or environmental hazard that may reasonably be viewed to affect an employee's health or the health of other employees. Workplace safety matters expressly include workplace harassment, including sexual harassment. In the event that an employee believes the safety of the workplace is compromised by harassment, s/he must first make a complaint concerning the matter and follow the procedures outlined in the School's Harassment Policies. Grievance timelines associated with workplace harassment do not begin to run until completion of an investigation and final action on the complaint by the administration.

"Termination" does not include voluntary resignation or retirement.

"Employee discipline" refers to unpaid suspensions and written reprimands, but excludes performance conferences/evaluations, staff assignments, oral reprimands (unless a written record of the reprimand is placed in the employee's file).

"Grievance" shall mean a dispute concerning an employee's discipline or termination of employment, or a dispute concerning workplace conditions that affect workplace safety. Only one subject matter shall be covered in any one grievance.

GRIEVANCE PROCEDURE

It is the policy of the School to treat all employees equitably and fairly in matters affecting their employment. Each employee of the School shall be provided an opportunity to understand and resolve matters affecting employment that the employee believes to be unjust. This section shall apply to all regular full-time, part-time, limited, temporary, and seasonal employees not covered by a collective bargaining. This

procedure is available in the case of any employee's disagreement with discipline or termination of employment, as well as any matter relating to workplace safety.

All employee grievances must be filed, in written form, by the aggrieved employee(s). The grievance must be filed within five (5) working days after the employee knew or should have known of the cause of such grievance.

A written grievance shall contain:

- A. the name and position of the grievant;
- B. a clear and concise statement of the grievant;
- C. the issue involved;
- D. the relief sought;
- E. the date the incident or violation took place;
- F. the specific section of the Staff/Employee Handbook alleged to have been violated;
- G. the signature of the grievant and the date.

The following procedures shall be followed:

STEP 1- APPEAL TO SUPERINTENDENT

The employee may, within five (5) working days of the date of an employee dismissal, termination or non-renewal is issued, present his/her grievance in writing to the Superintendent. This grievance shall fully state the details of the problem and suggest a remedy. The Superintendent shall, within five (5) working days of receipt of the grievance, meet and discuss the grievance with the employee and then reply in writing within ten (10) working days.

STEP 2 – APPEAL TO BOARD GRIEVANCE/DUE PROCESS COMMITTEE

In the event the matter is not resolved to the employee's satisfaction by the Superintendent, the employee may, within five (5) working days of the date of the written decision of the Superintendent, request in writing that the matter be heard before the Board Grievance/Due Process Committee. The Chair of the Board Due Process/Grievance Committee shall conduct the hearing. The Chair of the Board Due Process/Grievance Committee may also appoint a second hearing officer or a panel of hearing officers from the current roster of School Board members, of which said panel must consist of less than a majority of the total members of the School Board. The Chair of the Board Due Process/Grievance Committee shall delegate to the Superintendent the responsibility to arrange for a venue and logistical implementation for such hearing to occur. Each grievance shall be heard by the Board Due Process/Grievance Committee and such hearings shall be private. The employee and the Superintendent may present witnesses, and each side may select one individual to attend the hearing as a representative. Any employee representative selected shall be at no expense to the School. The Board Due Process/Grievance Committee may only consider the matter(s) as grieved and presented to him/her/them in the initial grievance filed by the employee. The decision will apply exclusively to the employee presenting the grievance. The Board Due Process/Grievance Committee shall issue a written decision within ten (10) working days of the hearing of the grievance via U.S. Certified Mail.

STEP 3 – APPEAL TO THE BOARD

In the event that the employee is dissatisfied with the Board Due Process/Grievance Committee decision, s/he may, within ten (10) working days of receipt of the decision, appeal the grievance(s) in writing, to the full Board of Directors, of which a majority of the board shall hear the matter at its next regularly scheduled board meeting, unless postponed by mutual agreement. The Board shall, after discussion with appropriate personnel and after hearing the grievance from the employee in an Executive Session, make a decision by majority vote, which shall be final. The grievant shall be notified, in writing, of the final decision within ten (10) working days, via US Certified Mail. This procedure constitutes the exclusive process for the redress of any employee grievances.

However, nothing in this grievance procedure shall prevent any employee from addressing concerns regarding matters not subject to the grievance procedure with school administration, and employees are encouraged to do so.

Time limits contained in this grievance procedure outlined above may be extended by the written mutual consent of the parties. If any applicable time limit for advancing the grievance to the next step in the process is not met, the grievance shall be deemed resolved. Each employee shall be afforded any opportunity to be represented at each step of the grievance procedure by a representative of the employee's choice and at no expense to the School.

Article XIX **Amendment of Bylaws**

Section 1. AMENDMENT

Subject to the power of the members, if any, of this corporation to adopt, amend, or repeal the bylaws of this corporation and except as may otherwise be specified under provisions of law, these bylaws, or any of the articles of incorporation, may be altered, amended, or repealed and new bylaws adopted by approval of the board of directors.

Article XIX **Construction and Terms**

If there is any conflict between the provisions of these bylaws and the article of incorporation of this corporation, the provisions of the articles of incorporation shall govern.

Should any of the provisions or portions of these bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these bylaws shall be unaffected by such holding.

All references in these bylaws to the article of incorporation shall be to the articles of incorporation, articles of organization, certification of incorporation, organizational charter, corporate, charter, or other founding document of this corporation filed with an office of this state and used to establish the legal existence of this corporation.

All references in these bylaws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986, as amended from time to time, or to corresponding provisions of any future federal tax code.

[End of Document]

ADOPTION OF BYLAWS

We, the undersigned, are all of the Board of Directors of this corporation, and we consent to, and hereby do, adopt the foregoing amendment bylaws, in its entirety, consisting of thirty-eight (38) preceding pages, as the bylaws of this corporation.

Dated: 5-27-2022

Matthew Wahlert
Matthew Wahlert (Jun 2, 2022 11:10 EDT)

Matthew Wahlert
Michael D.
Harold Jensen
Brendi Elliott

UNITED STATES OF AMERICA
STATE OF OHIO
OFFICE OF THE SECRETARY OF STATE

I, Frank LaRose, do hereby certify that I am the duly elected, qualified and present acting Secretary of State for the State of Ohio, and as such have custody of the records of Ohio and Foreign business entities; that said records show DUBLIN PREPARATORY ACADEMY, an Ohio not for profit corporation, Charter No. 4302233, having its principal location in Columbus, County of Franklin, was incorporated on March 5, 2019 and is currently in GOOD STANDING upon the records of this office.



*Witness my hand and the seal of the
Secretary of State at Columbus, Ohio
this 2nd day of May, A.D. 2023.*

A handwritten signature in cursive script, appearing to read "Frank LaRose".

Ohio Secretary of State

Validation Number: 202312205032



Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities
P.O. Box 2508
Cincinnati, OH 45201

DUBLIN PREPARATORY ACADEMY
C/O BOARD OF DIRECTORS
4750 WINTON ROAD
CINCINNATI, OH 45232

Date:
03/05/2021
Employer ID number:
83-4114406
Person to contact:
Name: Roger Vance
ID number: 31173
Telephone: 877-829-5500
Accounting period ending:
June 30
Public charity status:
170(b)(1)(A)(ii)
Form 990 / 990-EZ / 990-N required:
Yes
Effective date of exemption:
March 5, 2019
Contribution deductibility:
Yes
Addendum applies:
No
DLN:
26053680001520

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

Information for Charter Schools

You're not subject to the specific publishing requirements of Revenue Procedure 75-50, 1975-2 C.B., page 587, as long as you operate 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'll also be required to comply with Revenue Procedure 75-50.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.



DATE	DOCUMENT ID	DESCRIPTION	FILING	EXPED	CERT	COPY
04/30/2020	202012101080	TRADE NAME REGISTRATION (RNO)	39.00	0.00	0.00	0.00

Receipt

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

THE CALLENDER LAW GROUP
100 EAST BROAD STREET
SUITE 690
COLUMBUS, OH 43215

STATE OF OHIO CERTIFICATE

Ohio Secretary of State, Frank LaRose
4466718

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

NORTHSIDE PREPARATORY ACADEMY

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

Document(s)

TRADE NAME REGISTRATION

Effective Date: 04/30/2020

Document No(s):

202012101080

Date of First Use: 04/01/2020


Expiration Date: 04/30/2025

DUBLIN PREPARATORY ACADEMY
100 EAST BROAD STREET, SUITE 690
COLUMBUS, OH 43215



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 April, A.D. 2020.


Ohio Secretary of State

Northside Preparatory Academy

Proposed FY2024 Budget Assumptions:

Enrollment:

- Assumed FY2024 Total Headcount Enrollment of 300 which is a 21% change from FY2023 Headcount Enrollment of 248
- Final funded FTEs for FY2024 is assumed to be 276 which is a 15.5% change over FY2023 of 239

Enrollment Assumptions by Grade:

K	1	2	3	4	5	6	7	8	9	10	11	12	Total
42	33	36	30	24	36	39	36	24	0	0	0	0	300

Revenue:

- In January 2022, the ODE implemented increased state support as passed by legislation Ohio House Bill 110.
 - Increased funding is expected at some point over a six year period, FY2022-FY2027, with each community school generating a different base cost amount.
 - It is assumed that increased per pupil funding, as a percent, will be realized as follows: FY2022 (95%), FY2023 (5%), FY2024 (-31.4%), FY2025 (-1.5%), FY2026 (11.3%) and FY2027 (21.6%).
- Per pupil facilities revenue will increase from \$500 to \$1,000 in FY2024.
- FY2024 miscellaneous funding is forecasted based on FY2023 levels.
- ESSER funding amounts were communicated by state of Ohio in FY2021, and may be utilized through FY2024.
- All other FY2024 federal grant revenues are based upon FY2023 allocations plus carryover if applicable.

Staffing:

- Salary increases for FY2024 are assumed to grow 8.0% vs. FY2023.
- It is assumed that the employer paid SERS/STRS rate for FY2024 will remain at 14%.
- It is assumed that the employer paid benefits rate for FY2024 will increase from 18% to 20%.
- It is assumed that the employer paid payroll tax rate for FY2024 is 1.45%.

Key Non-Payroll Related Expenses:

- Sponsor Fees are projected for FY2024 as a percent of state revenue at 3% per the terms of the sponsor agreement.
- Management fees for Accel Schools are included in this forecast at 17% of revenue per the terms of the management agreement.
- Rent is assumed to be \$305K for FY2024, per the terms of the current lease agreement.
- Food expense is expected to increase in relation to enrollment growth.
- Of the \$3M total ESSER grant available to be utilized through FY2024, 65.5% was spent through FY2023, and 100% is anticipated to be spent down by the end of FY2024.
- The majority of other operating expenses are assumed to grow at 3% in FY2024 over FY2023 levels.

Northside Preparatory Academy

Unaudited - Internal Use Only
FY2024 - Proposed Budget
Forecasted Income Statement

	FY2024							FY2023		Change from PY	
	General Fund	Food Service	IDEA	Title I	Title IIA	Title IV	ESSER	FY2024 Total	FY2023 Total	\$	%
Enrollment	-	-	-	-	-	-	-	300	248	52	21%
Final Funded FTEs	-	-	-	-	-	-	-	276	239	37	16%
<u>Revenue</u>											
State Foundation Revenue	2,706,314	-	-	-	-	-	-	2,706,314	2,372,631	333,683	14%
Quality Charter Revenue	-	-	-	-	-	-	-	-	352,405	(352,405)	(100%)
Federal Revenue	-	162,450	69,757	241,983	15,920	19,854	1,046,190	1,556,154	1,655,596	(99,442)	(6%)
Other Revenue: Safety Grant/Interest	76,800	-	-	-	-	-	-	76,800	128,925	(52,125)	(40%)
Total Revenue	2,783,114	162,450	69,757	241,983	15,920	19,854	1,046,190	4,339,267	4,509,556	(170,289)	(4%)
<u>Operating Expenses</u>											
Instructional Compensation	707,234	-	69,757	241,488	-	-	(0)	1,018,478	715,840	302,639	42%
Administrative Compensation	208,143	-	-	-	-	-	-	208,143	185,595	22,548	12%
ESSER Compensation	-	-	-	-	-	-	655,321	655,321	249,431	405,890	163%
Personnel Expenses	915,377	-	69,757	241,488	-	-	655,321	1,881,942	1,150,865	731,077	64%
<u>Grant Expenses</u>											
Special Education Expense	-	-	-	495	15,920	19,854	390,869	427,138	812,662	(385,525)	(47%)
Professional Fees	142,469	-	-	-	-	-	-	142,469	273,421	(130,953)	(48%)
Facility Costs - Rent Exp	175,958	-	-	-	-	-	-	175,958	272,185	(96,227)	(35%)
Facility Costs - Other	304,500	-	-	-	-	-	-	304,500	300,000	4,500	1%
Communications Expense	136,893	-	-	-	-	-	-	136,893	132,905	3,987	3%
Student Support & Office Expense	29,491	-	-	-	-	-	-	29,491	28,626	865	3%
Food Service Expense	41,602	-	-	-	-	-	-	41,602	40,086	1,516	4%
Management Fees	-	162,450	-	-	-	-	-	162,450	138,534	23,916	17%
Marketing & Recruitment	651,965	-	-	-	-	-	-	651,965	697,548	(45,583)	(7%)
	51,637	-	-	-	-	-	-	51,637	41,596	10,041	24%
Non-Personnel Expenses	1,534,514	162,450	-	495	15,920	19,854	390,869	2,124,102	2,737,564	(613,462)	(22%)
Total Operating Expense	2,449,891	162,450	69,757	241,983	15,920	19,854	1,046,190	4,006,044	3,888,429	117,615	3%
Surplus/(Deficit)	333,223	-	-	-	-	-	-	333,223	621,128	(287,905)	(46%)
Capital Expenditure	-	-	-	-	-	-	-	-	126,000	(126,000)	200%
Surplus/(Deficit) including Capital	333,223	-	-	-	-	-	-	333,223	495,128	(161,905)	(33%)

FY2024 - May 2023 Submission IRN No.: 19227 Type of School: Brick & Mortar Contract Term: 06/30/23		Northside Preparatory Academy Statement of Receipt, Disbursements, and Changes in Fund Cash Balances For the Fiscal Years Ended 2020 through 2022, Actual and the Fiscal Years Ending 2023 through 2027, Forecasted										County: Hamilton
		Actual			Forecasted							
		FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027			
<u>Operating Receipts</u>												
State Foundation Payments (3110, 3211)		-	2,617,545	2,491,354	2,373,259	2,706,314	2,923,670	3,213,004	3,574,123			
Charges for Services (1500)		-										
Fees (1600, 1700)		-	284,430	473,344	480,702	76,800	76,800	76,800	76,800			
Other (1830, 1940, 1850, 1860, 1870, 1890, 3190)		-	2,901,975	2,964,698	2,853,961	2,783,114	3,000,470	3,289,804	3,650,923			
Total Operating Receipts												
<u>Operating Disbursements</u>												
100 Salaries and Wages		-	960,322	820,281	886,000	1,389,732	1,211,362	1,297,250	1,385,593			
200 Employee Retirement and Insurance Benefits		-	249,888	237,912	264,865	492,210	431,000	461,398	492,860			
400 Purchased Services		-	1,879,614	1,878,147	2,528,141	2,020,995	1,781,075	1,894,244	2,002,142			
500 Supplies and Materials		-	70,704	59,819	203,592	98,765	98,158	100,508	102,927			
600 Capital Outlay - New		-	124,069	165,280	126,000	-	-	-	-			
700 Capital Outlay - Replacement		-										
800 Other		-	1,517	4,934	5,831	4,341	4,472	4,606	4,744			
819 Other Debt		-	66,639	(56,657)								
Total Operating Disbursements		-	3,352,753	3,109,716	4,014,429	4,006,044	3,526,068	3,748,005	3,988,266			
Excess of Operating Receipts Over (Under)												
Operating Disbursements		-	(450,778)	(145,019)	(1,160,468)	(1,222,830)	(525,598)	(458,201)	(337,343)			
<u>Nonoperating Receipts/(Disbursements)</u>												
Federal Grants (all 4000 except fund 532)		-	831,951	1,003,947	1,655,596	1,556,154	531,004	556,203	575,113			
State Grants (3200, except 3211)												
Restricted Grants (3219, Community School Facilities Grant)												
Donations (1820)												
Interest Income (1400)		-	-	-	-	-	-	-	-			
Debt Proceeds (1900)		-	-	-	-	-	-	-	-			
Debt Principal Retirement		-	-	-	-	-	-	-	-			
Interest and Fiscal Charges		-	(14,734)	-	-	-	-	-	-			
Transfers - In												
Transfers - Out												
Total Nonoperating Revenues/(Expenses)		-	817,217	1,003,947	1,655,596	1,556,154	531,004	556,203	575,113			
Excess of Operating and Nonoperating Receipts Over/(Under) Operating and Nonoperating Disbursements		-	366,439	858,929	495,128	333,223	5,407	98,002	237,770			
Fund Cash Balance Beginning of Fiscal Year		-	-	366,439	1,225,368	1,720,495	2,053,718	2,059,125	2,157,127			
Fund Cash Balance End of Fiscal Year		-	366,439	1,225,368	1,720,495	2,053,718	2,059,125	2,157,127	2,394,897			

<div> <div> FY2024 - May 2023 Submission IRN No.: 19227 Type of School: Brick & Mortar Contract Term: 06/30/23 </div> <div> Northside Preparatory Academy Statement of Receipt, Disbursements, and Changes in Fund Cash Balances For the Fiscal Years Ended 2020 through 2022, Actual and the Fiscal Years Ending 2023 through 2027, Forecasted </div> <div> County: Hamilton </div> </div>									
	Actual			Forecasted					
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	
Staffing/Enrollment									
Total Student FTE	-	310	249	239	276	299	322	345	
Instructional Staff	-	19	15	15	27	23	24	25	
Administrative Staff	-	2	3	3	3	3	3	3	
Purchased Services									
Rent	-	287,903	300,000	300,000	304,500	309,068	313,704	318,409	
Utilities	-	71,538	101,517	81,298	83,737	86,249	88,837	91,502	
Other Facility Costs	-	228,961	185,336	227,284	222,867	155,818	160,493	165,308	
Insurance	-	12,666	12,068	15,353	15,814	16,288	16,777	17,280	
Management Fee	-	581,550	607,471	697,548	651,965	507,142	553,136	610,126	
Sponsor Fee	-	69,401	69,488	65,428	73,241	79,030	87,011	97,149	
Audit Fees	-	20,256	47,643	34,622	35,661	36,731	37,832	38,967	
Transportation	-	-	-	781	-	-	-	-	
Legal	-	52,750	36,000	36,000	37,080	38,192	39,338	40,518	
Marketing	-	54,711	45,796	41,596	51,637	53,186	54,782	56,425	
Consulting	-	246,100	214,279	481,025	209,599	139,589	146,563	153,585	
Special Education Services	-	100,942	112,349	373,421	142,469	146,743	151,145	155,679	
Technology Services	-	44,830	53,779	31,007	28,181	29,026	29,897	30,794	
Food Services	-	107,632	92,423	138,534	162,450	182,163	202,825	224,438	
Other	-	376	-	4,243	1,795	1,849	1,905	1,962	
Total	-	1,879,614	1,878,147	2,528,141	2,020,995	1,781,075	1,884,244	2,002,142	
Financial Metrics									
Debt Service Payments	-	14,734	-	-	-	-	-	-	
Debt Service Coverage	-	25.87	-	-	-	-	-	-	
Growth in Enrollment	0.0%	0.0%	80.3%	95.9%	115.6%	108.3%	107.7%	107.1%	
Growth in New Capital Outlay	0.0%	0.0%	133.2%	76.2%	0.0%	0.0%	0.0%	0.0%	
Growth in Operating Receipts	0.0%	0.0%	102.2%	96.3%	97.5%	107.8%	109.6%	111.0%	
Growth in Non-Operating Receipts/Expenses	0.0%	0.0%	122.8%	164.9%	94.0%	34.1%	104.7%	103.4%	
Days of Cash	0.00	0.00	43.01	111.41	156.76	212.59	200.53	197.42	
Total Expenditures / FTE	\$0	\$10,866	\$12,491	\$16,814	\$14,515	\$11,793	\$11,640	\$11,560	
FY2023 - FY2027 Budget Assumptions: In January 2022, the ODE implemented increased state support as passed by legislation Ohio House Bill 110. Increased funding is expected at some point over a six year period, FY2022-FY2027, with each community school generating a different base cost amount. It is assumed that increased per pupil funding, as a percent, will be realized as follows: FY2022 (5%), FY2023 (5%), FY2024 (-31.4%), FY2025 (-1.5%), FY2026 (11.3%) and FY2027 (21.6%). Funded FTEs will grow to 276, 299, 322, and 345 in FY2024 - FY2027. It is assumed that for every additional 25 students enrolled each year, one teacher will be added to the staff at a starting annual salary of \$50,000. Federal grants are inclusive of ESSER Funding starting in FY2021 and are able to be utilized through FY2024. This school has fully utilized its ESSER Funds. Related expenses will also correspond in that time frame, then decline with the end of ESSER funding. Rent is assumed to be \$305K per the terms of the lease agreement. Management fees for Accel Schools are included in this forecast at 17% of revenue per the terms of the management agreement. Sponsor Fees projected for FY2024 as a percent of state revenue at 3%. Food expense is expected to increase in relation to enrollment growth. Interest and fiscal expenses are not limited to debt; total includes loan interest, bank and credit card fees as well as other fiscal charges. A majority of operating expenses are assumed to grow 3% year over year.									

Fiscal Year FY2023 - FY2027 Projected Debt				
Description	Beginning Year Balance	Principal Retirement	Interest Expense	Ending Year Balance
Loan A				
Loan B				
Loan C				
Total	\$ -	\$ -	\$ -	\$ -

Appendix B

- The management and administration of the school; and
- The organizational chart.

APPENDIX B

Management and Administration of the School

The management and administration of the Academy is lead by the Board of Directors of Northside Preparatory Academy. The Academy has contracted with two main partners a Fiscal Treasurer and a Management Organization. Both organizations will work closely with the Board of Directors to ensure the goals of the charter are upheld. In addition, the Academy will also work closely with our Board Counsel for training, contract review and advice. As outlined in the organization chart, the Board of Directors is responsible for holding all contractors accountable.

Board of Directors:

It is the Board's responsibility to ensure that the total organization is effective in achieving its mission and efficient in using its resources. This annual discussion is begun by evaluating success as a board. By evaluating its performance in fulfilling its responsibilities, the Board can recognize its achievements and reach consensus on which areas need to be improved.

The Board has sought board members that have diverse backgrounds in a number of areas critical for maintaining a high-functioning governing board. We have looked for individuals with experience in: education, higher education, finance, fundraising, organizational development, charter school governance, marketing, and community outreach. We also sought diversity in terms of race and ethnicity, gender, and age. The Board meets monthly and as the school's expansion unfolds during the next few years, the Board will remain committed to the training and support which has ensured a high level of functionality since our inception.

As the school's public agents, the Board is legally and ethically responsible for ensuring the school's academic achievement, organizational viability, and adherence to the terms of its charter. The Board asserts much of its leadership through its policy-setting responsibilities. Board-level policies allow the school to operate effectively and efficiently in pursuit of its mission by establishing clear frameworks for the implementation of the school's work. As a new school, we will work closely with our legal counsel to develop policies and procedures that are aligned with state requirements. All powers of the Board lie in its collective action.

The main responsibilities of the Board are:

- Stay true to the school's Vision and Mission
- Select the Administrator
- Provide Proper Financial Oversight (including federal and state funds)
- Ensure Adequate Resources
- Ensure Legal and Ethical Integrity and Maintain Accountability
- Ensure Effective Organizational Planning
- Recruit and Orient New Board Members and Assess Board Performance
- Enhance the School's Public Standing
- Determine, Monitor and Strengthen the School's Programs and Services
- Support the Principal/Head of School and Assess His or Her Performance

Management Organization:

Accel Schools will be responsible for managing the daily operations of the school as well as providing the school's innovative blended learning curriculum. The management organization will lead all aspects of the school's curriculum, operational model, staffing structure, professional development, and all other efforts to ensure that the school is highly effective in educating its student population. Accel Schools, as the school's management organization, will report to the school's Governing Authority.

The management organization will be responsible for oversight of the school's educational programs, supervision of the school's Principal and staff, and administration of the school's business affairs including the following services:

1. Work with the Sponsor and other agencies as necessary to obtain and maintain the authorization for the school, including maintaining compliance with reporting requirements and any other general inquiries received from these agencies;
2. Provide marketing for student recruitment and enrollment;
3. Provide back office support services in the areas of:
 - i. Finance and Accounting
 1. Payroll and Payment Administration
 2. Accounting (support provided to the treasurer in the form of A/P coding).
 3. Financial Analysis (cost comparison, trends analysis)
 4. Financial Management (budgeting, tools and tracking, reporting templates)
 5. Budget projections, summary actual and summary budget
 - ii. Staff Recruitment
 1. Manage talent pipeline for all staff. Duties include:
 - a. Cultivate talent through job postings, attendance at career fairs, webinars, and advertisements
 - b. Design and manage selection process

- c. Conduct reference checks
 - iii. Human Resources
 - 1. Support employee life cycle. Duties include:
 - a. On-board and process all new employees
 - b. Off-board and exit all departing employees
 - 2. Administer all employee benefits. Duties include:
 - a. Research, identify and recommend benefits package for employees providing services to the schools
 - b. Enroll/Dis-enroll all new employees
 - c. Serve as primary point of contact between employees and benefit providers
 - 3. Provide support/consultation for all personnel issues
 - 4. Maintain all personnel records
 - 5. Develop, manage, and maintain human resources information System
 - 6. Develop and maintain all personnel policies and procedures
 - iv. Instructional Leadership
 - 1. Provide professional development, training, support, and tools to school leadership staff
 - 2. Create tools and resources to support classroom teachers
 - 3. Operate teacher summer training program
 - v. Curriculum Development and Individualization
 - 1. Provide guidance relating to the curriculum
 - 2. Identify instructional on-line learning programs to support individualized student learning
 - 3. Serve as primary point of contact between on-line learning program providers and school
 - 4. Create scope and sequence maps for all taught subjects in all grades
 - 5. Identify and select assessment suite
 - 6. Develop and maintain student performance database
 - 7. Identify and implement tutoring curriculum
 - vi. Data
 - 1. Aggregate and analyze student data
 - 2. Provide data reports for authorizers and funders
 - 3. Develop, manage, and maintain student information system
 - vii. Operational Systems
 - 1. Design and develop school operations systems. Systems may include, but are not limited to:
 - a. Lottery and enrollment system
 - b. Compliance system
 - c. Lunch administration system
 - d. IEP management system
 - e. Attendance tracking system
 - f. Performance management system
 - g. Information technology
 - h. Equipment procurement
 - viii. Insurance
 - 1. Identify and recommend casualty, liability, officers and directors and other insurance for the School
 - 2. Oversee premium payment and claims management on school's behalf
- 4. Legal and Compliance

- i. Comply with local, state, and federal constitutional, statutory, and judicial matters
- ii. Maintain school records in compliance with state and federal law
- iii. Comply with Sponsor requirements and maintain school records system
Manage pupil accounting according to state procedures

Treasurer:

An independent treasurer performs a vital role for the Board of Directors by providing clear and understandable financial information to support the fiduciary responsibility to the school. Essential roles include:

- o Assist in the development, implementation and maintenance of the fiscal policies and procedures for the school and the Governing Authority in accordance with professional accounting standards;
- o Maintain financial stability in internal fiscal controls and systems to assure compliance with established standards, policies and procedures;
- o Provide recommendations to the School and Governing Authority of alternative fiscal practices or plans which would result in additional revenue, decreased expenditures and financial efficiency;
- o Provide technical advice or assistance regarding fiscal matters, policies, procedures and computerized accounting systems;
- o Secure a Public Official Bond on behalf of the School and maintain credentials required by the State of Ohio to hold the position of Fiscal Officer;
- o Maintain all financial records in accordance with Generally Accepted Accounting Principles (GAAP);
- o Ensure that all transactions are coded utilizing the State of Ohio Chart of Accounts and maintain ability to file reports on a cash-basis where required;
- o Maintain accurate general ledger and all their financial records; Prepare financial and statistical reports as requested by the School Administrator and the Governing Authority;
- o Assist in preparation, monitoring, and revision of Annual Budget for the School. Present comparison of actual results to budget at all regular meetings of the Governing Authority;
- o Assist in the preparation, revision, and submission of the School's Five-Year Forecast in accordance with Section 5705.391 of the Ohio Revised Code;
- o Monitor and comply with all financial requirements imposed on the School through Sponsor Contracts and if applicable, management agreements;
- o Communicate with the Ohio Department of Education and the Auditor of the State of Ohio, among other funding agencies, to ensure sufficient funds are available for program operation and to assist in the execution of fund transfers;
- o Review and approve financial status reports and funding reimbursement requests; Ensure the reports are reconciled to the general ledger, verify supporting documentation and submit to funding agencies in a timely manner;
- o Responsible for working with appropriate School personnel to complete, submit, and Fiscal Approve the "Consolidated" application (Title I, IDEA and Title IIA) in the Comprehensive Continuous Improvement Plan (CCIP). This service would also extend to any other Federal programs that the School participates in through the CCIP.

- Responsible for all financial reporting and cash draw down requests for federal and state allocations made to the School;
- Prepare monthly unaudited financial statements and other financial reports (as requested) for presentation to the School Administrator and Governing Authority at special and regular meetings of the Governing Authority;
- Attend Board meetings (in person or by phone if necessary) to present financial reports to Board of Directors;
- Review and approve bank reconciliations on a monthly basis, verifying balances are reconciled to the general ledger;
- Review Accounts Payable records for accuracy of funding source, general ledger account coding and verify the supporting documents are attached, including those indicating approval;
- On an annual basis, prepare Form 1099-MISC on behalf of the School and distribute to qualifying parties;
- Ensure compliance with purchasing procedures.
- Maintain appropriate depreciation schedules for capitalized assets;
- Coordinate and act as the liaison between the Governing Authority, School, and Auditor of State of Ohio during the annual audit process. Prepare all schedules and compile all information as required for annual and interim audits by the Auditor of the State of Ohio;

School Personnel:

School success depends on the presence of exceptional leaders, highly qualified teachers and well-trained instructional coaches. Brief job descriptions are listed below.

Head of School. The Head of School ensures that all students are engaged in a safe learning environment that utilizes effective and approved curricula.

Responsibilities:

- Ensures the established policies and procedures are in place and enforced equitably for all participants of the school including students, staff and leadership
- Provides effective guidance, support, coaching, assistance and supervision to all members of the leadership team.
- Conducts evaluations for staff and leaders and earns and maintains OTES credentials
- Maintains knowledge of all policies, laws and mandates as imposed by the handbooks, State of Ohio and Department of Education and sees they are fully implemented and communicated effectively within the school building.
- Supervises all school personnel directly or indirectly
- Serves as the chief administrator of the school in developing, implementing and communicating policies, projects, programs, curricular and non- curricular activities in a manner that promotes the educational development of each student and the professional development and growth of each staff member.
- Conceptualizes goals and plans accordingly to ensure that procedure and schedules are implemented to carry out the total school program
- Ensures the school program in its entirety is compatible with the legal, financial and organizational structure of the school system.

- Identifies objectives for the instructional and extracurricular programs of the school
- Manages, directs and maintains records of supplies and equipment necessary to carry out the daily school routines
- Organizes, oversees and provides support to various services, supplies, materials, and equipment necessary to carry out the school program
- Assumes responsibility for the health, safety, and welfare of students, employees and visitors.
- Maintains and accounts for all student activity funds and money collected from Students and functions in compliance with the determined CFO policies
- Protects confidentiality of records and information gained as part of exercising professional duties and use discretion in sharing such information within legal confines.
- Provides progress reports and report cards to families
- Encourages the staff and leaders to contribute their best efforts to the school's success
- Organizes and oversees staff meetings
- Protects the privacy rights and confidentiality of matters in dealing with students and staff.
- Establishes the annual master schedule for instructional programs, ensuring sequential learning experiences for students consistent with the school's philosophy, mission statement and instructional goals.

Director of Academics. The Director of Academics enhances student learning by offering instructional staff mentoring and regular professional development.

Responsibilities:

- Design and facilitate professional development for teaching staff that are purposefully designed to meet the identified needs and concerns of teachers.
- Create and foster positive learning environments for teachers to ACCELeRATE professional growth.
- Advocate for student learning and employ instructional mentoring strategies designed to help teachers enhance student learning.
- Ensure academic programming supports strong improvement in student academic performance
- Ensures that appropriate differentiation is implemented for all learners including those with exceptional needs
- Use data results from all internal and external assessment systems to inform all curricular decisions
- Seek and share curriculum practices from high performing urban schools
- Serve as primary instructional coach for new and existing faculty; providing feedback and support on instructional methods, classroom management, and curriculum and implement coaching plans when necessary to assist staff in areas of weakness or deficiency
- Helps staff resolve problems that impede student participation in appropriate learning activities thorough conference, professional development and coaching.
- Participates in collaborative planning of effective staff development programs that improve teaching outcomes and student learning (e.g., methods, skills, commitment, etc.).
- Helps manage the instructional program. Promotes academic excellence in a nurturing environment

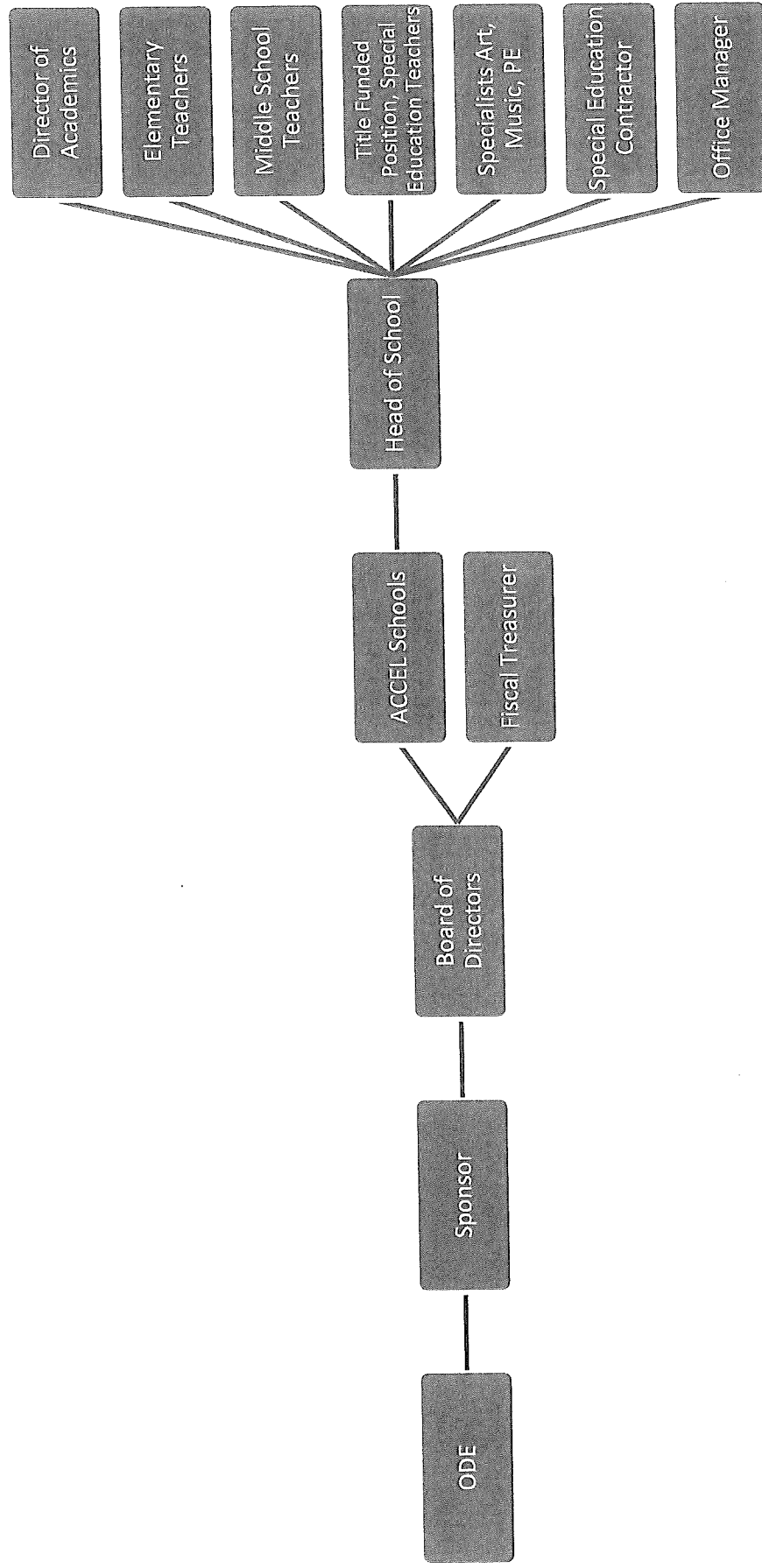
- Conduct frequent classroom observations and provide intentional feedback to push classroom instruction and teacher performance

Teachers. Teachers drive student learning through high quality, well-planned instruction.

Responsibilities:

- Use assessment data to refine curriculum and inform instructional practices.
- Participate in collaborative curriculum development, grade-level activities, and school-wide functions.
- Communicate effectively with students, families, and colleagues.
- Remain highly organized and meet deadlines 100% of the time.
- Create intentional lesson plans that support academic rigor and student engagement.
- Deliver highly effective daily lessons based on student need, rooted in research-based instructional practices.
- Differentiate instruction to meet the needs of all students.
- Utilize research-based best practices in daily planning and classroom instruction.
- Create a joyful, caring, and loving classroom environment for all students.
- Integrate culturally responsive teaching practices into daily lessons and interactions with students, parents, and colleagues.
- Implement school-wide culture expectations and norms, inside the classroom and beyond.
- Communicate regularly with families regarding the academic and social-emotional growth of their child.
- Incorporate 21st century technology skills into daily classroom practice and team settings
- Collaborate and communicate effectively, humbly, and respectfully with all colleagues.

NORTHSIDE PREPARATORY ACADEMY ORGANIZATION CHART



Appendix C

- The mission and educational philosophy of the School;
- The instructional program and curriculum, including STEM designation if applicable;
- Learning Opportunities;
- Blended Learning or Electronic-based school requirements, if either is applicable;
- Mission; and
- Anticipated characteristics of student population.

APPENDIX C

Mission, Vision, & Values

A. Mission

The mission of Northside Preparatory Academy is to allow students to become productive global citizens of the world by providing them with a world-class high-quality education.

B. Vision

Our vision is to become a school that provides highly qualified, high school and college ready students regardless of their native language. Northside Preparatory Academy's curriculum model embraces standards-based instruction in such a way that allows for research-based resources to be used within a framework of best practices fostering engagement to produce students who are considered highly qualified applicants for high school and college. Research shows that the four components of high school and college readiness are: cognitive strategies, content knowledge, self-management skills, and knowledge about postsecondary education. With this understanding in mind our curriculum model embeds the very components that foster high school and college readiness.

C. Values

The Academy will implement a school model that places an emphasis on building a foundation for post-secondary education while providing a supportive environment for students, families, and staff. The Academy will ensure the following essential values:

- ***SAFE and Caring:*** 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.
- ***Individualized Learning:*** 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.
- ***Academic Excellence:*** We bring great teachers, proven educational practices, and rigorous standards to every classroom. We share best practices in curriculum design, teacher training, and integrated technology to drive continuous gains in academic performance.
- ***Community Partnership:*** Those who live and work in a community know it best. Our School honors the values of the community and partners, stakeholders, and government leaders to serve the community.
- ***Accessible to All:*** We foster a culture that is reflective of local values and interests and are open to all students.

Educational Philosophy

We offer an enriched learning environment and a comprehensive system of supports to address the needs of the whole child. Below are core, compelling beliefs that provide the basis for the vision statement of the school's program:

- Everyone deserves a chance at receiving an appropriate individualized education and being successful in life;
- Everyone deserves a chance to become all (s)he can be;
- No single educational approach or philosophy is right for everyone;
- Everyone learns at different rates, and students should have educational choices that provide for their individual needs and learning pace;
- Schools need to teach students rigorous 21st Century skills.

Philosophy: In embracing a new vision of challenging learning activities, our curriculum for all students emphasizes the integration of higher order thinking skills, authentic tasks, and mixed-ability groupings. Instead of students practicing discrete, isolated skills (such as spelling and punctuation done on worksheets), the curriculum stresses composition, comprehension, and applications of skills. Rather than treating basic skills as an obstacle that must be surmounted before exposing students to more complex and meaningful learning activities, we give at-risk students opportunities to learn and practice basic skills in the context of working on authentic tasks. At-risk students work more in heterogeneous groupings as part of collaborative classrooms and less in ability groupings or pull-out classes for compensatory instruction. They are judged on their ability to perform a complex task and to reflect on and describe the thinking that went into it rather than on their facility with multiple-choice tests.

Research on classrooms that have put constructivist teaching and learning models into practice also indicates that technology can enhance student engagement and productivity. More specifically, technology increases the complexity of the tasks that students can perform successfully, raises student motivation, and leads to changes in classroom roles and organization. These role changes, with students moving toward more self-reliance and peer coaching, and teachers functioning more as facilitators than as lecturers, support educational reform goals for all students.

The Academy will serve students in grades K-8 whose families desire school choice. We will provide a safe, secure and positive individualized learning environment for children as an alternative to traditional public schools that have been ineffective in meeting certain family and student learning needs, or cost-prohibitive private schools. The school serves students who have either been displaced or underserved by traditional public schools. Since our students often arrive more than one full grade level behind, our instruction is focused on mastery of standards not time in the seat.

All students have different needs, learn at various rates and have different learning styles. No one educational program is appropriate for all students. Therefore, students will have a broad experience of activities that engage them in media-rich content, direct instruction, project-based learning, interest driven and talent-driven opportunities with a healthy mind and body emphasis. Students will learn from their teachers, peers, and community partners. This broad-based approach to learning will be an exciting and valuable experience creating lifelong 21st century learners as well as competent 21st century citizens. Students will learn and grow with the guidance of Highly Qualified Teachers, Instructional Aides, and Intervention Specialists. The school will provide a safe and nurturing environment, placing a premium on self-discipline, individuality and responsibility. The dedicated staff will work in small groups and one-on-one with students, addressing not only their learning issues but also their life situations that have prevented success in traditional schools.

Learning Opportunities

Curricular Plan

The school is built on a strong foundation of high expectations for academic achievement for all students. A standards-based curriculum that teaches students skills for college and career readiness is fundamental to the teaching and learning program implemented at the school. Teachers will receive on-going professional development in unpacking learning standards so that students develop the skills necessary to successfully advance from one grade level to the next. The curriculum is built on the Ohio Learning Standards (OLS) for English Language Arts, mathematics, science, social studies, visual arts, and physical education.

The Head of School and Director of Academics will work with the teachers to develop the curriculum maps and pacing guides for Northside Preparatory Academy. The resources from Eureka Math, Ready Reading, and Science fusion provide a starting point for the development of both documents. To ensure there are no additional gaps, our team will work together to create curriculum maps for every core subject and grade level. The pacing guides will be developed to provide a timeline for moving through the curriculum. The driving force in the curriculum mapping process was the review of the ODE Model Curriculum. We will continue to review these the curriculum to ensure the OLS are accurately met.

A curriculum map provides a guide to ensure instruction covers the standards and meets the needs of ALL learners. A curriculum map documents the relationship between every component of the curriculum and allows teachers to check for gaps and redundancies. It is a process for collecting and recording curriculum-related data that identifies core skills and content taught, processes employed, and assessments used for each subject area and grade level. All School Curriculum Maps and Pacing Guides will be continuously updated.

Curriculum maps in ELA and Mathematics will be created using the model curriculum and maps from our curriculum resources. Curriculum maps in Mathematics were research-based and created by Eureka Math. We will follow the curriculum maps and pacing for this content. We will conduct a gap analysis to ensure the curriculum maps are accurate and fill any gaps with supplemental materials.

Curriculum maps in Science and Social Studies will be developed using:

- ODE Model Curriculum and Ohio Learning Standards
- A publisher's planning/pacing guide, which may include suggestions for pacing instruction.
- Assessment schedules
- Teacher expertise in grade level and content

The major difference between curriculum maps and pacing guides is that curriculum maps are what will be taught during the current school year, while pacing guides are when and for how long content will be taught.

Pacing guides are like timelines showing what each teacher cover over the course of a year. Each subject area follows a logical sequence within a grade level and between grade levels. The pacing guides will sequence the Ohio Learning Standards in a logical and progressive manner. The pacing guides will outline what is to be taught, when it is to be taught and for how long it is to be taught. The pacing guides will outline the scope – the set of topics that will be studied. The scope is the breadth and depth of the course content. We will have the following goals for our pacing guides:

- To guide teachers to understand what, when, and for how long they are going to teach the standards. We will encourage different teaching styles, but want to ensure the standards, assessments, and basic content are taught in a way that will allow our teachers to examine data and make informed decisions to increase student outcomes.

- To allot more time for more in-depth standards. To determine which standards may need more time, we reviewed the OLS looking for difficult standards, standards with multiple layers or sub-standards.
- To involve teachers in the development and review of the pacing guides. Pacing guides will be reviewed during Professional Development meetings during summer, weekly grade level meetings, and professional development days in correlation with data review to inform decision making and adjust pacing, breadth and depth.

Curriculum maps and pacing guides for Art, Music, and PE will be created by the specialists. When possible, the specialists will work collaboratively with other ACCEL teachers in the same subject area to develop curriculum maps and pacing guides. For curriculum mapping, the specialists will go through the process of collecting and recording curriculum-related data that identifies core skills and content taught, processes employed, and assessments used for the subject area (Art, Music, PE) and grade level. The completed curriculum map will then become a tool that helps teachers keep track of what has been taught and plan what will be taught. The pacing guide will be developed in order to help plan the year to enable the teachers to cover necessary material.

Instructional Strategies:

Differentiated Instruction: A growing body of research shows positive results for full implementation of differentiated instruction in mixed-ability classrooms (Rock, Gregg, Ellis, & Gable, 2008). In one three-year study, Canadian scholars researched the application and effects of differentiated instruction in K–12 classrooms in Alberta. They found that differentiated instruction consistently yielded positive results across a broad range of targeted groups. Compared with the general student population, students with mild or severe learning disabilities received more benefits from differentiated and intensive support, especially when the differentiation was delivered in small groups or with targeted instruction (McQuarrie, McRae, & Stack-Cutler, 2008).

For additional information: <http://www.ascd.org/publications/educational-leadership/feb10/vol67/num05/Differentiated-Learning.aspx>

At the core of our model is the creation and implementation of an ***Individualized Learning Plan (ILP)*** for each student. The creation of personalized learning plans for all students can increase student motivation. Students are encouraged to set personal learning goals, and the regular assessment that is typically a part of personalized learning initiatives enables the student to receive regular feedback on their progress. Research demonstrates that positive feedback such as the progression toward a chosen goal is highly motivating to students. Additionally, students who track their own progress toward these goals are more likely to make greater gains toward reaching their goals than students who do not.

For additional information: <http://www.hanoverresearch.com/media/Best-Practices-in-Personalized-Learning-Environments.pdf>

Reciprocal Teaching: First developed by Annmarie Palinscar and Ann Brown (1984), reciprocal teaching is an instructional procedure for teaching students to use multiple comprehension strategies flexible and interactively to improve the learning of content. Teachers first model the strategies, then invite students to apply the strategies themselves. Teachers gradually fade their levels of instructional support as students assume control of the strategies. Duffy (2002), Duke & Pearson (2002), and Williams (2002) describe how the strategies are implemented. ■ Summarize — The teacher asks the students to summarize the key elements of the story or text. Multiple students participate in this process requiring the students to recall and reorganize the text. ■ Question generation — Student generate questions they have after reading the text. ■ Clarifying — This process assists students with a history of comprehension difficulties by having them focus their attention on the text. Clarification can range from word definitions to understand complex

terminology or processes. ■ Predicting — They determine what is going to happen next on a literal or inferential level or what will be the view point of the author in the next section. They activate background knowledge during this process and assist in making connections.

For additional information: <https://extension.ucdavis.edu/sites/default/files/Reciprocal%20Teaching.pdf>
<http://www.readingrockets.org/article/reciprocal-teaching-primary-grades-we-can-do-it-too>

Extensive use of technology both integrated throughout the curriculum and used to facilitate learning and monitor individual progress: Using data wisely and data-driven instructional groups are used daily to differentiate learning through small group “workshop” opportunities.

To gain a deeper understanding of students’ learning needs, teachers need to collect data from multiple sources, such as annual state assessments, interim school assessments, classroom performance data, and other relevant data. A schoolwide data system allows teachers to aggregate data by classroom, content areas, or assignment type to identify patterns in performance. Interpreting data allows teachers to identify the strengths and weaknesses of an entire class as well as individual students. As they examine the data, teachers can develop hypotheses about factors that affect students’ learning and ways to improve instruction to help all students achieve. It is important for teachers to slow down and ask why during this phase of the cycle of instructional improvement.

Implementing Data-Informed Decision Making in Schools—Teacher Access, Supports and Use (2009)
<http://files.eric.ed.gov/fulltext/ED504191.pdf>
http://www.naesp.org/sites/default/files/Student%20Achievement_blue.pdf

[1] All references from Tomlinson, C. (2001). Differentiation of Instruction in the Elementary Grades. ERIC Digests.

[2] Gardner, H. The unschooled mind: how children think and how schools should teach (1991); Gardner, H., & Hatch, T., Multiple intelligences go to school: Educational implications of the theory of multiple intelligences (1989) at 18(8), 4-9.

Extensive use of technology both integrated throughout the curriculum and used to facilitate learning and monitor individual progress: Our goals here are to a) ensure that students are versed in using technology for communications, research, presentation, calculations and more – and b) develop and implement a clear vision for school-wide, data-driven culture in every school we serve, leading to the effective use of data to drive school improvement.

Strong emphasis on reading, literacy and numeracy fundamentals, with rigorous emphasis on core subjects every day. Data-driven instructional groups are used daily to differentiate learning through small group “workshop” opportunities.

Research Based Curriculum Resources include:

English Language Development: The Ready Reading materials focus on language development that prepares students for academic and lifelong success and on supporting educators and families in creating a collaborative environment that fosters student achievement. Tier II intervention materials include Foundations, Heggerty’s Phonemic Awareness, iRead, and Jan Richardson’s Next Step Forward in Guided Reading & Assessment Guide. Lucy Calkin’s Writing Units of Study will be used to support writing.

English Language Arts: Ready Ohio Reading’s rigorous yet supportive content is proven to make today’s demanding standards reachable for all students. Its complex, authentic texts engage students in opportunities to practice close reading strategies across a variety of genres and formats.

Ready Ohio Reading instruction uses a consistent Read, Think, Talk, Write model in which teacher-led discussion and small group collaboration are central to student achievement. Lessons scaffold to build

students' confidence as they develop important critical thinking and analytical skills. Students are immediately engaged by the variety of real-world source texts, from literature and poetry to blogs and news articles.

Ready Ohio Reading supports students and teachers with a wealth of on- and off-grade level resources. The program:

- Develops sound skills and strategies for reading comprehension
- Supports a balance of on-grade level and differentiated instruction
- Provides in-the-moment teacher support to guide teachers and help them build students' reading habits
- Connects instruction to the Ohio's Learning Standards for English Language Arts across K–8 for a coherent path within and across grades

Mathematics: Eureka Math — also known as EngageNY — is a complete, PreK through 12 curriculum that carefully sequences the mathematical progressions into expertly crafted modules. Eureka Math provides educators with a comprehensive curriculum, in-depth professional development, books, and support materials.

Science: *Houghton Mifflin Harcourt Science Fusion* is aligned to the Ohio Learning Standards. The program is inquiry-based and designed in a manner to engage the interest of students. Science Fusion challenges students to think about real life applications with STEM skills being emphasized throughout the series. Lab activities are built into inquiry lessons that incorporate directed inquiry, guided inquiry, and independent inquiry. In addition to a comprehensive digital curriculum, each student has a write-in edition that incorporates vocabulary work, math and writing, and a reading component. Leveled readers provide rich opportunities for students to further develop informational reading standards aligned to Ohio Learning Science standards.

Social Studies: *Houghton Mifflin Harcourt Social Studies* provides opportunities for students to learn content that is aligned to the national standards. Students learn about people, places, and events that help them make connections to the world in which they live. Units are organized around big ideas, and essential questions set the purpose for reading and focuses on a specific reading skill. These reading skills are explicitly addressed and assessed. Ohio specific resources are provided in accordance with the Ohio Learning Standards for Social Studies. Students are presented with biographies, point of view, primary sources, citizenship skills, and critical thinking skills to analyze, apply knowledge, make thoughtful decisions, pose questions, and apply events in history. Online programs include assessments, video selections, and interactive presentations to support student learning.

All classrooms will be equipped with the necessary supplies and equipment to meet the needs of our students. Upon opening each classroom will be equipped with the core curriculum, access to school-wide assessments, White Boards, and Chromebooks. We will work with FIT technology to ensure each classroom has access to the internet and Whiteboards will be added to each classroom as funds are available. All specialists will have the needed supplies and materials to provide standards-based instruction. The Academy will also use programs such as IXL, and iReady.

The School will implement a research-based Response to Intervention (RTI) framework and will establish a school based RTI team to ensure that students needing Tier 2 and Tier 3 services receive the research-based interventions that will allow them to accelerate their learning. The School Principal will lead the RTI framework and serve as the leader for RTI. Starting with the RTI process in the general classroom, the School's 3-tiered system utilizes multiple measures including, but not limited to, teacher observation, results from Ohio's State Tests (OCBA, KRA, OPELPA), normative testing (NWEA MAP), report cards/progress reports, classroom assessments, incident reports, behavior logs, suspension records, and anecdotal records. The results of these assessments are used to identify students that are "at risk" and

demonstrate a struggle in performing proficiently with grade level material and skills. For those student that are identified as “at risk” in the general education population, the students may be referred to the Intervention Assistance Team (IAT) to engage in the RTI process.

[1] All references from Tomlinson, C. (2001). *Differentiation of Instruction in the Elementary Grades*. ERIC Digests.

[2] Gardner, H. *The unschooled mind: how children think and how schools should teach* (1991); Gardner, H., & Hatch, T., *Multiple intelligences go to school: Educational implications of the theory of multiple intelligences* (1989) at 18(8), 4-9.

Curriculum Material Evaluation:

The instructional resources for the core curriculum were chosen by committee. The committee was responsible for reviewing vendors and materials. The resources were chosen based on The National Common Criteria for Quality Instructional Materials which included a discussion on 1. Content, 2. Equity and Accessibility, 3. Assessment, 4. Organization and Presentation, and 5. Instructional Design & Support. In addition, we also included our past history with other vendors and results with similar demographics. Once narrowed down, the final candidates were put before the Board of Directors for approval.

In the future, the change process for instructional resources and materials will continue to be data driven. It is not uncommon for a school to purchase an instructional resource only to determine there are gaps in the alignment to the State Standards. Based on the curriculum mapping process, we will determine any gaps and evaluate resources needed to fill these gaps including both text and online options. Should student data or teacher feedback determine a curriculum resource is needed, we will go to the Board for approval. Rather than set a review schedule (I.e. every five years), we will review our resources annually as part of our school-wide needs assessment. As part of the needs assessment we will gather feedback from all stakeholders including teachers, parents, administrators, and when appropriate the students.

In the area of technology, Chromebooks were chosen due to cost and ease servicing the product. A technology plan is being developed to determine a cycle for replacing these computers and adding additional technology based on the growth of the school enrollment. When possible, the Academy will leverage the purchasing power of ACCEL to get the lowest possible price on all resources and materials.

With an extended day, our goal is to maximize the time spent in school with efficient transitions and a deliberate use of time for intervention and acceleration of student achievement.

First day of school:	August 19, 2020
School day start/end time:	7:45 – 3:15
Hours in school day:	7.5
Number of instructional minutes (core instruction) per day:	330
Number of instructional school days per year:	180
Number of supplemental instruction hours per day:	1
Time devoted to staff development during school year (indicate days or hours):	10 Days

Time devoted to staff development prior to school opening (indicate days or hours):	5 Days
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Special Student Populations

Prevention and Intervention-

The school will implement a research-based Multi-Tiered System of Supports (MTSS) framework and will establish a school based MTSS team to ensure that students needing Tier 2 and Tier 3 services receive the research-based interventions that will allow them to accelerate their learning. The School Principal will lead the MTSS framework and serve as the leader for MTSS. Starting with the MTSS process in the general classroom, the School's 3-tiered system utilizes multiple measures including, but not limited to, teacher observation, results from Ohio's State Tests (OCBA, KRA, OPELPA), normative testing (NWEA MAP), report cards/progress reports, classroom assessments, incident reports, behavior logs, suspension records, and anecdotal records. The results of these assessments are used to identify students that are "at risk" and demonstrate a struggle in performing proficiently with grade level material and skills. For those student that are identified as "at risk" in the general education population, the students may be referred to the Intervention Assistance Team (IAT) to engage in the MTSS process.

The IAT uses the Multi-Tiered System of Supports (MTSS) model to identify and measure the success of the interventions and plans. Based upon the American Institutes for Research's Multi-Tiered System of Supports essential components, Our School will utilize this multi-level prevention system to maximize student achievement and reduce behavior problems. The four essential components of an MTSS framework include screening, progress monitoring, multi-level or multi-tier prevention system, and data-based decision making.

The teachers and IAT will screen students, review data, complete classroom observations, and give teacher/parent/student surveys, in order to make via the School Referral Form. The Referral Form has teachers indicate any concerns they may have academically or behaviorally, outline student successes, and share data that led them to refer the student. This form is submitted to the Principal and is placed in the IAT binder. A meeting will be scheduled for the IAT to review observations and data.

The IAT will utilize specific, research-based interventions implemented in the classroom and/or building, set goals and timelines for the intervention, and a schedule a follow up meeting date. These intervention plans are developed by all instructional staff involved including parents, Intervention Specialists, Teachers, Administrators, Title I staff and other support staff. These interventions will be monitored and evaluated for effectiveness during an agreed upon time frame with an agreed upon frequency, which will depend on the individual student and the interventions being made. During this time period, the IAT will implement and progress monitor the chosen interventions.

During the follow up meeting, the IAT will review data and determine the effectiveness of the intervention. Interventions, Observations, Progress Monitoring and Evaluation are recorded and documented by all instructional staff involved, including parents when appropriate. If the interventions are successful and lead to expected outcomes and goals, the intervention will continue until the student is able to perform proficiency. For interventions that are determined to be ineffective for "at risk" students, intervention strategies and intensity increases through a succession of three trials if necessary, or until the IAT moves to the next tier, where the process will be repeated. If in the end of the successive interventions of the MTSS process, progress is not made and effectiveness has not been determined, a student may be referred for evaluation for Special Education.

There are three levels of interventions, inclusive of timelines and intensities, as outlined below:

Three-Tier Model of the Multi-Tiered System of Supports Model

Tier 1

Most Important Level

Includes All Students

Scientifically-Based Curriculum with High Quality Instruction

Differentiated Instruction

Universal Behavior Management System

Universal Screenings: Formative and summative assessments

Tier 2

Small group instruction

Differentiated and/or leveled grouped instruction inside or outside of the classroom

Target a specific skill to improve

Small group size

Frequency: 2 to 3 times per week

Duration: At least 6 weeks

Monitor progress at least weekly

Parents may be invited and will be notified via a phone call or letter

Developed programs

Title I Reading, Title I Math

Tier 3

Intensive, Smaller group instruction

Differentiated and/or leveled grouped instruction inside or outside of the classroom

Target a specific skill to improve

Smaller group size: no more than 3

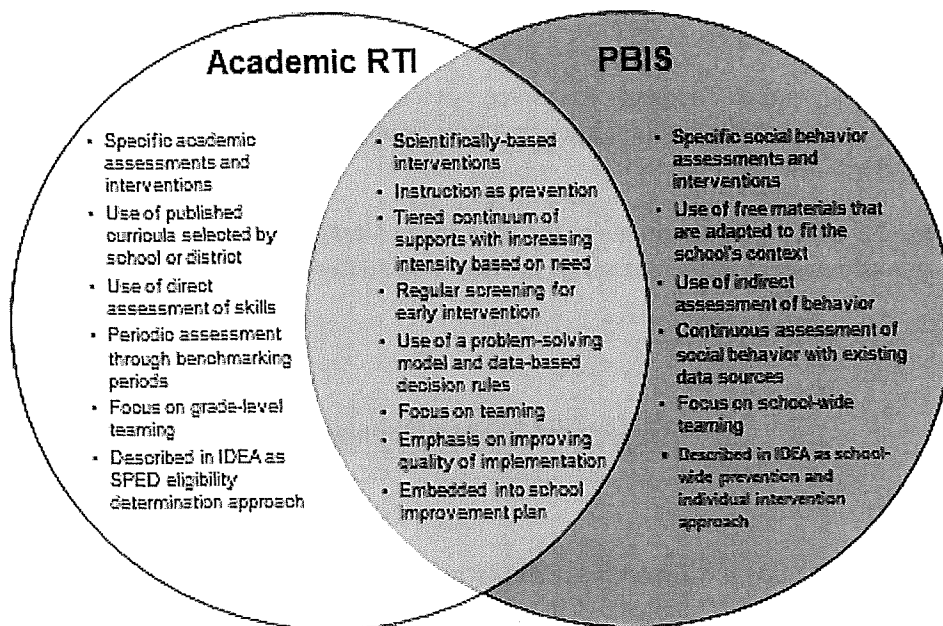
Frequency: 4 to 5 times per week

Duration: At least 8 weeks

Monitor progress at least two times per week

Parents will be invited and should be involved

Features of MTSS (McIntosh & Goodman, in press)



Students in grades K-3 found “Not on Track” on any diagnostic assessment (KRA, TGRG) will be placed on a RIMP within 60 days. The School notifies and involves the student’s parent or guardian and the classroom teaching in the development of the plan. The plan includes:

- Identification of the student’s specific reading deficiency,
- A description of proposed supplemental instruction services that will target the student’s identified reading deficiencies, as appropriate for grade level (phonemic awareness, phonics, comprehension, fluency, vocabulary),
- Opportunities for the student’s instructional services in reading deficiency area,
- A small-group reading curriculum during regular school hours that assists students to read at grade level and provides for reliable tests and ongoing analysis of each student’s reading progress, and
- A statement that unless the student attains the appropriate level of reading competency by the end of grade 3 (TGRG), the student will be retained, unless otherwise exempt.

The School utilizes the Home Language Survey developed by the Department of Education to identify students whose Primary or Home Language is Other Than English (PHLOTE) according to ODE guidelines. Once students have met the PHLOTE criteria (failed to PHLOTE) the school contracts with its provider to evaluate the student’s level of English Proficiency and to develop an appropriate service plan, which can occur both in a general education setting and/or other settings. These interventions may include the participation of an LEP/EL teacher and/or contracted services for initial native language instruction, and a phasing-in of English instruction. Intervention resources may include research-based language instructional programs, assistive technology, audio resources, and online language instruction. Providers of LEP/EL services and general education teachers regularly communicate to assure any necessary accommodations in instruction and/or testing are provided.

Students identified as LEP students must participate in the Ohio English Language Proficiency Assessment (OELPA) to determine their level of English proficiency. Parents are informed of the student’s LEP/EL status and program first through a parent notification letter in either English or the

parent's native language detailing the results of to OELPA, explaining the need for LEP/EL services, program participation and exit requirements, providing the parent with program options. Parents are informed regularly of the student's progress, their OELPA results, and are informed when the student has met criteria for exiting the LEP/EL program.

Our School is able to serve gifted students well since the school's model enables self-pacing and hundreds more digital electives than most schools. Strong and gifted students can move faster and be more challenged than in most schools.

The School complies with all requirements of the McKinney-Vento Homeless Assistance Act, including the provision of transportation when necessary, having an appointed liaison, and removing all barriers to enrollment.

Anticipated Student Population

Northside Preparatory Academy will enroll students who reside in any other district adjacent to the district in which the school is located (Cincinnati City) in Hamilton County. Northside Preparatory Academy (NPA) will be located in Cincinnati City School District in Hamilton County. There is a very diverse population in this area of Cincinnati. Cincinnati City Schools has a Performance Index of 72.6 (2018-19) and D Component Grades for the District, Achievement and F in Progress and Graduation. Cincinnati City School District serves over 35,977 students. Cincinnati City School District is 62.4% African American, 23.1% White, 1.5% Asian and 6.7% Hispanic. 80.8% of the students are considered economically disadvantaged, 19.7% are students with disabilities, and 6.3% are limited English proficient.

The Board of Directors expects to serve a diverse student body that is reflective of the surrounding communities' underperforming schools. We will be targeting and anticipate that a significant portion of our students will be low-income and come from traditionally underserved communities. We have chosen to permit the enrollment of students who reside in any other district in the state. These are students who have traditionally been overlooked by traditional schools, even in schools that would be considered very successful. A personalized learning model was chosen to meet the individual needs of each student, with a specific objective to realize significant academic gains each school year.

Appendix C, continued

- Learning Opportunities

1. [Note: Also include: Detailed description of preschool operation, if the School operates a preschool program that is licensed by the Ohio Department of Education under R.C. 3301.52 to 3301.59,
2. Blended Learning Plan, if applicable
 - a. An indication of what blended learning model or models will be used
 - b. A description of how student instructional needs will be determined and documented
 - c. The method to be used for determining competency, granting credit, and promoting students to a higher grade level
 - d. The school's attendance requirements, including how the school document participation in learning opportunities
 - e. A statement describing how student progress will be monitored
 - f. A statement describing how private student data will be protected
 - g. A description of the professional development activities that will be offered to teachers
3. Description of classroom-based and non-classroom-based learning opportunities and explanation of how the learning opportunity ties into curriculum and mission
 - a. Classroom-based
 - i. Description
 - ii. Format(s)
 - b. Non-classroom-based, including (if applicable):
 - i. Credit Flex or College Credit Plus
 - ii. Field Trips with academic enhancement component
 - iii. Tutoring
 - iv. Post-secondary enrollment
 - v. Career
 - vi. Learning on contingency days or while a student is suspended/expelled
 - vii. Internet or independent study
 - viii. Other]

Appendix C, continued, if applicable

If not applicable mark here NA

INTERNET- OR COMPUTER-BASED COMMUNITY SCHOOLS ONLY

1. The School must provide a filtering device or filtering software to protect against internet access to materials that are obscene or harmful to juveniles on the computers provided to students for instructional use, or the filter or software at no cost to a child who utilizes a computer that was not provided by the School;
2. The School must create a plan outlining meetings between teachers and students, which plan shall indicate the number of times teachers will visit each student throughout the school year and the manner in which those visits will be conducted.
3. The School must set up a central base of operation with a sponsor-provided representative within fifty miles of said base to provide monitoring and assistance.
4. The School must create a plan for providing special education and related services to disabled students enrolled in the School, which must be submitted prior to the School's receipt of its first payment from the state and on or before September 1 of each year thereafter.
5. The School must retain an affiliation with at least one full-time teacher of record licensed in accordance with R.C. 3314.03(A)(10).
6. Each student enrolled in the School must be assigned to at least one teacher of record who is primarily responsible for no more than 125 students.
7. The School must comply with the standards developed by the international association for K-12 online learning.
8. The School must communicate with each student's parent, guardian, or custodian on a periodic basis throughout the school year about the performance and progress of that student. The School must also provide opportunities for parent-teacher conferences and documents the School's requests for such conferences. The School may permit the students to participate and may conduct the conferences electronically.
9. The School must offer a student orientation course and notify each student who enrolls of that student's opportunity to participate in the student orientation course.
10. Each student enrolled in the School is entitled to a computer provided by the school. The School must provide written notice of the one-computer-per-student provision to all parents of enrolled students and all parents who are interested in enrolling a child. The School may not provide a stipend or any other substitute in lieu of supplying an actual computer, provided, however, that a parent may waive the one-computer-per-student requirement and may amend or rescind that waiver at any time. Parents and the School must keep copies of waivers and the School must notify the State and copy the Sponsor concerning any waivers, amendments, or rescissions.
11. The School may provide its students with a location within 50 miles of the student's resident at which the student may receive counseling, instructional coaching, and testing assistance. The School may not otherwise enter into a contract with a nonpublic school to

use or rent any facility space at the nonpublic school for the provision of instructional services to enrolled students.

12. The School must provide its students with a location within 50 miles of the student's residence to complete statewide achievement tests and diagnostic assessments.
13. The School must withdraw students who fail to participate in spring administration of state tests for two consecutive school years (unless excused pursuant to statute). The School must report any such student's data verification code to the department of education, and the School will not receive funds for any enrolled student whose data verification code appears on the department of education list. Notwithstanding any provision of Ohio law to the contrary, the parent of any such student must pay tuition.
14. Students enrolled in the School are prohibited from engaging in more than 10 hours of learning opportunities within a 24 hour period. Any time exceeding the 10 hour maximum will not count toward satisfying the annual minimum number of required hours. If the School's participation is based on days rather than hours, participation must amount to at least five hours per day.
15. The School must keep an accurate record of each individual student's participation in learning opportunities each day, and the records must be easily submitted to the department of education.
16. The School shall not enroll more students than the number permitted under the enrollment limit provided in R.C. 3314.20.
17. This Appendix C is statutory and the School shall comply with these provisions as now in effect, or, as the law may hereafter amend.

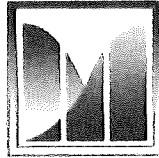
Appendix C, continued.

- Blended Learning Requirements

If not applicable mark N/A here N/A.

Appendix D

- The internal financial controls and the governing authority policies regarding internal financial controls, including the FTE True-Up Policy;
- Policy regarding overpayment to vendors and employees; and
- Current five-year forecast and the funding calculations and requirements under 3314.08 of the Ohio Revised Code.



Massa
Financial Solutions, LLC

Financial Policies and Controls Manual

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Fiscal Management Overview

Massa Financial Solutions (MFS) strives to reflect sound economic 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 assets. 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, and Departments of Education. The accounting system is maintained on a remote server in Cleveland, Ohio 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 a secure cloud environment called BOX.com 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. 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.

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 or have 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 account for Payroll expenses and Operating Expense separately. 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 reconcile the bank account activity and 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. It is recommended that all checks have two signers. Positions authorized for this access could be:

- CEO/ School Leader
- Board President
- Fiscal Officer



Investments

General

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

All investments of the School shall be as permitted under current Ohio law.



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 formula)
- National School Lunch and Breakfast Reimbursement
- Title I, IIA, and IDEA Funds, as applicable

Receipts of direct deposits from these sources are recorded as revenue according to their source in the month they are received. However, monies received under the grant programs are credited against an established receivable in the SAGE 50 accounting system in the month they are received. The School's policy is to recognize revenue under the grant programs at the time eligible expenditures are incurred (done monthly) and to establish a receivable for the grant cash that is to be drawn down to cover those expenditures.

Miscellaneous Cash Receipts

General

From time to time, Schools may receive cash 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.

Cash Journal

Once money has been received on-site, the School Leader or their designee shall be responsible for logging the amount in the Cash Journal. Each entry should be specific as to the date, the amount, the nature of the receipt, as well as, the initials of the individual making the entry. On a weekly basis, this log should be sent via email to the School Fiscal Officer for review.

Deposits

On a regular and no less than bi-weekly basis (dependent on the amount on hand), the School Fiscal Officer will make arrangements with the School to pick up the monies and deposit it in the School's bank account. All monies shall be recounted at the time of pickup. In order to evidence that this transaction has occurred, the Fiscal Officer will sign and date the cash journal.

Prior to deposit, all cash should be bundled and any checks/ money orders endorsed "For Deposit Only". Once the monies have been deposited, 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

AR – Federal Funds Expended

As described in the Revenue policy, the School will establish a receivable for the amount of Federal monies expended under the Federal programs in any given month. Once the cash request is generated, and the funds are deposited, the receivable will be credited.

AR - Other

To the extent required, the 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 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 90 days, a determination will be made (based on the specific circumstances that may exist) as to what action will be taken on the invoice.



Requisition Policy

General

The School Fiscal Officer is responsible for assuring that all purchases are appropriate and necessary. Therefore, the following policy will be utilized by all staff of the 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 or Business Manager, 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.

Requisition Policy - Page Two

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 be stated as:

School Name

Attn:

School Address

City, State, Zip

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 submitted to the Accounts Payable contact at MFS to be matched with the invoice and Purchase Order (or approved requisition) prior to any payment being made. The Accounts Payable process is addressed in a separate policy.

Enforcement

Please note that adherence to the Requisition Policy as described above is of significant importance. Requisitions made outside of this process will not be recognized as liabilities of the School, but of the individual initiating such an 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.



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 subagreements. 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.

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.

Procurement Policy for Federal Grants – Page Three

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

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:

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- 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.

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.

Procurement Policy for Federal Grants – Page Six

- (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.

Procurement Policy for Federal Grants – Page Seven

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 grants.

Procurement Policy for Federal Grants – Page Eight

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

- (a) Basis for contractor selection,
- (b) Justification for lack of competition when competitive bids or offers are not obtained, and
- (c) 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:

Procurement Policy for Federal Grants – Page Nine

(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.

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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.



Accounts Payable and Cash Disbursements

All vendor invoices are received by School personnel and forwarded to the Fiscal Officer. Once an invoice is received it is reviewed for reasonableness or obvious errors. (Invoices are verified by checking extensions, footing, discounts and freight terms.) If a purchase order was issued for the particular good or service invoiced for, it is closed and then matched to the invoice. Once the documents are matched, the Fiscal Officer will assign the specific expense account that should be charged based on the type of cost incurred.

On a daily basis, invoices that are ready to be paid are then entered into the School's SAGE 50 accounting system and then posted to the general ledger. An Accounts Payable Aging report is then generated by the system weekly and reviewed by the Fiscal Officer. Based on available cash balances, checks are then prepared for selected invoices, signed, and sent to vendors on at least a weekly basis. If special circumstances warrant and the Fiscal Officer approves, checks may be cut outside of the normal check run.

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 \$1,500. 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. 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 here require specific approval from the School Fiscal Officer (i.e., transfers, cashier's check, withdrawals) and without such approval are unauthorized.



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 through 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 credit limit will be limited to the approved amount for the purchase(s) being made.

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.

1. Plan expenditures in advance and obtain appropriate approvals in accordance with School purchasing and requisition policies.
2. 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.
3. Ensure all receipts are itemized.
4. 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

The PEX card may not be used for personal use, items not covered by the categories listed above, or for non-School use.

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

Credit card statements, along with receipts for all items to be paid 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 general ledger 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 or designated official is responsible for the monitoring the hiring or employees, authorizing salaries, initiating employment contracts and maintaining the staffing levels approved in the annual budget.

MFS strongly encourages each of its clients to use Automatic Data Processing (ADP), a national payroll provider, to execute its semi-monthly payroll. This 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 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. Absentee reports are submitted on Friday of each pay period. 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 the School and MFS.

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 Fiscal Officer for review. If no changes are necessary, the Fiscal Officer then authorizes the School to submit the payroll for processing and payment. At the same time, the Fiscal Officer transfers the funds necessary to cover payroll from the Operating account to the Payroll account.

Payroll accounts are reconciled by the Fiscal Officer on a monthly basis.



Capital Assets, Federally Funded Equipment, and Inventory

The School will follow a policy of capitalizing individual assets costing greater than \$5,000 or other thresholds as approved by the Board of Directors.

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 expenses related to the maintaining of these assets will be calculated using the 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. Depreciation shall be adjusted in the system on at least a quarterly basis.

At least annually, a physical inventory of the School will be performed by School personnel and reviewed by the Fiscal Officer.

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.

For Federally funded assets, items of equipment with a current per unit fair market value of \$5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency.

Items greater than \$5,000 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 \$5,000 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 \$500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.

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 \$5,000 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.



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 U.S. GSA (General Services Administration) guidelines with respect to per diem and mileage rates. Guidelines for reimbursement of business related expenses for School employees are covered more substantially in a separate “Business Expense Reimbursement Policy”.

Reimbursement requests must be submitted on a standard form (provided by Fiscal Officer) 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.

Expenditures for any items not specifically covered by the “Business Expense Reimbursement Policy” are strictly prohibited and are not reimbursable to the employee, unless pre-approved by the School Leader.



Budgeting

The Board of Directors will annually adopt an operating budget for the upcoming School year. The Operating Budget is prepared under the direction of the Board, its designees, and 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 personnel.

Increases, decreases, or other adjustments to the final operating budget that become necessary throughout the year 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 AND upon close of each fiscal year, the Fiscal Officer shall present to the Board a Statement that compares YTD actual results to the YTD budget.



Grant Programs

All applications for supplemental grant funding through State and/or Federal sources (such as Title I, Title IIA, and IDEA funds) require approval of the Board.

Upon receipt of an award notice, a budget document is prepared and then submitted to the Fiscal Officer for review and processing. 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 review and approval.

Final approved budgets are returned to the Fiscal Officer and are made part of the School's operating budget. The Fiscal Officer is then responsible for monitoring grant award budgets. The School official or program coordinator acts a control agent and is responsible for monitoring any specific compliance issues related to the grant.

Project Cash Requests

Project cash requests related to approved grant programs will be completed and submitted once a month. For the most part, requests for program cash will be supported by expenditures 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 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).



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 a final review by the Owner/ Partner, MFS will produce a standard set of financial statements that will consist of no less than the following components:

- Statement of Net Assets (Balance Sheet)
- Statement of Revenues, Expenses, and Changes in Net Assets (Income Statement)
- Statement of YTD Budget versus YTD Actual
- YTD Check Register
- Bank Reconciliation for all accounts
- Accounts Payable Aging

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 their required schedule.



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 ODE 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 ODE Settlement Reports and the posting of Final FTE Adjustment Listings on the ODE 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 ODE 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 Board of Directors 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. 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.

Northside Preparatory Academy
 Statement of Receipt, Disbursements, and Changes in Fund Cash Balances
 For the Fiscal Years Ended 2020 through 2022, Actual and
 the Fiscal Years Ending 2023 through 2027, Forecasted

	Actual				Forecasted			
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Staffing/Enrollment								
Total Student FTE	-	310	249	255	279	304	328	353
Instructional Staff	-	19	15	20	23	22	23	24
Administrative Staff	-	2	3	3	3	3	3	3
Purchased Services								
Rent	-	287,903	300,000	300,000	304,500	309,068	313,704	318,409
Utilities	-	71,538	101,753	107,859	111,094	114,427	117,860	121,396
Other Facility Costs	-	228,961	185,336	145,705	148,836	152,001	156,561	161,258
Insurance	-	12,666	12,068	12,792	13,176	13,571	13,978	14,398
Management Fee	-	581,550	607,471	751,425	666,020	535,107	589,383	658,048
Sponsor Fee	-	69,401	69,488	66,597	71,429	76,641	88,283	100,337
Audit Fees	-	20,256	47,643	50,502	52,017	53,577	55,185	56,840
Legal	-	52,750	36,000	38,160	39,305	40,484	41,668	42,949
Marketing	-	54,711	45,796	48,543	50,000	51,500	53,045	54,636
Consulting	-	246,100	214,279	481,075	370,609	114,380	120,564	126,720
Special Education Services	-	100,942	112,349	159,089	122,662	126,342	130,132	134,036
Technology Services	-	44,830	53,779	57,005	58,716	60,477	62,291	64,160
Food Services	-	107,632	92,423	106,210	119,130	135,470	149,578	167,580
Other	-	376	-	-	-	-	-	-
Total	-	1,879,614	1,878,383	2,324,962	2,127,493	1,785,044	1,892,261	2,020,767
Financial Metrics								
Debt Service Payments	-	14,734	-	-	-	-	-	-
Debt Service Coverage	-	25.87	80.3%	102.3%	109.6%	108.8%	108.1%	107.5%
Growth in Enrollment	0.0%	0.0%	133.2%	85.9%	0.0%	0.0%	0.0%	0.0%
Growth in New Capital Outlay	0.0%	0.0%	102.2%	100.5%	89.9%	109.5%	111.4%	112.7%
Growth in Operating Receipts	0.0%	0.0%	122.8%	165.6%	89.3%	33.1%	102.4%	104.0%
Growth in Non-Operating Receipts/Expenses	0.0%	0.0%	43.01	115.70	192.34	252.65	237.84	235.01
Days of Cash	0.00	0.00	43.01	115.70	192.34	252.65	237.84	235.01
Total Expenditures / FTE	\$0	\$10,866	\$12,491	\$15,171	\$13,610	\$11,258	\$11,089	\$11,019

FY2023 - FY2027 Budget Assumptions:
 In January 2022, the ODE implemented increased state support as passed by legislation Ohio House Bill 110. Increased funding is expected at some point over a six year period. FY2022-FY2027, with each community school generating a different base cost amount. It is assumed that increased per pupil funding, as a percent, will be realized as follows: FY2022 (73.8%), FY2023 (-1%), FY2024 (-10.5%), FY2025 (2.9%), FY2026 (13.3%) and FY2027 (21.5%). Funded FTEs will grow to 279, 304, 328, and 353 in FY2024 - FY2027. It is assumed that for every additional 25 students enrolled each year, one teacher will be added to the staff at a starting annual salary of \$42,500. Federal grants are inclusive of ESSER Funding starting in FY2021 and are able to be utilized through FY2024. Related expenses will also correspond in that time frame, then decline with the end of ESSER funding. Rent is assumed to be \$300K per the terms of the lease agreement. Management fees for Accel Schools are included in this forecast at 17% of revenue per the terms of the management agreement. Sponsor Fees projected for FY2023 as a percent of state revenue at 3%. Food expense is expected to increase in relation to enrollment growth plus 10% for inflation. Interest and fiscal expenses are not limited to debt; total includes loan interest, bank and credit card fees as well as other fiscal charges. A majority of operating expenses are assumed to grow 6% year over year in FY2023, and 3% hereafter.

Fiscal Year FY2023 - FY2027 Projected Debt					
Description	Beginning Year Balance	Principal Retirement	Interest Expense	Ending Year Balance	Debtor Creditor
Loan A					
Loan B					
Loan C					
Total	\$ -	\$ -	\$ -	\$ -	

Appendix E

- Dismissal of employees upon closure procedures; and
- Summary of employee benefits.

Attachment 8.3

Process for Disposition of Employees if Contract is Terminated

In the unlikely scenario that the contract is terminated or non-renewed, the following process will guide the dismissal procedures for staff and the plan for the disposition of employees:

The Executive Team will:

- Ensure there is a clear and written timeline for the school closing;
- Ensure all STRS and SERS contributions are current;
- Clarify COBRA benefits and notify staff of the date when medical benefits will end;
- Remind the faculty of their obligation to teach up to the date of closing or as otherwise agreed upon; and
- Ensure that each faculty's LPDC information is current and available to the teachers and provide sponsor contact person information to all staff.

As soon as the last day of school is completed, Accel Schools Ohio will provide displaced staff with a list of openings across the organization, allowing them to transfer to those positions maintaining seniority and benefits.

ACCEL

SCHOOLS

	10-Month Staff: Annual PTO Eligibility		
Completed School Years Worked*	Date of Hire		
	July 1, 2022 – September 30, 2022	October 1, 2022 – November 18, 2022	On or After November 19, 2022
Date of Hire through End of 2nd Year	10	7	4
Start of 3rd Year through End of 6th Year	12		
Start of 7th Year and Continuing Thereafter	15		
Maximum School Year Accrual	Annual Benefit + 5 days		

* Schools Years Worked is defined as uninterrupted employment in consecutive school years. Additional time off on non-instructional days is identified in each School's calendar.

	12-Month Administrative and Operational Staff: Annual PTO Eligibility		
Completed School Years Worked*	Date of Hire		
	July 1, 2022 – September 30, 2022	October 1, 2022 – November 18, 2022	On or After November 19, 2022
Date of Hire through End of 2nd Year	15	10	5
Start of 3rd Year through End of 6th Year	18		
Start of 7th Year and Continuing Thereafter	20		
Maximum School Year Accrual	Annual Benefit + 5 days		

* Schools Years Worked is defined as uninterrupted employment in consecutive school years.

On non-instructional days that are not designated as Company holidays, 12-month employees are to utilize PTO if time off is required.

Prior to the start of the employment term, all full-time employees may elect to carryover or receive payment for a limited number of unused PTO days. Employees must work until the end of the School Year and remain in good standing throughout the School Year as defined by the school in order to receive payment or carry over unused PTO days.

ACCEL

SCHOOLS

	Maximum Unused PTO Carryover	Maximum Unused PTO Payout
10-month salaried	5 days	3 days @ \$165/day
10-month hourly		3 days, calculated based on regular daily rate
12-month salaried		
12-month hourly		

Unused PTO days will not be paid out upon resignation or termination during the School Year.

Employees must submit a PTO Approval Form to their Supervisor and obtain their Supervisor's written approval before a PTO day is used. Where possible, employees are expected to provide at least 5 business days' advance notice to their Supervisor.

No more than 2 days of PTO may be used in the first 3 months of employment.

The use of PTO days will not be approved during the following: the first four weeks or last two weeks of the School Year; the day before or day after a holiday break; during state and/or district level testing; during in-services/professional development days; or on any other "blackout" date designated by the school. Except in extraordinary circumstances, Instructional Staff may use no more than 2 PTO days in any given calendar month.

Medical Benefits

Full-time employees (those who work 30 or more hours per week) are eligible for medical benefits. You will have 4 different plans to choose from that cover a wide range of deductibles and co-insurance levels. Our goal is to provide you maximum choice in finding a plan that meets you and your family's needs. Three of the plans are PPO plans with set co-pays for certain medical services, and one of the plans is a High Deductible Plan with set co-insurance levels after deductibles have been met. All plans offer both in-network and out-of-network coverage.

Benefits run on a school-year schedule. The rates below are for the plans provided by Anthem BCBS August 2022 – July 2023:

Accel Schools Plans: Employee Costs (monthly)	Employee Only (EE)	Employee+Spouse (ES)	Employee+Child(ren) (EC)	Employee + Family
Anthem BCBS PPO 750-80	\$203.88	\$745.05	\$564.25	\$1,266.12
Anthem BCBS PPO 1500-80	\$150.64	\$634.31	\$464.16	\$1,102.68
Anthem BCBS PPO 3000-70	\$84.24	\$496.20	\$339.33	\$898.83
Anthem BCBS HDHP 3500-80	\$14.23	\$350.58	\$207.72	\$683.91

Employees who begin employment before August 1, 2022, will need to complete a separate open enrollment for the period from date of hire through July 31, 2022.



Dental and Vision Benefits

Full-time employees (those who work 30 or more hours per week) are eligible for dental and vision benefits. Coverage is available both in-network and out-of-network.

Benefits run on a school-year schedule. The rates below are for August 2022 – July 2023:

ACCEL Schools Plans: Employee Costs (monthly)	Employee Only (EE)	Employee+Spouse (ES)	Employee+Child(ren) (EC)	Employee + Family
Anthem Dental	\$8.93	\$33.02	\$34.80	\$67.82
NVA Vision	\$1.08	\$3.99	\$4.20	\$8.19

Flexible Spending

All benefits-eligible employees may enroll in flexible spending as a tax-advantaged way to pay for health expenses.

Employees enrolled in a High Deductible Health Plan (HDHP) have access to a Health Savings Account (HSA) with up to \$500 per year contributed by the Company.

All other benefits-eligible employees (including those not enrolling in a Company-sponsored health plan) have access to a Flexible Spending Account (FSA) for healthcare expenses, including medical, and a Limited Purpose Flexible Spending Account (LPFSA) for preventive care, vision and dental expenses expense.

Benefits-eligible employees may enroll in a Dependent Care Flexible Spending Account that covers IRS-designated care costs for children under age 13 or a spouse or relative living in your home who is physically or mentally incapable of self-care.

Ancillary Insurance Benefits

Full-time employees (those who work 30 or more hours per week) Short-Term Disability, Long-Term Disability, Basic Life, and Accidental Death & Dismemberment (AD&D) insurances. Benefits-eligible employees may purchase additional life and AD&D coverage as well as Accident Insurance, Critical Illness Insurance, and Whole Life Insurance.

Retirement Benefits – For Ohio Employees

Employees participate in the Ohio State Teachers Retirement System (STRS) or Ohio School Employees Retirement System (SERS) depending on the position they hold. Effective July 1, 2016, STRS employee contribution rates are 14%, and SERS employee contribution rates are 10%. Accel Schools contributes 14% of eligible wages.

Retirement Benefits – For Employees Outside of Ohio

Eligible employees may actively enroll in the 401(k) Plan beginning the first of the month after completing 45 days of employment. Employees who do not actively elect to participate will auto-enroll at a 4% pre-tax contribution rate the following the month (the first of the second month following 45



days of employment). Once auto-enrollment takes effect, an employee can opt out retroactively within 90 days of the auto-enroll date. Employees may opt out of future contributions at any point in time.

Employee contribution maximums are determined by the Internal Revenue Service (IRS).

For every dollar an employee puts into the retirement plan - up to 4% of gross salary - the Company will match one dollar. The Company retains the sole discretion to revise these terms for all employees, and the size of the contribution is limited by federal law.

New employees will receive plan information mailed to their home address by 401(k) plan administrator Voya.

To complete a new enrollment, eligible employees may contact Voya after *at least 3 weeks of employment*

online: VoyaRetirementPlans.com/EnrollmentCenter and use Plan Number 819170 and Verification Number 81917099

by phone (888) 311-9487, M-F 8 am - 9 pm eastern

All other questions may be directed to Voya at (800) 584-6001.

Appendix F

- Operator contract, if applicable

Note: Under R.C. 3314.032(A), an operator contract entered into on or after February 1, 2016 must include the following:

1. Criteria to be used for early termination of the operator contract;
2. Required notification procedures and timeline for early termination or non-renewal of the operator contract; and
3. A stipulation of which entity owns all community school facilities and property including, but not limited to, equipment, furniture, fixtures, instructional materials and supplies, computers, printers, and other digital devices purchased by the Governing Authority or operator. Any stipulation regarding property ownership must comply with the requirements of R.C. 3314.0210.

MANAGEMENT AGREEMENT

This Management Agreement (the “*Agreement*”) is entered into as of the 4 day of May, 2020 (“*Effective Date*”) by and between Accel Schools Columbus FB LLC, a Delaware limited liability company (“*Manager*”), and Dublin Preparatory Academy d/b/a Northside Preparatory Academy (the “*School*”), a non-profit Ohio corporation and public community school.

RECITALS

Whereas, the School is organized as an Ohio nonprofit corporation under Chapter 1702 of the Ohio Revised Code (as such provision may be amended from time to time) and the School has entered into a School Sponsorship Agreement (the “*Sponsorship Agreement*”) with Richland Academy of the Arts (the “*Sponsor*”) pursuant to which the School is authorized to operate a public community school under Chapter 3314 of the Ohio Revised Code. The Ohio Revised Code and amendments thereto are hereinafter referred to as the “*Code*”;

Whereas, the Manager was established, among other reasons, 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 School; and

Whereas, the School and the Manager (individually, a “*Party*” and collectively, the “*Parties*”) desire to create an enduring educational relationship whereby they will pursue and provide educational excellence at the School based on an agreed upon school design, comprehensive educational program and management principles.

NOW THEREFORE, in consideration of their mutual promises and covenants, and intending to be legally bound hereby the Parties agree to the following terms:

ARTICLE I. EDUCATIONAL SERVICES AND ADMINISTRATIVE SERVICES

1.1 Educational Services.

- (a) During the Term (as defined in ARTICLE II below), Manager will provide to the School the following educational services (the “*Educational Services*”):
 - (i) Curriculum. Implementation of the educational goals and programs set forth in the Sponsorship Agreement (the “*Educational Program*”). In the event Manager determines it is necessary to modify the Educational Program, Manager shall inform the School of the proposed changes and obtain School approval, and if required under the Sponsorship Agreement, approval of the Sponsor.
 - (ii) Instruction. Oversight and coordination of the services to be provided by instructional personnel, including the Head of School (“*HOS*”) and the rest of the School's leadership team and its teachers and support staff, all in accordance with ARTICLE VI below.
 - (iii) Instructional Tools. Selection of instructional tools, equipment and supplies, including textbooks, computers, curriculum, software and multi-media teaching tools.

- (iv) Extra-Curricular and Co-Curricular Programs. Oversight of appropriate extra-curricular and co-curricular activities and programs (but not Supplemental Programs as defined in ARTICLE V below).
 - (b) Additional Educational Services. Any other services required by the Sponsor and/or the state of Ohio (the “*State*”) Department of Education (the “*ODE*”) and such other services as are necessary or expedient for the provision of teaching and learning at the School as agreed to from time to time between Manager and the School. 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 School as adopted by the School and as provided for in the Sponsorship Agreement, as the same may be amended.
 - (c) Manager will be responsible and accountable to the School for the provision of the Educational Services, provided, however, that such obligations, duties and responsibilities are limited by the School Budget established pursuant to Section 1.2(a)(vi) below, and Manager will not be required to expend funds on such services in excess of the amounts set forth in such School Budget.
- 1.2 Administrative Services.
- (a) During the Term, Manager will provide to the School 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 VI below.
 - (ii) Business Administration. Administration of all business operations of the School subject to the direction of the School.
 - (iii) Payroll. Management of the School's payroll. Manager will be responsible for all data input.
 - (iv) Transportation and Food Services. Coordination with entities with which the School contracts for the provision of transportation and food services for the students enrolled at the School, management and assessment of the services provided under such contracts, and supervision of employees involved with providing such services, all as required by the School.
 - (v) Public Relations. Coordination and assistance with any and all advertising, media and public relations efforts, including community outreach programs. All public relations will be subject to the mutual approval of both Parties, which approval may not be unreasonably withheld.
 - (vi) Budgeting and Financial Reporting.
 - (A) A proposed annual budget will be prepared by Manager (in cooperation with the School's fiscal officer) in a mutually agreeable format by June 1st of the immediately preceding fiscal year and will be subject to the approval of the School which shall not to be unreasonably withheld or delayed and in all cases shall be provided no later than June 30 of the immediately preceding fiscal year. The approved budget is the “*Budget*”. There shall be no changes to the Budget except to the extent the Parties agree in writing. The fiscal officer shall be responsible for preparing other financial statements as required by and in compliance with the Sponsorship Agreement, the Code and other applicable

laws and regulations, including such documentation as may be required by the independent certified public accountants retained by the School to perform annual audits of the School's financial statements. The cost for preparation of the financial statements will be the responsibility of the School. The School shall select, with input from Manager upon request, a third party to serve as the designated fiscal officer and may proceed with hiring same. The cost of the audit will be the responsibility of the School, and will be provided for in the Budget.

- (B) The Manager will provide the School with monthly financial forecast and analysis reports (Forecasted P&L / Cash Balances) and all other support as needed. The Manager will provide the following accounting information and services: accounts payable coding; payroll journal entries; expense accrual journal entries; support for grant writing / reporting / draw down; assist the fiscal officer with the preparation of monthly financial reporting to the School's board of directors (the "**Board**"); and support for all State reporting requirements. The Manager will prepare a five-year financial plan in conjunction with the fiscal officer.
- (C) On behalf of the School, the fiscal officer is responsible for preparation of (i) such other reports on the finances and operation of the School as requested or required by the ODE, the School or the Sponsor to ensure compliance with the terms of the Sponsorship Agreement; (ii) monthly unaudited financial statements; and (iii) year-end unaudited financial statements which will be provided within forty-five (45) days after the end of the fiscal year.
- (D) The Manager will provide other information on a periodic basis or as requested with reasonable notice as may be reasonably necessary to enable the School to monitor Manager's performance under this and related agreements including the effectiveness and efficiency of its operations at the School.
- (E) On behalf of the School, the fiscal officer will maintain accurate financial records pertaining to its operation of the School, together with all School financial records prepared by the fiscal officer, and retain all such records for a period of five (5) 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 School financial records retained by the fiscal officer pertaining to the School will be available to the School, the Sponsor, the Auditor of State, the ODE or the United States Department of Education (the "**USDOE**") and to all other appropriate regulatory authorities for inspection and copying upon reasonable request, it being understood that in most cases such copies will be made available within thirty (30) business days of request.
- (F) If School is not able to fully pay the Management Fee and all bills when due, (i) School agrees to work with Manager to take actions to reduce expenses including, but not limited to, reducing the number of staff members, and (ii) School must obtain Manager's written consent prior to incurring new liabilities greater than ten thousand dollars (\$10,000) individually or in the aggregate.

- (vii) School's Right to Audit. The School reserves the right to conduct or to appoint others to conduct examinations, at the School's expense, of the books and records maintained for the School.
- (viii) Maintenance of Student and Other Records.
 - (A) Manager will maintain accurate student records pertaining to the students enrolled at the School as is required and in the manner provided by the Sponsorship Agreement, the Code and applicable laws and regulations, together with all additional School student records prepared by or in the possession of Manager, and retain such records on behalf of the School, until this Agreement expires or is terminated, at which time such records will be delivered to the School which shall thereafter be solely responsible for the retention and maintenance of such records (it being understood that such student records are and shall be at all times the property of the School). Manager and the School will maintain the proper confidentiality of such records as required by law and the Sponsorship Agreement.
 - (B) Manager will maintain accurate employment, business and other records pertaining to the operation of the School as is required and in the manner provided by the Sponsorship Agreement, the Code and applicable laws and regulations, together with all additional School employment, business and other records prepared by or in the possession of Manager, and retain such records on behalf of the School until this Agreement expires or is terminated, at which time such records will be delivered to the School which shall thereafter be solely 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 School). Manager and the School will maintain the proper confidentiality of such records as required by law and the Sponsorship Agreement.
 - (C) The financial, educational and student records pertaining to the School are the property of the School, and such records are subject to the applicable provisions of State and federal law. Manager shall help ensure that to the extent requested by the School, all School records shall be physically or electronically available, upon request, at the School.
 - (D) Manager shall provide such other information, including a written report, as reasonably requested by the School.
- (ix) Admissions. Implementation of the School's admission policy in accordance with the Sponsorship Agreement, the Code and applicable laws and regulations.
- (x) Student Hearings. Administration and enforcement of student disciplinary and special education hearings in conformity with the requirements of the Code, the procedures established by the School, and other applicable laws and regulations (including, but not limited to, requirements involving due process and confidentiality) to the extent consistent with the School's duties and obligations under the Code and other applicable laws and regulations.
- (xi) Academic Progress Reports. Provide to the School on a periodic basis as necessary or appropriate for the School to satisfy its obligations under the Sponsorship Agreement, the Code and other applicable laws and regulations, a report detailing
 - (A) the School's students' academic performance,
 - (B) Manager's performance of the

Educational Services and Administrative Services against mutually acceptable criteria, and (C) such other reports reasonably requested by the School.

- (xii) Rules and Procedures. Recommend rules, regulations and procedures applicable to the School and its students and enforce such rules, regulations and procedures adopted by the School that are not in direct conflict with this Agreement, the Sponsorship Agreement, the Code and other applicable laws and regulations.
- (xiii) Student Recruitment. Recruitment of students subject to agreement on general recruitment and admission policies to the extent budgeted for in the Budget or as otherwise approved by the School. Students shall be selected in compliance with the procedures set forth in the Sponsorship Agreement and State and federal laws.
- (xiv) Additional Administrative Services. Any other services reasonably necessary or expedient for the effective administration of the School as agreed to from time to time by Manager and the School.
 - (A) The Administrative Services will be provided in a manner consistent with the Educational Program, the Code, the Sponsorship Agreement, and local, State and federal laws and applicable regulations and policies.
 - (B) Subject to this Agreement, the Sponsorship Agreement, the Code, and other applicable laws and regulations, Manager may modify the methods, means and manner by which such Administrative Services are provided at any time, provided that Manager supplies the School with written notice of such modifications.
 - (C) Manager will be responsible and accountable to the School for the provision of the Administrative Services, provided that such obligations, duties, and responsibilities are limited by the Budget established in Section 1.2(a)(vi) above, and Manager will not be required to expend funds on such services in excess of the amounts set forth in such Budget.

- 1.3 Place of Performance; Provision of Offices. The School will provide Manager with necessary and reasonable classroom and office space at 4750 Winton Road, Cincinnati, OH 45232 (the “*Facility*”) to perform all services described in this Agreement. Manager will provide instructional, extra-curricular and co-curricular programs at the Facility. Manager may provide other services elsewhere, unless prohibited by the Sponsorship Agreement, the Code and other applicable laws and regulations.
- 1.4 Authority. By this Agreement, the School provides Manager such authority and power as is necessary and proper for Manager 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, and any other applicable laws and regulations.

ARTICLE II. TERM

- 2.1 Term. The term of this Agreement will commence on July 1, 2020 (the “*Start Date*”) and shall continue thereafter through June 30, 2030 (the “*Initial Term*”) unless sooner terminated pursuant to ARTICLE VII or mandated by regulation or statute.

- 2.2 Renewal. Upon the conclusion of the Initial Term, and each ten (10) year period thereafter (the “*Renewal Date*”), this Agreement will automatically extend for successive additional periods of ten (10) years or consistent with the length of the new or renewal term from the Sponsor (each such period a “*Renewal Term*”), unless (a) either Party provides the other with written notice of non-renewal at least eighteen (18) months before the applicable Renewal Date; or (b) the Agreement is sooner terminated under ARTICLE VII. The Initial Term and any Renewal Terms will be referred to collectively as the “*Term*”.
- 2.3 In the event the Sponsor and/or the Sponsorship Agreement changes, this Agreement shall automatically survive and be performed in accordance with the new Sponsorship Agreement, these terms and conditions and applicable law, unless this Agreement is otherwise terminated in accordance with ARTICLE VII herein.

ARTICLE III. RELATIONSHIP OF THE PARTIES

- 3.1 Status of the Parties. Manager is not a division or any part of the School. The School is a separate and distinct corporation authorized under the Code and is not a division or a part of Manager. The relationship between the Parties was developed and entered into through arms-length negotiations and is based solely on the terms of this Agreement and those of any other agreements that may exist from time to time between the Parties. Nothing herein will be construed to create a partnership or joint venture by or between the School and Manager or to make one the agent or fiduciary of the other. Neither the School nor Manager 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 the School nor Manager has, and neither will represent that it has, the power to bind or legally obligate the other. No employee of Manager will be considered an employee of the School by either Party for any purpose whatsoever.
- 3.2 Manager Attendance at Board Meetings. Manager shall use commercially reasonable efforts to attend Board meetings in person and, if unable to attend in person, may attend them telephonically. The Board shall use reasonable efforts to schedule any regular, special or emergency Board meeting so that Manager has the opportunity to attend the same. The Board shall provide Manager with notice of any regular, special or emergency meeting of the Board when it provides members of the Board with notice of the meetings.
- 3.3 No Related Parties or Common Control. Manager will not have any role or relationship with the School that, in effect, substantially limits the School's ability to exercise its rights, including cancellation rights, under this Agreement. Any director, officer or employee of Manager shall be prohibited from serving on the Board. None of the voting power of the Board will be vested in Manager or its directors, members, managers, officers, shareholders and employees, and none of the voting power of the Board or shareholders of Manager will be vested in the School or its directors, members, managers, officers, shareholders (if any) and employees. Furthermore, the School and Manager 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) (the “*Internal Revenue Code*”), or related persons, as defined in Section 144(a)(3) of the Internal Revenue Code.

- 3.4 Other Schools. The School acknowledges that Manager will have the right to render similar services to other persons or entities including other public or private schools or institutions.
- 3.5 Exclusivity. During the Term, Manager and its Affiliates shall be the sole providers of the educational products and management services set forth herein for the School unless otherwise waived in writing by an authorized officer of Manager.

ARTICLE IV. CONSIDERATION

- 4.1 Compensation for Services.
- (a) Management Fee. The School will pay to Manager an annual fee of seventeen percent (17.0%) of the federal, State and local funds the School receives, directly or indirectly, for the particular students enrolled in the School pursuant and subject to applicable law and regulations, exclusive of Free and Reduced Lunch Revenues (the “*Management Fee*”). The Management Fee calculation shall not include charitable contributions, transportation funding, facility funding, or proceeds from fundraisers (“*Non-Qualified Gross Revenue*”), which shall be retained entirely by 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. If the School has no debt to the Manager and is able to timely pay the Management Fee, the School may, at its sole discretion, agree to pay to the Manager an incentive as a result of the School meeting the Incentive Goals identified in Appendix A attached hereto and in the Sponsorship Agreement.
- (b) Reasonable Compensation. The Management Fee under this Agreement is reasonable compensation for services rendered. Manager'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 School.
- (c) Annual Reconciliation. The Management Fee shall be subject to annual reconciliation based upon actual enrollment and actual revenue received (including the final month of the Term, even though the payment may be made beyond expiration or termination of the Term). If the School receives written notice of a review of the enrollment being completed by the State, the School shall provide Manager with a copy of the written notice upon receipt of same. If the review results in a finding that additional funding is owed to the School, the School shall make payment to Manager of seventeen percent (17.0%) of the amount received or such other amount due to Manager within five (5) business days after receiving an invoice for such amount. If the review results in a finding that the School owes money to the State, the School will work with the Manager to initiate an appeal of the State's determination in accordance with the provisions set forth in 3314.08(K) of the Code or such other applicable provision. Manager shall select legal counsel and a strategy for the appeal and pay any and all expenses and costs related to the appeal including attorneys' fees. The School shall cooperate with Manager and selected legal counsel's efforts to

appeal. Should the review result in the School owing money to the State, Manager agrees to contribute seventeen percent (17.0%) or such other amount overpaid to Manager.

- 4.2 Payment of Costs. In addition to the Management Fee described in Section 4.1 above, the School will reimburse Manager for all costs incurred and paid by Manager in providing the Educational Services and Administrative Services, provided such costs are within the limits of the Budget and items are not included in the Furniture and Equipment Lease referenced in Section 4.4 below. Such costs may include, but are not limited to, mortgage, rent and/or lease payments (including costs pursuant to any equipment lease (but not Furniture and Equipment Lease referenced in Section 4.4 below) or Facility lease that the Parties may enter into), Facility maintenance and utility costs, salaries of Manager's employees or subcontractors assigned to the staff of the School, Sponsor fee, costs related to curriculum, instructional materials, textbooks, library books, computers, software, supplies, food service, transportation, special education, psychological services and medical services. Additionally, in consideration of Accel's costs of processing payroll for all employees assigned to work at the School, Accel shall charge the School a fee of \$100.00 per month for each such employee. Except as may be provided in any equipment lease or Facility lease that is the subject of this Section 4.2, in charging for such costs to the School and paying for such costs, Manager will not charge an added fee unless such fee is approved in advance by the School.
- 4.3 New School Startup Line of Credit Loan Agreement and Promissory Note.
- (a) Prior to or simultaneously with executing this Agreement, a school enrolling students for the first time ("New School") shall enter into a startup Line of Credit Loan Agreement and Promissory Note in the form attached hereto as Exhibit A for costs associated with opening a new school or as otherwise approved by lender thereunder.
 - (b) While any amount is outstanding under the Line of Credit Loan Agreement and Promissory Note, New School may not incur expenditures outside of the Budget that are greater than \$10,000 individually or in the aggregate unless lender pre-approves the expenditure in writing.
- 4.4 Furniture and Equipment Rental. School shall enter into a Furniture and Equipment Lease with Manager to rent furniture and equipment for the School and shall pay storage and delivery charges applicable to same. Furniture and equipment purchased with grant or government funds will not be leased and ownership will remain with the School.
- 4.5 Time and Priority of Payments.
- (a) Each installment of the Management Fee will be due and payable by the School upon receipt of invoice.
 - (b) Manager will notify the School of any payments due and owing to Manager pursuant to Section 4.2 above as soon as possible after the end of each month and the School will make such payments to Manager upon receipt of invoice.
 - (c) New School shall pay amounts due under the Line of Credit Loan Agreement and Promissory Note as required by the Line of Credit Loan Agreement and Promissory Note.
 - (d) The School will satisfy its payment obligations under this ARTICLE IV to Manager in the following order of priority: (i) payments due and owing under Section 4.2 above for salaries, benefits and associated benefit processing costs of Manager employees and subcontractors assigned to the staff of the School; (ii) payments due and owing under the

Line of Credit Loan Agreement and Promissory Note referenced in Section 4.3 above; (iii) payments due and owing under Section 4.2 above for rent pursuant to Facility lease; (iv) payments due and owing under Section 4.2 above for Sponsor fee subject to the Sponsor agreement; (v) all other payments due and owing under Sections 4.2 and 4.4 above, with the oldest amounts due first; and (vi) payments due and owing pursuant to Section 4.1 above with the oldest amounts due first.

4.6 Interest Rate and Fee Carryovers.

- (a) Unless otherwise agreed by the Parties, unpaid Management Fees and loans to the School, if any, to pay expenses will accrue interest at the one-month London Interbank Offer Rate (“**LIBOR**”), plus four percent (4%) for the time overdue.
- (b) There will be no limits to what indebtedness or fees owed to Manager may be carried over from year to year unless expressly provided otherwise in this Agreement.

4.7 Limited Guarantee. When the School has fewer than 100 full-time students enrolled, Manager will guarantee payment of expenses referenced in Section 4.2 above provided, however, while the guarantee is in effect (a) the Board shall not spend any money without Manager’s prior written approval, and (b) reimbursement of such expenses shall take priority over all expenses other than teacher salary and benefits. The Parties acknowledge that under such circumstances the Board, with guidance from the Board’s legal counsel and School fiscal officer, will engage in good faith discussions with the Manager to identify areas of cost savings and take reasonable action to maintain long-term viability of the School. If the Board violates the foregoing restriction and cannot unwind the violation, Manager may contact the School’s sponsor to seek removal of the Board.

ARTICLE V. SUPPLEMENTAL PROGRAMS

5.1 Supplemental Programs. In addition to the Educational Services and Administrative Services provided by Manager to the School, Manager may, subject to School approval (which approval shall not be unreasonably withheld), provide additional services, which may benefit the School by increasing its exposure in the community, including, but not limited to, pre-kindergarten, summer school, academic camps, before and after school programs, vocational training, and latch-key programs to students and non-students of the School (the “**Supplemental Programs**”), provided that nothing herein shall require Manager to provide any such Supplemental Programs. Manager may retain the full amount of any and all revenues collected from or for such Supplemental Programs, and Manager will be responsible for the full cost of providing such Supplemental Programs. The School will permit Manager to operate such Supplemental Programs at the Facility without charge to Manager.

5.2 Subject to and in accordance with provisions in ARTICLE IX below, Manager will indemnify, defend and save and hold the School and all of its Representatives (as defined below) harmless against any and all third party claims, demands, suits or other forms of liability (any of which are a “**Claim**”) (including reasonable attorney’s fees and costs) that directly arise out of any Supplemental Program. In addition, Manager will reimburse the

School for any and all reasonable legal expenses and costs associated with the defense of any such third party Claim. This indemnification provision shall survive the termination or expiration of the Agreement.

ARTICLE VI. PERSONNEL AND TRAINING

6.1 Personnel Responsibility.

- (a) Subject to Sections 1.1 and 1.2 above, the Sponsorship Agreement, the Code and other applicable laws and regulations, Manager will have the sole responsibility and authority to 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 (if any) and all other services provided under this Agreement.
- (b) Except as specified in this Agreement or as required by the Code or the Sponsorship Agreement, the HOS, teachers and support staff recommended by Manager pursuant to this Agreement will be employees or subcontractors of Manager. Manager will be responsible for conducting reference checks, employment checks, criminal background checks and unprofessional conduct checks on its employees and subcontractors to the extent required under the Code and other applicable laws and regulations as if the employees and subcontractors were employed by the School. Upon request, Manager will provide the School with documentary evidence of such background checks. Manager will share on a confidential basis with the School its performance reviews and assessment of the HOS.
- (c) School shall not pay a bonus or other form of compensation to any employee or subcontractor of Manager without advance consultation with and written approval from Manager.

6.2 Head of School. The HOS will be an employee of Manager and Manager will determine the employment terms of the HOS. Manager will have the authority, consistent with the Code and other applicable laws and regulations, to select, supervise and terminate the HOS and to hold him or her accountable for the success of the School.

6.3 Teachers. Manager will provide to the School such teachers as are required to provide the Educational Services, Administrative Services and Supplementary Programs (if any). Manager, in consultation with the HOS, will determine the number and assignments of such teachers. Such teachers may work at the School on a full or part time basis. Each teacher assigned to the School will be qualified in his or her grade levels and subjects, and, to the extent required under the Code and other applicable laws and regulations, hold a valid teaching certificate issued by the ODE. Further, to the extent required under the Code and other applicable laws and regulations, such teachers shall have undergone a criminal background check and unprofessional conduct check as if such teachers were employees of the School. Upon request, Manager shall provide the School with documentary evidence of its compliance with this Section 6.3. Manager shall keep the School informed of all teaching staff related actions and decisions on a regular basis.

6.4 Support Staff. Manager will provide the School with such support staff as are required to provide the Educational Services, Administrative Services and Supplementary Programs

(if any). Such support staff may include, among others, teachers' aides, clerical staff, administrative assistants to the HOS, bookkeepers and maintenance personnel. Such support staff may work at the School on a full or part time basis.

- 6.5 Training. Manager will provide training in its instructional methods, curriculum, educational program and support technology to its instructional personnel on a regular and continuous basis. Such training will enable the School's instructional staff to provide in-service training to each other. Non-instructional personnel will receive such training as Manager determines to be reasonable and necessary under the circumstances.
- 6.6 Non-Solicitation/Non-Hiring.
- (a) During the Term and one (1) year thereafter, each Party may not directly or indirectly solicit, recruit for employment, offer employment to, offer subcontracting opportunities to, or otherwise employ or use the services of any current or former consultant or employee of the other Party or Affiliate if that consultant, employee, former consultant or employee had been assigned to or worked under this Agreement. “*Affiliate*” means any entity that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the Manager whether through ownership of voting securities, by contract interest or otherwise. Former consultant or employee means a consultant or employee who worked for a Party within six (6) months prior to hire or potential hire by the prohibited Party.
 - (b) Unpermitted Solicitation/Hiring Remedies. In the event of such unpermitted use or engagement by a Party of such consultant, employee, former consultant or former employee whether directly or indirectly, in contravention of the clause immediately above, the other Party, at its option, may seek receipt of a sum equivalent to one hundred percent (100%) of that consultant, employee, former consultant or former employee's compensation during their first year with the new employer, or seek any legal or equitable relief against such actions including, but not be limited to, immediate injunctive relief in any court of competent jurisdiction. The one (1) year period of time in this Section will be extended by the amount of time that a Party engages in any activity in violation of this Agreement and while the aggrieved Party seeks enforcement of this Agreement. The School acknowledges and agrees that no advances or past uncollected fees shall be issued by Manager to cover any penalty, damages or other relief owed by the School upon a violation of this provision.
 - (c) Solicitation Exceptions. For the avoidance of doubt, newspaper, periodical or Internet-based listings of employment opportunities by a Party shall not be considered direct or indirect solicitation of an employee, consultant, former employee or former consultant of the other Party or Affiliate. However, such Party shall continue to be precluded from engaging or otherwise using a Party's and Affiliate's employee, former employee, consultant or former consultant provided for in this Section 6.6.

ARTICLE VII. TERMINATION OF AGREEMENT

7.1 Termination By Manager.

- (a) Manager may terminate this Agreement effective at the end of the then-current school year if the School fails to make any payment of money due to the Manager within five

(5) days of written notice from Manager to School that such payment is overdue, excluding overdue payments resulting from a payment dispute or delay between the School and any funding entity.

- (b) Manager may terminate this Agreement in the event that the School is in material default under any other condition, term or provisions of this Agreement (except late payment which is addressed above) or the Sponsorship Agreement, and the default remains uncured for thirty (30) days after the School receives written notice from the Manager or Sponsor, as applicable, of the default. However, if the default cannot be reasonably cured within thirty (30) days, and the School promptly undertakes or continues efforts to cure the material default within a reasonable time, the failure shall not be grounds for termination. Notwithstanding the foregoing, if the School's default creates an imminent danger to the life of students, parents or others, the default must be cured immediately upon notice from the Manager, and Manager may terminate the Agreement effective immediately if not so cured.
- (c) Manager may terminate this Agreement if there is any adverse and material change in local, State or federal funding for the School's students; provided that any notice of termination delivered to the School based upon an adverse and material change in funding shall be effective when the funding change goes into effect or such later date as designated by the Manager.
- (d) Manager may terminate this Agreement effective immediately upon written notice to the School in the event that the School adopts or amends a policy, and the effect of such amendment or policy would reasonably be determined by Manager to increase materially the financial risk to Manager arising from its performance of its obligations hereunder, thus rendering Manager's performance economically unviable. In the event the School adopts such an adverse policy in the middle of the school year, Manager agrees to use its best efforts to complete its obligations for the then-current school year without waiving any rights and remedies hereunder.
- (e) Manager may terminate this Agreement effective immediately upon written notice to the School in the event that the School undergoes adverse change that makes the School financially unviable.
- (f) Manager may terminate this Agreement effective immediately upon written notice to the School if, in Manager's sole opinion, the Board makes a financial decision that is detrimental to the School.

7.2 Termination by the School. The School may terminate this Agreement in the event that Manager fails to remedy a material breach of this Agreement within ninety (90) days after written notice from the School. Termination by the School will not relieve the School of any obligations to pay Management Fees and costs, whether accrued, pending or outstanding, to Manager as of the effective date of the termination, nor will it relieve Manager for liability for financial damages suffered by the School as a consequence of Manager's breach (or of the School's termination as a result thereof) of this Agreement.

7.3 Termination of the Sponsorship Agreement. This Agreement will terminate upon the School's ceasing to be a party to a valid and binding sponsorship agreement, provided, however, that this Agreement will continue to remain in effect until the date of termination or expiration of a Term (as applicable) if (i) the School has entered into a

subsequent sponsorship agreement, and (ii) this Agreement has not been terminated pursuant to this ARTICLE VII. Termination pursuant to this paragraph will not relieve the School of any obligations to pay Management Fees and costs, whether accrued, pending or outstanding, to Manager as of the effective date of termination.

- 7.4 Change in Law. If any federal, State or local law or regulation, court or administrative decision or Attorney General's opinion could reasonably be expected to have an adverse effect on the ability of either Party to carry out its obligations under this Agreement, such Party, upon written notice to the other Party, may request renegotiation of this Agreement. That notice may be given at any time following enactment of such change in applicable law, whether or not such change is effective on the date of such enactment or thereafter. Renegotiation will be undertaken in good faith. If the Parties are unable to renegotiate and agree upon revised terms within thirty (30) days after such notice of renegotiation, then this Agreement will be terminated effective at the end of the academic year in which such notice was given unless earlier termination is necessary to protect the health, welfare, or safety of students. Manager may terminate this Agreement effective immediately upon written notice to School in the event Manager undergoes or is required to undergo a change that makes Manager, as determined in its sole judgment, financially unviable.
- 7.5 Real and Personal Property. Upon termination or expiration of this Agreement by either Party for any reason, all real and personal property leased by Manager to the School will remain the real and personal property and leases of Manager, and any personal property purchased by Manager with the funds provided to Manager by the School pursuant to Section 4.2 above will be the personal property of the School provided that the School has fulfilled all repayment obligations in any startup Line of Credit Loan Agreement and Promissory Note between the Parties. Notwithstanding the above, if any lease shall contain a buy-out or purchase option, the School shall have the right to exercise such option and purchase such equipment.
- 7.6 Return of Materials and Records. On the later of (a) five (5) business days after any termination or expiration of this Agreement by either Party for any reason, and (b) the effective date of termination as established in this ARTICLE VII, the School shall (i) assemble in a safe place all operational, systems and other administrative manuals and material, and copies thereof, and (ii) the President of the School shall certify to Manager in writing that the School has ceased use of any proprietary materials relating to the Educational Program and has deleted the materials from all databases and storage media maintained by the School. At Manager's direction, the School will promptly permit representatives of Manager or its Affiliate to pick up all such materials at the School. Manager shall return to the School all student educational records and all School-titled equipment and material (if any). Notwithstanding the foregoing, if the School closes for any reason, the Manager shall comply with Section 3314.44 of the Code and instead transmit the educational records of each student to said student's school district of residence.

ARTICLE VIII. PROPRIETARY INFORMATION, OWNERSHIP AND LICENSE

- 8.1 Proprietary Information and Ownership. The School acknowledges that Manager owns the intellectual property rights and interests in the curriculum, learning systems, assessment systems and pedantic methods licensed to or utilized by the School during the Term (“***Protected Materials***”) and to the name “ACCEL™” (such name being a trademark of Manager). The School acknowledges and agrees that it has no intellectual or property interest or claims in the Protected Materials or name, and has no right to use the Protected Materials or name unless expressly agreed to in writing by Manager. In accordance with all laws and regulations, Manager shall have the right to install signs on the School facilities, including under the name of the School, describing the services provided by Manager or its assignees, including “Managed by ACCEL Schools” or “Educational Services Provided by ACCEL Schools.” Upon any expiration or termination of this Agreement, those signs shall be promptly removed.
- 8.2 License. The Manager developed and owns proprietary rights to the Protected Materials. The Manager hereby grants the School a limited revocable license to use the Protected Materials in connection with operating the School during the Term. When this Agreement is terminated or expires, the license granted herein shall automatically terminate and the School shall immediately cease using the Protected Materials. The School may not use the Protected Materials for any purpose other than strictly within the scope of the license granted in this Agreement without the prior written consent of the Manager.

ARTICLE IX. INDEMNIFICATION AND LIMITATIONS OF LIABILITIES

- 9.1 Indemnification of Manager. To the extent permitted by Ohio law, the School will indemnify, defend and save and hold Manager and its Affiliates and all of their respective employees, officers, directors, subcontractors and agents (collectively, “***Representatives***”) harmless against any and all third party Claims (including reasonable attorney’s fees and costs) that may arise out of, or by reason of, any wrongdoing, misconduct or negligence by the School or its Representatives; noncompliance by any of them with any agreements, covenants, or undertakings of the School contained in or made pursuant to this Agreement; any misrepresentations of the School contained in or made pursuant to this Agreement; any action or omission by the School or its Representatives that results in injury, death or loss to person or property; and any violation by them of State or federal law. In addition, the School will reimburse Manager, its Affiliates and their Representatives for any and all reasonable legal expenses and costs associated with the defense of any third party Claim. Further, the Parties acknowledge and agree that Manager and its Affiliates shall have no liability or responsibility for activities of the School that occurred prior to the Start Date, including, but not limited to, management of the School by any third parties. This indemnification obligation shall survive the termination or expiration of this Agreement.

- 9.2 Indemnification of the School. Manager will indemnify, defend and save and hold the School and its Representatives harmless against any and all third party Claims (including reasonable attorney's fees and costs) that may arise out of, or by reason of, any wrongdoing, misconduct, or negligence of Manager, its agents, employees or assigns or noncompliance by Manager with any agreements, covenants, or undertakings of Manager contained in or made pursuant to this Agreement, and any misrepresentation of the Manager contained in or made pursuant to this Agreement. In addition, Manager will reimburse the School for any and all reasonable legal expenses and costs associated with the defense of any third party Claim. This indemnification obligation shall survive the termination or expiration of this Agreement.
- 9.3 Defense. A Party seeking indemnification under this ARTICLE IX (the "*Indemnatee*") shall give notice to the indemnifying Party (the "*Indemnitor*") of a Claim or other circumstances likely to give rise to a request for indemnification, promptly after the Indemnatee becomes aware of the same. The Indemnitor, with Indemnatee consent, which shall not be unreasonably withheld, conditioned or delayed, shall be afforded the opportunity to undertake the defense of and to settle by compromise or otherwise any Claim for which indemnification is available under this ARTICLE IX. The Indemnitor's selection of legal counsel is subject to the Indemnatee's approval (which approval shall not be unreasonably withheld). If an Indemnitor so assumes the defense of any Claim, the Indemnatee may participate in such defense with legal counsel of the Indemnatee's selection and at the expense of the Indemnitor. Indemnitor may not settle any Claim against Indemnatee or otherwise consent to any final order or judgement regarding same if such settlement, final order or judgement includes an admission of wrongdoing in Indemnatee's or Affiliate's name unless Indemnatee or Affiliate, as applicable, consents in writing. If the Indemnitor, upon the expiration of the fifteen (15) days after receipt of notice of a Claim by the Indemnatee under this ARTICLE IX, has not assumed the expense of the defense thereof, the Indemnatee may thereupon undertake the defense thereof on behalf of, and at the risk and expense of, the Indemnitor, with all reasonable costs and expenses of such defense to be paid by the Indemnitor.
- 9.4 Limitations of Liabilities.
- (a) Immunities and Statutory Limitations. The School will assert all immunities and statutory limitations of liability in connection with any third party Claims arising from its operations, and will not waive any immunities or limitations without the prior written consent of Manager. Notwithstanding this ARTICLE IX, to the fullest extent permitted by law, the School will waive the defense of governmental immunity in any dispute between the Parties.
 - (b) MAXIMUM OBLIGATIONS. EXCEPT AS TO THE PARTIES' INDEMNIFICATION OBLIGATIONS, TO THE EXTENT PERMITTED BY LAW EACH PARTY'S MAXIMUM LIABILITY AND OBLIGATION TO THE OTHER PARTY AND THE EXCLUSIVE REMEDY FOR ANY CAUSE WHATSOEVER, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR IN TORT, INCLUDING NEGLIGENCE, RELATING TO THIS AGREEMENT SHALL BE LIMITED TO THE RECOVERY OF ACTUAL DIRECT DAMAGES UP TO THE

AMOUNT OF FEES PAID UNDER THIS AGREEMENT IN THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE DATE A CLAIM IS MADE.

- (c) ECONOMIC DAMAGES. NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, EXEMPLARY, PUNITIVE, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, ANY LOST SAVINGS, LOST PROFITS, LOST SALES, BUSINESS INTERRUPTIONS, DELAY DAMAGES, OR LOST OR DESTROYED DATA, EVEN IF THAT PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- (d) REASONABLENESS. NEITHER OCCASIONAL SHORT-TERM INTERRUPTIONS OF SERVICE OR PRODUCTS, WHICH ARE NOT UNREASONABLE UNDER COMPARABLE INDUSTRY STANDARDS NOR INTERRUPTIONS OF SERVICE OR PRODUCTS RESULTING FROM EVENTS OR CIRCUMSTANCES BEYOND MANAGER'S OR ITS AFFILIATES' REASONABLE CONTROL SHALL BE CAUSE FOR ANY LIABILITY OR CLAIM AGAINST MANAGER HEREUNDER, NOR SHALL ANY SUCH OCCASION RENDER MANAGER IN BREACH OF THIS AGREEMENT.

- 9.5 Right of Set-Off. Either Party may, but shall not be obligated to, set off against any and all payments due the other Party under this Agreement, any amount to which the Party is entitled to be indemnified hereunder provided that there has been a final judicial determination thereof.

ARTICLE X. INSURANCE

- 10.1 Insurance Coverage. The School will maintain the types of and limits on insurance policies as follows unless different types and/or higher requirements are set forth in the Sponsorship Agreement: commercial general liability in amounts no less than \$1 million per occurrence and \$2 million in the aggregate; excess or umbrella extending coverage as broad as primary commercial general liability coverage in an amount no less than \$3 million; automobile in the amount of \$1 million; directors and officers/school leaders, employment practices liability and errors and omission, in amounts no less than \$1 million per occurrence and \$1 million in the aggregate; and employers liability in an amount no less than \$1 million. The insurance coverage shall be not only for the School, its directors, officers and employees, but also such policies shall name Manager, its Affiliates and their respective Representatives as additional insureds under such policies. All insurance policies shall (a) be issued by companies in good standing and authorized to do business in the State and having an AM Best rating of A or better, (b) be written in standard form, and (c) provide that the policies may not be canceled except after thirty (30) days' written notice to the Manager and Sponsor. Upon Manager's request, the School shall deliver to the Manager a copy of such policies.
- 10.2 Workers' Compensation Insurance. Each Party will maintain workers' compensation insurance as required by law, covering its respective employees.

- 10.3 Cooperation. Each Party will, upon request, present evidence to the other that it maintains the requisite insurance in compliance with the provisions of this ARTICLE X. Each Party will comply with any information or reporting requirements applicable to or required by the other Party's insurer(s), to the extent reasonably practicable.

ARTICLE XI. REPRESENTATIONS AND WARRANTIES

- 11.1 Representations and Warranties of Manager. Manager hereby represents and warrants to the School:
- (a) Manager is a duly formed limited liability company in good standing and is authorized to conduct business in the State.
 - (b) To the best of its knowledge, Manager has the authority under the Code and other applicable laws and regulations to execute, deliver, and perform this Agreement, and to incur the obligations provided for under this Agreement.
 - (c) Manager's actions under this Agreement have been and will be duly and validly authorized, and it will adopt any and all further resolutions or expenditure approvals required for execution of this Agreement.
 - (d) The services to be performed under this Agreement will be performed in a professional and workmanlike manner in accordance with commercially reasonable industry standards. THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. MANAGER AND ITS AFFILIATES MAKE NO GUARANTEES AS TO THE GRADES OR TEST RESULTS TO BE OBTAINED BY THE STUDENTS. WITHOUT LIMITING THE FOREGOING, MANAGER AND ITS AFFILIATES MAKE NO GUARANTEES AND SHALL NOT BE LIABLE FOR NON-ACCESIBILITY OF ANY WEBSITE, SYSTEM OR PROGRAM, END-USER CONNECTION SPEED OR CONNECTIVITY PROBLEMS, REGARDLESS OF THE REASON.
- 11.2 Representations and Warranties of the School. The School hereby represents and warrants to Manager:
- (a) The Sponsorship Agreement (i) authorizes the School to operate and receive the State, federal and local education funds, as well as other revenues; (ii) approves the Education Program and other activities contemplated by this Agreement; and (iii) vests the School with all powers necessary and desirable for carrying out the Education Program and other activities contemplated in this Agreement.
 - (b) The School has the authority under the Code and other applicable laws and regulations 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) The School's actions have been duly and validly authorized, and the School will adopt any and all further resolutions or expenditure approvals required for execution of this Agreement; provided, however, that with regard to expenditures, such resolutions and

- approvals shall be required only if the relevant information is available to the School and the School has sufficient funds in the approved Budget to pay for such expenditures.
- (d) The School is not in breach of the terms of the Sponsorship Agreement.
 - (e) The School has no intellectual or property rights or claims in the curriculum or other educational materials provided by Manager or in the name "ACCEL™" and will make no such claims in the future.
 - (f) After the Effective Date the School shall not incur any indebtedness outside the ordinary course of business or enter into any factoring or other debt arrangements without the prior written consent of the Manager, which consent shall not be unreasonably withheld, conditioned or delayed.

11.3 Mutual Warranties. Each Party to the Agreement warrants to the other that there are no pending actions, claims, suits or proceedings, to its knowledge, threatened or reasonably anticipated against or affecting it, which if adversely determined, would have a material adverse effect on its ability to perform its obligations under this Agreement.

ARTICLE XII. CONFIDENTIALITY AND NON-DISCLOSURE

12.1 Confidential Information. Without the prior written consent of the other Party, neither Party will at any time: (a) use for its own benefit or purposes or for the benefit or purposes of any other person, corporation or business organization, entity or enterprise; or (b) disclose in any manner to any person, corporation or business organization, entity or enterprise any trade secret, proprietary information, data, know-how or knowledge (including but not limited to curricula information, financial information, marketing information, cost information, vendor information, research, marketing plans, educational concepts and employee information), whether transferred in writing or other tangible form, or transferred orally, visually, electronically or by any other means, belonging to, or relating to the affairs of a Party or any of its Affiliates (the "**Disclosing Party**") or received through association with the Disclosing Party (collectively, "**Confidential Information**"), whether the Confidential Information was received by the Receiving Party before or after the commencement of this Agreement. Confidential Information does not include information a Party receives (the "**Receiving Party**") and can show that it: (i) was known to the Receiving Party prior to its association with the Disclosing Party; (ii) had become available to the public other than by a breach of this Agreement by the Receiving Party; or (iii) was disclosed to the Receiving Party by a third person or entity that was not prohibited by a contractual, fiduciary or other legal obligation to the Disclosing Party from disclosing the Confidential Information.

12.2 Care and Authorized Use. Receiving Party will use at least the same degree of care to prevent unauthorized use and disclosure of Confidential Information as that Party uses with respect to its own confidential information (but in no event less than a reasonable degree of care); use Confidential Information only in performance of its obligations under this Agreement; and not disclose or grant access to such Confidential Information to any third

party except on a need-to-know basis and based on a confidentiality agreement with terms at least as strict as those contained in this Agreement. This Agreement does not prohibit the Receiving Party from disclosing Confidential Information it is legally compelled to disclose by oral questions, interrogatories, requests for information or documents, subpoenas, investigative demands, judicial orders or similar process. However, if the Receiving Party is legally compelled to disclose any Confidential Information, the Receiving Party covenants to use its best efforts to provide the Disclosing Party with prompt written notice (not more than forty-eight (48) hours after learning it will be compelled to disclose) so that the Disclosing Party may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In the event a protective order or other remedy is not obtained, or the Disclosing Party waives compliance with the provisions of this Agreement, the Receiving Party covenants to furnish only that portion of the Confidential Information that the Receiving Party is legally required to disclose, and to exercise its best efforts to obtain reliable assurance that the Confidential Information will be treated confidentially.

- 12.3 Survival. This ARTICLE 12 shall survive any expiration or termination of this Agreement.

ARTICLE XIII MISCELLANEOUS

- 13.1 Integration, Sole Agreement, and Third Party Beneficiaries. This Agreement (together with any exhibits, schedules or documents referred to herein) is the entire agreement between the Parties, sets forth all of the promises, covenants, agreements, conditions and undertakings of the Parties with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, negotiations, inducements or conditions, express or implied, oral or written, if any, between the Parties with respect to the subject matter hereof. Except as limited by Section 13.7 (Assignment) below, this Agreement shall be binding upon and is for the exclusive benefit of the Parties, and their respective affiliates, successors and permitted assigns, and not for the benefit of any third party, nor shall it be deemed to confer or have conferred any rights, express or implied, upon any other third party including a relationship in the nature of a third party beneficiary or fiduciary.
- 13.2 Force Majeure. In the event that either Party is delayed, hindered, or prevented from performing any act required under this Agreement by reason of fire or other casualty, acts of God, strike, lockout, labor dispute, inability to procure services or materials, failure of power, riots, terrorism, insurrection, war or other reason of like nature not the fault of the delayed Party, its performance shall be excused for the period of the delay and the time for performance shall be extended for a period equivalent to the period of the delay. This Section shall not excuse School from prompt payment of any amounts required by the terms of this Agreement. As soon as practicable, the Party experiencing a force majeure event shall: (a) notify the other Party about the event, and (b) resume performance of its obligations under this Agreement upon conclusion of the event.

- 13.3 Governing Law, Jurisdiction and Waiver of Jury Trial. The laws of the state of Ohio, without regard to conflict of law principles, 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. Jurisdiction and venue are proper in the county in which the School is located. The Parties each waive any right to trial by jury in any litigation involving this Agreement, including breach, interpretation or performance thereof.
- 13.4 Construction. The Parties acknowledge and agree that this Agreement is the result of extensive negotiations between the Parties and their respective counsel, and that this Agreement shall not be construed against either Party by virtue of its role or its counsel's role in the drafting hereof. Paragraph captions or headings of various articles, sections and other subdivisions are used herein for convenience of reference only and are not intended to be used, nor shall they be used, in interpreting this instrument or modifying, defining or limiting any of the terms or provisions hereof.
- 13.5 Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but both of which will constitute one and the same instrument. Each Party may rely on facsimile signature pages as if such facsimile pages were originals.
- 13.6 Notices. Either Party may change the address to which notice to it, or copies thereof, shall be addressed by giving notice thereof to the other Party hereto in conformity with the following. All notices and other communications permitted or required by the terms of this Agreement shall be in writing and sent via any of the following methods to the Parties hereto at the addresses set forth below. Notice shall be deemed given: (a) upon receipt if sent by certified or registered mails, postage prepaid, return receipt requested, (b) on the day it is sent if by facsimile on a business day during normal business hours, or the next business day thereafter if sent on a non-business day or after normal business hours (with confirmation of transmission by sender's facsimile machine) and a copy simultaneously sent by nationally recognized overnight courier, (c) upon delivery if sent by personal delivery (with written confirmation of delivery), or (d) upon delivery if by sent by nationally recognized overnight carrier (with written confirmation of delivery). The addresses of the Parties are:

To:

Dublin Preparatory Academy d/b/a Northside Preparatory Academy
 Attn: Board President
 4750 Winton Road
 Cincinnati, OH 45232
 Facsimile:

With a copy to:

James S. Callender, Jr.
 100 East Broad Street, Suite 690
 Columbus, Ohio 43215
 Facsimile:

To:

Accel Schools LLC
Attn: Chief Operating Officer
1650 Tysons Boulevard, Suite 600
McLean, VA 22102

With a copy to:

Pansophic Learning US LLC
Attn: General Counsel
1650 Tysons Boulevard, Suite 600
McLean, VA 22102

- 13.7 Assignment. Neither Party may assign this Agreement without the prior written consent of the other Party (which consent shall not be unreasonably withheld). Notwithstanding the foregoing, Manager may, without prior written consent from or notice to the School, assign this Agreement to its Affiliates or in connection with a merger, acquisition, asset sale or corporate reorganization and may without the consent of the School, delegate the performance of but not responsibility for any duties and obligations of Manager hereunder to any Affiliate, independent contractors, experts or professional advisors.
- 13.8 Amendment and Cumulative Effect. This Agreement will not be altered, amended, modified or supplemented except in a written document approved by the School and signed by both the Board President or other authorized officer of the School and an authorized officer of Manager. The rights and remedies of the Parties hereto are cumulative and not exclusive of the rights and remedies that they otherwise might have now or hereafter, at law, in equity, by statute or otherwise.
- 13.9 Waiver and Delay. Except to the extent that a Party hereto may have otherwise agreed in writing, no waiver by that Party of any condition of this Agreement or breach by the other Party of any condition of this Agreement or breach by the other Party of any of its obligations or representations hereunder or thereunder shall be deemed to be a waiver of any other condition or subsequent or prior breach of the same or any other obligation or representation by the other Party, nor shall any forbearance by a Party to seek a remedy for any noncompliance or breach by the other Party be deemed to be a waiver by the first Party of its rights and remedies with respect to such noncompliance or breach.
- 13.10 Severability. If any term, condition or provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other terms, conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to either Party. Upon such determination that any term, condition or provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as

closely as possible in an acceptable manner to the extent that the transactions contemplated hereby are fulfilled to the extent possible.

- 13.11 Assertion of Claims. No Party shall bring any claim relating to this Agreement beyond one year after the date on which the Party became aware, or should reasonably have become aware, of the facts giving rise to any alleged liability of the other Party and, in any event, no later than two (2) years after (a) the last day of the Term, or (b) the earlier termination of this Agreement for any reason. The provisions of the preceding sentence shall not apply to claims for payment of amounts due under the "Fees" Section of this Agreement or loans.
- 13.12 Injunctive Relief and Dispute Resolution.
- (a) Injunctive Relief. The School acknowledges that the covenants set forth in Sections "Non-Solicitation/Non-Hiring", "Proprietary Information and Ownership", "License", and "Confidentiality and Non-Disclosure" above are reasonable in scope and content and necessary to protect the Manager and its business interests. The School understands and agrees that the breach or threatened breach of Sections "Non-Solicitation/Non-Hiring", "Proprietary Information and Ownership", "License", and "Confidentiality and Non-Disclosure" of this Agreement would give rise to the aggrieved Party suffering irreparable harm which harm would be inadequately compensable in money damages. Accordingly, in addition to any other remedies available to it, the aggrieved Party shall be entitled to a restraining order and/or an injunction prohibiting the breach or threatened breach of any provision, requirement or covenant of this Agreement, without the requirement of posting a bond, in addition to and not in limitation of any other legal remedies which may be available.
 - (b) Dispute Resolution Procedure. The Parties agree that they will attempt in good faith to settle any and all disputes arising in connection with this Agreement amicably in the ordinary course of business. If a dispute is not resolved in the ordinary course of business, the aggrieved Party will submit its dispute in writing to the Board's president and Manager's Chief Operating Officer or equivalent who shall have ten (10) business days to seek resolution of the matter. The dispute resolution procedures described herein will be deemed complete upon the earlier to occur of the following:
 - (i) the Parties mutually agree in writing to discontinue the dispute resolution procedures herein; and
 - (ii) the relevant dispute is not resolved within the time periods provided herein.
 - (c) Arbitration. Subject to the provisions of Sections 13.12(a) and 13.12(d), any dispute arising out of or relating to this Agreement, including but not limited to the breach, termination or validity hereof, shall be settled by confidential, binding arbitration in accordance with the rules of JAMS with an arbitration panel consisting of a single arbitrator. The need for and scope of formal discovery will be determined by agreement of the Parties or, if the Parties are unable to agree, the arbitrator. The arbitrator will render an opinion/award within thirty (30) days from the date of the hearing, and the opinion/award shall be written and include findings of fact and conclusions of law. The arbitration will be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1-16, and judgment upon the award rendered by the arbitration panel may be entered by any court having jurisdiction thereof. The arbitrator is not empowered to award any damages or losses described in the

"Limitations of Liability" Section and each Party expressly waives and foregoes any right to the damages or losses.

- (d) Exceptions. Notwithstanding anything else in this Agreement, claims for monies due and claims for injunctive relief as provided for in Section 13.12(a) above, and/or claims for grant or financial assistance reimbursement due may at either Party's option be brought separately and immediately in a court of competent jurisdiction or pursued through arbitration as set forth above.
- (e) Shared Fees and Expenses. The fees and expenses of the arbitration panel should be shared equally by the Parties before the arbitration award is made. The arbitration award shall require the Party which does not prevail in the arbitration to reimburse the prevailing Party for the one half of the fees and expenses of arbitration panel paid by the prevailing Party.
- 13.13 Survival on Termination or Expiration. The following Articles and/or Sections shall survive termination or expiration of this Agreement: Consideration and Supplemental Programs (to the extent they relate to amounts owing for periods through the expiration or termination of this Agreement); Non-Solicitation/Non-Hiring; Termination of Agreement (to the extent they relate to obligations after expiration and termination); Proprietary Information, Ownership and License; Indemnification and Limitations of Liabilities; Confidentiality and Non-Disclosure; Interpretation, Sole Agreement and Third Party Beneficiaries; Governing Law, Jurisdiction and Waiver of Jury Trial; Construction; Counterparts; Notices; Assignment; Amendment and Cumulative Effect; Waiver and Delay; Severability; Assertion of Claims; Injunctive Relief and Dispute Resolution; Survival on Termination or Expiration; payment obligations and any provision that, based on its nature, should survive.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date and year first above written.

Accel Schools Columbus FB LLC

DocuSigned by:
 By: Maria Szalay
 9EF4A642ADC245D
 Name: Maria Szalay
 Title: COO

**Dublin Preparatory Academy d/b/a
 Northside Preparatory Academy**

By: D. H. -
 Name: Scott Pullins
 Title: Chairman of the Board

APPENDIX A

INCENTIVE GOALS

An additional one and one-half percent (1.5%) Management Fee annual bonus for a Performance Index score of ten (10) points above similar schools and/or a grade of “A” or “B” on value added score issued by the state of Ohio.

Appendix G

- Performance standards (provided by the sponsor)

ACADEMIC, FINANCIAL AND ORGANIZATIONAL PERFORMANCE STANDARDS

Pursuant to Article VII of this Contract, the Academic, Financial and Organizational Performance Standards constitute the agreed-upon academic, financial, and organizational and governance requirements ("Requirements") that the GOVERNING AUTHORITY and SPONSOR will use to evaluate the performance of the School during the term of this Contract. Each Requirement may be considered by the SPONSOR to gauge success throughout the term of this contract. Areas to be assessed for performance are as follows:

- Mission
- Governance
- Fiscal or Financial
- Academics, including Diverse Learners
- Recordkeeping, Reporting and Data
- Any other area of operations compliance or performance of the Contract

This performance measurement criteria supplements, but does not replace, alter, or limit Sponsor's statutory rights and responsibilities, including but not limited to those of nonrenewal, probation, suspension, or termination of the Contract.

Reports on academic data for all measures will be required and submitted to Sponsor on October 31, February 28 and April 1 of each school year. A meeting will be required yearly (Between October 1 and December 15) between the Sponsor and the School's chief academic officer or administrators to assess the readiness and performance of the School to collect the data, assess the data, cure weaknesses and report to the Sponsor. If the School is not fully prepared for this meeting, it will result in some level of corrective action, including possible probation, suspension and/or termination.

To be considered for contract renewal, the GOVERNING AUTHORITY is expected to have "met" the standards as specified herein, which are the SPONSOR's minimum expectation for the School. Probation, suspension and/or termination may result if standards are not met. An inability to achieve minor elements of the standards, based on the totality of the circumstances, may not prevent consideration of contract renewal, which will be subject to SPONSOR's sole and complete discretion.

Alignment with the Academic Performance component of the Sponsor Evaluation

The Academic Performance component of the Sponsor Evaluation is based on all applicable report card measures prescribed for the state report card, and is weighted by the number of students enrolled in each school in the sponsor's portfolio.

For each school, the applicable report card component grades will be assigned a numerical value based on the relevant business rules established by the Ohio Department of Education. Each component is then weighted.

In most cases, RAA's sponsored schools will be scored on multiple components of the state issued report card, but schools are unlikely to be scored on all items.

Example: Score Calculation for School's Overall Academic Performance

Component	Value	Weight	Report Card Component Weighted Points
Achievement	1.5	.275	0.4125
Value-Added	3	.275	0.825
Graduation			
Gap Closing	2.115	.225	0.476
Earling Literacy	2.225	.225	0.500
College, Career, Workforce and Military Readiness			
Total Weighted Points			2.21

All sponsored schools are expected to achieve an Overall Academic Performance Score of at least 2.125 total weighted points and attain a Report Card Grade Equivalent of at least 2 (3 Stars) by the third year of operation.

Alignment with the Quality Practices component of the Sponsor Evaluation

Contract Performance Measures include the metrics, targets and ratings of all applicable academic, financial and organizational/operational measures for multiple years and over the term of the contract.

Specific measures and targets for all applicable state report card measures of student performance, and mission-specific performance measures and targets may also be used. Targets compare the school's student performance to the state, schools serving similar populations, or schools in the same geographic area. The contract also includes annual specific metrics and targets for financial and organizational/operational performance measures.

RAA's Performance Framework is informed by the National Association of Charter School Sponsors, Ohio law, Ohio's Sponsor Evaluation system, Ohio's Accountability system, and Sponsor/sponsor best practices. Measures and targets are provided for each contract year. RAA will evaluate data to determine if a school exceeds, meets, does not meet, or falls far below targets. Where it makes sense, targets increase in expectation over the years.

Performance Framework

Academic outcomes

Measure	2023-2024 target	2024-2025 target	2025-2026 target
Performance Index – percent (primary)	Exceeds: 70% or above Meets: 65-69% Does not meet: 58-64% Falls far below: 57% or below	Exceeds: 75% or above Meets: 70-74.9% Does not meet: 61-69% Falls far below: 60% or below	Exceeds: 75% or above Meets: 70-74.9% Does not meet: 61-69% Falls far below: 60% or below
Progress - Overall Value Added* (primary)	Exceeds: 4 or 5 Stars Meets: 3 Stars Does not meet: 2 Stars Falls far below: 1 Star	Exceeds: 4 or 5 Stars Meets: 3 Stars Does not meet: 2 Stars Falls far below: 1 Star	Exceeds: 4 or 5 Stars Meets: 3 Stars Does not meet: 2 Stars Falls far below: 1 Star
Progress - Value-Added – All Tests*	Exceeds: Students made more progress than expected (moderate or significant evidence) Meets: Students made progress similar to statewide expectation Does not meet:	Exceeds: Students made more progress than expected (moderate or significant evidence) Meets: Students made progress similar to statewide expectation Does not meet:	Exceeds: Students made more progress than expected (moderate or significant evidence) Meets: Students made progress similar to statewide expectation Does not meet:

	Students made less progress than expected (moderate evidence) Falls far below: Students made less progress than expected (significant evidence)	Students made less progress than expected (moderate evidence) Falls far below: Students made less progress than expected (significant evidence)	Students made less progress than expected (moderate evidence) Falls far below: Students made less progress than expected (significant evidence)
Early Literacy* (primary)	Exceeds: 4 or 5 Stars Meets: 3 Stars Does not meet: 2 Stars Falls far below: 1 Star	Exceeds: 4 or 5 Stars Meets: 3 Stars Does not meet: 2 Stars Falls far below: 1 Star	Exceeds: 4 or 5 Stars Meets: 3 Stars Does not meet: 2 Stars Falls far below: 1 Star
Gap Closing* (secondary)	Exceeds: 4 or 5 Stars Meets: 3 Stars Does not meet: 2 Stars Falls far below: 1 Star	Exceeds: 4 or 5 Stars Meets: 3 Stars Does not meet: 2 Stars Falls far below: 1 Star	Exceeds: 4 or 5 Stars Meets: 3 Stars Does not meet: 2 Stars Falls far below: 1 Star
Graduation Rate* (primary)	Exceeds: 4 or 5 Stars Meets: 3 Stars Does not meet: 2 Stars Falls far below: 1 Star	Exceeds: 4 or 5 Stars Meets: 3 Stars Does not meet: 2 Stars Falls far below: 1 Star	Exceeds: 4 or 5 Stars Meets: 3 Stars Does not meet: 2 Stars Falls far below: 1 Star
Prepared for Success* (secondary)	Exceeds: 4 or 5 Stars Meets: 3 Stars Does not meet: 2 Stars Falls far below: 1 Star	Exceeds: 4 or 5 Stars Meets: 3 Stars Does not meet: 2 Stars Falls far below: 1 Star	Exceeds: 4 or 5 Stars Meets: 3 Stars Does not meet: 2 Stars Falls far below: 1 Star
Outperforms comparison schools* (primary)	Exceeds: top 25th Meets: 50th– 74th Does not meet: 26th to 49th Falls far below: bottom 25th	Exceeds: top 25th Meets: 50th – 74th Does not meet: 26th to 49th Falls far below: bottom 25th	Exceeds: top 25th Meets: 50th – 74th Does not meet: 26th to 49th Falls far below: bottom 25th

Mission specific i (primary)	Exceeds: tbd Meets: tbd Does not meet: tbd Fall far below: tbd	Exceeds: tbd Meets: tbd Does not meet: tbd Fall far below: tbd	Exceeds: tbd Meets: tbd Does not meet: tbd Fall far below: tbd
Student subgroup (EL/OELPA, for applicable schools) (secondary)	Exceeds: 57% or better OR closes gap more than ten percentage points Meets: 56% OR closes gap ten percentage points Does not meet: 33- 55% OR closes gap 5-9 percentage points Falls far below: below 33%	Exceeds: 61% or better OR closes gap more than ten percentage points Meets: 60% OR closes gap ten percentage points Does not meet: 35- 59% OR closes gap 5-9 percentage points Falls far below: below 35%	Exceeds: 61% or better OR closes gap more than ten percentage points Meets: 60% OR closes gap ten percentage points Does not meet: 35- 59% OR closes gap 5-9 percentage points Falls far below: below 35%
Chronic absenteeism (secondary)	Exceeds: 11.4 or lower Meets: 11.5 Does not meet: 11.6 – 16.6 Falls far below: 16.7 or higher or, Exceeds: 1.2 percentage point improvement or higher from previous year Meets: 1.1 percentage point improvement Does not meet: 1.0 - 0.0 percentage point improvement Falls far below: increase in rate or Exceeds: more than 3 percentage	Exceeds: 10.3 or lower Meets: 10.4 Does not meet: 10.5 – 15.5 Falls far below: 15.6 or higher or, Exceeds: 1.2 percentage point improvement or higher from previous year Meets: 1.1 percentage point improvement Does not meet: 1.0 - 0.0 percentage point improvement Falls far below: increase in rate or Exceeds: more than 3 percentage	Exceeds: 10.3 or lower Meets: 10.4 Does not meet: 10.5 – 15.5 Falls far below: 15.6 or higher or, Exceeds: 1.2 percentage point improvement or higher from previous year Meets: 1.1 percentage point improvement Does not meet: 1.0 - 0.0 percentage point improvement Falls far below: increase in rate or Exceeds: more than 3 percentage

	improvement Meets: 3 percentage point improvement Does not meet: 0.2-9 or less percentage improvement Falls far below: increase in rate	Exceeds: more than 3 percentage improvement Meets: 3 percentage point improvement Does not meet: 0.2.9 or less percentage improvement Falls far below: increase in rate	Exceeds: more than 3 percentage improvement Meets: 3 percentage point improvement Does not meet: 0.2.9 or less percentage improvement Falls far below: increase in rate
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Governance/Operational outcomes

Measure	2023-2024 target	2024-2025 target	2025-2026 target
Governing Board Composition of the Board, Quorum at meetings, Conflict of Interest, Training	Exceeds: 90% or higher Meets: 79-89% Does not meet: 60- 78% Falls far below: 59% & below	Exceeds: 90% or higher Meets: 79-89% Does not meet: 60- 78% Falls far below: 59% & below	Exceeds: 91% or higher Meets: 79-90% Does not meet: 60- 78% Falls far below: 59% & below
Records compliance	Exceeds: 90% or higher Meets: 79-89% Does not meet: 60- 78% Falls far below: 59% & below	Exceeds: 90% or higher Meets: 79-89% Does not meet: 70-79% Falls far below: 59% & below	Exceeds: 91% or higher Meets: 79-90% Does not meet: 60- 78% Falls far below: 59% & below
On Time records submission rate	Exceeds: 90% or higher Meets: 79-89% Does not meet: 60- 78% Falls far below: 59% & below	Exceeds: 90% or higher Meets: 79-89% Does not meet: 70- 79% Falls far below: 59% & below	Exceeds: 91% or higher Meets: 79-90% Does not meet: 60- 78% Falls far below: 59% & below
Financial records submitted monthly	Exceeds: 90% or higher Meets: 79-89% Does not meet: 60-78% Falls far below: 59% & below	Exceeds: 90% or higher Meets: 79-89% Does not meet: 60-78% Falls far below: 59% & below	Exceeds: 91% or higher Meets: 79-90% Does not meet: 60- 78% Falls far below: 59% & below

Annual audit	<p>Exceeds: two consecutive years of no findings, citations, questioned costs, or material weaknesses</p> <p>Meets: no findings, citations, questioned costs, or material weaknesses</p> <p>Does not meet: one or two findings, citations, questioned costs, or material weaknesses</p> <p>Falls far below: Audit contains three or more of the following: findings, noncompliance citations, questioned costs, or material weaknesses, findings for recovery (in excess of \$5,000 combined)</p>	<p>Exceeds: two consecutive years of no findings, citations, questioned costs, or material weaknesses</p> <p>Meets: no findings, citations, questioned costs, or material weaknesses</p> <p>Does not meet: one or two findings, citations, questioned costs, or material weaknesses</p> <p>Falls far below: Audit contains three or more of the following: findings, noncompliance citations, questioned costs, or material weaknesses, findings for recovery (in excess of \$5,000 combined)</p>	<p>Exceeds: two consecutive years of no findings, citations, questioned costs, or material weaknesses</p> <p>Meets: no findings, citations, questioned costs, or material weaknesses</p> <p>Does not meet: one or two findings, citations, questioned costs, or material weaknesses</p> <p>Falls far below: Audit contains three or more of the following: findings, noncompliance citations, questioned costs, or material weaknesses, findings for recovery (in excess of \$5,000 combined)</p>
LEA Special Education performance determination	<p>Exceeds: meets requirements</p> <p>Meets: needs assistance</p> <p>Does not meet: needs intervention</p> <p>Falls far below: needs substantial intervention</p>	<p>Exceeds: meets requirements</p> <p>Meets: needs assistance</p> <p>Does not meet: needs intervention</p> <p>Falls far below: needs substantial intervention</p>	<p>Exceeds: meets requirements</p> <p>Meets: needs assistance</p> <p>Does not meet: needs intervention</p> <p>Falls far below: needs substantial intervention</p>

5-Year Forecasts Submitted to ODE by Statutory Deadlines	Meets: yes Does Not Meet: no	Meets: yes Does Not Meet: no	Meets: yes Does Not Meet: no
Preopening Assurances Documentation	Meets: Completed and available 10 days before the first day of school Does Not Meet: no	Meets: Completed and available 10 days before the first day of school Does Not Meet: no	Meets: Completed and available 10 days before the first day of school Does Not Meet: no
Annual Report	Meets: Submitted to parents and sponsor by the last day of October Does Not Meet: no	Meets: Submitted to parents and sponsor by the last day of October Does Not Meet: no	Meets: Submitted to parents and sponsor by the last day of October Does Not Meet: no
Emergency Management Plan and Blueprint Submitted within the Last 3 Years to the Appropriate Authority	Meets: yes Does Not Meet: no	Meets: yes Does Not Meet: no	Meets: yes Does Not Meet: no
Family Survey Results	Exceeds: 90% or greater overall satisfaction with school Meets: 80%–89% overall satisfaction with school Does Not Meet: 70%–79% overall satisfaction with school Falls Far Below: 69% or below	Exceeds: 90% or greater overall satisfaction with school Meets: 80%–89% overall satisfaction with school Does Not Meet: 70%–79% overall satisfaction with school Falls Far Below: 69% or below	Exceeds: 90% or greater overall satisfaction with school Meets: 80%–89% overall satisfaction with school Does Not Meet: 70%–79% overall satisfaction with school Falls Far Below: 69% or below

Financial outcomes

Measure	2023-2024 target	2024-2025 target	2025-2026 target
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Current ratio of assets to liabilities	Exceeds: ≥ 1.1 Meets: ratio between 1.0-1.1 and positive trend Does not meet: ratio between 0.9-1.0 or 1.0 or trend is negative Falls far below: ratio is ≤ 0.9	Exceeds: ≥ 1.1 Meets: ratio between 1.0-1.1 and positive trend Does not meet: ratio between 0.9-1.0 or 1.0 or trend is negative Falls far below: ratio is ≤ 0.9	Exceeds: ≥ 1.1 Meets: ratio between 1.0-1.1 and positive trend Does not meet: ratio between 0.9-1.0 or 1.0 or trend is negative Falls far below: ratio is ≤ 0.9
Days Cash	Exceeds: 60 or more Meets: 30-60 Does not meet: 15-30 or trend is negative Falls far below: fewer than 15	Exceeds: 60 or more Meets: 30-60 Does not meet: 15-30 or trend is negative Falls far below: fewer than 15	Exceeds: 60 or more Meets: 30-60 Does not meet: 15-30 or trend is negative Falls far below: fewer than 15
Current year enrollment variance	Exceeds: actual enrollment within 95% of budgeted enrollment Meets: actual enrollment is within 90-94% budgeted enrollment Does not meet: actual enrollment is between 80-89% budgeted enrollment Falls far below: actual enrollment is less than 80% budgeted enrollment	Exceeds: actual enrollment within 95% of budgeted enrollment Meets: actual enrollment is within 90-94% budgeted enrollment Does not meet: actual enrollment is between 80-89% budgeted enrollment Falls far below: actual enrollment is less than 80% budgeted enrollment	Exceeds: actual enrollment within 95% of budgeted enrollment Meets: actual enrollment is within 90-94% budgeted enrollment Does not meet: actual enrollment is between 80-89% budgeted enrollment Falls far below: actual enrollment is less than 80% budgeted enrollment

Multi-year
Ratio of
Assets to
Liabilities¹
(prior year)

Exceeds: Ratio is greater than or equal to 1.1 for at least the 2 most recent years
Meets: Ratio is between 1.0 and 1.1 for at least the most recent year
Does not meet: Ratio is below 1.0 for the most recent year; OR below 1.0 in the 2 most previous years out of 3 years
Falls far below: Ratio is 0.9 or less for the most recent year; OR is 0.9 or less in the 2 most previous years out of 3 years

Exceeds: Ratio is greater than or equal to 1.1 for at least the 2 most recent years
Meets: Ratio is between 1.0 and 1.1 for at least the most recent year
Does not meet: Ratio is below 1.0 for the most recent year; OR below 1.0 in the 2 most previous years out of 3 years
Falls far below: Ratio is 0.9 or less for the most recent year; OR is 0.9 or less in the 2 most previous years out of 3 years

Exceeds: Ratio is greater than or equal to 1.1 for at least the 2 most recent years
Meets: Ratio is between 1.0 and 1.1 for at least the most recent year
Does not meet: Ratio is below 1.0 for the most recent year; OR below 1.0 in the 2 most previous years out of 3 years
Falls far below: Ratio is 0.9 or less for the most recent year; OR is 0.9 or less in the 2 most previous years out of 3 years

Cash flow
(prior year)

Exceeds: Cash flow is positive for at least the 2 most recent years
Meets: Cash flow is positive for at least 1 of the most recent 2 years
Does Not Meet: Cash flow is not positive for at least 1 of the most recent 2 years
Falls Far Below: Cash flow is negative for any 2 consecutive years

Exceeds: Cash flow is positive for at least the 2 most recent years
Meets: Cash flow is positive for at least 1 of the most recent 2 years
Does Not Meet: Cash flow is not positive for at least 1 of the most recent 2 years
Falls Far Below: Cash flow is negative for any 2 consecutive years

Exceeds: Cash flow is positive for at least the 2 most recent years
Meets: Cash flow is positive for at least 1 of the most recent 2 years
Does Not Meet: Cash flow is not positive for at least 1 of the most recent 2 years
Falls Far Below: Cash flow is negative for any 2 consecutive years

¹ This ratio depicts the relationship between a school's annual assets and liabilities, covering the last three years.

Total Margin (TM) and Aggregated 3-Year Total Margin ² (ATTM) (prior year)	Exceeds: ATTM is positive and the most recent year TM is also positive Meets: ATTM is greater than -1.5%, the trend is positive for the last two years, AND the most recent year TM is positive Does Not Meet: ATTM is greater than -1.5%, but trend does not "meet standard" Falls Far Below: ATTM is less than or equal to -1.5%; OR the most recent year TM is less than -10%	Exceeds: ATTM is positive and the most recent year TM is also positive Meets: ATTM is greater than -1.5%, the trend is positive for the last two years, AND the most recent year TM is positive Does Not Meet: ATTM is greater than -1.5%, but trend does not "meet standard" Falls Far Below: ATTM is less than or equal to -1.5%; OR the most recent year TM is less than -10%	Exceeds: ATTM is positive and the most recent year TM is also positive Meets: ATTM is greater than -1.5%, the trend is positive for the last two years, AND the most recent year TM is positive Does Not Meet: ATTM is greater than -1.5%, but trend does not "meet standard" Falls Far Below: ATTM is less than or equal to -1.5%; OR the most recent year TM is less than -10%
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D.05 Performance Monitoring

The sponsor will send timely information to its sponsored school on the process, methods and timing of reporting school performance and compliance data, as well as any updates or modifications needed due to its review of federal and/or state law, school data, and Ohio's accountability system.

Reports on academic data for all measures will be required and submitted to Sponsor for Fall, Winter and Spring data within two weeks of the completion of the assessment.

Two on-site reviews will be held three months apart while school is in session on an annual basis. Each will include classroom observations, review of documents, and interviews with school employees, including at least one administrator and one or more instructional staff, as

² "Total margin" measures the deficit or surplus a school yields out of its total revenues; in other words, it measures whether or not the school is living within its available resources. The total margin is important to track, as schools cannot operate at deficits for a sustained period of time without risk of closure. The aggregate three-year total margin is helpful for measuring the long-term financial stability of the school by smoothing the impact of single-year fluctuations. The performance of the school in the most recent year, however, is indicative of the sustainability of the school; thus, the school must have a positive total margin in the most recent year to meet the standard. The total margin is the net income divided by the total revenue. The aggregate total margin is the total three-year net income divided by the total three-year revenues.

well as three stakeholder groups. Reviewers will evaluate and discuss student performance data, including data provided to the sponsor with school officials.

Schools will be provided a written report after each review. Each report will document the school's compliance with all applicable laws, rules, contractual obligations and academic performance measures, and identify areas in need of improvement and the actions the school must take, with specified steps and timeframes. The report also recognizes each school's areas of strength. The school must send, and the sponsor review, status updates, including dates and results, on improvement actions.

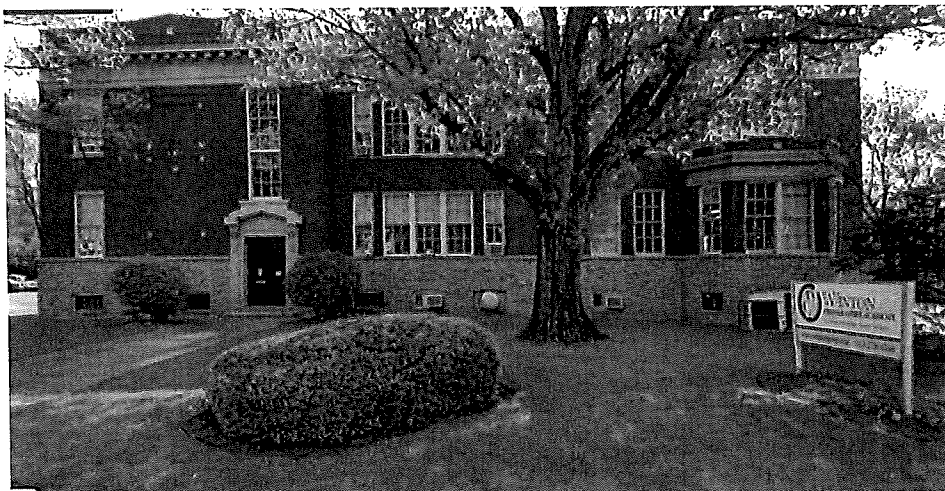
Appendix I

- Detailed description of each facility used for instructional purposes, containing the address and grades served;
- Annual costs associated with leasing each facility, paid for by or on behalf of the school, if applicable;
- Annual mortgage principal and interest payments that are paid by the school, if applicable;
- Name of the lender or landlord, identified as such, and the lender's or landlord's relationship to the management company, if any; and
- If the school leases property from the operator, addendum to lease with verification from independent professional in the real estate field that, at the time the lease was agreed to, the lease was commercially reasonable. Applies only to new or renewed leases, not to leases already agreed to at the time this Contract becomes effective.

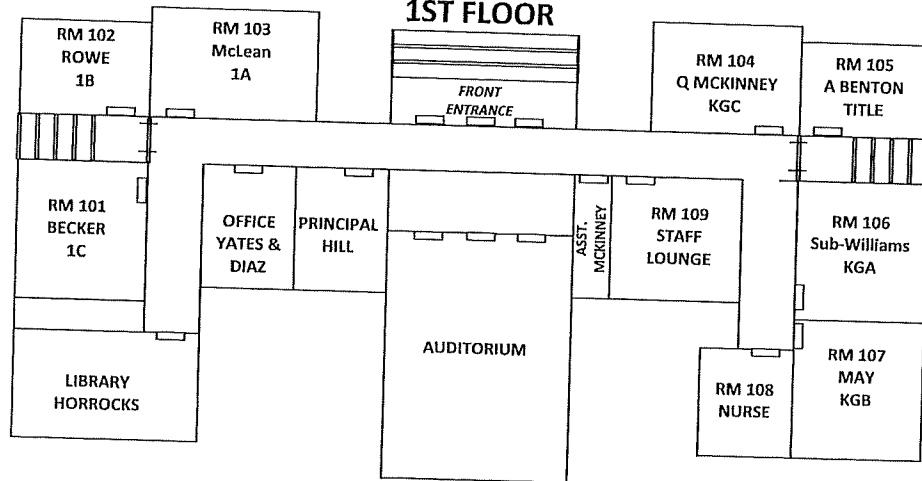
Facility Description

Northside Preparatory Academy will occupy the former Winton Preparatory Academy building at 4750 Winton Rd, Cincinnati, OH 45232. The school will lease the building from AEP Charter Winton, LLC, a Delaware limited liability company. This building is an excellent fit for Northside Preparatory Academy due to its location in a heavily populated Northside neighborhood and access to local neighborhoods, adequate achorage for student activities and substantial room to grow.

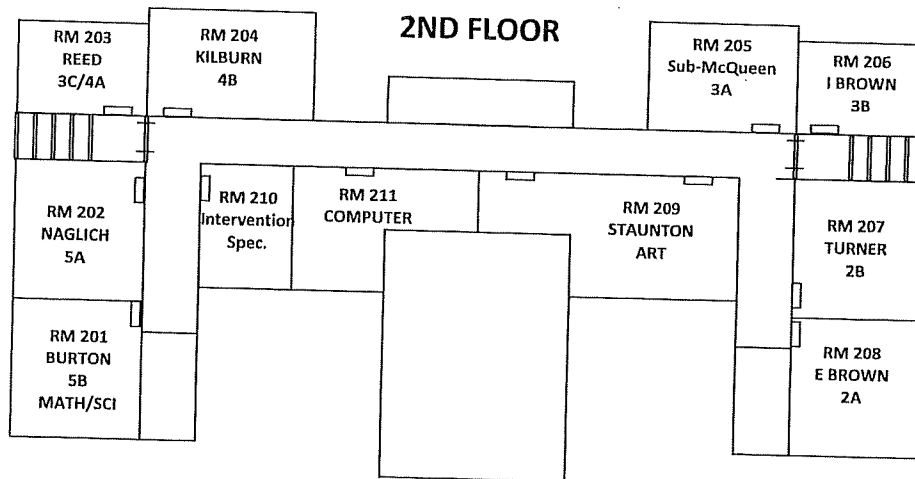
- The school has three floors with an annex and over 23 classrooms. Additional smaller rooms are available for small group instruction.
- There are ample offices for administrative and support staff
- Per city/state code classes cannot be larger than 28 students.
- There are ample student/staff bathrooms.
- The school has a multipurpose room with warming kitchen as well as a library, gym and auditorium.



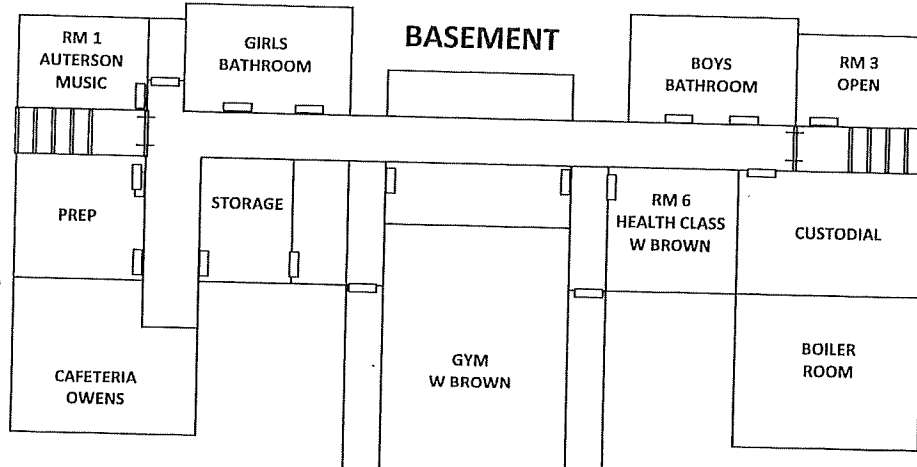
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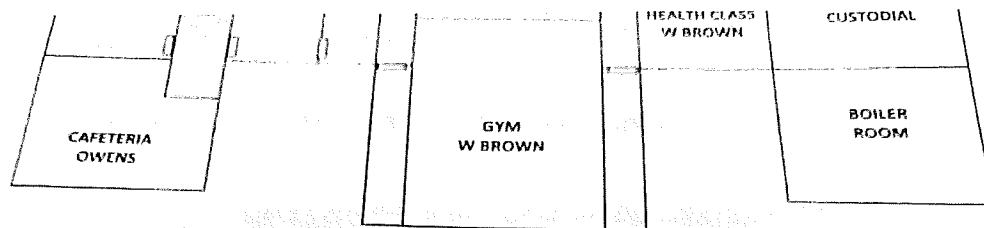


BASEMENT

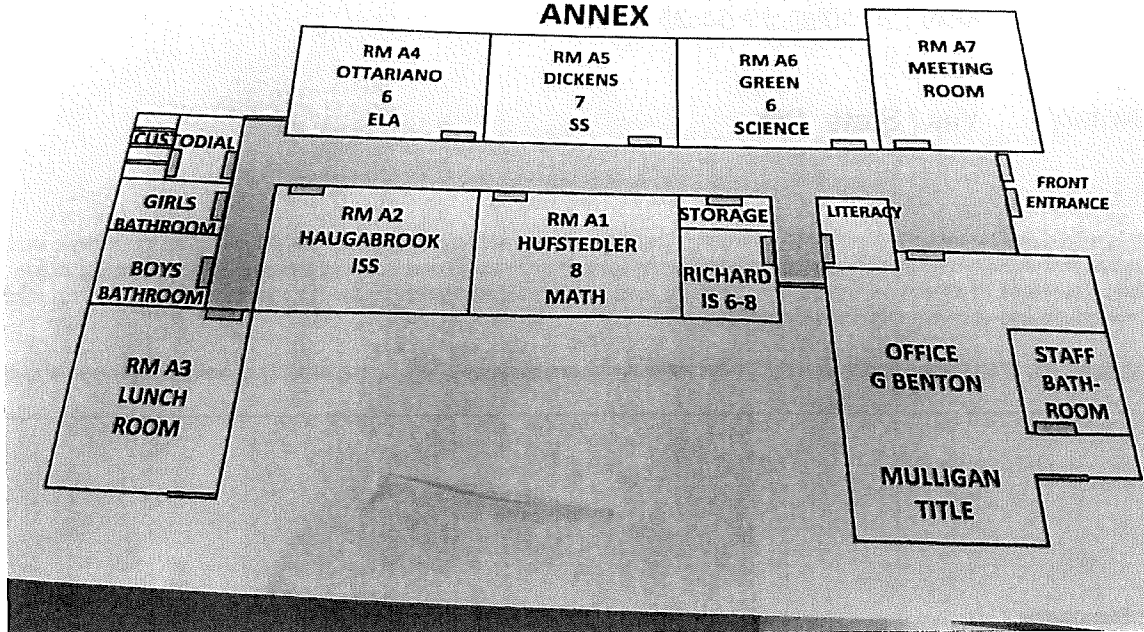


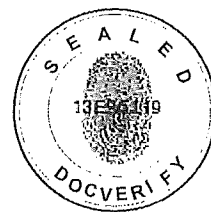
ANNEX





ANNEX





RON 5-29-20 NSPA Lease_Signed by Chair_05_2020 - Copy.pdf

DocVerify ID: 13E96119-0AF9-47D5-8D97-309B122DAF7E
 Created: May 29, 2020 12:54:25 -8:00
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E-Signature Summary

E-Signature 1: Brad Coburn (BC)

May 29, 2020 13:14:05 -8:00 [352613D0079C] [172.3.79.90]
 bcoburn@charterschoolcapital.org (Principal)

E-Signature Notary: Patricia L Franzer (PLF)

May 29, 2020 13:14:05 -8:00 [063E7B05945A] [24.209.246.142]
 Pat.Franzer@ThompsonHine.com

I, Patricia L Franzer, did witness the participants named above electronically sign this document.



LEASE AGREEMENT

by and between

AEP Charter Winton, LLC, a Delaware limited liability company,
as Landlord

and

Dublin Preparatory Academy, an Ohio non-profit corporation
d/b/a Northside Preparatory Academy,
as Tenant

Dated as of May 29, 2020

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LEASE AGREEMENT

This LEASE AGREEMENT (this “Lease”), dated as of May 29, 2020 (the “Effective Date”), is made by and between AEP Charter Winton, LLC, a Delaware limited liability company (“Landlord”), and Dublin Preparatory Academy, an Ohio non-profit corporation d/b/a Northside Preparatory Academy (“Tenant”, and together with Landlord, the “Parties”, or each individually, a “Party”).

ARTICLE I

BASIC PROVISIONS

Section 1.01 Premises. The “Premises” consists of the real property located at 4750 Winton Road, in the City of Cincinnati, County of Hamilton, State of Ohio, as more particularly described in Exhibit A attached hereto (the “Property”), and the buildings and other improvements attached to the Property (the “Improvements”).

Section 1.02 Commencement Date. The “Commencement Date” means July 15, 2020. Subject to any delay caused by an event described in Section 14.20, Landlord shall deliver actual and exclusive possession of the Premises to Tenant on the Commencement Date. Notwithstanding the foregoing or anything contained herein to the contrary, in the event that Landlord fails to deliver actual and exclusive possession of the Premises to Tenant on the Commencement Date, Rent shall not commence hereunder until Landlord delivers actual and exclusive possession of the Premises to Tenant.

Section 1.03 Term.

(a) **Initial Term.** The “Initial Term” of this Lease will be for a period of fifteen (15) years, commencing on the Commencement Date and ending on the last day of the month immediately preceding the fifteenth (15th) anniversary of the Commencement Date.

(b) **Extension Terms.** Tenant shall have four (4) options to extend the term of this Lease (each, an “Extension Option”) for an additional period of five (5) years each (each, an “Extension Term”), as further set forth in Section 3.02.

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16	

(i) The “Term” or “term of this Lease” shall consist of the Initial Term, and any Extension Term for which Tenant has duly exercised a valid Extension Option, unless earlier terminated pursuant to the provisions of this Lease.

(ii) Notwithstanding the foregoing, this Lease shall terminate automatically on the date on which Tenant's charter contract to operate a public community school (the "Charter School Contract") is unconditionally terminated, revoked, non-renewed, or suspended, as the case may be, without penalty if (I) Tenant's Charter School Contract is terminated, revoked, non-renewed or suspended for any reason other than as a result of Tenant's intentional misconduct, and (II) Tenant uses best efforts but is unable to cause the

(iii) If the Tenant willfully, clearly and intentionally closes the school to move to a new facility, and the majority of its board of directors upon the start of the next school year are the same as on the date Tenant vacates the Premises, Landlord shall have the right, at any time thereafter, to terminate this Lease upon written notice to Tenant, in which event (I) Tenant shall pay to Landlord within three (3) business days following Landlord's delivery to Tenant of a written termination notice, as liquidated damages, an amount equal to the next twelve (12) months' Rent due under this Lease (the "Liquidated Damages"), (II) this Lease shall terminate effective as of the date such termination notice is delivered to Tenant, and (III) the parties shall be released from all further obligations and liabilities accruing under this Lease except for such obligations and liabilities which expressly survive the expiration or termination of this Lease. Landlord and Tenant acknowledge that: (A) it would be impossible to accurately determine Landlord's damages in the event of a termination of this Lease under this Section 1.03(c)(iii); (B) the amount of Liquidated Damages is fair and equitable; and (C) Landlord waives the right to exercise any and all other rights available at law or in equity. The limitation of damages set forth herein shall not apply to any indemnities, covenants or obligations of Tenant which expressly survive either the termination or expiration of this Lease, for which Landlord shall be entitled to all rights and remedies available at law or in equity. Tenant's obligations under this Section 1.03(c)(iii) shall survive the expiration or other termination of this Lease.

(v) Notwithstanding anything to the contrary contained in this Lease, Tenant shall continue to be responsible for paying all Rent coming due under this Lease during any period that the Charter School Contract is terminated, revoked, non-renewed or suspended until the date on which this Lease is terminated, if at all, under Sections 1.03(c)(ii) or (iii) above, subject to Landlord's right to Liquidated Damages for any termination pursuant to clause (iii) above.

Section 1.05 Use. Tenant shall use and occupy the Premises only for office and classroom space and other uses necessary to operate a community school and uses ancillary and incidental thereto, as further set forth in Section 5.01 and subject to the limitations set forth therein.

-2-

(a) Tenant shall pay base rent (the "Base Rent"), payable monthly on or before the tenth (10th) day of each month during the Initial Term of this Lease, as follows:

(i) July 15, 2020 - June 31, 2023 (approximately 36 months) – Three Hundred Thousand and 00/100 Dollars (\$300,000.00) per annum, payable in equal monthly installments of Twenty-Five Thousand and 00/100 Dollars (\$25,000.00) per month; and

(ii) Beginning on July 1, 2023, and continuing on each July 1 thereafter throughout the remainder of the Initial Term, the Base Rent will increase annually by one and one-half percent (1.5%).

(b) Base Rent during each Extension Term, if applicable, will be determined in accordance with Section 3.03.

Section 1.07 Expenses. All Base Rent and other Rent (defined below) payable under this Lease are "absolute net" to the Landlord. All expenses related to the Premises arising or accruing after the Commencement Date are the responsibility of Tenant unless expressly provided otherwise in this Lease.

ARTICLE II

PREMISES

Section 2.01 Letting. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises, together with all rights and appurtenances thereto, for the Term, at the Rent and upon and subject to all of the terms, covenants and conditions set forth in this Lease.

Section 2.02 Condition of Premises. Except as otherwise expressly provided in this Lease, Landlord makes no representations or warranties with respect to the condition of the Premises, its compliance with Applicable Requirements (defined below), or the suitability of the Premises for Tenant's purposes. Tenant acknowledges and agrees that the Premises is to be delivered to Tenant in its current "AS IS" condition, and Tenant accepts the Premises in its "AS IS" condition on the Commencement Date, subject to all apparent and hidden defects.

Section 2.03 Compliance. If any applicable building codes or other laws, codes, regulations, ordinances, policies or requirements of any government or quasi-government agency with jurisdiction over Tenant, its business, the Premises or Tenant's use thereof, or any covenants, conditions or restrictions of record or otherwise applicable with respect to any of the foregoing (collectively, the "Applicable Requirements") require, during the Term, the construction of an addition to or an alteration of the Improvements or any portion thereof, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the Property and/or the Improvements, or any other actions with respect to the Premises, Tenant hereby agrees to promptly undertake and complete such construction, alteration, remediation, reinforcement or other modification or action to fully comply with the Applicable Requirements, and the cost therefor will be incurred solely by Tenant. Tenant will not use the Premises or knowingly permit anything to be done in, on or about the Premises which will in any way conflict with any

Applicable Requirement now in force or which may hereafter become effective. Tenant shall, at Tenant's sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements, and the requirements of any applicable fire insurance underwriter or rating bureau, without regard to whether such Applicable Requirements are now in effect or become effective after the Commencement Date. Notwithstanding anything contained herein to the contrary, following the Effective Date, Landlord shall not voluntarily impose any restrictions, covenants or conditions upon the Premises that would materially increase Tenant's obligations or liabilities under this Lease or materially diminish any of Tenant's rights hereunder except (i) as otherwise expressly permitted under this Lease, (ii) as otherwise consented to by Tenant, which consent shall not be unreasonably withheld, conditioned or delayed, or (iii) as required by any governmental authority or agency having jurisdiction. Tenant shall, within ten (10) days after receipt of Landlord's written request, (a) provide Landlord with copies of all permits and (b) notify Landlord in writing (with copies of any related documents) of any actual claim, notice, citation, warning, complaint, report or allegations pertaining to or involving the failure of Tenant or the Premises to comply with Applicable Requirements.

Section 2.04 Acknowledgements. Tenant acknowledges that its execution of this Lease will be conclusive evidence that it has made all investigations and inspections as it deems necessary or appropriate with respect to the suitability of the Premises as it relates to Tenant's occupancy thereof and the Property's compliance with Applicable Requirements, and Tenant has satisfied itself as to all such matters and assumes responsibility for all such matters as of the Effective Date. Tenant has not relied on any representations, warranties, statements or promises of Landlord or any agent or representative of Landlord in connection with the Premises or the condition, compliance with Applicable Requirements, or suitability thereof other than those representations and warranties expressly set forth in this Lease.

ARTICLE III

LEASE TERM AND EXTENSION

Section 3.01 Initial Term. The Commencement Date, Term and Expiration Date are as specified in Section 1.02 through Section 1.04, respectively.

Section 3.02 Options to Extend. Landlord hereby grants to Tenant four (4) Extension Options to extend the term of this Lease for an Extension Term. An Extension Option must be exercised by Tenant, if at all, by written notice (the "Option Notice") of such exercise delivered by Tenant to Landlord not less than four months prior to the then applicable Expiration Date; provided however, that no Extension Option will be exercisable unless, as of the date of the applicable Option Notice and at the then applicable Expiration Date, Tenant is not in default under any provision of this Lease beyond any applicable notice and cure period. If the term of this Lease is extended under this Section 3.02, then except as otherwise provided in Section 3.03, all of the terms, covenants and conditions of this Lease shall remain unmodified and in full force and effect throughout the applicable Extension Term.

Section 3.03 Base Rent During Extension Terms.

(a) **Base Rent During First Extension Term.** The monthly Base Rent payable under this Lease during each of the first 12 months of the first Extension Term shall be 101.5% of the Base Rent payable during the last month of the Initial Term, as set forth in Section 1.06. The monthly Base Rent payable under this Lease during the remainder of the first Extension Term shall be adjusted annually, on each anniversary of the first day of such Extension Term, to an amount equal to 101.5% of the then-current monthly Base Rent.

(b) **Base Rent During Subsequent Extension Terms.** The monthly Base Rent payable under this Lease during each of the first twelve (12) months of any subsequent Extension Term shall be 101.5% of the Base Rent payable during the last month of the immediately preceding Extension Term. The monthly Base Rent payable under this Lease during the remainder of each such Extension Term shall be adjusted annually, on each anniversary of the first day of such Extension Term, to an amount equal to 101.5% of the then-current monthly Base Rent.

ARTICLE IV

RENT AND EXPENSES

Section 4.01 Rent Defined. All Base Rent, Expenses (as defined below), and all other monetary obligations of Tenant to Landlord or to third parties arising under the terms of this Lease are deemed to be rent ("Rent").

Section 4.02 Expenses.

(a) **Tenant Responsibility for Expenses.** During the Term, Tenant will be responsible for all Expenses, which Tenant shall timely pay directly. If Tenant fails to pay any such Expenses within ten (10) days after Tenant receives written notice that the same are overdue (provided however, Landlord shall not be obligated to provide written notice to Tenant of any overdue payment more than three (3) times in any twelve (12) month period, and any subsequent overdue payment in such 12-month period shall constitute a Breach (as hereinafter defined) without notice to Tenant), Landlord may, but will not be obligated to, pay any and all Expenses which Landlord deems reasonably necessary or appropriate with respect to the Property and Tenant will reimburse Landlord for all Expenses actually paid by Landlord within thirty (30) days after receiving a statement therefor from Landlord itemizing (with reasonable description) such Expenses, which statement shall be accompanied by supporting documentation evidencing such Expenses incurred by Landlord.

(b) **Expenses Defined.** "Expenses" shall mean all costs and expenses related to the ownership, use, occupancy, operation, maintenance, restoration, repair, replacement, improvement, and insurance of the Premises or any business or other activities conducted thereon, including, by way of illustration only, and not by way of limitation, the following:

- (i) gross receipts taxes, whether assessed against Landlord or assessed against Tenant and collected by Landlord;
- (ii) water, sewage, and waste or refuse removal charges;

- (iii) gas, electricity, telephone, data and other utilities;
- (iv) air conditioning & heating;
- (v) elevator maintenance (if any);
- (vi) supplies, materials, labor, maintenance personnel, and equipment;
- (vii) maintenance, replacement and repair costs, including janitorial, cleaning and repair services, air conditioning systems, landscaping, service areas, building exteriors (including painting), signs and directories, repairing and replacing roofs, walls, capital improvements and upgrades, and cost of compliance with Applicable Requirements;
- (viii) capital improvements (excluding restoration or repair of Major Damage as such term is defined in Section 8.01) made to the Premises, including those which may be required pursuant to any Applicable Requirement or which Tenant desires to make in order to improve the operating efficiency of the Property;
- (ix) Real Property Taxes (as defined in Section 9.01), and personal property taxes (as described in Section 9.03), if any, and any costs incurred in filing for, obtaining or maintaining such tax exemptions as Tenant is required to seek under Section 9.02 and Section 9.03;
- (x) costs and expenses of the insurance required to be obtained and maintained by Tenant under Article VII hereof and Exhibit C attached hereto; and
- (xi) any other costs or expenses reasonably incurred with respect to the Premises after the Commencement Date, not inconsistent with the express terms of this Section 4.02.

Section 4.03 Payment. Tenant will cause all Rent payable to Landlord under this Lease to be received by Landlord in lawful money of the United States on or before the day on which it is due, without offset or deduction. Rent for any period during the Term hereof which is for less than one full calendar month shall be prorated based upon the actual number of days of such month. Payment of Rent due to Landlord shall be made to Landlord via wire transfer or to the address set forth below in Section 14.09 or to such other persons or place as Landlord may from time to time designate in writing.

Section 4.04 Rent Concession. Landlord shall establish and maintain a separate deposit account (the "Reserve Account") at a financial institution acceptable to Landlord (the "Bank") in the name of Landlord, to be identified as "Rent Concession Reserve Account". Simultaneously with Tenant's execution of this Lease, Landlord will deposit into the Reserve Account the sum of Two Hundred Thousand and 00/100 Dollars (\$200,000.00) (the "Concession Amount"). Commencing on the Commencement Date, Landlord shall apply the Concession Amount towards the monthly Rent becoming due and payable by Tenant under this Lease until the Concession Amount in the Reserve Account has been exhausted except for any portion of the Concession Amount which Tenant elects for Landlord to hold as the Security Deposit (as hereinafter defined), as provided in

Section 4.06. Monthly statements from the Bank for the Reserve Account shall be delivered electronically (and in paper format at the request of Landlord) to both Landlord and Tenant in accordance with the standard business practices of the Bank.

Section 4.05 Accounting. Upon Landlord's written request (but not more than once per calendar year unless (a) such request is made in connection with the sale, financing or refinancing of the Premises or (b) an uncured Breach exists under the terms of this Lease, in which event such limitation shall not apply), Tenant agrees to provide Landlord with an accounting of the Expenses paid for the then current calendar year. If Tenant so requests in writing, Landlord and Manager shall provide Tenant with an annual, or more frequent, accounting of the Expenses paid for the then current calendar year.

Section 4.06 Security Deposit. Simultaneously with Tenant's execution and delivery of this Lease, Tenant shall deposit with Landlord, as security for the performance by Tenant of all of Tenant's obligations contained in this Lease, the sum of Twenty-Five Thousand and 00/100 Dollars (\$25,000.00) (the "Security Deposit"). Tenant may elect, by written notice given to Landlord prior to the Commencement Date, to fund the Security Deposit or any portion thereof from the Concession Amount. In the event of a Breach (as hereinafter defined) by Tenant, Landlord may apply all or any part of the Security Deposit to cure all or any part of such Breach; provided, however, that any such application by Landlord shall not be or be deemed to be an election of remedies by Landlord or considered or deemed to be liquidated damages. Tenant agrees promptly, upon demand, to deposit such additional sums with Landlord as may be required to maintain the full amount of the Security Deposit. All sums held by Landlord pursuant to this Section 4.06 shall be without interest and may be commingled by Landlord. Within thirty (30) days after the end of the Lease Term, provided that there is then no uncured Breach or any repairs required to be made by Tenant pursuant to the terms of this Lease, Landlord shall return the Security Deposit to Tenant.

Section 4.07 Excise Taxes. Tenant shall pay all sales, excise, transaction privilege, use, or rent Tax (defined below) due from Tenant due to Tenant's own business with respect to the Rent payable hereunder. In the event any such Tax is payable by Landlord to any taxing authority, Tenant shall promptly reimburse the amount of such Tax to Landlord upon demand therefor.

ARTICLE V

USE

Section 5.01 Use. Subject to the limitations set forth in this Section 5.01, Tenant will use and occupy the Premises only for office and classroom space and for other uses necessary to operate a community school, and related educational programs, and uses ancillary and incidental thereto such as, by way of example only, PTA meetings, clubs, tutoring, and sports events and activities, which are exempt from federal income taxation under Section 501(a) of the Internal Revenue Code (the "Code") as an organization described in Code Section 501(c)(3) and that qualifies as an "education organization" as described under Code Section 170(b)(1)(A)(ii) (the "Agreed Use"), and for no other purpose whatsoever. It is further agreed that Tenant will be a 501(c)(3)

organization and will not permit the Premises to be used (a) for any sectarian instruction or study or as a place for devotional activities or religious worship; (b) by a sublessee or assignee that is not a 501(c)(3) organization or a governmental unit; or (c) by a 501(c)(3) organization for purposes of conducting an unrelated trade or business. Tenant shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that unreasonably disturbs or causes damage to neighboring premises or properties.

Section 5.02 Hazardous Substances.

(a) **Reportable Uses Require Consent.** The term "Hazardous Substance" as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials on or expected to be on the Premises, is either: (i) injurious to the public health, safety or welfare, the environment or the Property; (ii) regulated or monitored by any governmental authority; or (iii) a basis for potential liability of Landlord or Tenant to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, by-products or fractions thereof. Tenant shall not engage in any activity in, on, under or about the Premises that constitutes a Reportable Use (defined below) of Hazardous Substances without the express prior written consent of Landlord and timely compliance (at Tenant's expense) with all Applicable Requirements. "Reportable Use" shall mean (A) the installation or use of any above or below ground storage tank; (B) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority; and/or (C) the presence in, on or under the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing or anything herein to the contrary, Tenant may use ordinary and customary quantities of (i) materials reasonably required to be used in the normal course of the Agreed Use; (ii) office supplies (copier toner, liquid paper, glue, etc.); (iii) common commercial cleaning materials; and (iv) those Hazardous Substances customarily used in the day-to day programming of a school such as, but not necessarily limited to, science or biology laboratory substances, nursing or medical supplies or emergency response substances, so long as such use in each case under clauses (i), (ii), (iii) or (iv) is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Landlord or Tenant to any liability therefor. In addition, Landlord may condition its consent to any Reportable Use upon receiving such additional assurances as Landlord reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before the Expiration Date or other termination of this Lease) of protective modifications (such as concrete encasements). No consent by Landlord with respect to any Hazardous Substance shall relieve Tenant of any of its obligations under this Section 5.02 or create any liability on the part of Landlord with respect to Hazardous Substances, including those which were the subject of Landlord's consent.

(b) **Duty To Inform Landlord.** If Tenant knows, or has reasonable cause to believe or suspect, that a Reportable Use of Hazardous Substances has occurred in, on, under or about the Premises, other than as previously consented to by Landlord, Tenant shall promptly give written notice of such fact, belief or suspicion to Landlord, and provide Landlord with a copy of any report, notice, claim or other documentation which it has concerning the presence or believed or suspected presence of such Hazardous Substance.

(c) **Tenant Indemnification.** Tenant shall indemnify, defend and hold Landlord, its managers, partners, members, agents, employees, officers, directors, shareholders and those of any of its constituent members, partners or shareholders, and any affiliates of the foregoing, and each Holder (as defined below) (each, a "Landlord Indemnified Party"), harmless from and against any and all losses, damages (exclusive of any lost profits or indirect, consequential or punitive damages), liabilities, liens, encumbrances, judgments, claims, penalties, costs and expenses, including reasonable attorneys' and consultants' fees (collectively, "Losses") in any way arising out of, involving or in connection with any Hazardous Substance brought onto or existing in, on, under or about the Premises during the Term by Tenant or its employees, agents, contractors or invitees. No termination, cancellation or release agreement entered into by Landlord and Tenant shall release Tenant from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Landlord in writing at the time of such agreement. The provisions of this Section 5.02(c) shall survive the expiration or other termination of this Lease.

(d) **Hazardous Substance Condition Remediation.** If Tenant becomes aware of a Hazardous Substance Condition (defined below) occurring during the Term of this Lease including, but not limited to, those caused by Tenant or by activities on the Premises knowingly permitted by Tenant, then Tenant shall notify Landlord and Tenant shall make the investigation and remediation thereof required by the Applicable Requirements, the costs relating thereto constituting an Expense for which Tenant is responsible and this Lease shall continue in full force and effect. "Hazardous Substance Condition" shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance in, on, under or about the Premises which requires repair, remediation, restoration or notification to a government authority.

(e) **Landlord's Representations and Covenants with respect to Hazardous Substances.** Landlord represents that, as of the Effective Date, to Landlord's actual knowledge, there are no Hazardous Substances on the Premises in violation of Applicable Requirements. Landlord shall not engage in any activity in, on, under or about the Premises that constitutes a Reportable Use of Hazardous Substances. If the Premises contain any Hazardous Substances in violation of Applicable Requirements which were either (i) brought onto the Premises by Landlord or its agents, employees or contractors or (ii) in existence before the Commencement Date, regardless of cause, Landlord shall be responsible for remediating such condition as Landlord deems appropriate in its sole but good faith discretion in accordance with Applicable Requirements, and the costs relating thereto shall constitute an expense for which Landlord is responsible.

ARTICLE VI

MAINTENANCE; REPAIRS

Section 6.01 Tenant's Obligations. Except as otherwise expressly provided in Article VIII and Section 14.02, Landlord shall have no obligation, in any manner whatsoever, to improve, modify, restore, repair or maintain the Premises, or the furniture, fixtures or equipment therein, all of which obligations are solely those of Tenant. Tenant shall, at Tenant's sole expense, keep the Premises, including all Improvements, in good order, condition and repair, reasonable wear and tear excepted. The duty to restore, repair and maintain is all inclusive, and extends to, by way of example and not limitation, the exterior, structural and major utility components of the Premises, all equipment or facilities, such as plumbing, HVAC equipment, electrical, lighting facilities, boilers, pressure vessels, fire protection system, fixtures, walls (interior and exterior), ceiling, floors, windows, doors, plate glass, skylights, landscaping, driveways, parking lots, fences, retaining walls, signs, sidewalks and parkways located in, on, or adjacent to the Property. Tenant's obligations shall include restorations, replacements or renewals when necessary to keep the Premises, including all Improvements, or a part thereof in good order, condition and state of repair, reasonable wear and tear excepted.

Section 6.02 Utility Installations; Trade Fixtures; Alterations.

(a) **Definitions.** The term "Utility Installations" refers to all air and/or vacuum lines, power panels, electrical distribution, security and fire protection systems, communication cabling, lighting fixtures, HVAC equipment, plumbing and fencing in or on the Premises. The term "Trade Fixtures" shall mean Tenant's machinery and equipment, furniture and other personal property that can be removed without material damage to the Premises. The term "Alterations" shall mean any modification of the Improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion.

(b) **Consent.** Tenant shall not make any Alterations or Utility Installations in or to the Premises without Landlord's prior written consent (which shall not be unreasonably withheld, conditioned or delayed except in connection with an Alteration or Utility Installation which would affect any structural portion of the Improvements, in which event Landlord's consent may be withheld in its sole and absolute discretion), except as expressly provided herein. Tenant may make non-structural Alterations or Utility Installations without such consent but upon prior written notice to Landlord as long as such Alterations or Utility Installations are not on the exterior of the Improvements, do not involve puncturing, relocating or removing the roof or any existing structural walls, and will not materially adversely affect the electrical, plumbing, HVAC, and/or life safety systems. In addition, Tenant shall have the right to place signs on the Premises as Tenant may deem desirable provided that (i) such signs comply with all Applicable Requirements, and (ii) with respect to permanent signage located on the exterior of the Premises, the design, location and size is approved in advance by Landlord, such approval not to be unreasonably withheld, conditioned or delayed. Without limiting the foregoing, Tenant shall not make or permit any roof penetrations and/or install anything on the roof without the prior written approval of Landlord, such approval not to be unreasonably withheld, conditioned or delayed. Any Alterations or Utility

Installations that Tenant desires to make and which require the consent of the Landlord must be presented to Landlord in written form with detailed plans. Consent will be deemed conditioned upon Tenant: (i) acquiring all applicable governmental permits, (ii) furnishing Landlord with copies of both the permits (if required) and the plans and specifications prior to commencement of the work, and (iii) complying with all conditions of such permits and other Applicable Requirements in a prompt and expeditious manner. Any Alterations or Utility Installations must be performed in a good and workmanlike manner with new materials. Tenant will, promptly upon completion of any Alterations or Utility Installations that involve any structural changes to the Improvements, reconfiguration of floor plan(s), expansion of the footprint of the Improvements, moving walls and/or demolishing any Improvements, furnish Landlord with a copy of Tenant's construction plans for such Improvements, marked to show changes made during the construction process.

(c) **Liens; Bonds.** Tenant must pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Tenant at or for use on the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises or any interest therein. Tenant will give Landlord not less than ten (10) days' notice prior to the commencement of any work in, on or about the Premises which could give rise to a claim secured by a mechanic's or materialmen's lien, and Landlord will have the right to post notices of non-responsibility. If Tenant contests the validity of any lien, claim or demand, then Tenant will, at its sole expense, (i) post or record such undertaking or bond as is necessary to release the Premises from the lien; (ii) defend, indemnify and protect itself, Landlord and the Premises against the same; and (iii) satisfy any adverse judgment that may be rendered thereon before the enforcement thereof.

Section 6.03 Ownership; Surrender; and Restoration.

(a) **Ownership.** All Alterations and Utility Installations made by Tenant will be the sole property of Landlord.

(b) **Surrender and Restoration.** Tenant must surrender the Premises by the Expiration Date or any earlier termination date, with all of the Improvements, parts and surfaces thereof broom clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear and damage from casualty excepted. Tenant must repair any damage occasioned by the installation, maintenance or removal of Trade Fixtures, furnishings, equipment or other personal property of Tenant or the removal of any storage tank installed by or for Tenant. Tenant shall completely remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Tenant, even if such removal would require Tenant to perform or pay for work that exceeds statutory requirements. Trade Fixtures shall remain the property of Tenant and shall be removed by Tenant. Any Trade Fixtures or other personal property of Tenant not removed on or before the Expiration Date or any earlier termination date that remains on the Premises for more than ten (10) days after Tenant receives written notice from Landlord that the same has not been so removed, shall be deemed to have been abandoned by Tenant and may be disposed of or retained by Landlord, as Landlord may desire. The failure by Tenant to timely vacate the Premises on the Expiration Date or any earlier termination date in the condition mandated in this Section

6.03(b) without the express written consent of Landlord shall constitute a material Breach of this Lease which each Party acknowledges will materially impair Landlord's ability to re-let, sell or otherwise derive value from the Premises following the expiration of the Term, and Tenant acknowledges that it would be extremely difficult or impracticable for Landlord to calculate the damages Landlord will sustain because of such Breach. Therefore, Tenant agrees that as liquidated damages, it will be liable to Landlord for holdover rent calculated in accordance with Section 14.12 of this Lease until Tenant surrenders possession of the Premises in the condition specified in this Section 6.03(b). Tenant's obligations under this Section 6.03 shall survive the expiration or other termination of this Lease.

Section 6.04 Express Provisions of Lease to Govern. It is the intention of the Parties that the terms of this Lease exclusively govern the respective obligations of the Parties as to maintenance and repair of the Premises and all other matters set forth in this Lease, and Landlord and Tenant each expressly waives, to the maximum extent permitted by law, the benefit of any statute now or hereafter in effect to the extent it is inconsistent with the terms of this Lease.

ARTICLE VII

INSURANCE; INDEMNITY

Section 7.01 Liability. During the Term, Tenant must obtain and keep in force such liability insurance policies meeting such requirements and in such amounts as set forth in Exhibit C attached hereto. Landlord and Manager shall each be named as an additional insured on all such policies. The premiums for all insurance required to be maintained by Tenant hereunder will be paid by Tenant and deemed an "Expense" hereunder. During the Term, Landlord must obtain and keep in force commercial general liability insurance with a minimum coverage of at least \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Such policy shall be provided by a company maintaining during the policy term a "General Policyholders Rating" of at least A-, VII, as set forth in the most current issue of "Best's Insurance Guide".

Section 7.02 Property. Tenant must obtain and keep in force a policy or policies of property insurance, with loss payable to Landlord and to any lender designated by Landlord insuring loss or damage to the Premises, including the Improvements. The amount and other requirements of such insurance shall be as set forth in Exhibit C attached hereto. The premium for all such insurance will be paid by Tenant and deemed an "Expense" hereunder. Additional coverage amounts required by Landlord's lender in excess of those amounts shown on Exhibit C shall be the responsibility of the Landlord.

Section 7.03 Intentionally Omitted.

Section 7.04 Other Insurance. Tenant must obtain and keep in force all other insurance policies, and comply with any other requirements, as set forth on Exhibit C attached hereto.

Section 7.06 Indemnity.

(b) Except to the extent liability is waived under Section 7.05 and except for the gross negligence or willful misconduct of Tenant or its employees, agents, subtenants or contractors or Tenant's default under the terms of this Lease, Landlord shall indemnify, defend and hold harmless each Tenant Indemnified Party from and against any and all Losses sustained by such Tenant

Indemnified Party in any way arising out of, involving or in connection with (a) the gross negligence or willful misconduct of Landlord or a Landlord-Related Person (as hereinafter defined) or (b) any of Landlord's representations expressly set forth in this Lease being false as of the date such representation was made. A "Landlord-Related Person" means any employee, contractor, licensee or agent of Landlord but shall in no event include Charter School Capital, Inc. If any action, claim or proceeding is brought against any Tenant Indemnified Party by reason of any matter for which such Tenant Indemnified Party is entitled to indemnification under this Lease (each a "Tenant Indemnified Matter"), Landlord shall upon notice defend the same at Landlord's sole expense by counsel reasonably satisfactory to such Tenant Indemnified Party and Tenant Indemnified Party shall cooperate with Landlord in such defense. If the Tenant Indemnified Party determines that it is necessary or appropriate to engage separate counsel to represent such Tenant Indemnified Party's interests in connection with any Tenant Indemnified Matter, such Tenant Indemnified Party shall be entitled to engage such counsel at such Tenant Indemnified Party's expense. Landlord shall not settle any Tenant Indemnified Matter without Tenant Indemnified Party's prior written consent. Any Tenant Indemnified Party need not have first paid or incurred any Losses in order to be defended or indemnified for any Tenant Indemnified Matter. The provisions of this Section 7.06(b) shall survive the expiration or other termination of this Lease.

Section 7.07 Exemption of Landlord from Liability. Except to the extent that such injury or damage is caused by the gross negligence or willful misconduct of Landlord or a Landlord-Related Person and except to the extent of any Losses caused by Landlord's default under the terms of this Lease, neither Landlord nor any other Landlord Indemnified Party will be liable for, and Tenant, on behalf of itself and all Tenant-Related Persons, hereby waives any claims it may now or hereafter have for injury or damage to the person or goods, wares, merchandise or other property of Tenant or any Tenant-Related Person, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, including the misconduct of third parties, whether such injury or damage results from conditions existing or arising upon the Premises or from other sources or places. The provisions of this Section 7.07 shall survive the expiration or other termination of this Lease.

ARTICLE VIII

DAMAGE OR DESTRUCTION

Section 8.01 Definitions.

- (a) "Damage" shall mean damage or destruction to the Improvements.
- (b) "Insured Loss" shall mean Damage which was caused by an event required to be covered by the insurance described in Section 7.02, irrespective of any deductible amounts or coverage limits involved.
- (c) "Major Damage" shall mean Damage, the estimated Replacement Cost of which, as determined in accordance with the following sentence, exceeds 25% of the original purchase

price paid by Landlord for the Property. For purposes of determining whether any Damage constitutes Major Damage, the estimated Replacement Cost shall be as determined by Tenant, using such appraisals, bids, estimates, insurance values or other indications of cost to repair or rebuild as Tenant shall deem appropriate. The amount of any insurance proceeds payable upon the occurrence of any Damage (without regard to deductibles) may be used by Tenant as a factor in estimating Replacement Cost but shall not be determinative.

(d) “Replacement Cost” shall mean the cost to repair or rebuild the Improvements affected by the Damage to their condition existing immediately prior to the Damage, including demolition, debris removal and upgrading required by the operation of Applicable Requirements and without deduction for depreciation.

Section 8.02 Damage – Insured Loss. If the Lease is terminated as provided herein, Landlord will be entitled to any and all insurance proceeds that are available as a result of any Damage except as otherwise expressly provided in this Section 8.02. If Damage that is an Insured Loss occurs and the Lease is not terminated as provided herein, Tenant will be obligated to repair or rebuild the Damage at Tenant’s expense as soon as reasonably possible and this Lease shall continue in full force and effect. In such case, Tenant shall be entitled to use and apply the insurance proceeds, if any, that are actually collected as a result of the Damage toward the cost of such repair or rebuilding. Notwithstanding the foregoing, if (a) the insurance proceeds are not sufficient to effect such repair or rebuilding or (b) the Damage constitutes Major Damage, Tenant shall have the right to terminate this Lease upon written notice to Landlord delivered within sixty (60) days after the date of such Damage, in which event this Lease shall terminate effective as of the thirtieth (30th) day after such termination notice is delivered to Landlord, and the parties shall be released from all liabilities and obligations accruing under this Lease on or after the effective termination date except for such liabilities and obligations that expressly survive termination or earlier termination of this Lease. If Tenant fails to provide notice of termination within such aforesaid 60-day period, then Tenant’s right to terminate this Lease provided under this Section 8.02 shall be deemed waived and of no force or effect and this Lease shall continue in accordance with its terms. In the event that this Lease is not terminated, the Rent payable by Tenant hereunder shall be equitably abated for the duration of the repair or rebuilding to the extent that the Premises is untenantable. Upon any termination of this Lease pursuant to this Section 8.02, the Rent payable by Tenant shall be apportioned as of the date of such Damage. If Tenant terminates this Lease as provided herein and the Damage is an Insured Loss, Tenant shall provide Landlord with the proceeds of such insurance; provided, however, that Tenant shall be entitled to that portion of any and all insurance proceeds necessary to compensate it for the value of its improvements to the Premises and the value of its leasehold estate. Notwithstanding anything to the contrary contained in this Lease, if the required insurance was not in force at the time of such Damage, Tenant shall not be relieved of its obligation to repair or rebuild and will promptly contribute the shortage in proceeds as and when required to complete such repairs or rebuilding. Notwithstanding the foregoing or anything contained herein to the contrary, if the Damage is caused by the gross negligence or willful misconduct of Tenant, Tenant shall not have the right to terminate this Lease and Tenant shall be required to repair or rebuild the Premises and there shall be no offset or deduction in Rent during the period of repair or restoration.

Section 8.03 Damage – Uninsured Loss. If any Damage that is not an Insured Loss occurs:

(a) Tenant may elect to repair or rebuild such Damage at Tenant's expense, in which case Tenant must notify Landlord thereof in writing within sixty (60) days after the date of Damage and will proceed to repair or rebuild such Damage as soon as reasonably possible, and this Lease shall continue in full force and effect and Rent shall be equitably abated for the duration of the repair or rebuilding to the extent that the Premises is untenantable.

(b) If Tenant does not elect to repair or rebuild any Damage that is not an Insured Loss, Landlord may elect, by written notice to Tenant within sixty (60) days following receipt by Landlord of knowledge of the occurrence of the Damage:

(i) to repair or rebuild such Damage at Landlord's expense, in which case Landlord shall proceed to so repair or rebuild such Damage as soon as reasonably possible, and this Lease shall continue in full force and effect and Rent shall be equitably abated for the duration of such repair or rebuilding to the extent that the Premises is untenantable; or

(ii) to terminate this Lease.

(c) If Tenant does not elect to repair or rebuild such Damage under Section 8.03(a) and Landlord fails to provide notice to Tenant of its election to repair or rebuild such Damage under this Section 8.03(b), this Lease shall automatically terminate at the expiration of the later of (i) the sixty (60) day period provided in Section 8.03(a), and the sixty (60) day period provided in Section 8.03(b). Upon any termination of this Lease pursuant to this Section 8.03, the Rent payable by Tenant shall be apportioned as of the date of such Damage.

Section 8.04 Waiver of Statutes. Landlord and Tenant each agree that the terms of this Lease will govern the effect of any damage to or destruction of the Premises with respect to the termination of this Lease or the obligation to repair or rebuild, and each Party hereby expressly waives, to the maximum extent permitted by law, the benefit of the provisions of any present or future statute to the extent inconsistent with the provisions of this Article VIII or any other provision of this Lease.

ARTICLE IX

PROPERTY TAXES

Section 9.01 Definitions. As used herein, the term "Real Property Taxes" includes: (i) any form of assessment, tax, levy, charge or fee (any of the foregoing, a "Tax") charged, assessed, levied or imposed (any of which words as hereafter used shall be deemed to refer to any or all of such words) upon or against or in connection with the Premises (other than inheritance, income, gift, franchise, transfer taxes or conveyance fees payable with respect to a conveyance of the fee, capital stock, intangible, state business or estate Taxes); (ii) any real estate, general, special, ordinary, extraordinary, or rental Tax; (iii) any license or Tax levied against any legal or equitable interest of Landlord in the Premises, Landlord's right to income in connection with the Premises and/or Landlord's business of leasing; or (iv) any Tax imposed by an authority having the direct or

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indirect power to Tax where the funds are generated with reference to the address or legal description of the Property or where the proceeds so generated are to be applied by the city, county or other local taxing authority of a jurisdiction within which the Property is located. Real Property Taxes also includes any Tax or any increase therein: (a) imposed by reason of events occurring during the Term of this Lease, including but not limited to, a change in the ownership of the Property; or (b) assessed on Improvements, fixtures, machinery or equipment provided by Landlord to Tenant pursuant to this Lease.

Section 9.02 Payment of Real Property Taxes. Subject to the terms of this Section 9.02, Tenant shall pay directly to the taxing authority, the full amount of all Real Property Taxes assessed with respect to the Property during the term of this Lease. Promptly following request therefor by Landlord from time to time, Tenant shall provide to Landlord evidence of payment of all Real Property Taxes due and payable by Tenant under this Lease. Landlord recognizes that the Property may qualify for real property tax exemption based upon Tenant's use of the Property, and Tenant hereby acknowledges that Landlord cannot guaranty that the Property shall be exempt from Real Property Taxes, that special assessments may not be included in the exemption and that, even if it qualifies for property tax exemption, the exemption will not be effective until property tax payments are due for the year after the year in which Landlord acquired the Property. In accordance with the foregoing, Landlord agrees to apply for real property tax exemption at the earliest time at which Landlord reasonably believes it might be able to obtain property tax exemption provided that Tenant has first submitted to Landlord all requested documentation for filing the appropriate applications to secure and maintain real property tax exemption. Until such time as the Property has been granted an exemption from Real Property Taxes, if at all, Tenant shall pay directly to the taxing authority, as additional rent, all Real Property Taxes coming due with respect to the Property, in accordance with Section 4.02. Tenant shall also pay, as additional rent, the full amount of any interest and penalties assessed against the Property during the Term because of the failure to timely pay Real Property Taxes in the event that the application for real property tax exemption is denied in whole or in part. Tenant agrees to promptly cooperate with Landlord in connection with the application and any hearings or other process seeking such exemption. Notwithstanding the foregoing, in the event the Property is not deemed fully exempt from the payment of Real Property Taxes, Tenant covenants and agrees to pay the Real Property Taxes levied against the Property in accordance with the terms and provisions of this Lease. Landlord shall promptly pay to Tenant, Tenant's share of any refund or rebate of Real Property Taxes applicable to the Term hereof. The Parties' obligations under this Section 9.02 with respect to items accruing prior to the expiration or other termination of this Lease shall survive the expiration or other termination of this Lease.

Section 9.03 Personal Property Taxes. Tenant will timely file for exemption against any Tax arising in connection with any Alterations, Utility Installations, Trade Fixtures, furnishings, equipment or other personal property of Tenant for which Tenant is or may become eligible and will maintain such exemption at all times during which Tenant is eligible during the Term. In any event, Tenant will pay, prior to delinquency, all such taxes to the extent they are assessed during, or with respect to, the Term.

ARTICLE X

ASSIGNMENT AND SUBLETTING

Section 10.01 By Tenant.

(a) **Assignment.** No right to use or occupy all or any portion of the Premises, and no portion of Tenant's interest in this Lease, may be acquired by any Person other than Tenant, whether by sale, assignment, sublease, transfer, mortgage, pledge, hypothecation or encumbrance, and whether by operation of law or act of Tenant (any of the foregoing, an "Assignment") without the prior written consent of Landlord in each instance, which Landlord shall not unreasonably withhold, condition or delay.

(b) **Additional Provisions.** The following shall be included in the definition of Assignment: (i) the sale, assignment or other transfer subsequent to the Effective Date, of an aggregate of 10% percent or more of the assets of, or legal or beneficial ownership interests in, the Tenant; or (ii) the dissolution, merger, consolidation or other reorganization of Tenant. No Assignment by Tenant, or consent thereto or other action by Landlord in connection therewith, shall release Tenant from any obligation or liability under this Lease, whether arising before or after the date of such Assignment. No acceptance of Rent by Landlord from any Person other than Tenant shall be deemed a consent to any Assignment or a waiver of any provision of this Section 10.01. Consent to one Assignment is not a consent to any subsequent Assignment. Any attempted Assignment in violation of this Section 10.01 shall at Landlord's election be null and void and shall constitute a Breach of this Lease.

(c) **No Merger.** No merger shall result from any sublease by Tenant of all or any part of the Premises and Tenant's surrender of this Lease or the termination of this Lease in any other manner. In any such event, Landlord may terminate any or all subtenancies or succeed to the interest of Tenant as sublandlord under any or all subtenancies.

Section 10.02 By Landlord. Landlord may sell, transfer, lease pledge, mortgage, hypothecate or assign (any of the foregoing, a "Transfer") any or all of its rights in or to this Lease or the Premises, or any portion thereof, without notice to or consent from Tenant. Upon any Transfer by Landlord of its entire interest in or to this Lease, Landlord shall be released from any and all obligations or liabilities arising under this Lease provided that the transferee agrees to assume the same, and Tenant shall thereafter look solely to the transferee with respect thereto, except for any obligations or liabilities arising prior to the date of Transfer which are not assumed by the transferee. Tenant expressly waives the protection of any statute or rule of law which gives or purports to give Tenant any right to terminate this Lease or surrender possession of the Premises upon the Transfer of Landlord's interest in this Lease or in the Premises.

ARTICLE XI

DEFAULT; BREACH; REMEDIES

Section 11.01 Default; Breach. Tenant's faithful performance of each and every obligation of Tenant under this Lease is a condition as well as a covenant. Tenant's right to continue in possession of the Premises is conditioned upon such performance, subject to any notice and cure period provided herein. A "Default" is defined as a failure by Tenant to strictly comply with or perform any of the terms, covenants, conditions or provisions of this Lease. A "Breach" is defined as the occurrence of one or more of the following Defaults, and the failure of Tenant to cure such Default within any applicable grace period, if applicable, as set forth below:

(a) The abandonment of the Premises, unless Tenant continues to pay all Rent due under this Lease and perform its other obligations herein;

(b) The failure of Tenant to make Rent or other payment required to be made by Tenant hereunder, whether to Landlord or to a third party, when due, which failure continues for more than five (5) business days following written notice to Tenant of such failure (provided however, Landlord shall not be obligated to provide written notice to Tenant of any overdue payment more than three (3) times in any twelve (12) month period, and any subsequent overdue payment in such 12-month period shall constitute a Breach (as hereinafter defined) without notice to Tenant);

(c) The failure of Tenant to provide reasonable evidence of any insurance or surety bond required to be carried by Tenant pursuant to this Lease, which failure continues for ten (10) days following written notice to Tenant of such failure;

(d) The failure of Tenant to fulfill any obligation under this Lease which endangers or threatens life or property whereby the life threatening nature of such failure is not eliminated as soon as commercially reasonable (but in no event more than three (3) days following written notice to Tenant of such failure) and Tenant fails to cure such failure with reasonable diligence thereafter;

(e) If any financial statement of Tenant given to Landlord was false or misleading in any material respect;

(f) Tenant's failure to complete on or before the Expiration Date any repairs necessary to deliver the Premises to Landlord in the condition specified in Section 6.03 which are identified and mutually agreed upon during a walk through inspection of the Premises made by the Parties at least fifteen (15) days prior to the expiration of the Term;

(g) Any failure by Tenant to strictly comply with or perform any of the terms, covenants, conditions or provisions of this Lease, other than those described in clauses (a) through (f) above; provided, however, that in the case where such failure is of a nature which could be cured by Tenant, such failure shall not be deemed to be a Breach unless it continues for a period of thirty (30) days or more after written notice to Tenant, or if the nature of Tenant's failure to comply or perform is such that more than thirty (30) days are reasonably required for its cure, then it shall not be deemed to be a Breach if Tenant commences such cure within such 30-day period and thereafter diligently prosecutes such cure to completion; or

(h) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors by Tenant; (ii) Tenant becoming a "debtor"

as defined in 11 U.S.C. Section 101 or any successor statute thereto (unless, in the case of a petition filed against Tenant, the same is dismissed within ninety (90) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within sixty (60) days; or (iv) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within sixty (60) days; provided; however, in the event that any provision of this clause (i) is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

Section 11.02 Remedies.

(a) **Performance by Landlord.** If Tenant fails to perform any of its affirmative duties or obligations (other than compliance with covenants and financial reporting requirements pursuant to Article XIII hereof) and such failure continues beyond the cure period provided in Section 11.01, if any, Landlord may, at its option, but shall not be required to, perform such duty or obligation on Tenant's behalf, including obtaining reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. Landlord may, but shall not be required to, give Tenant thirty (30) days prior written notice prior to performing any such duties and obligations. Tenant shall pay to Landlord all costs and expenses incurred by Landlord in such performance within ten (10) days following receipt of any invoice therefor, which shall be accompanied by supporting documentation evidencing the costs and expenses incurred by Landlord in connection therewith. No actions taken by Landlord pursuant to this Section 11.02(a) shall relieve or excuse Tenant from any of its duties or obligations, or be deemed to have cured or avoided any Default or Breach by Tenant.

(b) **Remedies for Breach.** In the event of a Breach, including Tenant's failure to comply with the covenants or financial reporting requirements set forth in Article XIII hereof, Landlord may at any time thereafter, with or without further notice or demand, and without limiting any right or remedy which Landlord may otherwise have by reason of such Breach:

(i) Terminate Tenant's right to possession of the Premises by any lawful means, with or without terminating this Lease (in which event Tenant shall immediately surrender possession of the Premises to Landlord), and recover from Tenant all damages suffered by Landlord as a result of Tenant's Breach, including: (A) the unpaid Base Rent and other Rent which had been earned at the time of termination of Tenant's right to possession; (B) the amount by which the unpaid Base Rent and other Rent which would have been earned after termination of Tenant's possession until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; (C) the worth at the time of award of the amount by which the unpaid Base Rent and other Rent for the balance of the Term after the time of the award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; and (D) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course would be likely to result therefrom, including the costs of recovering possession of the Premises, the costs of

maintaining, repairing or preserving the Premises after recovery, expenses of reletting, including leasing commissions and necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Landlord in connection with this Lease applicable to the unexpired Term of this Lease. The worth at the time of award of the amount referred to in clause (C) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the federal reserve bank of the district within which the Premises are located at the time of award plus one percent. Efforts by Landlord to mitigate damages caused by Tenant's breach of this Lease shall not waive Landlord's right to recover damages under this Article XI. No action by Landlord, including Tenant's right to possession, shall be deemed a termination of this Lease unless expressly so designated by Landlord in writing. If termination of Tenant's possession of the Premises is obtained through the provisional remedy of unlawful detainer, Landlord shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Landlord may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Section 11.01 was not previously given, a notice to pay rent or quit, or to perform or quit, given to Tenant under the unlawful detainer statute shall also constitute the notice required by Section 11.01. In such case, the applicable grace period required by Section 11.01 hereof and the unlawful detainer statute shall run concurrently, and the failure of Tenant to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Landlord to the remedies provided for in this Lease and/or by said statute.

(ii) Continue this Lease and Tenant's right to possession and recover the Rent as it becomes due. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Landlord's interests shall not constitute a termination of Tenant's right to possession.

(iii) Terminate this Lease, and recover accrued and unpaid Rent and all such other amounts as shall be permitted by law. Tenant consents to disbursement to Landlord of any funds of Tenant held by or for the benefit of Landlord, AEP, Manager or any entity which controls, is controlled by or controlled in common with any of them, provided such funds are applied to Tenant's obligations to Landlord under this Lease.

(iv) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the State of Ohio.

Notwithstanding anything in this Section 11.02 to the contrary but subject to Section 14.12, in no event shall Tenant be responsible for any lost profits or indirect, special, punitive or consequential damages. Landlord shall use commercially reasonable efforts to mitigate its damages. Landlord hereby waives and releases any contractual or statutory lien it may have on the personal property of Tenant (reserving however any judgement lien), and no further document or instrument shall be necessary to effect such waiver

(c) **No Release of Tenant.** The expiration or other termination of this Lease and/or the termination of Tenant's right to possession shall not relieve Tenant from any liability under this Lease, including under any indemnity provisions of this Lease, as to matters occurring or accruing during the Term or by reason of Tenant's occupancy of the Premises or that expressly survive termination of this Lease.

Section 11.03 Late Charge. Tenant's failure to pay Rent promptly may cause Landlord to incur administrative and other unanticipated costs. The exact amount of such costs are impractical or difficult to ascertain. Such costs may include processing and accounting charges and late charges which may be imposed on Landlord by any ground lease, mortgage or trust deed encumbering the Premises from time to time. Therefore, if Landlord does not receive any Rent payment within five (5) business days after Tenant receives written notice from Landlord that such payment is overdue, or if any check from Tenant is not honored due to insufficient funds, Tenant shall pay to Landlord, as liquidated damages, in addition to any other remedies available to Landlord in connection therewith, a late charge equal to 5% of the past due amount. The Parties agree that such late charge is not a penalty and instead represents a fair and reasonable estimate of the costs Landlord will incur by reason of such late payment.

Section 11.04 Interest. Any monetary payment due Landlord hereunder not received by Landlord within five (5) business days after Tenant receives written notice from Landlord that such payment is overdue (other than late charges assessed pursuant to Section 11.03) shall bear interest from the date due until paid. The interest ("Interest") charged shall be computed at the rate of 10% per annum but shall not exceed the maximum rate allowed by law.

Section 11.05 Landlord's Default. Landlord shall not be deemed in default under this Lease or any provision hereof unless Landlord fails to perform its obligations under this Lease, and such failure continues for more than thirty (30) days after written notice from Tenant; provided, that if more than thirty (30) days are required to cure such failure, Landlord shall not be in default if Landlord commences to cure such failure within the 30-day period and thereafter diligently pursues such cure to completion. In the event Landlord has notified Tenant of the name and address of any secured lender of Landlord with a lien against the Premises, Tenant shall concurrently give notice to such lender and shall accept a cure by such lender, except that such lender shall have thirty (30) days to cure in addition to the period of time in which Landlord may cure. If Landlord is in default under this Lease, Tenant shall have the right to exercise any and all rights and remedies available at law or in equity.

Section 11.06 Legal Fees and Costs. If any action to enforce any provision of this Lease is brought by Landlord or Tenant, the court in such action shall award to the party in whose favor a judgment is entered, a reasonable sum as attorneys' fees and costs. The losing party in such action shall pay such attorneys' fees and costs.

ARTICLE XII

SUBORDINATION; ATTORNMEN; NON-DISTURBANCE

Section 12.02 Attornment. In the event the Property is acquired by another, whether upon the foreclosure or termination of a Security Device to which this Lease is subordinated or any other transfer of Landlord's interest in the Premises, (a) Tenant shall, subject to the non-disturbance provisions of Section 12.03, attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the Term hereof, or, at the election of such new owner, this Lease shall automatically become a new lease between Tenant and such new owner, upon all of the terms and conditions hereof, for the remainder of the Term hereof, and (b) Landlord shall thereafter be relieved of any further obligations hereunder (but not obligations that accrued prior to such transfer) and such new owner shall assume all Landlord's obligations hereunder, except that such new owner shall not: (i) be liable for any act or omission of Landlord or with respect to events occurring prior to such new owner's acquisition of ownership unless such liability arises as a result of a default by Landlord that is continuing at the time such new owner succeeds to the interest of Landlord under this Lease and such new owner fails to cure the same within a reasonable amount of time after receipt of notice thereof; (ii) be subject to any offsets or defenses which Tenant might have against Landlord unless such offset or defense relates to a default by Landlord that is continuing at the time such new owner succeeds to the interest of Landlord under this Lease and such new owner fails to cure the same within a reasonable amount of time after receipt of notice thereof; (iii) be bound by prepayment of rent more than one month in advance of its due date hereunder; or (iv) be liable for the return of any security deposit paid to Landlord unless such security deposit was assigned by Landlord to the new owner.

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Section 12.04 Self-Executing. The agreements contained in this Article XII shall be effective without the execution of any further documents; provided, however, that, upon written request from Landlord or a lender in connection with a sale, financing or refinancing of the Property, Tenant shall execute such further writings as may be reasonably required to separately document any subordination and Non-Disturbance Agreement provided for herein within twenty (20) days after Landlord's written request therefor provided the same are in a form reasonably acceptable to Tenant.

ARTICLE XIII

COVENANTS AND REPRESENTATIONS

Section 13.01 General Representations and Warranties. Tenant hereby represents and warrants to Landlord that (a) Tenant is duly organized and in good standing under the laws of the jurisdiction of its organization; (b) Tenant has the full right and authority to enter into and fully perform its obligations under this Lease; and (c) the persons signing this Lease on behalf of Tenant are authorized to do so.

Section 13.02 Intentionally Omitted.

Section 13.03 Intentionally Omitted.

Section 13.04 Financial Reporting. Tenant covenants and agrees to provide to Landlord, within ten (10) days after written request therefor, with a copy of the complete financial reporting package submitted to the Ohio State Board of Education or other sponsoring entity for the most recently-ended Fiscal Year (as hereinafter defined). "Fiscal Year" means the twelve (12) months ended on June 30.

Section 13.05 Tax Status; Compliance. Tenant represents, warrants, and covenants that Tenant will file for, and will use best efforts to become and maintain status as, an organization described in Section 501(c)(3) of the United States Internal Revenue Code of 1986 (the "Code"). In addition, Tenant agrees to execute and deliver to Landlord, within twenty (20) days following written request therefor, all documents reasonably requested by Landlord that are necessary or appropriate to facilitate a sale, financing or refinancing of the Property or any portion thereof including, without limitation, a tax certificate.

Section 13.06 Intentionally Omitted.

Section 13.07 Intentionally Omitted.

Section 13.08 Intentionally Omitted.

Section 13.09 General Private Use Limits.

(a) When Tenant is part of a tax-exempt financing program that provides additional benefits to Tenant, (i) at least 97% of the Premises will be used to provide for activities related to

the exempt purposes of Tenant and (ii) Tenant does not expect to and shall not perform any act, enter into any agreement, or use or permit more than 3% of the Premises, to be used in any manner by an entity other than a state or local government or another 501(c)(3) organization (but only to the extent such organization is using the Premises exclusively in activities related to the exempt purposes of such organization), or for any trade or business unrelated to the exempt purposes (as defined in Section 513(a) of the Code) of Tenant. Thus, except as permitted herein, not more than 3% of the Premises, in the aggregate, will be used for any "Private Use" as defined in this Section.

(b) For purposes of this Section, "Private Use" means any activity or activities which constitute a trade or business or group of trades or businesses, including any unrelated trade or business (as defined in Section 513(a) of the Code) of Tenant or any other nonprofit organization that is a user of the Premises. Private Use shall also include, without limitation, Management Contracts (defined below) entered into with, and the lease or rental of the Premises or any part thereof to, third parties that are not organizations described in Section 501(c)(3) of the Code using the Premises in a manner substantially related to their and Tenant's exempt purpose. The amount of Private Use is measured over the remaining term of this Lease based on the portion of the total square footage of the Premises subject to the Private Use arrangement and the portion of time the Private Use takes place as compared to the aggregate time the Premises actually are used for all purposes. A lease or rental of the Premises that is not an unrelated trade or business activity is not a Private Use if the term of such lease or rental is (i) not more than 100 days (including any renewal options) if the compensation under the lease or other arrangement is determined, or redetermined at the time of any renewal, at generally applicable, fair market value rates but use pursuant to such leases is not reasonably available to natural persons not engaged in a trade or business, or (ii) not more than 50 days (including any renewal options) if the compensation under the lease or other arrangement is determined, or redetermined at the time of any renewal, in a negotiated arm's length transaction and compensation under the lease is at fair market value.

(c) Tenant will promptly respond to periodic requests for information by Landlord or its agents regarding the federal tax status of Tenant and any actual or anticipated Private Use, including providing related documentation to the Landlord or its agents. Tenant will comply with reasonable requests to make the Premises available for a site visit by the IRS in connection with any examination of the bonds, subject to any notice requirements applicable under this Lease.

Section 13.10 Intentionally Omitted.

Section 13.11 Sectarian Use. Tenant has not and will not permit any portion of the Premises to be used primarily for sectarian instruction or study or as a place of devotional activities or religious worship or as a facility used primarily in connection with any part of a program of a school or department of divinity for any religious denomination or the training of ministers, priests, rabbis or other similar persons in the field of religion.

Section 13.12 Landlord's Representations. Landlord hereby represents and warrants that, as of the Effective Date, (i) Landlord is a duly organized limited liability company qualified to do business in the state in which the Premises are located, (ii) Landlord has the power and authority to execute and deliver this Lease and to incur all obligations provided herein, (iii) to Landlord's

actual knowledge, the parking facilities at the Premises satisfy all Applicable Requirements, (iv) during the 180 day period prior to the Effective Date, Landlord has not received any written notice of any claims, causes of action or other litigation or proceedings pending or, to Landlord's actual knowledge, threatened with respect to the ownership, operation or environmental condition of the Premises or any part thereof which remains unsettled, unresolved or uncured, except for claims which are fully insured and as to which the insurer has accepted defense without reservation, and (v) during the 180 day period prior to the Effective Date, Landlord has not received any written notice from any governmental agency or authority of any violations of any health, safety, zoning or other laws, ordinance, rules or regulations including, without limitation, the Americans with Disabilities Act, as amended in 2010 and as the same may be further amended and supplemented from time to time, which remains unsettled, unresolved or uncured.

ARTICLE XIV

MISCELLANEOUS

Section 14.01 Landlord's Access; Showing Premises; Repairs. Landlord shall have the right to enter the Premises at any time in the case of an emergency, and otherwise at all reasonable times after 24 hours' prior notice for the purpose of inspecting the Premises, verifying compliance by Tenant with this Lease, showing the Premises to prospective purchasers, lenders, or tenants, and making such alterations, repairs, improvements or additions to the Premises as Landlord may reasonably deem necessary or desirable and the erecting, using and maintaining of utilities, services, pipes and conduits through the Premises. Landlord understands that it must be accompanied by Tenant personnel when school is in session or when students are present. Landlord agrees to use commercially reasonable efforts to minimize any disruption to Tenant's operations when exercising its rights hereunder.

Section 14.02 Condemnation.

(a) **Total Condemnation.** If all or substantially all of the Premises is taken under the power of eminent domain or sold under the threat of the exercise of such power (collectively "Condemnation"), this Lease shall terminate as of the date the condemning authority takes title or possession, whichever first occurs.

(b) **Partial Condemnation.** If there is a Condemnation of less than all of the Premises, and such portion so taken does not materially impair Tenant's use and quiet enjoyment of the Premises as a whole, this Lease shall continue without interruption notwithstanding such Condemnation. In such event, Landlord shall promptly restore the remaining Premises to a condition comparable to its condition prior to the Condemnation (less the portion lost to the Condemnation) and suitable for Tenant's use (as determined by Tenant in its reasonable discretion) and Base Rent following the Condemnation shall be reduced in an equitable manner based on the portion of the Premises so taken. In the event there is a Condemnation of less than all of the Premises which materially impairs Tenant's use and quiet enjoyment of the Premises as a whole, then:

(i) If the Premises cannot reasonably be restored to a condition suitable for Tenant's purposes (as determined by the Parties in their reasonable discretion), this Lease shall terminate as of the date of Condemnation.

(ii) In all other events, Landlord shall promptly restore the remaining Premises to a condition comparable to its condition prior to the Condemnation (less the portion lost to the Condemnation) and suitable for Tenant's use (as determined by Tenant in its reasonable discretion), in which case this Lease shall continue without interruption, offset or deduction, except that the Base Rent following the Condemnation shall be reduced in an equitable manner based on the utility to Tenant of the remaining Premises. Landlord shall use the Condemnation Award toward such restoration.

(c) **Condemnation Awards.** In the event of a Condemnation, whether whole or partial, Tenant waives any right to any part of any award or payment, as damages or otherwise, and Landlord shall receive the full amount of any such award or payment, including any award for the leasehold estate (the "Condemnation Award"). In no event shall Tenant have any claim for the value of any unexpired portion of the Term. Notwithstanding the foregoing, Tenant shall have the right to recover from the condemning authority, but not from Landlord, such compensation as may be separately awarded to or recoverable by Tenant on account of any damage to Tenant's business by reason of the Condemnation (except the loss of the leasehold estate) and for any cost or loss to which Tenant might be put in removing Tenant's personal property from the Premises, relocating or paying professionals to secure its own award.

Section 14.03 Estoppel Certificates.

(a) **Certificate.** Tenant and Landlord shall, within ten (10) business days after any written request therefor from the other Party, execute, acknowledge and deliver to the other Party without charge a written statement certifying: (i) that this Lease is in full force and effect and none of the terms or provisions of this Lease have been modified (or if they have been modified, stating how they have been modified); (ii) the last date of payment of the Base Rent and other Rent and the date through which Base Rent and other Rent has been paid; (iii) that, to the certifying Party's actual knowledge, the other Party is not in default under this Lease (or, if such other Party is claimed to be in default, stating why); and (iv) such other representations or information with respect to Tenant, Landlord or this Lease as the requesting Party may reasonably request. Landlord and any prospective purchaser or encumbrancer of the Property may rely conclusively upon such statement as true and correct.

(b) **Estoppel.** If Tenant does not deliver any such statement requested by Landlord within such 10 business day period, Landlord may send to Tenant a second notice requesting such statement, which notice shall include a heading in at least 12-point type, bold and all caps stating "SECOND NOTICE TO RESPOND TO LANDLORD'S REQUEST FOR AN ESTOPPEL CERTIFICATE. FAILURE TO PROVIDE THE REQUESTED ESTOPPEL CERTIFICATE WITHIN FIVE (5) BUSINESS DAYS AFTER RECEIPT OF THIS LETTER WILL RESULT IN TENANT APPOINTING LANDLORD AS ITS ATTORNEY-IN-FACT WITH AUTHORITY TO EXECUTE THE ENCLOSED ESTOPPEL CERTIFICATE." If Tenant fails to provide such

statement within five (5) business days after Tenant's receipt of such second notice, Tenant hereby makes, constitutes and irrevocably appoints Landlord as the attorney-in-fact of Tenant, coupled with an interest, to execute and deliver any such statement on behalf of Tenant.

Section 14.04 Severability. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

Section 14.05 Days. Unless otherwise specifically indicated to the contrary, the word "days" as used in this Lease shall mean and refer to calendar days.

Section 14.06 Limitation on Liability. Notwithstanding any other provision herein, the term "Landlord" as used in this Lease means only the current owner or owners of the fee title to the Premises or the leasehold estate under a ground lease of the Premises at the time in question. Each Landlord is obligated to perform the obligations of Landlord under this Lease only during the time such Landlord owns such interest or title. The obligations of Landlord under this Lease shall not constitute personal obligations of Landlord, and Tenant shall look solely to the Premises, and to no other assets of Landlord, for the satisfaction of any liability of Landlord with respect to this Lease. No member, partner, shareholder, manager, officer, director, agent or employee of Landlord shall be individually or personally liable for the payment of any amounts hereunder or be subject to any personal liability or accountability by reason of the execution and delivery of this Lease or Landlord's obligations hereunder.

Section 14.07 Time of Essence. Time is of the essence with respect to the performance of each and every obligation to be performed or observed by the Parties under this Lease.

Section 14.08 No Prior Agreements. This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior agreement or understanding whether oral or written shall be effective. Each Party represents and warrants that the execution of the Lease will not constitute a violation under any material agreement to which such Party is a party or any Applicable Requirement to which such Party is subject.

Section 14.09 Notices Requirements.

(a) **Methods for Notice.** All notices required or permitted by this Lease or applicable law shall be in writing and may be (i) delivered in person (by hand or by courier); (ii) sent by certified or registered mail, return receipt requested with postage prepaid; or (iii) sent by U.S. Postal Service Express Mail or nationally recognized delivery service, with postage prepaid, and shall be deemed sufficiently given if so given in a manner specified above. The addresses for the Parties are set forth below and shall constitute the respective addresses for delivery or mailing of notices. Either Party may, by written notice to the other, specify a different address for notice. A copy of all notices to Landlord or Tenant shall be concurrently transmitted to such party or parties at such addresses as Landlord or Tenant, respectively, may from time to time hereafter designate in writing.

(b) **Addresses:**

(i) to Landlord:

c/o Charter School Realty Company, LLC
222 SW Columbia
Suite 1750
Portland, OR 97201
Attn: Facilities Department
Fax: 855-972-0187
Email: legal@charterschoolcapital.org

with a copy to:

Thompson Hine LLP
10050 Innovation Drive, Suite 400
Miamisburg, OH 45342
Attn: Angela Daniele, Esq.
Email: angela.daniele@thompsonhine.com

to Tenant:

Northside Preparatory Academy
4750 Winton Road
Cincinnati, Ohio 45232
Attn: President

with a copy to:

Jamie Callender
The Callender Law Group
100 East Broad Street, Suite 690
Columbus, Ohio 43215

(c) **Date of Notice.** Any notice personally delivered shall be deemed given/received on the date so delivered. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given/received on the date of delivery shown on the receipt card, or if no delivery date is shown, on the second day following the date on which it was mailed. Any notice delivered by United States Express Mail or nationally recognized delivery service that guarantees next-day or second-day delivery shall be deemed given/received 24 hours (if marked for next day) or 48 hours (if marked for second day) after delivery of the same to the Postal Service or delivery service for such delivery. If the date on which any notice is otherwise deemed given/received falls on a Saturday, Sunday or legal holiday, it shall be deemed given/received on the next business day.

Section 14.10 Landlord's Consent. Except as otherwise expressly provided in this Lease, (i) all consents or approvals which Landlord may be asked to give under this Lease may be given, withheld or conditioned by Landlord in its sole and absolute discretion; and (ii) all options, elections, determinations or decisions which Landlord may exercise or make under or pursuant to this Lease may be exercised or made by Landlord in its sole and absolute discretion.

Section 14.11 Waivers. No waiver by Landlord of any term, covenant or condition hereof or any Default or Breach by Tenant, shall be deemed a waiver of any other term, covenant or condition

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hereof, or of any subsequent Default or Breach by Tenant of the same or of any other term, covenant or condition hereof. No waiver by Tenant of any term, covenant or condition hereof or any default by Landlord shall be deemed a waiver of any other term, covenant or condition hereof, or any subsequent default by Landlord of the same or of any other term, covenant or condition hereof.

Section 14.12 No Right To Holdover. Tenant has no right to retain possession of the Premises or any part thereof beyond the expiration or other termination of this Lease. In the event that Tenant holds over, then the Base Rent shall be increased to 125% of the Base Rent applicable immediately preceding the expiration or other termination of this Lease, or such lesser amount as Landlord may agree in writing. Nothing contained herein shall be construed as consent by Landlord to any holding over or continued holding over by Tenant. In addition to Tenant's obligation to pay the increased Base Rent during any hold over period, Tenant shall be liable for all damages, including consequential damages, suffered by Landlord as a result of Tenant's holding over, provided that (a) Tenant shall not be responsible for consequential damages unless Landlord has provided Tenant with at least thirty (30) days prior written notice that Landlord has entered into a replacement lease with another tenant, (b) Tenant's liability for consequential damages shall only apply at the natural expiration of the Term and (c) any Rent received from Tenant during the holdover will be applied against the consequential damages due.

Section 14.13 Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

Section 14.14 Covenants and Conditions; Construction of Agreement. All provisions of this Lease to be observed or performed by Tenant are both covenants and conditions. In construing this Lease, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it. The words "include" or "including" shall be deemed to be followed by the phrase "without limitation" in all cases where such words are used in this Lease (including the Exhibits hereto), whether or not such phrase or another similar phrase is actually stated.

Section 14.15 Binding Effect; Choice of Law. This Lease shall be binding upon and benefit the Parties and their permitted successors and assigns, and shall be governed by the internal laws of the State of Ohio, without giving effect to principles of conflicts of law. Any litigation between the Parties concerning this Lease shall be initiated in the state and/or federal courts located in Hamilton County, Ohio.

Section 14.16 Quiet Possession. Subject to payment by Tenant of the Rent and performance of all of the covenants, conditions and provisions on Tenant's part to be observed and performed under this Lease, Tenant shall have quiet possession and quiet enjoyment of the Premises during the Term hereof.

Section 14.17 Counterparts; PDF Signatures. This Lease may be executed by the Parties in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. The parties hereby acknowledge and agree that facsimile signatures or signatures transmitted by electronic mail in so-called “pdf” format shall be legal and binding and shall have the same full force and effect as if an original of this Lease had been delivered. Tenant is not required to have its signature on this Lease notarized.

Section 14.18 Amendments. This Lease may be modified only in writing, signed by the Parties hereto or their successors in interest at the time of the modification. As long as they do not materially change Tenant’s obligations hereunder, materially reduce Tenant’s rights hereunder or materially increase Tenant’s costs hereunder, Tenant agrees to make such reasonable non-monetary modifications to this Lease as may be reasonably required by a lender in connection with the obtaining of normal financing or refinancing of the Premises.

Section 14.19 No Recordation by Tenant. Neither Landlord nor Tenant shall record this Lease without prior written consent from the other Party. However, Tenant may record, at Tenant’s sole cost, a “Short Form” memorandum of this Lease in the form attached hereto as Exhibit D.

Section 14.20 Force Majeure. Notwithstanding anything to the contrary contained in this Lease, Landlord and Tenant shall be excused for the period of any delay in the performance of any obligation hereunder (excluding the payment of any monetary sums due hereunder, which shall not be excused or delayed) when such delay is occasioned by causes beyond its reasonable control, including but not limited to work stoppages, boycotts, slowdowns or strikes; shortages of materials, equipment, labor or energy; unusual weather conditions; COVID-19 or other pandemic; or acts, omissions or requirements of governmental or political bodies.

[Signature page follows]

The parties hereto have executed this Lease to be effective as of the Effective Date.

LANDLORD:

AEP Charter Winton, LLC, a Delaware limited liability company

By: Brad Coburn
Name: Brad Coburn
Title: Chief Financial Officer

TENANT:

Dublin Preparatory Academy, an Ohio non-profit corporation

By: Dalia
Name: Scott Pulling
Title: Board Chair

STATE OF OHIO)
COUNTY OF MIAMI)

The foregoing instrument was acknowledged before me this 29th day of May, 2020, by Brad Coburn, the Chief Financial Officer of AEP Charter Winton, LLC, a Delaware limited liability company, on behalf of such limited liability company.

Patricia L. Franzer
Signed on 2020/05/29 13:14:05 -0500



EXHIBIT A

PROPERTY DESCRIPTION

Situate in Section 23, Town 3, Fractional Range 2, Millcreek Township, City of Cincinnati, Hamilton County, Ohio, and being Lots 16 thru 20, of the Hand and Froome's Subdivision as recorded in Plat Book 4, Pages 40 and 41 and being more particularly described as follows:

Beginning at the intersection of the east line of Winton Road, R/W varies and the south line of Hand Avenue, 48' R/W as now improved, measure with said Hand Avenue South $84^{\circ} 39' 27''$ East, 15.10 feet to a set cross notch being the Place of Beginning; thence South $84^{\circ} 39' 27''$ East, 637.53 feet to a set cross notch at the Intersection of said south line of Hand Avenue and the west line of Doberrer Avenue, 48' R/W; thence with said Doberrer Avenue South $05^{\circ} 20' 11''$ West, 204.17 feet to an existing concrete monument; thence North $84^{\circ} 39' 27''$ West, 300.24 feet to an existing concrete monument; thence South $05^{\circ} 20' 11''$ West, 30.12 feet to an existing concrete monument; thence North $84^{\circ} 40' 12''$ West, 351.26 feet to an existing concrete monument in the east line of said Winton Road; thence with said Winton Road North $01^{\circ} 24' 19''$ East, 216.04 feet to a set cross notch; thence North $62^{\circ} 09' 02''$ East, 34.39 feet to the Place of Beginning. Containing 145,212 square feet of land more or less (3.334 Acres). Bearings are based on NAD 83 (2007). Based on a survey performed under the direction of Joseph N. Koopman, Ohio Registration Number 7184.

Parcel No. 219-0051-0028-90

EXHIBIT B
INTENTIONALLY OMITTED

B - 1

EXHIBIT C

MINIMUM INSURANCE REQUIREMENTS

- (a) General Liability:
- | | |
|------------------------|-------------|
| General Per Occurrence | \$1,000,000 |
| General Aggregate | \$2,000,000 |
- (b) Educator's Legal Liability:
- | | |
|-------------------|-------------|
| Per Claims Period | \$1,000,000 |
|-------------------|-------------|
- (c) D&O Liability:
- | | |
|-------------------|-------------|
| Per Claims Period | \$1,000,000 |
|-------------------|-------------|
- (d) Employee Benefit Liability:
- | | |
|-------------------|-------------|
| Per Claims Period | \$1,000,000 |
|-------------------|-------------|
- (e) Employer's Liability:
- | | |
|----------------|-------------|
| Per Occurrence | \$1,000,000 |
|----------------|-------------|
- (f) Automobile Liability: Owned (if any), Non-Owned & Hired Auto (if applicable)
- | | |
|-----------------|-------------|
| Each Accident | \$1,000,000 |
| Property Damage | \$1,000,000 |
- (g) Crime:
- | | |
|---------------------|-------------|
| Employee Dishonesty | \$1,000,000 |
| Forgery/Alteration | \$500,000 |
| Money & Securities | \$500,000 |
- (h) Hazard Insurance: One hundred percent (100%) of the replacement value of the Improvements, plus one hundred percent (100%) of the replacement value of all Utility Installations and Trade Fixtures, including protection against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief, special extended perils (all risk), sprinkler leakage, rent loss insurance for actual loss sustained and any other perils which Landlord deems reasonable or necessary or which are reasonably dictated by any lenders with a security interest in the Premises.
- (i) Other:

Business Personal Property

Replacement Cost

- (j) Workers Compensation Insurance: As required by law

All insurance policies which Tenant is required to maintain under this Lease shall be provided by companies maintaining during the policy term a "General Policyholders Rating" of at least A-, VII, as set forth in the most current issue of "Best's Insurance Guide," or such other rating as may be required by a lender with a security interest in the Premises. Such insurance shall include (i) no co-insurance clauses; (ii) commercially reasonable deductibles; and (iii) a provision which requires the insurance carrier to give Landlord not less than thirty (30) days written notice prior to any cancellation of such coverage, unless such cancellation is a result of non-payment, in which event the insurance carrier will provide at least ten (10) days' prior written notice of such cancellation to Landlord.

The Hazard Insurance Policy, aka Property and Premises, for the location at 4750 Winton Road, Cincinnati, Ohio 45232, shall list Landlord and such of its principals or lenders as reasonably directed by Landlord as loss payees by endorsement.

Landlord and such of its principals or lenders as reasonably directed by Landlord shall be listed as additional insured on all relevant liability policies. Certificates of Insurance shall be provided to Landlord as evidence of insurance at policy renewal, or at any other time at Landlord's request.

EXHIBIT D

FORM OF LEASE MEMORANDUM

Please see attached.

MEMORANDUM OF LEASE

1. Landlord: AEP Charter Winton, LLC

c/o Charter School Realty Company, LLC
222 SW Columbia, Suite 1750
Portland, Oregon 97201

Tenant: Dublin Preparatory Academy dba Northside Preparatory Academy
4750 Winton Road
Cincinnati, Ohio 45232
2. Date of Lease: May 29th, 2020
3. Description of Premises: Property located at 4750 Winton Road, Cincinnati, Ohio 45232, as more particularly described on Exhibit "A" attached hereto and incorporated herein (the "Premises").
4. Commencement Date: July 15, 2020.
5. Term of Lease: July 15, 2020 through June 30, 2035.
6. Option to Renew: Four (4) additional periods of five (5) years each.
7. Option to Purchase/Right of First Refusal: None

AEP CHARTER WINTON, LLC

Brad Coburn

By:

Name: Brad Coburn

Title: Chief Financial Officer

STATE OF OHIO)
) SS:
COUNTY OF MIAMI)

The foregoing instrument was acknowledged before me this 29th day of May, 2020 by Brad Coburn, the Chief Financial Officer of AEP Charter Winton, LLC, a Delaware limited liability company, on behalf of the limited liability company.

Patricia L. Franzer

My commission expires: _____



DUBLIN PREPARATORY ACADEMY

By: Dall -
Name: Scott Pullins
Title: Board Chair

STATE OF Ohio)
) SS:
COUNTY OF Knox)

The foregoing instrument was acknowledged before me this 27th day of May, 2020 by Scott Pullins, the Board Chair of Dublin Preparatory Academy, an Ohio nonprofit corporation, on behalf of the nonprofit corporation.

[Signature]
Notary Public
My commission expires: 4/14/24

This instrument was prepared
in its unexecuted form
without benefit of title exam by:

Jennifer P. Patsy
Graydon Head & Ritchey LLP
312 Walnut Street, Suite 1800
Cincinnati, Ohio 45202

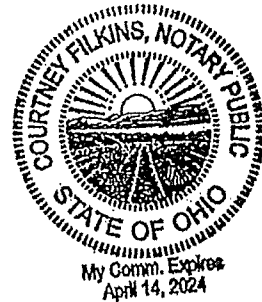


EXHIBIT A

PREMISES LEGAL DESCRIPTION

Situate in Section 23, Town 3, Fractional Range 2, Millcreek Township, City of Cincinnati, Hamilton County, Ohio, and being Lots 16 thru 20, of the Hand and Froome's Subdivision as recorded in Plat Book 4, Pages 40 and 41 and being more particularly described as follows:

Beginning at the intersection of the east line of Winton Road, R/W varies and the south line of Hand Avenue, 48' R/W as now improved, measure with said Hand Avenue South $84^{\circ} 39' 27''$ East, 15.10 feet to a set cross notch being the Place of Beginning; thence South $84^{\circ} 39' 27''$ East, 637.53 feet to a set cross notch at the Intersection of said south line of Hand Avenue and the west line of Doberrer Avenue, 48' R/W; thence with said Doberrer Avenue South $05^{\circ} 20' 11''$ West, 204.17 feet to an existing concrete monument; thence North $84^{\circ} 39' 27''$ West, 300.24 feet to an existing concrete monument; thence South $05^{\circ} 20' 11''$ West, 30.12 feet to an existing concrete monument; thence North $84^{\circ} 40' 12''$ West, 351.26 feet to an existing concrete monument in the east line of said Winton Road; thence with said Winton Road North $01^{\circ} 24' 19''$ East, 216.04 feet to a set cross notch; thence North $62^{\circ} 09' 02''$ East, 34.39 feet to the Place of Beginning. Containing 145,212 square feet of land more or less (3.334 Acres). Bearings are based on NAD 83 (2007). Based on a survey performed under the direction of Joseph N. Koopman, Ohio Registration Number 7184.

Parcel No. 219-0051-0028-90

APPENDIX J

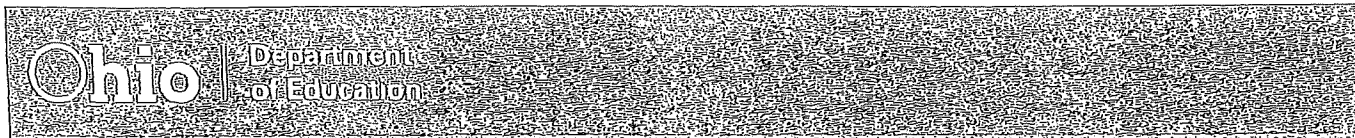
- Suspension and closing procedures

School Name: Dublin Preparatory Academy (dba Northside Preparatory Academy)

Sponsor Name: Richland Academy of the Arts

Suspension or Closing:

To the extent that the School Governing Authority and/or the School's fiscal officer is unable or unwilling to execute its responsibilities in effecting an orderly suspension or closure of the School, the Sponsor shall assume part or all of such tasks to full extent possible.



Community School: School Suspension and/or School Closing Procedures

Effective date: July 1, 2010

Updated: July 2021

Community school sponsors primarily are responsible for ensuring an orderly process is followed when a school closes, or operations are suspended.

Statutory Requirement for Closure

Under state law (Ohio Revised Code 3314.023), community school sponsors must monitor and oversee their schools' compliance with law, administrative rules and contract provisions, including requirements related to school closure. Specifically, ORC 3314.023 requires:

- *A sponsor shall provide monitoring, oversight, and technical assistance to each school that it sponsors. In order to provide monitoring, oversight, and technical assistance . . .*
- *[Sponsors] Having in place a plan of action to be undertaken in the event the community school experiences financial difficulties or closes prior to the end of a school year.*

Suspension Statute

ORC 3314.072 establishes the conditions under which a school may be suspended, along with a school's procedural rights. Provisions include:

- *For any of the reasons prescribed in division (B)(1)(a) to (d) of section 3314.07 of the Revised Code, the sponsor of a community school established under this chapter may suspend the operation of the school only if it first issues to the governing authority notice of the sponsor's intent to suspend the operation of the contract. Such notice shall explain the reasons for the sponsor's intent to suspend operation of the contract and shall provide the school's governing authority with five business days to submit to the sponsor a proposal to remedy the conditions cited as reasons for the suspension.*
- *The sponsor shall promptly review any proposed remedy timely submitted by the governing authority and either approve or disapprove the remedy. If the sponsor disapproves the remedy proposed by the governing authority, if the governing authority fails to submit a proposed remedy in the manner prescribed by the sponsor, or if the governing authority fails to implement the remedy as approved by the sponsor, the sponsor may suspend operation of the school pursuant to procedures set forth in division (D) of this section.*
- *If division (B) of this section applies or if the sponsor of a community school established under this chapter decides to suspend the operation of a school as permitted in division (C)(2) of this section, the sponsor shall promptly send written notice to the governing authority stating that the operation of the school is immediately suspended, and explaining the specific reasons for the suspension. The notice shall state that the governing authority has five business days to submit a proposed remedy to the conditions cited as reasons for the suspension or face potential contract termination.*
- *Upon receipt of the notice of suspension prescribed under division (D)(1) of this section, the governing authority shall immediately notify the employees of the school and the parents of the students enrolled in the school of the suspension and the reasons therefore, and shall cease all school operations on the next business day.*

Overview

Sponsors provide and execute a plan for an orderly conclusion of a community school's operations when a community school is closed or suspended for any reasons permitted by law and/or the contract between the sponsor and the school. A school is considered closed or suspended when instruction has ceased, and the governing authority or sponsor has issued an official notice that includes the reason for and date of the school's closure or suspension. A community school also is considered closed if the Department issued a notice to a school under the state's automatic closure law, ORC 3314.35. In the case of both suspension and closure, the sponsor and an authorized representative of the governing authority complete and sign the Suspension and Closing Assurance Form. Community school sponsors make sure a community school's governing authority takes all reasonable and required actions to fully address suspension or closing responsibilities. If a school's governing authority is no longer able or willing to fulfill its obligations to orderly closure, the school's sponsor assumes responsibility for all closure activities. A plan for school closure is a required part of the school's contract with the sponsor. Final preparations, as outlined in the plan, should be in place prior to the last day students are in attendance.

Note:

- Suspension and closing procedures detailed in this document or the accompanying are not applicable to school mergers.
- Procedures for school closures that are the result of settlement agreements may differ based on the provisions of the settlement. Schools and sponsors should consult their legal counsel.

Sponsors must submit a Suspension and Closing Assurance Form for each suspended or closed community school. By completing this assurance, sponsors attest that all necessary notifications and actions are completed.

When possible, the final FTE review should be completed within seven business days of the school ceasing operations or within seven business days of the area coordinator's notification of the school's suspension or closing by the Department. Final FTE reviews should be completed prior to transfer of original student records to the district(s). Sponsors must monitor the school's actions to assure both the FTE review and fiscal audit are scheduled in a timely fashion. If the school fails to schedule these activities, the sponsor must step in and make the necessary arrangements.

Sponsors should begin completing the Suspension and Closing Assurance Form as soon as possible after the suspension or closure of the school.

For all suspensions and closures, an estimated timeline for suspension and closure activities must be submitted to the Office of Community Schools. For mid-year suspension or closure, the estimated timeline must be submitted to the Office of Community Schools within 10 days of notification. In the case of suspension or closure at the end of the school year, sponsors shall submit an estimated timeline for suspension or closure activities to the Office of Community Schools, via Epicenter. When submitting the first quarterly suspension and closing assurances report, please ensure Column I is filled out with estimated dates of completion. Also when submitting future quarterly suspension and closing reports, update Column I as needed.

The updated Suspension and Closing Assurance Form shall be submitted to the Office of Community Schools, quarterly, (July 1, or July 15 for newly closed schools, Oct. 1, Jan. 1 and April 1) via the Epicenter "Quarterly suspension and closing assurance reports" submission type while noting which activities are complete and identifying the date of completion for each item. Sponsors should continue to submit quarterly closing assurance reports until all items on the form is complete and the

suspension and closing assurances form is submitted via Epicenter. The quarterly submissions shall include, in the "Notes" column, a narrative explaining any delays. For items in which the sponsor believes is "non-applicable" to the school, the sponsor must provide a justification in Column H of the Suspension and Closing Assurance Form.

If refunds are generated at a later date, the sponsor shall follow the instructions in the Preparation of Itemized Financials section of the report and complete the Final Payments and Adjustments section.

**The Suspension and Closing Assurance Form
is updated quarterly until all activities are complete.
The narrative and step-by-step technical assistance document is
provided to assist sponsors in meeting their responsibilities
when one of their schools suspends operations or closes is
provided below on pages 5-15.**

Additional Resource

Additional information regarding best practices from The National Association of Charter School Authorizers is available [here](#).

Submission Instructions

Sponsors must submit the Quarterly Suspension and Closing Assurance Report and the completed Suspension and Closing Assurance Template Form for each suspended and/or closed community school. By completing the Certification tab, sponsors attest that all necessary notifications and actions are completed.

Submit the (1) Suspension and Closing Assurance Reports and the (2) completed Suspension and Closing Assurance Form with its Certification tab by uploading the files to Epicenter following the process below:

1. Log in to Epicenter at <http://epicenternow.org/>.
2. Click the Sign In link at the top of the page.
3. Enter your username and password.
4. Click Document Center.
5. On the Document Center page, click the Submission Upload button.
6. For Entity Type, select school.
7. For Submission Type, select either the Quarterly Suspension and Closing Assurance Reports or the completed Suspension and Closing Assurance Form.
8. For Entities, select the appropriate school by checking the box next to the school's name.
9. Enter required information.
10. Click Upload New File button to upload your document.
11. (Optional) Type a brief message to the reviewer.
12. Click Submit.

The Certification/Signature tab must include electronic signatures or original handwritten signatures. If printed and original signatures are obtained, the certification page must be uploaded to Epicenter along with the completed spreadsheet.

The Office of Community Schools and your consultant use Epicenter to access your submissions. Please contact your lead consultant if you have additional questions or if you are unable to view any of the information described above.

Records

Sponsors assure that all school records needed by the Ohio Department of Education, Ohio Auditor of State, U.S. Department of Education, and other interested entities are secured and available as needed during the closeout process. Records generally describe an account in permanent form, preserving knowledge or information about facts, transactions or events maintained and kept for the proper administration of the school, including student, staff, and administrative/financial information. Please note, the following categories and types of records should not be considered as the entire list of documents that might be examined during a suspension or closing procedure. Additional records may be requested during an FTE review or final audit. (Additional information is available in the Department's FTE Review Manual.)

Student Records

Student records include all educational, special education and other documents in the school's possession that relate to a student. Student records include, but are not limited to: documents normally found in permanent record folders that are necessary for reviews and audits; attendance records that detail enrollment and attendance history; grades and grade levels achieved; transcripts, courses completed and grades for each course, particularly for students enrolled in grades 9-12 and for graduates of the school; proof of residency documents that identify a student's home district; FTE Detail reports, with names and SSID numbers that can be used to match names to the FTE Detail report with randomly selected SSIDs obtained by the area coordinator; special education information and folders; and other such information that may be maintained and kept in a student permanent record folder.

Schools must retain copies of all student records necessary to complete the final FTE review and financial audit.

Staff Records

Staff records include but are not limited to: employment agreements or contracts; salary and benefits information; attendance and leave information; employee licenses; Local Professional Development Committee (LPDC) status and record of continuing education; payroll and withholding documents; and other such information that may be maintained in an employee record folder. Staff records at the school do not include records of individuals employed by the operator or contractors.

Administrative/Financial Records

Administrative/financial records include, but are not limited to: lease or rental agreement; deed if property is owned; inventories of furniture and equipment, including purchase price, source of funds for payment, date purchased and property tag number; bank and financial reports, including all financial statements created by the fiscal officer; bank statements and checks; schedule of unpaid debt detailing amount, vendor and date of obligation; invoices, receipts, vouchers and purchase orders that detail expenditures; grant records, including detail of federal and state grant awards and final expenditure reports and contracts; and other such information that may be maintained to serve as the administrative/financial records for the school.

Record Retention

Sponsors shall secure all school records (student, personnel, fiscal, etc.) prior to closing. All such records shall be maintained according to applicable records retention schedules. Records retention is governed by state and federal law and governing authority policy. Additional information regarding state requirements is [here](#). Federal records retention schedules are [here](#). Additional information is available in the Student Records section of the Suspension and Closing Assurance Template.

Community school sponsors are responsible for securing all records prior to closing and maintaining records in accordance with all applicable retention schedules.

Should you have any questions, please contact your lead consultant or the Office of Community Schools at Community.Schools@education.ohio.gov.

Please note:

- A. For each task, sponsors must indicate whether the task is applicable in column G of the Suspension and Closing Assurance Form. If the task is **not applicable**, the sponsor must provide a justification for that determination in column H.
- B. The initial quarterly suspension and closing assurance report submitted in Epicenter must include an estimated completion date for each task (see column I). Be sure to follow the dates required by law or required by this document. If needed, update the estimated completion dates on future quarterly suspension and closing reports.
- C. Quarterly suspension and closing assurance reports are due in Epicenter on or before July 1, July 15 for newly suspended or closed schools, Oct. 1, Jan. 1 and April 1. As tasks are completed, provide a completion date in Column J.
- D. The quarterly submissions shall include, in the "Notes", column K, a narrative explaining any delays.
- E. Besides the Quarterly Suspension and Closing Assurance Reports and the completed Suspension and Closing Assurance Form with its Certification tab, sponsors should submit separately to Epicenter: (1) the board resolution indicating suspension or closure, and (2) the estimated timeline for suspension and closure.

Instructions: Completing All Required Suspension/Closing tasks:

Section A: Initial Notifications

- 1. Notify the Office of Community Schools (OCS) that the school is being suspended, closed or non-renewed under 3314.07(B) or for other cause, or the school has taken action to initiate closure within required timelines.
 - a. In the case of a sponsor suspending or terminating a school's operation during the school year, notify OCS that the school is suspending or closing within 24 hours of the action.
 - b. In any other case, notify OCS of the action within 10 days.
 - c. Submit the community school's board resolution via Epicenter, including the date of suspension or closing within 10 days of the action.
- 2. Notify the Area Coordinator's office to schedule the student enrollment/FTE review.
 - a. Notify area coordinators of the school suspension or closure and schedule the final student enrollment/FTE review within three days of the action.
 - b. The school's treasurer/fiscal officer and applicable staff should familiarize themselves with the current FTE manual.
 - c. In the case of closure, non-renewal or termination for reasons other than those outlined in 3314.07(B), the sponsor shall request notice of intent with regard to continued operation from the school no later than May 15 and provide the response via Epicenter to the Office of Community Schools within three days of receipt.
- 3. Notify the resident districts of students enrolled in the school, and the Auditor of State's Office of the school being suspended, closed or non-renewed; include the effective date of the suspension or closure.
 - a. Notify the resident districts, for the students currently enrolled.
 - b. Notify the Auditor of State's office of the school suspension or closure.

4. Notify STRS and SERS that the school is being suspended or closed.
 - a. Notify the Ohio State Teachers Retirement System and School Employees Retirement System
 - b. Ensure STRS and SERS contributions are current and request a final reconciliation.
 - i. In the case of mid-year suspension or closure, notify retirement systems within five days of the suspension or closure notice.
 - ii. For any other case, notify retirement systems no later than May 1.

Section B: Timeline of suspension or closure process

1. Provide an estimated timeline of the suspension or closure process that includes all information contained in the suspension and closure procedures.
 - a. Submit via Epicenter a clear and detailed written timeline of the actions and tasks that will take place to ensure the transition of students, staff and the suspension or closing of the schools' business. Submission of the first quarterly suspension and closing assurances template with Column I (Estimated Dates of Completion) filled out can serve as the detailed written timeline required for this action item.
 - i. In the case of mid-year suspension or closure, submit an estimated timeline within 10 days of the suspension or closure.
 - ii. In the case of suspension or closure at the end of the school year, submit an estimated timeline at the time of submittal of the first quarterly suspension and closing assurances report.

Section C: Parent Notification

1. Notification to parents of community school suspension or closure
 - a. Notify parents that the school is suspending or closing through a formal letter from the school Governing Authority within 24 hours of action in the case of mid-year suspension or closure; no later than March 1 in the case of nonrenewal under ORC 3314.07(B); and in any other case, notify parents no later than April 15. The letter must include but not be limited to the reason for the suspension or closing of the school, sponsor contact information, options for enrolling in another community school, traditional school or nonpublic schools and contact information.
2. Provide each parent with the location that the child's records are being delivered to.
 - a. The notification must include, but not be limited to: address and phone number, department and contacts for the resident districts to where the records are being delivered to.
3. Provide each parent with the contact information of the school's sponsor.
 - a. The notification must include the contact information of the school's sponsor.
4. Information meeting regarding educational options for students
 - a. Notify parents of an informational meeting, the school will present education options to students for enrolling in another community school, traditional school or nonpublic schools.
 - b. Convene parents and/or guardians to discuss the school enrollment process for the regional district. If possible, representatives from the school, sponsor, resident districts, and/or community schools should be present to answer questions primarily of the school choice/enrollment for the next year.

Section D: Staff Notification

1. Notify the teachers and staff that the school is suspended or closing.
 - a. In the case of a mid-year suspension or closure, notify teachers and staff that the school is suspending or closing through a formal letter from the school Governing Authority within 24 hours of the action. The letter must include but not be limited to the reason for the suspension or closing of the school, and, if applicable the status of appeals or legal action. Additionally, in the case of a mid-year suspension or

closure, provide a second notification to the teachers and staff no later than 7 days after initial notice. The letter must include, 1) plans to assist students in finding new schools; 2) date of last salary check, 3) instructions on filing for unemployment benefits, 4) date of termination of employees' benefits, 5) last day of work, 6) description of any assistance the school will provide to faculty and staff to find new positions, and 7) information on where the suspension or closure plan, procedures and timeline can be found.

- b. In the case of nonrenewal under ORC 3314.07(B), notify teachers and staff that the school is suspending or closing through a formal letter no later than 10 days after action is taken. The letter must include but not be limited to the reason for the closing of the school, and, if applicable the status of appeals or legal action.
 - i. Additionally, in case of nonrenewal under ORC 3314.07 (B), provide a second notification to the teachers and staff no later than April 1 and include items 1-7 (see a/i above).
 - c. In the case of nonrenewal for reasons other than ORC 3314.07(B), notify teachers and staff that the school is suspending or closing through a formal letter no later than 10 days after action is taken. The letter must include but not be limited to the reason for the closing of the school and the status of appeals or legal action.
 - i. Also, in case of nonrenewal for reasons other than ORC 3314.07(B), provide a second notification to the teachers and staff no later than May 1 and include items 1-7 (see a/i above).
2. Notify teachers and staff that STRS/SERS contributions are current.
 - a. Include language in staff letter to ensure staff that the contributions are kept current.
3. Clarify COBRA benefits and when medical benefits end.
 - a. In the case of mid-year suspension or closure, school employees shall be notified when benefits will end, when COBRA benefits begin and contact for assistance no later than eight days after action is taken.
 - b. In the case of nonrenewal under 3314.07(B) the notification, described in D.3.a., shall take place no later than April 1.
 - c. In all other cases, the notification shall take place no later than April 15.
4. Notify staff of the obligation to continue instruction through the date of suspension or closure.
 - a. Notify teachers and staff that the school is suspending or closing through a formal letter from the school Governing Authority within 24 hours of the action. The letter must reiterate their obligation to continue instruction through the date of suspension or closure.
5. Ensure each faculty member's LPDC information is current and available to the teacher.
 - a. Provide each faculty member, in the case of a mid-year suspension or closure, with documentation that their LPDC information is current within five days of the action.
 - i. In the case of nonrenewal under 3314.07(B), notify the faculty no later than April 1.
 - ii. In all other cases, notify the teachers no later than April 15.
6. Provide sponsor contact information to all staff.
 - a. See item D1 above and include in the letter to teachers and staff must the sponsor contact information.
7. Ensure all Resident Educator program documentation is current and available to affected teachers
 - a. In the case of mid-year suspension or closure provide each Resident Educator with documentation that

their Resident Educator program information is current within 5 days of action.

- i. In the case of non-renewal under 3314.07(B), provide documentation no later than April 1.
- ii. In all other cases, ensure the resident education program documentation is current no later April 15.

Section E: Secure all school records, property and assets.

1. Take control of and secure all school records, property, and assets immediately when the school is suspended or closed.
 - a. In the case of mid-year suspension or closure, secure all records (student, administrative/financial, staff), property, and assets within 24 hours of notice of suspension or closure.
 - b. If the building's landlord seizes the facility and its contents, or when a governing authority reneges on its obligations or other unforeseen circumstances, legal action may be necessary. The sponsor must share any such circumstance with the sponsor's OCS assigned consultant as quickly as possible.
 - c. In the case of suspension or closure at the end of the school year, begin securing all records and assets immediately under the oversight of the sponsor.
 - i. The sponsor should review the status of all records and assets no later than May 1 prior to suspension or closure.
 - ii. *As a best practice, sponsors are advised to periodically review records of graduates, including lists and transcripts to ensure the school can deliver records as required by statute*

Section F: Student Records

Student records include but are not limited to: documents normally found in permanent record folders that are necessary for these reviews and audits, include attendance records that detail enrollment and attendance history; grades and grade levels achieved; transcripts, particularly for students enrolled in grades 9-12 and for graduates of the school; proof of residency documents that identify a student's home district; two reports, one with names and SSID numbers, and one with SSID numbers only; special education folders; and other such information that may be maintained and kept in a student permanent record folder.

1. Ensure student records are in order and transcript materials can be provided immediately
 - a. Organize records by grade level and district of residence.
 - b. Student names and SSID must be clearly displayed.
 - c. Prepare to deliver all students records to students' districts of residence within seven days of suspension or closure.
 - i. *As a best practice, sponsors are advised to periodically review records of graduates, including lists and transcripts to ensure the school can deliver records as required by statute.*
2. Scan or make a copy of all CURRENTLY enrolled student's records and provide a listing by residential district.
 - a. Maintain a list in alphabetical order of the currently enrolled students by residential district.
 - b. Scan or make a copy of each currently enrolled student's records.
 - c. Scan or make a copy of each student's record, by residential district, in alphabetical order.
 - d. The community school shall maintain copies of records necessary to conduct the FTE review and final Auditor of State audit.
3. Organize all withdrawn student files by district
 - a. Maintain a list of all withdrawn students, in alphabetical order, by residential district.
 - b. Provide each withdrawn student's records, by residential district, in alphabetical order, to the residential district within seven days of suspension or closure.

4. Organize all SPED files by district (separate from cumulative files)
 - a. Maintain a list of all SPED student files, in alphabetical order, by residential district.
 - b. Provide each SPED student's records, by residential district, in alphabetical order, to the residential district within seven days of suspension or closure.
5. If the school has graduated students, compile a list of the names and dates of all graduates and provide digital or hard copies of transcripts
 - a. Maintain a list (name and SSID) of all graduated students, in alphabetical order, by residential district.
 - b. Provide each graduated student's transcript, in alphabetical order by residential district, to each residential district within seven days of suspension or closure.
 - i. *As a best practice, sponsors are advised to periodically review records of graduates, including lists and transcripts to ensure the school can deliver records as required by statute.*
6. Have all available IEP, enrollment and attendance records available for the completion of the FTE closure review.
 - a. In the case of mid-year suspension or closure, records should be available for review no later than seven days of suspension or closure.
 - b. In the case of suspension or closure at the conclusion of the school year, schools should be prepared for an FTE review within seven days of the last day of instruction.
 - i. *As a best practice, sponsors are recommended to review FTE review requirements with their schools annually and periodically check the condition of records necessary to complete FTE reviews.*
7. If possible, ODE will complete student enrollment/FTE review within seven (7) days of closure or suspension and prior to student records being delivered to resident districts.
8. Deliver the original cumulative student records of all current, withdrawn (withdrawn during the current school year and not already delivered to the students new school), and graduates to each student's district of residence (with printed list of included students) within seven (7) business days of the school's suspension or closure and obtain a signed delivery receipt.
 - a. Provide the district of residence with a printed list of all student records they are receiving.
 - b. Records must be boxed in alphabetical order.
 - c. Place a printed list of the student records on the outside of each box of records.
 - d. Obtain a signed delivery receipt from the residential district with the printed name and signature of the person receiving the records.
 - e. Provide the sponsor with updated list indicating the delivery information within 24 hours of delivery.
 - i. This list must include delivery verification receipts, names of individuals receiving the records, the signatures of said individuals and the date of receipt where student records were delivered.
9. Deliver the original SPED student records to each student's district of residence (with printed list of included students) and obtain signed delivery receipt.
 - a. Provide the district of residence with a printed list, in alphabetical order, of all SPED student records they are receiving.
 - b. Records must be boxed in alphabetical order.
 - c. Place a printed list of the SPED student records inside of each box to ensure student confidentiality.

- d. Obtain a signed delivery receipt from the residential district with the printed name and signature of the person receiving the records.
- e. Provide the sponsor with updated list indicating the delivery information within 24 hours of delivery.
 - i. This list must include delivery verification receipts, names of individuals receiving the records, the signatures of said individuals and the date of receipt where student records were delivered.

10. Deliver the student records of all withdrawn and graduates to each student's district of residence (with printed list of included students) and obtain signed delivery receipt.

- a. Provide the district of residence with a printed list of all student records they are receiving.
- b. Records must be boxed in alphabetical order.
- c. Place a printed list of the student records on the outside of each box of records.
- d. Obtain a signed delivery receipt from the residential district with the printed name, signature of the person receiving the records.
- e. Provide the sponsor with updated list indicating the delivery information within 24 hours of delivery.
 - i. This list must include delivery verification receipts, names of individuals receiving the records, the signatures of said individuals and the date of receipt where student records were delivered.

Section G: Financial Review and Notifications includes completing a review of the financial records within seven days of notice of suspension or closure.

1. Compile List of Creditors and Debtors.

- a. Compile a listing of Creditors. The list may include, but not be limited to, the following categories:
 - i. Contractors to whom the school owes payment.
 - ii. Lenders
 - iii. Mortgage holders
 - iv. Bond holders
 - v. Equipment suppliers
 - vi. Secured and unsecured creditors
 - vii. Persons or organizations who owe the school fees or credits.
 - viii. Lessees or sub-lessees of the school
 - ix. Any person or organization holding property of the school.
- b. Compile a listing of all debtors. That list may include, but not be limited to, the categories listed above under Creditors.

2. Notification to all Creditors

- a. Solicit from each creditor a final accounting of the school's accrued and unpaid debt
 - i. Compare the figures provided with the school's calculation of the debt and reconcile.
 - ii. Where possible, negotiate a settlement of debts consummated by a settlement agreement reflecting satisfaction and release of the existing obligations.
 - iii. Schools having elected 'reimbursing' status for unemployment insurance must contact the Ohio Department of Job and Family Services, Office of Unemployment Insurance Operations to determine unemployment insurance liability.

3. Notification to all Debtors

- a. Contact all debtors and request payment.
 - i. If collection efforts are unsuccessful, consider turning the debt over to a commercial debt collection agency.

- ii. All records regarding such collection or disputes by debtors regarding amounts owed must be retained.
4. Notification to vendors and termination of contracts
 - a. Notify utilities, insurance, landlord, banks, bond holders, contractors, etc., of potential default date and when last payment will likely occur.
 - b. Notify all contractors of school closure and cessation of operations.
 - c. Retain records of past contracts and payments with proof that they were paid in full.
 - d. Terminate contracts for goods and services as of the last date such goods or services will be needed.
 - e. Instruct contractors to remove any contractor property from the school by a certain date (e.g., copying machines, water coolers, other rented property).
 - f. Maintain telephone, gas, electric, water, insurance and directors and officer's liability insurance long enough to cover the time required for all necessary closure procedures to be complete.
5. Review of budget and cash balances to ensure funds through closure process.
 - a. Review budget and current-year expenditures to date to ensure that funds are enough to operate the school through the end of the school year, if applicable.
 - b. Emphasize the legal requirement to limit expenditures to only those in the approved budget, while delaying approved expenditures that might no longer be necessary until a revised budget is approved.
 - c. Acknowledge that there are unique expenditures associated with school closure and that the parties will meet to identify these expenditures and funding sources.
 - d. Ensure that the school continues to collect revenues included in the school's budget, if applicable.
 - e. Make revisions that closure and associated expenses while prioritizing continuity of instruction. The revised budget should include funding to ensure the school's treasurer is engaged to complete the closure process.
6. Terminate Operator (EMO/CMO) Agreement
 - a. Review the operator agreement and take steps needed to terminate the agreement at the end of the school year or when the charter contract expires. Actions include:
 - i. The operator should be asked for a final invoice and accounting, including an accounting of any retained school funds and the status of grant funds.
 - ii. The school and the operator should agree upon how the company will continue to provide educational services until the last day of instruction.
 - iii. The school and the operator agree when other services including business services will end.
7. Notify all funding sources, charitable contributors, grants, etc.
8. Final Reporting of all EMIS items (staff, student, and fiscal)
 - a. The community school governing authority's designees (school administration, treasurer, fiscal officer, etc.) must report all necessary information regarding students, staff, financials, etc., in EMIS. Please check the EMIS Manual and reporting schedule for details.
9. Preparation of year-end financial statements
 - a. The community school governing authority's treasurer or fiscal officer, or the sponsor in the absence of the governing authority, must review and prepare the itemized financials (subject to revision based on Auditor of State's final audit) to include year-end financial statements, notes to the financial statements and federal awards, if applicable. These financials should include the following items:

- i. Cash analysis (taking the previous month's recap and reconciliation of bank accounts to books) for determination of the cash balance as of the closing date.
- ii. List of investments in paper (hard copy) format.
- iii. List of all payables and indicate when a check to pay the liability clears the bank.
- iv. List of all unused checks (collect and void all unused checks).
- v. List of any petty cash.
- vi. List of bank accounts, closing the accounts once all transactions are cleared.
- vii. List of all payroll reports including taxes, retirement, or adjustments on employee contract.
- viii. Lists of all accounts receivable.
- ix. List of assets and their disposition.

10. Establish approved order of Vendors to be Paid.

- a. The community school governing authority's treasurer or fiscal officer, or the sponsor in the absence of the governing authority, must utilize only state dollars, auction proceeds, and any other non-federal dollars to pay creditors in the following order:
 - i. Retirement funds of employees of the schools, such as 401Ks.
 - ii. STRS/SERS retirement systems teachers and staff.
 - iii. Teachers and staff salaries.
 - iv. Unemployment insurance, if applicable.
 - v. Private creditors or those entities that have secured a judgment against the school, including audit preparation and audit costs.
 - vi. Any remaining funds are to be paid to the Department of Education.

Section H: Disposition of Assets

1. Establish a comprehensive Asset listing for the school by fund

- a. The community school governing authority's treasurer or fiscal officer or the sponsor in the absence of the governing authority must establish a check off list of assets including all inventory with proper USAS codes, state codes, and the price of each item and identify the source of funds; in the case of donated items follow the accounting guidance.

i. NOTE: ORC 3314.0210, effective 02/01/2016, states when an operator or management company purchases furniture, computers, software, equipment or other personal property for use in the operation of a community school under this chapter with state funds that were paid to the operator or management company by the community school as payment for services rendered, such property is property of that school and is not property of the operator or management company. When a community school permanently closes and ceases its operation as a community school, any property that was acquired by the operator or management company of the school in the manner described in this section shall be distributed in accordance with division (E) of section 3314.015 and section 3314.074 of the Revised Code.

2. Separate Identification of Federal assets valued over \$5,000

- a. Unless otherwise described below for the Public Charter Schools Program and the National School Lunch Program, all items purchased with federal funds may be sold at auction. However, for any item with a value of \$5,000 or higher, the item must be labeled on the disposition of assets record as having been purchased with federal dollars, along with the purchaser information (name of school or organization and contact).

3. Separate identification of Federal assets purchased with PCSP funds
 - a. The following are the responsibility of the community school governing authority's treasurer or fiscal officer or the sponsor in the absence of the governing authority.
 - i. Public Charter School Program assets must first be offered to other community schools with requisite board resolutions consistent with the purpose of the Public Charter School Program. If there are no takers, then an auction sale must be held to dispose of the assets along with the state-funded assets.
 - ii. After the above steps have been taken, any remaining assets may be offered to any public-school district with documented board resolutions by the community school and the accepting district.
 - iii. Provide the Office of Community Schools with a written report of the property and, if available, a bill of sale. Completion within 30 days of closure.
4. Separate identification of Federal assets purchased with NSLP funds.
 - a. The community school governing authority's treasurer or fiscal officer, or sponsor in the absence of the governing authority, is responsible for contacting the Office of Child Nutrition.
 - i. Cafeteria equipment purchased with funds from the National School Lunch Program can only be liquidated through written guidance issued by the Office for Child Nutrition. Contact the Office for Child Nutrition prior to proceeding with any liquidation of equipment. Liquidation should be completed within 30 days of closure.
5. Establish Fair Market Value
 - a. The community school governing authority's treasurer or fiscal officer, or sponsor in the absence of the governing authority, must establish the fair market (initial and amortized) value following generally accepted business rules in a transparent manner. The Uniform Commercial Code offers guidelines for liquidating assets in a commercially reasonable manner for all state-purchased assets and federally purchased assets that have a value of less than \$5,000 (ORC 1309.627).
 - i. *Note: Essentially, the price should be at the current price in any recognized market at the time of disposition or otherwise consistent with reasonable practices among dealers in the type of property subject to disposition. The school's governing authority's capital assets policy also*
 - ii. *should be followed. If an asset has no market value and the school is planning to dispose of the asset at a public auction, the school should still place a minimal value on the item.*
 - iii. As a best practice, sponsors are advised to periodically review schedule of assets and accompanying value to ensure that records are up to date.
 - b. In the case of a mid-year suspension or closure, the treasurer should complete the necessary review within seven days (7) of notice. In the case of closure at the conclusion of the school year, review should occur no later than May 1 prior to closure.
6. Designation of Individual with legal authority for payment processing
 - a. The community school governing authority's treasurer or fiscal officer, or sponsor in the absence of the governing authority, must identify staff who will have legal authority for payment processes (checks, cash, credit cards, etc.) and make designation within seven days following notice of suspension/closure.
7. Board approved Disposition plan for assets
 - a. The community school governing authority's treasurer or fiscal officer, or sponsor in the absence of the governing authority, must establish a disposition plan for all remaining assets. Disposition of remaining assets should be completed within 14 days of closure.

8. Notification of Public Auction

- a. The community school governing authority's treasurer or fiscal officer, or sponsor in the absence of the governing authority, must notify the Office of Community Schools and then the public media (print, media, radio) of the date, time, and location of the asset and/or property disposition auction. Notification shall take place within 30 days' notice of suspension or closure.

9. Board resolution for assets transferred to another public school at no cost.

- a. The community school governing authority's treasurer or fiscal officer, or the sponsor in the absence of the governing authority, must provide board resolutions and minutes of any assets transferred at no cost to another school. In the case of a mid-year closure, a plan for disposition of assets shall be completed within 14 days of notice or closure.

10. Identify any Ohio Facilities Construction Commission guarantees

- a. Contact the Ohio Facilities Construction Commission within seven days of notice of suspension or closure.

11. Notify the Ohio Facilities Construction Commission of the closure

- a. Contact the Ohio Facilities Construction Commission within seven days of notice of suspension or closure.

12. Offer assets acquired from public districts back to district at Fair Market Value

- a. Consistent with ORC Section 3314.051, the community school governing authority's treasurer or fiscal officer, or sponsor in the absence of the governing authority, shall offer real property acquired from a public-school district to that school district's board first at fair market value. If the district board does not accept the offer within 60 days, dispose of the property in another lawful manner.

13. Prepare documentation on the sale of assets.

- a. The community school governing authority's treasurer or fiscal officer, or sponsor in the absence of the governing authority, must track the sale of items in addition to establishing a fair market value for each item and have supporting board resolutions for donation of items to another community, other public school, or nonprofit entity.

Section I: Final Payments and Adjustments

1. Final Payments to All Vendors

- a. Determine if any portion of any funds or adjustments can be applied to satisfy any remaining debt; payables (any money owed to another).

2. Completion of Final Audit

- a. Submission of the final audit report as presented by the Ohio Auditor of State's Office.

3. Send Remaining Funds to ODE

- a. Send all the remaining portion of funds to the Ohio Department of Education, Office of Budget and School Funding for final disposition.

4. Close all Bank Accounts.

- a. Treasurer shall direct all bank accounts to be formally closed.

- i. Remaining checks shall be destroyed.

Section J: Quarterly Reporting; Dissolving the community school; Notifying the Secretary of State and IRS

1. Sponsors provide quarterly reports on the progress made of all suspension and closing procedures.
 - a. Submit this progress report via Epicenter by July 1, July 15 for newly suspended or closed schools, Oct. 1, Jan. 1, and April 1 until suspension or closure process is complete.
2. The governing authority adopts a resolution to dissolve the school and indicates to whom the school assets purchased with nonpublic funds will be distributed to after all creditors have been paid.
 - a. The governing authority adopts a resolution to dissolve the school and indicates to whom the school assets purchased with nonpublic funds will be distributed to after all creditors have been paid.
 - b. Unless otherwise provided in the bylaws, the members (if any), or board, vote on the resolution to dissolve.
 - c. A nonprofit corporation is dissolved upon the effective date of its articles of dissolution.
 - d. Consult with the school's attorney for further details.
3. After the resolution to dissolve is authorized, dissolve the corporation by delivering to the Secretary of State for filing articles of dissolution setting forth:
 - a. Name of the nonprofit corporation.
 - b. Address of the nonprofit corporation's principal office.
 - c. Date dissolution was authorized.
 - d. If dissolution was authorized by the directors, a statement to that effect.
 - e. If dissolution was approved by the members, a statement of the number of votes cast for the proposal to dissolve.
 - f. Additional information as the Secretary of State determines is necessary or appropriate.
4. Notify IRS of the closing of the school and/or dissolution of nonprofit corporation.

[illegible]

	Suspension and Closure School GA Administrative Treasurer or Sponsor In Absence of GA	Final PTE report Delivery receipts			
7 Completion of student enrollment/PTE review	Suspension and Closure School GA Administrative Treasurer or Sponsor In Absence of GA	Final PTE report Delivery receipts			
8 Deliver original student records to each students address of residence within five business days of the school's suspension or closure (Ohio Code Section 3334.44). Provide sponsor with updated list indicating the delivery information within 24 hours of delivery.	Suspension and Closure School GA Administrative Treasurer or Sponsor In Absence of GA	Delivery receipt			
9 Deliver the original SPED record sent to each student's address of residence and submit signed delivery receipt provided by parent/guardian within 24 hours of the delivery information within 24 hours of delivery.	Suspension and Closure School GA Administrative Treasurer or Sponsor In Absence of GA	Delivery receipt			
10 Deliver the student records of all withdrawn and graduates to each student's address of residence and submit signed delivery receipt. Provide sponsor with updated list indicating the delivery information within 24 hours of delivery.	Suspension and Closure School GA Administrative Treasurer or Sponsor In Absence of GA	Delivery receipt			
11 All creditors and debtors	Suspension and Closure School GA Administrative Treasurer or Sponsor in Absence of GA	Pull notice of APAs and ARCs			
12 Notice to creditors	Suspension and Closure School GA Administrative Treasurer or Sponsor in Absence of GA	None			
13 Notice to debtor	Suspension and Closure School GA Administrative Treasurer or Sponsor in Absence of GA	None			
14 Notice to vendors	Suspension and Closure School GA Administrative Treasurer or Sponsor in Absence of GA	None			
15 Student financial review	Suspension and Closure School GA Administrative Treasurer or Sponsor in Absence of GA	None			
16 Terminate open ended accounts	Suspension and Closure School GA Administrative Treasurer or Sponsor in Absence of GA	Signed termination letter			
17 Notice to private insurer	Suspension and Closure School GA Administrative Treasurer or Sponsor in Absence of GA	None			
18 Report all required debts in public	Suspension and Closure School Administration, pending writing or sponsor in absence of GA	None			
19 Cancel financial commitments, notes to the financial community and, if applicable, withhold federal awards.	Suspension and Closure School Administration, pending writing or sponsor in absence of GA	Write submission			
20 Establish approved order of vendor to be paid	Suspension and Closure School Administration, pending writing or sponsor in absence of GA	Copy of vendor list and order			
21 Provide a complete and true Asset Listing for the school by mail.	Suspension and Closure School Administration, pending writing or sponsor in absence of GA	Asset list with values			
22 Pay off Federal program purchases that have a value of \$5,000 or greater, completed at least a year prior.	Closure Only Administration/Treasurer or sponsor in absence of GA	Asset list with values			
23 Disposition of assets purchased during Public Charter School Program grant funding.	Closure Only Administration/Treasurer or sponsor in absence of GA	Asset list with values			
24 Liquidation of equipment purchased with NGLF funds	Closure Only Administration/Treasurer or sponsor in absence of GA	Asset list with values			
25 Establish the fair market value and reported value at time of sale following generally accepted accounting principles and a transparent manner.	Suspension and Closure Administration/Treasurer or sponsor in absence of GA	Board resolution			
26 Identify staff having the legal authority to implement payment processes.	Closure Only Administration/Treasurer or sponsor in absence of GA	Board resolution			
27 Establish disposition plan for any real estate items.	Closure Only Administration/Treasurer or sponsor in absence of GA	Copy of notices			
28 Notification of public auction for asset of property disposition.	Closure Only Administration/Treasurer or sponsor in absence of GA	Board resolution			
29 Provide bank reconciliations and balances of any assets transferred as one unit to the school.	Closure Only Administration/Treasurer or sponsor in absence of GA	None			
30 Notify state Ohio Facilities Construction Commission (OFCC), if applicable.	Closure Only Administration/Treasurer or sponsor in absence of GA	Email to OFCC			
31 Notify the Ohio Facilities Construction Commission of the donors.	Closure Only Administration/Treasurer or sponsor in absence of GA	Copy of letter later			
32 Official property acquired from public district must be disclosed to the market value.	Closure Only Administration/Treasurer or sponsor in absence of GA	Copy of sales receipts			
33 Prepare documentation on sale of assets	Closure Only Administration/Treasurer or sponsor in absence of GA	Small confirmation from treasurer. Receipt of final audit			
34 Receive any funds or adjustments credited to the account of the closed school and determine payments to all vendors.	Closure Administration/Treasurer or sponsor in absence of GA	Receipt from the Department of Education			
35 Complete all final audit	Closure Administration/Treasurer or sponsor in absence of GA	Copy of confirmation			
36 Send all or the remaining portion of fund to the Ohio Department of Education	Closure Administration/Treasurer or sponsor in absence of GA				
37 Close all bank accounts	Closure Administration/Treasurer or sponsor in absence of GA				
38 At a minimum, sponsors must provide quarterly reports on the progress made on closure procedures and submit this progress report through February 1st, July 1st, October 1st, January 1st, April 1st, June 1st, until suspension or closure process is complete. Final submission of suspension and closing response form shall be submitted to the Office of Community Schools no later than 24 days after suspension and closure process is completed.	Suspension and Closure Sponsor	Sponsor submission			
39 Quarterly reports	Suspension and Closure Sponsor	Sponsor submission			

	Closure	Governing Authority	Copy of resolution.						
2	b) The governing authority supports a resolution to dissolve the school in which the school assets are sold or transferred at market value and all funds will be distributed to all members of staff, or partly, or saved, vote on the resolution to dissolve. A nonprofit corporation is dissolved upon the effective date of its articles of dissolution. [C.R.S. 7-234-102] c) Consult with school's attorney for further details.								
3	d) After the resolution to dissolve is authorized, dissolve the corporation by delivering to the Secretary appropriate documents: The name of the nonprofit corporation; The address of the nonprofit corporation; The date of dissolution; The date of dissolution was authorized; e) If dissolution was authorized by the directors, a statement to that effect; f) If dissolution was approved by the members, a statement of the number of votes cast for the proposal to dissolve; and g) Such additional information as the Secretary or State deems it necessary or appropriate.	Governing Authority	Copy of notice to SOS						
4	Nearly 1/3 of the voting of the school and/or dissolution of nonprofit corporation.	Governing Authority	Copy of notice						