

## COMMUNITY SCHOOL CONTRACT

This Community School Contract (“Contract”) is entered into by and between the Ohio Council of Community Schools (hereinafter “**Sponsor**”); and the Board of Directors and governing authority of the Trotwood Preparatory and Fitness Academy (hereinafter “**Governing Authority**”), an entity established in accordance with Chapter 1702 of the Ohio Revised Code and is made effective upon the execution hereof.

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

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

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

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

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

- A. **Continuation of Community School.** The **Governing Authority** and the **Sponsor** agree that the **Governing Authority** may continue to operate the community school (hereinafter referred to as the “**School**”) as permitted by and subject to applicable federal laws, the laws of the state of Ohio, and the terms of this Contract. The **Governing Authority** shall be responsible for carrying out the provisions of this Contract, unless the Contract specifically places a duty upon the **Sponsor**.
- B. **Community School Obligations.** The **Governing Authority**, for itself and on behalf of the **School**, covenants and agrees as follows:
  1. As required by Section 3314.03(A)(1) of the Ohio Revised Code, the **School**, having been established as either a nonprofit corporation (if established under Chapter 1702 of the Ohio Revised Code prior to April 8, 2003), or a public benefit corporation (if established after April 8, 2003), shall be operated and maintain its status as a nonprofit corporation in good standing.
  2. The **School’s** Certificate of Incorporation, Articles of Incorporation, Appointment of Statutory Agent, Code of Regulations, Taxpayer Employer ID No., Ohio certificate of non-profit status, and IRS Letter of Determination of the **School’s** federal tax-exempt status (or, until the Letter of Determination is issued, copy of the submitted IRS Form 1023) are attached at **ATTACHMENT 1** to this Contract. If any of these documents are modified or created subsequent to this Contract being executed, the **School** must submit these documents to the **Sponsor** in a timely manner, not to exceed 30 days after receipt or execution.

3. Except as otherwise addressed by this Contract (including Section J) or the **Sponsor**, any future contracts entered into with third parties shall provide for a right to cancel, terminate, or non-renew effective upon the expiration date of this Contract or in 10 years, whichever date is later.
4. In accordance with the Ohio Revised Code, as a community school pursuant to Chapter 3314 of the Ohio Revised Code, the **School** shall comply with Sections 9.90, 9.91, 109.65, 121.22, 149.43, 2151.357, 2151.421, 2313.19, 3301.0710, 3301.0711, 3301.0712, 3301.0715, 3301.0729, 3301.948, 3302.037, 3313.472, 3313.50, 3313.539, 3313.5310, 3313.5318, 3313.5319, 3313.608, 3313.609, 3313.6012, 3313.6013, 3313.6014, 3313.6015, 3313.6020, 3313.6024, 3313.6025, 3313.6026, 3313.6028, 3313.6029, 3313.643, 3313.648, 3313.6411, 3313.6413, 3313.66, 3313.661, 3313.662, 3313.666, 3313.667, 3313.668, 3313.669, 3313.6610, 3313.67, 3313.671, 3313.672, 3313.673, 3313.69, 3313.71, 3313.716, 3313.718, 3313.719, 3313.7112, 3313.7117, 3313.721, 3313.80, 3313.814, 3313.816, 3313.817, 3313.818, 3313.819, 3313.86, 3313.89, 3313.96, 3319.073, 3319.077, 3319.078, 3319.0812, 3319.238, 3319.318, 3319.321, 3319.324, 3319.39, 3319.391, 3319.393, 3319.41, 3319.46, 3320.01, 3320.02, 3320.03, 3321.01, 3321.041, 3321.13, 3321.14, 3321.141, 3321.17, 3321.18, 3321.19, 3322.20, 3322.24, 3323.251, 3327.10, 4111.17, 4113.52, 5502.262, 5502.703, and 5705.391 and Chapters 117., 1347., 2744., 3365., 3742., 4112., 4123., 4141., and 4167. of the Ohio Revised Code, as if it were a school district and will comply with Section 3301.0714 of the Ohio Revised Code in the manner specified in Section 3314.17 of the Ohio Revised Code. Additionally, if applicable, the **School** will comply with Sections 3301.50 to 3301.59 of the Ohio Revised Code and the minimum standards for preschool programs prescribed in rules adopted by the state board under Section 3301.53 of the Ohio Revised Code.

The **School** will comply with Sections 3313.6021 and 3313.6023 of the Ohio Revised Code as if it were a school district unless it is an internet- or computer-based community school, or a community school in which a majority of the enrolled students are children with disabilities as described in division (A)(4)(b) of Section 3314.35 of the Ohio Revised Code. The **School** will comply with Section 3321.191 of the Ohio Revised Code, unless it is an internet- or computer-based community school that is subject to Section 3314.261 of the Ohio Revised Code.

As outlined in Section 3323.012 of the Ohio Revised Code, the **School** is considered a school district for purposes of Chapter 3323 of the Ohio Revised Code. The **School** is also considered a school district for all purposes provided for in Section 3314.082 of the Ohio Revised Code. The **Governing Authority** and **School** shall also comply with Chapter 102 and Section 2921.42 of the Ohio Revised Code and must have a conflicts of interest policy. The **Governing Authority** and **School** will comply with Sections 3302.04 and 3302.041 of the Ohio Revised Code, except that any action required to be taken by a school district pursuant to those Sections shall be taken by the **Sponsor** in accordance with the

Ohio Revised Code. However, the **Sponsor** shall not be required to take any action described in Division (F) of Section 3302.04 of the Ohio Revised Code. The **School** shall comply with federal and state laws regarding the education of students with disabilities.

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

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

5. The **School** and **Governing Authority** shall not carry out any act or perform any function that is not in compliance with the Ohio Community School Law located in Ohio Revised Code Chapter 3314 or other applicable laws in the Ohio Revised Code, the United States Constitution, the Ohio Constitution, or Federal law.
6. **ATTACHMENT 2** contains the deed or lease agreement and an outline of the **School** facilities including: a detailed description of each facility used for instructional purposes, specifying the location of the **School**, the physical and/or mailing address, and approximate number of square feet utilized by the **School**; the annual costs associated with leasing each facility that are paid by or on behalf of the **School**; if applicable, the annual mortgage principal and interest payments that are paid by the **School**; and the name of the lender or landlord, identified as such, and the lender's or landlord's relationship to the operator, if any. The facilities used by the **School** will not be changed or altered in a way that would materially impact the available square footage without the prior written consent of the **Sponsor**, which consent shall not be unreasonably withheld, delayed, or conditioned. To the extent that square footage is moved or replaced with alternative classroom settings, the **Sponsor** must consent to any such changes which consent shall not be unreasonably withheld, delayed, or conditioned.

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

withheld and/or delayed. After leasing or purchasing a site, a copy of the fully executed lease or conveyance documents, subsequent amendments, modifications, or renewals thereof, and all related documents shall be provided to the **Sponsor** within 10 business days and included in **ATTACHMENT 2**, along with updated facilities information as specified above and in Section 3314.03(A)(9) of the Ohio Revised Code.

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

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

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

7. The **School** shall be authorized to provide learning opportunities for grades K-12 for at least 25 students for a minimum of 920 hours per school year or in accordance with any applicable changes of law.
8. The **School** was not a non-public chartered or non-chartered school in existence on January 1, 1997. This representation is material, and if in error, the **Sponsor** may terminate this Contract. For purposes of this Section, if the **School** is new but the faculty and students in 1997 were almost all located at the same non-public chartered or non-chartered school in existence on January 1, 1997, the **School** will be considered to be a non-public chartered or non-chartered school.
9. The **School** shall be nonsectarian in its programs, admissions policies, employment practices, and all other operations, and it will not be operated by a sectarian school or religious institution.
10. A list of the current members of the **Governing Authority**, including all contact information required by law, is included as **ATTACHMENT 3**. A description of the process by which the **Governing Authority** of the **School** shall be selected in the future shall also be included, unless that process is outlined in the Code of Regulations included with **ATTACHMENT 1**. The **Governing Authority** shall consist of not less than 5 members and a majority of the members must be comprised of individuals who live or work in Butler, Clark, Hamilton, or Montgomery counties. In accordance with Section 3314.035 of the Ohio Revised

Code, the **Governing Authority** shall ensure the name of each member is posted on the **School's** website. For new members, the **School's** website shall be updated within 30 days of appointment.

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

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

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

All members of the **Governing Authority** must be approved by the **Sponsor** prior to appointment as an official member counted for quorum and voting purposes, which approval shall not be unreasonably withheld, conditioned, or delayed. Any individual under final consideration for appointment to the **Governing Authority** shall have an Ohio and federal criminal records check conducted in the manner described in Section 3319.39 of the Ohio Revised Code and as may be required by

law every 5 years after the initial criminal records check is performed. The results of these criminal records checks shall be provided first to the **Governing Authority** or its legal counsel and then to the **Sponsor**. Any consent needed to forward the results of the criminal records checks by prospective **Governing Authority** members shall be obtained by the **Governing Authority**. The names, mailing addresses, electronic mail addresses, telephone numbers, and biographical information reflecting experience, education, and/or professional information of current and prospective members of the **Governing Authority** shall also be provided to the **Sponsor**. To the extent that the **Sponsor** needs assistance from the **Governing Authority** confirming the lack of findings of recovery, assistance from the **Governing Authority** will not be unreasonably withheld.

Within 1 year of appointment to the **Governing Authority**, all members without community school governing authority experience must attend at least 5 hours of training. Any training offered by the **Sponsor** shall be free of charge. The annual training required in Section 3314.037 of the Ohio Revised Code shall count toward the required hours of training noted above. The **Governing Authority** shall be permitted to obtain training from an outside provider with approval given by the **Sponsor**, which approval shall not be unreasonably withheld or delayed.

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

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

11. The **School's** Chief Administrative Officer will be the **School's** leader and chief administrator. This individual is responsible for the daily operations at the **School** and will be listed in any state reporting system as the Superintendent, or other similar title. Within 5 business days, the **School** or the **School's** designee shall notify the **Sponsor**, in writing, of any change in the identity of the **School's** Chief Administrative Officer and shall include any documentation required by law.
12. The **School** shall begin operation for the academic year no later than September 30 (unless it is a drop-out prevention and recovery program) by teaching the minimum number of students required by law or this Contract.
13. The **School's** Educational Plan, including its mission, academic goals, characteristics of students the **School** is hoping to attract (including ages and grades), instructional program and methods, focus of the curriculum, educational philosophy of the **School**, and a description of the learning opportunities that will be offered to students (including both classroom and non-classroom based learning opportunities, if present) that complies with the criteria for student participation in Section 3314.08(H)(2) of the Ohio Revised Code are attached as **ATTACHMENT**

4. If applicable, **ATTACHMENT 4** shall also include a notation if the **Governing Authority** is seeking designation as a STEM school equivalent under Section 3326.032 of the Ohio Revised Code, and, if the **School** is operating using the blended learning model as defined in Section 3301.079 of the Ohio Revised Code, the required information as outlined in Section 3314.03(A)(29) of the Ohio Revised Code. The **Governing Authority** shall give the **Sponsor** advanced written notice of its desire to update **ATTACHMENT 4**; however, changes shall not be implemented without prior written approval of the **Sponsor**, which approval shall not be unreasonably withheld. Additionally, if the **School** is serving any of grades K-8, multiple grade levels shall not be served concurrently in the same classroom without prior written approval of the **Sponsor**, which approval shall not be unreasonably withheld.

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

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

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

The Performance and Accountability Plan will be a significant factor in any **Sponsor** action in accordance with Section F. of this Contract, including, but not limited to, requiring a Performance Improvement Plan, being placed on probation, or issuing an intent to suspend operations. Additionally, an egregious underperformance or a consistent inability to meet the standards of indicators, goals, or data points in any of the Core Performance Areas will also factor into any action taken by the **Sponsor**. The **Sponsor** reserves the right to make changes to the Performance and Accountability Plan as necessary. The **Governing Authority** recognizes that these changes may be required and the **Sponsor** agrees to reasonably negotiate any changes with the **Governing Authority**, prior to implementation.

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

15. Within 4 months after the end of each school year, the **Governing Authority** must submit a report of its activities and progress in meeting the goals and standards set forth in this Contract and its financial status to the **Sponsor** and the parents of all students enrolled in the **School**.
16. The **Governing Authority** or its designee shall report annually to the **Sponsor** and the State Board of Education on the day set by the State Board of Education all of the reporting requirements set by Chapter 3314 of the Ohio Revised Code, including, but not limited to, those found in Section 3314.08(B) of the Ohio Revised Code.
17. The **Governing Authority** or its designee shall report in writing every month to the **Sponsor** with statistics and other items required by the **Sponsor**, including financials, enrollment, staff and teacher turnover, expulsions, suspensions, and shall respond promptly to the **Sponsor's** inquiries regarding such information or other matters the **Sponsor** reasonably deems important. The **Sponsor** shall be allowed to observe the **School** in operation at site visits and shall have open access for such visits. The **Sponsor** will use its reasonable discretion when determining when to conduct such visits, and, while visiting the **School**, the **Sponsor** shall use best efforts to avoid undue disruption of the learning environment. Upon the written request of **Sponsor**, the **Governing Authority** shall also report in writing all of the following data: total assets, current assets, total liabilities, current liabilities, total number of people on payroll, gross revenue, occupancy cost, payroll/instruction cost, state revenue, operator fee cost, grant revenue, and total number of students.

The **Governing Authority**, **School**, and **Sponsor** agree and state that pursuant to 20 U.S.C. Section 1232g, the Family Educational Rights and Privacy Act ("FERPA") and 34 CFR Part 99, the **Sponsor** is an authorized representative of a state educational authority and that the **School** is permitted to disclose to the **Sponsor** personally identifiable information from an education record of a student without parental consent (or student consent where applicable). Uses of the information may include conducting audits, compliance evaluations, and other reviews as necessary for the **Sponsor** to carry out its statutory duties. Accordingly, the **School** agrees to grant to **Sponsor's** employees access as defined hereinafter to "education records" as defined by FERPA and all documents, records, reports, databases, and other information made available to or maintained by the **School** or its agent(s) (including, if applicable, the operator) that is reportable to the Ohio Department of Education and Workforce or its agencies, to the Ohio Auditor of State, or to any outside vendor. Such information shall include, but is not limited to, the School Options Enrollment System, and the Education Management



Information System, or any successor systems. "Full and complete access" shall include the ability to inspect and copy paper and electronic documents at the **School** and the **School** or its agent(s) (including, if applicable, the operator) shall provide usernames and passwords where applicable to enable the **Sponsor** to have remote self-service access in read-only format, if available.

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

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

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

18. The admission procedures of the **School** are set forth in **ATTACHMENT 6** and shall comply with Section(s) 3314.06, and, if applicable, 3314.061 of the Ohio Revised Code, including the following requirements:
  - (a) Specify that the **School** will not discriminate in its admission of students to the **School** on the basis of gender, race, religion, color, national origin, disability, intellectual ability, athletic ability, or measurement of achievement or aptitude; and,
  - (b) Be open to any individual entitled to attend school in the state of Ohio pursuant to Section 3313.64 or Section 3313.65 of the Ohio Revised Code, except that admission to the **School** may be limited to (i) students who have obtained a specific grade level or are within a specific age group; (ii) students who meet a definition of "at-risk" that the parties to this Contract agree upon, and/or; (iii) residents of a specific geographic area within the district as defined in this Contract.

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

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

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

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

19. Tuition in any form shall not be charged for the enrollment of any student, except for the enrollment of any student who is not a resident of Ohio in accordance with Section 3314.08(F) of the Ohio Revised Code. The **School** shall not require contributions either from any student eligible to enroll or enrolled in the **School** or from any parent or guardian of a student who is enrolled or intending to enroll in the **School**. Nothing in this Section shall prevent the **School** from charging reasonable class, book, or similar fee(s), or engaging in voluntary fund-raising activities.
20. The **School** shall follow all reasonable dismissal procedures, according to Section 3314.03(A)(6)(a) of the Ohio Revised Code.
21. The **Governing Authority** shall adopt a school attendance policy that includes procedures for verifying attendance, as required by law, and for automatically withdrawing a student from the **School** if the student, without legitimate excuse, fails to participate in 72 consecutive hours of the learning opportunities offered to the student. Attendance and participation policies will be available for public inspection. Attendance and participation records shall be made available to the Ohio Department of Education and Workforce, the Ohio Auditor of State, and the **Sponsor**, to the extent permitted by FERPA and Section 3319.321 of the Ohio Revised Code.

The **Governing Authority** shall adopt an enrollment and attendance policy or policies that requires a student's parent to notify the **School** when there is a change

in the location of the parent's or student's primary residence. Such policy or policies shall also require the verification of student residence and address information for students enrolling in or attending the **School**.

22. The **Governing Authority** shall adopt a policy regarding suspension, expulsion, emergency removal, and permanent exclusion of a student that specifies, among other things, the types of misconduct for which a student may be suspended, expelled, or removed, and the due process related to any action taken under this Section. The policy and practices shall comply with the requirements of Sections 3313.66, 3313.661, and 3313.662 of the Ohio Revised Code. Those policies and practices shall not unlawfully infringe upon the rights of students with disabilities as provided by state and federal law.
23. Unless operations are suspended in accordance with Section 3314.072 of the Ohio Revised Code, the **School** must remain open for students to attend until the end of the school year in which it is determined that the **School** must close. The programs provided to students in the final year of the **School** must continue without interruption or reduction to the fullest extent possible, unless program changes are approved in writing by the **Sponsor**. The **Sponsor** may, but is not obligated to, assume operation of the **School** as provided for in Section 3314.073 of the Ohio Revised Code. Provided prior written notice is delivered to all members of the **Governing Authority**, the **Sponsor** may also replace the **Governing Authority** if the **Governing Authority** abandons or materially breaches its duties under this Contract or at law in a manner that could cause immediate and irreparable harm to the **School** and/or its students.
24. At least 1 full-time classroom teacher or 2 part-time classroom teachers each working more than 12 hours per week must be employed to work in the **School**. The full-time classroom teachers and part-time classroom teachers working more than 12 hours per week shall be licensed in accordance with Sections 3319.22 to 3319.31 of the Ohio Revised Code. Pursuant to Section 3319.301 of the Ohio Revised Code, non-licensed persons, who are otherwise qualified, may teach up to 12 hours per week. Non-licensed persons, who are otherwise qualified, teaching in a STEM school or an industry-recognized credential program offered at a dropout recovery community school may teach classes for not more 40 hours per week in the **School**. In accordance with Section 3314.104 of the Ohio Revised Code, the school shall not employ an individual in any position if the state board of education permanently revoked or permanently denied the individual a license under section 3319.31 of the Revised Code or if the individual entered into a consent agreement under division (E) of section 3319.311 of the Revised Code in which the individual agreed never to apply for a license after the date on which the agreement was entered into. The student to full-time equivalent classroom teacher ratio shall be no more than 28:1 without prior written approval of the **Sponsor**, which will not be unreasonably withheld. The **School** may employ non-teaching employees.

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

25. Although the **Governing Authority** may employ teachers and non-teaching employees necessary to carry out its mission and fulfill this Contract, no contract of employment shall extend beyond the expiration of this Contract or termination according to the procedures set forth in the Ohio Revised Code.
26. The **Governing Authority** shall specify any arrangements for providing health and other benefits to employees. To the extent required by law, the benefits provided by the **School** must include and are subject to Chapters 3307 and 3309 of the Ohio Revised Code ("STRS" and "SERS"), as applicable.
27. The **School's** financial records shall be maintained in the same manner as are financial records of school districts, pursuant to rules of the Ohio Auditor of State.

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

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

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

- (a) Engaged in, been a victim of, or is in any way otherwise connected to irregularities or improprieties involving the **School's** finances;
- (b) Improperly maintained its financial records; and/or,
- (c) Insufficient financial controls in place.

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

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

28. The fiscal year for the **School** shall begin July 1 and end June 30 of the following year.
29. A financial plan detailing a projected **School** budget for each fiscal year of this Contract is included with **ATTACHMENT 7**. Each year of this Contract, on or before June 30, a revised financial plan shall be submitted by the **Governing Authority** to the **Sponsor**. The **Governing Authority** and **School** agree that if a deficit is projected, the parties will take appropriate measures to budget for a positive cash flow. All projected and actual revenue sources must be included in the plan and projected expenses must include the total estimated per pupil expenditure amount for each such year. In accordance with Section 3314.042 of the Ohio Revised Code, the **Governing Authority** agrees to comply with Section 3301.07(B)(2) of the Ohio Revised Code in terms of financial reporting.

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

The **Governing Authority** agrees that annual documents created or overseen by the fiscal officer, including but not limited to the five-year forecast, annual operating budget, and federal spending plan, shall not be approved at a meeting unless the fiscal officer participates either in-person or by means of teleconference, video conference, or any other similar electronic technology, for the discussion of those documents. If the fiscal officer is unable to participate in the meeting, an individual designated by the fiscal officer, who is familiar with the document(s) being discussed and can answer questions posed by the **Governing Authority**, can be substituted.

If applicable, as a pre-condition to the initiation of operations of the **School**, the **Governing Authority** or any operator as outlined in **ATTACHMENT 9**, shall post a bond in the amount of \$50,000.00 with the auditor of state, or otherwise secure a cash deposit or written guarantee as allowed under Section 3314.50 of the Ohio Revised Code. The bond or cash deposit shall be used, in the event the **School** closes, to pay the auditor of state any moneys owed or that become owed by the **School** for the costs of audits conducted by the auditor of state or a public accountant under Chapter 117. of the Ohio Revised Code. The ongoing provision of a bond, cash deposit, or written guarantee, as specified under Section 3314.50 of the Ohio Revised Code, is a legal precondition to the initiation, maintenance, and continuation of operations of the **School**.

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

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

30. Pursuant to Section 3314.08(G) of the Ohio Revised Code, the **School** may borrow money to pay any necessary and actual expenses of the **School** in anticipation of receipt of any portion of the payments to be received by the **School** pursuant to Section 3317.022 of the Ohio Revised Code. The **School** may issue notes to evidence such a borrowing to mature as necessary. The proceeds from the notes shall be used only for the purposes for which the anticipated receipts may be lawfully expended by the **School**. The **School** may borrow money for a term not to exceed 15 years for the purpose of acquiring facilities. Any monies loaned to the **School** by the operator, including facilities loans or cash flow assistance, must be accounted for, documented, and bear interest at a fair market rate.
31. The **Governing Authority** shall purchase, or ensure that, insurance coverage providing for the general liability of the **School** is maintained at all times. The **Governing Authority** shall ensure that this liability insurance policy provides coverage for itself; the **School** and its employees; and shall include the **Sponsor**, its Board, officers, employees, and contractors of the **Sponsor** as additional insureds thereunder. The policy or certificate indicating coverage shall be provided to the **Sponsor** upon execution of this Contract. This policy shall provide coverage in amounts not less than \$1 million per occurrence and \$5 million in the aggregate or \$1 million per occurrence, \$2 million in the aggregate, and at least a \$5 million umbrella covering all claims otherwise payable under the policy. The **Governing**

**Authority** shall provide documentation regarding any change in or renewal of this policy to the **Sponsor** as soon as reasonably practicable following the renewal of the policy and shall require the insurer to notify the **Sponsor** in writing promptly upon receiving notification from the insurer of any material adverse change to, or cancellation of, such coverage. To the extent obtained under this Contract, the **School** must provide copies of all commercial general liability, real or personal property, directors and officers liability insurance, proof of workers' compensation payments, and unemployment compensation payments, and notice of lapse of any such coverage to **Sponsor** within 5 business days of written request by the **Sponsor**.

32. The **Governing Authority** and **School** shall indemnify and hold harmless the **Sponsor** and its Board, and their respective members, employees, agents, and officers, from any claims, demands, actions, suits, causes of action, obligations, losses, costs, expenses, attorneys' fees, damages, judgments, orders and liabilities of whatever kind or nature, in law, equity or otherwise, arising from any of the following, which include, but are not limited to:
- (a) A failure of the **Governing Authority** and/or **School** or any of its officers, trustees, directors, employees, successors, agents, or contractors to perform any duty, responsibility, or obligation imposed by law or by this Contract; and/or
  - (b) An action or omission by the **Governing Authority** and/or **School** or any of its officers, trustees, directors, employees, successors, agents, or contractors that result in injury, death, or loss to person or property, breach of contract, or violation of statutory law or common law (state and federal).

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

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

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

33. Where required by this Contract, the **Governing Authority** and **School** shall comply with all reasonable requests of the **Sponsor**. Unless otherwise directed in

writing for a longer period of time, any reasonable request of the **Sponsor** shall be fulfilled in writing within 10 business days.

34. If the **School** includes a high school, the **School** shall comply with Sections 3313.61, 3313.611, 3313.614, 3313.617, 3313.618, and 3313.6114 of the Ohio Revised Code, except with regard to students who entered ninth grade for the first time before July 1, 2010, the requirement in Sections 3313.61 and 3313.611 of the Ohio Revised Code that a person must successfully complete the curriculum in any high school prior to receiving a high school diploma may be met by completing the curriculum adopted by the **Governing Authority**. Beginning with students who entered ninth grade for the first time on or after July 1, 2010, the requirement in Section 3313.61 and 3313.611 of the Ohio Revised Code that a person must successfully complete the curriculum of a high school prior to receiving a high school diploma shall be met by completing the requirements prescribed in Section 3313.6027 and division (C) of Section 3313.603 of the Ohio Revised Code, unless the person qualifies under division (D) or (F) of that Section. The **School** shall comply with the plan for awarding high school credit based on demonstration of subject area competency, and beginning with the 2017-2018 school year, with the updated plan that permits students enrolled in seventh and eighth grade to meet curriculum requirements based on subject area competency adopted by the State Board of Education under divisions (J)(1) and (2) of Section 3313.603 of the Ohio Revised Code. Beginning with the 2018-2019 school year, the **School** shall comply with the framework for granting units of high school credit to students who demonstrate subject area competency through work-based learning experiences, internships, or cooperative education developed by the department under division (J)(3) of Section 3313.603 of the Ohio Revised Code.
35. In addition to provisions provided in the Ohio Revised Code, any individual, responsible for the care, custody or control of a student, under final consideration for appointment or employment with the **Governing Authority** or **School** shall have an Ohio and federal criminal records check conducted in the manner described in Section 3319.39 of the Ohio Revised Code and as may be required by law every 5 years after the initial criminal records check is performed. The results of all employee criminal records checks will be provided to the **Sponsor** within 3 business days of receipt and/or appointment and subsequently upon request.
36. Pursuant to Section 3314.03(B) of the Ohio Revised Code, a comprehensive plan for the **School** must be submitted to the **Sponsor**. The requirements for the comprehensive plan are fulfilled through various attachments to this Contract. The **School's** comprehensive plan shall specify the following:
  - (a) The process by which the **Governing Authority** of the **School** will be selected in the future (portion of ATTACHMENT 1 – Code of Regulations);
  - (b) The management and administration of the **School** (portion of ATTACHMENT 7 – Financial Plan and ATTACHMENT 8 – Management Agreement);



- (c) If the community school is a currently existing public school or educational service center building, alternative arrangements for current public school students who choose not to attend the converted school and for teachers who choose not to teach in the school or building after conversion (If applicable, these arrangements will be developed and added);
- (d) The instructional program and educational philosophy of the **School** (ATTACHMENT 4 – Education Plan);
- (e) Internal financial controls (portion of ATTACHMENT 7 – Internal Financial Controls); and,
- (f) Any other information or documentation as determined by the **Sponsor** or as deemed necessary by the **Governing Authority** to comply with the requirements of the comprehensive plan.

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

- 1. Monitoring the **School's** compliance with applicable law, and the terms of this Contract;
- 2. Monitoring and evaluating the academic and fiscal performance and the organization and operation of the **School** on at least an annual basis;
- 3. Reporting annually the results of its evaluation to the Ohio Department of Education and Workforce and parents of students enrolled in the **School**;
- 4. Submitting the necessary, sponsor-required reports to the Ohio Department of Education and Workforce, or other appropriate entities;
- 5. Providing technical assistance to assist the **School** in complying with applicable laws and this Contract;
- 6. Intervening and taking action as the **Sponsor** deems necessary in the **School's** operation to correct problems with overall performance, including, but not limited to, exercising its right to place the **School** on probation, suspend operations of the **School**, and/or terminate this Contract according to Sections 3314.073, 3314.072 or 3314.07, respectively, of the Ohio Revised Code;
- 7. Preparing and assisting with contingency plans in the event the **School** experiences financial difficulties or closes before the end of the school year;

8. Timely performance of any other duties related to the **School** that may be relegated to the **Sponsor** through state or federal law; and,
9. Pursuant to Section G. of this Contract and in compliance with Ohio law, the **Sponsor** will oversee the **Governing Authority** and **School's** actions in the closure of a community school established under Chapter 3314 of the Ohio Revised Code.

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

1. As permitted by Section 3314.03(C) of the Ohio Revised Code, in consideration for time, organization, monitoring, oversight, technical assistance, fees, and costs of the **Sponsor** pursuant to this Contract, the **Governing Authority** shall pay to the **Sponsor** the amount of 2.0% of the total amount of payments for operating expenses that the **School** receives from the state each year. Such payments shall be paid based on invoices from the **Sponsor**. The invoices shall be payable within 10 days of receipt of the invoice and the **School's** receipt of the associated state funds. Calculations for the invoicing shall be taken from the Ohio Department of Education and Workforce-issued report identifying the amount of state funds paid to the **School** for the invoice period.

The **Governing Authority** and/or **School's** financial obligations regarding any fees due to the **Sponsor** under this Contract prior to termination shall survive termination, non-renewal, and expiration of this Contract. The fees due shall be limited in coverage to the term of this Contract or the duration of the Contract whichever is shorter, provided, that the **Sponsor** shall be entitled to its fees related to amounts received by the **School** or **Governing Authority** which are related to periods prior to termination, non-renewal, or expiration of this Contract whether such amounts are actually received during or after the term of this Contract. Similarly, the **Sponsor** shall repay any fees it receives from the **School** or **Governing Authority**, as appropriate, related to amounts adjusted by the Ohio Department of Education and Workforce that are related to periods prior to termination, non-renewal, or expiration of this Contract whether such adjustment is made during or after the term of this Contract. Such repayment shall be within a timeframe mutually agreed to or such time as may be required by the Ohio Department of Education and Workforce or the Ohio Auditor of State.

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

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

1. Failure to meet student performance requirements stated in this Contract and the Performance and Accountability Plan (**ATTACHMENT 5**);
2. Failure to meet generally accepted standards of fiscal management;
3. Violation of any provision of this Contract or applicable local, state, or federal law; or,
4. Other good cause.

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

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

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

If the **Governing Authority** does not intend to renew this Contract with the **Sponsor**, the **Governing Authority** shall notify the **Sponsor** at least 180 days prior to the expiration date of this Contract in writing, or otherwise in compliance with Ohio law. In the event the **Governing Authority** provides notice to the **Sponsor** in accordance with this Section and Ohio law, the **Governing Authority** agrees to diligently pursue any necessary approval for changing sponsors and to apply for sponsorship with one or more eligible sponsors.

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

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

1. If the **School** is non-renewed or terminated under Sections 3314.07(B)(1)(a) or (b) of the Ohio Revised Code or permanently closed under 3314.35, the **School** shall permanently close at the end of the school year or applicable and lawful date. In the event the **School** permanently closes or the **Governing Authority** secures a new sponsor and for the time following expiration of this Contract, the **Sponsor**, **Governing Authority**, and **School** agree to continue to follow all reporting requirements and relinquish all necessary documents until all of their responsibilities under this Contract are completed.
2. Upon termination of this Contract, by law or by these Contract provisions, or upon dissolution of the Ohio non-profit corporation which operates the **School**, all equipment, supplies, real property, books, furniture or other assets of the **School**, including, property acquired by the operator in the manner described in Section 3314.0210 of the Ohio Revised Code, shall be distributed in accordance with Sections 3314.015(E) and 3314.074 of the Ohio Revised Code, and the **Governing Authority's** Articles of Incorporation, and Code of Regulations.
3. Upon prior written request of the **Sponsor**, the **Governing Authority**, **School**, and/or their agents will immediately provide the **Sponsor** any and all documentation and records, including, but not limited to, financial records deemed necessary within reason by the **Sponsor** to facilitate the **School's** closure. This transmittal of documentation and records to the **Sponsor** excludes all students' educational records, which should be forwarded to the individual student's school district of residence or where the student has enrolled.

4. In accordance with Section 3314.44 of the Ohio Revised Code, the **School's** leader, as Chief Administrative Officer of the **School**, shall take all reasonable steps necessary to collect and assemble the students' educational records in an orderly manner and transmit the records to the student's school district of residence within 7 business days of the **School's** closing. The fiscal officer shall deliver all financial and enrollment records to the **Sponsor** within 30 days of the **School's** closure. The **School** agrees that the fiscal services agreement will state that the fiscal officer is primarily responsible for all finance-related portions of the closing procedures if the **School** closes. Additionally, the **Governing Authority** agrees that the fiscal officer is primarily responsible for closing procedures related to the finances of the **School** and, upon the written request of the **Sponsor**, the **Governing Authority** agrees to remain in place and will use its best efforts to retain the services of a fiscal officer to complete a final audit, if the current fiscal officer is no longer available.
5. The **School** also hereby agrees that it will cooperate fully with **Sponsor** to complete the appropriate procedures and paperwork as outlined by the **Sponsor**, the Ohio Department of Education and Workforce, or in statute in the event the **School** is closed. Any refusal by the **School** to cooperate fully with **Sponsor** will be considered a material breach of this Contract.
6. In the event that this Contract is voided by operation of Section 3314.016(C) of the Ohio Revised Code or similar provision based upon sponsor rating, the parties agree that neither may seek damages as a result of the voiding of this Contract by operation of such a provision.

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

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

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

- I. **Term.** This Contract shall be for a term commencing on **July 1, 2024** and expiring on **June 30, 2030**.
- J. **Management by Third Parties.** The **Governing Authority** may enter into a contract with an operator to assist with its obligations under this Contract or for any other lawful reason that does not conflict with the terms of this Contract. If the **Governing Authority** contracts with an operator, the **Governing Authority** shall immediately notify the **Sponsor**. The fully-executed management agreement between the **Governing Authority** and operator must be provided to the **Sponsor** and is attached as **ATTACHMENT 8**. The term of the management agreement shall run concurrently with the term of this Contract and shall in no event expire prior to the expiration of this Contract. Any new, renewed, or amended management agreement shall comply with the provisions set forth in this Contract and Section 3314.032 of the Ohio Revised Code. Further, the **Governing Authority** shall ensure full compliance with additional requirements placed on its relationship with an operator, including, but not limited to, Sections 3314.02(E), 3314.0210, 3314.024, and 3314.036 of the Ohio Revised Code. Any changes to the management agreement shall be provided to the **Sponsor** within 10 business days, after which the **Sponsor** may notify the **Governing Authority** if it believes that any provisions do not comply with this Contract and the applicable law. The **Governing Authority** must hold all rights to the name or a license to use the name of the **School**.
- K. **Organizational Structure.** The organizational structure and management / administration, employee, **Governing Authority** relationships must be accurately reflected in an organizational chart and attached as **ATTACHMENT 9**. Written summaries which describe working relationships of each entity if not in the contract itself must also be included. Any material modifications to the chart, relationships, descriptions, and/or positions must be submitted in written form to the **Sponsor** within 10 business days.
- L. **Headings and Attachments.** Headings are for the convenience of the parties only. Headings have no substantive meaning. All **ATTACHMENTS 1-9** of this Contract are attached hereto and incorporated by reference into this Contract.
- M. **Assignments and Modifications.** Subject to Section J. above, this Contract and its terms shall not be assigned or delegated without the written approval of the other party which shall not be unreasonably withheld. No modifications to this Contract shall be valid and binding unless signed by both the **Sponsor** and the **Governing Authority**. Notwithstanding the preceding sentence, modifications to and substitutions of any attachment hereto may be done in accordance with applicable laws and the regulations of each party.

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

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

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

**Sponsor:**

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

**With a copy to:**

David Moser  
Fishel Downey Albrecht & Riepenhoff, LLP  
7775 Walton Parkway, Suite 200  
New Albany, OH 43054  
dmoser@fisheldowney.com

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

- O. **Severability.** If any term, provision or clause of this Contract is unlawful or unenforceable, the parties agree that the remaining provisions and terms of the Contract shall continue to be in full force and effect and the unlawful or unenforceable term, provision, or clause shall be removed and replaced in a manner that most nearly conforms to the removed portion and original intent of the parties, in a written modification.
- P. **Counterparts.** This Contract may be executed in one or more counterparts including signing a facsimile or scanned electronic version. Each counterpart shall be deemed an original and all counterparts together shall constitute one and the same instrument.

**OHIO COUNCIL OF COMMUNITY SCHOOLS**

By: Robert Rice  
Robert Rice, Chairman

6-10-24  
Date

**TROTWOOD PREPARATORY AND FITNESS ACADEMY**

By: Greg Hoffbauer  
Greg Hoffbauer, Chairman

5/14/24  
Date



TAX EXEMPT AND  
GOVERNMENT ENTITIES  
DIVISION

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

Date: OCT 13 2006

Trotwood Preparatory and Fitness Academy  
Attn: Myrha Pammer-Satow, Ph.D.  
3100 Shiloh Springs Road  
Trotwood, OH 45426

Employer Identification Number:  
26-0005297  
Person to Contact and ID Number:  
Laurice Ghougasian 50-30568  
Toll Free Contact Number:  
(877) 829-5500  
Accounting Period Ending:  
June 30  
Public Charity Status:  
509(a)(1) & 170(b)(1)(A)(ii)  
Form 990 Required:  
Yes  
Effective Date of Exemption:  
January 8, 2002  
Contribution Deductibility:  
Yes

Dear Applicant:

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

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

Please see enclosed *Information for Organizations Exempt Under Section 501(c)(3)* for some helpful information about your responsibilities as an exempt organization.

Sincerely,

*Andrew Megosh, Jr.*

Lois G. Lerner  
Director, Exempt Organizations  
Rulings & Agreements

Enclosure: *Information for Organizations Exempt Under Section 501(c)(3)*





DATE	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
01/07/2019	201900704224	NONPROFIT - CERTIFICATE OF CONTINUED EXISTENCE (CCE)	25.00				0

**Receipt**

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

**DICKINSON WRIGHT PLLC**  
**424 CHURCH STREET SUITE 800**  
**NASHVILLE, TN, 37219**

# STATE OF OHIO CERTIFICATE

**Ohio Secretary of State, Jon Husted**  
**1287095**

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

**TROTWOOD PREPARATORY AND FITNESS ACADEMY**

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

Document(s)

**NONPROFIT - CERTIFICATE OF CONTINUED EXISTENCE**

**Effective Date: 01/07/2019**

Document No(s):

**201900704224**



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 7th day of January, A.D. 2019.

**Ohio Secretary of State**

Form 522 Prescribed by:

**OFFICE OF THE**  
Ohio Secretary of State

Date Electronically Filed: 1/7/2019  
Toll Free: (877) SOS-FILE (877-767-3453) | Central Ohio: (614) 466-3910  
[www.OhioSecretaryofState.gov](http://www.OhioSecretaryofState.gov) | [Busserv@OhioSecretaryofState.gov](mailto:Busserv@OhioSecretaryofState.gov)  
File online or for more information: [www.OHBusinessCentral.com](http://www.OHBusinessCentral.com)

**Statement of Continued Existence****Filing Fee: \$25****Form Must Be Typed****CHECK ONLY ONE (1) Box**(1) ☒ Statement of Continued Existence (163-CCE)  
(Domestic Nonprofit Corporation)(2) ☐ Verification of Foreign Nonprofit (173-FCE)  
(Foreign Nonprofit Corporation)**By submitting this form the corporation is verifying with the secretary of state's office that it is still actively engaged in exercising its corporate privileges**

Name of Corporation TROTWOOD PREPARATORY AND FITNESS ACADEMY

Charter or License Number 1287095

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

Location of Principal Office TROTWOOD

City

MONTGOMERY

County

Date of Incorporation 01/08/2002

Date

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

Date of Qualification in Ohio

Date

Jurisdiction of Formation

Jurisdiction

Location of Office NOT in Ohio

Mailing Address

City

State

Zip Code

Location of Office IN Ohio

Mailing Address

City

State

Zip Code

**All Corporations must complete this section**

Current Statutory Agent's Name and Address

AMY J. BORMAN, ESQ.

Name of Agent

150 E. GAY STREET

Mailing Address

COLUMBUS

City

OH

State

43215

Zip Code

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

**Required**

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

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

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

TROTWOOD PREPARTORY AND FITNESS ACADEMY

Signature

TODD TAYLOR, TREASURER

By (if applicable)

Print Name

Signature

By (if applicable)

Print Name

Signature

By (if applicable)

Print Name



DATE:	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
02/15/2012	201204500743	CERTIFICATE OF CONTINUED EXISTENCE (CCE)	25.00	.00	.00	.00	.00

**Receipt**

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

EASTMAN & SMITH LTD.  
ATTEN: AMY J. BORMAN  
100 E. BROAD ST., SUITE 2100  
COLUMBUS, OH 43215

# STATE OF OHIO CERTIFICATE

**Ohio Secretary of State, Jon Husted****1287095**

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

**TROTWOOD PREPARATORY AND FITNESS ACADEMY**

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

Document(s)

**CERTIFICATE OF CONTINUED EXISTENCE**

Document No(s):

**201204500743**

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 9th day of February, A.D. 2012.

**Ohio Secretary of State**

FEB 08 12 11:51A

P. 2



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

### STATEMENT OF CONTINUED EXISTENCE OF CORPORATION - NOT FOR PROFIT

The undersigned, a trustee, officer, or three members in good standing of the corporation named below, hereby verifies/verify that the corporation is still actively engaged in exercising its corporate privileges, and that:

1. The Charter Number is: **1287095**
2. The exact corporate name is:  
**TROTWOOD PREPARATORY AND FITNESS ACADEMY**
3. The city, village or township in which its principal office is located is:  
**TROTWOOD**
4. The county in which its principal office is located is: **MONTGOMERY**
5. The date of its incorporation is: **January 8, 2002**
6. The name of the current statutory agent is:

Amy Borman

7. The complete address of the current statutory agent is:

100 E. Broad St. # 2100

Columbus, OH 43215

(P. O. Box addresses are not acceptable)

This document is signed by a trustee, corporate officer, or three members in good standing.

By: DeAnne French, President

DeAnne French

Note: If a new agent has been appointed on line 6 above, that agent must acknowledge his/her acceptance of such appointment below.

### ACCEPTANCE OF APPOINTMENT

The undersigned, \_\_\_\_\_, named herein as the statutory agent for the corporation in line 2 of this statement, hereby acknowledges and accepts the appointment of statutory agent.

\_\_\_\_\_  
 Signature of Statutory Agent

2012 FEB -9 AM 9:20

RECEIVED  
 SECRETARY OF STATE



DATE:	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
03/01/2007	200705902630	DOMESTIC/REINSTATEMENT (REN)	25.00	.00	.00	.00	.00

**Receipt**

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

EASTMAN & SMITH LTD.  
ONE SEAGATE, 24TH FLOOR  
P.O. BOX 10032  
TOLEDO, OH 43699-0032

# STATE OF OHIO CERTIFICATE

**Ohio Secretary of State, Jennifer Brunner****1287095**

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

**TROTWOOD PREPARATORY AND FITNESS ACADEMY**

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

Document(s)  
**DOMESTIC/REINSTATEMENT**

Document No(s):  
**200705902630**



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

Witness my hand and the seal of  
the Secretary of State at Columbus,  
Ohio this 22nd day of February,  
A.D. 2007.

Ohio Secretary of State

From: 419 247 1621 Page: 4/4 Date: 2/22/2007 3:22:23 PM



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

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

Expedite this Form: (Select One)	
<input type="radio"/> Yes	PO Box 1390 Columbus, OH 43216 *** Requires an additional fee of \$100 ***
<input checked="" type="radio"/> No	PO Box 788 Columbus, OH 43216

## REINSTATEMENT

(For Domestic or Foreign, Profit or Nonprofit)  
Filing Fee \$25.00

THE UNDERSIGNED DESIRING TO FILE A:

(CHECK ONLY ONE (1) BOX)

(1) <input type="checkbox"/> Reinstatement & Appointment of Agent (for failure to maintain a statutory agent) (108-REN)	(2) <input type="checkbox"/> Reinstatement & Appointment of Agent for a Foreign Corporation (for failure to maintain a statutory agent) (111-FREA)	(3) <input checked="" type="checkbox"/> Reinstatement of a Nonprofit Corporation (for failure to file a statement of continued existence) (109-RENN)
(4) <input type="checkbox"/> Reinstatement of a Registered Partnership Having Limited Liability (for failure to file annual or biennial reports) (112-PLR) THIS FORM MUST BE ACCOMPANIED BY ALL DELINQUENT ANNUAL OR BIENNIAL REPORTS WITH FILING FEES		(5) <input type="checkbox"/> Reinstatement of a Professional Corporation (for failure to file annual or biennial reports) (110-RENP) THIS FORM MUST BE ACCOMPANIED BY ALL DELINQUENT ANNUAL OR BIENNIAL REPORTS WITH FILING FEES

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

Name of Entity	Trotwood Preparatory and Fitness Academy	
Charter or Registration No.	1287095	
Cancellation Date	The entity was canceled on (list date): January 8, 2007 (Date)	

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

Name and Address of New Agent (if applicable)	(Name)		
	(Street)		
	NOTE: P.O. Box Addresses are NOT acceptable.		
	Ohio		
	(City)	(State)	(Zip Code)

### ACCEPTANCE OF APPOINTMENT

The Undersigned, \_\_\_\_\_, named herein as the Statutory agent for, \_\_\_\_\_ hereby acknowledges and accepts the appointment of statutory agent for said entity.

Signature: \_\_\_\_\_  
(Statutory Agent)

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

Authorized Representative  
Gregory Hoffbauer

2/7/2007  
Date



DATE:	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
01/10/2002	200200900460	DOMESTIC ARTICLES/NON-PROFIT (ARN)	125.00	.00	.00	.00	.00

**Receipt**

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

JULIE MIERZEJEWSKI  
EASTMAN & SMITH LTD.  
PO BOX 10032  
TOLEDO, OH 43699-0032

**S T A T E   O F   O H I O****Ohio Secretary of State, J. Kenneth Blackwell****1287095**

It is hereby certified that the Secretary of State of Ohio has custody of the business records for  
**TROTWOOD PREPARATORY AND FITNESS ACADEMY**  
and, that said business records show the filing and recording of:

Document(s)  
**DOMESTIC ARTICLES/NON-PROFIT**

Document No(s):  
**200200900460**



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 8th day of January, A.D.  
2002.

*J. Kenneth Blackwell*  
Ohio Secretary of State



EASTMAN AND SMITH

Fax:417-247-1777

Jan 7 2002 16:18

P.09

**ARTICLES OF INCORPORATION**  
**OF THE**  
**TROTWOOD PREPARATORY AND FITNESS ACADEMY**

The undersigned, desiring to form a nonprofit corporation pursuant to Chapter 1702 of the Ohio Revised Code, does hereby certify that:

**FIRST:** The name of the corporation shall be the **TROTWOOD PREPARATORY AND FITNESS ACADEMY**.

**SECOND:** The place in Ohio where the principal office of the corporation is to be located is Trotwood, Montgomery County, Ohio.

**THIRD:** The purpose for which the corporation is formed is to operate a public Ohio Community School. The corporation is organized exclusively for educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States Internal Revenue Law (the "Code") to operate a public Ohio Community School. This corporation shall not engage in activities which are not in furtherance of the educational purposes set forth in this **THIRD** Article.

**FOURTH:** The following restrictions shall apply to the corporation:

- (a) No part of the assets or of the net earnings of the corporation shall inure to the benefit of any member, trustee, or officer of the corporation or any private individual (except that reasonable compensation may be paid for services rendered to or for the corporation affecting one or more of its purposes). In the event of the liquidation or dissolution of the corporation, whether voluntary or involuntary, no member, trustee or officer of the corporation, or any private individual, shall be entitled to any distribution or division of the remaining assets or their proceeds.
- (b) No substantial part of the activities of the corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation, nor shall the corporation participate or intervene in (including the publication and distribution of statements) any political campaign on behalf of any candidate for public office.
- (c) Notwithstanding any other provision in these Articles, the corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt under Code Section 501(c)(3), or by an organization, contributions to which are deductible under Code Section 170(c)(2), or corresponding provisions of any subsequent federal tax laws.

RECEIVED  
SECRETARY OF STATE  
2002 JAN 10 AM 11:11  
CLINT SEWELL

EASTMAN AND SMITH


Fax:417-247-1777

Jan 7 2002 16:18

P.10

**FIFTH:** In the event of the dissolution of the corporation, the corporation shall, after paying or making provision for the payment of all liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes set forth in the THIRD Article of these Articles of Incorporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name on January 7, 2002.

  
\_\_\_\_\_  
Amy J. Borman, Incorporator

EASTMAN AND SMITH

Fax:417-247-1777


Jan 7 2002 16:18

P.11

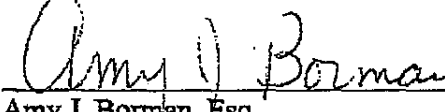
**ORIGINAL APPOINTMENT OF STATUTORY AGENT  
OF THE**

**TROTWOOD PREPARATORY AND FITNESS ACADEMY**

The undersigned, being the incorporator of the **TROTWOOD PREPARATORY AND FITNESS ACADEMY**, hereby appoints Amy J. Borman, a natural person and resident in the state in which such corporation has its principal office, upon whom any process, notice or demand required or permitted by statute to be served upon the corporation may be served. Her complete address is Amy J. Borman, Esq., Eastman & Smith, Ltd., One SeaGate, 24<sup>th</sup> Floor, Toledo, Ohio 43604.

  
\_\_\_\_\_  
Amy J. Borman, Incorporator

The undersigned hereby accepts appointment as statutory agent for the **TROTWOOD PREPARATORY AND FITNESS ACADEMY**.

  
\_\_\_\_\_  
Amy J. Borman, Esq.

Dated: January 7, 2002

**AMENDED AND RESTATED  
CODE OF REGULATIONS  
OF THE  
TROTWOOD PREPARATORY AND FITNESS ACADEMY**

**ARTICLE I  
PURPOSE**

The **TROTWOOD PREPARATORY AND FITNESS ACADEMY** (the “Corporation”) is organized exclusively for educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States Internal Revenue Law to operate as a community school in the State of Ohio.

**ARTICLE II  
MEMBERSHIP OF THE CORPORATION**

There shall be no members of the Corporation. The Board of Directors shall, for purposes of any statute or rule of law relating to Ohio non-profit corporations, act as the members of the Corporation, and shall have all the rights and privileges of members as permitted by the Ohio Non-Profit Corporation Code Chapter 1702, as amended.

**ARTICLE III  
NOTICES AND MAILING**

**Section 1. Form.** Any notice required to be given by this Code of Regulations of the Corporation (the “Code”), shall be in writing and shall be delivered personally or sent by telegram, telecopy, or electronic mail transmission or by United States mail, express mail, or courier service, with postage or fees prepaid. For any notice sent by personal delivery, telegram, telecopy, or electronic mail, notice shall be deemed to be given when delivered or transmitted. For any notice sent by United States mail, or courier service, notice shall be deemed to be given when delivered or deposited in the mail or with the courier service. Notice, if sent by United States mail, express mail, courier service, or telegram shall be sent to the address of the person listed in the records of the Corporation. Notice, if sent by telecopy or electronic mail, shall be sent to the number/address furnished by the person for such transmissions.

**Section 2. Waiver of Notice.** Notice of the time and place of any meeting of the Board of Directors may be waived by telegram, telecopy, electronic mail transmission, or other writing, either before or after such meeting has been held. The attendance of any Director at a meeting without protesting, prior to or at the commencement of the meeting, shall waive notice or lack of proper notice of that meeting.

**ARTICLE IV  
DIRECTORS**

**Section 1. Number.** The Board of Directors of the Corporation shall consist of between five (5) and ten (10) Directors. Unless increased by an action of the Board, the Corporation shall have no more than ten (10) Directors and in no case shall the Corporation ever have less than five (5) Directors.

**Section 2. Qualifications and Role of Directors.** The Directors shall be, in their capacity as Directors, the Governing Board of a public community school in Ohio upon the signing of a charter contract with a sponsor which creates the school. The Directors shall have a strong interest in the welfare of the Corporation and in education. Each Director should be willing and able to attend all meetings, both regular and special, and also be willing to accept special assignments and serve on committees.

**Section 3. Election and Term.** At the annual meeting of the Directors, or at any special meeting called for such purpose, the Directors shall nominate and elect individuals to the Board of Directors to fill vacancies on the Board created by the expired term, removal, resignation, or death of any Director. The provisions of any prior Code of Regulations notwithstanding, each Director, including those currently serving as Directors, shall hold office for a term not exceeding one (1) year in duration, which shall end on June 30<sup>th</sup> of each year, and until their successor is duly elected and qualified or until their earlier death, resignation, or removal from office; provided however, a Director, if elected, may serve successive terms. Any individual elected to fill a vacancy on the Board of Directors caused by resignation, removal, or death of a Director shall serve the remainder of the term of that Director, subject to the provisions of this Code.

**Section 4. Meetings.** The annual meeting of the Directors shall be held each year in June at such time, date, and place as a majority of the Directors may determine. Special meetings may be called at any time by the Chairperson or by any two (2) Directors and shall be held at such time, date, and place specified in the notice of meeting. Provided however, meetings relating in any way to the business or operation of the public school must be open to the public and publicized and/or advertised as required by law.

The rules contained in the current edition of Robert's Rules of Order Newly Revised, shall govern the applicable procedure at meetings, as long as such rules are not inconsistent with this Code of Regulations, Ohio law, or any special rules the Board of Directors may adopt.

**Section 5. Quorum and Voting.** The physical presence of a simple majority of the total number of Directors shall constitute a quorum for the transaction of business at all meetings of the Board of Directors. A vote of a simple majority of the Directors physically present at a meeting at which a quorum is present shall be required to effectuate action on all matters within the powers of the Board of Directors unless otherwise provided by law or herein. The Directors must be physically present at a meeting in order to be counted as part of a quorum and to vote. In the event the Corporation is no longer operating a public Ohio Community School, or, in the event Ohio law ever allows the following procedure for open meetings, then the Directors shall for purposes of this section be deemed present and able to vote at such meeting if a conference telephone or similar communications equipment is used by means of which all persons participating in the meeting can communicate with each other at the same time.

**Section 6. Notice.** Notice of any meeting of the Board of Directors shall be given in accordance with Article III, Section 1 of this Code. Unless waived, notice of each annual or special meeting communicating the day, hour and place (but not the purpose) shall be given to each Director by the Secretary of the Corporation not more than sixty (60) days nor less

than three (3) days before any such meeting. Notice of any meeting of the Members or the Board of Directors need not be given to any Director, however, if waived by such Director in writing pursuant to Article III, Section 2 and such waiver is filed with the Secretary either before or after the holding thereof. Nothing in this Section 6 shall alter, however, any legal requirement of the Corporation to provide notice to the public of meetings while operating as a public Ohio Community School.

**Section 7. Action by Written Consent.** All actions taken at a meeting of the Board of Directors must be taken at an open and public meeting and an action by written consent shall not be allowed. In the event the Corporation is no longer operating a public Ohio Community School, then any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting, if a written consent to such action is signed by all of the Board of Directors and is filed with the minutes of proceedings of the Board of Directors. Such a written consent may be signed by facsimile signatures which shall be construed as originals, and/or on separate but identical documents which shall be construed as one original.

**Section 8. Committees of Directors.** The Board of Directors may create an Executive Committee and such other committee or committees as the Directors may determine, the members of which committee or committees shall consist of not less than one (1) Director. A simple majority of the members of any such committee shall constitute a quorum, and the act of a simple majority of the votes cast at a meeting at which a quorum is present shall be the act of the committee. In every instance, however, the final action on all committee business shall be in the nature only of recommendations to the Board of Directors. Notwithstanding anything to the contrary in this Section 8 of Article IV however, no committee nor any group of Directors, which consist of a majority of the Board of Directors, shall meet in a prearranged manner to discuss public school business, without proper notice to the public of a regular or special meeting.

**Section 9. Other Advisory Councils.** The Board of Directors may, at its discretion, also consider recommendations of associations, supporting organizations, or advisory councils which are not part of the Board of Directors, such as those of parents or other pertinent groups.

**Section 10. Removal of Directors.** Any Director may be removed, with or without cause, at any time by the majority vote of the Board of Directors.

**Section 11. Resignations and Vacancies.** Any Director may resign by tendering a written resignation to the Board of Directors. The resignation shall be effective upon receipt of the writing by the Board of Directors or at any later date specified therein, and the resignation shall require no further action to be effective. Vacancies in the Board of Directors shall be filled in accordance with Section 3 of this Article IV.

**Section 12. Powers of Directors.** The policies of the Corporation shall be directed by the Board of Directors in accordance with the law and when operating a public Ohio Community School, also in accordance with the Corporation's contract with its Sponsor. Subject to the provisions of Ohio law in general, the Ohio Nonprofit Corporation Law, the Articles of Incorporation, and the Code of Regulations of the Corporation, the Board of Directors shall do

and perform every act and thing whatsoever which it shall deem necessary, expedient or advisable to carry out the purposes of the Corporation.

**Section 13. Honorary Directors.** Any individual, whether an emeritus director or not, who has provided extraordinary service to the Corporation over a period of time, may be honored with the title “Honorary Director”, at the discretion of the Board, by a majority vote of the Board. Honorary Directors are elected for life, are not voting members of the Board and are permitted but not required to attend meetings.

## **ARTICLE V** **OFFICERS**

**Section 1. Number, Title and Election.** The officers of the Corporation shall consist of a Chairperson, Vice Chairperson, Secretary, and Treasurer, and may include such other officers and assistant officers as the Board of Directors shall deem advisable, each of whom shall be elected by the Board at the annual meeting of the Board or any meeting called wholly or in part for the purposes thereof. Officers shall hold office for a term of one year, or until their successors are elected and qualified, except in the event of their earlier death, resignation, or removal. All officers except the Secretary and the Treasurer shall be elected from the Board of Directors of the Corporation. The Secretary and the Treasurer may be, but shall not be required to be, elected from the Board of Directors.

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

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

**Section 4. Chairperson.** The Chairperson shall preside at all meetings of the Board and shall direct the operations and oversee the administration of the Corporation in all its activities in conformance with and subject to the policies and goals established by the Board of Directors of the Corporation.

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

**Section 6. Secretary.** The Secretary shall be responsible for providing notice of meetings to the Board of Directors where notice is required, and to the public for the matters concerning the public school, and shall keep a record of the proceedings of the Board of Directors, and shall perform other duties as may be required by the Board of Directors. In all duties, subject to approval by a majority of the Directors, the Secretary’s responsibilities or part thereof, maybe contracted for by the Directors.

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

## **ARTICLE VI**

### **INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES**

To the extent permitted by Ohio law, the Corporation shall indemnify any present or former Director, officer, committee member, administrative staff resource person to a committee, or key administrative staff employee against expenses (including attorney's fees), judgments, decrees, fines, penalties, amounts paid in settlement, and other liabilities in connection with the defense of any pending or threatened action, suit, or proceeding whether criminal, civil, administrative, or investigative, to which such person is or could reasonably expect to be made a party, provided:

- (a) that such person was not guilty of willful or wanton misconduct in the performance of their duty to the Corporation;
- (b) that such person acted in good faith in what they reasonably believed to be the best interests of the Corporation; and
- (c) that, in any matter the subject of a criminal action, suit, or proceeding, such person had no reasonable cause to believe that their conduct was unlawful.

The determination as to (a), (b), and (c) above shall be made:

- (1) by a majority vote of a quorum of the Board of Directors consisting of said Directors who are not or were not parties to or threatened with such action, suit, or proceeding; or
- (2) if such a quorum is not available, or even if obtainable, if a majority of such quorum of disinterested Directors so directs, by a written opinion of independent legal counsel to whom the matter may be referred by a majority of Directors. Any independent counsel or a firm associated with the attorney shall not have performed services for the corporation or any person to be indemnified within the past five years.



The termination of any claim, action, suit, or proceeding by judgment, order, settlement, conviction, or plea of guilty or nolo contendere shall not create a presumption that such person did not meet the standards of conduct set forth in this Article.

To the extent that any such person has been successful on the merits, on a procedural basis or otherwise, with respect to any such action, suit, or proceeding, or in the defense of any claim, issue, or matter therein, such person shall be indemnified against expenses, including reasonable attorneys' fees, incurred in connection therewith regardless of the determination specified in the above paragraph of this Article.

The indemnification provided by this Article shall not be deemed exclusive of, or in any way to limit, any other rights to which any person eligible for indemnification may be or may become entitled as a matter of law, or pursuant to the Articles of Incorporation, the Code of Regulations, agreements, insurance coverage, or otherwise. The indemnification provided by this Article shall continue as to a person who has ceased to be a Director, officer, committee member, administrative staff resource person, or key administrative staff employee and shall inure to the benefit of the heirs, executors, and administrators of such person.

Irrespective of the provisions of this Article, the Board of Directors at any time or from time to time, may approve the indemnification of Directors and officers or other persons to the full extent permitted by the provisions of the Ohio General Non-Profit Corporation law at the time in effect, whether on account of past or future transactions.

The extension of rights of indemnification hereunder by liberalization of any existing law of the State of Ohio shall not be construed as limiting any right of indemnification of any Director or officer which has accrued under an existing law. It is the intention of this provision that any liberalization of the law of the State of Ohio shall inure to the benefit of Directors and officers entitled to indemnification. No change in the law of Ohio decreasing the rights of indemnification shall be deemed to derogate from or decrease any right of indemnification which shall have accrued or vested prior to the change in such law.

If any part of this Article shall be found in any action, suit or proceeding to be invalid or ineffective, the validity and the effect of the remaining provisions of this Article shall not be affected.

## **ARTICLE VII**

### **CONTRACTS BETWEEN CORPORATION AND RELATED PERSONS**

To the greatest extent allowed by Ohio law, any contract or other transaction between this Corporation and one or more of its Directors, or between this Corporation and any entity of which one or more of this Corporation's Directors are interested, whether such Director is a member of the Governing Board of the public school or not, shall be valid for all purposes, notwithstanding the presence of such Director at the meeting at which the Board of Directors of the Corporation acts upon, or in reference to, such contract or transaction, and notwithstanding the participation of the Director in such action, if the fact of such interest shall be disclosed or known to the Board of Directors, and the Board of Directors nevertheless, authorize, approve or ratify such contract or transaction by a vote of a majority of the Directors present. Unless Ohio law otherwise prohibits or permits, the interested Director may be counted in determining

whether a quorum is present, but may not be counted in voting upon the matter or in calculating the majority of such quorum necessary to carry such vote. This Article VII shall not be construed to invalidate any contract or other transaction which would otherwise be valid under the common and statutory law applicable thereto.

## **ARTICLE VIII** **BOOK AND RECORDS**

The Corporation shall keep correct and complete books, records, and minutes of the Board of Directors' meetings, which shall be public records until such time as the Corporation is no longer functioning as a public school. The Secretary of the Corporation shall keep an accurate list of the names and addresses of the Board of Directors.

## **ARTICLE IX** **AMENDMENTS**

The Articles of Incorporation and Code of Regulations shall be adopted and amended by a majority of the entire Board of Directors.



DATE	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
01/09/2014	201400900402	BULK AGENT CHANGE (BAP)	186.00	.00		.00	.00

**Receipt**

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

DICKINSON WRIGHT PLLC  
ATTN: DENA Z. THOMPSON  
150 EAST GAY ST STE 2400  
COUMBUS, OH 43215-2949

# STATE OF OHIO CERTIFICATE

**Ohio Secretary of State, Jon Husted**

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

**AMY J. BORMAN, ESQ.**

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

Document(s):

**BULK AGENT CHANGE**

Document No(s):

**201400900402**

**Effective Date: 01/08/2014**



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

Witness my hand and the seal of the  
Secretary of State at Columbus,  
Ohio this 9th day of January, A.D.  
2014.

Ohio Secretary of State

## General Information

**School Name:** Trotwood Preparatory and Fitness Academy

**Physical Address:** 3100 Shiloh Springs Road  
Trotwood, OH 45426

**Phone Number:** (937) 854-4100

**Fax Number:** (937) 837-9759

**County:** Montgomery

**Grade Levels Served:** K-8

**Grade Levels in Contract:** K-12

**Public School District:** Columbus City

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

The building is approximately 35,000 square feet.

Rentable Space: 35,000

Classrooms: 21

Cubicles: 0

Offices: 12

Conference Room: 1

Break Room: 2

School includes two single story buildings, a green space, and outdoor play area.

## Financial Information

### **Lease Information**

**Monthly Payment:** N/A

**Annual Payment:** N/A

**Lease Start Date:** N/A

**Lease Expiration Date:** N/A

### **Mortgage Information**

**Monthly Payment:** \$3,279

**Annual Principal:** \$15,888

**Annual Interest Payment:** \$23.496

### **Landlord Information**

**Name of Landlord/Lender:** Chase

**Relationship to the Operator:**

None

Is there any relationship or conflict of interest between the Landlord/Lender and Operator of the school? (This includes individuals with ownership stakes.)

Yes

**XX**

No

COPY

### **NOTE, MORTGAGE AND RELATED DOCUMENTS ASSUMPTION AGREEMENT**

This Note, Mortgage and Related Documents Assumption Agreement ("**Agreement**") is made this 2nd day of December, 2013, by and between Trotwood Preparatory and Fitness Academy, an Ohio non-profit corporation ("**Mortgagor**"), with a notice and mailing address of 7416 N. Main Street, Dayton, Ohio 45415, and JPMorgan Chase Bank, N.A., its successors and assigns, successor by merger to Bank One, N.A. ("**Mortgagee**"), under the following circumstances:

#### **Background**

A. Mortgagee is the owner and holder of that certain Open-End Mortgage dated October 13, 2004, made by EdVantages, an Ohio non-profit corporation ("**Original Borrower**"), recorded on October 21, 2004 at 12:35 p.m. as Instrument No. 04-120160 of the Montgomery County Recorder's Office ("**Mortgage**"), which Mortgage encumbers the property described therein ("**Property**").

B. The Mortgage secures indebtedness evidenced by a Promissory Note from Original Borrower dated October 13, 2004 in the original principal amount of Five Hundred Seventy-Two Thousand Eighty-Seven and 33/100 Dollars (\$572,087.33), as modified by that certain Promissory Note from Original Borrower dated April 29, 2011 in the original principal amount of Four Hundred Forty-Three Thousand Five Hundred Fifty-Three and 49/100 Dollars (\$443,553.49) (collectively, "**Note**").

C. Original Borrower has transferred the Property to Mortgagor, and Mortgagor desires to assume and to pay the indebtedness and perform all obligations under the Note, Mortgage, and Related Documents (as defined in the Mortgage) pursuant to the terms of this Agreement.

#### **Agreement**

**Now, Therefore**, in consideration of the foregoing hereof and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagor and Mortgagee agree as follows:

1. The foregoing recitals are true and correct and are incorporated herein by this reference.
2. Mortgagor assumes and agrees, as a primary obligor, to pay the indebtedness and perform all obligations of Original Borrower under the Note, Mortgage and Related Documents. Mortgagor hereby represents and warrants to Mortgagee that Mortgagor has received a copy of the Note, Mortgage, and Related Documents, and understands and accepts the obligations of Original Borrower being assumed by Mortgagor pursuant to this Agreement.

3. Mortgagee hereby releases and discharges Original Borrower from its obligations under the Note, Mortgage and Related Documents.

4. Mortgagor (a) ratifies, confirms and adopts its obligations set forth in the Note, Mortgage and Related Documents and agrees to perform each and all of the covenants, agreements and obligations set forth therein, and (b) reaffirms that the Property shall in all respects be subject to the lien of the Mortgage and nothing herein contained or done shall affect such lien or the priority thereof over other liens, charges, encumbrances or conveyances.

5. Nothing herein (a) invalidates or shall impair or release any covenants, conditions, agreements or stipulations in the Note, Mortgage and Related Documents and the same, except as herein modified, shall continue in full force and effect, or (b) shall be deemed a waiver by Mortgagee of any rights it may have against any party, including those who may be secondarily liable.

6. Mortgagor hereby represents and warrants to Mortgagee that Mortgagor does not have any counterclaims, defenses or offsets of any nature whatsoever, to any of the indebtedness evidenced by the Note or any of Mortgagor's obligations under the Mortgage or Related Documents, and that Mortgagor does not have any claim for any right to any reimbursement of any sums heretofore paid to Mortgagee, whether by way of interest payments, fees, costs or for any other reason.

7. Mortgagor hereby waives and releases, acquits, satisfies and forever discharges Mortgagee, its affiliates, successors and assigns, their officers, directors, agents and employees from any and all claims, counterclaims, defenses, actions, causes of action, suits, controversies, agreements, promises and demands whatsoever in law or in equity which Mortgagor ever had, now has or which any heir, personal representative, successor or permitted assign hereafter can, shall or may have against Mortgagee, its affiliates, successors and assigns, their directors, officers, agents and employees for, under or by reason of any manner, cause or thing whatsoever through the date of this Agreement.

8. This Agreement shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, successors and assigns of the respective parties hereto.

9. This Agreement shall not create a novation or any merger nor impair, diminish, prejudice or otherwise adversely affect the rights and priorities of Mortgagee.

10. Mortgagor shall pay all filing, administration and recording fees, and all expenses incident to the preparation, execution, acknowledgment and recording of this Agreement.

11. Mortgagor will, at any time on Mortgagee's request, make, do, execute and deliver to Mortgagee, and where appropriate, shall cause to be recorded or filed, any and all further acts, mortgages, documents and assurances as may be necessary or desirable to effectuate, complete and confirm the transactions contemplated under this Agreement, the Note, Mortgage and Related Documents.

12. Mortgagor authorizes any attorney at law to appear in any Court of Record in the State of Ohio or in any state or territory of the United States after the above indebtedness becomes due, whether by acceleration or otherwise, to waive the issuing and service of process, and to confess judgment against Mortgagor in favor of Mortgagee for the amount then appearing due, including interest, late charges, collections costs, attorneys' fees and the like, together with costs of suit, and thereupon to waive and release all errors in said proceedings and judgments, and all petitions in error and rights of appeal from said judgments, and all stays of execution. Mortgagor waives any right to move any court for an order having any attorney or firm representing Mortgagee removed or disqualified as counsel for Mortgagee as a result of

such attorney or firm confessing judgment against Mortgagor in accordance with this paragraph. Mortgagor expressly waives any conflicts of interest that may now or hereafter exist as a result of any attorney representing Mortgagee confessing judgment against Mortgagor and expressly consents to any attorney representing Mortgagee or to any other attorney to confess judgment against Mortgagor in accordance with this paragraph. Mortgagor further consents and agrees that Mortgagee may pay any attorney confessing judgment against Mortgagor a reasonable fee for confessing judgment and that any such fees so paid may be included in the amount of such judgment.

*[Signature Page Follows.]*

**NOTE. MORTGAGE AND RELATED DOCUMENTS ASSUMPTION AGREEMENT**

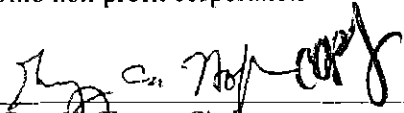
**Mortgagor's Signature Page**

**In Witness Whereof**, Mortgagor has executed this Agreement on the date first above written.

**WARNING - BY SIGNING THIS PAPER YOU GIVE UP YOUR RIGHT TO NOTICE AND COURT TRIAL. IF YOU DO NOT PAY ON TIME A COURT JUDGMENT MAY BE TAKEN AGAINST YOU WITHOUT YOUR PRIOR KNOWLEDGE AND THE POWERS OF A COURT CAN BE USED TO COLLECT FROM YOU REGARDLESS OF ANY CLAIMS YOU MAY HAVE AGAINST THE CREDITOR WHETHER FOR RETURNED GOODS, FAULTY GOODS, FAILURE ON HIS PART TO COMPLY WITH THE AGREEMENT, OR ANY OTHER CAUSE.**

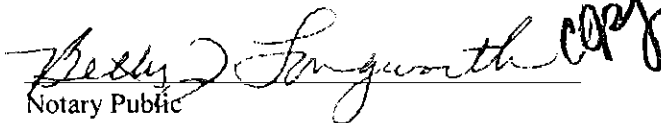
**MORTGAGOR:**

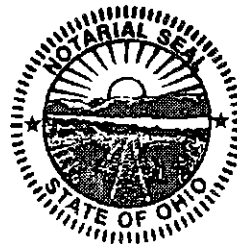
**Trotwood Preparatory and Fitness Academy,**  
an Ohio non-profit corporation

By:   
Greg Hoffbauer, Chair

STATE OF OHIO                     )  
  ) SS:  
COUNTY OF BUTLER            )

The foregoing instrument was acknowledged before me, a Notary Public in and for said County and State, this 3rd day of December, 2013, by Greg Hoffbauer, as Chair of **Trotwood Preparatory and Fitness Academy**, an Ohio non-profit corporation, on behalf of such non-profit corporation.

  
Notary Public  
My Commission Expires: \_\_\_\_\_



**BETTY J. LONGWORTH**  
Notary Public State of Ohio  
My Commission Expires June 20, 2014



**NOTE, MORTGAGE AND RELATED DOCUMENTS ASSUMPTION AGREEMENT**

**Mortgagee's Signature Page**

**In Witness Whereof**, Mortgagee has executed this Agreement on the date first above written.

**MORTGAGEE:**

**JPMorgan Chase Bank, N.A.**

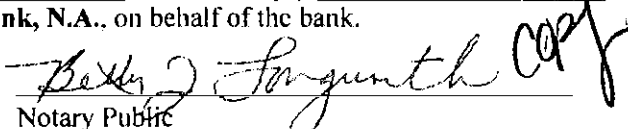
By: 

Print Name: Pamela L. Arnold

Title: Vice President

STATE OF OHIO )  
                  BUTLER ) SS:  
COUNTY OF FRANKLIN )

The foregoing instrument was acknowledged before me, a Notary Public in and for said County and State, this 3rd day of December, 2013, by Pamela L. Arnold, as Vice President of JPMorgan Chase bank, N.A., on behalf of the bank.

  
Notary Public  
My Commission Expires: \_\_\_\_\_

This instrument prepared by:  
Ryan P. Aiello, Esq.  
Dinsmore & Shohl LLP  
191 W. Nationwide Blvd., Suite 300  
Columbus, Ohio 43215



**BETTY J. LONGWORTH**  
Notary Public State of Ohio  
My Commission Expires June 20, 2014

721959v1

## General Warranty Deed

CARDINAL INVESTMENT PROPERTIES, LLC, an Ohio Limited Liability Company

for valuable consideration paid, grant(s) with general warranty covenants, to

EDVANTAGES, a NON PROFIT corporation

whose tax-mailing address is

3100 Shiloh Springs Rd. Trotwood, OH 45426

the following REAL PROPERTY:

SITUATED IN THE CITY OF TROTWOOD COUNTY OF MONTGOMERY STATE OF OHIO AND BEING LOT  
NUMBERS 1 AND 3 BMN REPLAT OF THE PLAT RECORDS OF MONTGOMERY COUNTY OHIO.

"Subject to all restrictions and easements of record affecting said premises, which are now in force. Excepting the December, 2004, installment of taxes and assessments and all taxes and assessments thereafter, which grantee(s) herein assume and agree to pay as part of the consideration hereof." »

Prior Instrument Reference: 02-126189, Montgomery County, Ohio. Witness their hands this 13th day of October, 2004.

Signed and acknowledged in the presence of:

Cardinal Investment Properties, LLC  
Luis M. Strehmeier, Sole member  
CARDINAL INVESTMENT PROPERTIES, LLC, an  
Ohio Limited Liability Company  
BY: Luis M. Strehmeier  
IT'S: Sole member

STATE OF OHIO, COUNTY OF MONTGOMERY, SS:

BE IT REMEMBERED, That on this 13th day of October, 2004, before me, a subscriber, a Notary Public in and for said county, personally came CARDINAL INVESTMENT PROPERTIES, LLC, an Ohio Limited Liability Company, by Luis M. Strehmeier, It's Sole member, the Grantors in the foregoing deed, and acknowledged the signing thereof to be their voluntary act and deed.

IN TESTIMONY THEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year last aforesaid.

[Signature]  
Notary Public

This instrument was prepared by: Richard L. Duncan, Attorney-at-Law  
7501 Paragon Road, Lower Level  
Dayton, Ohio 45459

Auditor's and Recorder's Stamps

\*See Sections 5302.05 and 5302.06 Ohio Revised Code.



RAY P. WOODIE, Notary Public  
Notary Public, State of Ohio  
My Comm. Expires 10/10/08

## Governing Authority Composition

### Trotwood Preparatory and Fitness Academy

<u>Name</u>	<u>Email Address</u>
Hoffbauer, Gregory	greg@hoffbauer.us
Hoffbauer, Melinda	mjhoffbauer@gmail.com
Jones, Abbie	jones2812@hotmail.com
Jones, Jr., William	five02472002@yahoo.com
Kraack, Brian	kraacken@gmail.com

Contact the members by mail:  
3100 Shiloh Springs Road, Trotwood, OH 45426

Contact the members by phone:  
(937) 854-4100

Uploaded: July 2024

# **Selection of Governing Authority Members**

## **Article IV, Section 11 – Resignations and Vacancies**

Any Director may resign by tendering a written resignation to the Board of Directors. The resignation shall be effective upon receipt of the writing by the Board of Directors or at any later date specified therein, and the resignation shall require no further action to be effective. Vacancies in the Board of Directors shall be filled in accordance with Section 3 of this Article IV.

## **Article IV, Section 3 – Election and Term**

At the annual meeting of the Directors, or at any special meeting called for such purpose, the Directors shall nominate and elect individuals to the Board of Directors to fill vacancies on the Board created by the expired term, removal, resignation, or death of any Director. The provisions of any prior Code of Regulations notwithstanding, each Director, including those currently serving as Directors, shall hold office for a term not exceeding one (1) year in duration, which shall end on June 30th of each year, and until their successor is duly elected and qualified or until their earlier death, resignation, or removal from office; provided however, a Director, if elected, may serve successive terms. Any individual elected to fill a vacancy on the Board of Directors caused by resignation, removal, or death of a Director shall serve the remainder of the term of that Director, subject to the provisions of this Code.

## ATTACHMENT IV: EDUCATION PLAN

<b>A. MISSION, VISION, AND CORE VALUES</b>	
<b>Mission:</b>	<p>The mission of the Academy is to prepare students for high school and beyond by providing a first rate academic and fitness program to develop students' strong minds and strong bodies in grades kindergarten through eighth grade.</p> <p>The mission emphasizes math, reading, writing, science and citizenship, as well as tennis, martial arts, soccer and sports psychology and physiology in an extended school day environment.</p>
<b>Vison:</b>	<p>To be among the most desirable elementary/middle schools in the region, recognized both locally and nationally, by high-achieving schools and fitness programs and for developing outstanding youth who achieve academic and fitness excellence.</p> <p>To be one of the most sought-out public middle schools, in which both private and competitive public high schools will recruit promising high school students.</p> <p>CORE PRINCIPLES FOR STUDENTS</p> <p><b>A. Strive for Academic Excellence</b></p> <ul style="list-style-type: none"> <li>• Students seek out ways to grow, learn and improve.</li> <li>• Students come to class with a positive attitude prepared to learn.</li> <li>• Students initiate ways to improve the world around them and look for ways they can make their classroom, school, and community a better place.</li> </ul> <p><b>B. Strive for Fitness Excellence</b></p> <ul style="list-style-type: none"> <li>• Students perform to the best of their abilities in the health and fitness program.</li> <li>• Students appreciate the value of lifelong health and fitness.</li> </ul> <p><b>C. Inspire Teamwork</b></p> <ul style="list-style-type: none"> <li>• Students appreciate the value of lifelong health and fitness.</li> <li>• Students demonstrate collaboration, teamwork, and inspiration.</li> <li>• Students treat others with respect and dignity.</li> <li>• Demonstrate listening to others and cooperation.</li> </ul> <p><b>D. Uphold Moral and Ethical Principles</b></p> <ul style="list-style-type: none"> <li>• Students set the example by working hard and demonstrating leadership skills both in the classroom and in athletics.</li> <li>• Students demonstrate integrity and honesty by being honest and trustworthy with their teachers, parents and peers.</li> </ul> <p><b>E. Encourage the Spirit</b></p> <ul style="list-style-type: none"> <li>• Students recognize the contributions of other individuals.</li> <li>• Students nominate and recognize their fellow classmates for jobs well done.</li> <li>• Envision a positive future for themselves and their peers.</li> <li>• Students celebrate team, class, and school accomplishments together.</li> </ul>

	<p>Why the Combination of Academics and Fitness? We Will Not Wait to Succeed! Many have asked why this school focuses so much on extra time in core academic areas, health and fitness activities, discipline, values and social skills training and an extended school day. Why do we wear the uniforms? Why is the discipline policy so strict and why do we choose to go to school for extended hours?</p> <p><b>Academics and Extended Day</b></p> <p>There are several reasons why we choose to focus our resources on academics, as well as health and fitness. The first reason is that we are living in an age of academic reform, accountability, high stakes testing, and a focus on academic success. It is widely known that schools that have been extremely successful in the past 10 years are giving students more time in an extended day environment and are exposing their students to more time in core academic subject areas, such as reading and math. Such students have passed their state Achievement tests at higher levels than traditionally schooled students. The second reason is that the Academy staff and supporters believe that all children can and will learn when challenged. By successful, we mean that our students can master specific curriculum-based activities and can learn to do difficult tasks and understand challenging topics. Our responsibility is to help students meet these and other goals.</p> <p><b>Health and Fitness</b></p> <p>The main reason we emphasize health and fitness as well as academics is that more and more data demonstrate that students achieve better when they are physically fit. Students have higher levels of attention in the classroom when exposed to daily physical fitness activities. In addition, students learn important lessons that will help them be more successful adults, including teamwork, collaboration, competition, maintaining good personal health, and more.</p> <p><b>Uniforms</b></p> <p>Students wear uniforms to foster pride in their appearance at an early age and to show school spirit. Moreover, uniforms eliminate discussion and competition about clothing. The Academy's uniform colors are burgundy and gray plaid. It is expected that all students come to school dressed in uniform each day, and proper appearance is maintained with shirts tucked in, ties worn, shoes tied, no body piercings (other than girls' earrings), etc. Please see more specific policies related to school uniforms and appearance on the following pages.</p>
<b>Core Values</b>	<p>To meet the needs of its students, The Academy must be agents of change in the lives of students. The culture of a school must promote academic excellence and personal excellence from both students and staff. The academy is also committed to developing students who strive to demonstrate skills of academic excellence, hard work and athletic skills. Success comes from the maintenance of a school climate in which students understand that they are special and capable of learning at high standards</p>

	<p>Changing the lives of students often means changing the expectations of students themselves. For example, teachers post outside every classroom that its students will be “the college graduating class of [for example] 2024.” The Academy employs a comprehensive positive behavior program to incentivize desired behaviors. Students receive individualized instruction based on each student’s academic needs. Achievement is reinforced through a character education program, a uniform policy, and a daily fitness program that also teaches teamwork, sportsmanship, and self-respect.</p> <p>Changing the lives of students mean changing the expectations of adults. Too often the adults dismiss struggling students as “un-teachable” or “bad.” Adults need and the Academy deploys intensive professional development programs that reinforce its core beliefs and, for example, provide successful de-escalation techniques. Educational staff receives ongoing training in the Marzano learning strategies, a proven set of instructional tools and strategies. All educational staff receives training in the Academy’s positive behavior support systems and the proper use of the student Code of Conduct. Training on effectively delivering instruction is ongoing. Teachers are recognized with regular awards for driving mission activities through coaching, commitment and “being” the mission.</p> <p>Specifically, creating a strong school culture is built into every aspect of the program.</p> <p>The schedule promotes a focus on achievement and fundamentals. The Academy employs an extended school day, generally from 8:00 AM to 4:00 PM. Most students will be instructed in reading immediately following a character lesson based on a structured sequence of inspirational texts that teaches values, citizenship, and encourages good behavior. Reading instruction and reading activities will take place approximately two hours each day, in addition to mathematics instruction. It is expected that core subjects will be taught in the morning for grades K-4, during children’s peak attentional and learning times.</p> <p>Five core academic areas will be taught each day: reading, mathematics, science, writing, and social studies, as well as daily fitness and health and daily character development. Students will receive approximately 80 minutes of fitness instruction daily. Recess will be offered to children in the early childhood years (grades K-5), but will be optional or limited to only special events or occasions in the upper grades.</p> <p>Prior to even the first day of school, an annual home visit with the parent provides early access for teachers to critical information about each child before school starts. This prevents a delay in gaining a clearer understanding the child’s academic strengths and weaknesses, behavioral, medical or other pertinent issues. It facilitates an individualized approach to teaching each child from before the start of school. It also provides the foundation of a positive, interactive relationship with the parent to ensure and facilitate communication throughout the school year between home and school.</p> <p>The Academy is committed to providing an academic environment of excellence that is safe, clean, stimulating and will address the educational and physical fitness needs of its students. In order for this type of learning to occur, that environment needs to be free from disruptions.</p> <p>The Academy does not tolerant disruptive behavior. The school and its staff have created a school climate whereby students and staff inherently know, understand, and demonstrate that “we don’t do</p>
--	---

that here.” Moreover, the uniform and the martial arts classes shall support and reinforce the high levels of discipline required and expected at the school, whether in classrooms, hallways, or anywhere on school grounds or during school sponsored activities.

Conduct is managed through a system of carefully thought out sticks and carrots. First, a very specific Code of Conduct is deployed to all staff, all students, and all parents. From the first day of school, students will be held to high standards of academic and fitness success, personal integrity and behavior. The academy teaches students that failure is an unacceptable choice -- that they can and must succeed as responsible leaders for their peers, families, and communities.

Students are held accountable for their behavior and their commitment to the program, which requires self-discipline and respect for others. Any problems that occur will be dealt with swiftly. Students who violate school policies, rules, or behave in an inappropriate manner are subject to appropriate disciplinary actions, pursuant to the code of Code of Conduct

More importantly, the school believes that prevention is best means of maintaining a positive learning environment devoted to excellence. The academy promotes the positive social development of students, based on physical/emotional safety, mutual respect, sportsmanship, promotion of excellence, and moral development. The Academy provides “wrap-around” systems that touch every aspect of the school day and school life. Additionally, the school communicates these systems to all stakeholders and reinforces them on a daily-basis.

A strict dress code is used to foster social equality in an environment where oftentimes modes of dress communicate social messages such as status and wealth and may reinforce social hierarchies that are detrimental to the learning process. The dress code can also foster school pride, create unity among students, and foster a spirit of excellence.

The Academy employs a comprehensive character education curriculum that is used daily. This includes weekly virtues that are reinforced daily, an anti-bullying program, and other strategies. Each student’s day begins with a character education lesson. Students journal on the character education lesson of the week, which is posted on a banner every week for all the school to see.

The academy employs a comprehensive Positive Behavior Intervention System that is critical to maintaining a culture of learning. This includes ongoing positive reinforcement of students — “catching them being good.” This includes detailed de-escalation techniques that manage conflicts before students violate the Code of Conduct. This includes in-classroom modeling by experienced professionals. Students are rewarded for good behavior with “Dragon Dollars” (a dragon being the school mascot) redeemable for rewards. Behavior charts, recognition programs, and similar strategies surround students with ongoing encouragement to engage, learn, and excel. Teachers are also specifically trained in Responsive Classroom techniques, a research proven method for building community in classrooms as a non-authoritarian management strategy.

The daily fitness program represents a final last critical component. The academy uses the fitness program to reinforce self-discipline, teamwork, self-respect, respect for others, and a sense of excellence. The martial arts program in particular has been highly successful in other campuses in



	<p>fostering these values. Students embrace the fitness program. Fitness teachers are also aware of classroom and learning issues for students and the fitness program is designed to reinforce academic needs, academic growth, and high performance. A strong focus on health, physical fitness, and overall wellness supports the overall mission of the academy.</p> <p>Staff are held accountable for each of these elements through the employee evaluation protocol. Use of these tools and strategies is measured regularly on evaluation instruments, and, where necessary, proper in-classroom and/or out-of-classroom supports are provided.</p> <p>The Academy is also driven by an outcome-based philosophy. The Academy asserts the fundamental truth that all students can learn. Embedded in its mission is the belief that all children:</p> <ul style="list-style-type: none"> <li>• Can achieve.</li> <li>• Deserve an empirically proven curriculum.</li> <li>• Deserve dedicated, qualified teachers.</li> <li>• Deserve state-of-the-art educational and physical fitness opportunities in a positive learning environment.</li> <li>• Deserve high expectations based on their individual strengths.</li> <li>• Deserve an education that will prepare them for lifelong learning.</li> <li>• Deserve an education that involves collaboration with their family, their school, and their community.</li> </ul> <p>The educational program of the Academy is be designed around the delivery of Ohio Learning Standards and the Ohio Model Curriculum. Use of standards is built into curriculum materials, scope and sequence design (curriculum maps), assessment products and even lesson plans, where specific standards must be referenced for each plan. Grade Level Content Expectations (GLCEs) will be used at every stage in implementation of the educational program.</p> <p>Coupled with this approach is a commitment to differentiated instruction, which relies on ongoing assessment and the ability to tailor instruction to the needs of individual students. For this reason, students are continually assessed in both programs. This continual assessment and feedback process allows for all-important “formative” evaluations, or curriculum based measures (CBM), to take place on at least a weekly, often daily, basis. State mandated student assessments are “summative” in nature, and often have the drawback of not informing the teacher and the school leaders that students are lacking or falling behind until it is too late.</p>
<b>Student Characteristics</b>	<p>The Academy expects to enroll students with similar characteristics to the local district. Trotwood-Madison is 86% economically disadvantaged, while the Academy is 100%. Trotwood-Madison is 86% African American, while the Academy’s is 89%. Trotwood-Madison is 18% special education, the Academy’s is 20%.</p>

## B. CURRICULAR ELEMENTS

### Curricular Elements:

The primary resources used by the school will include HMH Into Reading / Into Literature and GoMath!. These materials are also incorporated into the pacing guides and curriculum maps. Foss Science materials are available for students. Students also use a paced “novels” program, for literary content, as well as Newsela online and paper materials to provide guided and standards-based support for informational text.

Physical education instruction is also considered a core subject. Using a coaching model, the Academy provides intensive training in three primary areas: tennis, utilizing the US Tennis Association curriculum and assessed by iTennis (an online, standards-based skill measure); soccer, using US Soccer Federation curriculum and assessed by iSoccer; and martial arts, using the common “belt” development schedule. Additionally, the Academy utilizes FitnessGram to track general fitness, as well a means to assess all Ohio Physical Education Standards.

Other secondary resources and materials include the use of Study Island as a learning supplement (for which WWC finds “moderate” evidence for) as well curriculum supported remediation materials.

As a currently operating school, the Academy has all the necessary resources and materials in place to continue operations. This includes: a full staff including administrative leadership/support, instructional staff, special education staff, Title staff, and P.E. staff; full curricular resources in all subjects. infrastructure including a robust wireless network, VOIP phone system, and local server support; and well dispersed end user devices including teacher computers, student computers, student Chromebooks, and G-Suite services for all students.

## C. INSTRUCTIONAL PRACTICES

### Instructional Practices:

Both direct instruction and interactive learning approaches are paired with Into Reading / Into Literature and GoMath! learning materials. Teachers actively moving about the classroom employing a direct instruction approach is a model that has been successfully used across the nation. For instance, Marva Collins schools, Direct Instruction schools, and several others share this direct instruction philosophy of instruction for at-risk youth, and they each have proven track records of success. Instructional practices also include several interactive components that are highly engaging and effective. In this environment, teachers provide indirect support and coaching as students engage with material independently

Coupled with this approach is a commitment to differentiated instruction, which relies on ongoing assessment and the ability to tailor instruction to the needs of individual students. For this reason, students are continually assessed in both programs. This continual assessment and feedback process allows for all-important “formative” evaluations, or curriculum based measures (CBM), to take place on at least a weekly, often daily, basis. State mandated student assessments are “summative” in nature, and often have the drawback of not informing the teacher and the school leaders that students are lacking or falling behind until it is too late. Using the selected resources and materials, CBMs are performed with such frequency, that knowledge gaps and specific skill deficits can be identified early and can be addressed before the child is required to move on to the next concept. Several of the Academy’s interactive and student-led elements provide this targeted support.

Robert Marzano’s Nine Effective Instructional Strategies are used along with a direct instruction model. All strategies were researched via extensive meta-analysis of multiple empirical studies. From 2004–11,

data was collected through action research at 87 schools in 26 districts, involving 509 teacher and yield the following academic results when implemented:

1. Advance organizers, cues and questions: Providing students with a preview of new content-22% gain
2. Cooperative learning: Students working together in small groups-27% gain
3. Effort and recognition: Reinforcing and tracking student effort and providing recognition for achievement-29% gain
4. Feedback: Providing students with information relative to how well they are doing regarding a specific assignment-23% gain
5. Graphic organizers: Providing a visual display of something being discussed or considered (e.g., using a Venn diagram to compare two items)-27% gain
6. Homework and practice: Providing students with opportunities to increase their understanding through assignments completed outside of class-28%
7. Gain
8. Identifying similarities and differences: Identifying similarities and/or differences between two or more items-45% gain
9. Summarizing and Note taking: Recording information that is considered important-34% gain
10. Generating and testing hypotheses: 23% gain

Other core elements of the instructional strategies include:

1. Use of comprehensive teacher lesson plans, based on a PA-designed template, which are evaluated against a 16-point checklist
2. Use Marzano strategies, as demonstrated on walkthroughs, formal evaluations, and lesson plans.
3. Comprehensive Positive Behavior Intervention System (PBIS).
4. Responsive Classroom strategies
5. Home visits conducted every summer by classroom teachers. The purpose of the home visit is threefold: 1) to find out the parents hopes and dreams for the year, 2) to determine if the child has any special learning, behavioral, medical or other needs, and 3) to establish a positive, interactive relationship with the parent prior to school starting.

The Academy's direct instruction model suggests teacher-led instruction in core literacy and math skills, particularly in the lower grades, with opportunities for students to participate and explore individually. In both literacy and math, strong evidence exists to support teacher led instruction in fundamental concepts. For example, the What Words Clearinghouse 2016 report "Foundational Skills to Support Reading," recommended that included literacy practices, including sounds in speech and how they link to letters, decoding, and academic language skills were critical to K-3 literacy development, showing "moderate" to "strong" evidence. WWC's "Evidence-Based Recommendations for Teaching Mathematical Problem Solving in Grades 4-8" includes whole class instruction in problem solving, direct assistance to students in monitoring and reflecting on the problem-solving process, and instructing students in multiple problem-solving strategies. The research suggests that such activities have meaningful impacts on student outcomes with "moderate" to "strong" evidence.

	<p>Marzano strategies are themselves a compiled list of best practices based on a meta-analysis of research that presents strong evidence for all the strategies chosen by the Academy having a meaningful impact on student outcomes.</p> <p>Other strategies are also considered best practices, including strong lesson plans. The National Council on Teacher Quality concluded that “One of the fundamental duties of teachers is to plan lessons for their classes . . . . Because most classes include a range of students with diverse needs, it is both a legal requirement and a modern reality that teachers must adapt lessons to a variety of students. The education community has reached a consensus that teachers should be able to plan lessons for their students.”</p> <p>PBIS is required for all public schools in Ohio as an evidence-based framework for developing positive behavior and creating a positive climate for learning. The Northeast Foundation for Children has cited Responsive Classroom as a strong component of an overall BPIS system.</p>
<b>School Calendar</b>	<p>The Academy’s calendar runs annually from mid-August to the end of June, with at least 170 student contact days. The bell schedule runs from 8:00 to 4:00, providing over 1200 instructional hours a year.</p>
<b>Teach Evaluation</b>	<p>The Academy implements its own teacher evaluation system. This system includes two formal evaluations (fall / spring) each year, along with regular teacher “walkthroughs,” improvement plans (where warranted), customized professional development, and, where necessary, disciplinary action. Evaluation and walkthrough tools are aligned with the school’s mission, instructional practices, classroom management strategies, and expected outcomes. The evaluation system also includes performance-based pay based on both value-added growth and performance on high-stakes tests. The Academy’s teacher evaluation system aligns with Ohio’s Standards for Educators. Like Ohio’s standards, the school’s evaluation system measures respect for and development of tools for diverse students, ability levels, learning styles, and cultural backgrounds. It also assesses content area mastery, teaching planning, instructional differentiation, student engagement, and the overall learning environment – all elements included in Ohio’s educator standards.</p>
<b>D. ASSESSMENT</b>	
<b>Assessment:</b>	<p>As described above, assessment is critical to providing efficient and effective instruction. Infrastructure must also be there to support assessment efforts. There are several components to the assessment program.</p> <p>As required by statute, the Academy will implement any and all assessments required by the state of Ohio in the required format. The Academy will have a test readiness plan which includes a number of desktop and/or laptop computers that may be required to administer the assessments. The Academy additionally has access to IT vendors, supported by e-Rate and general funds, that will insure that the local area network is secure, proctored, and set up to efficiently deliver computer-based assessments.</p> <p>The school has well developed and verified procedures for collecting and distributing data to stakeholders, including the students themselves, and using assessment data to drive the OIP, professional development, and continuous improvement processes.</p> <p>NWEA MAP, or similar nationally normed assessment, will be used a minimum of two times per year to track student growth in reading and math in all grades K-8. NWEA MAP, among others, is aligned with Ohio Learning Standards and is well recognized as an effective instrument for tracking student growth</p>

	<p>and predicting proficiency on state tests. This assessment provides key diagnostic data and the Academy uses it to fulfill its state diagnostic requirements.</p> <p>Formative assessments are primarily driven by curriculum-based measures. Into Reading / Into Literature and GoMath! provide regular and progressive CBM used by the school. Students are also provided with “problem of the day” (PODs) and “problem of the week” (POWs) that are tied to specific learning standards and delivered in a manner similar to an AIR-type question. PODs are given in the classroom, in core subjects on a daily basis. Each student is expected to understand and complete PODs by the completion of each lesson. POWs are larger exercises that students work on in class and are expected to understand and be able to complete by the end of each week. Within classrooms, teachers also employ a variety of additional tools, including journaling, exit cards, peer assessments and concept maps. School TBTs and BLTs utilize CBMs, PODs, POWs and other data and build those data points into their procedures and processes.</p> <p>Students maintain individual data folders that include state and nationally normed assessments, as well as portfolio of student work, formative assessments and related materials. These are shared with parents at parent conferences and intervention team meetings.</p> <p>Curriculum-based measures are reported to parents and students primarily through the quarterly grade card. POD, practice tests, and other data are collected and used by the Academy’s continuous improvement process.</p> <p>Students also take practice tests, using AIR-type questions. The results of these assessments are analyzed, standard-by standard to inform instruction and gauge mastery.</p>
<b>E. SPECIAL STUDENT POPULATIONS</b>	
<b>Special Populations</b>	<ol style="list-style-type: none"> <li>1. <b>Identification of At Risk Students:</b> The Academy uses several methods to identify at risk students, including parent referrals, teacher referrals, and administrative referrals based on a review of individual student data. Upon referral, the school immediately convenes an IAT meeting, with appropriate personnel, to identify the best services/strategies to serve the students. The primary evaluative tool (outside of parent referrals) are the diagnostic tools outlined in the assessment program, above. Once referred, the IAT team may take one of several options: <ol style="list-style-type: none"> <li>a. Identification for potential special education services</li> <li>b. Identification for Title 1 services though the Academy’s extensive multi-tiered educational services plan, which are outlined in the Academy’s Title I and RTI Handbook</li> <li>c. Identification for other forms of remediation and tutoring</li> <li>d. Identification for gifted / accelerated programming</li> <li>e. Identification for ELL services</li> <li>f. 504 Plans</li> <li>g. RIMPS</li> </ol> </li> </ol>

2. **Supports for ELL students.** The Academy currently operates a fully compliant and fully-staffed ELL program. It has the staff, contractors, and supports in place to serve them, with the capacity and access to bring in additional services as may be required. The educational program used by the school has been proved broad and diverse enough to serve all student types.

The Academy has comprehensive ELL policies in place. It takes special care to reach out, identify, and evaluate potential ELL students. This starts both with enrollment, where a Home Language Survey is provided to every family, and, prior to the start of school, a home visit to meet with families and assess student needs. From there, the school provides referral services, assessment, placement, service delivery, and progress monitoring as necessary.

Students are eligible to exit from ELL services only after they have been determined to be fully English proficient. Upon meeting the exit criteria, a Parent Notification Form and the LEP Committee Form will be given to the parents or guardians after the LEP Committee has met.

3. **Differentiated Instruction.** The Academy strives to provide both individualized and differentiated instruction. Because of the increased access to a rich variety of learning opportunities, the Academy's program is more learner-centered, personalized, and adaptable. When serving at-risk populations of students, these elements engage students more effectively than traditional learning methods. Learning can be both individualized, meaning tied to the learning needs of each student, and differentiated, meaning tailored to the learning preferences of each student. Staff members have significant experience in both of these areas, as the PLC identifies student needs and teachers are required to include differentiated learning strategies in written lesson plans and instructional delivery. With the comprehensive traditional, supplemental, and technological learning opportunities available, the school makes an ever greater effort to individualize the education of each student. The future goals of the program, however, are to greatly expand on these key concepts, to make the educational experience truly personalized—by moving from learning cohorts to specific learning competencies.

Research demonstrates that these strategies correlate with greater student engagement and greater teacher effectiveness. This includes the latest research on cognitive development and student learning styles. Together these elements will lead meet the challenges of delivering meaningful academic content, increasing achievement for all student subgroups, and closing achievement gaps.

4. **Support for at-risk students including lowest 20%.** Given the characteristics of the students currently enrolled in the Academy, uniformly low income and largely underperforming, the main school program is designed around meeting the needs of at-risk students. The success of Performance Academies in other communities and other states makes it uniquely qualified to address individual student needs.

In addition to the rich curricular supports and rich data supports described, the school has a comprehensive plan, focused in the school wide Federal Title programs, to meet the additional needs of at-risk students. The goals of this program are as follows:

- a. Targeting resources toward staff and staff supports using known strategies that promote achievement.
- b. Home supports to ensure that students arrive at school
- c. consistently and arrive on time and ready to learn.

	<ul style="list-style-type: none"> <li>d. Understanding specific student needs and identifying the strategies needed for each student.</li> <li>e. Targeting staff support to individual student needs.</li> <li>f. Providing the comprehensive professional development to all staff in all relevant aspects of curriculum, student management, data-driven decision making, positive behavior reinforcement, and individual learning styles.</li> <li>g. Measuring progress and modifying instruction as necessary.</li> </ul> <p>This program, may include the following core staff:</p> <ul style="list-style-type: none"> <li>h. A full time district instructional coach who oversees the instructional aspect of the Title program and the multi-tiered system.</li> <li>i. Academic coaches who assist classroom teachers in instructional delivery, differentiated instruction, and classroom management.</li> <li>j. A data coach specializing in collecting Performance Series, NWEA MAP or other data, pushing data into the classroom and helping to drive data-driven decision making through the PLC.</li> <li>k. Social workers</li> <li>l. Fully licensed Title teachers to supplement the regular classroom teachers to support instructional delivery.</li> <li>m. Title paraprofessionals when needed.</li> </ul> <p>A designation of “Not on Track” triggers the same interventions and strategies described above as other indicators of need. Data from state tests, as well as other normed tests administered, curriculum based measures, and parent referrals are treated in the same way as triggers found in state-required assessments.</p> <p>The effectiveness of the program has been measured in other campuses by the stronger attendance, reduced truancy, and strong academic results shown among low performing students.</p>
<b>F. SCHOOL CULTURE AND CLIMATE</b>	
<b>School Culture and Climate</b>	<p>School culture and climate involves three key elements. First is a strong culture of learning that promotes and celebrates success. Second is an effective learning infrastructure that supports and demands effective instruction. Third is strong parent and community involvement.</p> <p>As described above, the Academy promotes its values as it implements its mission and vision. Operationally, the Academy implements the mission and vision with students using the following tools:</p> <ul style="list-style-type: none"> <li>a. Strong character education program</li> <li>b. Effective PBIS system focused on de-escalation and “catching students being good” though a token economy and rewards system</li> <li>c. A strong Code of Conduct that is applied consistently and is strong supportive of restorative justice</li> <li>d. School uniform policy</li> <li>e. Student ownership of their own academic data</li> </ul>

	<ul style="list-style-type: none"> <li>f. Student award ceremonies and other recognitions of achievement</li> <li>g. A strong fitness program that reinforces the mission and values of the Academy</li> <li>h. A long-established High School Transition program that works with all middle schoolers to place them in a high-quality high school</li> <li>i. Use of other Core Values described above</li> </ul> <p>The mission is supported by an effective learning infrastructure that prepares teachers to be successful, guides them throughout the year, and rewards their success. The Academy prepares teachers by giving them intensive, before school professional development that focuses on understanding the curriculum, preparing proper lesson plan, providing trauma-informed instruction, and using the curricular pacing guides and Ohio-standard-based “learning strips.”</p> <p>Throughout the year, teachers are supported with targeted professional development, improvement-based teacher evaluations, and several professional learning days where the PLC meets to review data and make targeted adjustments to instruction. This process is described below. Regular “Mission Awards” throughout the year recognize the ability of staff to drive the mission.</p> <p>At the end of year, staff are reward for their strong instructional practices through an annual awards ceremony where demonstrated success is recognized. Staff also receive performance based bonuses for meeting clearly defined academic goals (typically AIR results or norm-based testing results).</p> <p>A strong Parent/Teacher Organization (PTO) partners with the Academy to promote school success. PTO shall serve as a forum for parents to voice their ideas and concerns and it shall act as a liaison between parents and the school. The PTO shall represent parents for the purpose of voicing parent concerns about the Title Program, school safety, wellness, bullying, and other policy and programs that require parent input. PTO shall work with the Principal and the staff to organize programs, raise money, organize volunteers, and recruit students.</p> <p>Each summer, the staff conduct a home visit to learn about their students and establish a strong relationship with families. This is enhanced through two, historically well-attended parent/teacher conferences.</p> <p>Parents also sign an important, if non-binding parent compact each year. The compact includes various parent responsibilities including volunteering, attending parent/teacher conferences, participating in homework, and other critical elements of success.</p> <p>The Academy’s Board will be filled primarily from individuals from the local community who are also affiliated with community organizations. The roles and responsibilities of the Board are outlined elsewhere.</p> <p>The school enjoys many community relationships with libraries, athletic facilities, local businesses, financial institutions, religious institutions, and other productive partnerships. Most importantly, the Academy has long-standing relationships with local high schools who often actively recruit the Academy’s eighth-grade students.</p>
--	---

## **G. PROPOSED OUTCOMES**

<b>Proposed Outcomes</b>	<p>School outcomes are focused on high performance throughout the Academy’s instructional and operational domains. This included the following:</p> <ol style="list-style-type: none"> <li>1. Academic Success. Academic success is measured in multiple ways:</li> </ol>
--------------------------	---



	<ul style="list-style-type: none"> <li>a. Achievement on the Local Report Card, including an increasing performance index score and, most importantly, favorable comparisons to other local schools and districts.</li> <li>b. Achievement on standardized tests including rising percentiles for students and high-percentages of students meeting expected gains.</li> <li>c. Achievement gaps that narrower than local district among key subgroups, including special education, African-Americans, and other non-white student groups. (i.e., stronger equality of outcomes)</li> </ul> <p>2. Operational success. This includes the following:</p> <ul style="list-style-type: none"> <li>a. Operational compliance with the state and authorizer</li> <li>b. Stable staffing by appropriately qualified staff</li> <li>c. Stable or increasing student enrollment up to building capacity</li> <li>d. High rates of student attendance</li> </ul> <p>3. Governing success</p> <ul style="list-style-type: none"> <li>a. Stable Governing Authority membership</li> <li>b. Governing Authority that meets regularly and compliantly</li> <li>c. Governing Authority that performs an annual self-evaluation</li> <li>d. Strong, unqualified financial audits</li> </ul> <p>4. Mission-Driven Outcomes</p> <ul style="list-style-type: none"> <li>a. Documented parent satisfaction collected annually thorough an anonymous parent survey</li> <li>b. Strong performance on mission-specific fitness goals, including iSoccer, iTennis, and FitnessGram</li> <li>c. Evidence of placement of graduating 8<sup>th</sup> grades to high quality high schools</li> </ul> <p>These elements are reported to stakeholders in board meetings, reports to ODE and the authorizer via Epicenter and other tools. The Academy also provide an Annual Report that highlights many of the items listed above.</p>
<b>H. OUTCOME SUPPORT TEAMS</b>	
<b>Outcome Support Teams</b>	<p>The Academy will be operating as a Professional Learning Community (PLC) “where educators are committed to working collaboratively in ongoing processes of collective inquiry and action research to achieve better results for the students they serve. Professional learning communities operate under the assumption that the key to improved learning for students is continuous job-embedded learning for educators.” – Learning by Doing (2006)</p> <p>The three big ideas surrounding a PLC are:</p> <ul style="list-style-type: none"> <li>1. A Culture of Learning</li> <li>2. A Culture of Collaboration</li> <li>3. Data Based Decision Making</li> </ul> <p>Teams will collect, monitor and share data in their flexible PLC teams. There are three types of teams we will use: DLT/CSLT, BLT, and TBTs. These teams continuously collect, monitor and analyze data to determine best practices, instructional strategies, and student groupings.</p>

	<p>PLC Teams will continuously review curriculum and the pacing guides to ensure these tools are meeting the needs of all learners. Curriculum/Pacing Guides can be altered, enhanced, and/or changed based on students' needs and data presented.</p> <p>Teams will meet to evaluate effectiveness of instructional strategies throughout the year based on data from formative and summative assessments.</p> <p>District personal will attend various team meetings and continuously provide feedback to the staff. There will also be on-going professional development geared towards strengthening teams and increasing their overall effectiveness.</p> <p>Team Interactions:</p> <p><b>DLT/CSLT:</b></p> <ul style="list-style-type: none"><li>Establishes, implements, monitors, and evaluates goals, strategies, indicators, and actions</li><li>Identifies specific data and tools to collect information from BLT and TBTs</li><li>Make recommendations to BLT</li><li>Collects, charts, and analyzes data from BLT</li><li>Uses data analysis to generalize successes across the district</li><li>Revises the district plan as appropriate.</li></ul> <p><b>BLT:</b></p> <ul style="list-style-type: none"><li>Creates, implements, monitors, and evaluates actions aligned to district goals, strategies, and indicators.</li><li>Provides job-embedded professional development to teachers on the TBT process</li><li>Monitors teacher-based teams and classrooms</li><li>Reports BLT, TBT, and classroom monitoring data and results</li><li>Reports challenges in implementing the district plan</li><li>Identifies support needed for implementation with fidelity.</li></ul> <p><b>TBTs:</b></p> <ul style="list-style-type: none"><li>Follow the 5 Step TBT Process</li><li>Periodically assess the effectiveness of the TBT</li><li>Reports TBT data using district tools and templates, including aggregated TBT data for the building</li><li>Request support for implementation with fidelity.</li></ul>
--	---

# Trotwood Preparatory and Fitness Academy

## Attachment 5 – Performance and Accountability Plan

Effective Date: July 1, 2024

### Overview

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

### I. Legal Compliance

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

1. The school had a substantiated compliance rate of 96% as outlined by the Ohio Department of Education.
2. The school had a compliance rate of 96% for all applicable laws and rules as outlined by the Ohio Department of Education and the Council.
3. The governing authority submitted the school's annual report to the parents and Council by October 31.
4. The governing authority and school receive a rating of "Needs Assistance" or better on the Special Education Performance Determination.
5. The school's Emergency Management Plan is uploaded and marked compliant in the school's OHID Account.

### Rating Scale – Legal Compliance

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

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

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

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

## II. Organization and Operational Performance

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

1. The governing authority held at least the contractually required number of meetings.
2. The governing authority was not out of compliance with regard to the required number of approved members for more than 60 cumulative days throughout the year.
3. The governing authority members completed all trainings as required by the Ohio Revised Code and ODE.
4. The governing authority members filed annual conflicts of interest statements.
5. The governing authority and/or school met at least one of the following governance goals:
  - a) **School Mission-specific Goal:** During each year of the contract, the school will demonstrate high levels of parent satisfaction with at least 80% of survey respondents rating the school as at least a "C" and at least 75% demonstrating satisfaction with their child's educational progress and, by June 30, the results of the survey will be sent to the Sponsor.
  - b) **Governing Authority Goal:** During each year of the contract, the board will conduct a self- evaluation and will engage in succession planning prior to the end of any board member's term and, by June 30, the results will be sent to the Sponsor.

### Rating Scale – Organization and Operational Performance

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

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

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

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

### III. Financial Performance

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

1. The school's annual total margin is greater than or equal to -2.5%.
2. The school's current assets to current liabilities ratio is greater than or equal to 1.0, or, on average, the school's available cash on hand is at least 30 days.
3. The school does not experience an unplanned decrease in enrollment by more than 15%.
4. The school's annual budget is in alignment with the annual total margin standard and includes reasonable assumptions that align with trend data.
5. No audit will contain:
  - A "Qualified" Opinion;
  - The same finding for two consecutive years; or,
  - As outlined in the Schedule of Findings, a Finding for Recovery of more than \$2,500 in any audit or any Finding for Recovery for any amount in two consecutive audits.

#### Rating Scale – Financial Performance

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

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

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

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

## IV. Student and Academic Performance

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

1. Based on the school's Local Report Card, the school met at least one of the following:
  - a) Receives at least a two-star rating in "Overall Star Rating";
  - b) Receives at least a three-star rating in at least half of all applicable component measures of student performance receiving a star rating; or,
  - c) When comparing all measures of student performance receiving a star rating, the school was not outperformed by a majority of the individual members of the school's Comparison Group.

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

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

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

District:	Trotwood Madison City Schools	Comm. School 1:	Dayton Leadership Academies-
IRN:	048694	IRN:	Dayton View Campus (133454)
Dist. School 1:	Trotwood-Madison Middle School	Comm. School 2:	Horizon Science Academy
IRN:	013957	IRN:	000808

### Rating Scale – Student and Academic Performance

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

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

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

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

# Communication from the Council to the Governing Authority

## Intervention and Probation

While the Overall Rating in each Core Performance Area is an annual determination based on multiple indicators, goals, and data points, the individual indicators, goals, and data points will be used to determine intervention strategies and aid in determining disciplinary actions as outlined below:

**Performance Improvement Plan:** The governing authority will be required to submit a Performance Improvement Plan in each area of non-compliance if they or the school fail to meet the standards of indicators, goals, or data points in any of the Core Performance Areas within 60 days of being notified by the Sponsor. The Performance Improvement Plan will outline steps and actions being taken to increase compliance and/or performance over the course of the year.

**Probation:** The governing authority will be placed on Probation, in accordance with the charter contract, if it Falls Far Below Standards in any Core Performance Area.

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

## High-Stakes Review and Charter Contract Reauthorization

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

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

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

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

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

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

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

The admission procedures of the **Trotwood Preparatory and Fitness Academy** (the “School”) at all times include the following:

- a) The School will not discriminate in its admission of students to the School on the basis of gender, race, religion, color, national origin, handicap, intellectual ability, athletic ability, or measurement of achievement or aptitude; and
- b) The School shall be open to any individual entitled to attend school in the State of Ohio area pursuant to section 3313.64 or section 3313.65 of the Ohio Revised Code, except that admission to the School may be limited to (i) students who have obtained a specific grade level or are within a specific age group; (ii) students who meet a definition of “at risk” that the parties to this Contract agree upon.

### **Enrollment Plan**

The School has adopted an open-enrollment plan, and if the number of applicants exceeds the capacity restrictions, then the School shall give preference to students who reside in the district in which the School is located. Whether or not the Governing Board has adopted an open-enrollment plan, other preferences may be given in admissions only as allowed by the Ohio Revised Code Section 3314.06(G). Ohio Revised Code Section 3314.06(G) states that if the number of applicants meeting admission criteria exceeds the capacity of the School's programs, classes, grade levels or facilities, then students shall be admitted by lot from all eligible applicants, except preference shall be given to students attending the School the previous year and may be given to eligible siblings of such students, and preference will be given to those students who reside in the district in which the School is located.

Upon admission of any handicapped student, the School shall comply with federal and state laws regarding the education of handicapped students.

The School will not restrict its marketing or recruiting efforts to any particular racial or ethnic group, but will attempt to achieve a balanced enrollment that reflects the community it serves.

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

The target student population for the School will be students in the general population residing in the Trotwood-Madison City School District. The only sorting of applications during the enrollment period will be to identify those students who are qualified by residence to attend the school and those who are not. A second sorting will be done to sort students according to their grade level.

The attendance area from which the Academy will attract and recruit students is as follows: The school will serve students statewide. Preference will be given to students from the local district in which the School is located. It will first market the school to families residing in Trotwood-Madison. Then, if space is available, it will target adjacent districts in the region as a 2<sup>nd</sup>



enrollment area, including other districts in the County, then extend the marketing campaign to include other districts statewide as needed. This strategy is being used because our approach is very specific, and Trotwood-Madison is a relatively dispersed school district. The Academy will not discriminate in admission on the basis of race, color, national origin, gender or disability. Further, the School will not limit admission of students on the basis of intellectual ability, measures of achievement or aptitude or athletic ability. It is expected that the student population of the School will be representative of Trotwood-Madison City Schools and adjacent districts.

# Trotwood Preparatory and Fitness Academy (IRN: 143206)

Statement of Receipt, Disbursements, and Changes in Fund Cash Balances  
the Fiscal Years Ending 2025 through 2030, Forecasted

	Forecasted				
	Fiscal Year FY2025	Fiscal Year FY2026	Fiscal Year FY2027	Fiscal Year FY2028	Fiscal Year FY2029
<b>Operating Receipts</b>					
State Foundation Payments (3110, 3211)	\$ 4,007,853	\$ 4,088,010	\$ 4,169,770	\$ 4,253,166	\$ 4,338,229
Charges for Services (1500)	-	-	-	-	-
Fees (1600, 1700)	-	-	-	-	-
Other (1830, 1840, 1850, 1860, 1870, 1890, 3190)	-	-	-	-	-
<b>Total Operating Receipts</b>	\$ 4,007,853	\$ 4,088,010	\$ 4,169,770	\$ 4,253,166	\$ 4,338,229
<b>Operating Disbursements</b>					
100 Salaries and Wages	\$ -	\$ -	\$ -	\$ -	\$ -
200 Employee Retirement and Insurance Benefits	-	-	-	-	-
400 Purchased Services	4,748,499	4,843,469	4,940,338	5,039,145	5,139,928
500 Supplies and Materials	-	-	-	-	-
600 Capital Outlay -New	-	-	-	-	-
700 Capital Outlay - Replacement	-	-	-	-	-
800 Other	-	-	-	-	-
819 Other Debt	-	-	-	-	-
<b>Total Operating Disbursements</b>	\$ 4,748,499	\$ 4,843,469	\$ 4,940,338	\$ 5,039,145	\$ 5,139,928
Excess of Operating Receipts Over (Under)					
Operating Disbursements	\$ (740,646)	\$ (755,459)	\$ (770,568)	\$ (785,979)	\$ (801,699)
<b>Nonoperating Receipts/(Disbursements)</b>					
Federal Grants (all 4000 except fund 532)	\$ 740,646	\$ 755,459	\$ 770,568	\$ 785,979	\$ 801,699
State Grants (3200, except 3211)	-	-	-	-	-
Restricted Grants (3219, CS Facilities Grant)	-	-	-	-	-
Donations (1820)	-	-	-	-	-
Interest Income (1400)	-	-	-	-	-
Debt Proceeds (1900)	-	-	-	-	-
Debt Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Transfers - In	-	-	-	-	-
Transfers - Out	-	-	-	-	-
<b>Total Nonoperating Revenues/(Expenses)</b>	\$ 740,646	\$ 755,459	\$ 770,568	\$ 785,979	\$ 801,699
Excess of Operating and Nonoperating Receipts					
Over/(Under) Operating and Nonoperating					
Disbursements	\$ -	\$ -	\$ -	\$ -	\$ -

Fund Cash Balance Beginning of Fiscal Year

Fund Cash Balance End of Fiscal Year

### Assumptions

#### Staffing/Enrollment

Total Student FTE

Instructional Staff

Administrative Staff

Other Staff

#### Purchased Services

Rent

Utilities

Other Facility Costs

Insurance

Management Fee

Sponsor Fee

Audit Fees

Contingency

Transportation

Legal

Marketing

Consulting

Salaries and Wages

Employee Benefits

Special Education Services

Technology Services

Food Services

Other

Total

#### Financial Metrics

Debt Service Payments

Debt Service Coverage

Forecasted				
Fiscal Year FY2025	Fiscal Year FY2026	Fiscal Year FY2027	Fiscal Year FY2028	Fiscal Year FY2029
\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
\$ 100	\$ 100	\$ 100	\$ 100	\$ 100

Forecasted				
Fiscal Year FY2025	Fiscal Year FY2026	Fiscal Year FY2027	Fiscal Year FY2028	Fiscal Year FY2029
360	360	360	360	360
22.00	22.00	22.00	22.00	22.00
3.00	3.00	3.00	3.00	3.00
3.00	3.00	3.00	3.00	3.00

\$ 288,830	\$ 294,606.64	\$ 300,498.78	\$ 306,508.75	\$ 312,638.93
\$ 52,936	\$ 53,994.33	\$ 55,074.21	\$ 56,175.70	\$ 57,299.21
\$ 150,000	\$ 153,000.00	\$ 156,060.00	\$ 159,181.20	\$ 162,364.82
\$ 5,678	\$ 5,791.23	\$ 5,907.06	\$ 6,025.20	\$ 6,145.70
\$ 873,266	\$ 890,731.32	\$ 908,545.95	\$ 926,716.87	\$ 945,251.20
\$ 65,440	\$ 66,749.00	\$ 68,083.98	\$ 69,445.66	\$ 70,834.57
\$ 9,382	\$ 9,570.13	\$ 9,761.53	\$ 9,956.76	\$ 10,155.90
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 13,249	\$ 13,513.95	\$ 13,784.23	\$ 14,059.91	\$ 14,341.11
\$ 8,833	\$ 9,009.30	\$ 9,189.49	\$ 9,373.28	\$ 9,560.74
\$ 83,329	\$ 84,995.24	\$ 86,695.14	\$ 88,429.04	\$ 90,197.62
\$ 453,900	\$ 462,978.00	\$ 472,237.56	\$ 481,682.31	\$ 491,315.96
\$ 1,632,000	\$ 1,664,640.00	\$ 1,697,932.80	\$ 1,731,891.46	\$ 1,766,529.29
\$ 326,400	\$ 332,928.00	\$ 339,586.56	\$ 346,378.29	\$ 353,305.86
\$ 428,400	\$ 436,968.00	\$ 445,707.36	\$ 454,621.51	\$ 463,713.94
\$ 125,000	\$ 127,500.00	\$ 130,050.00	\$ 132,651.00	\$ 135,304.02
\$ 231,857	\$ 236,494.11	\$ 241,223.99	\$ 246,048.47	\$ 250,969.44
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 4,748,499	\$ 4,843,469.24	\$ 4,940,338.63	\$ 5,039,145.40	\$ 5,139,928.31

\$ -	\$ -	\$ -	\$ -	\$ -
0.00	0.00	0.00	0.00	0.00

	Forecasted				
	Fiscal Year FY2025	Fiscal Year FY2026	Fiscal Year FY2027	Fiscal Year FY2028	Fiscal Year FY2029
Growth in Enrollment	0.00%	0.00%	0.00%	0.00%	0.00%
Growth in New Capital Outlay	0.00%	0.00%	0.00%	0.00%	0.00%
Growth in Operating Receipts	0.00%	0.00%	2.00%	4.04%	4.04%
Growth in Non-Operating Receipts/Expenses	0.00%	0.00%	2.00%	4.04%	4.04%
Days of Cash	0.00	0.00	0.00	0.00	0.00

Fiscal Year 2025-2030 Projected Debt				
Description	Beginning Year Balance	Principle Retirement	Interest Expense	Ending Year Balance
FTE Review	\$ -	\$ -	\$ -	\$ -
Loan A	\$ -	\$ -	\$ -	\$ -
Loan B	\$ -	\$ -	\$ -	\$ -
Line of Credit	\$ -	\$ -	\$ -	\$ -
Notes, Bonds	\$ -	\$ -	\$ -	\$ -
Capital Leases	\$ -	\$ -	\$ -	\$ -
Payables (Past Due 180+ days)	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -

#### **Assumptions Narrative Summary**

All assumptions are based on FY24 per-pupil actuals with a 2% annual increase for revenues and expenses. The consulting disbursements are for contracted special education and professional development services. Todd Taylor is the school Treasurer. Amount is purchased services detail were provided by the management company.

The school has no debt and all expenses are paid by the management company, Performance Academies.

The Academy has a full performance contract with the management company that reads in part as follows:

#### **ARTICLE VI**

#### **FINANCIAL ARRANGEMENTS**

A. Payment. The Academy shall pay to PA, the revenues (the "Fee") consisting of all state and federal per pupil allocations, transportation, technology or other operational funds, private donations, endowments or grants applied for on behalf of the School, except for two percent of the base state per pupil allocation, up to the amount of \$40,000, (which is to be held by the School as a Board Reserve to be used by June 30 of each year for the School's benefit, for a purpose to be decided by the School Board or pursuant to Article VI Part C be shall be used to accomplish PA's duties hereunder and for reasonable compensation for PA and all employees of PA hired to work for the School. Excess fees shall be used by P

	Forecasted				
	Fiscal Year FY2025	Fiscal Year FY2026	Fiscal Year FY2027	Fiscal Year FY2028	Fiscal Year FY2029

with its own corporate purposes.

Due to this arrangement, the school will always have direct expenses equal to it's revenues. This is true whether the fees exceed, equal or fall short of the amount expended by the management company on behalf of the school. No debt is ever issued to the school if the fees paid fall short of the amount expended for services by the management company.

# Trotwood Preparatory and Fitness Academy (IRN: 143206)

Statement of Receipt, Disbursements, and Changes in Fund Cash Balances  
the Fiscal Years Ending 2025 through 2030, Forecasted

	Forecasted				
	Fiscal Year FY2030	Fiscal Year FY2031	Fiscal Year FY2032	Fiscal Year FY2033	Fiscal Year FY2034
<b>Operating Receipts</b>					
State Foundation Payments (3110, 3211)	\$ 4,424,994	\$ 4,513,493	\$ 4,603,763	\$ 4,695,839	\$ 4,789,755
Charges for Services (1500)	-	-	-	-	-
Fees (1600, 1700)	-	-	-	-	-
Other (1830, 1840, 1850, 1860, 1870, 1890, 3190)	-	-	-	-	-
<b>Total Operating Receipts</b>	\$ 4,424,994	\$ 4,513,493	\$ 4,603,763	\$ 4,695,839	\$ 4,789,755
<b>Operating Disbursements</b>					
100 Salaries and Wages	\$ -	\$ -	\$ -	\$ -	\$ -
200 Employee Retirement and Insurance Benefits	-	-	-	-	-
400 Purchased Services	5,242,727	5,347,581	5,454,533	5,563,623	5,674,896
500 Supplies and Materials	-	-	-	-	-
600 Capital Outlay -New	-	-	-	-	-
700 Capital Outlay - Replacement	-	-	-	-	-
800 Other	-	-	-	-	-
819 Other Debt	-	-	-	-	-
<b>Total Operating Disbursements</b>	\$ 5,242,727	\$ 5,347,581	\$ 5,454,533	\$ 5,563,623	\$ 5,674,896
Excess of Operating Receipts Over (Under)					
Operating Disbursements	\$ (817,733)	\$ (834,088)	\$ (850,769)	\$ (867,785)	\$ (885,141)
<b>Nonoperating Receipts/(Disbursements)</b>					
Federal Grants (all 4000 except fund 532)	\$ 817,733	\$ 834,088	\$ 850,769	\$ 867,785	\$ 885,141
State Grants (3200, except 3211)	-	-	-	-	-
Restricted Grants (3219, CS Facilities Grant)	-	-	-	-	-
Donations (1820)	-	-	-	-	-
Interest Income (1400)	-	-	-	-	-
Debt Proceeds (1900)	-	-	-	-	-
Debt Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Transfers - In	-	-	-	-	-
Transfers - Out	-	-	-	-	-
<b>Total Nonoperating Revenues/(Expenses)</b>	\$ 817,733	\$ 834,088	\$ 850,769	\$ 867,785	\$ 885,141
Excess of Operating and Nonoperating Receipts					
Over/(Under) Operating and Nonoperating					
Disbursements	\$ -	\$ -	\$ (0)	\$ -	\$ (0)

	Forecasted				
	Fiscal Year FY2030	Fiscal Year FY2031	Fiscal Year FY2032	Fiscal Year FY2033	Fiscal Year FY2034
Fund Cash Balance Beginning of Fiscal Year	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
Fund Cash Balance End of Fiscal Year	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100

### Assumptions

#### Staffing/Enrollment

Total Student FTE  
Instructional Staff  
Administrative Staff  
Other Staff

	Forecasted				
	Fiscal Year FY2026	Fiscal Year FY2027	Fiscal Year FY2028	Fiscal Year FY2029	Fiscal Year FY2030
Total Student FTE	360	360	360	360	360
Instructional Staff	22.00	22.00	22.00	22.00	22.00
Administrative Staff	3.00	3.00	3.00	3.00	3.00
Other Staff	3.00	3.00	3.00	3.00	3.00

#### Purchased Services

Rent  
Utilities  
Other Facility Costs  
Insurance  
Management Fee  
Sponsor Fee  
Audit Fees  
Contingency  
Transportation  
Legal  
Marketing  
Consulting  
Salaries and Wages  
Employee Benefits  
Special Education Services  
Technology Services  
Food Services  
Other  
Total

\$ 318,891.71	\$ 325,269.54	\$ 331,774.93	\$ 338,410.43	\$ 345,178.64
\$ 58,445.20	\$ 59,614.10	\$ 60,806.38	\$ 62,022.51	\$ 63,262.96
\$ 165,612.12	\$ 168,924.36	\$ 172,302.85	\$ 175,748.91	\$ 179,263.89
\$ 6,268.62	\$ 6,393.99	\$ 6,521.87	\$ 6,652.30	\$ 6,785.35
\$ 964,156.23	\$ 983,439.35	\$ 1,003,108.14	\$ 1,023,170.30	\$ 1,043,633.71
\$ 72,251.26	\$ 73,696.29	\$ 75,170.21	\$ 76,673.62	\$ 78,207.09
\$ 10,359.01	\$ 10,566.19	\$ 10,777.52	\$ 10,993.07	\$ 11,212.93
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 14,627.93	\$ 14,920.49	\$ 15,218.90	\$ 15,523.28	\$ 15,833.75
\$ 9,751.96	\$ 9,946.99	\$ 10,145.93	\$ 10,348.85	\$ 10,555.83
\$ 92,001.58	\$ 93,841.61	\$ 95,718.44	\$ 97,632.81	\$ 99,585.47
\$ 501,142.28	\$ 511,165.12	\$ 521,388.42	\$ 531,816.19	\$ 542,452.52
\$ 1,801,859.87	\$ 1,837,897.07	\$ 1,874,655.01	\$ 1,912,148.11	\$ 1,950,391.07
\$ 360,371.97	\$ 367,579.41	\$ 374,931.00	\$ 382,429.62	\$ 390,078.21
\$ 472,988.22	\$ 482,447.98	\$ 492,096.94	\$ 501,938.88	\$ 511,977.66
\$ 138,010.10	\$ 140,770.30	\$ 143,585.71	\$ 146,457.42	\$ 149,386.57
\$ 255,988.83	\$ 261,108.60	\$ 266,330.78	\$ 271,657.39	\$ 277,090.54
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 5,242,726.87	\$ 5,347,581.41	\$ 5,454,533.04	\$ 5,563,623.70	\$ 5,674,896.18

#### Financial Metrics

Debt Service Payments  
Debt Service Coverage

\$ -	\$ -	\$ -	\$ -	\$ -
0.00	0.00	0.00	0.00	0.00

	Forecasted				
	Fiscal Year FY2030	Fiscal Year FY2031	Fiscal Year FY2032	Fiscal Year FY2033	Fiscal Year FY2034
Growth in Enrollment	0.00%	0.00%	0.00%	0.00%	0.00%
Growth in New Capital Outlay	0.00%	0.00%	0.00%	0.00%	0.00%
Growth in Operating Receipts	10.41%	2.00%	4.04%	4.04%	2.00%
Growth in Non-Operating Receipts/Expenses	10.41%	2.00%	4.04%	4.04%	2.00%
Days of Cash	0.00	0.00	0.00	0.00	0.00

[illegible]

### Assumptions Narrative Summary

All assumptions are based on FY24 per-pupil actuals with a 2% annual increase for revenues and expenses.

The consulting disbursements are for contracted special education and professional development services. Todd Taylor is the school Treasurer. Amount is purchased services detail were provided by the management company.

The school has no debt and all expenses are paid by the management company, Performance Academies.

The Academy has a full performance contract with the management company that reads in part as follows:

## ARTICLE VI

## FINANCIAL ARRANGEMENTS

A. Payment. The Academy shall pay to PA, the revenues (including private donations, endowments or grants applied for on be be retained by the School as a Board Reserve to be used by June 30 )low.) Such Fee shall be used to accomplish PA's duties hereunder and foA consistent



	Forecasted				
	Fiscal Year FY2030	Fiscal Year FY2031	Fiscal Year FY2032	Fiscal Year FY2033	Fiscal Year FY2034

with its own corporate purposes.

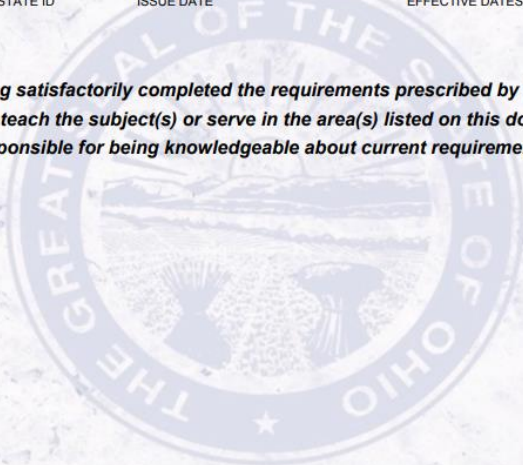
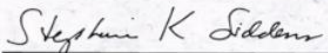
Due to this arrangement, the school will always have direc  
company on behalf of the school. No debt is ever issued to

## Fiscal Officer License and Contact Information

Todd R. Taylor  
Performance Academies  
Two Easton Oval, Suite 525  
Columbus, OH 43219

Phone: (614) 905-0575

Email: ttaylor@performanceacademies.com

STATE OF OHIO DEPARTMENT OF EDUCATION		
5 Year School Treasurer School Treasurer License		
<u>TODD R TAYLOR</u>		
THIS LICENSE AWARDED TO		
<u>OH3180899</u>	<u>05/23/2023</u>	<u>07/01/2023 to 06/30/2028</u>
EDUCATOR STATE ID	ISSUE DATE	EFFECTIVE DATES
<p><i>The holder of this credential, having satisfactorily completed the requirements prescribed by The State Board of Education and the laws of Ohio, is authorized to teach the subject(s) or serve in the area(s) listed on this document for the period specified. The holder of this credential is responsible for being knowledgeable about current requirements for maintaining the credential.</i></p>		
		
<p>This official document was created by the Ohio Department of Education and represents a true copy of a legal educator license as referenced in Ohio Revised Code Section 3319.36.</p>		<p>Employers may verify this credential by going to Educator Profile on <a href="http://education.ohio.gov">education.ohio.gov</a> and ensuring that the unique credential number appearing on this credential matches the person's records in Educator Profile, which is the official record of educator credential history.</p>
<p> Interim Superintendent of Public Instruction</p>		<p><b>Credential # 22296479</b></p>

**PUBLIC OFFICIAL BOND**

Bond No. 33BSBFG8511

**Know All Men By These Presents,** That we, Todd Taylor  
of 7416 N. Main Street, Dayton, OH 45415 in the State of Ohio, as Principal,  
and the Hartford Fire Insurance Company, a corporation duly organized and existing under and  
by virtue of the Laws of the State of Connecticut, and authorized to become sole surety on bonds in the State  
of Ohio, as Surety, are held and firmly bound unto State of Ohio  
in the State of Ohio in the full and just sum of Twenty-Five Thousand Dollars,  
lawful money of the United States, for payment of which well and truly to be made, we bind ourselves, our heirs,  
executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

**Whereas,** the said Todd Taylor has been duly elected or  
appointed to the office of Treasurer in and for the Trotwood Preparatory & Fitness Academy for  
the term beginning on January 1, 2024 and ending on January 1, 2025

**Now, Therefore, The Condition of the Above Obligation is Such,** that if the above bounden  
Todd Taylor shall during the aforesaid term, faithfully and truly perform all  
the duties of his/her office and shall pay over and account for all funds coming into his/her hands by virtue of his/her  
said office of Treasurer as required by law, then this obligation to be  
void, otherwise to be and remain in full force and virtue.

**In Witness Whereof,** the said Principal has hereunto set his/her hand and seal and the said Surety has  
caused these presents to be signed by its officers proper for the purpose the day and year first above written.

**Signed, Sealed and Dated** this 6th day of October, 2023

Todd Taylor

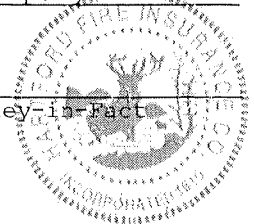
Principal

Hartford Fire Insurance Company

Surety

By:

Joelle L LaPierre, Attorney-in-Fact



State of \_\_\_\_\_

County of \_\_\_\_\_

Before me, this \_\_\_\_\_ day of \_\_\_\_\_, A.D. \_\_\_\_\_ personally appeared the  
said \_\_\_\_\_ to me known and known to me to be the individual  
described in and who executed the foregoing bond, and he/she acknowledged to me that he/she executed the  
same.

# POWER OF ATTORNEY

Direct Inquiries/Claims to:

THE HARTFORD

BOND, T-11

One Hartford Plaza

Hartford, Connecticut 06155

[Bond.Claims@thehartford.com](mailto:Bond.Claims@thehartford.com)

call: 888-266-3488 or fax: 860-757-5835

KNOW ALL PERSONS BY THESE PRESENTS THAT:

Agency Name: ASSUREDPARTNERS NL LLC

Agency Code: 33-700628

- ☒ Hartford Fire Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- ☐ Hartford Casualty Insurance Company, a corporation duly organized under the laws of the State of Indiana
- ☐ Hartford Accident and Indemnity Company, a corporation duly organized under the laws of the State of Connecticut
- ☐ Hartford Underwriters Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- ☐ Twin City Fire Insurance Company, a corporation duly organized under the laws of the State of Indiana
- ☐ Hartford Insurance Company of Illinois, a corporation duly organized under the laws of the State of Illinois
- ☐ Hartford Insurance Company of the Midwest, a corporation duly organized under the laws of the State of Indiana
- ☐ Hartford Insurance Company of the Southeast, a corporation duly organized under the laws of the State of Florida

having their home office in Hartford, Connecticut (hereinafter collectively referred to as the "Companies") do hereby make, constitute and appoint Joelle L LaPierre

of Lake Mary, Florida,

its true and lawful Attorney-in-Fact, to sign its name as surety(ies) only as delineated above by , and to execute, seal and acknowledge the following bond, undertaking, contract or written instrument:

Bond No. 33BSBFG8511

Naming Todd Taylor as Principal,

and State of Ohio as Obligee,

in the amount of See Bond Form(s) on behalf of Company in its business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

In Witness Whereof, and as authorized by a Resolution of the Board of Directors of the Companies on May 23, 2016 the Companies have caused these presents to be signed by its Assistant Vice President and its corporate seals to be hereto affixed, duly attested by its Assistant Secretary. Further, pursuant to Resolution of the Board of Directors of the Companies, the Companies hereby unambiguously affirm that they are and will be bound by any mechanically applied signatures applied to this Power of Attorney.



*Shelby Wiggins*

Shelby Wiggins, Assistant Secretary

*Joelle L. LaPierre*

Joelle L. LaPierre, Assistant Vice President

STATE OF FLORIDA

COUNTY OF SEMINOLE

ss. Lake Mary

On this 20th day of May, 2021, before me personally came Joelle LaPierre, to me known, who being by me duly sworn, did depose and say: that (s)he resides in Seminole County, State of Florida; that (s)he is the Assistant Vice President of the Companies, the corporations described in and which executed the above instrument; that (s)he knows the seals of the said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed by authority of the Boards of Directors of said corporations and that (s)he signed his/her name thereto by like authority.

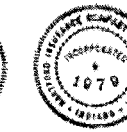


*Jessica Ciccone*

Jessica Ciccone  
My Commission HH 122280  
Expires June 20, 2025

I, the undersigned, Assistant Vice President of the Companies, DO HEREBY CERTIFY that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is still in full force effective as of October 6, 2023.

Signed and sealed in Lake Mary, Florida.



*Keith D. Dozois*

Keith D. Dozois, Assistant Vice President



## 148.1 Purchasing and Invoicing

Before placing a purchase order, each party authorized to place a purchase order should consider whether the material requested may be available elsewhere in the School or in the management company network.

In the interests of economy, fairness and efficiency, the Board requires that:

- A. All purchase orders shall be numbered consecutively.
- B. An informal but documented assessment of the responsibility, reliability, comparative cost and reputation of available qualified suppliers shall have been conducted before the purchase order is submitted.
- C. Certain purchases may be below an amount of money allowed to be spent without a properly signed purchase order, as authorized by the management company and the Superintendent.
- D. Insofar as conditions permit, all legitimate business suppliers shall be treated courteously.
- E. **Credit card agreements must be approved by the Board, and, if so approved, all credit cards shall be kept in the custody of the fiscal officer in a locked area. All credit card purchases must comply with Policy 148.6. Any staff member or Board member entrusted with a credit card shall be personally liable for the proper use and safekeeping of the credit card.**
- F. Cooperative purchasing among schools managed by the same company is encouraged, if it results in an economic advantage. Other cooperative purchasing may be considered as well.
- G. If it results in an advantage of any kind, the School may prefer local vendors.
- H. All applicable ethical and conflicts rules shall be followed when purchasing or soliciting for purchasing. No director, officer, employee, staff or agent of the School shall 1) solicit or participate in the negotiations of a contract in which he or she has any direct or indirect pecuniary or beneficial interests or 2) accept any gift or favor from a vendor which might influence their recommendations in the eventual purchases of equipment, supplies or services.

These policies do not prevent any person from receiving royalties upon the sale of any textbook or similar educational product of which she or he is the author, which has been properly approved for use in the School.

If the Board is presented with an invoice from a vendor, the vendor must certify that the good or services were used for School purposes, the invoice must contain sufficient itemization to determine that the services or goods were used for School purposes and the fiscal agent or fiscal officer of the School shall pre-approve payment before the invoice is approved by the Board.

*R.C. 102.03; OAC 117-2-02*

See also **Appendix 148.1-A** Procedures on Overpayment to Vendors.

## **148.2 Fixed Asset Policy / Title Asset Policy**

### Purpose

The School's Fixed Asset/Title I and Federal Grant Assets policy establishes a fixed asset accounting system that, if followed, will ensure that the School properly handles and disposes of assets, including those assets obtained with Title I grant monies and other federal grant awards, and contains sufficient data to permit:

1. The preparation of fiscal year-end financial statements in accordance with Generally Accepted Accounting Principles (GAAP);
2. Adequate insurance coverage; and
3. Control, accountability and security.

### Classifications of Fixed Assets.

Fixed assets shall be classified as either: (1) equipment, (2) supplies, (3) furniture, (4) leased fixed assets, or (5) real property.

### Criteria for Fixed Asset Capitalization and Valuation

An item is a Fixed Asset if it has a useful life of one (1) year or more and the cost of the asset is greater than \$5,000.00, or, it is a leased asset with a purchase price of greater than \$5,000.00.

Fixed Assets are to be valued at historical cost or, if that amount is not practicably determined, at estimated historical cost. The Controller shall determine the estimated historical cost. Donated Fixed Assets shall be valued at the donor's estimated fair market value at the time of gifting.

Depreciation in value of a Fixed Asset will be calculated using straight-line depreciation. The estimated life of a fixed asset shall follow Association of School Business Officials (ASBO) guidelines.

### Management of Fixed Assets

The School shall conduct a physical inventory of its fixed assets at least every two years. The results of the physical inventories must be reconciled with the property records.

The School shall develop a control system to safeguard against loss, damage, or theft of fixed assets.

The School shall investigate any loss, damage, or theft of any fixed asset. To the greatest extent possible, the School shall also maintain effective internal controls and safeguard all computing devices and assure that such devices are used solely for authorized purposes.

In order to prevent loss or theft of School property, all fixed assets (other than real property) will have a School fixed asset sticker indicating the School's ownership.

The School shall maintain its fixed assets in order to keep them in good condition and working order.

The following information shall be maintained for all fixed assets:

1. description of the asset
2. title information



3. serial number of the asset, if applicable
4. asset classification
5. location, use, and condition of the asset
6. purchase price and percentage of federal participation
7. vendor
8. date purchased or leased
9. percent of federal funds used for purchase or lease, if applicable
10. accumulated depreciation
11. date and method of disposal and sale price
12. records generated by physical inventories

### Acquisition of Fixed Assets

#### Real Property Acquired with Title I or Other Federal Grants.

Real property acquired with federal Title I or other federal grant monies received by the School shall be titled in the name of the School.

Except as otherwise provided by federal law or by the federal awarding agency, real property acquired with federal Title I or other federal grant monies shall be used for the purposes authorized by the grant(s). The School shall not dispose of or encumber its title or other interest in any real property acquired with federal Title I or other federal grant monies so long as the real property is needed for the originally authorized purpose.

#### Equipment Acquired with Title I or Other Federal Grants.

Equipment acquired with federal Title I or other federal grant monies received by the School shall be titled in the name of the School.

For as long as needed, the School shall use equipment acquired with federal Title I or other federal grant monies in the program or project for which it was acquired, whether or not the project or program continues to be supported by federal funds. The equipment may be used in other activities currently or previously supported by a federal agency when it is no longer needed for the program or project for which it was acquired. The School shall give priority to activities under a federal award from the same agency then to activities under a federal award from other federal agencies.

The School can use equipment acquired with Title I or other federal grant monies on other projects or programs that are currently or were previously supported by the federal government provided that such use will not interfere with the program or project for which the equipment was acquired. First preference should be given to other programs or projects supported by the agency that awarded the grant monies.

The School shall not use the equipment acquired with federal Title I or other federal grant monies to provide services for a fee that is less than private companies charge for equivalent services.

The School shall obtain the approval of the awarding agency if required by the federal award before it (1) uses equipment acquired with federal Title I or other federal grant monies as a trade-in to acquire equipment to replace the old equipment, or (2) sells the old equipment and uses the sale proceeds to offset the cost of the replacement equipment.

Supplies Acquired with Title I or Other Federal Grants.

Supplies acquired with federal Title I or other federal grant monies received by the School shall be titled in the name of the School.

The School shall not use the supplies acquired with federal Title I or other federal grant monies to provide services for a fee that is less than private companies charge for equivalent services.

Equipment Furnished by Federal Agency.

The School shall ensure that the equipment remains titled in the name of the Federal Government. The School shall follow the rules and procedures of the federal agency for managing the property.

Disposal of Fixed Assets

The School shall establish and follow procedures to ensure that it receives the overall best possible return, if it sells any fixed asset. An independent valuation or market comparison may be used, among any other reasonable method of valuation.

Fixed Assets Not Acquired with Title I or Federal Grant Funds.

Fixed assets that were not acquired in whole or part with federal grant monies will be disposed in a manner approved by the Governing Authority of the School. Upon recommendation of the Principal or Treasurer, such Board resolution shall designate the materials, equipment, supplies or other assets as obsolete, excess or unusable, and, shall identify the assets, and may sell, donate or lawfully dispose of them. Any proceeds shall be put in the general fund.

Real Property Acquired with Title I or Federal Grant Funds.

When real property acquired with federal grant monies is no longer used for the originally authorized purpose(s), the School shall dispose of such property pursuant to instructions provided by the awarding agency.

Equipment and Supplies Acquired with Title I or Federal Grant Funds.

The School may retain, sell, or otherwise dispose of equipment acquired with federal funds.

However, the School shall contact the awarding agency for disposition instructions before it sells any equipment with a per unit value of greater than \$5,000 because the awarding agency may have a right to a portion of the proceeds of the sale. State law may dictate the procedures that must be followed or otherwise place restrictions on the ability of the School to sell the property.

Disposal of Equipment Provided by a Federal Agency.

The School shall only dispose of federal equipment pursuant to instructions provided by the federal agency that provided the equipment, or should the assets or equipment be under a value or value per unit as applicable under the rules of the federal agency, then the School may dispose of the equipment

or asset as if it was not acquired with federal grant funds.

*2 C.F.R. 200.*

See also Policy No. 148.8 Federal Grants Procurement, Monitoring, and Administration.

### **148.3 Audit Committee**

The Board shall establish an audit committee which shall consist of one of the following: the entire Board membership, or, a minority of the Board membership, or, a minority of the Board membership and any outside consultants of the Board's choice. At least one member of the audit committee shall possess knowledge in the areas of accounting, auditing, financial reporting or school finance. The audit committee shall serve a one-year term and meet as often as necessary to carry out its responsibilities. Members of the audit committee shall attend to their responsibilities in good faith, and in a manner they reasonably believe to be in the best interests of the School.

The purpose of the audit committee is to ensure that both external and internal audit functions and other accountability issues receive adequate oversight. The audit committee's responsibilities include, but are not necessarily limited to, a review of the annual unaudited financial reports submitted to the Auditor of State; a periodic review of the interim financial information submitted to the Board; a review of all audit results; an assurance that audit recommendations are appropriately addressed; serving as a liaison between School management and the independent auditors. Any recommendations of the audit committee shall be presented to the Board and responsibility for official action remains with the Board.

*OAC 117-2-05*

#### **148.4 Independent Contractors**

For purposes of this policy, independent contractors are individuals who provide services to the School who are not treated as employees of the School for purposes of withholding federal employment and income taxes.

The School may contract with an independent contractor for a service if none of the School's employees are qualified to provide the service, or, if having School employees perform the service would interfere with the daily operations of the School, or, if the Board of Directors of the School or its authorized designee deems it in the best interest of the School.

The School shall maintain a list of the independent contractors with whom it has contracted.

To the extent required by law, the School shall issue a 1099 Form to each independent contractor reporting the amount paid to the contractor and file the form with the appropriate governmental agency(ies).

In contracting for services with any independent contractor, the School shall enter into a written contract on or before the date the independent contractor begins to provide services under the contract if the amount payable under the contract is \$600.00 or more. The contract shall specifically describe the services that the independent contractor will provide under the contract.

The School shall obtain a W-9 form from the independent contractor at the time the contract is executed.

Subject to the terms of the contract, the School shall require that the independent contractor substantiate that the services have been performed before the School shall remit payment for the services.

No independent contractor shall be paid as an employee on a W-2 form. If any state retirement system decides that School must pay into its system on behalf of a contractor, such funds will be deducted from the gross pay to the contractor.

All employees of independent contractors providing "essential school services" to the School must fulfill one of the following conditions:

1. The independent contractor has provided proof that it has requested a criminal records check, including an FBI check, within the five-year period prior to the date on which the person will begin working in the School and the records check indicated that the person had not been convicted of or pleaded guilty to an offense that would disqualify the person for employment with the School;

**OR**

2. During periods of time when the employee of the independent contractor will have routine interaction with a child or regular responsibility for the care, custody or control of a child, an employee of **the** School has been assigned to be present in the same room as the child or, if outdoors, to be within a 30-yard radius of the child or to have visual contact with the child.

The School's head administrator or his/her designee is responsible for ensuring that employees of independent contractors have successfully completed a criminal records check or will be supervised when they have access to children.

The head administrator has specified that "essential school services" are necessary services that would need to be provided by School employees if the services were not provided by an independent contractor (such as food, janitorial or clerical services).

*IRC 6041; R.C. 3314.41*

## **148.5 Annual Financial Reports**

The School shall file an annual financial report, which must be prepared using generally accepted accounting principles. The report must contain the following:

1. The amount of collections and receipts, and accounts due from each source;
2. The amount of expenditures for each purpose;
3. The income of each public service industry owned or operated by a municipal corporation, and the cost of such ownership or operation (if applicable); and
4. The amount of public debt of each taxing district, the purpose for which each item of such debt was created, and the provision made for the payment thereof (if applicable).

The School must prepare two copies of the report. The original must be filed with the auditor of state at "Auditor of State, Local Government Services Division, 88 East Broad Street, Cincinnati, Ohio 43216-1140", or "Post Office Box 1140, Cincinnati, Ohio 43216-1140" and the copy must be retained by the School's fiscal officer. The report must be filed either in paper form or electronically in a manner and format prescribed by the auditor of state and must be filed within one hundred and fifty days after the close of the fiscal year. At the time the report is filed with the auditor of state, the School's chief fiscal officer, must publish notice in a newspaper of general circulation in the political subdivision or taxing district.

*R.C. 117.38; OAC 117-2-03.*

## 148.6 Credit Cards

For purposes of this policy, “credit cards” are defined to include any bank- or financial institution-issued credit card account, store-issued credit card account, affinity credit card account, or any other credit card account allowing the holder to purchase goods or services on credit, or any debit or gift card account related to the receipt of grant money.

The Board recognizes the convenience and efficiency afforded by the use of School credit cards. A credit card shall not be used in order to circumvent the general purchasing procedures established by State law and Board policy.

The Board affirms that credit cards shall only be used in connection with Board-approved or School-related activities and that only those types of expenses that are for the benefit of the School and serve a valid and proper public purpose shall be paid for by credit card. As such, employees are required to abide by the following guidelines when using a School credit card.

1. All credit cards and any instruments related to the account, including checks, shall be applied for, acquired, or cancelled at the direction of the Board and shall be issued to and in the name of the School.
2. Any changes to credit card terms requiring consumer authorization, including changes to credit limits, shall be approved by the Board.
3. **Upon issuance, all credit cards and instruments related to the account shall be managed, held and supervised by the designated fiscal officer who shall be the School’s credit card compliance officer and shall be prohibited from authorizing the use of the credit card by any other individual (“Credit Card Holder”).**
4. The Board may authorize any employee to use a credit card when the Board deems such use necessary or convenient, irrespective of who the Credit Card Holder is.
5. Subject to the discretion of and the approval of the Board, credit cards may be used for eligible goods and services including:
  - a. Transportation reservations and expenses.
  - b. Conference registrations.
  - c. Hotel reservation guarantees and expenses.
  - d. If monies are budgeted and deposited with the Principal in advance, credit cards may be used by employees for student trips and competitions for safety and security reasons.
  - e. Reasonable real expenses, including a maximum gratuity of twenty percent (20%), but excluding alcoholic beverages, since the purchase of such beverages clearly fails to serve a valid and proper public purpose.
  - f. Purchases from vendors who do not accept purchase orders or vouchers, with prior approval from the Board.



g. Other purchases approved by the Board on a case-by-case basis.

6. Credit cards shall not be used for personal purchases or expenditures not allowed under this guideline. In particular, credit cards shall not be used for expenses that are not incurred in connection with Board-approved or School-related activities, are not for the benefit of the School, and do not serve a valid and proper public purpose. Use of credit cards in an unauthorized or illegal manner may result in referral for criminal prosecution, revocation of credit card privileges, disciplinary action and/or, where appropriate, may require the user to pay any and all inappropriate charges, including finance charges and interest assessed in connection with the purchase.

7. The Board shall establish limits on the total dollar amount that an employee may incur as a part of any individual transaction based on a good faith estimate of the purchase or expense. If the designated fiscal officer is the Credit Card Holder, the fiscal officer shall establish limits on the total dollar amount that an employee may incur as a part of any individual transaction based on a good faith estimate of the purchase or expense, which shall be approved and/or ratified by the Board. **The use of a credit card for expenses beyond those authorized or ratified by the Board constitutes misuse of a credit card account.**

**Employees requiring the use of a School credit card shall request in writing such card from the Board or the designated fiscal officer if he or she is the Credit Card Holder, which shall include a signed statement that the requesting employee has read this policy, and understands and agrees to abide by its terms. If the Principal is the Credit Card Holder and compliance officer, the employee must receive permission from the Board in order to use any School credit card. The Credit Card Holder shall also utilize a system to sign-in and out credit cards to authorized users in order to account for a card's location.**

8. The School is a nonprofit instrumentality of the State of Ohio. Tax exemption forms shall be utilized and are available in the Principal's office.

9. Upon receipt of a School credit card, employees shall:

a. Inform merchants that the purchase is for "Official School Business" and is not subject to State or local sales tax. However, if the merchant fails to waive the tax, the employee shall pay it. For large purchases where the merchant refuses to waive the tax, the employee shall present a tax exemption form.

b. Maintain credit cards in a secure fashion and prevent unauthorized charges to the account.

c. Maintain sufficient documentation of all purchases, including, but not limited to, charge receipts, original cash register slip or other detailed receipt, and invoices.

d. Provide documentation of all purchases to the Credit Card Holder in a timely manner to ensure prompt payment.

e. Immediately notify his or her immediate supervisor, the Credit Card Holder, and the Board if the card is lost or stolen. It shall be the responsibility of the Principal to report any lost or stolen credit card to the relevant issuer and credit agencies. In the event that a credit card is lost or

stolen, the Principal shall request that the issuer place a “stop” or “hold” on the account to prevent fraudulent use of the card.

f. After use, School credit cards are to be returned to the Credit Card Holder, along with appropriate itemized receipt copies of all charges. If the Principal is the designated credit card compliance officer, the Principal shall review all itemized receipts and submit copies to the School’s fiscal officer or his or her designee.

g. Upon receipt of the appropriate documentation, credit card expenditures will be paid through the Credit Card Holder’s Office.

h. The Credit Card Holder will monitor the credit card account(s) and reconcile all credit card accounts on a monthly basis. A report will be a part of the monthly Cash Activity Report reported to the Board, and if the Principal is the Credit Card Holder, the Board shall sign a monthly attestation indicating that it has reviewed the account transaction details.

i. At least quarterly, the Board and the Credit Card Holder shall review the number of credit card accounts and the number of active credit cards in use, and each credit card’s respectively expiration date and credit limit.

j. If the employee is terminated or resigns, he or she must return the credit card and shall remain responsible for any inappropriate use.

10. Failure to turn in receipts and appropriate forms to the Credit Card Holder within five (5) business days may result in the charges being deemed unrelated or unsubstantiated. This amount will then be charged back to the user.

11. Credit Cards shall never be used for any cash withdrawal transactions or advances from a financial transaction device or automated teller machine (“ATM”), or to obtain any cash back on a credit card transaction.

12. The designated fiscal officer shall annually report to the Board any rewards received by the School based on the School’s use of the credit card.

*R.C. 3314.52.*

See also Policy 148.1 Purchasing/Invoicing.

## **148.7 Staff Reimbursements**

Expenses which are incurred by professional staff members as a result of authorized travel for the Management Company or the Academy will be reimbursed to the extent provided for in these guidelines. Reimbursement is intended to provide for transportation, lodging, and food of reasonable and adequate quality. When traveling on School business, a professional Staff member is expected to use the same care in incurring expenses that a prudent person would exercise if traveling on personal business, and reasonable efforts will be made to reimburse actual expenses. Excessive costs, such as those caused by circuitous routes or luxury services or accommodations, will not be considered prudent, nor will they be accepted for reimbursement. No charges for alcoholic drinks will be reimbursed. Rental cars must be economy rentals unless approved in advance as otherwise necessary or prudent by the Treasurer.

**Authorization and Procedure:** When travel is expected, a requisition form should be completed and approved by the Superintendent at least ten (10) days prior to the date a decision is needed. This request should detail all estimated expenditures.

**Reimbursement:** Reimbursement will be at the current approved IRS rate if driving on School business. If transporting students to competition or trips, volunteers will be reimbursed actual expenses, documented by receipt, or at the IRS Approved Charitable Rate.

A Travel Reimbursement Form must be completed and signed by a supervisor. All claims must be supported by original receipted bills. Reimbursement for reasonable charges for tolls and parking will be made upon presentation of supporting receipts.

**Other Reimbursement:** Staff must follow all rules concerning purchasing and School credit card use. If Staff otherwise personally advances money on behalf of the School, it does so completely at its own risk of non-reimbursement, provided however, the Board is authorized to reimburse such advances only if it finds that the expenditure was made without adequate opportunity for prior approval, or was an emergency and advanced as a necessity, for the benefit of the School. All reimbursements must be supported by detailed receipts.

Staff cannot be reimbursed for any expense if the Staff member received a benefit through a rewards program for that expense. Rewards programs allow users to earn rewards based on how much money they spend. Examples of rewards programs include, but are not limited to, frequent flier miles, grocery store loyalty card programs, and hotel free night programs. This prohibition includes rewards programs tied to credit cards and loyalty customer cards.

**Staff Relocation:** Relocation costs that are incident to the permanent change of duty assignment of an existing employee or new recruit for an indefinite period or a stated period of not fewer than 12 months, may be allowable to the extent that such costs:

- Are caused by a move that is for the benefit of the employer;

- The amount reimbursed does not exceed the employee's actual or reasonably estimated expense;

- The costs are for allowable expenses, including:

1. The cost of transportation of the employee and his or her immediate family and household and personal effects;

2. The cost of finding a new home, including up to 30 days of temporary lodging and/or advanced trips;

3. Closing costs incidental to the disposition of the employee's former home (unless the employee resigns for reasons within the employee's control within 12 months after hire);

4. Up to 6 months of continuation costs related to the vacancy of the former home after the settlement or lease of the employee's new permanent home (e.g., home and grounds maintenance, utilities, taxes, and property insurance) (unless the employee resigns for reasons within the employee's control within 12 months after hire); and

5. Other necessary and reasonable expenses normally incident to relation home (unless the employee resigns for reasons within the employee's control within 12 months after hire).

Relocation costs do not include:

- Fees and other costs associated with acquiring a new home;
- A loss on the sale of a former home;
- Continuing mortgage principle and interest payments on a home being sold; and
- Income taxes paid by an employee related to reimbursed relocation costs.

*Ohio Ethics Comm. Advisory Opinion No. 91-010; 2 C.F.R. 200.464.*

See also Policies 395 Purchasing Policies and 395.1 Purchase of Supplies and Materials, Equipment

## **148.8 Federal Grants Procurement, Monitoring, and Administration**

In addition to the applicable policies set forth elsewhere in this manual, the following policies shall apply when the School expends federal grant funds to purchase property or obtain services.

A. Competition. To the extent required by law, the School shall use procurement methods that provide for full, free, and open competition and comply with the federal procurement regulations. If the School solicits bids or competitive proposals to secure property or services, the School shall award the contract to the party whose bid or proposal, after considering all appropriate facts, is most advantageous to the School.

The School shall exclude from competition for procurements any contractor that develops or drafts specifications, requirements, statements of work, or invitations for bids or requests for proposals.

Unless allowed by law, the School shall not use statutorily or administratively imposed State, local, or tribal geographical preferences in the evaluation of bids or proposals.

B. Code of Conduct. No employee, officer, or agent of the School shall participate in selecting, awarding, or administering a contract supported by federal funds if a conflict of interest, real or apparent, would be involved. A conflict arises when the employee, officer, or agent, a member of his/her family, his/her partner, or the employer or prospective employer of any of the above-mentioned individuals has a financial or other interest or a tangible personal benefit from the company selected to be awarded the procurement contract.

No employee, officer, or agent of the School may solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. Any gratuities, favors, or anything of monetary value includes money and every other thing of value, meaning having more than a de minimis or nominal worth.

All employees, officers, or agents of the School must disclose in writing any potential conflicts of interest, whether real or apparent, to the School prior to participation in the selection, award, or administration of a contract supported by a federal award.

The School shall not conduct any procurement action involving a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, if the School would be unable or appear to be unable to be impartial in that procurement action.

Any employee, officer, or agent of the School found to have violated this Code of Conduct or any other applicable ethics laws or regulations will be immediately excluded from further participation in the selection, award, or administration of the contract supported by a federal award and may be subject to disciplinary actions, up to and including termination. The School shall promptly report any violation of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting a federal award to the awarding federal agency and specify any corrective action taken by the School.

Nothing in this policy shall be read to alter the obligations and restrictions on public officials pursuant to Ohio Revised Code Chapters 3314 and 102, and Section 2921.42-.44 as applicable to community schools.

C. Procurement Procedures. To the extent required by law:

1. The School shall review any proposed procurement to avoid purchasing unnecessary property or services. The School shall avoid purchasing duplicative items.

2. Before acquiring an item, the School shall compare the advantages of leasing and purchasing property, purchasing surplus property, or sharing services where permitted by law. The School shall also consider consolidation or breaking out procurements to obtain more economical purchases.

3. Prior to accepting bids or proposals, the School shall make independent estimates of cost and price. The School shall conduct a cost or price analysis in connection with every procurement transaction, including contract modifications.

4. The School shall ensure that its solicitations for goods and services contain descriptions and technical requirements of the goods and services sought, all factors to be used in evaluating bids or proposals, and provide any other information required under the applicable federal regulations. The School shall not require brand name products unless the brand name is specified as a means to define the performance or other salient requirements of procurement.

5. The School shall attempt to ensure that the parties with which it contracts are responsible and capable of fulfilling the terms and conditions of the contract. The School shall give consideration to the contractor's integrity, compliance with public policy, record of past performance, and financial and technical resources.

6. The School shall only use time and material type contracts after a determination that no other contract is suitable and, if a contract includes a ceiling price, the contract must specify that the contractor exceeds the ceiling at its own risk.

7. The School shall create and maintain records that document the procurement process that the School followed in each procurement transaction, including the rationale for utilizing the selected procurement method, the selection of contract type, the basis for awarding or rejecting the contract, the justification for lack of competition if competitive bids or proposals are not sought, and the basis for the award cost or price.

8. The School shall make its procurement records available for review upon request by the awarding federal agency or pass-through entity.

9. Before deciding to use grant funds to host or attend a meeting or conference, the School

shall ensure that the meeting or conference is (a) consistent with the School's approved grant application, (b) necessary to achieve the goals and objectives of the grant, and (c) for purposes of disseminating technical information, and (d) that the School has used only the grant funds necessary to accomplish legitimate meeting and conference business.

10. Whenever practicable, the School shall utilize lower cost alternatives in lieu of attending meetings or conferences.

11. When issuing statements, press releases, requests for proposals, bid solicitations, and other documents relating to the use of federal grant funds for procurement purposes, the School shall state the percentage of the total cost funded by federal money, the dollar amount of federal funds available for the project or program, and the percentage and dollar amount of the total cost of the project or program financed by non-governmental sources.

D. Contract Provisions. Procurement contracts shall, at minimum, include the terms and conditions that are required by the applicable federal procurement regulations. To the extent required by law, the School shall require that the person awarded a contract satisfy the bonding requirements set forth in the applicable federal regulations.

E. Contract Administration. The School shall delegate to one or more school employee the responsibility for administering all procurement contracts and ensuring that the party awarded the contract satisfies the terms, conditions, and specifications of the procurement contract or purchase order.

F. Small/Minority/Women Businesses. The School shall take affirmative steps to contract with small businesses, minority-owned firms, and women's business enterprises when possible. The School shall also require a contractor, if it subcontracts, to take affirmative steps to contract with small businesses, minority-owned firms, and women's business enterprises when possible.

G. Dispute Resolution. Any issues related to the procurement contract and administrative procedures, including source evaluation, protests, disputes, and claims, will be resolved according to the following dispute resolution procedures, and the School will disclose information regarding the dispute to the appropriate federal officials. Any grievant must file a written complaint requesting an opportunity to be heard by the Governing Board or the Board's designee. The Board or its designee will review any information presented and provide a written decision within a reasonable time. If the grievant is not satisfied with this decision, the matter shall be submitted to a qualified mediator for mediation. The parties will make every attempt to resolve such disputes through mediation and shall equally split all fees or costs of any third party mediator.

If the School suspects or determines that the contractor has likely violated local, state, or federal law, the School will refer the matter to the proper authority having jurisdiction over the matter.

H. Time and Materials Contracts. The School may use a contract whose cost to the School is the

sum of the Actual costs of materials, and direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit, but only:

1. After a determination that no other contract is suitable; and
2. If the contract includes a ceiling price that the contractor exceeds at its own risk.

I. Debarred, Suspended or Ineligible Contractor. The School shall not award contract to parties that have been debarred, suspended or otherwise excluded from or are ineligible for participation in Federal assistance programs and activities pursuant to the federal System for Award Management available at [www.sam.gov](http://www.sam.gov).

The school shall verify that the contracting party is not excluded or disqualified by checking the federal system for award management, collecting a certification from the contracting party, or adding a clause or condition to the covered transaction with the contracting party.

J. Federal Grant Administration. The School shall ensure that these procedures are followed with respect to all federal grant applications submitted by the School and all federal grants that are awarded to the School.

1. Monitoring Grant Applications. The School shall delegate to one or more persons the responsibility for monitoring all pending federal grant applications, and that person or persons shall provide the Board with a report on the status of all federal grant applications at each regularly scheduled Board meeting.

2. Monitoring Grant Expenditures. The School shall delegate to one or more persons the responsibility for monitoring federal grant expenditures, and that person or persons shall provide the Board with a report on the expenditures made from each federal grant at each regularly scheduled Board meeting.

3. Final Expenditure Reports. The School shall delegate to one or more persons the responsibility for reviewing all final expenditure reports for each federal grant that the School was awarded, reconciling the report(s) with the School's financial records, and ensuring that the final expenditure report for each federal grant is complete and accurate.

4. Maintenance of Procurement Records. The Treasurer or his or her designee shall be responsible for maintaining records sufficient to detail the history of all procurements. For example, records of the rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

*2 C.F.R. 200.*

See also Policy 114 Ethics and Conflicts Policy and Policy 148.2 Fixed Asset Policy/Title I and Federal Grant Assets Policy. See also **Appendix 148.8-A** Methods of Procurement Using Federal



Grant Funds, **Appendix 148.8-B** Procurement Procedure for Soliciting Small/Minority/Women Owned Businesses, and **Appendix 148.8-C** Child Nutrition Programs Procurement.

## **148.9 Cost Principles and Financial Management for Use of Federal Funds**

Federal grant awards will be administered efficiently and effectively through the application of sound management practices consistent with the federal Uniform Grant Guidance and any underlying grant agreements.

### **Financial Management**

Grant funds must be managed in compliance with all applicable federal, state and local laws and rules as well as the terms of any federal grant award.

The School shall do all of the following:

1. Identify in its accounts all federal award funds received and expended and shall specify the federal program under which those awards were received. Whenever applicable information is available, accounts must include the Catalog of Federal Domestic Assistance (“CFDA”) title and number, the federal award identification number and year, the name of the awarding federal agency, and the name of the pass-through entity.
2. Make accurate, current and complete disclosures of the financial results of each federal grant award as required by the terms the award.
3. Maintain records that adequately identify the source and application of funds used for federally funded activities. Records must contain information about the awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and shall be supported by source documentation.
4. Exercise control over and accountability for all funds, property and other assets purchased with federal funds. All assets shall be safeguarded and the School shall assure that they are used only for authorized purposes.
5. Regularly compare expenditures with budget amounts for each federal award.

### **Cost Principles**

All costs must conform to any limitations or exclusions set forth in the federal award. The School shall only assign a cost to a federal award as a direct cost when no other cost incurred for the same purpose in like circumstances has been allocated as an indirect cost. Costs shall not be included to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period.

Costs shall be determined in accordance with generally accepted accounting principles (“GAAP”) and shall be consistent with policies and procedures that apply uniformly to both federally-financed

and non-federally financed activities.

All costs must be adequately documented and shall be necessary, reasonable and allocable to the performance and administration of the relevant federal award. Costs must be reasonable in both the nature and amount. The following shall be considered when to determine if a cost is reasonable:

1. Whether the cost is a type recognized as ordinary and necessary for the School's operation or for the proper and efficient performance of the federal award;
2. Applicable restraints imposed on the cost, including sound business practices, arm's-length bargaining, and relevant federal and state laws and rules;
3. Market prices for comparable goods and services for the geographical area;
4. Whether individuals authorizing the cost acted prudently when considering the costs; and
5. Whether the cost amounts to a significant deviation from established School practices that may unjustifiably increase costs.

### **Payments**

Methods of payments utilized by the School must minimize the time elapsing between the transfers of funds to and from vendors. Any funds drawn in advance must be as close in time to the actual related expenditure as feasible.

### **Compensation**

Employee or contractor compensation, including wages, salaries and fringe benefits, shall be permitted to the extent that:

1. The rate of compensation is reasonably consistent with (a) compensation paid for similar work in other activities by School employees or contractors, if any, or (b) compensation for similar work in the labor market; and
2. Compensation is supported by records that accurately reflect the work performed.

The School shall comply with all requirements to document the time and effort of personnel whose compensation is funded in whole or in part using federal grant funds. Reports must provide reasonable assurances that personnel charges are accurate, allowable and properly allocated. Time and effort reports shall be maintained by the School and shall comply with the School's established accounting practices.

Travel payment and reimbursement provided from federal funds must include documentation that

demonstrates that the participation of the individual is necessary to the federal award and the costs are reasonable and consistent with the School's policies.

*Uniform Grant Guidance*, 2 C.F.R. 200 et seq.; 2 C.F.R. 200.302; 2 C.F.R. 200.305; 2 C.F.R. 200.430; 2 C.F.R. 200.431.

See also Policy 148.2 Fixed Asset Policy/ Title I and Federal Grant Asset Policy and Policy 148.8 Federal Grants Procurement, Monitoring, and Administration.

### **148.11 Crowdfunding**

All crowdfunding campaigns shall be reviewed and pre-approved by the Principal or his/her designee.

The Principal or his/her designee shall ensure that the proposed crowdfunding campaign does not violate any federal or state law, including those governing the confidentiality of student information, and that the campaign seeks donations that comport with the School's education philosophy, needs, and technical infrastructure.

School employees must use a 501(c)(3) nonprofit crowdfunding service and donations must be sent directly to the School.

No donations will be accepted without the approval of the Board. All crowdfunding campaigns shall be through a School account. Any and all crowdfunding donations are the property of the School, which shall be entered promptly into the school property inventory or deposited in School bank accounts, and used exclusively for the stated purpose of the crowdfunding campaign. The Principal or his/her designee shall determine if the crowdfunding service obligates the School to assume any responsibility to file government-required reports of charitable activities, and if so, shall ensure such government-required reports are filed.

## MANAGEMENT AGREEMENT

This Management Agreement ("Agreement") is made effective as of the 21 day of May 2013, between **PERFORMANCE ACADEMIES, LLC** ("PA"), an Ohio limited liability company, and **TROTWOOD PREPARATORY AND FITNESS ACADEMY** ("Academy" or "School" or "Board"), an Ohio non-profit corporation.

### RECITALS

The **Academy** is organized as an Ohio community school under the Ohio Revised CODE ("CODE"), including but not necessarily limited to Chapters 3314 and 1702. Ultimate authority over The **Academy** is vested in the Board of Directors (the "Board"). The School has been granted a Charter Contract ("Contract") by the Ohio Council of Community Schools ("OCCS" or "Sponsor") to operate an Ohio community school, with the OCCS as the sponsoring body.

PA is organized to support educational institutions, and to provide educational and management services and products, human resources administration, including school personnel and business management, curricula, programs, contract administration and technology. The products and services of PA are designed to serve the needs of the schools it supports.

PA and the **Academy** desire to enter into this Agreement, whereby PA will manage and support the **Academy** to bring educational excellence and innovation to the State of Ohio, based on a mutually agreed upon school design, comprehensive educational program, and sound school and business principles and management methodologies.

In order to facilitate continuation of the **Academy** and to implement the educational program at the **School**, the parties desire to establish this arrangement for the management and operation of educational and administrative activities or functions of the **School**.

THEREFORE, it is mutually agreed as follows.

### ARTICLE I TERM

This Agreement shall become effective July 1, 2013, and shall terminate when the Contract terminates, subject to the termination provisions herein. Notwithstanding the termination of the Contract, this Agreement shall continue to remain in effect provided that the **Academy** has renewed its Contract or has entered into or is continuing to operate under any chartering school contract with an authorizing body (as defined under the CODE) and this Agreement has not been terminated pursuant to Article VIII.

## ARTICLE II CONTRACTING RELATIONSHIP

A. Authority. The **Academy** represents that it is authorized by law and by its Board of Directors, and approved through OCCS to contract with a separate entity to provide educational management services. The **Academy** further represents that it has received its preliminary approval and Contract through the OCCS to organize and operate a community school throughout the State of Ohio. The **Academy** is therefore vested with all powers within applicable law to enter into the arrangements contemplated in this Agreement. **PA** represents that it is authorized by law and by its members to enter into this Agreement and provide the services contemplated herein.

B. Agreement. Acting under and in the exercise of its authority, the **Academy** hereby contracts with **PA**, to provide certain specific functions relating to the management and operation of the school in accordance with the terms of this Agreement and the **Academy's** Contract. **PA** and the **Academy** acknowledge that each has reviewed this Agreement and all related documents and that each shall comply with the terms and conditions set forth in this Agreement.

C. Relationship and Status of the Parties. **PA** is a separate Ohio limited liability company, and is not a division or a part of the **Academy**. The **Academy** is an Ohio non-profit corporation and an entity authorized by the CODE to be an Ohio public school, and is not a division or part of **PA**. The **Academy** has or will apply for tax-exempt status under Section 501(c) (3) of the Internal Revenue CODE. The relationship between **PA** and the **Academy** is based solely on the terms of this Agreement, and the terms of any subsequent written agreements between the parties.

D. Designation of Agents. The Board of the **Academy** designates the members of **PA** as agents of the **School** having a legitimate educational interest solely for the purpose of entitling such persons access to education records under 20 U.S.C. '1232g, the Family Educational Rights and Privacy Act ("FERPA").

The parties wish to satisfy the requirements of Section 5 of Rev. Proc. 93-19, 1993-1 C.B., 526, so that the provision of **PA's** services under this Agreement does not cause the **School's** facilities to be treated as used in a private business use under Section 141(b) of the Internal Revenue CODE of 1986, as amended.

Both **PA** and the **Academy** agree that **PA's** Fee under this Agreement is reasonable compensation for services rendered.

### ARTICLE III FUNCTIONS OF PA

A. Responsibility. PA shall be responsible and accountable to the Academy for the management of the School. At least one representative of PA will meet with the Academy at its regularly scheduled Board meetings to account to the Academy for the roles and responsibilities of PA to manage the following areas:

1. Personnel and human resources administration
2. Program of instruction
3. Purchasing
4. Strategic planning
5. Public relations
6. Financial planning
7. Recruiting
8. Compliance issues
9. Budgets
10. Contracts
11. Equipment and facility
12. Such other reasonable responsibilities as PA may deem necessary to carry out the obligations under the Contract

B. Educational Program. The educational program and the program of instruction shall be implemented by PA. The superintendent or principal shall supervise the teaching staff and the day-to-day implementation of the educational program of instruction. PA shall be responsible for the following areas:

1. Educational staff recruitment
2. Educational staff professional development
3. Management of day-to-day activities of educational staff
4. Performance and evaluation of educational staff
5. Oversee course and curriculum design recommended by PA
6. Develop, maintain and administer all state mandated and other testing
7. Parent education as deemed necessary
8. Such other reasonable responsibilities as PA may deem necessary to carry out the obligations under the Contract

C. Strategic Planning. PA shall design strategic plans for the continuing educational and financial benefits of the Academy.

D. Public Relations. PA shall design and manage the public relations strategy for the development of beneficial and harmonious relationships with other organizations, the community and the State of Ohio.

E. Grants and Fund Raising. Either the Academy or PA, or both, shall locate grants and



potential sources for donations and shall recommend consultants or other entities to help with the same. Any grants and/or private donations shall be solicited or applied for by either party, on behalf of the **Academy** or **PA**, as applicable, and as mutually agreed to by the parties. Unless otherwise agreed to between the parties, all donations or grants received for the **Academy** shall be exclusively used for the **Academy**.

G. Operational Services

1. Financial Management

- a. Revenue and cash management
- b. Select benefit packages for **School** staff
- c. Manage and monitor invoices
- d. Coordinate monthly budgets and financial reports to the Board of the **School**
- e. Coordinate yearly audits
- f. Manage banking relationships.
- g. Budget revisions and financial plan

2. Compliance Management

- a. Student enrollment reports
- b. Annual report to the State of Ohio
- c. Reports to the Ohio Department of Education (including EMIS)
- d. Reports to the sponsor
- e. Policies for the Board and for the School

3. Management of Equipment/Furniture/Property

- a. Select phone system, furniture, office machines, computers and other equipment procurement
- b. Negotiate and arrange for leases or purchase agreements
- c. Inventory of equipment
- d. Track and handle surplus property
- e. Building Code compliance

4. Other

- a. Administrative services management
- b. Recruitment of non-educational staff
- c. Day-to-day management of non-teaching staff
- d. Professional development not related to teaching
- e. Management and negotiation of all contracts and purchased services including, but not limited to legal services
- f. Such other reasonable responsibilities as **PA** may deem necessary to carry out the obligations under the Contract

G. Delegation or Subcontracts. **PA** may delegate its responsibilities to employees of **PA** or of

the **School** (if any), or may contract with others to provide services or goods for the **School**, and **PA** reserves the right to subcontract or to recommend the subcontract of any and all aspects of all services it agrees to manage for the **School** including but not limited to, payroll, fiscal services and/or any technology related services.

H. Place of Performance. **PA** shall perform its functions under this Agreement at any location designated by it within the State of Ohio. The **Academy** shall provide reasonable space at its premises for **PA** to carry out its functions under this Agreement.

I. Student Recruitment. **PA** and the **School** shall be jointly responsible for the recruitment of students subject to general recruitment and admission policies. Application by or for students shall be voluntary and shall be in writing. On-line enrollment and signatures may qualify as a valid writing. Students shall be selected in accordance with the procedures set forth in the Contract, and in compliance with the CODE.

J. Legal Requirements. **PA** shall assist the **Academy** in meeting federal, state and local laws and regulations, and the requirements imposed under the CODE and the Contract, using its own legal counsel, paid for by the Fee to **PA**. Should the **Academy** and **PA** have a dispute, then the **Academy** will hire its own legal counsel.

K. Rules and Procedures. **PA** shall recommend changes in policies, rules, regulations and procedures applicable to the **School** and is authorized and directed to enforce such policies, rules, regulations and procedures adopted by the **School** or required by its Contract.

L. Grades and Student Population. **PA** shall make recommendations to the **School** concerning limiting, increasing or decreasing the number of grades offered and the number of students served per grade or in total. Changes shall be approved by the sponsor and such approval shall be obtained by either the **Academy** or **PA**.

#### ARTICLE IV PERSONNEL AND TRAINING

A. Personnel Responsibility. **PA** shall select and hire all teaching staff, administrative or other staff and evaluate, assign, discipline and transfer personnel consistent with state and federal law. **PA** may remove any staff member, with reasonable cause (or otherwise if such staff member is an at-will employee).

B. School Superintendent. **PA** shall select any superintendent and establish employment terms. **PA** shall hold the superintendent accountable for the successful education of the students of the **School** and may delegate any obligations under this Agreement to such superintendent.

C. Site-based Principal. PA shall, vet all applications and begin interviews, select, train, and discipline all candidates for Principal. One to three candidates shall be presented to the **Board** for their consent, provided however that the preference and hired candidate shall be the sole employee of PA. As the site-based Principal is integral to the success of the school, the **Board** may recommend termination of a Principal should that Principal be found to have been engaged in any misconduct or material dereliction of responsibility. When PA recommends any particular candidates for hiring or termination, the **Board** acknowledges PA's expertise in education and employment and shall follow reasonable recommendations.

D. Teachers. Prior to the commencement of and during each school year, PA shall determine the number of teachers, and the applicable grade levels and subjects required for the operation of the **School**. PA will select, and hold accountable the teachers and staff of the **School**. Teachers may work at the **School** on a full- or part-time basis. If assigned to the **School** on a part-time basis, such teachers may also work elsewhere as long as such other work is also part-time and does not interfere with their work at the **School**, at the sole judgment of PA. Each teacher assigned to the **School** shall hold a valid teaching certificate or license issued by the State Board of Education of Ohio under the CODE, to the extent required under the CODE, or as otherwise necessary to meet CODE provisions for non-certified teachers.

E. Support Staff. Prior to the commencement of and during any **School** year, PA shall determine the number and functions of support staff required for the operation of the **Academy**.

F. Employer of Personnel. The personnel who perform services at the **School** shall be the sole employees or subcontractors or service providers of PA and shall be paid for by PA, subject to the payment provisions of Article VI. For purposes of this Agreement, compensation shall include salary, fringe benefits, and city, state and federal tax withholdings to the extent required by law, and all other legitimate and reasonable related expenses.

## ARTICLE V OBLIGATIONS OF THE ACADEMY

The **Academy** shall exercise good faith and its best efforts in considering and adopting the recommendations of PA including, but not limited to, recommendations concerning policies, rules, regulations, procedures, curriculum, budgets, expenditures, fund raising, public relations, and school entrepreneurial affairs. The **Academy** shall cooperate with PA in all of PA's obligations hereunder. Because PA is required to pay into the state retirement systems, the **Academy** authorizes payment for PA personnel into the applicable State Retirement System, from the Fee as defined below.

## ARTICLE VI

## FINANCIAL ARRANGEMENTS

A. Payment. The **Academy** shall pay to **PA**, the revenues (the "Fee") consisting of all state and federal per pupil allocations, transportation, technology or other operational funds, including private donations, endowments or grants applied for on behalf of the **School**, except for two percent of the base state per pupil allocation, up to the amount of \$40,000, (which is to be retained by the School as a Board Reserve to be used by June 30 of each year for the School's benefit, for a purpose to be decided by the School Board or pursuant to Article VI Part C below.) Such Fee shall be used to accomplish **PA**'s duties hereunder...

B. Expenses to be Covered by PA. **PA** shall be responsible for payment of the following costs and expenses incurred under this Agreement to be paid for by its Fee hereunder

1. All wages, compensation and expenses of **PA** or the **Academy** including but not limited to those for the Superintendents, Principals Treasurer, assistants, administrators, clerical staff, teachers, fitness staff, and janitorial services;
2. Workers' compensation, Directors and Officers coverage or other insurance including, but not limited to, any necessary comprehensive or premises liability insurance;
3. All costs to accomplish the obligations of **PA** pursuant to Article III above;
4. Attorney fees necessitated by the obligations of **PA** pursuant to the Agreement;
5. All other costs allocated to **PA** in this Agreement;
6. **PA** office expenses and supplies;
7. The cost of all services of the sponsor, if any;
8. If the **Academy** owns its operating facility, any mortgage payments associated with such facility;
9. If the **PA** owns or leases the **Academy's** operating facility, any lease or sublease payments associated with such facility.
10. Leases or sub-leases for equipment and the **Academy** offices or facilities; and
11. Travel, lodging and other expenses incurred pursuant to services rendered by **PA**.

The above expenses to be covered by **PA** are, however, subject to the payment provisions of Article VI, part A above.

C. Expenses to be Covered by the Academy. The **Academy** shall be responsible from its Board Reserve, for payment of the following costs and expenses:

1. Compensation, if any, of Board members of the **Academy**;
2. Expenses for fund raising and grant writing accomplished by the **Academy**; and
3. Such other expenses for the benefit of the **School** at the Board's discretion.

D. Other Schools. The **Academy** acknowledges that **PA** may enter into and has entered into similar management agreements with other public community schools. **PA** shall maintain separate accounts for the **School** and shall only allocate to the **School** the expenses incurred on its behalf. If **PA** incurs expenses which are not able to be precisely allocated, then **PA** shall allocate such

expenses among all community schools it manages on a prorated basis, based upon the number of students enrolled or upon such other equitable basis acceptable to the parties.

E. Financial Reporting of PA. PA shall provide the **School's** Board with:

1. A proposed and projected annual budget prior to opening each fiscal year;
2. Statements of all revenues received with respect to the **Academy**, and statements of all direct expenditures for programming, curriculum activities in operation of **the Academy**;
3. Consultation on annual audits in compliance with state law and regulations showing the manner in which funds are spent for the **Academy**;
4. Reports on **School** operations and finances on a quarterly basis and other information on a reasonably requested basis to enable the Board to monitor the performance of the **School**;
5. A reasonable opportunity to inspect, examine, audit and otherwise review the books, records, accounts, ledgers and other financial documents of PA to the extent that they relate to or otherwise pertain to the programming and activities of the **School**.

F. Financial Reporting of the Academy. The **Academy** shall provide PA with statements of all funds received by the **Academy** from grants applied for by the **Academy**, donations or endowments and statements of all expenditures and investments made with such funds, as well as with the Board Reserve funds.

G. Loans. Either party, the **Academy** or PA, or any other community school managed by PA may make loans to the other provided such loans are documented.

H. Academy Responsibilities. The **Board** shall (a) have ultimate responsibilities for all revenues of the **School** and (b) are solely accountable for use of the **Board** Reserve and (c) approve and oversee all budgets, amendments, and financials of the **Academy**. The **Board** has primary responsibility to authorize and oversee federal grants and appoints PA as its administrator of such grants.

## ARTICLE VII ADDITIONAL PROGRAMS

The services provided by PA to **The Academy** under this Agreement consist of all management responsibilities during the school year and school day. This is a total performance Agreement. PA may recommend or establish additional programs including, but not limited to, parent, adult, or community education and pre-kindergarten, on such terms and conditions as PA determines beneficial to the **School**. The **Academy** shall be ultimately responsible for obtaining the written consent of the **Academy's** sponsor when any change requires such consent, however, PA may assist in gaining such consent.

## ARTICLE VIII TERMINATION OF AGREEMENT WITH CAUSE

A. Termination by PA. PA may terminate this Agreement with cause, prior to the end of the term specified in Article I, or during any extended or renewed term thereunder or under the Contract, in the event that the **Academy** fails to remedy a material breach of this Agreement within ninety (90) days after written notice from PA. A material breach may include, but is not limited to, failure to make payments to PA as required by this Agreement, failure of the State of Ohio to adequately fund the operations of the **School**, or the **Academy's** failure to adhere to the personnel, curriculum, program or similar material recommendations of PA. Upon such termination, PA shall have the option to reclaim any usable property or equipment (e.g., copy machines, personal computers) provided or installed by PA from its Fee, and not paid for by the **Academy**, or to reclaim the depreciated cost of such equipment. Provided, however, all assets, to the extent fully paid for by the **Academy**, shall remain the property of the **Academy**.

B. Termination by the Academy. The **Academy** may terminate this Agreement after prior written notice to PA, upon the occurrence of any of the following:

1. Effective the date the **Academy** is to cease operations if the **Academy** shall cease to be approved by its authorized sponsor as an Ohio Community School and the **Academy** or PA cannot secure another sponsor; or
2. Upon sixty (60) days prior written notice, in the event that PA shall be guilty of a felony or fraud, gross negligence, or other act of willful or gross misconduct in the rendering of services under this Agreement; or
3. In the event that PA fails to remedy a material breach of its duties or obligations under this Agreement within six (6) months after written notice of the breach is provided to PA by the **Academy**.

C. Change in Law. If any federal, state or local law or regulation, or court decision has a material adverse impact on the ability of either party to carry out its obligations under this Agreement, then either party, upon written notice, may request renegotiation of the Agreement and if the parties are unable or unwilling to renegotiate the terms within ninety (90) days after the notice, the party requiring the renegotiation may terminate this Agreement on or upon thirty (30) days further written notice.

## ARTICLE IX PROPRIETARY INFORMATION

To the extent that materials, documents or ideas were, or are, owned, designed, developed, formulated, written by or created by **PA**, the **Academy** agrees that **PA** shall own all copyright, trademark, licensure, royalty or other proprietary rights to all instructional materials, training materials, curriculum and lesson plans, and any other materials provided by **PA**, its employees, members, Board of Directors, officers or subcontractors. The **Academy** shall have the right to use such materials during the term of this Agreement. To the extent materials, documents or ideas were formulated by, written by or created by the **Academy**, the **Academy** shall have the sole and exclusive right to license such materials for use by other schools, districts, public schools, customers or other persons or entities or to modify and/or sell materials. The **Academy** shall treat any proprietary information owned, designed, developed, written or created by **PA** as though it were a trade secret or protected by copyright, and shall use efforts as may be reasonably requested by **PA** in writing to refrain from disclosing, publishing, copying, transmitting, modifying, altering or utilizing such proprietary information during the term of this Agreement or at any time after its expiration other than to the extent necessary for implementation of this Agreement. The **Academy** shall require that no **School** personnel or agent disclose, publish, copy, transmit, modify, alter or utilize the propriety information of **PA**, to the extent consistent with the CODE and/or the educational obligations of the **Academy**.

## ARTICLE X INDEMNIFICATION

The **Academy** covenants and agrees that it will indemnify and hold **PA**, and all of its officers,, members, managers, agents, and employees harmless for any claims, losses, damages, costs, charges, expenses, liens, settlements of judgments, including interest thereon, whether to any person, including employees of **PA**, or property of both, by reason of any negligence or omission on the part of the **Academy** arising directly out of or in connection with the **Academy**'s performance under this Agreement, to which **PA** or any of its officers, members, managers, agents or employees may be subject or put, including but not limited to those related in any way to the **Academy**'s failure to follow the recommendations of **PA**. The **Academy** shall not be liable to indemnify **PA** or any of its officers, members, managers, agents or employees for damages directly caused by or resulting from the sole negligence of **PA** or any of its officers, members, managers, agents or employees. **PA** shall not be liable to indemnify the **Academy** or any of its officers, Board of Directors, members, agents or employees for damages directly caused by or resulting from the sole negligence of the **Academy** or any of its Board of Directors, officers, members, agents or employees.

**PA** covenants and agrees that it will indemnify and hold the **Academy** and all of its officers, Board of Directors, agents and employees harmless for any claim, loss, damage, cost, charge, expense, lien, settlement or judgment, including interest thereon, whether to any person, including employees of the **Academy**, or property or both, by reason of any negligent act or omission on the part of **PA**, arising directly out of or in connection with **PA**'s performance, under this Agreement, to which the **Academy** or any of its officers, Board of Directors, agents or employees may be subject or put. **PA**

shall not be liable to indemnify the **Academy** or any of its officers, Board of Directors, agents or employees for damages directly caused by or resulting from the sole negligence of the **Academy** or any of its officers, Board of Directors, agents or employees.

## **ARTICLE XI WARRANTIES AND REPRESENTATIONS**

The **Academy** and **PA** each represent that it has the authority under law to execute, deliver and perform this Agreement, and to incur the obligations provided for under this Agreement, that its actions have been duly and validly authorized, and that it will take all steps reasonably required to implement this Agreement. The **Academy** and **PA** mutually warrant to the other that, to its knowledge, there are no pending actions, claims, suits or proceedings, threatened or reasonably anticipated against or affecting it, which, if adversely determined, would have a material adverse affect on its ability to perform its obligations under this Agreement.

## **ARTICLE XII ALTERNATIVE DISPUTE RESOLUTION PROCEDURE**

Any and all disputes between the parties concerning any alleged breach of this Agreement, or arising out of or relating to the interpretation of this Agreement or the parties' performance of their respective obligations under this Agreement, shall be submitted to non-binding mediation. Unless the parties agree upon a single mediator, the mediation panel shall consist of three persons, including one person who is selected or recommended by the **Academy** with one selected by **PA** and one selected by the two mediators. The mediation shall be conducted in accordance with any mutually agreeable organization locally. AL mediators' fees shall be split equally between the **Academy** and **PA**.

## **ARTICLE XIII MISCELLANEOUS**

A. Sole Agreement. This Agreement supersedes and replaces any and all prior agreements and understandings between the **Academy** and **PA**.



- B. Force Majeure. Neither party shall be liable if the performance of any part or all of this Agreement is prevented, delayed, hindered, or otherwise made impracticable or impossible by reason of any strike, flood, riot, fire, explosion, war, or act of God, sabotage, accident, or any other major casualty or similar cause beyond either party's control, and which cannot be overcome by reasonable diligence and without unusual expense.
- C. Notices. All notices, demands, requirements and consents under this Agreement shall be in writing, shall be delivered to each party and shall be effective when received by the parties.
- D. Severability. The invalidity of any of the covenants, phrases or clauses in this Agreement shall not affect the remaining portions of this Agreement, and this Agreement shall be construed as if such invalid covenant, phrase or clause had not been contained in this Agreement. Such invalidated covenant, phrase or clause shall be replaced or the remaining provisions construed so as to represent the parties' original intent as nearly as possible.
- E. Successors and Assign. This Agreement shall be binding upon, and inure to the benefit of the parties and their respective successors and assigns.
- F. Entire Agreement. This Agreement is the entire agreement between the parties relating to the services provided and the compensation for such services.
- G. Non-waiver. No failure of a party in exercising any right, power or privilege under this Agreement shall affect such right, power or privilege, nor shall any single or partial exercise thereof preclude any further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies of the parties under this Agreement are cumulative and not exclusive of any rights or remedies which any of them may otherwise have.
- H. Assignment. This Agreement shall not be assigned by either party without the prior written consent of the other party, provided, PA may without the consent of the Board delegate the performance for such duties and obligations of PA as specifically set forth herein.
- I. Survival of Termination. All representations, warranties and indemnities made herein shall survive termination of this Agreement.
- J. Governing Law. This Agreement shall be governed by and enforced in accordance with the laws of the State of Ohio.

By: Mynha J. Stow  
Its: Member  
5-21-13  
Date

ACADEMY

By: A. C. C. Y. H.  
Its: Board Chairman  
21 MAY 13  
Date



## ORGANIZATIONAL CHART

