

AMENDMENT TO SPONSORSHIP AGREEMENT

This AMENDMENT TO SPONSORSHIP AGREEMENT ("Agreement") is entered into and effective as of this 1st day of March, 2023, by and between the Governing Authority of Strongsville Academy (the "Governing Authority"), the governing board of a new start-up Ohio public community school established as a public benefit corporation under Ohio Revised Code (R.C.) Chapter 1702 and St. Aloysius Orphanage (the "Sponsor"), an authorized Sponsor under R.C. Chapter 3314.

WITNESSETH:

WHEREAS, the Sponsor and the Governing Authority entered into a Community School Contract effective on July 1, 2022 (the "Contract");

WHEREAS, Section 11.17 of the Agreement permits changes or modifications to be made to the Contract if such changes or modifications are mutually agreed upon by Sponsor and Governing Authority; and

WHEREAS, Sponsor and Governing Authority agree to the following modification to the Contract;

NOW THEREFORE, in consideration of the covenants and obligations contained herein and in the contract, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. **Section 6.1.** Remove "The School shall serve grades K-5 and ages 5-11." Replace with "The School shall serve grades K-3 and ages 5-9."
2. **Section 6.1.2.** Remove the section in its entirety.

The aforementioned amendment to the Contract will be effective immediately. Except as modified by this resolution, all other terms and conditions of the Contract shall remain in full force and effect.

St. Aloysius

By: 
(Signature)

Its: President and CEO

Date: 4/1/2023

Governing Authority of Strongsville Academy

By: 
(Signature) Jonathan Petrea

Its: Chairman

Date: 3-1-2023

This **CHARTER** is entered into by and between ST. ALOYSIUS (“**Sponsor**”) and STRONGSVILLE ACADEMY (“**School Governing Authority**”), the governing board of a new start-up Ohio public community school established as a public benefit corporation under Ohio Revised Code (R.C.) Chapter 1702.

WHEREAS, R.C. Chapter 3314 permits Ohio public community schools; and

WHEREAS, **St. Aloysius** is an authorized **Sponsor** under R.C. Chapter 3314; and

WHEREAS, the **School Governing Authority** is an Ohio public benefit corporation with its corporate principal place of business located at 16000 Foltz Parkway, Strongsville, OH 44136 (“**School**”) in Cuyahoga County, Ohio; and

WHEREAS, the **School** is located in the Strongsville City School District; and

WHEREAS, the **School Governing Authority** wishes to fully state or restate its agreement to operate an Ohio community school;

NOW THEREFORE, the **School Governing Authority** and the **Sponsor** enter into this Charter pursuant to the following terms and conditions. All Attachments and Recitals to this Charter are incorporated by reference and made a part of this Charter.

ARTICLE I

Purpose

- 1.1 **Purpose.** This Charter authorizes the operation of the **School** pursuant to R.C. Chapter 3314. Such school shall be a public school, independent of any School District and is part of the State of Ohio Program of Education. Pursuant to R.C. Section 3314.01, the **School Governing Authority** may sue and be sued, acquire facilities as needed, and contract for services necessary for the operation of the **School**. The **School Governing Authority** may carry out any act and ensure the performance of any function that is in compliance with the Ohio Constitution, R.C. Chapter 3314, other statutes applicable to community schools and the terms of this Charter. The **School Governing Authority** covenants and agrees to Sections 1.2 through 1.3 below.
- 1.2 **Non-Profit Corporation.** The **School** is established and operated as a non-profit corporation under R.C. Chapter 1702 if established prior to April 8, 2003. The **School Governing Authority** shall maintain in good standing the **School’s** status as a non-profit corporation. The **School Governing Authority** shall hold all rights to the name of the **School** and any trade names or fictitious names.
- 1.3 **Public Benefit Corporation.** The **School Governing Authority** must be an Ohio Public Benefit Corporation under R.C. 1702.01(P), if formed after April of 2003. Attached as **Attachment 1.3** are the Certificate of Incorporation, Articles of Incorporation, and Code of Regulations. Any changes or updates in any of these documents must be reported in

writing to the **Sponsor** within seven (7) business days of the effective date of such changes, along with a copy of all documentation and filings.

For schools beginning operation after July 1, 2020, no later than December 31 of the current year, the **School Governing Authority** shall apply to qualify as a federal tax exempt entity under Section 501(c)(3) of the Internal Revenue Code. The **School Governing Authority** shall submit a copy of the application as submitted to the IRS to the **Sponsor** within seven (7) business days of submission. Any change in tax status of the **School** must be reported in writing to the **Sponsor** within seven (7) business days after notice to the **School** or the **School Governing Authority**, with a copy of any documentation and official/governmental notices or letters.

1.4 **Sponsor.** The **Sponsor** shall carry out the responsibilities established by law and provide monitoring, oversight and technical assistance to the Schools in accordance with R.C. 3314.03(D) by completing the following::

- (a) Monitor the **School's** compliance with the laws applicable to the **School** and with this Charter;
 - (i) Conduct site visits to the **School** as necessary;; and
- (b) Monitor and evaluate the academic performance and the organization of the **School** as delineated in the Performance Framework included as Attachment 6.4, the state report cards issued for the School under R.C. 3302.03 and R.C. 3314.07 and any other analysis conducted by the Ohio Department of Education on at least an annual basis and provide the **School** and **School Governing Authority** with an annual report;
 - (i) Report on an annual basis the results of the evaluation conducted under R.C. 3314.03(D)(2) to the department of education and to the parents of students enrolled in the community school; and
- (c) Provide reasonable technical assistance to the **School Governing Authority** in complying with this Charter and with applicable laws (provided, however, the **Sponsor** shall not be obligated to give legal advice to the **School Governing Authority** (*See 2.7* below); and
- (d) Take steps to intervene in the **School's** operation to correct problems in the **School's** overall performance. If necessary and appropriate, declare the **School Governing Authority** to be on probation pursuant to R.C. 3314.073. The **Sponsor** shall monitor the actions taken by the **School Governing Authority** to remedy the conditions that have warranted probationary status as specified by the **Sponsor**. Provided prior written notice is delivered to all members of the **School Governing Authority**, the **Sponsor** may take over the operation of the **School**, and also replace the entire **School Governing Authority**, or any member of the **School**

Governing Authority, should the **School Governing Authority** or any officer of the **School**, if the **School Governing Authority** or its officer(s) (a) fully resigns or a majority of its members abandon(s) its/their duties hereunder or at law, or (b) act(s) or omit(s) to act in a manner that is likely to cause immediate or irreparable harm to the **School** and/or its students. The **Sponsor** may also take steps to terminate the charter with the **School Governing Authority** or to suspend operation of the **School** if the **Sponsor** at any time finds that the **School Governing Authority** is no longer able or willing to remedy those conditions to the satisfaction of the **Sponsor**.

- (e) Monitor and evaluate the **School's** fiscal performance and establish and/or require a plan of action to be undertaken if the **School** experiences financial difficulties or losses before the end of the school year;
 - (i) Upon learning of financial difficulties or losses, the **Sponsor** shall provide the **School Governing Authority** with a reasonable time frame to submit a plan of action; and
 - (ii) The **Sponsor** shall review and approve the plan within ten (10) business days of receipt; and
- (f) Provide in writing the annual assurances for the **School's** first year of operation or, if the school is not an internet- or computer-based school and changes the building from which it operates, the opening of the first year it operates from the new building pursuant to R.C. 3314.19.
- (g) Abiding by the requirements in its contract with the Ohio Department of Education, even should those requirements affect the **School** and/or the **School Governing Authority**; and
- (h) Other activities designed to specifically benefit the **School**; and
- (i) Oversee the **School's** closure.

ARTICLE II

School Governing Authority

- 2.1 **Governing Authority Members.** The **School Governing Authority** (its Board of Directors "Directors" or "Board") must contain at least five (5) Directors, who are not owners, employees, or consultants or immediate relatives of owners, employees or consultants, of the **School** or any company that operates or manages the **School**. Further, **School Governing Authority** members shall comply with R.C. 102.03, 2921.42 and 2921.43. Current resumes, which shall include full name, home and/or work address, a valid telephone number and electronic mail address, for each **School Governing Authority** member will be provided to the **Sponsor** prior to the member being appointed to the **School Governing Authority**.

The **School Governing Authority** agrees to comply with the procedures by which the members of the **School Governing Authority** of the **School** will be selected in the future as set forth in the by-laws or code of regulations. The **Sponsor** shall be notified of any changes in members in writing (members, Directors or trustees of the Board) including names, notices of new names, addresses, e-mail, resumes and telephone numbers, within seven (7) business days of such change. **School Governing Authority** members may be compensated per R.C. 3314.02(E)(5) based on the School Governing Authority's approved policy.

Each **School Governing Authority** member agrees to execute a conflict of interest statement on an annual basis and provide a copy to the **Sponsor** prior to May 31st.

The **School Governing Authority** must meet at least six (6) times per year and must send notice of all regular meetings to the **Sponsor** at least three (3) business days prior to the meeting. If the **School Governing Authority** calls a special meeting, notice must be sent twenty-four (24) hours prior to the meeting. If the **School Governing Authority** calls an emergency meeting, notice must be sent immediately. The **School Governing Authority** must maintain a policy regarding how it will notify the public of all meetings. The **School Governing Authority** shall submit a meeting schedule to the **Sponsor** no later than July 1st of each school year. Any changes to the meeting schedule must be communicated within ten (10) business days of the change being approved.

All names of **School Governing Authority** members shall be posted on the **School's** website and updated timely as necessary.

- 2.2 **Training of Governing Authority Members.** All new **School Governing Authority** members are required to attend Board training. If the member chooses to complete the training offered by the **Sponsor**, which training shall be free of charge and offered in such a manner that the member may participate remotely, the member shall begin the training within thirty (30) days of appointment and complete the training within six (6) months. If the member chooses to complete training not offered by the **Sponsor**, this training must be at least four (4) hours in length and be completed within ninety (90) days of appointment to the Board. Additionally, the training must be approved by the **Sponsor** prior to completion. Existing Board members are encouraged to participate in Board training on an annual basis to remain current regarding their responsibilities as a member of the **School Governing Authority**. The **Sponsor** reserves the right to require additional training of any **School Governing Authority** member(s) at the **Sponsor's** discretion (provided training is offered by the Sponsor free of charge). If additional training is required, the training will be presented at the board meetings or electronically with advance notice provided to all **School Governing Authority** members. If the training is provided by electronically, the **School Governing Authority** members will have thirty (30) days to view the training.

- 2.3 **Criminal Background Checks of Governing Authority Members.** Under R.C. 3314.19(I), all **School Governing Authority** members are required to obtain a criminal background check free of disqualifying offenses, including both a BCI and a FBI. The BCI and FBI background checks must have been completed within one (1) year prior to the **School Governing Authority** member being appointed to the **School Governing Authority**. A potential **School Governing Authority** member shall not serve on the

School Governing Authority unless and until that person has submitted to a criminal records check in the manner prescribed by R.C. 3319.39 and a copy of the BCI and FBI check has been submitted to the **Sponsor**. The **Sponsor** shall approve the potential **School Governing Authority** member pursuant to R.C. 3314.02(E)(2)(a) and communicate the approval to the **School Governing Authority**. Each Board Member shall sign consent to release their background check to the **Sponsor**. Background checks will not be accepted if submitted by the **School Governing Authority** member or sent to the **School Governing Authority** member's address.

2.4 **Material Adverse Effect.** The **School Governing Authority** shall deliver to the **Sponsor** promptly upon obtaining knowledge of any event or circumstance that could reasonably be expected to have a material adverse effect on the operation, properties, assets, condition (financial or otherwise), prospects or reputation of the **School** including, but not limited to:

- (a) Any material breach of any covenant or agreement contained in this Charter, or
- (b) Any notice given to the **School Governing Authority** or any other action taken with respect to a claimed default under any financing obtained by the **School Governing Authority**, or
- (c) The failure of the **School Governing Authority** to comply with the terms and conditions of any certificates, permits, licenses, governmental regulations, a report in reasonable detail of the nature and date, if applicable of such event or circumstance and the **School Governing Authorities'** intended actions with respect thereto; or
- (d) The institution of or threat of any action, suit, proceeding, governmental investigation or arbitration against or directly affecting the **School Governing Authority** or any property thereof (collectively "Proceedings") not previously disclosed in writing by the **School Governing Authority**; or
- (e) Any material development in any Proceedings to which the **School Governing Authority** is a party or the **School Governing Authority's** property is subject.

Written notice of any of the above must be submitted to the **Sponsor** no later than seven (7) business days after receipt of notice provided to the **School Governing Authority**, a schedule of all Proceedings involving an alleged liability of, or claims against or affecting the **School Governing Authority** or, if there has been no change since the last such report, a statement to that effect, shall promptly be sent to the **Sponsor**. Other such information as may be reasonably requested by the **Sponsor** to enable the **Sponsor** and its counsel to evaluate any of such Proceedings shall be sent promptly upon request by the **Sponsor**.

2.5 **Sponsor Oversight.** The **School Governing Authority** and the **School's** administration covenant and agree to cooperate fully with the **Sponsor** in all activities as required by regulations of the Ohio Department of Education for oversight of the **School**. This includes, but is not limited to:

- (a) Compliance site visits as determined necessary by the **Sponsor**.

- (b) Monthly reviews of financials. All financials, operating budgets, assets, liabilities, enrollment records or similar information must be submitted by the Fiscal Officer of the **School** to the **Sponsor** by email to financials@charterschoolspec.com no later than the 15th of every month for the previous month's financial activity. The **Sponsor** shall provide a written report concerning the review of the financials to the **Governing Authority** and the fiscal officer within ten (10) days after receipt of the documents. The reports submitted may be in a format determined by the **School Governing Authority**, but must include:
- (i) Cash Fund Report – a listing of all funds used showing the month's and year's activity and balances; and
 - (ii) Revenue Summary – a listing of all revenue received for the month and for the year; and
 - (iii) Statement of Net Position or Balance Sheet – statement showing assets, liabilities and net assets, in balance sheet form; and
 - (iv) Statement of Revenues, Expenses and Changes in Net Position or Income Statement – Statement showing monthly and year-to-date Revenue and Expenses comparative to corresponding budgeted amounts; and
 - (v) Check Register – a listing of all checks for the month; and
 - (vi) Cash Reconciliation – a book to bank reconciliation of all cash accounts with copies of bank statements; and
 - (vii) Aged Accounts Payable Detail – a listing of all outstanding accounts payable aged in 30 day increments; and
 - (viii) Enrollment Records – in the form of monthly FTEs; and
 - (viv) Copy of the monthly State Community School Statement of Settlement Report, and Detail Funding Report.

Fiscal Officers will be notified if a deadline is not met and/or if reports submitted do not contain all of the data required. Both the Fiscal Officer and School Governing Authority will be notified if the **Sponsor** does not receive the required data within seven (7) calendar days of the deadline. Additionally, failure to provide the **Sponsor** with the required

data within fifteen (15) calendar days of the deadline may result in a Corrective Action Plan; and

- (c) Signature on this document shall be evidence of granting read only access to the **Sponsor** to all data and data systems related to the academic, fiscal, and compliance performance of the **School**.
- (d) Other appropriate and reasonable requests for information from the **Sponsor**, the Ohio Department of Education, or other required governmental agencies.
- (e) **Sponsor** representatives can act as non-voting ex-officio Board Members and shall be included in executive sessions unless explicitly excused by the **School Governing Authority** so that the **Sponsor** may be discussed or to avoid inadvertent waiver of attorney client privilege. When any **Sponsor** representative is included in an executive session, he/she will abide by all applicable confidentiality rules.
- (f) If the **School** receives comments or findings in its annual audit, **the School Governing Authority** shall have a post-audit conference. The **School Governing Authority** shall consult with the **Sponsor** prior to waiving the post-audit conference. The **Sponsor** shall participate in the post-audit conference even if the **School Governing Authority** chooses to waive the conference.

- 2.6 **Technical Assistance and Training by Sponsor.** The **Sponsor** may provide technical assistance and training to the **School** and its staff at such times and to the extent that the **Sponsor** deems appropriate or as the then current law requires. As required by law, the **School**, **School Employees** and **School Governing Authority** shall attend training and receive technical assistance at the direction of the **Sponsor**. The **School Governing Authority** has the right to request and the **Sponsor** shall provide reasonable technical assistance or additional training in areas in which the **Sponsor** has knowledge provided the technical assistance is not the responsibility of the **School Governing Authority's** third party vendors.
- 2.7 **Governing Authority Contracts.** If the **School Governing Authority** contracts with an attorney, accountant, or entity specializing in audits, the attorney, accountant, or entity shall be independent from the operator with which the school has contracted.
- 2.8 **Internal Financial Controls.** The **School Governing Authority** shall submit copies of all policies and procedures regarding internal financial controls, including the **School's** credit card policy, adopted and include them as [Attachment 2.8](#) in this charter agreement.

- 2.9 **Public Records and Open Meetings Training.** The **School Governing Authority** members, the designated fiscal officer of the **School**, the chief administrative officer and other administrative employees of the **School**, and all persons contracted by the **School's** operator for supervisory or administrative services shall complete training on an annual basis on the public records and open meetings laws.

ARTICLE III

Operations

- 3.1 **Student Transportation.** The **School Governing Authority** will work to assure that transportation of students is provided to the extent that such transportation is required by law and shall maintain a transportation plan in accordance with R.C. 3327.016 at all times. Under R.C. 3314.091 and 3327.02, the **School Governing Authority** must notify the local traditional public school district if the **School Governing Authority** will be accepting responsibility for student transportation. If the **School Governing Authority** has entered into an agreement with the local school district that designates the **School Governing Authority** as responsible for providing or arranging for the transportation of the district's native students to and from the community school pursuant to R.C. 3314.091(A), the agreement shall be submitted to the **Sponsor** for approval. If the **School Governing Authority** assumes the responsibility for the transportation of the local district's native students by notifying the local district pursuant to R.C. 3314.091(B)(2), then it shall notify the **Sponsor** of that decision and provide a transportation plan.
- 3.2 **Management by Third Parties.** Should the **School Governing Authority** enter into any contract for management or operation of the **School** or its curriculum or operations, or any portion thereof, such fully executed contract must be reviewed and negotiated by an attorney, independent of the **Sponsor** or the operator with which the **School** has contracted. The final contract shall be attached as [Attachment 3.2](#).

If the **School Governing Authority** desires to enter into a contract with an operator after execution of this Charter, change operators during the term of this Charter, or remove an operator and operate the **School** independently, the **School Governing Authority** shall submit information using the application provided by the **Sponsor**.

The **Sponsor** shall evaluate the proposed operator or independent operation and shall provide the **School Governing Authority** with a written response within a reasonable amount of time. The **Sponsor** shall approve the proposed operator or the **School's** independent operation prior to execution of a contract with the proposed operator or termination of the contract with the current operator. If the proposed operator is approved, the **School Governing Authority** shall provide the **Sponsor** with the fully executed contract within three (3) business days of execution. This contract shall be incorporated as [Attachment 3.2](#).

If the management company provides services to the **School** in excess of twenty percent (20%) of the **School's** gross annual revenues, then the management company must provide

a detailed accounting of the nature and costs of the services it provides to the **School**, acceptable to the Auditor of the State of Ohio. This information shall be included in the footnotes of the financial statements of the **School** and be subject to audit during the course of the regular financial audit of the community school.

If the management company or operator loans money to the **School** or **School Governing Authority**, all moneys loaned, including facilities loans or cash flow assistance, must be accounted for, documented, and bear interest at a fair market rate.

If the **School** permanently closes and ceases its operation as a community school, any property that was acquired by the operator or management company of the **School** in the manner prescribed in R.C. 3314.0210 shall be distributed in accordance with R.C. 3314.015(E) and R.C. 3314.074.

The **School Governing Authority** shall evaluate the performance of its management company. This evaluation shall occur annually and a report of the evaluation shall be submitted to the **Sponsor** by October 30th of each year excluding the first year of operation or within forty-five days after the release of the local report card by the Ohio Department of Education, whichever is later.

- 3.3 **Non-Sectarian.** The **School** shall be nonsectarian in its programs, admission policies, employment practices, and all other operations, and will not be operated by a sectarian school or religious institution.
- 3.4 **Disposition of Assets.** To the extent permitted under Chapter 1702 of the Ohio Revised Code and the Internal Revenue Code with respect to a **School** which is a 501(c)(3) tax exempt organization, if the **School** permanently closes the **School** and **School Governing Authority** agree to distribute all assets in accordance with Section 3314.074 of the Ohio Revised Code. The **School** shall comply with the closing procedures as agreed to in [Attachment 3.4.](#)
- 3.5 **Commencement of School Operations.** The **School** shall open for operation not later than September 30th of each school year, unless the mission of the **School** is solely to serve dropouts. In its initial year of operation, if the **School** fails to open by the thirtieth (30th) day of September, or within one (1) year after the adoption of the charter if the mission of the **School** is solely to serve dropouts pursuant to division (D) of section 3314.02 of the Revised Code, the charter shall be void.
- 3.6 **Safety Plan.** Under R.C. 3313.669, 3313.6610 and 5502.263, the **School Governing Authority or designee** shall submit to the director of public safety, an electronic copy of its emergency management plan not less than once every three years, whenever a major modification to the building requires changes in the procedures outlined in the plan, and whenever information on the emergency contact information sheet changes. The **School Governing Authority or designee** shall also file a copy of the plan with each law enforcement agency that has jurisdiction over the school building.

- 3.7 **Racial and Ethnic Balance.** [Attachment 3.7](#) shall include the ways the **School** will achieve racial and ethnic balance reflective of the community it serves. Notwithstanding the admissions procedures of the **School**, in the event that the racial composition of the enrollment of the **School** is in violation of a federal desegregation order, the **School** shall take any and all corrective measures to comply with desegregation order. The **School Governing Authority** must assess the Racial and Ethnic Balance of the **School** each year in order to make necessary adjustments to any marketing plans currently used by the **School** in order to attempt to be reflective of either the community it serves or the local traditional public school district in which the **School** resides.
- 3.8 **Tuition.** Subject only to any applicable exception pursuant to R.C. 3314.26, tuition in any form shall not be charged for the enrollment of any student. Additionally, the **School Governing Authority** shall not require parents to volunteer in lieu of a tuition charge. Nothing in this section prevents reasonable activity or class fees as allowed by law, or the **School Governing Authority** engaging in voluntary fund-raising activities.
- 3.9 **Admissions Policy.** The admissions and enrollment procedures of the **School** are attached hereto as [Attachment 3.9](#) and shall be followed and may not be changed without the prior written notice to the **Sponsor**. At a minimum, the admission procedures at all times must comply with R.C. 3314.06 and R.C. 3314.061 if applicable and must:
- (a) specify that the **School** will not discriminate in its admission of students to the **School** on the basis of race, religion, color, national origin, handicap, intellectual ability, athletic ability or measurement of achievement or aptitude;
 - (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 that meet a definition of “at-risk,” as defined within this Charter, (iii) residents of a specific geographic area within the district, as defined in this Charter, (iv) separate groups of autistic students and nondisabled students under R.C. 3314.061 and as defined in this Charter, and/or (v) single-gender students of either sex.
- If the number of applicants meeting admission criteria exceeds the capacity of the **School’s** programs, classes, grade levels or facilities, 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. The lottery may be conducted by the **Sponsor**.
- (c) The **School Governing Authority** shall adopt a policy regarding the admission of students residing outside the district in which the **School** is located. That policy

shall comply with the admissions procedures specified in sections 3314.06 and 3314.061 of the Revised Code and at the sole discretion of the authority, shall do one of the following:

- (i) Prohibit the enrollment of students who reside outside the district in which the **School** is located; or
 - (ii) Permit the enrollment of students who reside in districts adjacent to the district in which the **School** is located; or
 - (iii) Permit the enrollment of students who reside in any other district in the state.
- (d) If the **School** serves kindergarten and first grade students, it may admit students early into kindergarten and first grade based on the **School's** local policy for early entrance. If it is the intent of the **School** to admit students who do not meet the statutory deadline for regular admission, the **School Governing Authority** must adopt its own local policy for early entrance and/or the Early Entrance Student Acceleration Policy for Advanced Learners as applicable.

3.9.1 The **School Governing Authority** agrees to provide notices to students, parents, employees and the general public indicating that all of the **School's** educational programs are available to its students without regard to race, creed, color, national origin, sex and disability. Further, the **School** shall provide a non-discrimination notice in all newsletters, annual reports, admissions materials, handbooks, application forms and promotional materials other than radio advertisements.

3.9.2 The **School Governing Authority** agrees to provide a copy of the most recent Local Report Card to parents during the admissions process under R.C. 3313.6411(B).

3.10 **Attendance Policy.** The **School Governing Authority** must adopt an attendance policy that includes a procedure for automatically withdrawing a student from the **School** if the student, without a legitimate excuse, fails to participate in seventy-two (72) consecutive hours of the learning opportunities offered to the student. The **School** and **School Governing Authority** shall ensure all attendance and participation policies will be available for public inspection and that all policies comply with rule and law applicable to truancy and excessive absences. The **School's** attendance and participation records shall be made available to the Ohio Department of Education, auditor of state and the **Sponsor** to the extent permitted under and in accordance with the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232g, as amended, and any regulations promulgated under that act, and R.C. 3319.321.

3.11 **Suspension and Expulsion Policies.** The **School Governing Authority** shall maintain a policy regarding suspension, expulsion, 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 thereto. The **School's** practices pursuant to the policy 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 infringe upon the rights of handicapped students as provided by state and federal law and the **School** must also maintain a policy for the discipline of students receiving special education services. Additionally, the **School** shall not suspend, expel or remove a student from the **School** under section 3313.66 of the Revised Code solely on the basis of the student's absences from school without legitimate excuse.

- 3.12 **Students with Disabilities.** Upon admission or identification of any disabled student, the **School** will comply with all federal and state laws regarding the education of students with disabilities. The **School** shall provide all necessary related services or the **School Governing Authority** may contract for related services. The **School Governing Authority's** plan to provide these services is included in [Attachment 3.12.](#)
- 3.13 **School Closure or Reconstruction.** The **School** agrees to 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 unless program changes are approved in writing by the **Sponsor**. The **Sponsor** may, at its sole discretion, operate the **School** in the event the **School Governing Authority** fails to continue until the end of the approved school year or is otherwise suspended or terminated. Provided prior written notice is delivered to all members of the **School Governing Authority**, the **Sponsor** may also replace the **School Governing Authority** or any officer of the **School**, if the **School Governing Authority** or its officer(s) (a) fully resigns or a majority of its members abandon(s) its/their duties hereunder or at law, or (b) act(s) or omit(s) to act in a manner that is likely to cause immediate or irreparable harm to the **School** and/or its students. Provided however, the **Sponsor** may suspend the operations or terminate the charter as otherwise indicated by law.
- 3.14 **Internet or Computer-Based Community Schools.** The **School Governing Authority** and **School**, if an internet or computer-based community school, shall comply with the requirements in R.C. 3314.013 (Limits on start-up schools) and R.C. 3314.033 (Standards governing operation of internet – or computer – based community schools).
- 3.15 **Community School Bond.** No **School** shall initiate operation after February 1, 2016, unless the **School Governing Authority** has posted a bond in the amount of fifty thousand dollars with the auditor of state. In lieu of the bond, the **School Governing Authority**, the **Sponsor** or the operator may deposit, with the auditor of state, cash in the amount of fifty thousand dollars as guarantee of payment under R.C. 3314.50. In lieu of a bond or a cash deposit, the **Sponsor** or the operator may provide a written guarantee of payment, which shall obligate the **Sponsor** or operator to pay the cost of audits of the **School** up to the amount of fifty thousand dollars. Any such written guarantee shall be binding upon any successor entity that enters into a contract to **Sponsor** or to operate the **School**, and any such entity, as a condition of its undertaking shall acknowledge and accept such obligation.
- 3.16 **Enrollment and Residency Policy.** The **School Governing Authority** must adopt an Enrollment and Residency Policy in accordance with sections 3313.672, 3313.64, 3313.65,

3314.03 and 3314.11 of the Ohio Revised Code. The **School** shall annually submit to the Ohio Department of Education and auditor of state a report of each instance under which a student who is enrolled in the **School** resides in a children's residential center as defined under R.C. [5103.05](#).

ARTICLE IV

Compliance With Laws

- 4.1 **Compliance with State Laws.** The **School** shall comply with the following sections of the Ohio Revised Code as applicable to the **School's** operations: 9.90 (Purchase or procurement of insurance), 9.91 (Placement or purchase of tax-sheltered annuity for educational employees), 109.65 (Missing children clearinghouse – missing children fund), 121.22 (Public Meetings), 149.43 (Availability of public records for inspection and copying), 311.29 (Authority for the county sheriff to contract with a community school for police services), 2151.357, (Institution receiving children required to make report), 2151.421 (Reporting child abuse or neglect), 2313.19 (Employer may not penalize employee for being called to jury duty), 3301.07 (Requirement to report financial information to the State Board in the same manner as school districts), 3301.0710 (Ohio Graduation Tests), 3301.0711 (Administration and grading of tests), 3301.0712 (College and work ready assessments), 3301.0714 (Guidelines for statewide education management information system) (as stated in 3314.17), 3301.0715 (District board to administer diagnostic assessments – intervention services), 3301.0723(C) (Data verification code for younger children receiving state services), 3301.0729 (Time spent on assessments), 3301.52 to 3301.059 (Preschool program standards and licensing), 3301.60 (Interstate Compact on Educational Opportunity for Military Children), 3301.947 (Privacy of data during testing), 3301.948 (Provision of data to multi-state consortium prohibited), 3302.037 (Notification of report card results to parents, board); 3302.13 (Reading achievement improvement plan requirements), 3302.16 to 3302.18 (Authority for establishment of community learning centers at schools), 3302.20 (Financial reporting requirements), 3309.013 (Exclusions from definition of employee under ORC section 3309.01), 3311.742 (Municipal school district student advisory committees), 3313.131 (Member of governing authority of community school prohibited from membership on board of education), 3313.375 (Lease-purchase agreement for building or improvements to building), 3313.411 (Lease or sale of unused school facilities), 3313.472 (Policy on parental and foster caregiver involvement in schools), 3313.50 (Record of tests – statistical data – individual records), 3313.5310 (Information and training regarding sudden cardiac arrest), 3313.539 (Concussions and school athletics), 3313.602 (Veteran's Day Observance), 3313.608 (Third Grade Reading Guarantee), 3313.609 (Grade Promotion and Retention Policy) 3313.6012 (Policy governing conduct of academic prevention/intervention services), 3313.6013 (Dual enrollment program for college credit), 3313.6014 (Parental notification of core curriculum requirements), 3313.6015 (Resolution describing how district will address college and career readiness and financial literacy), 3313.6020 (Policy on Career Advising), 3313.6025 (Instruction on proper interactions with peace officers); 3313.6026 (FAFSA data sharing agreement); 3313.611 (State seal of biliteracy), 3313.6411 (Providing report card to parent), 3313.643 (Eye protective devices),

3313.648 (Prohibiting incentives to enroll in district), 3313.66 (Suspension, expulsion or permanent exclusion- removal from curricular or extracurricular activities), 3313.661 (Policy regarding suspension, removal, expulsion and permanent exclusion), 3313.662 (Adjudication order permanently excluding pupil from public schools), 3313.666 (District policy prohibiting harassment required), 3313.667 (District bullying prevention initiatives), 3313.668 (Removal from school based on absences), 3313.669 and 3313.6610 (SAVE Students Act), 3313.67 (Immunization of pupils – immunization records – annual summary), 3313.671 (Proof of required immunizations – exceptions), 3313.672 (Presenting school records, custody order if applicable and certification of birth by new pupil), 3313.673 (Screening of beginning pupils for special learning needs), 3313.69 (Hearing and visual tests of school children – exemptions), 3313.71 (Examinations and diagnoses by school physician), 3313.7110 (Procurement of epinephrine autoinjectors for public schools), 3313.7112 (Requirements related to care of students with diabetes), 3313.7113 (Procurement of inhalers for board), 3313.716 (Possession and use metered dose inhaler or dry powder inhaler to alleviate asthmatic symptoms), 3313.718 (Possession and use of epinephrine auto-injector to treat anaphylaxis), 3313.719 (Food allergy protection policy), 3313.721 (Health care for students), 3313.80 (Display of national flag), 3313.814 (Standards governing types of food sold on school premises), 3313.816 (Sale of a la carte beverage items), 3313.817 (A la carte foods; determination of nutritional value; software), 3313.86 (Health and safety review), 3313.89 (Publication of information regarding online education and career planning tool), 3313.96 (Informational programs relative to missing children – fingerprinting program), 3314.0210 (Property purchased by operator or management company), 3314.032 (Contents of contract between governing authority and operator), 3314.035 (Publication of names of members of governing authority), 3314.036 (Employment of attorney), 3314.037 (Training on public records and open meetings laws), 3314.038 (Children residing in residential center; reporting), 3314.08 (Annual enrollment reports), 3314.101 (Suspension of employee pending criminal action), 3314.103 (Termination of contract prior to termination of annual session), 3314.18 (Breakfast and lunch programs – summer extension), 3314.40 (Report of employee conviction or alternative disposition), 3314.401 (Employee investigation report kept in personnel file), 3314.402 (Application of collective bargaining agreement), 3314.403 (False report of employee misconduct prohibited), 3314.44 (Collection and transmittal of school records after closing), 3317.161 (Approval of career-technical education programs), 3319.073 (In-service training in child abuse prevention programs), 3319.077 (Teacher professional development in dyslexia), 3319.078 (Multi-sensory structured literacy certification), 3319.22 through 3319.31 (Licensure/certification of employees), 3319.318 (Illegally assisting a sex offender in attaining school employment), 3319.321 (Confidentiality), 3319.39 (Criminal records check), 3319.391 (Applicants and new hires subject to criminal records check provisions), 3319.393 (Educator profile database consultation), 3319.41 (Corporal punishment policy), 3319.46 (Policy and rules regarding positive behavior intervention supports and the use of physical restraint or seclusion), 3319.47 (Sexual harassment counseling), 3319.58 (Retesting teachers in low performance schools), 3320.01, 3320.02 and 3320.03 (Ohio Student Religious Liberties Act of 2019), 3321.041 (Excused absences for certain extracurricular activities), 3321.01 (Compulsory school age – requirements for admission to kindergarten or first grade – pupil personnel services committee), 3321.13 (Duties of teacher or superintendent upon withdrawal or

habitual absence of child from school – forms), 3321.14 (Attendance officer – pupil-personnel workers), 3321.17 (Attendance officer and assistants – powers), 3321.18 (Enforcement proceedings), 3321.19 (Examination into cases of truancy – failure of parent, guardian or responsible person to cause child’s attendance at school), 3323.19 (Comprehensive eye examination), 3323.251 (Dyslexia screening), 3327.01, 3327.02 and 3327.09 (Student transportation), 3327.10 (Qualifications of drivers), 3327.16 (Volunteer bus rider assistance program), 3333.31 (Rules for determining student residency), 3333.81 to 3333.88 (Requirements related to student participation in distance learning courses), 3365.032 (Notice of expulsion of student), 3737.73 (Fire, Tornado and Lockdown Drills), 4111.17 (Prohibiting discrimination in payment of wages), 4113.52 (Reporting violation of law by employer or fellow employee), 5502.262 (Safety Plans) and 5705.391 (Board of education spending plan), Chapters 117 (Auditor of State), 1347 (Personal Information Systems), 1702 (Non-Profit Corporation Law), 2744 (Political Subdivision Tort Liability), 3307 (State Teachers Retirement System), 3309 (Public School Employees Retirement System), 3314 (Community Schools), 3323 (Special Education), 3365 (Post-Secondary Enrollment Options Program), 3742 (Lead Abatement), 4112 (Civil Rights Commission), 4117 (Collective Bargaining Law), 4123 (Workers’ Compensation), 4141 (Unemployment Compensation), and 4167 (Public Employment Risk Reduction Program) of the Ohio Revised Code as if it were a school district. The **School** will comply with these sections and chapters of the Ohio Revised Code now in effect and as hereafter amended. Certain laws listed above which are not specified therein as mandatory, are permissive, unless otherwise specifically required under this Charter. Laws listed above which are mandatory, are also mandatory under this Charter.

The **School** shall comply with Chapter 102 (Public Officers – Ethics), section 2921.42 (Having an unlawful interest in a public contract) and section 2921.43 (Soliciting or accepting improper compensation) of the Ohio Revised Code. The **School Governing Authority** must maintain a general conflict of interest policy.

The **School** shall also comply with R.C. 3302.04 (Three year continuous improvement plan – intervention by department – site evaluations) and R.C. 3302.041 (Failure to make adequate progress – corrective actions), including division (E) of R.C. 3302.04 to the extent possible, except that any action required by a school district under R.C. 3302.04 shall be taken by the **Sponsor**. The **Sponsor**, however, shall not be required to take any action under R.C. 3302.04(F).

The **School** will comply with sections 3313.6021 and 3313.6023 of the Revised Code (Requirements to provide instruction in CPR and use of AED) as if it were a school district unless it is either of the following: (i) An internet- or computer-based community school; (ii) 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 Revised Code.

The **School** will comply with section 3321.191 of the Revised Code (Adoption of policy regarding student absences; intervention strategies), unless it is an internet- or computer-based community school that is subject to section 3314.261 of the Revised Code.

The **School**, unless it is an internet- or computer-based community school, shall comply with 3313.801 (Display of national and Ohio Mottoes) as if it were a school district.

The **School** shall comply with Ohio Administrative Code Section 901:5-11-15 governing pesticide policies.

The **School** shall comply with all provisions of Title IX.

- 4.2 **Compliance with Other Laws.** The **School** and the **School Governing Authority** may not carry out any act or insure the performance of any function that is not in compliance with the United States Constitution, the Ohio Constitution, federal law, Ohio law and this Charter. The **School** and the **School Governing Authority** are not exempt from federal laws, rules and regulations, or other Ohio laws granting rights to parents.

ARTICLE V

Facilities

- 5.1 **Location of Facility.** The facility to be used for the **School** will be maintained at **16000 Foltz Parkway, Strongsville, OH 44136**. If multiple facilities are used, the **School Governing Authority** shall comply with R.C. 3314.05. If the facility has been or will be leased, a copy of the fully executed lease and any lease renewals or amendments must be provided to the **Sponsor** within seven (7) business days of its execution and shall be incorporated into this charter as **Attachment 5.1(a)**. If the facility has been or will be purchased by the **School Governing Authority**, a copy of the contract of sale and related documents must be provided to the **Sponsor** within seven (7) business days of execution, and after purchase, a copy of the recorded conveyance documents shall immediately be provided to the **Sponsor**. Any lease or sub-lease of the facility by any party, including the management company, must be documented in writing.

The **School Governing Authority** shall provide the following information in **Attachment 5.1(b)**:

- (a) a detailed description of each facility used for instructional purposes; and
- (b) the annual costs associated with leasing each facility that are paid by or on behalf of the school; and
- (c) the annual mortgage principal and interest payments that are paid by the school; and
- (d) the name of the lender or landlord, identified as such, and the lender's or landlord's relationship to the operator, if any.

The facility will not be changed and the number of square feet used will not be reduced without prior notification to the **Sponsor**. Any lease, mortgage payments, or capital improvement costs must be consistent with the yearly budgets given to and assessed by the

Sponsor. In any material change of facility, the **Sponsor**, at its sole discretion, but without obligation to do so, may request maps, plans and/or revised budgets showing adequate service of the debt and reserves for maintenance or repairs. If the School changes locations or] adds a satellite location or annex, the Sponsor shall conduct an opening assurances visit at the new location and submit assurances to the Ohio Department of Education at least ten (10) business days prior to the School using the new facility. The **Sponsor** shall not be liable for the debts, obligations or business of the **School** or the **School Governing Authority**, but may request any information the **Sponsor** deems necessary to assess adequate planning for facilities.

- 5.2 **Tax Exempt Status.** Under R.C. 5709.07, real property used by a **School** for primary or secondary educational purposes, including only so much of the land as is necessary for the proper occupancy, use and enjoyment of such real property by the **School** for primary or secondary educational purposes shall be exempt from taxation. This exemption does not apply to any portion of the real property not used for primary or secondary educational purposes.
- 5.3 **Compliance with Health and Safety Standards.** Any facility used by the **School Governing Authority** for or by the **School** shall meet all health and safety standards established by law for community school buildings. The **School** shall not begin operations either at start up or after any structural change requiring permits until such time as the **Sponsor** has viewed all health and safety permits and permission to open has been granted as required by law. **Sponsor** shall have seven (7) business days to review the health and safety permits from the date the **School Governing Authority** notifies the **Sponsor** that such permits are available for review. Facilities will be maintained in a clean, healthy manner to the satisfaction of the proper authorities. Copies of all current permits, inspections and/or certificates must be filed with the **Sponsor**. The **School** must keep all permits, inspections and/or certifications current and compliant.
- 5.4 **Closure of School.** If the **School** should close for any reason, the **School Governing Authority**, to the extent that the **School Governing Authority** owns the facility, is solely responsible for the sale, lease or other distribution of the facility.

ARTICLE VI

Educational Program

- 6.1 **Number of Students.** The **School** will provide learning opportunities to the minimum number of students as required by R.C. 3314.03(A)(11)(a) and as applicable, for a minimum of nine hundred twenty (920) hours per school year or in accordance with any applicable changes of law. The **School** shall serve grades **K-5 and ages 5-11**. The **School** shall provide the education plan template provided by the **Sponsor** as [Attachment 6.3](#) for all grades listed in this charter. The education plan shall include the characteristics and ages of the students to be served, including grade configuration and enrollment projections for the next five (5) years. If the **School Governing Authority** desires to add additional grades to the School, it shall submit a resolution requesting a charter modification to add

grades. The **Sponsor** shall evaluate the request for a modification and respond accordingly. The number of students attending the **School** at any one time shall not exceed the number allowed by the occupancy permit (including staff).

6.1.1 If the **School** is a traditional K-12 education school and it does not have at least one-hundred (100) students enrolled thirty (30) days prior to the first day of school or if the School is a drop-out recovery and prevention school and does not have seventy-five (75) students enrolled thirty (30) days prior to the first day of school, the **Sponsor** shall review the number of students enrolled, the financial and organizational position of the **School** and all other opening assurances requirements as prescribed by the Ohio Department of Education. If the **Sponsor** determines that the number of students enrolled and the financial position of the **School** are not sufficient for the **School** to remain open for the entire school year, the **Sponsor** will require a guarantee of funding from the management company or other sources to keep the **School** in operation for the entire school year. The **School** will provide the guarantee and all necessary financial data relative to the funding sources for approval prior to the due date for opening assurances documents to be submitted to the Ohio Department of Education.

6.1.2 If the **School** is a traditional K-12 education school and does not maintain at least one-hundred (100) students during the school year or if the School is a drop-out recovery and prevention school and does not maintain seventy-five (75) students during the school year, the Sponsor may place the School Governing Authority on a corrective action plan, probation, or suspend the School's operations.

6.2 **Continuing Operation.** The **School** agrees to continue operation by teaching the minimum number of students permitted by law. Time is of the essence in continuing operation. Failure to continue operation without interruption is grounds for termination of this Charter.

6.3 **Curriculum.** For purposes of this Charter, in [Attachment 6.3](#), the vision, mission, philosophy, goals, focus of the curriculum and objectives shall be separated from the methods used to achieve those goals. The **School Governing Authority** shall provide a clear mission statement which shall be incorporated into [Attachment 6.3](#). Any change in vision, mission, philosophy, goals, focus of the curriculum and objectives methods would constitute a material change in the Charter and must be requested through a charter modification process. Any Charter modification must be submitted to the **Sponsor** in writing for approval. Upon approval by the **Sponsor**, if necessary, the **School Governing Authority** shall pass a resolution outlining in detail the changes made. The **School's** curriculum must be aligned to Ohio's Learning Standards including English, Language Arts and Mathematics, Science and Social Studies content standards and any additional content areas for which standards have been established and/or revised per R.C. 3301.079. The **School** must demonstrate at any given time, and to the **Sponsor's** satisfaction, the implementation of the aligned curriculum as stated in this section. [Attachment 6.3](#)

encompasses a description of the learning opportunities that will be offered to students including both classroom based and non-classroom-based learning opportunities that is in compliance with criteria for student participation established by the department under R.C. 3314.08(H)(2). [Attachment 6.3](#) shall also include an explanation of how the educational program will be implemented within the **School's** facility.

- 6.3.1 The **School Governing Authority** shall provide the **Sponsor** with a school calendar that includes testing/assessment dates [state, diagnostics, nationally normed and local] and professional development days and bell schedule that includes collaborative teacher planning time each year for approval by a date prescribed by the Ohio Department of Education. The **School Governing Authority** may not change the school calendar or bell schedule without prior approval from the **Sponsor** and the Ohio Department of Education and if applicable, after consulting with each local traditional school district that transports students to the **School**, provided the same is required by law or the Ohio Department of Education. Any changes made without this approval may result in a corrective action plan.
- 6.3.2 The **School** shall develop a prevention/intervention plan not related to the special education non-discriminatory evaluation process for all students not found proficient on the Ohio system of assessments and/or the current tests being required by the Ohio Department of Education. Each year, the **School** shall update the plan and develop additional plans relative to individual student performance.
- 6.4 **Accountability Standards.** The **School's** academic(s) and non-academic goals shall be reflected in the **School's** School Improvement Plan approved by the **School Governing Authority**. During the first year a **School** enters into sponsorship with St. Aloysius, the **School** shall establish two academic and one non-academic goal that are intended to impact grade card performance and align to grade card components by October 15th. The **School** and **School Governing Authority** are subject to the performance framework as detailed in [Attachment 6.4](#). The School Governing Authority and Sponsor acknowledge that some performance measures may not be available for a given school, a particular contract year, or instances when state testing or report cards are not available. In the absence of data from state testing or report cards, the School will be evaluated, to the extent possible, on available indicators from the performance framework, and the Sponsor may consider qualitative data from other methods of data collection.
- 6.5 **Assessments and Performance Standards.** The performance standards (requirements) and assessments shall include the Ohio system of assessments according to R.C. 3301.0710 and R.C. 3301.0712, college and work ready assessments, ACT/SAT WorkKeys, industry credentialing examinations, OELPA, Kindergarten Readiness Assessment (KRA), nationally normed standardized assessments recognized by the Ohio Department of Education as a student growth measure and any other standards and/or assessments required by law or recommended by the **Sponsor**. All assessments must be timely and properly administered. The nationally normed standardized assessment approved by the Ohio Department of Education as a student growth measure chosen by the **School** must be

administered at a minimum of twice annually to all grade levels, excluding Kindergarten, with the vendor generated reports for measures of academic progress and analysis in reading and math being provided to the **Sponsor** upon request and no later than June 30th of each school year. In addition to the required testing, the **School** must assess and keep benchmarks related to interim progress if required by the Ohio Department of Education. The **School** must report the benchmarks required by ODE to the **Sponsor**. All assessments required by the **Sponsor** are identified in [Attachment 6.5](#). The **School** and **School Governing Authority** shall also comply with all applicable provisions of ESSA.

- 6.6 **High School Diplomas and Graduation.** If the **School** is a high school awarding a diploma, the **School** shall comply with sections 3313.603, 3313.6013, 3313.61, 3313.611, 3313.6110, 3313.6113, 3313.6114, 3313.614, 3313.615, 3313.617, 3313.618, 3313.619, 3301.0710, 3301.0711, 3301.0712, 3301.0714, 3314.03, 3326.11 and 3328.34 of the Ohio Revised Code as applicable. At least thirty (30) days before any graduation, the **School** shall make available to the **Sponsor** upon request a list of graduates and proof of meeting all Ohio Department of Education graduation requirements and any other **School Governing Authority** requirements. Within ten (10) days of any graduation, the **School** shall provide electronically to the **Sponsor** a list of all graduates and copies of each graduate's diploma and transcripts.

ARTICLE VII

Reporting

- 7.1 **Annual Report.** The **School Governing Authority** shall submit not later than October 31st (or any subsequent statutorily prescribed date) of each year to the **Sponsor** and to the parents of all students enrolled in the **School**, or any other statutorily required parties, its financial status, and the annual report of its activities and progress in meeting the goals and standards of this Charter, local report card rating and value added rating. The Annual Report shall include a statement from the **Sponsor**, its activities and standards.
- 7.2 **Reports to Sponsor.** The **School Governing Authority** shall timely comply with all reasonable requests for information from the **Sponsor**, including the **School** financial reports required in Section 2.5 of this Charter.
- 7.3 **Site Visits.** The **Sponsor** shall be allowed to observe the **School** in operation at site visits at the **Sponsor's** request and shall be allowed access for such other site visits or other impromptu visits as the **Sponsor** reasonably deems advisable or necessary.

ARTICLE VIII

Employees

8.1 **Employment of Teachers.** At least one (1) full-time classroom teacher or two (2) part-time classroom teachers each working more than twelve (12) hours per week must be employed by the **School**. The full-time classroom teachers and part-time classroom teachers teaching more than twelve (12) hours per week shall be certified or licensed in accordance with Ohio Revised Code Sections 3302.01, 3302.03, 3311.78, 3311.79, 3314.03, 3317.141, 3319.22 to 3319.31 and 3326.13, or other applicable sections of the Ohio Revised Code. Upon request, the **School** shall forward teacher qualifications, including but not limited to, the grade level and content area being taught and the teacher's licensure or certification granted by the Ohio Department of Education, to the **Sponsor**. The **School** may employ non-licensed persons to teach up to twelve (12) or forty hours per week pursuant to R.C. 3319.301, to the extent permitted by ESSA or any subsequent legislation. There shall be no more than twenty-nine (29) students per classroom. If the **School** uses federal funds for the purpose of class size reduction by using Title I or Title II-A funds, the school wide students to full-time equivalent classroom teacher ratio shall be no more than 25 to 1 . Prior to opening day, the **School** will provide the **Sponsor** with proof of Ohio licensure/certification for a sufficient number of teachers to support the stated teacher/student ratio, as well as the credentials and background checks for all staff of the **School**. The **School Governing Authority** shall provide an organizational chart and a list of roles and responsibilities of all **School** staff as [Attachment 8.1](#).

8.1.1 Each person employed by the **School** as a nurse, teacher, counselor, school psychologist or administrator shall complete at least four (4) hours of in-service training in the prevention of child abuse, violence and substance abuse and the promotion of positive youth development within two (2) years of commencing employment with the **School**, and every five (5) years thereafter.

8.2 **Staff Evaluation.** Each **School** must use the OTES or OPES process, or similar valid model, for evaluating teachers and principals/superintendents that includes goal setting based on the Ohio Standards for the Teacher Profession or the Ohio Principal Standards or the Ohio Superintendent Standards, student performance measures (as defined by Ohio Department of Education), and an annual review that includes not less than two (2) formal observations and written evaluation reports. Any person conducting reviews must be credentialed by the Ohio Department of Education, hold a current credential at the time of the evaluations, and follow rubrics aligned to the OTES and OPES models. A **School Governing Authority** member or designee and/or regional manager of the management company shall undergo appropriate training/credentialing by the Ohio Department of Education and be responsible for evaluating the principal/superintendent.

8.3 **Dismissal of Employees.** Subject to 11.2 below, the **School Governing Authority** may employ administrators, teachers and non-teaching employees necessary to carry out its mission and fulfill this Charter, so long as no contract of employment extends beyond the term of this Charter. The dismissal procedures for staff and the plan for disposition of employees of the **School** in the event this Charter is terminated or not renewed under R.C. 3314.07 are set out in [Attachment 8.3](#).

- 8.4 **Employee Benefits.** The **School** will provide to all full-time employees health and other benefits as set out in [Attachment 8.4](#). In the event certain employees have bargained collectively pursuant to Chapter 4117 of the Ohio Revised Code, the collective bargaining agreement supersedes Attachment 8.4 to the extent that the collective bargaining agreement provides for health and other benefits. The collective bargaining agreement shall not, under any circumstances, be a part of this Charter. The **School** or its designee shall establish and/or update an employee handbook prior to the first day of school each year.
- 8.5 **Criminal Background Check.** The **School Governing Authority** must request that the superintendent of the Bureau of Criminal Identification & Investigation conduct a criminal background records check for any applicant who has applied to the **School** for employment, in any position as may be required by R.C. 3319.39. The **School Governing Authority** hereby appoints the **Sponsor** as a representative pursuant to R.C. 3319.39(D) for purposes of receiving and reviewing the results of the criminal records checks performed under R.C. 3319.39(A)(1) for employees working at the **School** and authorizes its agent(s) (including educational management organizations) to communicate this information directly to the **Sponsor**. 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 other state and federal laws regarding the privacy of the results of criminal records checks. An applicant may be employed conditionally for up to sixty (60) days until the criminal records check is completed and the results of the criminal records check are received. If the results of the criminal records check indicate that the applicant does not qualify for employment the applicant shall be released from employment.

All vendors and contractors of any kind shall show proof, which may be provided through their employer, that they have been the subject of a criminal records check in accordance with R.C. 3319.392(D) and 3314.41.

All employees, staff, volunteers, vendors or contractors undergoing a criminal background check must sign consent to release the results to the **Sponsor**.

The **School** must comply with the teacher misconduct reporting laws and updated background check requirements found in R.C. 3319.31, 3319.313, 3319.314, and OAC 3301-20.

ARTICLE IX

Finance

- 9.1 **Financial Records.** The **School's** financial records will be maintained in the same manner as are financial records of school districts, pursuant to rules of the Auditor of the State, R.C. 3314.042 and R.C. 3301.07, and audits shall be conducted in accordance with section 117.10 of the Ohio Revised Code. The **Sponsor** shall receive a copy of the draft audit and shall be notified, by the Auditor of State, any independent contracted auditor or the **School**

Governing Authority, of all post audit conferences in order to review the school's annual audit prior to the document being finalized and released.

- 9.2 **Fiscal Officer.** The **School Governing Authority** shall maintain a designated fiscal officer. Unless an appropriate and timely resolution has been passed by the **School Governing Authority** under R.C. 3314.011(D)(1), the fiscal officer shall be employed or engaged under a contract directly with the **School Governing Authority**. This resolution must be passed by the **School Governing Authority** each and every year. The **School Governing Authority** must submit the resolution to the **Sponsor** for approval within seven (7) business days after approval. Under 3314.011, prior to assuming the duties of fiscal officer, agent and/or fiscal servicer of the **School**, the fiscal officer, agent or service provider shall be licensed as provided for in Ohio Revised Code 3301.074.
- 9.2.1 R.C. 9.24 prohibits any state agency or political subdivision from awarding a contract for goods, services, or construction to any person against whom a finding for recovery has been issued by the Auditor of State, if that finding is unresolved. Before entering into a public contract described above, the **School Governing Authority** is required to verify that the person does not appear in this database.
- 9.2.2 By the end of the first year of the Charter, the **School Governing Authority** must maintain funds equal to three (3) months of treasurer fees in the event the **School** closes.
- 9.3 **Fiscal Bond.** Fiscal agent, officer and/or service provider shall execute a bond in an amount and with surety to be approved by the **School Governing Authority**, payable to the State of Ohio, conditioned on the faithful performance of all of the official duties required of the **School** fiscal agent, officer or service provider. The bond shall be in an amount of not less than twenty-five thousand dollars (\$25,000). The bond shall be deposited with the **School Governing Authority**, and a copy thereof, certified by the **School Governing Authority**, shall be filed with the county auditor and the **Sponsor**.
- 9.4 **Budget.** A financial plan detailing an estimated school budget for the first year of the period of this Charter and specifying the total estimated per pupil expenditure amount for each such year and at least five (5) fiscal years thereafter is attached as [Attachment 9.4](#). Each year, the **School Governing Authority**, with the assistance of the **School's** designated fiscal officer, shall adopt an annual budget by the thirty-first day of October using the format and following the guidelines prescribed by the Ohio Department of Education. The **Sponsor** shall assess the yearly budget to ensure the **School Governing Authority** maintains financial viability. Should the **Sponsor** request further breakdown of revenue or expenses, or line items for expenses or revenue not projected, the **School** agrees to comply with such requests. Should the **School** be managed by a third party operator, the **School Governing Authority** must procure from such operator, sufficient data, at the **Sponsor's** discretion, to allow the **Sponsor** to review revenue and expenses as required and/or permitted by law.

- 9.5 **Borrowing Money.** The **School Governing Authority** may borrow money to pay necessary and actual expenses of the **School** in anticipation of receipt of any portion of the payments to be received by the **School**. The **School Governing Authority** may issue notes to evidence such a borrowing. A copy of all notes must be provided to the **Sponsor** within seven (7) business days of signing. The proceeds from the notes shall be used only for the purpose for which the anticipated receipts may be lawfully expended by the **School**. The **School** may borrow money for a term not to exceed fifteen (15) years for the purpose of acquiring facilities.
- 9.6 **Payment to Sponsor for Oversight.** For and in consideration of Three percent (3%) of all funds received by the **School** from the State of Ohio, the **Sponsor** shall provide the monitoring, oversight and technical assistance as required by law. Prior to billing for sponsorship services each month, the **Sponsor** shall review the Community School Settlement Report and make adjustments to its billing as necessary to prevent any overpayment of sponsorship fees. Payments to the **Sponsor** are to be made monthly by automatic ACH debit from the School's checking account, and the School Governing Authority agrees to sign a Recurring ACH Payment Authorization form. Automatic ACH debits for sponsorship fees will be initiated five (5) business days after the state foundation payments are received by the School, allowing treasurers time to review and/or dispute the amount to be debited. If the **School Governing Authority** is required to repay funds received by the **School** from the State of Ohio due to an FTE adjustment or other obligation, then the **Sponsor** shall repay the **School Governing Authority** the three percent (3%) fee it received with respect to such funds upon mutual agreement of the parties within an agreed upon timeframe or such time as may be required by the Ohio Department of Education or the Auditor of State.
- 9.7 **Fiscal Year.** The fiscal year for the **School** shall be July 1 to June 30.

ARTICLE X

Insurance/Indemnification

- 10.1 **Liability Insurance.** Commercial general liability insurance at all times will be maintained by the **School Governing Authority** in amounts not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) in the aggregate, plus an excess or umbrella policy extending coverage as broad as primary commercial general liability coverage in an amount no less than five million dollars (\$5,000,000). The **School Governing Authority** shall also maintain directors and officer's liability (D&O) and errors and omissions insurance (E&O) coverage in the amount of one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate. The insurance coverage shall be not only for the **School** and the **School Governing Authority**, its Directors, officers and its employees but also provide additional insured status for the **Sponsor, its Board, Executive Director, employees, and Charter School Specialists as additional insureds, not just certificate holders.** The **School Governing Authority** must obtain policies that notify the **Sponsor** in writing at least thirty (30) days in advance of any

material adverse change to, or cancellation of, such coverage. All insurers shall be licensed by the State of Ohio and have an AM Best rating of A or better.

- 10.2 **Indemnification.** The **School Governing Authority** and **School** shall defend, indemnify, save and hold harmless the **Sponsor** and its Board, Superintendent, officers, employees and agents, including Charter School Specialists from any and all claims, debts, actions, causes of actions, proceedings, judgments, mitigation costs, fees, liabilities, obligations, damages, losses, costs or expenses (including, without limitation, attorneys', expert, accounting, auditors or other professionals' fees and court costs) of whatever kind or nature in law, equity or otherwise (collectively "Liabilities") arising from any of the following:
- (a) A failure of the **School Governing Authority** and/or **School** or any of its officers, directors, employees, agents or contractors to perform any duty, responsibility or obligation imposed by law or this Charter;
 - (b) An action or omission by the **School Governing Authority** and/or **School** or any of its officers, directors, employees or contractors that results in injury, death or loss to person or property, breach of contract or violation of statutory law or common law (state and federal), or Liabilities;
 - (c) Any sum that the **Sponsor** may pay or become obligated to pay on account of: (1) any inaccuracy or breach of any representation under this Charter by the **School Governing Authority**; (2) any breach or any failure of the **School Governing Authority** to duly perform, comply with, or observe any term, provision, covenant, agreement, obligation or condition under this Charter or under the law, and all agreements delivered in any way connected herewith, on the part of the **School Governing Authority**, to be performed, complied with, or observed; or (3) Liabilities to lenders, vendors, the State of Ohio, receivers, parents, students, the **School Governing Authority** or to third parties on account of the **School** and/or **School Governing Authority**; and
 - (d) As to the indemnification and hold harmless, but not the duty to defend, any Liabilities incurred by the **Sponsor** or any of its officers, directors, employees, agents or contractors as a result of an action or legal proceeding at law or equity brought against the **Sponsor** by the **School** or the **School Governing Authority** if the legal proceeding or action is found to be without merit, or is dismissed, and the right to appeal such judgment or order has been exhausted or has expired.
- 10.3 **Indemnification if Employee Leave of Absence.** If the **Sponsor** provides a leave of absence to a person who is thereafter employed by the **School**, the **School Governing Authority** and the **School** shall indemnify and hold harmless the **Sponsor** and its board members, Superintendent, employees and agents from liability arising out of any action or omission of that person while that person is on such leave and employed by the **School Governing Authority**.

ARTICLE XI

General Provisions

- 11.1 **Charter Authorization.** Before executing this Charter, the **School Governing Authority** shall employ an attorney, who shall be independent from the **Sponsor** or operator, to review and negotiate the agreement per R.C. 3314.036. The **School Governing Authority** must pass a resolution in a properly noticed and held public meeting, authorizing execution of this Charter and authorizing one or more individuals to execute this Charter for and on behalf of the party, with full authority to bind the party. For all new schools, this resolution must be passed by March 15th of the year in which the **School** intends to open. For renewal schools, this resolution must be passed by June 1st of the year in which the charter ends.
- 11.2 **Termination and Cancellation of Contracts.** Except as otherwise permitted by this Charter, or by the **Sponsor**, contracts entered into by the **School Governing Authority** with third parties shall provide for a right to cancel, terminate or non-renew effective each June 30th, or upon termination of this Charter.
- 11.3 **Access to Records.** The **School** and **Sponsor** agree and state that pursuant to 20 U.S.C. Section 1232g, the Family 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) and that the **Sponsor** is authorized by Federal, State, and local law to conduct audit, evaluation, compliance, and enforcement activities of Federal and State supported education programs. Accordingly, the **School** agrees to grant to **Sponsor's** employees Full and Complete 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 educational management companies) that is reportable to the Ohio Department of Education or its agencies, or to the Ohio Auditor of State. Such information shall include, but is not limited to, the School Options Enrollment System, and the Education Management Information System. "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 (education management companies) shall provide usernames and passwords where applicable to enable the **Sponsor** to have remote self-service access in read-only format.

The **Sponsor** agrees to comply with FERPA and the regulations promulgated thereunder and warrants that it uses reasonable methods to limit Sponsor employee(s) access to only those records in which they have legitimate educational interests 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 as a result of such access.

11.4 **General Acknowledgements.** The **School Governing Authority** specifically recognizes and acknowledges the following:

- (a) The authority of public health and safety officials to inspect and order **School** facilities closed if not in compliance with health and safety laws and regulations in accordance with R.C. 3314.03(A)(22)(a).
- (b) The authority of the Ohio Department of Education to suspend the operations of the **School** under R.C. 3314.072 due to the circumstances enumerated therein.
- (c) The **Sponsor** is not liable for the acts or omissions, or the debts of the **School** and/or **School Governing Authority** pursuant to R.C. 3314.07(D) and 3314.08(J) (2), and any other applicable law limiting the liability of the **Sponsor**.
- (d) The **Sponsor** may take steps to intervene in, correct, declare probationary status of, suspend, terminate or non-renew the status of the **School** as an Ohio Community School, and correct problems in the **School's** performance.
- (e) The Ohio Department of Education may take over sponsorship of the **School** in accordance with R.C. 3314.015(C).
- (f) The authority of the Auditor of State to cause legal action against or the cessation of payments to the **School** pursuant to Section 269.60.60 of the uncodified law under H.B. 119 of the 127th General Assembly for the period of that law's duration.
- (g) The mandate of permanent closure under R.C. 3314.35 under the circumstances enumerated therein.
- (h) The **Sponsor** or Sponsor's designee has a legitimate educational interest in the educational records of the **School** and grants to the **Sponsor** and the Sponsor's designee access to educational records under 20 U.S.C. § 1232g, the Family Rights and Privacy Act ("FERPA").
- (i) If the **School** closes, the operator or chief administrative officer shall collect and assemble in an orderly manner the educational records of each student who is or has been enrolled in the **School** and transmit these records to each

student's district of residence within seven (7) business days of the **School** closing pursuant to R.C. 3314.44 (Collection and transmittal of school records after closing; Compliance; Penalty).

- 11.5 **Dispute Resolution.** The **Sponsor** and **School Governing Authority** agree to informal mediation of any dispute not otherwise governed by mandatory administrative procedures pursuant to this Charter or the law. Such mediation shall be non-binding and the parties, if failing to agree on one mediator, shall obtain a list of three (3) mediators from the Columbus Bar Association and each eliminate one, using the one (1) mediator left after eliminations. All mediation will take place in Franklin County and all costs of the mediator shall be split equally between the parties.
- 11.6 **Term.** This Charter shall be for a term of six (6) years commencing on July 1, 2022 and ending on June 30, 2028 to provide for the opportunity to review a full five (5) years' worth of school performance data. During the **2027-2028** school year, the **School Governing Authority** shall undergo the high stakes review conducted by the **Sponsor**. The high stakes review shall include a review of the data included in the performance framework of **Attachment 6.4**.
- 11.7 **Contract Performance Measures.** Each **School** will be given an initial term of six (6) years to provide the opportunity for review of a full five (5) years of data. If St. Aloysius is not permitted under its agreement with ODE to grant an initial six (6) year term to any new **School**, this school's term shall be automatically renewed to fulfill an initial six (6) year term to provide the opportunity for review of a full five (5) years of data. Even though schools may be granted safe harbor from closure under R.C. 3314.35, this does not preclude the **Sponsor** from evaluating and closing the **School** for non-performance under these measures.
- (a) Within the term of this charter, the **School** may be permanently closed if the Ohio Department of Education determine that the condition(s) outlined in ORC 3314.35 have been met;
- (b) If the **School** receives a rating of at least 2 Stars [Meets] in at least one
- i) applicable grade card component for the most recent school year or its overall report card score as calculated on the local report card is greater than three (3) of the five (5) comparison schools listed below, the **School** shall be eligible to be considered for renewal. If an overall report card score is not available, the schools will be compared using the index value as calculated for the progress component on the local report card or equivalent. After consideration, if the **Sponsor** renews the **School**, the term of the new contract shall not exceed three (3) years.
- i) **Muraski Elementary**
 - ii) **Surrarrer Elementary**
 - iii) **Chapman Elementary**
 - iv) **Kinsner Elementary**
 - v) **Brunswick Memorial Elementary**

(c) If the **School** receives a grade of at least 3 Stars [Meets] in multiple LRC graded components for the most recent school year or the School receives at least 2 Stars in multiple LRC graded measures and outperforms at least three (3) of its five (5) comparison schools as detailed above, the **School** shall be eligible to be considered for renewal. After consideration, if the **Sponsor** renews the **School**, the term of the new contract shall not exceed five (5) years.

(i) If the **School** receives at least 2 Stars in multiple LRC graded components and outperforms at least three (3) of its five (5) comparison schools, it is eligible for a contract term between three (3) to five (5) years.

(ii) If the **School** receives at least 3 Stars in multiple LRC graded components, it is eligible for a contract term between five (5) to seven (7) years.

(iii) If the **School** receives at least 4 Stars in multiple LRC graded components, it is eligible for a contract term between seven (7) to ten (10) years.

11.8 **Non-renewal of this Charter.**

(a) After the high stakes review, the **Sponsor** may choose not to renew this Charter at its Expiration Date for any of the following reasons:

(i) Failure to meet student performance requirements stated in this Charter;

(ii) Failure to meet generally accepted standards fiscal management;

(iii) Violation of any provision of this Charter or applicable state or federal law;

(iv) Other good cause.

By January 15th of the termination year of this Charter, the **Sponsor** shall notify the **School Governing Authority** of the proposed action in writing. The notice shall include the reasons for the proposed action in detail, the effective date of the non-renewal, and a statement that the **School Governing Authority** may, within fourteen (14) days of receiving the notice, request in writing, an informal hearing before the **Sponsor**. The informal hearing shall be held within fourteen (14) days of the receipt of a request for the hearing. Within fourteen (14) days following the informal hearing, the **Sponsor** shall issue a written decision either affirming or rescinding the decision to not renew this Charter.

- (b) If the **School Governing Authority** does not intend to renew this Charter with the **Sponsor**, the **School Governing Authority** shall notify the **Sponsor** in writing of that fact at least one hundred eighty (180) days prior to the expiration of this Charter. In such a case, the **School Governing Authority** may enter into a Charter with a new **Sponsor** in accordance with R.C. 3314.03, upon the expiration of this Charter or at the sole discretion of the **Sponsor**, by an assignment of this Charter before its expiration date.

11.9 **Probation.** The **Sponsor** may, in lieu of suspension or termination, declare in writing that the **School Governing Authority** is in a probationary status, after consulting with the **School Governing Authority** or authorized parties thereof, and specifying the conditions that warrant probation and after receiving the **School Governing Authority's** written assurances (satisfactory to Sponsor) of the actions and time frames necessary to remedy those conditions. Such probationary status shall not extend beyond the then current school year. The **Sponsor** may proceed to suspension, termination or take-over of operations if the **Sponsor** finds at any time, that the **School Governing Authority** is no longer able or willing to remedy the conditions to the satisfaction of **Sponsor**. For purposes of this Charter, the **Sponsor** agrees to attempt to declare probationary status with the **School Governing Authority**, before proceeding to suspension, except in extraordinary circumstances such as those involving the health and safety of students, or waste or illegal use of state or federal funds.

11.10 **Intent to Suspend/Suspension.** The **Sponsor** may suspend operations of the **School** for (1) failure to meet student performance requirements stated in this Charter, or (2) failure to meet generally accepted standards of fiscal management, or (3) violation of any provision of this Charter or applicable state or federal law, or (4) other good cause or if funding to the **School Governing Authority** should cease under R.C. 263.420, if the **Sponsor** sends a written notice of intent to suspend explaining the reasons and provides the **School Governing Authority** with seven (7) business days to submit a remedy, and promptly reviews and disapproves the proposed remedy, or if the **School Governing Authority** fails to submit a remedy or fails to implement the remedy.

Once the **School Governing Authority** is suspended it must cease operations on the next business day, immediately send notice to all **School** employees and parents stating that the **School** is suspended and the reasons therefore, and the **School** again has an opportunity to submit a proposed remedy within seven (7) business days. At all times during suspension, the **School Governing Authority** remains subject to non-renewal or termination proceedings in accordance with the law.

Under R.C. 3314.072(E)(1), if the **School Governing Authority** fails to provide a proposal to remedy the conditions cited by the **Sponsor** as reasons for the suspension by the thirtieth (30th) day of September of the school year immediately following the school year in which the operation of the **School** was suspended, this Charter shall become void.

- 11.11 **Termination of the Charter.** The **Sponsor** may choose to terminate this Charter for any of the following reasons: (1) failure to meet student performance requirements stated in this Charter, (2) failure to meet generally accepted standards fiscal management, (3) violation of any provision of this Charter or applicable state or federal law, or (4) other good cause.

Additionally, if the **Sponsor** has suspended the operation of this Charter under R.C. 3314.072, the **Sponsor** may choose to terminate this Charter prior to its expiration.

By January 15th of the termination year of this Charter, the **Sponsor** shall notify the **School Governing Authority** of the proposed action in writing. The notice shall include the reasons for the proposed action in detail, the effective date of the termination, and a statement that the **School Governing Authority** may, within fourteen (14) days of receiving the notice, request, in writing, an informal hearing before the **Sponsor**. The informal hearing shall be held within fourteen (14) days of the receipt of a request for the hearing. Within fourteen (14) days following the informal hearing, the **Sponsor** shall issue a written decision either affirming or rescinding the decision to terminate this Charter.

The termination of this Charter shall be effective upon the occurrence of the later of the following events:

- (a) ninety (90) days following the date the **Sponsor** notifies the **School Governing Authority** of its decision to terminate this Charter as provided for above; or
- (b) if an informal hearing is requested and as a result of that hearing the **Sponsor** affirms its decision to terminate this Charter, the effective date of the termination specified in the notice.

If this Charter is terminated for failure to meet student performance requirements stated in the contract or for failure to meet generally accepted standards of fiscal management, then the **School Governing Authority** shall not enter into a charter with any other **Sponsor**.

- 11.12 **Compliance with Requests of Sponsor.** The **School Governing Authority** and the **School** shall timely comply with all reasonable requests of the **Sponsor**, and allow the **Sponsor** to monitor the **School** operations. Failure to do so is grounds for suspension and termination or non-renewal of this Charter, provided Notice is completed in accordance with Section 11.15. Timeliness is defined as an answer in writing within seven (7) business days (unless another time is otherwise required pursuant to this Charter) and adequate assurances of cure or actual cure within a period of time acceptable to the **Sponsor**.
- 11.13 **Headings.** Headings are for the convenience of the parties only. Headings have no substantive meaning.
- 11.14 **Assignments.** This Charter and its terms shall not be assigned or delegated without the express written approval of the other party.

- 11.15 **Notice.** Any notice to one party by the other shall be in writing and effective upon receipt and may be satisfied by personal delivery or by any other means by which receipt can be documented, to; in the case of the **Sponsor** or **Sponsor's Designee**, the President; or, in the case of the **School Governing Authority**, the President, and to the attorney for the **School Governing Authority**, at the last known business address of the **Sponsor**, and the last known business or home address of the **School Governing Authority** President and the attorney for the **School Governing Authority**.

Should the **School** be abandoned by or not have in place, an administrator or an authorized Director of the Board, the **Sponsor** may give notice to the Ohio Department of Education.


The **Sponsor** agrees that to the extent that the **School** or **School Governing Authority** is required to provide notice regarding or copies of updated policies or attachments not otherwise requiring a charter modification and the same is disseminated and approved at an open meeting of the **School Governing Authority** at which a **Sponsor** representative is present, **Sponsor** will consider any notice required to be provided to it by the **School** or **School Governing Authority** to have been satisfactorily provided by the **School** or **School Governing Authority**.

- 11.16 **Severability.** Should any term, clause or provision of this charter be deemed invalid or unenforceable by a court of competent jurisdiction, all remaining terms, clauses or provisions shall remain valid and enforceable and in full force and effect, and the invalid or unenforceable provision shall be stricken or replaced with a provision as near as possible to the original intent.
- 11.17 **Changes or Modifications.** This Charter constitutes the entire agreement among the parties and any changes or modifications of this Charter shall be made and agreed to in writing, authorized and executed by both parties. Mutually agreed-to changes that are not mid-contract term changes shall be based on a goal to improve the academic, financial and operational performance of the School in a commitment to mutual growth and progress. The School Governing Authority acknowledges that the Sponsor is expected to update this Contract mid-term annually to account for changes in law or duly adopted rule, or changes in the Ohio Accountability System. Therefore, the School agrees that a mid-contract term modification may be necessary annually. Notifications required by this Charter shall not be considered changes or modifications of this Charter.
- 11.18 **Changes in Rule or Law.** The **School**, **Sponsor** and **School Governing Authority** shall not carry out any act or perform any function that is not in compliance with current 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 (including but not limited to ESSA or successor legislation and IDEA), and that they are each individually subject to all applicable changes in rule and/or law regardless of whether or not this Charter is modified to specifically reflect those changes.

- 11.19 **Attachments.** All **Attachments (1.3-9.4)** to this Charter are attached hereto and incorporated by reference into the Charter.
- 11.20 **Sponsor Authority.** **Sponsor** warrants and represents that it is an authorized **Sponsor** as defined in Chapter 3314 of the R.C. and that it is in good standing with the Ohio Department of Education (ODE). **Sponsor** agrees to provide the **School** with a copy of any formal actions issued by the State Board of Education that adversely affect the ability of the **Sponsor** to sponsor community schools.

5/6/2022 5/6/2022
Executed this _____ day of _____, 2022 in Solon, Ohio.


St. Aloysius

By: 
DocuSigned by:
D068D4AADC443B...
(Name)

Its: President and CEO
(Title)

with full authority to execute this
Charter for and on behalf of the
Sponsor and with full authority to
bind the **Sponsor**.

**School Governing Authority of Strongsville
Academy**

By: 
Jonathan E. Petrea (Apr 28, 2022 00:03 EDT)
Jonathan Petrea (Name)

Its: Board Chairman
(Title)

with full authority to execute this Charter
for and on behalf of the **School Governing
Authority** and with full authority to bind
the **School Governing Authority**.



DATE	DOCUMENT ID	DESCRIPTION	FILING	EXPED	CERT	COPY
12/20/2021	202135401906	DOMESTIC NONPROFIT CORP - ARTICLES (ARN)	99.00	0.00	0.00	0.00

Receipt

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

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

**STATE OF OHIO
CERTIFICATE**

Ohio Secretary of State, Frank LaRose
4789945

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

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

Document(s)

DOMESTIC NONPROFIT CORP - ARTICLES

Effective Date: 12/20/2021

Document No(s):

202135401906



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
20th day of December, A.D. 2021.

Ohio Secretary of State

Bylaws/Code of Regulations of Strongsville Academy

Article I General

Section 1. NAME

The name of this Ohio nonprofit corporation shall be Strongsville Academy (hereinafter the “Corporation” or “School”).

Section 2. OPERATION, OBJECTIVES, AND GUIDING PRINCIPLES

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

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

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

Mission

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

Vision

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

Philosophy Statement

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

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

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

All students have different needs, learn at various rates and have different learning styles. No one educational program is appropriate for all students. Therefore, students will have a broad experience of activities that engage them in media-rich content, direct instruction, project based

learning, interest driven and talent-driven opportunities with a healthy mind and body emphasis. Students will learn from their teachers, peers, and community partners. This broad-based approach to learning will be an exciting and valuable experience creating lifelong 21st century learners as well as competent 21st century citizens. Students will learn and grow with the guidance of Highly Qualified Teachers, Instructional Aides, and Intervention Specialists. The school will provide a safe and nurturing environment, placing a premium on self-discipline, individuality and responsibility. The dedicated staff will work in small groups and one-on-one with students, addressing not only their learning issues but also their life situations that have prevented success in traditional schools.

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

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

[English Language Arts Model Curriculum Standards](#)

[Mathematics Standards](#)

[Ohio's Science Learning Standards](#)

[Ohio's Socials Studies Learning Standards](#)

[Ohio's Music Learning Standards](#)

[Ohio's Visual Arts Standards](#)

[The Ohio Association of Health, Physical Education, Recreation, and Dance \(OHPERD\):](#)

[The Ohio Technology Learning Standards](#)

Section 3. LOCATION

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

Section 4. PROPERTY

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

Section 5. FISCAL YEAR

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

Section 6. AUDIT

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

Article II **Membership**

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

Article III **Directors**

Section 1. NUMBER

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

Section 2. POWERS

Except when the law provides, the Articles or these Bylaws otherwise provided, all of the Corporation’s authority shall be vested in and exercised by the board. To the extent permitted by law, any authority of the Directors may be delegated to such persons or committees as the Directors so acting may determine.

Section 3. DUTIES

It shall be the duty of the directors to:

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

Section 4. ELECTIONS AND TERMS OF OFFICE

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

Section 5. EX OFFICIO DIRECTORS

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

Section 6. COMPENSATION

A Director may be compensated in accordance with Ohio Revised Code §3314.02(E)(4), or

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

Section 7. ANNUAL AND REGULAR MEETINGS

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

Section 8. SPECIAL MEETINGS

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

Section 9. NOTICE OF MEETINGS

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

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

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

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

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

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

Section 10. WAIVER OF NOTICE

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

Section 11. ACTION WITHOUT A MEETING AUTHORIZED

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

Section 12. QUORUM FOR MEETINGS

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

Section 13. MAJORITY ACTION AS BOARD ACTION

Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless the articles of incorporation, these bylaws, or provisions of law require a greater percentage or different voting rules for approval of a matter by the board.

Section 14. CONDUCT OF MEETINGS

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

a member of the Board other than the Chair with a second by another member of the Board other than the Chair.

Section 15. MEETINGS HELD THROUGH COMMUNICATION EQUIPMENT

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

Section 16. NONLIABILITY OF DIRECTORS

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

Article IV **Officers**

Section 1. DESIGNATION OF OFFICERS

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

Section 2. QUALIFICATIONS AND AUTHORITY OF OFFICERS

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

Section 3. ELECTION AND TERM OF OFFICE

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

Section 4. REMOVAL AND RESIGNATION

Any officer may be removed, either with or without cause, by the board of directors, at any time. Any officer may resign at any time by giving written notice to the board of directors or to the chair or secretary of the corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance

of such resignation shall not be necessary to make it effective. The above provisions of this section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the board of directors relating to the employment of any officer of the corporation.

Section 5. VACANCIES

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

Section 6. DUTIES OF CHAIRPERSON

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

Section 7. DUTIES OF VICE CHAIR

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

Section 8. DUTIES OF SECRETARY

The secretary shall:

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

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

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

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

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

Section 9. DUTIES OF TREASURER

The treasurer shall:

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

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

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

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

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

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

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

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

Article V **Committees**

Section 1. EXECUTIVE COMMITTEE

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

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

Section 2. OTHER COMMITTEES

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

Section 3. MEETINGS AND ACTION OF COMMITTEES

Meetings and action of committees shall be governed by, noticed, held, and taken in accordance with the provisions of these bylaws concerning meetings of the board of directors, with such changes in the context of such bylaw provisions as are necessary to substitute the committee and its members for the board of directors and its members, except that the time for regular and special meetings of committees may be fixed by resolution of the board of directors or by the committee. The board of directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these bylaws.

Article VI **Indemnification and Insurance**

Section 1. GENERAL INDEMNIFICATION

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

Section 2. SUITS BY THE CORPORATION

The Corporation may indemnify or agree to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that the person is or was a Director, officer, employee, agent or volunteer of the Corporation, or is or was serving at the request of the Corporation as a director, trustee, fiduciary, officer, employee, partner, joint venturer, agent or volunteer of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, employee benefit plan or other enterprise against expenses (including attorney's fees) actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believes to be in or not opposed to the best interest of the Corporation.

No such indemnification shall be made in respect of: (a) any claim, issue or matter as to which such person is adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Corporation unless and only to the extent that the court of common pleas, or the court in which such action or suit was brought, determined upon application that, despite the

adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonable entitled to indemnity for such expense as the court of common pleas or such other court shall deem proper; or (b) any action or suit in which the only liability asserted against a Director is pursuant to Section 1702.55 of the Ohio Revised Code.

Section 3. INDEMNIFICATION FOR EXPENSES

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

Section 4. DETERMINATION REQUIRED

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

Section 5. ADVANCES FOR EXPENSES

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

Corporation or undertaken with reckless disregard for the best interest of the Corporation; and (ii) reasonably cooperate with the Corporation concerning the action, suit or proceeding.

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

Section 6. NOT EXCLUSIVE

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

Section 7. INSURANCE

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

Section 8. SECTIONS 1 AND 2

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

Section 9. DEFINITION OF “THE CORPORATION” AND “VOLUNTEER”

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

Article VII **Corporate Records, Reports, and Seal**

Section 1. MAINTENANCE OF CORPORATE RECORDS

The Corporation shall keep at its principal office:

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

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

Section 2. CORPORATE SEAL

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

Section 3. DIRECTORS' INSPECTION RIGHTS

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

Section 4. RIGHT TO COPY AND MAKE EXTRACTS

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

Section 5. PERIODIC REPORT

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

Article VIII

IRC 501(c)(3) Tax Exemption Provision

Section 1. LIMITATIONS ON ACTIVITIES

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

Section 2. PROHIBITATION AGAINST PRIVATE INURNMENT

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

Section 3. DISTRIBUTION OF ASSETS

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

Section 4. PRIVATE FOUNDATION REQUIREMENTS AND RESTRICTIONS

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

Article IX

Conflict of Interest Policy and Compensation Approval Procedures

Section 1. PURPOSE

The purpose of the conflict of interest policy is to protect Strongsville Academy, an Ohio non-profit corporation and tax-exempt organization (the “Organization”) interest when it is contemplating entering into a transaction or arrangement that might benefit the private

interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2. DEFINITIONS

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

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

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

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

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

Section 3. PROCEDURES

A) Duty to Disclose.

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

B) Determining Whether a Conflict of Interest Exists.

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

C) Procedures for Addressing the Conflict of Interest.

1. An interested person may make a presentation at the Board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
2. The chairperson of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
3. After exercising due diligence, the Board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

D) Violations of the Conflicts of Interest Policy.

1. If the Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
2. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4. RECORDS OF PROCEEDINGS

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

- A) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, the action taken to determine whether a conflict of interest was present, and the Board's or committees decision as to whether a conflict of interest in fact existed.

B) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5. COMPENSATION

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

Section 6. ANNUAL STATEMENTS

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

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

Section 7. PERIODIC REVIEWS

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

- A) Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.
- B) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organizations written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Section 8. USE OF OUTSIDE EXPERTS

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

Article X

Compensation Policy

Section 1. PURPOSE

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

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

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

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

² An organization that stands in one or more of the following relationships to the filing organization: (1) Parent – an organization that controls the filing organization; (2) Subsidiary – an organization controlled by the filing the filing organization; (3) Supporting/Supported – an organization that is (or claims to be) at any time during the organization’s tax year (i) a supporting organization of the filing organization within the meaning of Section 509(a)(3), if the filing organization is a supported organization within the meaning of Section 509(f)(3), or (ii) a supported organization, if the filing organization is a supporting organization.

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

Section 3. PROCEDURE FOR APPROVING COMPENSATION

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

1. Impartial Decision Makers: The compensation arrangement must be approved in advance (before any payment is made) by the Approval Body of Strongsville Academy composed entirely of individuals who do not have conflict of interest with respect to the compensation arrangement (i.e. neither the executive whose compensation is being determined nor any of his/her family members may be present during the discussion/debate or participate in the vote).
2. Comparability Data: When the Approval Body is considering compensation to Covered Individuals, it must rely on comparability data that demonstrates the fair market value of the compensation in question (i.e. when creating compensation packages, the Approval Body must secure data that documents compensation levels for similarly qualified individuals in like positions at like organizations). This data may include the following:
 - a. expert compensation studies by independent firms;
 - b. written job offers for positions at similar organizations;
 - c. documented telephone calls about similar positions at both non-profit and for-profit organizations.

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

Section 4. RECORDS

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

Article XI

Code of Ethics Policy

Section 1. PURPOSE

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

1. Respect for all persons.
2. Transparency for our actions.
3. Responsibility for our decisions and their consequences.
4. Accountability for our actions.
 - a. We are committed to being responsible, transparent and accountable for all our actions.
 - b. We are committed to avoiding conflicts of interest.
 - c. We are committed to complying with the spirit and the letter of all applicable laws.
 - d. We are committed to treating our staff members with respect and fairness in a workplace that safeguards the rights and welfare of all.
 - e. We are committed to a philanthropic and educational community that is transparent and accountable.

Section 2. POLICIES AND PROCEDURES SUPPORTING THE CODE OF ETHICS

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

1. The School has a detailed Conflict of Interest Policy to protect its interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director or may result in a possible excess benefit transaction. If any conflict is found, the officer or director must abstain from voting on the particular proposal and the abstaining officer or director is not counted toward a quorum for a vote.
2. The audit committee was established in March 2010. The audit committee selects the independent auditor; reviews the quality and integrity of the School's annual financial statements; oversees the performance of the School's internal accounting functions; and handles complaints and concerns regarding corporate accounting practices, internal controls and auditing matters in accordance with the School's Whistleblower Policy. All current members of the audit committee are financially literate.
3. There is no salary compensation of the officers and directors of the School except as provided within these Bylaws.

Article XII **Nondiscrimination Policy**

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

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

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

Article XIII **DOCUMENT RETENTION AND DESTRUCTION POLICY**

This policy reflects the minimum document retention requirements set forth to protect the School, an Ohio non-profit corporation and tax-exempt organization.

The following types of documents will be retained for the following periods of time. At least one copy of each document will be retained according to the following schedule.

Type of Document	Minimum Requirement
Accounts payable ledgers and schedules	7 years
Audit reports	Permanently, or until the Cancellation of the Corporation
Bank reconciliations	2 years
Bank statements	3 years
Checks registers/books, canceled checks, deposit slips	7 years
Contracts, mortgages, notes and leases (expired)	7 years
Contracts (still in effect)	Permanently, or until the Cancellation of the Corporation
Corporate records (minute books, charter, resolutions, etc.)	Permanently, or until the Cancellation of the Corporation
Correspondence (general)	2 years
Correspondence (legal and important matters)	Permanently, or until the Cancellation of the Corporation
Correspondence (with vendors)	2 years
Credit card receipts	3 years
Deeds, mortgages, bills of sale, etc.	Permanently
Depreciation schedules	Permanently
Donor lists/acknowledgements	3 years
Employment applications	3 years
Expense analyses/expense distribution schedules	7 years
Financial statements	Permanently, or until the Cancellation of the Corporation
Insurance policies (expired)	3 years
Insurance records (current policies - accident reports, claims, policies, etc.)	Permanently, or until the Cancellation of the Corporation
Internal audit reports	3 years
Inventories of products, materials, and supplies	7 years
Investment records (deposits, earnings, withdrawals)	7 years
Invoices (to customers, from vendors)	7 years
IRS correspondence	Permanently, or until the Cancellation of the Corporation
Lease/Loan contracts	Permanently, or until the Cancellation of the Corporation
Patents and related Papers	Permanently, or until the Cancellation of the Corporation
Payroll records and summaries	7 years
Personnel records (terminated employees)	7 years
Personnel records (current employees)	Permanently, or until the Cancellation of the Corporation
Retirement and pension records	Permanently, or until the

	Cancellation of the Corporation
Tax returns and worksheets	Permanently, or until the Cancellation of the Corporation
Timesheets	7 years
Vendor contracts	7 years
Trademark registrations and copyrights	Permanently
Whistleblower records	7 years
Withholding tax statements	7 years
Correspondence between board members as it relates to school business (email)	30 days
Correspondence between board members as it relates to school business (texts)	5 days
Correspondence between board members as it relates to school business (voicemail)	5 days

Document Protection

Documents will be stored in a protected environment for the duration of the Document Retention Requirement. Computer backup media will be included.

Document Destruction

Documents that have been retained until the end of the Document Retention Requirement shall be destroyed by shredding. Computer backup media that has been retained until the end of the Document Retention Requirement shall be destroyed by fire or other proven means to destroy such media.

Article XIV

NON-PROFIT FUNDRAISING POLICY

Purpose

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

Donor Privacy

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

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

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

All fundraising solicitations shall include the following:

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

Acceptance of Gifts

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

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

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

1. Will accepting the gift compromise any core values of the organization?
2. Will accepting the gift further the mission, goals and/or objectives of the organization and the donor?
3. Will there be a perceived conflict of interest for the organization?

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

Outside Parties Fundraising on Behalf of The School

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

Records

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

Article XV

INVESTMENT POLICY

Purpose

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

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

6. Establish the relevant investment horizon for which the Fund assets will be managed.

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

Definitions

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

Delegation of Authority

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

1. Investment Management Consultant. The consultant may assist the Executive Committee in establishing investment policies, objectives, and guidelines; selecting Investment Managers; reviewing such managers over time; measuring and evaluating investment performance; and other tasks as deemed appropriate.
2. Investment Manager. The Investment Manager has discretion to purchase, sell, or hold the specific securities that will be used to meet the Fund's investment objectives.
3. Custodian. The custodian will physically (or through agreement with a sub-custodian) maintain possession of securities owned by the Fund, collect dividend and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The custodian may also perform regular accounting

of all assets owned, purchased, or sold, as well as movement of assets into and out of the Fund accounts.

4. Additional specialists such as attorneys, auditors, actuaries, retirement plan consultants, and others may be employed by the Executive Committee to assist in meeting its responsibilities and obligations to administer Fund assets prudently.

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

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

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

General Investment Principles

1. Investments shall be made solely in the interest of the Fund.
2. The Fund shall be invested with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the investment of a fund of like character and with like aims.
3. Any attempt to engage in “market timing” will be avoided.
4. There shall be no short sales or trading on margin.
5. There shall be no options, including puts or calls, unless they are covered options.
6. Cash is to be employed productively at all times, by investment in short term cash equivalents to provide safety, liquidity, and return.

Investment Management Policy

1. Preservation of Capital. Consistent with their respective investment styles and philosophies, Investment Managers should make reasonable efforts to preserve capital, understanding that losses may occur in individual securities.
2. Risk Aversion. Understanding that risk is present in all types of securities and investment styles, the Executive Committee recognizes that some risk is necessary to produce long-term investment results that are sufficient to meet the Fund's objectives. However, the Investment Managers are to make reasonable efforts to control risk, and will be evaluated regularly to ensure that the risk assumed is commensurate with the given investment style and objectives.
3. Adherence to Investment Discipline. Investment Managers are expected to adhere to the investment management styles for which they were hired. Managers will be evaluated regularly for adherence to investment discipline.

4. Liquidity. The Fund will require the ability to deposit and withdraw funds on a continuous basis. Investment Managers therefore should make decisions that will maximize returns through short term investments, while understanding the need for liquidity.
5. Long Term Investments. A portion of the Fund's overall portfolio will be invested in long term growth mechanisms. This amount will be determined either as a percentage of the overall Fund or a fixed amount of the Fund by the Executive Committee on the advice of the Investment Managers.
6. Alternative Fund Sources. This Fund may receive funds from various sources which have their own specific investment policies in place. The sources of these funds may come from planned giving or estate planning, foundation sources or others. In these cases, this Investment Policy will be modified to reflect those conditions and subsequently guide Investment Managers in the handling of those specific funding mechanisms.

Investment Goals

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

Specific Investment Goals

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

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

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

Definition of Risk

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

Asset Allocation

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

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

Guidelines for Fixed Income Investments and Cash Equivalents

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

Performance Review and Evaluation

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

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

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

Investment Policy Review

To assure continued relevance of the guidelines, objectives, financial status and capital markets expectations as established in this statement of Investment Policy, the Executive

Committee plans to review this investment policy at least annually.

Records

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

Article XVI

PUBLIC RECORDS POLICY

Purpose

The Public Records Policy (the "Records Policy") of the School, an Ohio non-profit corporation and tax exempt organization, has established this policy to ensure the directors and officers honor the Internal Revenue Service and Ohio Attorney General requirements pertaining to disclosure and availability of required records.

Statement

Openness leads to a better informed citizenry, which leads to better government and better public policy. Consistent with the premise that government at all levels exists first and foremost to serve the interests of the people, it is the mission and intent of the School to at all times fully comply with and abide by both the spirit and the letter of Ohio's Public Records Act and the Internal Revenue Service Taxpayer Bill of Rights II.

Internal Revenue Disclosure Requirements

1. The School must make available for public inspection its exemption application. An exemption application includes the Form 1023, together with supporting documents and any letter or document issued by the IRS concerning the application.
2. In addition, the School must make available for public inspection and copying its annual return (Form 990) including any schedules, attachments, or supporting documents that relate to the imposition of tax or the unrelated business income of the organization.
3. If applicable, the School must make available for public inspection and copying any Form 990-T (Exempt Organization Business Income Tax Return) filed after August 17, 2006.
4. The School is not required to disclose Schedule K-1 of Form 1065 or Schedule A of Form 990-BL.
5. Documents must be available for a three-year period beginning with the due date of the return (including any extension of time for filing).
6. In response to a written *or* in-person request by an individual at the principal office of the School, a copy of the covered tax documents must be provided to the

- requester. If the request for copies is made in person, the request will generally be honored on the day of the request; if the request is written, then the School has thirty days to respond. (A request that is faxed, e-mailed or sent by private courier is considered a written request.)
7. The School may charge reasonable copying costs and the actual cost of postage before providing the copies. The School can charge no more than the Internal Revenue Service charges for copying (the Freedom of Information Act provides a rate of 20 cents per page). The law permits this, but the School must provide timely notice of the approximate cost and acceptable form of payment within seven days of receipt of the request. Acceptable forms of payment must include cash and money order (in the case of an in-person request) and certified check, money order, and personal check or credit card, in the case of a written request.

Ohio Attorney General Disclosure Requirements

In addition to the public disclosure requirements set forth by the Internal Revenue Service, the Ohio Attorney General has set forth additional requirements which the School shall follow.

Defining Public Records

All records kept by the School are public unless they are exempt from disclosure under Ohio law. All public records must be organized and maintained in such a way that they can be made available for inspection and copying.

A record is defined to include the following: A document in any format – paper, electronic (including, but not limited to, business e-mail) – that is created, received by, or comes under the jurisdiction of the School that documents the organization, functions, policies, decisions, procedures, operations, or other activities of the School.

Response Timeframe

Public records are to be available for inspection during regular business hours, with the exception of published holidays. Public records must be made available for inspection promptly. Copies of public records must be made available within a reasonable period of time. “Prompt” and “reasonable” take into account the volume of records requested; the proximity of the location where the records are stored; and the necessity for any legal review and redaction of the records requested.

It is the goal of the School that all requests for public records should be acknowledged in writing or, if possible, satisfied within 10 business days following the School’s receipt of the request.

Handling Requests

No specific language is required to make a request for public records. However, the requester must at least identify the records requested with sufficient clarity to allow the School to identify, retrieve, and review the records. If it is not clear what records are being

sought, the School must contact the requester for clarification, and should assist the requester in revising the request by informing the requester of the manner in which the School keeps its public records.

The requester does not have to put a records request in writing, and does not have to provide his or her identity or the intended use of the requested public record. It is the School's general policy that this information is not to be requested. However, the law does permit the School to ask for a written request, the requestor's identity, and/or the intended use of the information requested, but only (1) if a written request or disclosure of identity or intended use would benefit the requestor by enhancing the School's ability to identify, locate, or deliver the public records that have been requested; and (2) after telling the requestor that a written request is not required and that the requester may decline to reveal the requestor's identity or intended use.

In processing the request, the School does not have an obligation to create new records or perform new analysis of existing information. An electronic record is deemed to exist so long as a computer is already programmed to produce the record through simple sorting, filtering, or querying. Although not required by law, the School may accommodate the requestor by generating new records when it makes sense and is practical under the circumstances.

In processing a request for inspection of a public record, a the School employee must accompany the requester during inspection to make certain original records are not taken or altered.

A copy of the most recent edition of the Ohio Sunshine Laws manual is available via the Attorney General's internet website (www.ohioattorneygeneral.gov) for the purpose of keeping employees of the School and the public educated as to the School's obligations under the Ohio Public Records Act, Open Meetings Act, records retention laws and Personal Information Systems Act.

Electronic Records

Records in the form of e-mail, text messaging, and instant messaging, including those sent and received via a hand-held communications device (such as a Blackberry) are to be treated in the same fashion as records in other formats, such as paper or audiotape.

Public record content transmitted to or from private accounts or personal devices is subject to disclosure. All employees or representatives of the School are required to retain their e-mail records and other electronic records in accordance with applicable records retention schedules.

Denial or Redaction of Records

If the requester makes an ambiguous or overly broad request or has difficulty in making a request for public records, the request may be denied, but the denial must provide the

requester an opportunity to revise the request by informing the requester of the manner in which records are maintained and accessed by the School.

Any denial of public records requested must include an explanation, including legal authority. If the initial request was made in writing, the explanation must also be in writing. If portions of a record are public and portions are exempt, the exempt portions may be redacted and the rest released. When making public records available for public inspection or copying, the School shall notify the requestor of any redaction or make the redaction plainly visible. If there are redactions, each redaction must be accompanied by a supporting explanation, including legal authority.

Copying and Mailing Costs

Those seeking public records may be charged only the actual cost of making copies, not labor. The charge for paper copies is 10 cents per page. The charge for electronic files downloaded to a compact disc is \$5.00 per disc.

A requester may be required to pay in advance for costs involved in providing the copy. The requester may choose whether to have the record duplicated upon paper, upon the same medium in which the public record is kept, or upon any other medium on which the School determines that the record can reasonably be duplicated as an integral part of the School's normal operations.

If a requester asks that documents be mailed, he or she may be charged the actual cost of the postage and mailing supplies. There is no charge for documents e-mailed.

Managing Records

The School's records are subject to records retention schedules. The School's current schedules are available at the School, a location readily available to the public as required by §149.43(B)(2), Ohio Revised Code.

Article XVII

WHISTLEBLOWER POLICY

Section I

Purpose

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

has adopted this Whistleblower Policy to address the submission by directors, officers and staff members of complaints, concerns and suspected violations with respect to one or more of the following matters:

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

Section II

Reporting Responsibility

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

Section III

No Retaliation

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

Section IV

Reporting Violations

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

Section V

Compliance Officer

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

Section VI

Accounting and Auditing Matters

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

Section VII

Acting in Good Faith

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

Section VIII

Confidentiality

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

Section IX

Handling of Reported Violations

The Compliance Officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly

investigated and appropriate corrective action will be taken if warranted by the investigation.

Section X

Acknowledgement and Distribution of Policy

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

Section XI

Records

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

Article XVIII

Employee Dismissal and Grievance Procedures

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

DEFINITIONS

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

"Workplace safety" refers to any condition of employment or duty, responsibility, or environmental hazard that may reasonably be viewed to affect an employee's

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

"Termination" does not include voluntary resignation or retirement.

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

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

GRIEVANCE PROCEDURE

It is the policy of the School to treat all employees equitably and fairly in matters affecting their employment. Each employee of the School shall be provided an opportunity to understand and resolve matters affecting employment that the employee believes to be unjust. This section shall apply to all regular full-time, part-time, limited, temporary, and seasonal employees not covered by a collective bargaining. This procedure is available in the case of any employee's disagreement with discipline or termination of employment, as well as any matter relating to workplace safety.

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

A written grievance shall contain:

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

The following procedures shall be followed:

STEP 1- APPEAL TO SUPERINTENDENT

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

STEP 2 – APPEAL TO BOARD GRIEVANCE/DUE PROCESS COMMITTEE

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

STEP 3 – APPEAL TO THE BOARD

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

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

Time limits contained in this grievance procedure outlined above may be extended by the

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

Article XIX **Amendment of Bylaws**

Section 1. AMENDMENT

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

Article XIX **Construction and Terms**

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

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

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

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

[End of Document]

ADOPTION OF BYLAWS

We, the undersigned, are all of the Board of Directors of this corporation, and we consent to, and hereby do, adopt the foregoing amendment bylaws, in its entirety, consisting of 42 preceding pages, as the bylaws of this corporation.

Dated: 2-16-2022

Doug Morgan

McPeta

BO-R Oe

Demetri

Darvio Morrow

Darvio Morrow (Feb 18, 2022 16:25 EST)



Toll Free: 877.767.3453 | Central Ohio: 614.466.3910

OhioSoS.gov | business@OhioSoS.gov

File online or for more information: OhioBusinessCentral.gov

Initial Articles of Incorporation
(Nonprofit, Domestic Corporation)
Filing Fee: \$99
(114-ARN)
Form Must Be Typed

First: Name of Corporation

Second: Location of Principal Office in Ohio

City

State

County

Optional: Effective Date (MM/DD/YYYY)

(The legal existence of the corporation begins upon the filing of the articles or on a later date specified that is not more than ninety days after filing.)

Third: Purpose for which corporation is formed

**** Note: for Nonprofit Corporations:** The Secretary of State does not grant tax exempt status. Filing with our office is not sufficient to obtain state or federal tax exemptions. Contact the Ohio Department of Taxation and the Internal Revenue Service to ensure that the nonprofit corporation secures the proper state and federal tax exemptions. These agencies may require that a purpose clause be provided. ******

**** Note:** ORC Chapter 1702 allows for additional provisions to be included in the Articles of Incorporation that are filed with this office. If including any of these additional provisions, please do so by including them in an attachment to this form. ******

Original Appointment of Statutory Agent

The undersigned, being at least a majority of the incorporators of

(Name of Corporation)

hereby appoint the following to be Statutory Agent upon whom any process, notice or demand required or permitted by statute to be served upon the corporation may be served. The complete address of the agent is:

(Name of Statutory Agent)

(Mailing Address)

(Mailing City)

(Mailing State)

(Mailing ZIP Code)

Must be signed by
the incorporators or
a majority of the
incorporators.

(Signature)

(Signature)

(Signature)

Acceptance of Appointment

The Undersigned,

, named herein as the

(Name of Statutory Agent)

Statutory agent for

(Name of Corporation)

hereby acknowledges and accepts the appointment of statutory agent for said corporation.

Statutory Agent Signature

(Individual Agent's Signature / Signature on Behalf of Business Serving as Agent)

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

Articles and original appointment of agent must be signed by the incorporator(s).

If the incorporator is an individual, then they must sign in the "signature" box and print his/her name in the "Print Name" box.

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

Signature

By (if applicable)

Print Name

Signature

By (if applicable)

Print Name

Signature

By (if applicable)

Print Name



Financial Policies and Controls Manual

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Fiscal Management Overview

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

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

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

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



Bank Accounts

General

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

Reconciliation

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

Authorized Signatories

Certain designated individuals will be authorized to conduct business on the School's accounts. Such individuals shall be approved by resolution of the Board of Directors and also be on the appropriate signature card on file at the bank. It is recommended that all checks have two signers. Positions authorized for this access could be:

- CEO/ School Leader
- Board President
- Fiscal Officer



Investments

General

If there are sufficient balances on hand, the School may wish to invest a certain amount of School reserve funds in authorized investment vehicles. The Board of Directors shall be solely responsible for authorizing and establishing the School's investment strategy. MFS may assist the Board in this effort by providing information and analysis of eligible investment options, as well as, executing investment transactions.

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



Revenues

State and Federal Programs

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

- State Aid (based on the formula)
- National School Lunch and Breakfast Reimbursement
- Title I, IIA, and IDEA Funds, as applicable

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

Miscellaneous Cash Receipts

General

From time to time, Schools may receive cash on-site. This may be related to special events admissions, book fairs, fundraising, donations or other such sources. Regardless of the source, it is important for the School to account for and safeguard all cash or cash equivalents (checks and money orders) received. To the extent possible, it is recommended that all cash be placed in a combination safe that is kept in the School leader's office. If this is not possible, any monies should, at a minimum be secured in a locked drawer or cabinet.

Revenues – Page Two

Cash Journal

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

Deposits

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

Prior to deposit, all cash should be bundled and any checks/ money orders endorsed "For Deposit Only". Once the monies have been deposited, the deposit receipt from the bank shall be maintained with the School's other financial records and be available for review and audit at all times. This activity will also be recorded in the general ledger and reconciled with other cash activity on a monthly basis.



Accounts Receivable

AR – Federal Funds Expended

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

AR - Other

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

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

AR Monitoring

On a regular basis, no less frequently than monthly, outstanding amounts left unpaid will be reviewed for collectability by the Fiscal Officer. After an amount has remained uncollected after 90 days, a determination will be made (based on the specific circumstances that may exist) as to what action will be taken on the invoice.



Requisition Policy

General

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

Requisition Initiation

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

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

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

Fiscal Approval

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

Requisition Policy - Page Two

Placing Orders

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

School Name

Attn:

School Address

City, State, Zip

Receiving

Once goods and services are received, packing slips shall be reviewed by the receiver. If the goods or services are accurate, the packing slip will be initialed by the receiver and submitted to the Accounts Payable contact at MFS to be matched with the invoice and Purchase Order (or approved requisition) prior to any payment being made. The Accounts Payable process is addressed in a separate policy.

Enforcement

Please note that adherence to the Requisition Policy as described above is of significant importance. Requisitions made outside of this process will not be recognized as liabilities of the School, but of the individual initiating such an order. Exceptions to this policy are only permitted with the express written approval of the School Fiscal Officer. Further, any violation of this policy by members of the School staff may result in disciplinary action.



Procurement Policy for Federal Grants

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

Purpose of these Procurement Standards/Policies

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

School (Recipient) Responsibilities

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

Codes of Conduct

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

Competition and Cost/Price Analysis

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

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

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

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

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

Procurement Policy for Federal Grants – Page Three

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

Small Purchases (< \$2,000)

Purchases under \$2,000 require little formal documentation; they are likely to be catalog purchases, with prices that are readily available from many vendors. A quick notation or copy of prices checked from at least one other source should be attached to the order or noted in the file. Conduct all procurement transactions in a manner that maximizes opportunities, increases quality (if a factor), and reduces the cost of the purchase.

Medium/Small Purchases (\$2,000 to \$10,000)

Purchases from \$2,000 to \$10,000 should have telephone or other quotations and simple purchase or performance descriptions. Inquire in the open market to ensure an advantageous price and quality. The file should document the inquiries made and offers received from at least three sources.

Medium/Large Purchases (\$10,000 to \$100,000) – Up to the “Simplified Acquisition Threshold” (currently \$100,000)

Purchases from \$10,000 to \$100,000 should be treated more formally, though the acquisition procedures can still be somewhat streamlined. Consider using mini-proposals for negotiated acquisitions; more formal purchase and performance descriptions should be included, with bid response requirements spelled out. To ensure that you have an adequate number of bidders, you may wish to advertise and devise pre-qualification procedures aimed at vendors who offer goods and services that you use often. Purchases over \$10,000 require greater documentation of cost allowability, need for the procurement, and the vendor selection.

Request competitive quotes, orally or in writing, from at least three different sources. The file shall document each invitation made and offer received. All requests for proposals shall contain the phrase “Equal Opportunity Employer.”

Procurement Policy for Federal Grants – Page Four

Document Prices: Maintain files on all quotations solicited and offers or bids received and any criteria for selection. In all instances in which the lowest bid is not awarded in the contract, justification for the selection must be contained in the file.

General Procurement Procedures

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

(1) Recipients must avoid purchasing unnecessary items.

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

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

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

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

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

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

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

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

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

Procurement Policy for Federal Grants – Page Five

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

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

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

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

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

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

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

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

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

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

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

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

(2) The procurement is expected to exceed the "Simplified Acquisition Threshold" (currently \$100,000) and is to be awarded without competition or only one bid or offer is received in response to a solicitation.

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

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

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

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

Procurement Policy for Federal Grants – Page Eight

In addition, the procurement records for **purchases in excess of the** Simplified Acquisition Threshold (currently \$100,000) shall include the following at a minimum:

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

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

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

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

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

(c) Except as otherwise required by statute, an award that requires the contracting (or subcontracting) for construction or facility improvements shall provide for the recipient to follow its own requirements relating to bid guarantees, performance bonds, and payment bonds unless the construction contract or subcontract exceeds \$100,000. For those contracts or subcontracts exceeding \$100,000, the Federal awarding agency may accept the bonding policy and requirements of the recipient, provided the Federal awarding agency has made a determination that the Federal Government's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows.

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

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

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

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

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

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

Costs

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

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

1. Costs must be reasonable. This is defined as the action that a prudent person would take under the circumstances.

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

Cost Classification: Assigning Account Codes

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

Allowable Direct Costs

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

Principal Investigators should refer to the award document for requirements or restrictions specific to the project. For assistance with specific questions contact the Grant Coordinator or anyone who is specifically in charge of a grant funded program.

Unallowable Costs

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

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

Facilities and Administrative Costs (Formerly Indirect Costs)

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

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

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



Accounts Payable and Cash Disbursements

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

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

In order to determine the completeness of accounts payable at the end of each fiscal year, the Fiscal Officer will review all invoices paid by the School after yearend (6/30/XX) during the months of July and August (the "review period"). The review will primarily focus on the date that services were rendered or the period for which the charge is intended to benefit. The review will only apply to individual invoices that exceed \$1,500. Each item reviewed will be evaluated to determine if it was properly included or properly excluded from the School's accounts payable listing at 06/30/XX. If adjustments are required to properly classify items reviewed, they will be posted in real-time to the SAGE 50 accounting system as they are identified. Items identified outside of the review period that should be included in the School's accounts payable listing at 06/30/XX, should be brought to the Fiscal Officer's attention for a final determination on how the item will be recorded.

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

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



Purchasing Card (“PEX Card”) Policy

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

GENERAL

1. The Fiscal Officer will be responsible for the issuance, account monitoring, card retrieval or cancellation, and generally for overseeing compliance with the PEX Card Policy. The PEX card will be issued in the name of the Fiscal Officer and/or an employee designated by the Fiscal Officer.
2. The Fiscal Officer or an employee designated by the Fiscal Officer may use the PEX card, only for goods or services for the official business of the School.
3. Documentation detailing the goods and services purchased must be submitted through the standard requisition process and approved before payment with the card can occur.
4. The School will use disciplinary measures consistent with current law for any unauthorized use.
5. Any benefits derived from the use of the PEX card will be the property of the School.
6. The PEX card account will be funded prior to purchase being made. The School accepts full responsibility for funding the PEX card.

PEX CARD GUIDELINES

A VISA PEX card will only be issued to the School Fiscal Officer and those designated by the Fiscal Officer to receive a card. It will be honored for School business by any vendor or merchant who accepts the card. The PEX card credit limit will be limited to the approved amount for the purchase(s) being made.

PEX Card Policy – Page Two

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

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

CARD USAGE PROCEDURES

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

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

TAX EXEMPTION

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

ALLOWABLE CHARGES

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

1. Travel expenses
2. Conference registration fees.
3. School Materials
4. Small Equipment purchases (less than \$500)
5. Supplies

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

PEX CARD SECURITY

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

ACCOUNTING PROCEDURES

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

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

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



Payroll and Related Liabilities

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

MFS strongly encourages each of its clients to use Automatic Data Processing (ADP), a national payroll provider, to execute its semi-monthly payroll. This will help ensure a timely execution of payroll, the filing of required returns, and overall compliance with current tax laws.

A designated School representative will work closely with MFS to collect all employee paperwork necessary to create an employment profile in the ADP payroll system. All contracts are paid equally over 24 pays unless otherwise designated by the Board of Directors. Additionally, all contracts are pro-rated for varying dates of hire.

Before each pay, any changes (new hire, termination, pay increase, etc) are forwarded to the School Leader for review and approval prior to entering the change into the ADP payroll system and employee records.

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

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

Upon the completion of preparing the semi-monthly payroll in the ADP system, a "Payroll Preview" is generated by the School and submitted to the Fiscal Officer for review. If no changes are necessary, the Fiscal Officer then authorizes the School to submit the payroll for processing and payment. At the same time, the Fiscal Officer transfers the funds necessary to cover payroll from the Operating account to the Payroll account.

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



Capital Assets, Federally Funded Equipment, and Inventory

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

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

The Schedule shall include than the following information:

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

All depreciation expenses related to the maintaining of these assets will be calculated using the estimated useful lives of the individual assets and recorded in the financial statements of the School through a posting to the SAGE 50 accounting system. Depreciation shall be adjusted in the system on at least a quarterly basis.

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

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

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

Items greater than \$5,000 must have the approval of the Federal awarding agency. If disposition instructions are not provided within 120 days of the initial request, items of equipment with a current per-unit fair-market value in excess of \$5,000 may be retained by the non-Federal entity

or sold. The Federal awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the Federal awarding agency's percentage of participation in the cost of the original purchase. If the equipment is sold, the Federal awarding agency may permit the non-Federal entity to deduct and retain from the Federal share \$500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.

Additional Federal Considerations (excerpt of 2 CFR 200.439)

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

- (1) Capital expenditures for general purpose equipment, buildings, and land are unallowable as direct charges, except with the prior written approval of the Federal awarding agency or pass-through entity (Ohio Department of Education).
- (2) Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of \$5,000 or more have the prior written approval of the Federal awarding agency or pass-through entity (Ohio Department of Education).
- (3) Capital expenditures for improvements to land, buildings, or equipment which materially increase their value or useful life are unallowable as a direct cost except with the prior written approval of the Federal awarding agency, or pass-through entity. See § 200.436 Depreciation, for rules on the allowability of depreciation on buildings, capital improvements, and equipment. See also § 200.465 Rental costs of real property and equipment.
- (4) When approved as a direct charge pursuant to paragraphs (b)(1) through (3) of this section, capital expenditures will be charged in the period in which the expenditure is incurred, or as otherwise determined appropriate and negotiated with the Federal awarding agency.
- (5) The unamortized portion of any equipment written off as a result of a change in capitalization levels may be recovered by continuing to claim the otherwise allowable depreciation on the equipment, or by amortizing the amount to be written off over a period of years negotiated with the Federal cognizant agency for indirect cost.
- (6) Cost of equipment disposal. If the non-Federal entity is instructed by the Federal awarding agency to otherwise dispose of or transfer the equipment the costs of such disposal or transfer are allowable.
- (7) Equipment and other capital expenditures are unallowable as indirect costs. See § 200.436 Depreciation.



Business Expense Reimbursement

Employees and Board Members of the School are entitled to reimbursement of business related expenses associated with their performance of official school business. Where applicable, all reimbursements are processed in accordance with U.S. GSA (General Services Administration) guidelines with respect to per diem and mileage rates. Guidelines for reimbursement of business related expenses for School employees are covered more substantially in a separate “Business Expense Reimbursement Policy”.

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

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

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

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



Budgeting

The Board of Directors will annually adopt an operating budget for the upcoming School year. The Operating Budget is prepared under the direction of the Board, its designees, and the Fiscal Officer. The final decision-making authority with regard to budget issues rests with the Board with input from the Fiscal Officer and School personnel.

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

At each regular meeting of the Board AND upon close of each fiscal year, the Fiscal Officer shall present to the Board a Statement that compares YTD actual results to the YTD budget.



Grant Programs

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

Upon receipt of an award notice, a budget document is prepared and then submitted to the Fiscal Officer for review and processing. Once approved by the Fiscal Officer, it is then approved by the Authorized Representative (typically the School Leader) and then forwarded to the Department of Education for review and approval.

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

Project Cash Requests

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

Final Expenditure Reports

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

Overall, the School shall follow all applicable provisions of the Education Department General Administrative Regs (EDGAR).



Month End Closing Procedures

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

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

These documents will be presented to the Board of Directors at the regularly scheduled meetings for approval. On a monthly basis, the financial statements will be also submitted to the School's Sponsor according to their required schedule.



Community School Funding Adjustments

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

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

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



Audit

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

Once the audit is completed, it will be released and made available to all stakeholders.



Massa Financial Solutions, LLC
Disaster Recovery
May 17, 2019

Overview

In this document, FIT outlines the disaster recovery plans and options for Massa Financial Solutions, LLC as it pertains to the business-critical platform for the organization hosted within OVH's Private Hosted Cloud.

OVH Hosted Private Cloud

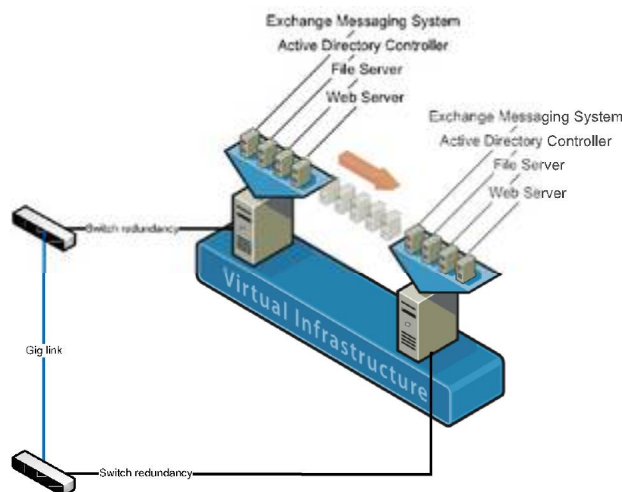
All Massa Financial Solutions' servers are hosted in a fully redundant server cluster using the OVH Hosted Private Cloud offering. This cluster is hosted within a OVH datacenter with redundant uninterruptible power and generator backup.

OVH Private Hosted Cloud is an enterprise-level virtualization service offering powered by OVH. Virtualization hides the physical characteristics of a computing resource from its applications and/or end users. This makes a single physical resource (such as a server, an operating system, an application, or storage device) appear to function as multiple logical resources; or it can include making multiple physical resources (such as storage devices or servers) appear as a single logical resource. Hosting servers in this environment provides ease of storage, backup of stored data and redundant power systems.

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

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

/



Security

To secure the Local Area Network (“LAN”) environment from outside intrusion, the hosted service solution uses a software-based edge gateway firewall in the OVH datacenter core environment. The edge gateway provides firewall protection for incoming and outgoing traffic which denies or permits passage based on the latest content security, encryption, identity authentication, authorization. The firewall is customized by FIT engineers for Massa Financial Solutions’ access needs and business policies and will provide flexibility for adding capabilities or upgrades.

Data Protection Service (“DPS”)

With the OVH service offering, DPS is provided for all Massa Financial Solution servers. DPS is a policy-based data and recovery solution that provides image-based backups on a daily basis. The service ensures that all operating system, file system, and application data hosted on the Massa Financial Solution servers are captured as a snapshot image. All imaged based backups have a retention period of ninety (90) days.

Statement Regarding School Credit Card

The School does not currently have and will not be applying for any credit card accounts in the future.

CERTIFICATION OF RESOLUTION
MANAGEMENT AGREEMENT WITH ACCEL SCHOOLS CLEVELAND FB LLC

Strongsville Academy
(An Ohio Non-Profit Corporation)

The Governing Authority (the "Board") of Strongsville Academy (the "School" and the "Corporation"), a non-profit corporation organized under the laws of the State of Ohio, hereby resolves as follows:

IT IS HEREBY RESOLVED that the Strongsville Academy Board of Directors adopts the Management Agreement with ACCEL Schools Cleveland FB LLC. The Management Agreement is attached as Exhibit A, attached hereto and incorporated herein as if restated in its entirety.

IT IS FURTHER RESOLVED that the Board Chair is authorized and directed to execute any and all forms, and/or documents required in connection or by reason of this resolution.

APPROVAL AND ADOPTION

Motion to approve and adopt the Management Agreement with ACCEL Schools Cleveland FB LLC without / with) amendment(s),

made by Member Margevicius,

seconded by Member Morrow.

Board Member <i>(Name/Initials)</i>	AYE	NAY	Other <i>(Not Present, Abstain, Etc.)</i>
Elizabeth Haavisto	✓		
Greg Margevicius	✓		
Darvio Morrow	✓		
Danielle Munk			Not present
Ed Oliveros			Not present
Jonathan Petrea	✓		

As adopted on this 23rd day of March, 2022.


 Jonathan Petrea (Mar 23, 2022 21:23 EDT)

Jonathan Petrea, Chair
Strongsville Academy

MANAGEMENT AGREEMENT

This Management Agreement (this “**Agreement**”) is entered into as of the 6th day of April, 2022 (“**Effective Date**”) by and between Accel Schools Cleveland FB LLC, a Delaware limited liability company (“**Manager**”), and Strongsville Academy (the “**School**”), an Ohio non-profit corporation and public community school.

RECITALS

Whereas, the School is organized as an Ohio nonprofit corporation under the laws of the state of Ohio (the “**State**”) (as such provision may be amended from time to time) and the School has entered into a School Sponsorship Agreement (as may be amended, the “**Sponsorship Agreement**”) with a sponsor (the “**Sponsor**”) pursuant to which the School is authorized to operate a public community school under State law;

Whereas, the Manager was established, among other reasons, to manage public schools, and, subject to the terms and conditions set forth herein, has agreed to provide assistance and expertise, including regulatory, financial, facilities, and other advice, in connection with the operation of the School; and

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

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

ARTICLE I. EDUCATIONAL SERVICES, ADMINISTRATIVE SERVICES AND TECHNOLOGY SERVICES

1.1 Educational Services.

- (a) During the Term (as defined in ARTICLE II below), Manager will provide to the School the following educational services (the “**Educational Services**”):
 - (i) Curriculum. Implementation of educational programs designed to achieve the goals set forth in the Sponsorship Agreement (the “**Educational Program**”). In the event Manager determines it is necessary to materially modify the Educational Program, Manager shall inform the School of any such proposed material changes and obtain School approval, and if required under the Sponsorship Agreement, approval of the Sponsor (it being agreed that the School shall cooperate in obtaining such approval).
 - (ii) Instruction. Oversight and coordination of the services to be provided by instructional and administrative personnel, including the Head of School (“**HOS**”) and the rest of the School’s leadership team and its teachers and support staff, all in accordance with ARTICLE VI below.

- (iii) Instructional Tools. Selection of instructional tools, equipment and supplies, including textbooks, computers, curriculum, software and multi-media teaching tools.
- (iv) AMP. Pursuant to ARTICLE VIII below, access to its learning ecosystem, called the Accel Management Platform ("**AMP**"), which provides an integrated system for education and school operation. It includes integration of rigorous and research-based online courses and functions as a powerful learning management system; a comprehensive student information system and reporting system; a live Webinar tool; a balanced student assessment system; and instructional data integration and presentation tools. AMP is a single sign-on experience that hosts synchronous and asynchronous lessons allowing for student-centered learning. AMP is capable of providing real-time progress monitoring, and can allow teachers instantaneous access to standards-aligned and performance-based data about each student. Using AMP, teachers can better identify students who need small group or one-on-one instructional support.
- (v) English Language Learners (ELL). Implementation of curricular components designed to meet the needs of ELL as required by State and federal law. All ELL in the School will have an Individualized Education Plan (IEP) which will be implemented with fidelity by all teachers and staff who work with each ELL student. The IEP will detail strategies, instructional and assessment accommodations, modifications, goals for the ELL student, and results on the State and local assessment data. The IEP will be updated annually or earlier if needed to reflect the ELL student's language proficiency growth. The ELL program supports a variety of first languages.
- (vi) Students with Special Needs. In serving students with disabilities, assistance in enabling School to comply with all applicable State and federal laws including, but not limited to, Section 504 of the Rehabilitation Act ("Section 504"), the Americans with Disabilities Act ("ADA"), and the Individuals with Disabilities Education Act ("IDEA"). Manager will provide or cause to be provided a continuum of special education services and range of placements to better enable the School to provide a free appropriate public education ("FAPE") in the least restrictive environment ("LRE"). Itinerant, supplementary or full-time special education support will be provided via the telephone, Internet, live sessions, or in person in accordance with the student's IEP. Manager will provide a comprehensive program using alternative curriculum for qualified students. Related services (for example, occupational or physical therapy, counseling,) will be provided face-to-face, via computer, in homes, community sites, and/or therapist offices, depending on the needs of each individual student and as provided in the student's IEP.
- (vii) Gifted Students. Teachers to work closely with the parent/guardian and the curriculum team to promote a steady flow of enrichment activities for students working above grade level. Manager may also offer students virtual gifted education, which can enable them to work significantly above grade level without the restraints of traditional school classroom pacing.

Advanced Placement courses are available in Mathematics, Language Arts, Spanish, Science, and History/Government.

- (viii) Extra-Curricular and Co-Curricular Programs. Oversight of appropriate extracurricular and co-curricular activities and programs (but not Supplemental Programs as defined in ARTICLE V below).
- (b) Additional Educational Services. Any other services required under federal or state law, under the Sponsorship Agreement and/or by the Ohio Department of Education (the “**ODE**”) and such other services as are necessary or expedient for the provision of teaching and learning at the School as agreed between Manager and the School from time to time. Manager will provide the Educational Services in accordance with the Educational Program, goals, curriculum, methods of pupil assessment, admissions policy, student recruitment policy, school calendar, school day schedule, and age and grade range of pupils to be enrolled at the School as adopted by the School and as provided for in the Sponsorship Agreement.
- (c) Budget Limitation. Manager will be responsible and accountable to the School for the provision of the Educational Services, provided, however, that such obligations, duties and responsibilities are limited by the Budget established pursuant to Section 1.2(a)(v) below. Therefore, notwithstanding anything to the contrary set forth in Section 1.1(a) or (b) above, Manager shall have no obligation to perform any Educational Services not contemplated by the Budget and will not be required to expend funds on Educational Services in excess of the amounts set forth in such Budget.

1.2 Administrative Services.

- (a) During the Term, Manager will provide to the School the following administrative services (the “**Administrative Services**”):
 - (i) Personnel Management. Management and professional development of all personnel providing Educational Services and Administrative Services in accordance with ARTICLE VI below.
 - (ii) Business Administration. Administration of all business operations of the School subject to the direction of the School.
 - (iii) Transportation and Food Services. Coordination with entities with which the School contracts for the provision of transportation and food services for the students enrolled at the School, manage and assess the services provided under such contracts, and supervise employees involved with providing such services, all as required by the School.
 - (iv) Public Relations. Coordination and assistance with any and all advertising, media and public relations efforts, including community outreach programs. All public relations will be subject to the mutual approval of both Parties, which approval may not be unreasonably withheld.
 - (v) Budgeting and Financial Reporting. Provision of budgeting and financial reporting services in accordance with the below:
 - (A) The Manager will prepare a proposed annual budget (in cooperation with the School’s fiscal officer) in a mutually agreeable format by June 1st of the immediately preceding fiscal year subject to the approval of the School

which shall not be unreasonably withheld or delayed and in all cases shall be provided no later than June 30 of the immediately preceding fiscal year. The approved budget is the “**Budget**”. There shall be no changes to the Budget impacting the Manager provided the School remains in a surplus position except to the extent the Parties agree in writing. The School’s fiscal officer shall be responsible for preparing other financial statements as required by and in compliance with the Sponsorship Agreement, and applicable laws and regulations, including such documentation as may be required by the independent certified public accountants retained by the School to perform annual audits of the School’s financial statements. The School shall be responsible for the costs of the audit and preparation of the financial statements, and the costs will be provided for in the Budget. The School shall select, with input from Manager upon request, a third party to serve as the designated fiscal officer and may proceed with hiring same.

- (B) The Manager will provide the School with monthly financial forecasts and analysis reports (Forecasted P&L / Cash Balances). The Manager will provide the following accounting information and services: accounts payable coding; payroll journal entries; expense accrual journal entries; support for grant writing / reporting / draw down; assist the fiscal officer with the preparation of monthly financial reporting to the School’s board of directors (the “**Board**”); and support for all State reporting requirements. The Manager, in conjunction with the fiscal officer, will prepare a five-year financial plan.
- (C) On behalf of the School, the fiscal officer is responsible for preparing (i) such other reports on the finances and operation of the School as reasonably requested or required by the ODE, the School or the Sponsor if necessary to cause compliance with the terms of the Sponsorship Agreement; (ii) monthly unaudited financial statements; and (iii) year-end unaudited financial statements which will be provided within forty-five (45) days after the end of the fiscal year.
- (D) The Manager will provide other information on a periodic basis or as requested with reasonable notice as may be reasonably necessary to enable the School to monitor Manager’s performance under this Agreement and related agreements including the effectiveness and efficiency of its operations at the School.
- (E) On behalf of the School, the Manager will maintain accurate financial records pertaining to its operation of the School, together with all School financial records prepared by the fiscal officer, and retain all such records for a period of five (5) years (or longer if required by applicable laws and regulations) from the close of the fiscal year to which such books, accounts and records relate. All the School financial records retained by the Manager pertaining to the School and prepared as an Administrative Service hereunder will be available to the School, and upon the written request of the School, to the Sponsor, the Auditor of State, the ODE, the United States Department of Education and to all other appropriate

regulatory authorities for inspection and copying upon reasonable request, it being understood that Manager will endeavor to make such copies available within thirty (30) business days of request.

- (F) If School is not able to fully pay the Management Fee or any bills when due, then the School shall (i) work with Manager to take actions to reduce expenses including, but not limited to, reducing the number of staff members, and (ii) obtain Manager's written consent prior to incurring costs, expenses, or other liabilities not contemplated under the Budget greater than ten thousand dollars (\$10,000) individually or in the aggregate.
- (G) School's Right to Audit. The School may conduct or appoint others to conduct examinations, at the School's expense, of the books and records maintained for the School. Any such audit shall be conducted by the School in a manner so as to minimize disruption to the Manager's operation of the School.
- (vi) Maintenance of Student and Other Records. Maintenance of other records as set forth below:
 - (A) Manager will maintain records pertaining to the students enrolled at the School as is required and in the manner provided by the Sponsorship Agreement and applicable laws and regulations, together with all additional School student records prepared by or in the possession of Manager, and retain such records on behalf of the School, until this Agreement expires or is terminated, at which time such records will be delivered to the School which shall thereafter be solely responsible for the retention and maintenance of such records (it being understood that student records are and shall be at all times the property of the School). Manager and the School will maintain the proper confidentiality of student records as required by law and the Sponsorship Agreement.
 - (B) Manager will maintain employment, business and other records pertaining to the operation of the School as is required and in the manner provided by the Sponsorship Agreement, and applicable laws and regulations, together with all additional School employment, business and other records prepared by or in the possession of Manager, and retain such records on behalf of the School until this Agreement expires or is terminated, at which time the records will be delivered to the School which shall thereafter be solely responsible for the retention and maintenance of the records (it being understood that the employment, business, and other records are and shall be at all times the property of the School, provided, for the avoidance of doubt, that records of the Manager and its Affiliates (as defined in section 3.7 below) pertaining to their existence and operation (including, without limitation, records maintained by Manager and its Affiliates in respect of its employees) are the sole and exclusive property of the Manager. Manager and the School will maintain the proper confidentiality of such records as required by law and the Sponsorship Agreement.

- (C) The financial, educational and student records pertaining to the School are subject to the applicable provisions of State and federal law. The School recognizes and agrees that for purposes of the Family Educational Rights and Privacy Act of 1974, 20 U.S.C. § 1232g; 34 CFR Part 99 (“**FERPA**”) and the State open records act, that Manager has a legitimate educational interest in the disclosure to Manager by the School (or its designees) of a student’s educational records and that such records shall be disclosed to Manager so Manager may provide the products and services described in this Agreement. The Board recognizes and agrees that Manager and its Affiliates are “school officials” and have a “legitimate educational interest” as permitted by FERPA, and the Board will take all steps necessary to ensure Manager has access to records necessary to permit the provision of the educational products and services hereunder. Manager shall help facilitate, to the extent requested by the School, the availability of all School records, whether physically or electronically, upon request, at the School.
- (D) Manager shall provide such other information, including written reports, as reasonably requested by the School.
- (vii) Admissions. Implementation of the School’s admission policy in accordance with the Sponsorship Agreement, and applicable laws and regulations.
 - (viii) Student Hearings. Administration and enforcement of student disciplinary and special education hearings in conformity with the requirements of the procedures established by the School, and applicable laws and regulations (including, but not limited to, requirements involving due process and confidentiality) to the extent consistent with the School’s duties and obligations under applicable laws and regulations.
 - (ix) Academic Progress Reports. Provide to the School on a periodic basis as necessary or appropriate for the School to satisfy its obligations under the Sponsorship Agreement, and applicable laws and regulations, a report detailing (A) the School’s students’ academic performance, (B) Manager’s performance of the Educational Services and Administrative Services against mutually acceptable criteria and (C) such other metrics of performance reasonably requested by the School.
 - (x) Rules and Procedures. Recommend rules and procedures applicable to the School, its students, and staff, if applicable, and enforce such rules and procedures adopted by the School that do not conflict with or violate this Agreement, the Sponsorship Agreement, or applicable laws and regulations.
 - (xi) Student Recruitment. Recruit students, subject to agreement on general recruitment and admission policies, to the extent budgeted for in the Budget or as otherwise approved by the School. Students shall be selected in compliance with the procedures set forth in the Sponsorship Agreement and State and federal laws.
 - (xii) Facility Management. Manager will coordinate all Facility (as defined in Section 1.4 below) repairs and maintenance, cleaning services,

- grounds maintenance, proposed alterations, plans for future development, security planning and related contractor services.
- (xiii) Additional Administrative Services. Any other services reasonably necessary for the effective administration of the School as agreed to from time to time by Manager and the School.
- (A) The Administrative Services will be provided in a manner consistent with the Educational Program, the Sponsorship Agreement, and local, State and federal laws and applicable regulations and policies.
 - (B) Subject to this Agreement, the Sponsorship Agreement, and applicable laws and regulations, Manager may modify the methods, means and manner by which such Administrative Services are provided at any time, provided that Manager supplies the School with written notice of material modifications.
- (b) Manager will be responsible and accountable to the School for the provision of the Administrative Services to the extent provided for in the Budget established in Section 1.2(a)(v) above. Therefore, notwithstanding anything to the contrary set forth in Section 1.2(a) above, Manager shall have no obligation to perform any Administrative Services not contemplated by the Budget as may be amended by the School, and will not be required to expend its own funds on Administrative Services in excess of the amounts set forth in such Budget.
- 1.3 Technology Consulting Services. Manager will provide the following technology consulting services and products (the “**Technology Consulting Services**”):
- (a) During the Term, Manager or its Affiliates (as defined in section 3.7 below) will provide oversight of the technology services referenced in Article IV below.
 - (b) Manager charges fees for the provision of Computer Equipment as set forth in Article IV below.
 - (c) Manager will be responsible and accountable to the School for the provision of the Technology Consulting Services, provided that such obligations, duties and responsibilities are limited by the Budget established in Section 1.2(a)(v) above. Therefore, notwithstanding anything to the contrary set forth in Section 1.2(a) above, Manager shall have no obligation to perform any Technology Consulting Services not contemplated by the Budget and will not be required to expend funds on Technology Consulting Services in excess of the amounts set forth in such Budget.
- 1.4 Place of Performance; Provision of Offices. The School will provide Manager with necessary and reasonable classroom and office space at 16000 Foltz Industrial Pkwy., Strongsville, OH 44136 (the “**Facility**”) to perform all services described in this Agreement. Manager will provide instructional, extra-curricular and co-curricular programs at the Facility. Manager may provide other services elsewhere, unless prohibited by the Sponsorship Agreement, or applicable laws and regulations.
- 1.5 Authority. By this Agreement, the School provides Manager such authority and power as is necessary and proper for Manager to undertake its responsibilities,

duties and obligations provided for in this Agreement, except in cases wherein such authority may not be delegated by applicable laws and regulations.

ARTICLE II. TERM

- 2.1 Term. The term of this Agreement will commence on July 1, 2022 (the “**Start Date**”) and shall continue thereafter through June 30, 2027 (the “**Initial Term**”) unless sooner terminated pursuant to ARTICLE VII or mandated by regulation or statute.
- 2.2 Renewal. Upon the conclusion of the Initial Term and each Renewal Term (defined hereinafter) thereafter, this Agreement will automatically extend for successive additional periods of ten (10) years (each such period is a “**Renewal Term**”) provided that if, at the time of any renewal, the term then remaining under the Sponsorship Agreement is less than ten (10) years, that Renewal Term shall be coterminous with the term of the Sponsorship Agreement) unless (a) either Party provides the other with written notice of non-renewal at least eighteen (18) months before expiration of the then-current Term (defined hereinafter), in which case, this Agreement shall terminate effective as of such expiration; or (b) the Agreement is sooner terminated under ARTICLE VII. The Initial Term and any Renewal Terms will be referred to collectively as the “**Term.**”
- 2.3 Sponsor or Sponsorship Agreement Change. In the event the Sponsor and/or the Sponsorship Agreement changes, this Agreement shall automatically survive and be performed in accordance with the new Sponsorship Agreement, these terms and conditions and applicable law unless this Agreement is otherwise terminated in accordance with ARTICLE VII herein. Notwithstanding the foregoing, if any change to the Sponsorship Agreement has a material adverse effect on Manager’s ability to deliver services, upon written notice to the other Party, Manager or School may request renegotiation of this Agreement. Request for renegotiation may be given any time following notice of the change whether or not the change is effective on the date of notice or thereafter. The Parties shall renegotiate in good faith. If the Parties are unable to agree on revised terms within thirty (30) days after notice of renegotiation is given, termination of this Agreement will be effective at the end of the school year in which notice of renegotiation was given unless earlier termination is necessary to protect the health, welfare or safety of students.

ARTICLE III. RELATIONSHIP OF THE PARTIES

- 3.1 Status of the Parties. Manager is not a division or any part of the School. The School is a separate and distinct legal entity authorized under State law and is not a division or a part of Manager. The relationship between the Parties was developed and entered into through arms-length negotiations and is based solely on the terms of this Agreement and those of any other agreements that may exist from time to time between the Parties. Nothing herein will be construed to create

a partnership or joint venture by or between the School and Manager or to make one the agent or fiduciary of the other. Neither the School nor Manager will hold itself out as a partner or agent of the other or otherwise state or imply by advertising or otherwise any relationship between it and the other in any manner contrary to the terms of this Agreement. Neither the School nor Manager has, and neither will represent that it has, the power to bind or legally obligate the other. Manager is an independent contractor. No employee of Manager will be considered an employee of the School by either Party for any purpose whatsoever.

- 3.2 Oversight of Manager. The Board shall be responsible for monitoring Manager's performance under, and compliance with, the terms of this Agreement in accordance with applicable law. Accordingly, the Board shall be responsible for overseeing the School's quality, and operational and financial performance, and also for working with the Sponsor as required. Manager shall reasonably cooperate with School's monitoring and oversight.
- 3.3 School-Related Correspondences. The Board shall provide Manager with all reports, documents and other findings that are related to or may have an impact on the School, the Sponsor and/or Manager's obligations herein. School-related correspondence includes, but it not limited to, adopted Board minutes, resolutions and Board reports, State audit preliminary and final reports, Sponsor reports, findings and correspondence, and any reports, financial or otherwise, submitted to a State regulatory body.
- 3.4 Manager Attendance at Board Meetings and Board Member Payment. Manager shall use commercially reasonable efforts to cause its personnel to attend Board meetings in person and, if unable to attend in person, may attend them telephonically. The Board shall use commercially reasonable efforts to schedule any regular, special or emergency Board meeting so that Manager has the opportunity to attend the same. The Board shall provide Manager with notice of any regular, special or emergency meeting of the Board when it provides members of the Board with notice of the meetings.
- 3.5 No Related Parties or Common Control. Manager will not have any role or relationship with the School that, in effect, substantially limits the School's ability to exercise its rights, including cancellation rights, under this Agreement. Any director, officer or employee of Manager shall be prohibited from serving on the Board. None of the voting power of the Board will be vested in Manager or its directors, members, managers, officers, shareholders and employees, and none of the voting power of the Board or shareholders of Manager will be vested in the School or its directors, members, managers, officers, shareholders (if any) and employees. Furthermore, the School and Manager will not be members of the same control group, as defined in Section 1.150-(f) of the regulations under the Internal Revenue Code of 1986, as amended (or its successor) (the "**Internal**

Revenue Code”), or related persons, as defined in Section 144(a)(3) of the Internal Revenue Code.

- 3.6 Other Schools. The School acknowledges that Manager will have the right to render similar services to other persons or entities including other public or private schools or institutions.
- 3.7 Exclusivity. During the Term, Manager and its Affiliates shall be the sole providers of the products and services set forth herein for the School unless otherwise waived in writing by an authorized officer of Manager. “**Affiliate**” means any entity that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the Manager whether through ownership of voting securities, by contract interest or otherwise.

ARTICLE IV. CONSIDERATION

- 4.1 Compensation for Services and Computer Equipment.
- (a) Management Fee. The School will pay to Manager an annual fee (the “**Management Fee**”) of fifteen percent (15%) of the federal, State and local funds the School receives, directly or indirectly, for the particular students enrolled in the School pursuant and subject to applicable law and regulations. The Management Fee calculation shall not include free and reduced lunch revenues, charitable contributions, transportation funding, or proceeds from fundraisers (“**Non-Qualified Gross Revenue**”) which shall be retained entirely by the School. Consideration referenced in this section shall not preclude the payment of additional consideration if additional consideration is permitted or specified elsewhere in this Agreement or in any other agreement between the Parties. If the School has no debt to the Manager and is able to timely pay the Management Fee, the School may, at its sole discretion, elect to pay to the Manager an incentive as a result of the School’s satisfaction of the Incentive Goals identified in Appendix A attached hereto and in the Sponsorship Agreement.
 - (b) AMP Fee. The School will pay to Manager fees for AMP Premium package as set forth in a separate price list unless the School selects a different level of AMP. Manager may modify the fees from time to time, but no more than once per school year. Manager will give School 90 days’ written notice of fee modification.
 - (c) Computer Equipment Fee. The School will pay to Manager fees for Computer Equipment as set forth in a separate price list. Manager may modify the fees from time to time, but no more than once per school year. Manager will give School 90 days’ written notice of fee modification.
 - (d) Technology Services Fee. The School will pay to Manager fees for Technology Services as set forth in a separate price list. Manager may modify the fees from time to time, but no more than once per school year. Manager will give School 90 days’ written notice of fee modification.
 - (e) Reasonable Compensation. The fees charged under this Agreement are reasonable compensation for products and services rendered. Manager’s

compensation for products and services under this Agreement will not be based, in whole or in part, on a share of net profits from the operation of the School.

- (f) Annual Reconciliation. The Management Fee shall be subject to annual reconciliation based upon actual enrollment and actual revenue received (including the final month of the Term, even though the payment may be made beyond expiration or termination of the Term). If the School receives written notice of a review of the enrollment being completed by the State, the School shall provide Manager with a copy of the written notice promptly upon receipt of same (and in any case, within three (3) business days). If the review results in a finding that additional funding is owed to the School, the School shall make payment to Manager within five (5) business days after receiving an invoice for such amount. If the review results in a finding that the School owes money to the State, the School will work with the Manager to initiate an appeal of the State's determination. Manager shall select legal counsel and a strategy for the appeal and pay any and all expenses and costs related to the appeal including attorneys' fees. The School shall cooperate with Manager and selected legal counsel's efforts to appeal. Should the review result in the School owing money to the State, Manager agrees to contribute the amount overpaid to Manager and the School shall contribute the amount retained by the School.

- 4.2 Payment of Costs. If Manager incurs any costs (directly or charged by service providers, vendors or other third parties) to deliver services pursuant to this Agreement, the School will reimburse Manager for such costs which may include, but are not limited to, mortgage, rent and/or lease payments (including costs pursuant to any equipment lease (but not Furniture and Equipment Lease referenced in Section 4.4 below or Facility lease that the Parties may enter into), Facility maintenance and utility costs, salaries of Manager's employees assigned to the staff of the School, Sponsor fee, attorneys fees for obtaining property tax exemption for the School, costs related to curriculum, instructional materials, textbooks, library books, computers, software, supplies, food service, transportation, special education, psychological services and medical services. Additionally, in consideration of Accel's employee administration costs (including payroll, benefits, recruiting, workplace safety and compliance) for all employees assigned to work at the School, Manager shall charge the School \$42.50 per pay period for each such employee. Except as may be provided in any equipment lease or Facility lease that is the subject of this Section 4.2, in charging for such costs to the School and paying for such costs, Manager will not charge an added fee unless such fee is approved in advance by the School.

- 4.3 New School Startup Line of Credit Loan Agreement and Promissory Note. Prior to or simultaneously with executing this Agreement, a school enrolling students for the first time ("**New School**") shall enter into a startup Line of Credit Loan Agreement and Promissory Note for costs associated with opening a new school or as otherwise approved by lender thereunder.

- 4.4 Furniture and Equipment Rental. School shall enter into a Furniture and Equipment Lease with Manager to rent furniture and equipment for the School and shall pay storage and delivery charges applicable to same. Furniture and equipment purchased with grant, government or other school funds will not be leased and ownership will remain with the School.
- 4.5 Time and Priority of Payments.
- (a) Each installment of the Management Fee will be due and payable by the School upon receipt of invoice and delinquent if not paid within thirty (30) days thereafter.
 - (b) Manager will notify the School of any payments due and owing to Manager pursuant to Section 4.2 above as soon as possible after the end of each month. School will make such payments to Manager upon receipt of invoice and be delinquent if not paid within thirty (30) days thereafter.
 - (c) New School shall pay amounts due under the Line of Credit Loan Agreement and Promissory Note as required by the Line of Credit Loan Agreement and Promissory Note.
 - (d) The School will satisfy its payment obligations under this ARTICLE IV to Manager in the following order of priority: (i) payments due and owing for salaries, benefits and associated administration costs of employees performing the services contemplated hereunder; (ii) payments due and owing under the Line of Credit Loan Agreement and Promissory Note referenced in Section 4.3 above; (iii) payments due and owing under Section 4.2 above for rent pursuant to Facility lease; (iv) payments due and owing under Section 4.2 above for Sponsor fee; (v) all other payments due and owing under Sections 4.2 and 4.4 above, with the oldest amounts due first; and (vi) payments due and owing pursuant to Section 4.1 above with the oldest amounts due first.
- 4.6 Payment Options.
- (a) The School will submit payroll and payroll tax monies via one of two funding methods ("**Funding Method**"): (i) Automated Clearing House ("**ACH**") funding, or (ii) wire funding ("**Wire**"). The School is only eligible for ACH funding if approved by the Manager. The School must utilize the Wire Funding Method if the School is not approved for the ACH Funding Method. "ACH" means the network used for electronic payments and money transfers, Automated Clearing House.
 - (b) Manager will submit payroll information to the School. The School shall submit the designated payroll amount two (2) Business Days prior to Manager's scheduled payroll payment date. "**Business Day**" means any day of the year other than (a) a Saturday, Sunday or (b) day on which banking institutions in any jurisdiction of the banking institution of the School are closed; or (c) a statutory or civic holiday in the United States. Manager will initiate electronic payment not later than 2:30 p.m. Eastern Time, to be settled not later than 4:30 p.m. Eastern Time on the date payment is due. School's failure to timely fund payroll may result in the requirement to utilize an alternative Funding Method, and delayed processing of banking, and other transaction or additional fees may be imposed including, without limitation, by the applicable financial institutions. The School shall indemnify, defend and hold

Manager harmless from and against claims, losses or any other liabilities arising from or relating to School's late submission of transactions.

4.7 Interest Rate and Fee Carryovers.

- (a) Unless otherwise agreed by the Parties, unpaid Management Fees and loans other than the startup Line of Credit Loan Agreement and Promissory Note will accrue interest at the one-month London Interbank Offer Rate ("**LIBOR**"), plus five percent (5%) for the time overdue, provided if one-month LIBOR shall be discontinued during the Term, Parties hereby agree that the one-month secured overnight financing rate shall be substituted therefor.
- (b) There will be no limits to what indebtedness or fees owed to Manager may be carried over from year to year unless expressly provided otherwise in this Agreement.

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

ARTICLE V. SUPPLEMENTAL PROGRAMS

In addition to the Educational Services, Administrative Services and Technology Consulting Services provided by Manager to the School, the Parties may agree that Manager will provide additional services, terms of which shall be determined on a case-by-case basis, which may benefit the School by increasing its exposure in the community including, but not limited to, pre-kindergarten, summer school, academic camps, before and after school programs, vocational training, and latch-key programs to students and non-students of the School (the "**Supplemental Programs**"), provided that nothing herein shall require Manager to provide any such Supplemental Programs. If either Party proposes a Supplement Program, the Parties shall consider the same in good faith and, if the same be agreeable to both Parties, work cooperatively with each other to facilitate the Supplement Program's development and implementation.

ARTICLE VI. PERSONNEL AND TRAINING

6.1 Personnel Responsibility.

- (a) Subject to Sections 1.1 and 1.2 above, the Sponsorship Agreement, and applicable laws and regulations, Manager will have the sole responsibility and authority to determine staffing levels, and select, evaluate, assign, discipline,

supervise, manage and terminate personnel necessary to carry out the Educational Services, Administrative Services, Technology Consulting Services, Supplemental Programs (if any) and all other services provided under this Agreement.

- (b) Except as specified in this Agreement or as required by the Sponsorship Agreement, the Head of School (HOS), teachers and support staff selected by Manager pursuant to this Agreement will be employees or subcontractors of Manager. Manager will be responsible for conducting reference checks, employment checks, criminal background checks and unprofessional conduct checks on its employees and subcontractors to the extent required by applicable laws and regulations as if the employees and subcontractors were employed by the School. Upon request, Manager will provide the School with documentary evidence of such background checks. Manager will share on a confidential basis with the School its performance reviews and assessment of the HOS.
 - (c) School shall not pay a bonus or other form of compensation to any employee or subcontractor of Manager or its Affiliates without advance consultation with and written approval from Manager.
- 6.2 Head of School. The HOS will be an employee of Manager and Manager will determine the employment terms of the HOS. Manager will have the authority, consistent with applicable laws and regulations, to select, supervise and terminate the HOS and to hold the HOS accountable for the success of the School.
- 6.3 Teachers. Manager will provide to the School such teachers as are required to provide the Educational Services and Supplemental Programs (if any). Manager, in consultation with the HOS, will determine the number and assignments of such teachers. Such teachers may work at the School on a full or part time basis. Each teacher assigned to the School will be qualified in his or her grade levels and subjects, and, to the extent required by applicable laws and regulations, hold a valid teaching certificate issued by the ODE. Further, to the extent required by applicable laws and regulations, such teachers shall have undergone a criminal background check and unprofessional conduct check as if such teachers were employees of the School. Upon request, Manager shall provide the School with documentary evidence of its compliance with this Section 6.3. Manager shall keep the School informed of all material actions and decisions relating to teaching staff on a regular basis.
- 6.4 Support Staff. Manager will provide the School with such support staff as are required to provide the Educational Services, Administrative Services and Supplemental Programs (if any). Such support staff may include, among others, teachers' aides, clerical staff, administrative assistants to the HOS, bookkeepers and maintenance personnel. Support staff may work at the School on a full or part time basis.
- 6.5 Training. Manager will provide training in its instructional methods, curriculum, educational program and support technology to its instructional personnel on a

regular and continuous basis. The training will enable the School's instructional staff to provide in-service training to each other. Non-instructional personnel will receive such training as Manager determines to be reasonable and necessary under the circumstances.

6.6 Non-Solicitation/Non-Hiring.

- (a) During the Term and one (1) year thereafter, each Party, unless otherwise agreed to in writing, may not directly or indirectly solicit, recruit for employment, offer employment to, offer subcontracting opportunities to, or otherwise employ or use the services of any current or former consultant or employee of the other Party or Affiliate if that consultant, employee, former consultant or employee had been assigned to or worked under this Agreement. Former consultant or employee means a consultant or employee who worked for a Party within six (6) months prior to hire or potential hire by the prohibited Party.
- (b) Unpermitted Solicitation/Hiring Remedies. If a Party breaches the clause immediately above, the other Party, at its option, may seek receipt of a sum equivalent to one hundred percent (100%) of that consultant, employee, former consultant or former employee's compensation during their first year with the new employer, and seek any legal or equitable relief against such actions including, but not be limited to, immediate injunctive relief in any court of competent jurisdiction. The one (1) year period of time referenced above will be extended by the amount of time a Party engages in any activity in violation of this Agreement and while the aggrieved Party seeks enforcement of this Agreement.
- (c) Solicitation Exceptions. For the avoidance of doubt, newspaper, periodical or Internet-based listings of employment opportunities by a Party shall not be considered direct or indirect solicitation of an employee, consultant, former employee or former consultant of the other Party or Affiliate. However, such Party shall continue to be precluded from engaging or otherwise using a Party's and Affiliate's employee, former employee, consultant or former consultant as set forth in this Section 6.6.

ARTICLE VII. TERMINATION OF AGREEMENT

- 7.1 Notice and Timing. Any notice of termination shall take effect at the end of the last day of the then-current school year unless otherwise specified herein or agreed to by the Parties. Notice of termination must be made in writing and delivered to the addresses set forth herein no later than January 15 of the then-current school year and shall list the reason(s) for termination. Early termination will not relieve the School of any obligations to pay fees and costs, whether accrued, pending or outstanding, to Manager.
- 7.2 Termination by Both Parties. The Parties may agree, at any time, in writing to terminate the Agreement.
- 7.3 Termination by Either Party. Either Party may terminate on the following grounds:

- (a) Effective upon failure to timely cure, if the other Party materially breaches this Agreement and fails to cure the breach within thirty (30) days following written notification of the breach. Failure to pay Manager for services as set forth in Article IV shall be considered a material breach, excluding overdue payments resulting from a payment dispute or delay between the School and any funding entity. If objectively ascertainable reasonable efforts have been made to effect a cure and the breach at issue does not objectively lend itself to cure within the thirty (30) day period, then additional time as necessary to complete the cure shall be permitted, but in no event more than sixty (60) days following written notification of breach.
- (b) If any federal, State or local law or regulation, court or administrative decision or Attorney General's opinion could reasonably be expected to have an adverse effect on the ability of either Party to carry out its obligations under this Agreement, a Party, upon written notice to the other Party, may request renegotiation of this Agreement. Notice may be given any time following enactment of the change whether or not the change is effective on the date of enactment or thereafter. The Parties shall renegotiate in good faith. If the Parties are unable to agree on revised terms within thirty (30) days after notice of renegotiation is given, termination of this Agreement will be effective at the end of the school year in which notice was given unless earlier termination is necessary to protect the health, welfare or safety of students.

7.4 Termination By Manager. Manager may terminate on the following grounds:

- (a) Effective when funding change goes into effect or a later date as designated by the Manager if there is any adverse and material change in local, State or federal funding for the School's students.
- (b) Effective immediately if the Board adopts or amends a policy, and the effect of such amendment or policy would reasonably be determined by Manager to materially increase the financial risk to Manager arising from its performance of its obligations hereunder, thus rendering Manager's performance economically unviable. In the event the School adopts such an adverse policy in the middle of the school year, Manager agrees to use its best efforts to complete its obligations for the then-current school year without waiving any rights and remedies hereunder.
- (c) Effective immediately if (i) the School or Manager undergoes or is required to undergo an adverse change that makes the School or Manager financially unviable, or (ii) the Board makes a financial decision that is grossly negligent or reckless conduct, intentional misconduct, or a knowing violation of law.

7.5 Real and Personal Property. Upon termination or expiration of this Agreement by either Party for any reason, all real and personal property leased by Manager to the School will remain the real and personal property and leases of Manager, and any personal property purchased by Manager with the funds provided to Manager by the School pursuant to Section 4.2 above will be the personal property of the School provided that the School has fulfilled all repayment obligations in any startup Line of Credit Loan Agreement and Promissory Note between the School and the lender thereunder. Notwithstanding the above, if any lease shall contain a buy-out or purchase option, the School shall have the right to exercise such option and purchase such equipment.

- 7.6 Return of Materials and Records. On the later of (a) five (5) business days after any termination or expiration of this Agreement by either Party for any reason, and (b) the effective date of termination as established in this ARTICLE VII, the School shall (i) assemble in a safe place all operational, systems and other administrative manuals and material, and copies thereof, and (ii) the President of the School shall certify to Manager in writing that the School has ceased use of any proprietary materials relating to the Educational Program and has deleted the materials from all databases and storage media maintained by the School. At Manager's direction, the School will promptly permit representatives of Manager or its Affiliate to pick up all such materials at the School. Manager shall return to the School all student educational records and all School-titled equipment and material (if any). Notwithstanding the foregoing, if the School closes for any reason, the Manager shall instead transmit the educational records of each student to said student's school district of residence.

ARTICLE VIII. PROPRIETARY INFORMATION, OWNERSHIP AND LICENSE

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

ARTICLE IX. INDEMNIFICATION AND LIMITATIONS OF LIABILITIES

- 9.1 Indemnification of Manager. To the extent permitted by law, the School will indemnify, defend and save and hold Manager and its Affiliates and all of their respective employees, officers, directors, subcontractors and agents (collectively, ***“Representatives”***) harmless from and against any and all third party claims, demands, suits, actions, fines, penalties, liabilities, losses, damages, or other forms of liability (any of which are a ***“Claim”***) (including reasonable attorney’s fees and costs) that may arise out of, or by reason of, any wrongdoing, misconduct or negligence by the School or its Representatives; noncompliance by any of them with any agreements, covenants, or undertakings of the School contained in or made pursuant to this Agreement; any misrepresentations of the School contained in or made pursuant to this Agreement; any action or omission by the School or its Representatives that results in injury, death or loss to person or property; and any violation by them of any applicable local, State or federal law, rule, or regulation. In addition, the School will reimburse Manager, its Affiliates and their Representatives for any and all reasonable legal expenses and costs associated with the defense of any third party Claim. The Parties acknowledge and agree that Manager and its Affiliates shall have no liability or responsibility for activities of the School that occurred prior to the Start Date. This indemnification obligation shall survive the termination or expiration of this Agreement.
- 9.2 Indemnification of the School. Manager will indemnify, defend and save and hold the School and its Representatives harmless against any and all third party Claims (including reasonable attorney’s fees and costs) that may arise out of, or by reason of, any wrongdoing, misconduct, or negligence of Manager or its employees; noncompliance by any of them with any agreements, covenants, or undertakings of Manager contained in or made pursuant to this Agreement, any misrepresentation of the Manager contained in or made pursuant to this Agreement; any action or omission by the Manager or its employee that results in injury, death or loss to person or property; and any violation by them of State or federal law. In addition, Manager will reimburse the School for any and all reasonable legal expenses and costs associated with the defense of any third party Claim. This indemnification obligation shall survive the termination or expiration of this Agreement.
- 9.3 Defense. A person or entity seeking indemnification under this ARTICLE IX (the ***“Indemnitee”***) shall give notice to the indemnifying Party (the ***“Indemnitor”***) of a Claim or other circumstances likely to give rise to a request for indemnification, promptly after the Indemnitee becomes aware of the same. The Indemnitor, with Indemnitee consent, which shall not be unreasonably withheld, conditioned or delayed, shall be afforded the opportunity to undertake the defense of and to settle by compromise or otherwise any Claim for which indemnification is available under this ARTICLE IX. The Indemnitor’s selection of legal counsel is subject to the Indemnitee’s approval (which approval shall

not be unreasonably withheld). If an Indemnitor so assumes the defense of any Claim, the Indemnitee may participate in such defense with legal counsel of the Indemnitee's selection and at the expense of the Indemnitee. Indemnitor may not settle any Claim against Indemnitee or otherwise consent to any final order or judgement regarding same if the settlement, final order or judgement includes an admission of wrongdoing in Indemnitee's or Affiliate's name unless Indemnitee or Affiliate, as applicable, consents in writing. If the Indemnitor, upon the expiration of the fifteen (15) days after receipt of notice of a Claim by the Indemnitee, has not assumed the expense of the defense thereof, the Indemnitee may thereupon undertake the defense thereof on behalf of, and at the risk and expense of, the Indemnitor, with all reasonable costs and expenses of such defense to be paid by the Indemnitor.

9.4 Limitations of Liabilities.

- (a) Immunities and Statutory Limitations. The School will assert all immunities and statutory limitations of liability in connection with any third party Claims arising from its operations, and will not waive any immunities or limitations without the prior written consent of Manager. Notwithstanding this ARTICLE IX, to the fullest extent permitted by law, the School will waive the defense of governmental immunity in any dispute between the Parties.
- (b) MAXIMUM OBLIGATIONS. EXCEPT AS TO AMOUNTS DUE UNDER ARTICLE IV ABOVE AND THE PARTIES' INDEMNIFICATION OBLIGATIONS, TO THE EXTENT PERMITTED BY LAW EACH PARTY'S MAXIMUM LIABILITY AND OBLIGATION TO THE OTHER PARTY AND THE EXCLUSIVE REMEDY FOR ANY CAUSE WHATSOEVER, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR IN TORT, INCLUDING NEGLIGENCE, RELATING TO THIS AGREEMENT SHALL BE LIMITED TO THE RECOVERY OF ACTUAL DIRECT DAMAGES UP TO THE AMOUNT OF FEES PAID UNDER THIS AGREEMENT IN THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE DATE A CLAIM IS MADE.
- (c) ECONOMIC DAMAGES. NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, EXEMPLARY, PUNITIVE, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, ANY LOST SAVINGS, LOST PROFITS, LOST SALES, BUSINESS INTERRUPTIONS, DELAY DAMAGES, OR LOST OR DESTROYED DATA, EVEN IF THAT PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- (d) REASONABLENESS. NEITHER OCCASIONAL SHORT-TERM INTERRUPTIONS OF SERVICE OR PRODUCTS, WHICH ARE NOT UNREASONABLE UNDER COMPARABLE INDUSTRY STANDARDS NOR INTERRUPTIONS OF SERVICE OR PRODUCTS RESULTING FROM EVENTS OR CIRCUMSTANCES BEYOND MANAGER'S OR ITS AFFILIATES' REASONABLE CONTROL SHALL BE CAUSE FOR ANY LIABILITY OR CLAIM AGAINST MANAGER OR ITS AFFILIATES, NOR SHALL ANY SUCH OCCASION RENDER MANAGER IN BREACH OF THIS AGREEMENT.

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

ARTICLE X. INSURANCE

- 10.1 Insurance Coverage. The Manager will help the School obtain, and the School will maintain, the types of and limits on insurance policies as follows unless different types and/or higher requirements are set forth in the Sponsorship Agreement: commercial general liability in amounts no less than \$1 million per occurrence and \$2 million in the aggregate; excess or umbrella extending coverage as broad as primary commercial general liability coverage in an amount no less than \$3 million; automobile in the amount of \$1 million; directors and officers/school leaders, employment practices liability and errors and omission, in amounts no less than \$1 million per occurrence and \$1 million in the aggregate; and employers liability in an amount no less than \$1 million. All insurance policies shall (a) be issued by companies in good standing and authorized to do business in the State and having an AM Best rating of A or better, (b) be written in standard form, and (c) provide that the policies may not be canceled except after thirty (30) days' written notice to the Manager and Sponsor. Upon Manager's request, the School shall deliver to the Manager a copy of such policies.
- 10.2 Workers' Compensation Insurance. Each Party will maintain workers' compensation insurance as required by law, covering its respective employees.
- 10.3 Cooperation. Each Party will, upon request, present evidence to the other that it maintains the requisite insurance in compliance with the provisions of this ARTICLE X. Each Party will comply with any information or reporting requirements applicable to or required by the other Party's insurer(s), to the extent reasonably practicable.

ARTICLE XI. REPRESENTATIONS AND WARRANTIES

- 11.1 Representations and Warranties of Manager. Manager hereby represents and warrants to the School:
- (a) Manager is a duly formed limited liability company in good standing and is authorized to conduct business in the State.
 - (b) To the best of its knowledge, Manager has the authority under applicable laws and regulations to execute, deliver, and perform this Agreement, and to incur the obligations provided for under this Agreement.
 - (c) Manager's actions under this Agreement have been and will be duly and validly authorized, and it will adopt any and all further resolutions or expenditure approvals required for execution of this Agreement.

- (d) The services to be performed under this Agreement will be performed in a professional and workerlike manner in accordance with commercially reasonable industry standards, applicable law, the Sponsorship Agreement, and applicable Board policies made known to Manager in writing and relating to the School. THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. MANAGER AND ITS AFFILIATES MAKE NO GUARANTEES AS TO THE GRADES OR TEST RESULTS TO BE OBTAINED BY THE STUDENTS. WITHOUT LIMITING THE FOREGOING, MANAGER AND ITS AFFILIATES MAKE NO GUARANTEES AND SHALL NOT BE LIABLE FOR NON-ACCESSIBILITY OF ANY WEBSITE, SYSTEM OR PROGRAM, END-USER CONNECTION SPEED OR CONNECTIVITY PROBLEMS, REGARDLESS OF THE REASON.

11.2 Representations, Warranties, and Covenants of the School. The School hereby represents, warrants, and covenants to Manager:

- (a) The Sponsorship Agreement (i) authorizes the School to operate and receive the State, federal and local education funds, as well as other revenues; (ii) approves the Educational Program and other activities contemplated in this Agreement; and (iii) vests the School with all powers necessary and desirable for carrying out the Educational Program and other activities contemplated in this Agreement.
- (b) The School has the authority under applicable laws and regulations to contract with a private entity to perform the Educational Services, Administrative Services, Technology Consulting Services, Supplemental Programs, and all other services under this Agreement and execute, deliver and perform this Agreement, and to incur the obligations provided for under this Agreement.
- (c) The School's actions have been duly and validly authorized, and the School will adopt any and all further resolutions or expenditure approvals required for execution of this Agreement; provided, however, that with regard to expenditures, such resolutions and approvals shall be required only if the relevant information is available to the School and the School has sufficient funds in the Budget to pay for such expenditures.
- (d) The School is not in breach of and has not defaulted under the terms of the Sponsorship Agreement, and there does not exist any state of fact which, with notice or lapse of time or both, would constitute an event of breach or default on the part of the School under the Sponsorship Agreement.
- (e) After the Effective Date, the School shall not incur any indebtedness outside the ordinary course of business or enter into any factoring or other debt arrangements without the prior written consent of the Manager, which consent shall not be unreasonably withheld, conditioned or delayed.

11.3 Mutual Warranties. Each Party to the Agreement warrants to the other that there are no pending actions, claims, suits or proceedings, to its knowledge, threatened or reasonably anticipated against or affecting it, which if adversely

determined, would have a material adverse effect on its ability to perform its obligations under this Agreement.

ARTICLE XII. CONFIDENTIALITY AND NON-DISCLOSURE

- 12.1 Confidential Information. Without the prior written consent of the other Party, neither Party will at any time: (a) use for its own benefit or purposes or for the benefit or purposes of any other person, corporation or business organization, entity or enterprise, or (b) disclose in any manner to any person, corporation or business organization, entity or enterprise any trade secret, proprietary information, data, know-how or knowledge (including but not limited to curricula information, financial information, marketing information, cost information, vendor information, research, marketing plans, educational concepts and employee information), whether transferred in writing or other tangible form, or transferred orally, visually, electronically or by any other means, belonging to, or relating to the affairs of a Party or any of its Affiliates (the “**Disclosing Party**”) or received through association with the Disclosing Party (collectively, “**Confidential Information**”), whether the Confidential Information was received by the Receiving Party before or after the commencement of this Agreement. Confidential Information does not include information a Party receives (the “**Receiving Party**”) and can show that it: (i) was known to the Receiving Party prior to its association with the Disclosing Party; (ii) had become available to the public other than by a breach of this Agreement by the Receiving Party; or (iii) was disclosed to the Receiving Party by a third person or entity that was not prohibited by a contractual, fiduciary or other legal obligation to the Disclosing Party from disclosing the Confidential Information.
- 12.2 Care and Authorized Use. Each Party will use at least the same degree of care to prevent unauthorized use and disclosure of Confidential Information as that Party uses with respect to its own confidential information (but in no event less than a reasonable degree of care); use Confidential Information only in performance of its obligations under this Agreement; and not disclose or grant access to such Confidential Information to any third party except on a need-to-know basis and based on a confidentiality agreement with terms at least as strict as those contained in this Agreement. This Agreement does not prohibit any Party from disclosing Confidential Information it is legally compelled to disclose by oral questions, interrogatories, requests for information or documents, subpoenas, investigative demands, judicial orders or similar process. However, if the Receiving Party is legally compelled to disclose any Confidential Information, the Receiving Party covenants to use its best efforts to provide the Disclosing Party with prompt written notice (not more than forty-eight (48) hours after learning it will be compelled to disclose) so the Disclosing Party may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. If a protective order or other remedy is not obtained, or the Disclosing Party waives compliance with the provisions of this

Agreement, the Receiving Party covenants to furnish only that portion of the Confidential Information the Receiving Party is legally required to disclose, and to exercise its best efforts to obtain reliable assurance that the Confidential Information will be treated confidentially.

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

ARTICLE XIII MISCELLANEOUS

- 13.1 Integration, Sole Agreement, and Third Party Beneficiaries. This Agreement (together with any exhibits, price lists, schedules or documents referred to herein) is the entire agreement between the Parties, sets forth all of the promises, covenants, agreements, conditions and undertakings of the Parties with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, negotiations, inducements or conditions, express or implied, oral or written, if any, between the Parties with respect to the subject matter hereof. Except as limited by Section 13.7 (Assignment) below, this Agreement shall be binding upon and is for the exclusive benefit of the Parties, and their respective Affiliates, successors and permitted assigns, and not for the benefit of any third party, nor shall it be deemed to confer or have conferred any rights, express or implied, upon any other third party including a relationship in the nature of a third party beneficiary or fiduciary.
- 13.2 Force Majeure. In the event that either Party is delayed, hindered, or prevented from performing any act required under this Agreement by reason of fire or other casualty, acts of God, pandemic, strike, lockout, labor dispute, inability to procure services or materials, failure of power, riots, terrorism, insurrection, war or other reason of like nature not the fault of the delayed Party, its performance shall be excused for the period of the delay and the time for performance shall be extended for a period equivalent to the period of the delay. This Section shall not excuse School from prompt payment of any amounts required by the terms of this Agreement. As soon as practicable, the Party experiencing a force majeure event shall: (a) notify the other Party about the event, and (b) resume performance of its obligations under this Agreement upon conclusion of the event.
- 13.3 Governing Law, Jurisdiction and Waiver of Jury Trial. The laws of the state of Ohio, without regard to conflict of law principles, will govern this Agreement, its construction, and the determination of any rights, duties and remedies of the Parties arising out of or relating to this Agreement. Jurisdiction and venue are proper in the county in which the School is located. The Parties each waive any right to trial by jury in any litigation involving this Agreement, including breach, interpretation or performance thereof.

- 13.4 Construction. The Parties acknowledge and agree that this Agreement is the result of extensive negotiations between the Parties and their respective counsel, and that this Agreement shall not be construed against either Party by virtue of its role or its counsel's role in the drafting hereof. Paragraph captions or headings of various articles, sections and other subdivisions are used herein for convenience of reference only and are not intended to be used, nor shall they be used, in interpreting this instrument or modifying, defining or limiting any of the terms or provisions hereof.
- 13.5 Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but both of which will constitute one and the same instrument. Each Party may rely on facsimile signature pages as if such facsimile pages were originals.
- 13.6 Notices. Either Party may change the address to which notice to it, or copies thereof, shall be addressed by giving notice to the other Party hereto in conformity with the following. All notices and other communications permitted or required by the terms of this Agreement shall be in writing and sent via any of the following methods to the Parties hereto at the addresses set forth below. Notice shall be deemed given: (a) upon receipt if sent by certified or registered mail, postage prepaid, return receipt requested, (b) on the day it is sent if by facsimile on a business day during normal business hours, or the next business day thereafter if sent on a non-business day or after normal business hours (with confirmation of transmission by sender's facsimile machine) and a copy simultaneously sent by nationally recognized overnight courier, (c) upon delivery if sent by personal delivery (with written confirmation of delivery), or (d) upon delivery if by sent by nationally recognized overnight carrier (with written confirmation of delivery). The addresses of the Parties are:

To:

Strongsville Academy
Attn: Board President
16000 Foltz Industrial Pkwy.
Strongsville, OH 44136

With a copy to:

Callender Law Group
100 East Broad St., Suite 690
Columbus, OH 43215

To:

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

And legal@pansophiclearning.com

With a copy to:

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

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

13.11 Assertion of Claims. No Party shall bring any claim relating to this Agreement beyond one year after the date on which the Party became aware, or should reasonably have become aware, of the facts giving rise to any alleged liability of the other Party and, in any event, no later than two (2) years after (a) the last day of the Term, or (b) the earlier termination of this Agreement for any reason. The provisions of the preceding sentence shall not apply to claims for payment of amounts due under the “Consideration” Sections of this Agreement or loans.

13.12 Injunctive Relief and Dispute Resolution.

- (a) Injunctive Relief. The School acknowledges that the covenants set forth in Sections “Non-Solicitation/Non-Hiring”, “Proprietary Information and Ownership”, “License”, and “Confidentiality and Non-Disclosure” above are reasonable in scope and content and necessary to protect the Manager, its Affiliates and their business interests. The School understands and agrees that the breach or threatened breach of Sections “Non-Solicitation/Non-Hiring”, “Proprietary Information and Ownership”, “License”, and “Confidentiality and Non-Disclosure” of this Agreement would give rise to the aggrieved Party suffering irreparable harm which would be inadequately compensable in money damages. Accordingly, in addition to any other remedies available to it, the aggrieved Party shall be entitled to a restraining order and/or an injunction prohibiting the breach or threatened breach of any provision, requirement or covenant of this Agreement, without the requirement of posting a bond, in addition to and not in limitation of any other legal remedies which may be available.
- (b) Dispute Resolution Procedure. The Parties agree that they will attempt in good faith to settle any and all disputes arising in connection with this Agreement amicably in the ordinary course of business. If a dispute is not resolved in the ordinary course of business, the aggrieved Party will submit its dispute in writing to the Board’s president and Manager’s Chief Operating Officer or equivalent who shall have ten (10) business days to seek resolution of the matter. The dispute resolution procedures described herein will be deemed complete upon the earlier to occur of the following:
 - (i) the Parties mutually agree in writing to discontinue the dispute resolution procedures herein; and
 - (ii) the relevant dispute is not resolved within the time periods provided herein.
- (c) Arbitration. Subject to the provisions of Sections 13.12(a) and 13.12(d), any dispute arising out of or relating to this Agreement, including but not limited to the breach, termination or validity hereof, shall be settled by confidential, binding arbitration in accordance with the rules of JAMS (Judicial Arbitration and Mediation Services, Inc. <https://www.jamsadr.com>) before a single arbitrator. The need for and scope of formal discovery will be determined by agreement of the Parties or, if the Parties are unable to agree, the arbitrator. The arbitrator will render an opinion/award within thirty (30) days from the date of the hearing, and the opinion/award shall be written and include findings of fact and conclusions of law. The arbitration will be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1-16, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. The arbitrator is not empowered to award any

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


- (d) Exceptions. Notwithstanding anything else in this Agreement, claims for monies due and claims for injunctive relief as provided for in Section 13.12(a) above, and/or claims for grant or financial assistance reimbursement due may at either Party's option be brought separately and immediately in a court of competent jurisdiction or pursued through arbitration as set forth above.
- (e) Shared Fees and Expenses. The fees and expenses of the arbitrator shall be shared equally by the Parties.


13.13 Survival on Termination or Expiration. The following Articles and Sections shall survive termination or expiration of this Agreement: Consideration and Supplemental Programs (to the extent they relate to amounts owing for periods through the expiration or termination of this Agreement); Non-Solicitation/Non-Hiring; Termination of Agreement (to the extent they relate to obligations after expiration and termination); Proprietary Information, Ownership and License; Indemnification and Limitations of Liabilities; Confidentiality and Non-Disclosure; Interpretation, Sole Agreement and Third Party Beneficiaries; Governing Law, Jurisdiction and Waiver of Jury Trial; Construction; Counterparts; Notices; Assignment; Amendment and Cumulative Effect; Waiver and Delay; Severability; Assertion of Claims; Injunctive Relief and Dispute Resolution; Survival on Termination or Expiration; payment obligations and any provision that, based on its nature, should survive.

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

Accel Schools Cleveland FB LLC

Strongsville Academy

By: 
DocuSigned by:
9EF1A542ADC245D...
 Name: Maria Szalay
 Title: Chief Operating Officer

By: 
Jonathan Petrea (Mar 23, 2022 21:23 EDT)
 Name: Jonathan Petrea
 Title: Board Chairman

APPENDIX A

INCENTIVE GOALS

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

CLOSING PROCEDURES ASSURANCE DOCUMENT

By signing this document, I Jonathan Petres, hereby certify that I am the School Governing Authority President and/or authorized representative of Strongsville Academy. If Strongsville Academy should cease to exist for any reason, including but not limited to suspension, closure or termination as outlined in Ohio Revised Code, Chapter 3314, the School Governing Authority agrees to cooperate fully with the Sponsor and comply with all Community School Closing/Suspension Procedures put in place by the Ohio Department of Education or the sponsor at the time of the School's closing.

Furthermore, the School Governing Authority appoints School Superintendent, or the then current School leader, as Designee, to coordinate the closure of the School and to ensure all requirements of the Community School Closing/Suspension Procedures as prescribed by the Ohio Department of Education and the sponsor at the time of the School's closing are fully completed.

The School Governing Authority President, Treasurer and Designee hereby acknowledge they have reviewed the Ohio Department of Education Community School Closing/Suspension Procedures in effect at the time of executing this document and understand the duties to be undertaken should the School close. Failure to complete these duties as prescribed may result in criminal or civil penalties as permitted by law. Additionally, should Governing Authority, School leader, treasurer or designee fail to ensure that all closing requirements are fulfilled the Sponsor will manage the closure process and may require the Governing Authority to reimburse the Sponsor for the costs associated with closure.

Upon closure or suspension of the school, any property that was acquired by the operator or management company of the school using state funds that were paid to the operator or management company by the School Governing Authority as payment for services rendered shall be distributed in accordance with division (E) of section 3314.015 and section 3314.074 of the Revised Code.

The designated fiscal officer and/or School Governing Authority shall ensure all financial and enrollment records are delivered to the Sponsor in a timely manner as well as to other entities specified in rule or Ohio Revised Code.

[Signature]
School Governing Authority President

2-16-2022
Date

[Signature]
Designee

February 18, 2022
Date

[Signature]
Treasurer

Feb 17, 2022
Date

CERTIFICATION OF RESOLUTION
RACIAL AND ETHNIC BALANCE POLICY AND PLAN

Strongsville Academy
(An Ohio Not-for-Profit Corporation)

The Governing Authority (the "Board") of **Strongsville Academy** (the "School" and the "Corporation"), a not-for-profit corporation organized under the laws of the State of Ohio, hereby resolves as follows:

IT IS HEREBY RESOLVED that in accordance with Ohio Revised Code 3314.03, a community school must achieve the racial and ethnic balance reflective of the community it serves. The school's Governing Authority is committed to that goal and uses the State Report Card of the school district where the school is located as a guide to determine what the percentages should be. The operations team and the school shall work together to identify target population areas as a recruitment strategy in order to achieve the appropriate racial balance of its students and staff.

IT IS FURTHER RESOLVED that the Governing Authority shall implement and adopt and adhere to all policies, plans, and procedures necessary to effectuate the achievement of racial and ethnic balance in the school and authorizes the School administrator to adjust the Plan as necessary to achieve the goals of the Plan.

IT IS FURTHER RESOLVED that the Board Chair is authorized and directed to execute any and all forms, and/or documents required in connection or by reason of this resolution.

APPROVAL AND ADOPTION

Motion to adopt the Racial and Ethnic Balance Policy and Plan (with without amendment(s))

Moved by MEMBER PETREA

Seconded by MEMBER MARGEVICIUS

Board Member (Name/Initials)	AYE	NAY	Other (Not Present, Abstain, Etc.)
Greg Margevicius	/GM		
Darvio Morrow	/		
Danielle Munk	/DM		
Ed Oliveros	/EO		
Jonathan Petrea	/JP		

Duly adopted by a vote of the Board on this 16 day of FEB, 2022.

JP

Chair/Secretary
Strongsville Academy
JONATHAN PETREA

ADMISSIONS, (OPEN) ENROLLMENT, RESIDENCY VERIFICATION, AND LOTTERY POLICY AND PROCEDURES

Strongsville Academy

ARTICLE I ADMISSIONS

In accordance with § 3314.03(A)(19) of the Ohio Revised Code (“ORC”) the Governing Authority hereby sets forth that the School shall allow application and/or admission from any student in the State of Ohio. The School will open admission to all children wishing to enroll in the school, subject to availability and the process set forth in the School Enrollment Guidelines and Lottery Process listed below.

Section 1. Nondiscrimination Requirements

Pursuant to ORC § 3314.06, admission to the School will not be limited on the basis of intellectual ability, measures of achievement or aptitude, athletic ability, gender, disability, race, creed, national origin, religion, or any other ground that would be unlawful. Student selection will be an open and carefully monitored process. All marketing and recruitment materials and processes must be implemented in a nondiscriminatory manner. Violation of these nondiscrimination requirements will be taken extremely seriously by the School’s Governing Authority and may result in sanctions up to and including termination of any employees involved in such infractions.

Section 2. School Enrollment Guidelines

The School Enrollment Guidelines will be as follows:

- A. **Strongsville Academy** is open to any student, age **5-9, K-3**, who is entitled to attend school in the State of Ohio, free of tuition.
- B. No student shall be denied admission to the school on the basis of race, creed, color, gender, sexual orientation, religion or ancestry, national or ethnic origin, disability, intellectual ability, measures of achievement or aptitude, athletic ability, or any other grounds.
- C. Enrollment eligibility is not to exceed the capacity of the school’s programs, classes, grade levels, or facilities.
- D. Admission to the school may be limited to students who have attained a specific grade level or are within a specific age group as outlined in the School’s sponsorship contract; to students that meet a definition of "at-risk," as defined in the contract; to residents of a specific geographic area within the district, as defined in the contract; or to separate groups of autistic students and nondisabled students, as authorized in ORC § 3314.061 and as defined in the contract.
- E. Admission to the school is dependent on the successful completion of all required steps and documentation of the admissions process.

Families must complete and submit the application and all required documents to the School's admissions office. Failure to do so in a timely manner may disqualify a child's enrollment into the school. Upon receipt of application, a number is assigned to the student, and the information is entered into the student enrollment data system.

Section 3. Enrollment Documentation

Enrollment documentation is required as follows (as documented on the Documentation Checklist provided to the student's parent or legal guardian):

- A. Student's Original Birth Certificate or Passport with appropriate seals, or other valid proof of date of birth
- B. Signed Parent Release Form for obtaining student's previous School Records
- C. Student's Immunization Records (including most recent required immunizations)
- D. Proof of Residency (in compliance with ORC § 3314.11):
 - a. A deed, mortgage, lease, current homeowner's or renter's insurance declaration page, or current real property tax bill;
 - b. A utility bill or receipt of utility installation issued within ninety days of enrollment;
 - c. A paycheck or paystub issued to the parent or student within ninety days of the date of enrollment that includes the address of the parent's or student's primary residence;
 - d. The most current available bank statement issued to the parent or student that includes the address of the parent's or student's primary residence;
 - e. Documented affirmation of address of student's parent(s) or legal guardian from district of residence where parent(s) or legal guardian currently resides;
 - f. Notarized affirmation from parent(s) or legal guardian of current residence address;
 - g. USPS return receipt from certified letter sent to parent(s) or legal guardian by district of residence;
 - h. Written confirmation from the Department of Job and Family Services of current address of the parent(s) or legal guardian; or
 - i. Written confirmation from a local law enforcement agency of the current address of the parent(s) or legal guardian.
 - j. Any other official document issued to the parent or student that includes the address of the parent's or student's primary residence.
- E. Emergency Medical Form
- F. Completed Enrollment Packet
- G. Free and Reduced Lunch Verification (if applicable)
- H. Most current IEP or ETR (if applicable)
- I. Notarized or Original Court-Approved Custody papers (if applicable)

Section 4. Application Review and Acceptance Processes

The application review and acceptance processes are as follows:

- A. The enrollment window ends on the date reflected on the designated application at 5:00 p.m. local time.
- B. Hereafter, all applications are counted.
- C. The number of seats available and the number of applications will be compared.
- D. Currently enrolled students are placed first.
- E. Enrollment preference is given to students residing in the district where the School is located and to siblings of placed students.

- F. After current students and siblings and students residing in the district where the School is located are placed, the number of vacancies is confirmed.
- G. Enrollment preference is given to children of full-time staff members employed by the School, provided the total number of students receiving this preference is less than five per cent of the school's total enrollment. If the number of students eligible for this preference exceeds five per cent of the school's enrollment, students are admitted by random lottery according to the Lottery Process described below.
- H. After current students and siblings, and students residing in the district, and children of full-time employees of the School are placed, the number of vacancies is confirmed.
- I. If there are fewer applications than there are vacant seats, all of the applicants that are left will be enrolled. However, if there are more applications than there are available seats, a Lottery will be held.

ARTICLE II LOTTERY

A Lottery will be utilized to ensure that applicants receive a fair and equitable opportunity to enroll in and attend **Strongsville Academy**. The Governing Authority has created Lottery Process guidelines as follows:

Section 1. The Lottery Process

The lottery drawing date will be publicized and the drawing conducted in public so that parents can observe the process and assure its transparency. At least two independent observers will also be present at the drawing; one of these observers will draw the lottery results. The Lottery Process is as follows:

- A. The lottery is a system of random selection of applications that identifies students for enrollment in vacant seats. It also generates the school's wait list.
- B. After all current students and their siblings are placed, and students residing in the district where the School is located are placed, and children of full-time employees of the School are placed, all other completed and accepted applications submitted during the enrollment period, including applicants currently on a wait list, are publicly drawn by a disinterested third party in random order until capacity is reached.
 - a. Special needs and ELL students are included in the lottery process.
- C. Names are drawn from the envelope.
- D. The selected students are placed on an enrollment list by the independent observers.
- E. If a selected student has any siblings applying for enrollment, the siblings are automatically accepted and placed if there is space available. If there is no space, the siblings are placed on the wait list.
- F. The process continues until every child who has applied is either placed in an open seat or is assigned to the wait list. Applicants on a wait list prior to the lottery will retain their original position on the wait list.
- G. Parents will receive written notice of the lottery results within 10 calendar days of the drawing. They must accept their child's placement within 10 calendar days of notification. Parents must provide all documentation from the Document Checklist (above) by a given due date before their child can begin attending the school. If documentation is not provided by the due date, the child will no longer be considered eligible, and the seat will be offered to the next student on the waitlist.

- H. Wait List: The wait list will remain in effect for the entire school year or until all students have been placed. Throughout the year, new applicants will be placed on the list and placed in the order in which their applications were received. If a parent refuses their child's assigned placement, they are removed from the wait list, and the next name on the wait list is called.

Section 2. Address and Residency Verification

The Board delegates to the School Superintendent the verification and tracking of student residency and address during initial enrollment and throughout each academic year. In compliance with Ohio Revised Code, the School shall require at least one of the following documents upon enrollment or upon change of residency to verify student residency and address:

- A. A deed, mortgage, lease, current homeowner's or renter's insurance declaration page, or current real property tax bill;
- B. A utility bill or receipt of utility installation issued within ninety days of enrollment;
- C. A paycheck or paystub issued to the parent or legal guardian or student within ninety days of the date of enrollment that includes the address of the parent's or legal guardian's or student's primary residence;
- D. The most current available bank statement issued to the parent or student that includes the address of the parent's or student's primary residence;
- E. Documented affirmation of address of student's parent(s) or legal guardian from district of residence where parent(s)/legal guardian currently resides;
- F. Notarized affirmation from parent(s) or legal guardian of current residence address;
- G. USPS return receipt from certified letter sent to parent(s) or legal guardian by district of residence;
- H. Written confirmation from the Department of Job and Family Services of current address of the parent(s) or legal guardian; or
- I. Written confirmation from a local law enforcement agency of the current address of the parent(s) or legal guardian.
- J. Any other official document issued to the parent or legal guardian or student that includes the address of the parent's or student's primary residence.

Parents, legal guardians, or emancipated students aged 18 and older are required to notify the School when a change in the location of the parent's or legal guardian's or student's primary residence occurs.

When a student loses permanent housing and becomes a homeless child or youth, as defined in 42 U.S.C. 11434(a), or when a child who is such a homeless child or youth changes temporary living arrangements, the district in which the student is entitled to attend school shall be determined in accordance with ORC § 3313.64(F)(13) and the "McKinney-Vento Homeless Assistance Act," 42 U.S.C. 11431 et seq.

Section 3. Superintendent Residency Report

The School Superintendent shall report in writing to the Board on a monthly basis the residency status of students attending the School. This report shall contain the following:

1. Number of new students enrolled;

2. Number of student records randomly reviewed for residency verification and any issues that were discovered during the random review;
3. Number of address updates that were provided by parents or legal guardians; and
4. Number of disputed residency issues and the progress being made on those issues.

The School Superintendent shall prepare an annual report of the residency status of students for Board approval and submission to the state in compliance with ORC § 3314.11

Legal References

State:

ORC §§ 3313.64(F)(13); 3314.03(A)(19); 3314.06; 3314.061; 3314.11

Federal:

42 U.S.C. § 11431 et seq.; § 11434(a)

[End]

Exhibit A: Compulsory and Early Kindergarten Admissions

Compulsory Kindergarten and Early Admissions:

The School shall admit or evaluate children seeking admission to kindergarten in accordance with the following:

- A. The School shall admit a child to kindergarten if the child is five years of age prior to September 30 of the year of admittance.
- B. Notwithstanding the provisions provided below, for a child who does not meet the age requirements for mandatory admission to kindergarten, but who will be five years of age, prior to the January 1 of the year in which admission is requested, the School shall evaluate the child for early admittance in accordance with this policy, upon referral by the child's parent or guardian, an educator employed by the School, a preschool educator who knows the child, or a pediatrician or psychologist who knows the child. Following such evaluation, the Board or its designee shall make a decision as to whether to admit the child.
- C. For purposes of this policy, the Board-designated evaluation procedure will consist of an Ohio Department of Education approved readiness test administered to a prospective kindergartner by the Board's designee, and the minimum score for early admissions shall be a score of 270, or as otherwise may be required by the Ohio Department of Education.
- D. The School chooses not to admit a child seeking admission to kindergarten or first grade who will not be five prior to January 1 of the year in which admission is requested, and therefore the School has no Academic Acceleration Policy.
- E. First Grade eligibility shall be based on the admissions, promotion and retention policies of the School.

Legal Reference:

Am. Sub. Senate Bill (SB) 316 (effective September 24, 2012)

Am. Sub. House Bill (HB) 59 (effective September 29, 2013)

Ohio Revised Code (ORC) Sections 3314.03, 3314.08, 3321.01 and 3324.10



SPECIAL EDUCATION MODEL POLICIES AND PROCEDURES

Adopted on:

February 16, 2022

Date

By:

Strongsville Academy

District

INTRODUCTION

By adopting these Model Policies and Procedures, Strongsville Academy (the “District”) is adopting written policies and procedures regarding the manner in which the District fulfills its obligations under the Individuals with Disabilities Education Improvement Act of 2004 (IDEA) and the *Ohio Operating Standards for Ohio Educational Agencies Serving Children with Disabilities* (hereafter referred to as the “Operating Standards”). The Operating Standards require that the District adopt written policies and procedures in a number of different areas, and the District has chosen to adopt the model policies and procedures promulgated by the Ohio Department of Education’s Office for Exceptional Children (ODE-OEC) in order to satisfy these requirements of the Operating Standards.

This document, while comprehensive, does not include every requirement set forth in the IDEA, the regulations implementing IDEA, the Operating Standards, the Ohio Revised Code (ORC) and/or the Ohio Administrative Code (OAC). The District recognizes its obligation to follow these laws, regardless of whether their provisions are restated in the Model Policies and Procedures.

I. FREE APPROPRIATE PUBLIC EDUCATION (FAPE)

The District ensures that a free appropriate public education (FAPE) is made available to all children with disabilities between the ages of 3 and 21, inclusive, in accordance with IDEA and the Operating Standards.

A. RESIDENTIAL PLACEMENT

If the District places a child with a disability in a public or private residential program deemed necessary to provide special education and related services to a child with a disability, the program, including non-medical care and room and board, is at no cost to the parents of the child.

B. ASSISTIVE TECHNOLOGY

The District makes assistive technology available if required as part of the child's special education, related services or supplementary aids and services.

C. EXTENDED SCHOOL YEAR (ESY) SERVICES

The District ensures that extended school year services are provided if a child's individualized education program (IEP) team determines that the services are necessary for the provision of FAPE to the child. If a child is transitioning from Part C services, the District considers extended school year (ESY) services as part of the IEP process.

D. NONACADEMIC SERVICES

The District takes steps, including the provision of supplementary aids and services determined appropriate and necessary by the child's IEP team, to provide nonacademic and extracurricular services and activities in the manner necessary to afford children with disabilities an equal opportunity for participation in those services and activities as provided to students without disabilities.

Nonacademic and extracurricular services and activities include counseling services, athletics, transportation, health services, recreational activities, special interest groups or clubs sponsored by the school district, referrals to agencies that provide assistance to individuals with disabilities and employment of students, including both employment by the school district and assistance in making outside employment available.

E. PROGRAM OPTIONS AND PHYSICAL EDUCATION

The District takes steps to ensure that children with disabilities served by the District have available to them the variety of educational programs and services available to nondisabled

children served by the school district, including art, music, industrial arts, consumer and homemaking education and vocational education.

The District ensures that a child with a disability receives appropriate physical education services. The District affords each child with a disability the opportunity to participate in a regular physical education program available to non-disabled children, unless the child is enrolled full time in a separate facility or needs specially designed physical education, as prescribed in the child's IEP. The District provides a specially designed physical education program if prescribed by the IEP.

For preschool children, the District considers adapted physical education or related services, as appropriate, in conjunction with center-based or itinerant teacher services, and considers the factors set forth in 3301-51-11(F) of the Operating Standards.

F. TRANSPORTATION

The District provides, as a related service, transportation service in accordance with IDEA and the Operating Standards.

II. CONFIDENTIALITY

The District safeguards the confidentiality of personally identifiable information at use, collection, storage, retention, disclosure and destruction stages. In the District, _____ (name of responsible official) is responsible for maintaining the confidentiality of personally identifiable information. The District ensures that all persons collecting or using personally identifiable information receive training and instruction regarding the District's policies regarding that information. The District maintains for public inspection a current listing of the names and positions of those employees within the agency who may have access to personally identifiable information. The District gives notice to all parents of students receiving special education and related services that is adequate to fully inform parents about confidentiality requirements, in accordance with 3301-51-04(C) of the Operating Standards. The District also ensures that its contractors adhere to applicable confidentiality requirements.

A. ACCESS RIGHTS

The District permits parents (or a representative of a parent) to inspect and review any education records relating to their children that are collected, maintained, or used by the District. If any education record includes information on more than one child, the parents of those children have the right to inspect and review only the information relating to their child or to be informed of that specific information. The District does not charge a fee to search for or retrieve information. The District may charge a fee for copies of records, but does not charge a fee for copies of records that will effectively prevent the parents from exercising their right to inspect and review records.

The District complies with a request to access records without unnecessary delay and before any meeting regarding an IEP, or any hearing pursuant to 3301-51-05 of the Operating Standards, and any resolution session pursuant to 3301-51-05 of the Operating Standards, and in no case more than 45 days after the request has been made.

The District responds to reasonable requests for explanations and interpretations of the records, provides copies if failure to provide copies would effectively prevent the parent from exercising the right to inspect and review the records and permits a representative of a parent to inspect and review records.

The District presumes that a parent has the authority to inspect and review records relative to that parent's child unless the District has been advised that the parent does not have the authority under applicable state law governing such matters as guardianship, separation and divorce.

Upon request, the District provides parents a list of the types and locations of education records collected, maintained or used by the District.

The District keeps a record of parties obtaining access to education records collected, maintained or used under Part B of the IDEA (except access by parents and authorized employees of the

participating agency), including the name of the party, the date access was given and the purpose for which the party is authorized to use the records.

B. AMENDMENT OF RECORDS/HEARING PROCESS

If a parent requests the District to amend the information in the education records collected, maintained or used in the provision of special education or related services, the District decides whether to amend the information in accordance with the request within a reasonable period of time. If the District decides to refuse to amend the information in accordance with the request, it informs the parent of the refusal and advises the parent of the right to a hearing as set forth below and in 3301-51-04 of the Operating Standards.

(1) HEARING PROCEDURE

If the parent requests a hearing to challenge information in education records, the hearing is conducted in accordance with the procedures in 34 Code of Federal Regulations (C.F.R.) 99.22 (July 1, 2005) and within a reasonable period of time after the District receives the request. The hearing is conducted in accordance with the following procedures:

- (a) The parents shall be given notice of the date, time and place reasonably in advance of the hearing;
- (b) The records hearing shall be conducted by any individual, including an official of the District, who does not have a direct interest in the outcome of the hearing;
- (c) The parents shall be afforded a full and fair opportunity to present evidence relevant to the child's education records and the information the parent believes is inaccurate or misleading or violates the privacy or other rights of the child;
- (d) The parents may, at their own expense, be assisted or represented by one or more individuals of their choice, including an attorney;
- (e) The District makes its decision in writing within a reasonable period of time after the hearing; and
- (f) The decision is based solely upon the evidence presented at the hearing and includes a summary of the evidence and the reasons for the decision.

(2) RESULTS OF HEARING

If the District, as a result of the hearing, decides that the information is inaccurate, misleading or otherwise in violation of the privacy or other rights of the child, it amends the information accordingly and informs the parent in writing.

If the District, as a result of the hearing, decides that the information is not inaccurate, misleading or otherwise in violation of the privacy or other rights of the child, it must inform the parent of the parent's right to place in the child's records a statement commenting on the information or setting forth any reasons the parents disagree with the decision of the District.

Any explanation placed in the records of a child are:

- (a) Maintained by the District as part of the records of the child as long as the record or contested portion is maintained by the District; and

- (b) Disclosed any time the records of the child or the contested portion is disclosed by the District to any party.

C. PARENTAL CONSENT PRIOR TO DISCLOSURE OF RECORDS

The District obtains parental consent before personally identifiable information is disclosed to parties, other than officials of participating agencies in accordance as defined by 3301-51-04(B)(3) of the Operating Standards, unless the information is contained in education records and the disclosure is authorized without parental consent under the Family Educational Rights and Privacy Act of 1974, August 1974, 20 U.S.C. 1232g (FERPA).

The parent's consent must be in writing, signed and dated and must:

- (1) Specify the records to be disclosed;
- (2) State the purpose of the disclosure; and
- (3) Identify the party or class of parties to whom the disclosure may be made.

The District obtains parental consent, or the consent of an eligible child who has reached the age of majority under Ohio law, before personally identifiable information is released:

- (1) To officials of participating agencies providing or paying for transition services in accordance with 3301-51-07 of the Operating Standards;
- (2) To officials in another district or school in connection with the child's enrollment in a nonpublic school; and/or
- (3) For purposes of billing insurance and/or Medicaid.

D. TRANSFER OF RIGHTS AT AGE OF MAJORITY

The District affords rights of privacy to children similar to those afforded to parents, taking into consideration the age of the child and type or severity of disability.

The rights of parents regarding education records under FERPA transfer to the child at age 18.

If the rights accorded to parents under Part B of the IDEA are transferred to a child who reaches the age of majority (which is 18 in Ohio), the rights regarding education records also transfer to the child. See Chapter IV, Procedural Safeguards, Section G, regarding the transfer of rights under IDEA at the age of majority.

Once a child reaches the age of 17, the IEP must include a statement that the child has been informed regarding this transfer of rights.

E. DISCIPLINARY INFORMATION AND REPORTS TO LAW ENFORCEMENT

The District includes in the records of a child with a disability a statement of any current or previous disciplinary action that has been taken against the child and transmits the statement to

the same extent that disciplinary information is included in, and transmitted with, the records of nondisabled children.

When a child transfers from the District, the transmission of any of the child's records includes both the child's current IEP and any statement of current or previous disciplinary action that has been taken against the child.

A statement of disciplinary action shall:

- (1) Specify the circumstances that resulted in the disciplinary action and provide a description of the disciplinary action taken if the disciplinary action was taken because the child:
 - (a) Carried a weapon to or possessed a weapon at school, on school premises or to or at a school function;
 - (b) Knowingly possessed or used illegal drugs, or sold or solicited the sale of a controlled substance, while at school, on school premises or at a school function; or
 - (c) Inflicted serious bodily injury upon another person while at school, on school premises or at a school function; and
- (2) Include any information that is relevant to the safety of the child and other individuals involved with the child.

A statement of disciplinary action may include a description of any other behavior engaged in by the child that required disciplinary action, and a description of the disciplinary action taken.

If the District reports a crime to the appropriate law enforcement officials, the District transmits copies of the special education and disciplinary records of the child to those officials only to the extent that the transmission is permitted by FERPA and any other applicable laws.

F. DESTRUCTION OF RECORDS

The District informs parents when personally identifiable information is no longer needed to provide educational services to the child. If the parents request, the information is then destroyed. However, a permanent record of a student's name, address, telephone number, grades, attendance record, classes attended, grade level completed and year completed is maintained without time limitation.

III. CHILD FIND

In accordance with federal law, the District assumes responsibility for the location, identification and evaluation of all children birth through age 21 who reside within the district and who require special education and related services.

This includes students who are:

- (1) Advancing from grade to grade;
- (2) Enrolled by their parents in private elementary or private secondary schools, including religious schools, located in our District (regardless of the severity of their disability);
- (3) Wards of the state and children who are highly mobile, such as migrant and homeless children; and
- (4) Home-schooled.

A. RESPONSIBILITY FOR DETERMINING ELIGIBILITY

In the District, the Evaluation Team ensures that the student meets the eligibility requirements of IDEA and state regulations.

In all cases, the Evaluation Team will not determine that a student has a disability if the suspected disability is because of a lack of instruction in reading or math. If the student is not proficient in English, the District will not identify the student as disabled if the limited English proficiency (LEP) is the cause of the suspected disability.

B. CHILD IDENTIFICATION PROCESS

(1) GENERAL

The District has a child identification process that includes the location, identification and evaluation of a child suspected of having a disability. _____
(title of individual or department) coordinates the child identification process. The department and its staff use a variety of community resources and systematic activities in order to identify children requiring special services. District staff members consult with appropriate representatives of private school students attending private schools located in the District in carrying out this process. The District ensures that this process for students attending private or religious schools located in the District is comparable to activities undertaken for students with disabilities in the public schools.

(2) IDENTIFICATION OF CHILDREN BETWEEN THE AGES OF BIRTH TO AGE 3.

When the District becomes aware of a child between the ages of birth to 3 who has or may have a disability, it either:

- (a) Makes a child referral directly to the county family and children first council responsible for implementing the “Help Me Grow” (HMG) early intervention services under Part C of the IDEA; and/or

- (b) Provides the parents with the information so that they can make the referral themselves.

Parents may opt out of and/or opt not to be referred for Part C services. They may request an evaluation from the District to determine if their child has a disability that may require special education. These parents are entitled to an evaluation from the District, even if the child is between the ages of birth to 3. The District is responsible for providing an evaluation but is not responsible for the provision of FAPE for an eligible child until the child is age 3.

(3) TRANSITION TO SPECIAL EDUCATION FROM HELP ME GROW (HMG).

The District and the county family and children first council responsible for HMG have a current interagency agreement that includes processes for the referral of children from HMG to the District. The District has an assigned transition contact, _____, who is the primary person responsible for contact with HMG regarding children transitioning from that program.

- (a) If invited by a representative of HMG (and with parent permission), a District representative attends a transition conference to discuss transition from early intervention services to preschool for a child suspected of having a disability.
- (b) If the parents request, the District invites the Part C service coordinator to the initial IEP meeting.

If there is a suspected disability and the child is eligible for special education and related services as a preschool child, the District works to ensure that an IEP is in place and implemented by the child's third birthday. In the case of children who are 45 days or less from their 3rd birthdays and who are suspected of having disabilities, an evaluation is completed within 60 days of parental consent, but an IEP is not required by their third birthdays.

As part of the IEP process, the IEP team determines if extended school year services are required for the preschool child.

(4) COORDINATION WITH OTHER AGENCIES.

The District has interagency agreements with Head Start programs within the school district's service delivery that provide for:

- (a) Service coordination for preschool children with disabilities, 3 through 5 years of age, in a manner consistent with the state interagency agreement for service coordination with Head Start; and
- (b) Transition of children eligible for special education and related services as a preschool child at age 3.

The District also has interagency agreements with the relevant county board(s) of MR/DD for identification, service delivery and financial responsibilities to adequately serve preschool children with disabilities 3 through 5 years of age.

C. DATA COLLECTION

The District maintains an education management information system and submits data to ODE pursuant to rule 3301-14-01 of the Administrative Code. The District's collection of data includes information needed to determine if significant disproportionality based on race and ethnicity is occurring in the District with respect to the identification of children as children with disabilities, the placement of children in educational settings and the incidence, duration and type of disciplinary actions.

IV. Procedural Safeguards

A. PRIOR WRITTEN NOTICE

The District provides prior written notice as required by IDEA and Operating Standards. See Appendix A which summarizes the situations in which prior written notice is required. The District uses the form required by ODE-OEC Prior Written Notice PR-01.

(1) CONTENT OF PRIOR WRITTEN NOTICE

The prior written notice, in accordance with the IDEA regulations and the Operating Standards, includes the following information to ensure that parents are fully informed of the action being proposed or refused:

- (a) A description of the action proposed or refused by the District;
- (b) An explanation of why the District proposes or refuses to take this action;
- (c) A description of other options that the IEP team considered and the reasons why those options were rejected;
- (d) A description of each evaluation procedure, assessment, record or report that the District used as a basis for the proposed or refused action;
- (e) A description of other factors that are relevant to the District's proposal or refusal;
- (f) A statement that the parents of a child with a disability have procedural safeguards and, if the notice is not an initial referral for evaluation, the means by which a copy of the description of procedural safeguards can be obtained; and
- (g) Sources for parents to contact to obtain assistance in understanding the provisions of Ohio's rule regarding procedural safeguards.

(2) COMMUNICATION OF THE PRIOR WRITTEN NOTICE

The District provides the notice in the native language of the parents or other mode of communication used by the parents unless it is clearly not feasible to do so.

If the native language or other mode of communication is not a written language, the District takes steps to have the notice translated orally or by other means to the parent in the parent's native language or other mode of communication. The District takes steps to ensure that such parents understand the content of the notice and maintains written evidence that both requirements set forth in this paragraph, if applicable, have been met.

The District may provide the prior written notice, procedural safeguards notice and the notification of a due process complaint by e-mail if the parents choose to receive the notices electronically.

B. PROCEDURAL SAFEGUARDS NOTICE

Parents of a child with a disability are entitled to specific procedural safeguards under IDEA and the Operating Standards.

Whose IDEA Is This? A Parent's Guide to the Individuals with Disabilities Education Improvement Act of 2004, developed by ODE-OEC, includes a full explanation of these procedural safeguards as required by IDEA and 3301-51-02, 3301-51-04 and 3301-51-05 of the Operating Standards.

The District provides parents with a copy of *Whose IDEA Is This?* at least once a year. This includes:

- (1) Providing a copy to the parents of a child who transfers into the District from out-of-state; and
- (2) Providing a copy to the parents of a child who transfers into the District from an in-state school if the sending District has not provided a copy to the parents during the current school year.

In addition, the District provides parents with a printed copy of this procedural safeguards notice in each of the following circumstances:

- (1) The initial referral or parental request for evaluation;
- (2) The receipt of the first due process complaint in a school year;
- (3) A change in placement for disciplinary action; and
- (4) When requested by the parents or the child who has reached the age of majority.

In providing *Whose IDEA is This?*, the District follows the procedures for communication that are described above under Prior Written Notice.

C. PARENTAL CONSENT

Consent means that the parents:

- (a) Have been fully informed, in the parents' native language or other mode of communication, of all information relevant to the activity for which consent is sought;
- (b) Understand and agree in writing to the carrying out of the activity for which the consent was asked. The consent describes that activity and lists the records (if any) that will be released and to whom they will be released; and
- (c) Understand that the granting of consent is voluntary and may be revoked at any time.

(1) ACTIONS REQUIRING INFORMED WRITTEN PARENTAL CONSENT

The District obtains written consent from the parents before:

- (a) Conducting an initial evaluation to determine if a child is eligible for special education;
- (b) Initially providing special education and related services;
- (c) Conducting a reevaluation when assessments are needed;
- (d) Making a change in placement on the continuum of alternative placement options (i.e., regular classes, special classes, special schools, home instruction and instruction in hospitals and institutions); and
- (e) Releasing personally identifiable information about the child to any person other than a person authorized to obtain those records without parental consent pursuant to FERPA. For example, parental consent is obtained prior to releasing records to a representative of

an agency that is likely to be responsible for providing or paying for transition services or for the purposes of billing Medicaid.

The District uses the ODE-OEC required Consent for Evaluation PR-05 form to obtain written parental consent for evaluation and reevaluation and the required IEP PR-07 form to obtain written parental consent for the initial provision of special education and related services and for making a change in placement.

The District does not obtain written parental consent when reviewing existing data as part of an evaluation or reevaluation or when administering a test or evaluation that is given to all children, unless consent is required of all parents.

(2) CHANGE IN PLACEMENT

Once the District receives the initial parental consent for special education and related services, the District must obtain consent only for a change in placement. A “change of placement” means a change from one option on the continuum of alternative placements to another (instruction in regular classes, special schools, home instruction and instruction in hospitals and institutions).

If the District cannot obtain parental consent, it may file a due process complaint requesting a due process hearing or engage in conflict resolution to obtain agreement or a ruling that the placement may be changed.

(3) PARENTS’ FAILURE TO RESPOND OR REFUSAL TO PROVIDE CONSENT

The District makes “reasonable efforts” to contact parents and obtain written parental consent that may include:

- (a) Written correspondence;
- (b) Phone calls;
- (c) Electronic mail communications, to include but not limited to e-mail and password-protected parent pages; and/or
- (d) Visits to the home or parents’ places of employment.

The District documents its attempts. If the parents fail to respond or refuse to provide consent, the District proceeds as follows:

(4) INITIAL EVALUATION

If the parents fail to respond to the District’s efforts to obtain consent or refuse consent for the initial evaluation, the District may:

- (a) Request a due process hearing and engage in conflict resolution (e.g., resolution meeting and/or mediation) to convince the parents to provide their consent; or
- (b) Decide not to pursue the initial evaluation and provide the parents with prior written notice.

If the child is being home schooled or has been placed in a private school at the parents' expense, the District cannot file a due process complaint or request the parents to participate in a resolution meeting and/or mediation.

(5) REEVALUATION

If the parents fail to respond to the District's efforts to obtain consent for a reevaluation when assessments are needed, the District proceeds with the reevaluation.

If the parents expressly refuse consent for a reevaluation when assessments are needed, the District may:

- (a) Agree with the parents that a reevaluation is unnecessary;
- (b) Conduct a reevaluation by utilizing data and/or documentation that the District already possesses;
- (c) Request a due process hearing and engage in conflict resolution (e.g., resolution meeting and/or mediation) to convince the parents to provide their consent; or
- (d) Decide not to pursue having the child reevaluated.

The District continues to provide FAPE to the child if the District agrees with the parents that a reevaluation is unnecessary.

(6) INITIAL PROVISION OF SPECIAL EDUCATION AND RELATED SERVICES

If the parents do not attend the IEP meeting to develop the IEP for the initial provision of services, the District attempts to obtain written parental consent through other methods such as calling the parents, corresponding with the parents and or visiting the parents.

If the parents expressly refuse consent, as evidenced by their signatures on the IEP indicating that consent is not given, the District maintains a copy of the signed IEP showing that the District offered FAPE.

If the parents fail to respond or refuse consent, the District provides the parents with prior written notice and continues to provide the child with appropriate interventions in the regular education classroom. The District may not request a due process hearing or engage in conflict resolution to obtain agreement or a ruling that services may be provided to the child.

The District does not use the parents' refusal to consent to one service or activity to deny the parents or the child any other service, benefit or activity in the District, except in those instances in which IDEA authorizes that denial.

(7) REVOCATION OF CONSENT

The parents may revoke consent for and remove the child from special education and related services. Once the District receives written revocation of consent, it provides the parents with prior written notice and continues to provide the child with appropriate interventions through the regular education environment.

The District is not required to amend the child's education records to remove any references to the child's receipt of special education and related services because of the revocation of consent.

If a parent has provided written revocation of consent, the District does not file a due process complaint or engage in conflict resolution to attempt to obtain agreement or a ruling that special education and related services may be provided to the child.

D. INDEPENDENT EDUCATIONAL EVALUATION

Parents who disagree with an evaluation that was completed or obtained by the District may request an independent educational evaluation at public expense. Parents are entitled to request only one independent educational evaluation at public expense each time the District conducts an evaluation with which the parents disagree.

(1) INDEPENDENT EDUCATIONAL EVALUATION AT PUBLIC EXPENSE

If the parents request an independent educational evaluation at public expense, the District either:

- (a) Ensures that an independent evaluation is provided at public expense; or
- (b) Files a due process complaint requesting a hearing to show that the District's evaluation is appropriate.

If the District files a due process complaint and the final decision is that the District's evaluation is appropriate, the parent still has the right for an independent educational evaluation, but not at the public expense.

(2) PARENT INITIATED EVALUATIONS

If a parent obtains an independent educational evaluation at public expense or shares with the District an evaluation obtained at private expense, the District considers that evaluation, if it meets District criteria, in any decision made with respect to the provision of FAPE to the child.

(3) DISTRICT CRITERIA

If an independent educational evaluation is at public expense, the criteria under which the evaluation is obtained, including the location of the evaluation and the qualifications of the examiner, must be the same as the criteria which the District uses when it initiates an evaluation, to the extent those criteria are consistent with the parent's right to an independent educational evaluation. Except for the above-mentioned criteria, the District does not impose conditions or timelines related to obtaining an independent educational evaluation at public expense.

E. CONFLICT RESOLUTION

(1) ADMINISTRATIVE REVIEWS

Within 20 days of receipt of a complaint from a child's parents or another educational agency, the District's superintendent, or the superintendent's designee, conducts a review, may hold an administrative hearing and notifies all parties of the decision in writing.

- (a) All parties have the right to invite others, including legal counsel, to participate in the review.
- (b) The review is conducted at a time and place convenient to all parties.
- (c) Every effort is made to resolve any disagreements at the administrative review.

(2) MEDIATION

At its discretion, the District participates in the resolution of disputes with other parties through the voluntary mediation processes available through ODE-OEC.

(3) IMPARTIAL DUE PROCESS HEARING/RESOLUTION MEETINGS

Due process complaints filed against the District proceed in the manner set forth in 3301-51-05(K) of the Operating Standards.

The District convenes a resolution meeting before the initiation of a due process hearing. The resolution meeting:

- (a) Occurs within 15 days of the receipt of notice of the parents' due process complaint;
- (b) Includes a representative of the District who has decision-making authority on behalf of the District;
- (c) Does not include the District's attorney unless the parents are accompanied by an attorney;
- (d) Provides an opportunity for the parents to discuss their due process complaint and the facts the complaint is based on; and
- (e) Provides the District an opportunity to resolve the dispute.

The District does not hold a resolution meeting if the parents and the District agree in writing to waive the meeting or agree to use the mediation process. Also, if the District files the due process complaint, it is not required to hold a resolution meeting.

The District, if it is the child's school district of residence, is responsible for conducting the impartial due process hearing utilizing the hearing officer appointed by ODE-OEC. The District follows the procedures required by 3301-51-05(K)(10)–(15) of the Operating Standards when conducting a hearing at a time and place that is reasonably convenient to the parents and the child involved.

If the parents request to inspect and review any education records relating to their child, the District replies without unnecessary delay and makes the records available before the hearing.

The District provides the parents with one copy of the written, or at the option of the parents, an electronic verbatim record of the hearing and findings of fact and decision at no cost. The decision is final except that any party to the hearing may appeal the decision to ODE-OEC.

The District pays for the costs incurred for the hearing except for expert testimony, outside medical evaluations, witness fees, subpoena fees and cost of counsel requested by the other party to the hearing and compensates the hearing officer as provided in 3301-51-05(K)(16)(d) of the Operating Standards. If the hearing was requested by another agency, the District shares the costs of the hearing except for the costs identified in the preceding sentence.

Any further appeals or actions proceed in accordance with 3301-51-05 of the Operating Standards.

F. CHILD'S STATUS DURING DUE PROCESS PROCEEDINGS/CODE OF CONDUCT VIOLATIONS

(1) CHILD'S STATUS DURING DUE PROCESS PROCEEDINGS

The District ensures that a child remains in the current educational placement during the pendency of any administrative or judicial proceeding regarding a due process complaint, unless the state or the District and the parents of the child agree otherwise. If the state level review officer agrees with the child's parents that a change in placement is appropriate, that placement is treated as an agreement between the state and the parents.

If the complaint involves an application for initial admission to the District, the child, with the consent of the parents, is placed in the District until the completion of all proceedings.

If the complaint involves an application for services from a child who is transitioning from Part C to Part B, the District provides those special education and related services that are not in dispute, if the child is found eligible for special education and related services under Part B and the parent consents to the initial provision of special education and related services.

(2) DISCIPLINARY PROCEEDINGS

The District may consider any unique circumstances on a case-by-case basis when determining whether a change in placement, consistent with the other requirements of 3301-51-05 of the Operating Standards, is appropriate for a child with a disability who violates a code of student conduct.

(a) Changes in placement less than 10 consecutive school days

The District may remove a child with a disability who violates a code of student conduct from the child's current placement to an appropriate interim alternative educational setting, another setting, or suspension, for not more than 10 consecutive school days (to the extent those alternatives are applied to children without disabilities), and for additional removals of not more

than 10 consecutive school days in that same school year for separate incidents of misconduct (as long as those removals do not constitute a change of placement).

The District considers on a case-by-case basis whether a pattern of removals constitutes a change of placement. A change in placement occurs if:

- (1) The removal is for more than 10 consecutive school days, **or**
- (2) The child has been subjected to a series of removals that constitute a pattern:
 - (a) Because the series of removals totals more than 10 school days in a school year;
 - (b) Because the child's behavior is substantially similar to the child's behavior in previous incidents that resulted in the series of removals; and
 - (c) Because of such additional factors as the length of each removal, the total amount of time the child has been removed and the proximity of the removals to one another.

(b) Services during removal from current placement

The District provides services to a child removed from the child's current placement as follows:

- (1) If the child has been removed from the child's current placement for 10 school days or less in the school year, services are provided only to the extent that services are provided to a child without disabilities who is similarly removed;
- (2) After a child with a disability has been removed from the child's current placement for 10 school days in the same year (under circumstances in which the current removal is for not more than 10 consecutive days and is **not** a change in placement), the District provides services, as determined by school personnel in consultation with at least one of the child's teachers, so as to enable the child to continue to participate in the general education curriculum, although in another setting, and to progress toward meeting the goals set out in the child's IEP;
- (3) If the removal is a change in placement, the child's IEP team determines appropriate services; and
- (4) If a child with a disability is removed from the child's current placement for either more than 10 consecutive days for behavior that is determined **not** to be a manifestation of the child's disability or under circumstances that constitute special circumstances, as defined below, the District ensures that the child:
 - (a) Continues to receive educational services so as to enable the child to continue to participate in the general education curriculum, although in another setting, and to progress toward meeting the goals set out in the child's IEP; and
 - (b) Receives, as appropriate, a functional behavioral assessment and behavioral intervention services and modifications that are designed to address the behavior violation so that it does not recur.

(c) Manifestation determination

Within 10 school days of any decision to change the placement of a child with a disability because of a violation of a code of student conduct, the school district, the parent and relevant members of the child's IEP team (as determined by the parent and the school district) must review all relevant information in the child's file, including the child's IEP, any teacher observations and any relevant information provided by the parents to determine if the conduct

was a manifestation of the child's disability. The District determines that the conduct is a manifestation of the child's disability:

- (1) If the conduct in question was caused by, or had a direct and substantial relationship to, the child's disability; or
- (2) If the conduct in question was the direct result of the school district's failure to implement the IEP.

If the District, parents and relevant members of the IEP team determine that the conduct in question was the direct result of the school district's failure to implement the IEP, the District takes immediate steps to remedy those deficiencies.

- (1) If the conduct was a manifestation of the child's disability, the IEP team either:
 - (a) Starts to conduct a functional behavioral assessment within 10 days of the manifestation determination and complete the assessment as soon as practicable, unless the school district had conducted a functional behavioral assessment before the behavior that resulted in the change of placement occurred, and implemented a behavioral intervention plan for the child; **or**
 - (b) If a behavioral intervention plan already has been developed, within 10 days of the manifestation determination, reviews the behavioral intervention plan and the implementation of the plan, and modifies it, as necessary, to address the behavior subject to disciplinary action; **and**
- (2) Returns the child to the placement from which the child was removed, unless the parent and the District agree to a change of placement as part of the modification of the behavioral intervention plan.

(d) Special circumstances.

The District may remove a child to an interim alternative educational setting for not more than 45 school days without regard to whether the behavior is determined to be a manifestation of the child's disability, if the child:

- (1) Carries a weapon to or possesses a weapon at school, on school premises, or to or at a school function under the jurisdiction of ODE or a school district;
- (2) Knowingly possesses or uses illegal drugs, or sells or solicits the sale of a controlled substance, while at school, on school premises, or at a school function under the jurisdiction of ODE or a school district; or
- (3) Has inflicted serious bodily injury upon another person while at school, on school premises, or at a school function under the jurisdiction of ODE or a school district.

The District defines the terms controlled substance, weapon, illegal drug and serious bodily injury in accord with 3301-51-05(K)(20)(h)(i) of the Operating Standards.

On the date on which the decision is made to make a removal that constitutes a change of placement of a child with a disability because of a violation of a code of student conduct, the school district must notify the parents of that decision and provide the parents with the procedural safeguards notice described in Section B above.

(e) Expedited Due Process Hearing

The District or the parents may submit a due process complaint requesting an expedited due process hearing to appeal a decision made during disciplinary procedures.

- (1) The District may request an expedited due process hearing if it believes that maintaining the current placement of a child is substantially likely to result in injury to the child or to others.
- (2) The parents may request an expedited due process hearing to appeal decisions regarding placement for disciplinary removals or the manifestation determination.

The District is responsible for conducting the expedited due process hearing utilizing the hearing officer appointed by ODE-OEC. The District follows the procedures that apply for other due process hearings except that the expedited due process hearing must occur within 20 school days after the date the due process complaint is filed and no extensions of time shall be granted. The hearing officer then must make a determination within 10 school days after the hearing. The District follows the expedited timelines and the procedures set forth in 3301-51-05(K)(22)(c)-(d) of the Operating Standards.

G. TRANSFER OF PARENTAL RIGHTS AT AGE OF MAJORITY/STUDENT NOTIFICATION

Once a child reaches the age of majority, the District sends all required notices to both the student and parent, unless the student has been determined incompetent under state law. If a child with a disability is incarcerated in an adult or juvenile correctional institution, prior written notices are provided to both the parents and the student.

One year before the child's 18th birthday, the District notifies both the parents and the child of the parental rights that will transfer to the child upon reaching the age of majority (age 18) and provides the child with a copy of *Whose IDEA Is This?* The District documents this notice on the child's IEP PR-07 form.

Once the child turns 18, the District obtains informed written consent, as required by the Operating Standards, from the student, unless the student has been determined incompetent under state law.

H. SURROGATE PARENTS

The District ensures that the rights of a child are protected when:

- (1) No parent, as defined in 3301-51-01 of the Operating Standards, can be identified;
- (2) The District, after making reasonable efforts, cannot locate a parent;
- (3) The child is a ward of the state; or
- (4) The child is an unaccompanied homeless youth as defined by 3301-51-05(E)(1)(d) of the Operating Standards.

One way in which the District protects the rights of such children is through the assignment of surrogate parents where appropriate. The District has a method for determining when a child needs a surrogate parent and for assigning a surrogate parent to the child, and complies with the requirements of 3301-51-05(E) of the Operating Standards regarding surrogate parents.

V. EVALUATION

The District ensures that initial evaluations are conducted and that reevaluations are completed for children residing within the District. The District uses a referral process to determine whether or not a child is a child with a disability. The District also provides interventions to assist a child who is performing below grade-level standards. The provision of intervention services is not used to unnecessarily delay a child's evaluation for purposes of determining eligibility for special education services.

A. INITIAL EVALUATION

1. TIMING AND INITIATION

The district conducts an evaluation before the initial provision of special education and related services. Either a parent of a child or a public agency may initiate a request for an initial evaluation to determine if the child is a child with a disability.

Within 30 days of receipt of a request for an evaluation, the District either obtains parental consent for an initial evaluation or provides to the parents prior written notice stating that the school district does not suspect a disability and will not be conducting an evaluation.

The initial evaluation:

- (a) Is conducted within 60 days of receiving parental consent for the evaluation unless the exception set forth in 3301-51-06(B)(5) of the Operating Standards applies; and
- (b) Consists of procedures:
 - (i) To determine if the child is a child with a disability as defined in 3301-51-01(B)(10) of the Operating Standards; and
 - (ii) To determine the educational needs of the child.

The district obtains parental consent before conducting an evaluation. See Chapter IV, Section C, regarding parental consent requirements.

The evaluation team consists of the IEP team and other qualified professionals.

2. THE EVALUATION PLAN AND EVALUATION TEAM REPORT

As part of the initial evaluation, if appropriate, and as part of any reevaluation, the evaluation team shall develop an evaluation plan that will provide for the following and be summarized in an evaluation team report:

- (a) Review of existing evaluation data on the child, including:
 - (i) Evaluations and information provided by the parents of the child;
 - (ii) Current classroom-based, local or state assessments and classroom-based observations;
 - (iii) Observations by teachers and related services providers;
 - (iv) Data about the child's progress in the general curriculum, or, for the preschool-age child, data pertaining to the child's growth and development;

- (v) Data from previous interventions, including:
 - (a) Interventions required by rule 3301-51-06 of the Operating Standards and
 - (b) For the preschool child, data from early intervention, community, or preschool program providers; and
- (vi) Any relevant trend data beyond the past twelve months, including the review of current and previous IEPs; and
- (b) On the basis of that review and input from the child's parents, identify what additional data, if any, are needed to determine:
 - (i) Whether the child is a child with a disability, as defined in 3301-51-01 of the Operating Standards, and the educational needs of the child;
 - (ii) In the case of a reevaluation of a child, whether the child continues to have such a disability and the educational needs of the child;
 - (iii) The present levels of academic achievement and related developmental needs of the child;
 - (iv) Whether the child needs special education and related services; or
 - (v) In the case of a reevaluation of a child, whether the child continues to need special education and related services; and
 - (vi) Whether any additions or modifications to the special education and related services are needed to enable the child to meet the measurable annual goals set out in the IEP of the child and to participate, as appropriate, in the general education curriculum.

The District administers such assessments and other evaluation measures as may be needed to produce the data identified above. The district provides prior written notice to the parents of a child with a disability that describes any evaluation procedures the school district proposes to conduct.

3. CONDUCT OF EVALUATION

In conducting the evaluation, the District:

- (a) Uses a variety of assessment tools and strategies to gather relevant functional, developmental and academic information about the child, including information provided by the parent, that may assist in determining:
 - (i) Whether the child is a child with a disability as defined in 3301-51-01(B)(10) of the Operating Standards; and
 - (ii) The content of the child's IEP, including information related to enabling the child to be involved in and progress in the general education curriculum (or for a preschool child to participate in appropriate activities);
- (b) Does not use any single measure or assessment as the sole criterion for determining whether a child is a child with a disability and for determining an appropriate educational program for the child; and
- (c) Uses technically sound instruments that may assess the relative contribution of cognitive and behavioral factors, in addition to physical or developmental factors.

The District ensures that:

- (a) Assessments and other evaluation materials used to assess a child:
 - (i) Are selected and administered so as not to be discriminatory on a racial or cultural basis;
 - (ii) Are provided and administered in the child's native language or other mode of communication and in the form most likely to yield accurate information about what the child knows and can do academically, developmentally and functionally, unless it is clearly not feasible to so provide or administer;
 - (iii) Are used for the purposes for which the assessments or measures are valid and reliable;
 - (iv) Are administered by trained and knowledgeable personnel; and
 - (v) Are administered in accordance with any instructions provided by the producer of the assessments.
- (b) Assessments and other evaluation materials include those tailored to assess specific areas of educational need and not merely those that are designed to provide a single general intelligence quotient.
- (c) Assessments are selected and administered so as best to ensure that if an assessment is administered to a child with impaired sensory, manual or speaking skills, the assessment results accurately reflect the child's aptitude or achievement level or whatever other factors the test purports to measure rather than reflecting the child's impaired sensory, manual or speaking skills (unless those skills are the factors that the test purports to measure);
- (d) A school age child is assessed in all areas related to the suspected disability, including, if appropriate, health, vision, hearing, social and emotional status, general intelligence, academic performance, communicative status and motor abilities;
- (e) Preschool children are assessed in the following developmental areas: adaptive behavior, cognition, communication, hearing, vision, sensory/motor function, social-emotional functioning and behavioral function.
- (f) Assessments of children with disabilities who transfer from one school district to another school district in the same school year are coordinated with the children's prior and subsequent schools, as necessary and as expeditiously as possible, consistent with 3301-51-06(B)(5)(b) and (B)(6) of the Operating Standards, to ensure prompt completion of the full evaluations.
- (g) In evaluating each child with a disability under 3301-51-06(E)-(G) of the Operating Standards, the evaluation is sufficiently comprehensive to identify all of the child's special education and related services needs, whether or not commonly linked to the disability category in which the child has been classified.
- (h) Assessment tools and strategies that provide relevant information that directly assists persons in determining the educational needs of the child are provided.
- (i) Medical consultation shall be encouraged for a preschool or school-age child on a continuing basis, especially when school authorities feel that there has been a change in the child's behavior or educational functioning or when new symptoms are detected; and
- (j) For preschool-age children, as appropriate, the evaluation shall include the following specialized assessments:

- (i) Physical examination completed by a licensed doctor of medicine or doctor of osteopathy in cases where the disability is primarily the result of a congenital or acquired physical disability;
- (ii) Vision examination conducted by an eye care specialist in cases where the disability is primarily the result of a visual impairment; and
- (iii) An audiological examination completed by a certified or licensed audiologist in cases where the disability is primarily the result of a hearing impairment.

B. ELIGIBILITY DETERMINATION AND EVALUATION TEAM REPORT

1. COMPLETION OF THE EVALUATION TEAM REPORT

The following occurs upon completion of the administration of assessments and other evaluation measures:

- (a) The IEP team and other qualified professionals and the parent of the child determines whether the child is a child with a disability, in accordance with the Operating Standards; and
- (b) The District provides a copy of the evaluation report and the documentation of determination of eligibility at no cost to the parent.

The written evaluation team report shall include:

- (a) A summary of the information obtained during the evaluation process; and
- (b) The names, titles and signatures of each team member, including the parent, and an indication of whether or not they are in agreement with the eligibility determination. Any team member who is not in agreement with the team's determination of disability shall submit a statement of disagreement.

The District provides a copy of the evaluation team report and the documentation of determination of eligibility or continued eligibility to the parents prior to the next IEP meeting and in no case later than 14 days from the date of eligibility determination.

2. DETERMINATION OF ELIGIBILITY

A child is not determined to be a child with a disability:

- (a) If the determinant factor for that determination is:
 - (i) Lack of appropriate instruction in reading, including the essential components of reading instruction as defined in Section 1208(3) of the Elementary and Secondary Act of 1965, as amended and specified in the No Child Left Behind Act of 2002, January 2002, 20 U.S.C. 6301 (ESEA);
 - (ii) Lack of appropriate instruction in math; or
 - (iii) LEP; and
- (b) If the child does not otherwise meet the eligibility criteria under 3301-51-01(B)(10) of the Operating Standards.

The district, in interpreting evaluation data for the purpose of determining if a child is a child with a disability, does the following:

- (a) Draws upon information from a variety of sources, including aptitude and achievement tests, state and district wide assessments, parent input and teacher recommendations, as well as information about the child's physical condition, social or cultural background and adaptive behavior; and
- (b) Ensures that information obtained from all of these sources is documented and carefully considered.

If a determination is made that a child has a disability and needs special education and related services, the District develops an IEP for the child.

C. REEVALUATIONS

The District conducts reevaluations of a child with a disability:

- (a) If the District determines that the child's educational or related services needs, including improved academic achievement and functional performance, warrant a reevaluation; or
- (b) If the child's parent or teacher requests a reevaluation; or
- (c) When a child transitions from pre-school to school-aged services; or
- (d) In order to make a change in disability category.

A reevaluation may not occur more than once a year, unless the parent and the District agree otherwise.

A reevaluation must occur at least once every three years, unless the parent and the District agree that a reevaluation is unnecessary.

The District evaluates a child with a disability before determining that child is no longer a child with a disability, although this evaluation is not required if the child's eligibility terminates due to graduation from secondary school with a regular diploma or due to exceeding the age eligibility for FAPE under state law. If a child's eligibility terminates for one of these reasons, the District provides the child with a summary of the child's academic achievement and functional performance, which shall include recommendations on how to assist the child in meeting the child's postsecondary goals.

D. IDENTIFYING CHILDREN WITH SPECIFIC LEARNING DISABILITIES (SLD)

The District has written procedures for the implementation of the evaluation process the District uses to determine the existence of a specific learning disability (SLD). In addition, the District uses the form required by ODE-OEC, Evaluation Team Report PR-06 and completes Part 3: Documentation for Determining the Existence of a Specific Learning Disability of PR-06 when the District suspects the child has a SLD.

(1) DETERMINING THE EXISTENCE OF A SPECIFIC LEARNING DISABILITY

The parents, the IEP team, and a group of qualified professionals from the District determine that a child has a SLD if:

- (a) The child does not achieve adequately for the child's age or to meet state-approved grade-level standards in one or more of the following areas, when the District provides learning experiences and instruction appropriate for the child's age or state-approved grade-level standards:
 - (i) Oral expression;
 - (ii) Listening comprehension;
 - (iii) Written expression;
 - (iv) Basic reading skill;
 - (v) Reading fluency skills;
 - (vi) Reading comprehension;
 - (vii) Mathematics calculation; or
 - (viii) Mathematics problem-solving;

AND

- (b) The child does not make sufficient progress to meet age or state-approved grade-level standards in one or more of the areas identified in number 1, above, when the District uses an evaluation process to determine the child's response to scientific, research-based intervention;

OR

- (c) The child exhibits a pattern of strengths and weaknesses in performance, achievement, or both, relative to age, state-approved grade-level standards, or intellectual development, when the District uses appropriate assessments consistent with 3301-51-06(E) and (F) of the Operating Standards that the group has determined to be relevant to the identification of a SLD.

Alternatively, the District may choose a third method of evaluation, for determining if a child has a SLD. The District seeks prior approval from ODE-OEC if it chooses to use an alternative research-based assessment procedure to determine if a child has a SLD.

(2) USE OF AN EVALUATION PROCESS BASED ON THE CHILD'S RESPONSE TO SCIENTIFIC, RESEARCH-BASED INTERVENTION FOR SLD DETERMINATION

If the District uses an evaluation process based on the child's response to scientific, research-based intervention to determine whether a child has a SLD. The District ensures that this process:

- (a) Begins when the District has gathered and analyzed sufficient data from scientifically-based instruction and targeted and intensive individualized interventions that provide evidence that the child's needs are unlikely to be met without certain specialized instruction, in addition to the regular classroom instruction;
- (b) Employs interventions that are scientifically-based and provided at appropriate levels of intensity, frequency, duration and integrity, relative to the child's identified needs;

- (c) Is based on results of scientifically-based, technically adequate assessment procedures that assess ongoing progress while the child is receiving scientifically-based instruction and the results of these procedures have been reported to the child's parents; and
- (d) Includes the analysis of data described in 3301-51-06(H)(3)(b)(i) and (H)(3)(b)(ii) of the Operating Standards to determine whether a discrepancy is present between the child's actual and expected performance, in both the child's rate of progress in developing skills, and in the child's level of performance on measures assessing one or more of the academic areas listed in 3301-51-06(H)(3)(a)(i) of the Operating Standards

The District will not use this process to delay unnecessarily a child's referral for a comprehensive evaluation to determine eligibility for special education services.

(3) ADDITIONAL REQUIREMENTS FOR SLD DETERMINATION

The District ensures that the following additional requirements are satisfied when determining if a child has a SLD:

Inclusion of additional required group members for SLD determination

The group that determines that a child suspected of having a SLD is a child with a disability includes the child's parents and a group of qualified professionals consisting of, but not limited to:

- (a) In the case of a school-age child, the child's regular teacher (or if the child does not have a regular teacher, the District includes a regular classroom teacher qualified to teach a child of the child's age);
- (b) In the case of children less than school-age, an individual qualified by ODE to teach a child of the child's age; and

At least one person qualified to conduct individual diagnostic examinations of children, such as a school psychologist, speech-language pathologist or remedial reading teacher.

Observation requirements

The District ensures that the child is observed in the child's learning environment, including the regular classroom setting, to document the child's academic performance and behavior in the areas of difficulty. The group of qualified professionals identified by the District conducts the observation by:

- (a) Using information from an observation of the child's performance conducted during routine classroom instruction, including monitoring of the child's performance during instruction, that was done before the child was referred for an evaluation; or
- (b) Having at least one member of the group conduct an observation of the child's academic performance in the regular classroom after the child has been referred for an evaluation and parent consent has been obtained.

In the case of a child of less than school-age or a child who is out of school, the District ensures that a group member observes the child in an environment appropriate for a child of that age.

Ensuring the child's underachievement is not due to a lack of appropriate instruction in reading and math

In order to ensure that underachievement in a child suspected of having a SLD is not due to lack of appropriate instruction in reading or math, the District considers:

- (a) Data demonstrating that prior to, or as part of, the referral process, the child received appropriate instruction in regular education settings delivered by qualified personnel; and
- (b) Data-based documentation of repeated assessments of achievement at reasonable intervals, reflecting formal assessment of the child's progress during instruction, the results of which were provided to the child's parents.

Obtaining parental consent to evaluate

The District promptly requests parental consent to evaluate a child to determine if the child needs special education and related services:

- (a) If prior to the referral, the child does not make adequate progress after an appropriate period of time when provided with appropriate instruction. To make this determination, the District considers:
 - (i) Data demonstrating that prior to, or as part of, the referral process, the child received appropriate scientifically-based instruction in regular education settings delivered by qualified personnel; and
 - (ii) Data-based documentation of repeated assessments of achievement at reasonable intervals, reflecting formal assessment of the child's progress during instruction, the results of which were provided to the child's parents; and
- (b) Whenever a child is referred for an evaluation.

Consideration of exclusionary factors

When determining that a child has a SLD, the District ensures that the findings from the evaluation process are not primarily the result of:

- (a) A visual, hearing, or motor disability;
- (b) Mental retardation;
- (c) Emotional disturbance;
- (d) Cultural factors;
- (e) Environmental or economic disadvantage; or
- (f) LEP.

If the District determines that one of these factors is the primary reason for the child's suspected disability, the District does not identify the child as having a SLD.

VI. INDIVIDUALIZED EDUCATION PROGRAMS (IEPs)

The District ensures that an IEP is developed and implemented for each child with a disability, ages 3 through 21, inclusive, who requires special education and related services and who resides in the district. For all children with disabilities for whom our district is the district of residence, the District is responsible for ensuring that the requirements of 3301-51-07 of the Operating Standards are met regardless of which district, county board of MR/DD, or other educational agency implements the child's IEP.

The meeting to develop an IEP is conducted within 30 days of a decision that a child needs special education and related services.

The initial IEP is developed within whichever of the following time periods is the shortest:

- (a) Within 30 calendar days of the determination that the child needs special education and related services;
- (b) Within 90 days of receiving informed parental consent for an evaluation; or
- (c) Within 120 calendar days of receiving a request for an evaluation from a parent or school district (unless the evaluation team has determined it does not suspect a disability).

The District ensures that the parents receive a copy of the child's IEP at no cost to the parents. The parents may receive a copy of the IEP either at the conclusion of the IEP meeting or within 30 calendar days of the date of the IEP meeting.

A. MEMBERS OF THE IEP TEAM

The IEP team includes:

- (1) The child's parents;
- (2) Not less than one of the child's regular education teachers, if the child is or may be participating in the regular education environment;
- (3) Not less than one special education teacher of the child or, where appropriate, not less than one special education provider of the child;
- (4) A representative of the school district who:
 - a) Is qualified to provide, or supervise the provision of, specially designed instruction to meet the unique needs of children with disabilities;
 - b) Knows the general education curriculum; and
 - c) Knows about the availability of resources of the school district.
- (5) Someone who can interpret the instructional implications of the evaluation results, who may be one of the team noted previously;
- (6) At the discretion of the parents or the school district, other individuals who have knowledge or special expertise regarding the child, including related services personnel as appropriate; and
- (7) The child, whenever appropriate. The child must be invited if a purpose of the meeting is the consideration of postsecondary goals for the child and the transition services needed to assist the child in reaching those goals.

A member of the IEP team, other than the parent and the child if appropriate, is not required to attend an IEP team meeting, in whole or in part, if the parent and the district agree, in writing, that the attendance of that member is not necessary because the member's area of the curriculum or related services is not being modified or discussed at the meeting or portion of the meeting.

B. PARENTAL PARTICIPATION

The District takes steps to ensure that one or both of the parents of a child with a disability are present at each IEP team meeting or are afforded the opportunity to participate, including:

- (1) Notifying the parents of the meeting early enough to ensure that they will have an opportunity to attend; and
- (2) Scheduling the meeting at a mutually-agreed upon time and place.

A Notice to a Parent Regarding an IEP meeting:

- (1) Indicates the purpose, time and location of the meeting and who will be in attendance; and
- (2) Informs the parents of the provisions of the Operating Standards regarding the participation of other individuals who have knowledge or special expertise about the child and the participation of the Part C service coordinator or other representatives of the part C system at the initial IEP team meeting for a child previously served under Part C. See 3301-51-07(J)(2)(a)(ii) of the Operating Standards.

Beginning no later than the first IEP to be in effect when the child turns 14, the Notice also:

- (1) Indicates that a purpose of the meeting will be the development of a statement of the transition needs of the child; and
- (2) Indicates that the District will invite the child.

Beginning no later than the first IEP to be in effect when the child turns 16, the Notice also:

- (1) Indicates that a purpose of the meeting will be the consideration of the postsecondary goals and transition services for the child;
- (2) Indicates that the school district will invite the child; and
- (3) Identifies any other agency that will be invited to send a representative, if the parents consent.

The District conducts IEP team meetings without a parent in attendance only if it cannot convince parents that they should attend. Before an IEP team meeting is held without a parent, the District makes multiple attempts to contact a parent to arrange a mutually agreed on time and place, and records its attempts to do so.

C. CONTENTS OF AN IEP

The District uses ODE's required form, PR-O7, for its IEPs.

In developing each child's IEP, the IEP team considers:

- (1) The strengths of the child;

- (2) The concerns of the parents for enhancing the education of their child;
- (3) The results of the initial or most recent evaluation of the child;
- (4) The results of the child's performance on any state or district-wide assessment programs, as appropriate; and
- (5) The academic, developmental and functional needs of the child.

Further, the IEP team considers the following special factors:

- (1) In the case of a child whose behavior impedes the child's learning or that of others, the use of positive behavioral interventions and supports, and other strategies, to address that behavior;
- (2) In the case of a child with LEP, the language needs of the child as those needs relate to the child's IEP;
- (3) In the case of a child who is blind or visually impaired, the instruction of that child in accordance with the Operating Standards and section 3323.011 of the Revised Code;
- (4) The communication needs of the child, including those of a child who is deaf or hard of hearing; and
- (5) Whether the child needs assistive technology devices and services.

(1) CONTENTS OF EVERY IEP

The District's IEPs are written, and are developed, reviewed and revised in IEP meetings. The District's IEPs include all of the following:

- (a) A statement that discusses the child's future and documents planning information;
- (b) A statement of the child's present levels of academic and functional performance, including:
 - (1) How the child's disability affects the child's involvement and progress in the general education curriculum (i.e., the same curriculum as for nondisabled children); or
 - (2) For preschool children, as appropriate, how the disability affects the child's participation in appropriate activities;
- (c) A statement of measurable annual goals, including academic and functional goals and benchmarks or short-term objectives designed to:
 - (1) Meet the child's needs that result from the child's disability to enable the child to be involved in and make progress in the general education curriculum; and
 - (2) Meet each of the child's other educational needs that result from the child's disability;
- (d) A description of:
 - (1) How the child's progress toward meeting the annual goals described in the IEP will be measured; and
 - (2) When periodic reports on the progress the child is making toward meeting the annual goals will be provided;
- (e) A statement of the special education and related services and supplementary aids and services, based on peer-reviewed research to the extent practicable, to be provided to the child, or on behalf of the child, and a statement of the program modifications or supports for school personnel that will be provided to enable the child:
 - (1) To advance appropriately toward attaining the annual goals;

- (2) To be involved in and make progress in the general education curriculum in accordance with the Operating Standards, and to participate in extracurricular and other nonacademic activities; and
- (3) To be educated and participate with other children with disabilities and nondisabled children, as appropriate, in the activities described in 3301-51-07(H)(1)(e) of the Operating Standards;
- (f) An explanation of the extent, if any, to which the child will not participate with nondisabled children in the regular classroom and in activities;
- (g) A statement of any individual appropriate accommodations that are necessary to measure the academic achievement and functional performance of the child on state and districtwide assessments consistent with Section 612(a)(16) of the IDEA;
- (h) If the IEP team determines that the child must take an alternate assessment instead of a particular regular state or districtwide assessment of student achievement, a statement of why:
 - (1) The child cannot participate in the regular assessment; and
 - (2) The particular alternate assessment selected is appropriate for the child; and
- (i) The projected date for the beginning of the services and modifications described in the IEP and the anticipated frequency, location and duration of those services and modifications.

(2) TRANSITION SERVICES

The District's IEPs address transition services as follows:

- (a) For children age 14 or over (or younger, if determined appropriate by the IEP team), the IEP includes a statement, updated annually, of the transition service needs of the child under the applicable components of the child's IEP that focuses on the child's courses of study (such as participation in advanced-placement courses or a vocational education program.); and
- (b) Beginning not later than the first IEP to be in effect when the child turns 16 (or younger if determined appropriate by the IEP team), the IEP includes:
 - (1) Appropriate measurable postsecondary goals based upon age-appropriate transition assessments related to training, education, employment and, where appropriate, independent living skills; and
 - (2) The transition services (including courses of study) needed to assist the child in reaching those goals.

(3) TRANSFER OF RIGHTS AT AGE OF MAJORITY

Beginning not later than one year before the child reaches 18 years of age, the IEP includes a statement that the child has been informed of the child's rights under Part B of the IDEA that will transfer to the child on reaching the age of majority.

(4) NONACADEMIC SERVICES, PHYSICAL EDUCATION, EXTENDED SCHOOL YEAR AND TRANSPORTATION

If appropriate, the IEP includes the services to be provided in each of these areas.

D. REVIEW AND AMENDMENT OF AN IEP

The District ensures that the IEP team:

- (1) Reviews the child's IEP periodically, but not less than annually, to determine whether the annual goals for the child are being achieved; and
- (2) Revises the IEP, as appropriate, to address:
 - (a) Any lack of expected progress toward the annual goals and in the general education curriculum;
 - (b) The results of any reevaluation;
 - (c) Information about the child provided to, or by, the parents as part of an evaluation or reevaluation;
 - (d) The child's anticipated needs; or
 - (e) Other matters; and
- (3) Reconvenes if an agency, other than the school district, fails to provide the transition services described in the IEP.

Changes to the IEP may be made either at an IEP team meeting, or by a written document amending or modifying the IEP, if the parent of the child and the District agree not to convene an IEP team meeting for the purposes of making those changes. If the IEP is amended by written document, without a meeting of the IEP team, the District ensures that the IEP team is informed of the changes made. When an IEP is amended, the District sends a copy of the amended IEP to the parent within thirty days of the date the IEP was amended.

VII. LEAST RESTRICTIVE ENVIRONMENT (LRE)

The District ensures that, to the maximum extent appropriate, children with disabilities, including children in public or nonpublic institutions or other care facilities, are educated with children who are nondisabled. Placement of students with disabilities in special classes, separate schooling or other removal from the regular educational environment occurs only if the nature or severity of the disability is such that education in regular classes with the use of supplementary aids and services, modifications and/or accommodations cannot be achieved satisfactorily.

The District ensures that a continuum of alternative placements is available to meet the needs of children with disabilities for special education and related services in the least restrictive environment (LRE).

The District determines the placement of a child with a disability at least annually, and the placement is based on the child's IEP, and is as close as possible to the child's home.

Unless the IEP of a child with a disability requires some other arrangement, the child is educated in the school that the child would attend if nondisabled.

In selecting the LRE for a child with a disability, the IEP team considers any potential harmful effect on the child or on the quality of the services that the child needs.

A child with a disability is not removed from education in age-appropriate regular classrooms solely because of needed modifications in the general education curriculum.

VIII. PARENTALLY PLACED NONPUBLIC SCHOOL CHILDREN

A. CHILD FIND

(1) GENERALLY

The District locates, identifies and evaluates all children with disabilities who are enrolled by their parents in chartered and nonchartered nonpublic schools, including religious elementary and secondary schools located within the District's geographical boundaries.

The District consults with the nonpublic school representatives and representatives of parents of parentally placed nonpublic school children with disabilities regarding the child find process, including:

- (a) How parentally placed nonpublic school children suspected of having a disability can participate equitably; and
- (b) How parent, teachers and nonpublic school officials will be informed of the child find process.

After timely and meaningful consultation with representatives of nonpublic schools, the District carries out child find activities for parentally placed nonpublic school children, including children whose parents live out-of-state. These activities are similar to the child find activities the District conducts for its public school children and ensures an accurate count of children with disabilities. The District completes these activities in a time period comparable to that for children attending its public schools, including completing any evaluations within 60 days of receiving parental consent. See Chapter V, Section A(1).

The District follows all IDEA and FERPA confidentiality requirements when serving children with disabilities attending nonpublic schools located within the District's boundaries and obtains parental consent before releasing any personally identifiable information about a child to officials of the child's district of residence or the nonpublic school in which the child is enrolled.

The District conducts, either directly or through contract, a full and individual initial evaluation of any parentally placed nonpublic school child suspected of having a disability who is enrolled in a nonpublic school within the District's boundaries. The District obtains written parental consent before conducting an initial evaluation.

- (a) If the parents of a parentally placed nonpublic school child do not provide consent or fail to respond to the District's request for consent to evaluate the child, the District may not use mediation or due process procedures to pursue the evaluation. The District does not have to consider this child as eligible for services.
- (b) If the parents do not make clear their intent to keep their child enrolled in the nonpublic school, the District provides the parents of a child who is determined to be eligible for special education services written documentation stating that the child's school district of residence is responsible for making FAPE available to the child.

- (c) The District sends a copy of this documentation to the child's district of residence, provided the District obtains written parental consent to release the information.

The District conducts reevaluations of parentally placed nonpublic school children with disabilities receiving special education and any related services to determine continued eligibility for services. The District conducts reevaluations no more than once a year, unless the parents and the District agree otherwise, and at least once every three years, unless the parents and the district agree that a reevaluation is unnecessary.

(2) AUTISM SCHOLARSHIP PROGRAM PARTICIPANTS

The District assumes responsibility for the initial evaluations and re-evaluations of children who reside in the District and desire to participate in the Autism Scholarship Program. The district where the nonpublic school is located conducts all reevaluations for children with disabilities participating in the Autism Scholarship Program. (See 3301-51-08(R)(1) of the Operating Standards). The District creates the IEP that is required for eligible children who reside within the District to participate in the Autism Scholarship Program.

B. CONSULTATION

The District consults with nonpublic school representatives and representatives of parents who have placed their children with disabilities in nonpublic schools in a timely and meaningful way during the design and development of special education and related services for the children regarding the following:

(1) CHILD FIND

See above requirements.

(2) PROPORTIONATE SHARE OF FUNDS

- (a) The determination of the proportionate share of federal IDEA Part B funds available to serve parentally-placed nonpublic school children with disabilities;
- (b) The determination of how the proportionate share of those funds was calculated; and
- (c) Consideration of the number of children and their needs and location.

“Proportionate share” refers to the amount of federal IDEA Part B funds the District must expend to provide the group of parentally-placed nonpublic school children with disabilities with equitable participation in services funded with federal IDEA Part B funds. The District follows the formula in 3301-51-05(E)(1)–(4) of the Operating Standards to calculate the proportionate amount.

(3) CONSULTATION PROCESS

- (a) How the consultation process will bring together District representatives, nonpublic school officials and representatives of parentally placed nonpublic school children with disabilities;

- (b) How the process will take place throughout the school year to ensure that parentally-placed nonpublic school children with disabilities identified through the child find can meaningfully participate in special education and related services.

(4) PROVISION OF SPECIAL EDUCATION AND RELATED SERVICES

- (a) How, where and by whom special education and related services will be provided;
- (b) The types of services, including direct services and alternate service delivery mechanisms;
- (c) How special education and related services will be apportioned if funds are insufficient to serve all parentally placed nonpublic school children; and
- (d) How and when these decisions will be made.

(5) WRITTEN EXPLANATION BY THE SCHOOL DISTRICT

How the District will provide the nonpublic school officials a written explanation of the reasons why the District chose not to provide services directly or through a contract if the District disagrees with the views of the nonpublic school officials on the provision of services or the types of services.

The District obtains a written affirmation signed by representatives of the participating nonpublic schools that timely and meaningful consultation has occurred. If representatives of the participating nonpublic schools do not provide the affirmation within a reasonable period of time or choose not to participate under the proportionate share provisions of IDEA and engage in consultation, the District documents its consultation attempts and forwards the documentation to the ODE-OEC. If a nonpublic school located within the boundaries of the District chooses not to participate, the parents may contact the District to request services for the child.

C. RIGHTS TO SERVICES

The District is not required to pay for the cost of education, including special education and related services, of a child with a disability, enrolled at a nonpublic school or facility if:

- (1) The child's district of residence made FAPE available to the child; and
- (2) The parents elected to place the child in the nonpublic school.

The District includes these children and their needs in the population being considered when making decisions about services to be provided to parentally placed nonpublic school children with disabilities.

If the parents make clear their intention to keep their child with a disability enrolled in the nonpublic school, the child's district of residence does not need to develop an IEP for the child. If the child with a disability re-enrolls in the District, the District makes FAPE available.

D. EQUITABLE SERVICES DETERMINED

The District makes the final decisions about the services to be provided through a services plan to eligible parentally placed nonpublic school children with disabilities who are attending

nonpublic schools within the District's geographic boundaries. The District makes these decisions after consultation with nonpublic school representatives and parents of parentally placed nonpublic school children and through meetings to develop, review and revise services plans. A child with a disability attending a nonpublic school does not have an individual right to receive some or all of the special education and related services that the child would receive if enrolled in a public school.

E. EQUITABLE SERVICES PROVIDED

(1) THE SERVICES PLAN

- (a) The District, whether or not it is the child's school district of residence, convenes the services plan meeting, conference call, or video conference for each eligible child who will receive special education and any related services for children who attend nonpublic schools located within the District's geographical boundaries.
- (b) The District determines required participants at the services meeting.
- (c) The District ensures that a nonpublic school representative participates in the development or revision of the services plan.
- (d) The District conducts a meeting, conference call, or video conference at least annually to review and revise, if appropriate, each child's services plan.
- (e) The District uses the ODE required Services Plan PR-09 form for individually developing a services plan for each participating child that describes the specific special education and related services that the District will provide to the child. Parentally placed nonpublic school children with disabilities may receive a different amount of services than children with disabilities enrolled in the District.

(2) PROVISION AND LOCATION OF SERVICES

- (a) District personnel provide services to parentally placed nonpublic school children who attend nonpublic schools located within the District's geographical boundaries or the District provides services through a contract with an individual, association, agency, organization or other entity.
- (b) The District ensures that special education and related services, including materials and equipment, provided to parentally placed nonpublic school children with disabilities are secular, neutral and non-ideological.
- (c) The District, in consultation with the nonpublic school, will determine where services will be provided. Services may be provided on or off the premises of the nonpublic school. The District may provide services at the nonpublic school with the permission of that school.

(3) TRANSPORTATION

- (a) The District provides transportation to parentally placed nonpublic school children with disabilities who attend nonpublic schools located within the District's geographical boundaries if the services being provided under IDEA are being delivered at a location other than the nonpublic school the child is attending. The District provides transportation:
 - (1) From the child's nonpublic school or the child's home to the site other than the nonpublic school; and

- (2) From the service site to the nonpublic school or to the child's home depending on the timing of the services;
- (b) The District may include the cost of transportation to special education and related services that are being delivered at a location other than the nonpublic school in calculating whether it has met the requirements of spending a proportionate amount of federal funds that it receives to serve children with disabilities; and
- (c) The District provides transportation to all children, with and without disabilities, who reside within the District and who are parentally placed in chartered nonpublic schools following the requirements in ORC 3327.01.

F. DUE PROCESS COMPLAINTS AND COMPLAINTS TO ODE

Due process rights do not apply to the provision of special education and related services the District has agreed to provide through a services plan. However, the parents of a child with a suspected disability, or a child identified as having a disability, who is enrolled in a nonpublic school, have the right to file a due process complaint against the District where the nonpublic school is located regarding that District's failure to meet the child find requirements, including location, identification, evaluation and reevaluation of the child.

If the District receives a due process complaint requesting a due process hearing from the parents of parentally placed nonpublic school child, the District follows the procedures that apply to other due process complaints.

The parents of a child with a disability, who has been unilaterally placed in a nonpublic school, have the right to file a formal written complaint with ODE-OEC regarding a number of different issues, which are listed in 3301-51-08(L)(3) of the Operating Standards.

APPENDIX A

When to Provide

Prior Written Notice, Informed Consent and Procedural Safeguards Notice (*Whose IDEA Is This?*)

Steps in the Special Education Process	Action Required		
	Notification or Informed Consent	Prior Written Notice to Parents PR-01	Whose IDEA Is This?
1. Procedural safeguards must be provided to the parents once a year			X
2. Procedural safeguards must be provided upon request of the parents			X
3. Initial referral for a suspected disability		X	X
4. Initial evaluation	Informed consent (Parent Consent for Evaluation PR-04 form)	X	
5. Eligibility determination		X	
6. IEP meeting	Notification (Parent Invitation to Meeting PR-02 form)	Provide after an IEP, if parents do not agree or do not attend the meeting	
7. Reevaluation with assessments conducted	Informed consent (Parent Consent for Evaluation PR-04 form)	Provide before, and after if parents do not agree or disability category changes	
8. Reevaluation without further assessments conducted	Notification	May use this form to notify before, and provide after, if parents do not agree or disability category changes	
9. No reevaluation conducted		X	
10. Transfers from out of state and out of district	Informed consent (Parent Consent for Evaluation PR-04 form) (If an evaluation is to be conducted)	Provide only after an IEP, if parents do not agree	If moved from out of state
11. Change of placement	Informed consent (IEP PR-07 form)	Provide only after an IEP, if parents do not agree	
12. Change in the type and amount of services		Provide only after an IEP, if parents do not agree	
13. Exit from special education	Notification (Summary of performance if graduating or aging out of special education)	X	
14. District refuses services requested by parents		X	
15. District proposes/refuses to change disability category		X	
16. Releasing personally identifiable information	Informed consent (written consent)		
17. Destruction of personally identifiable information	Notification prior to destruction		
18. Transfer of parental rights	Statement included in IEP PR-07 form		X
19. Upon receipt of the first due process complaint or upon receipt of first state complaint in school year			X
20. Disciplinary change in placement		X	X
21. Revocation of consent		X	

Prior Written Notice, Informed Consent and Procedural Safeguards Notice (*Whose IDEA Is This?*)

1. Procedural safeguards must be provided to the parents once a year.

The school district must give a copy of the **procedural safeguards notice (*Whose IDEA Is This?*)** to the parents at least once a year, except as noted below:

- Upon initial referral or the parents request for evaluation;
- Upon request by the parents;
- Upon receipt of the first due process complaint or state complaint in a school year; and
- Upon a change in placement for disciplinary action.

2. Procedural safeguards must be provided upon request of the parents.

The school district must give a copy of the **procedural safeguards notice (*Whose IDEA Is This?*)** to the parents whenever the parents request.

3. Initial referral for a suspected disability

On the date of the referral, the district must provide the parents with a copy of the **procedural safeguards notice (*Whose IDEA Is This?*)**. For a parental referral, the date of referral is the date that the district received either the verbal or written request from the parents to conduct an evaluation. For a district referral, the date of referral is the date that the screening or review team decided an evaluation should be conducted. See Evaluation – 6.2 Request and Referral for Initial Evaluation. Within 30 days of the date of initial referral by the parents for a suspected disability, the district must provide the **Prior Written Notice to Parents PR-01** form to the parents if the district does not suspect a disability.

4. Initial evaluation

Within 30 days of the date of initial referral by the parents for a suspected disability, the district must provide the **Prior Written Notice PR-01** form to the parents and receive written, **informed consent (Parent Consent for Evaluation PR-04 form)** from the parents prior to conducting any assessments as part of an initial evaluation. A description of any evaluation procedures the district proposes to conduct must also be provided to the parents. (If the notice relates to an action proposed by the district that also requires parental consent, the district may give notice at the same time it requires parental consent.)

5. Eligibility determination

If the evaluation team determines that a child is not eligible for special education and related services the district will provide the parents the **Prior Written Notice to Parents PR-01** form once this determination is made. If the evaluation team determines that a child is eligible for special education and related services, see Item number 6, IEP Meeting.

6. IEP Meeting

The district must use the required **Parent Invitation PR-02** form to notify and invite the parents to an IEP meeting. Districts must take steps to ensure that one or both parents are present at each IEP meeting or are afforded the opportunity to participate. This requires that the district:

- Notify the parents of the IEP meeting early enough to ensure that they have an opportunity to attend; and
- Schedule the meeting at a mutually agreed upon time and place.

A district must provide the **Prior Written Notice to Parents PR-01** form after an IEP meeting, if the parents do not agree with the IEP or any portion of the IEP or do not attend the meeting.

A district must provide **prior written notice** to the parents and receive **written, informed consent** from the parents before the initial placement of a child in special education. The **IEP PR-07** form serves as prior written notice unless the parents disagree with the IEP. Written informed consent to initiate special education and related services is provided through the parents' signature on the IEP form.

7. Reevaluation with assessments conducted

A district must provide the **Prior Written Notice to Parents PR-01** form and obtain **informed parental consent (Parent Consent for Evaluation PR-05 form)** before conducting any tests or assessments as part of a reevaluation of a child with disabilities, unless the district has provided notice and the parents have failed to respond to reasonable attempts to obtain consent.

The district must provide the **Prior Written Notice to Parents PR-01** form after the reevaluation is completed, if the parents disagree with the reevaluation or the reevaluation results in a change in the child's disability category.

8. Reevaluation without further assessments conducted

If the evaluation team determines that no additional data are needed to determine that the child continues to be a child with a disability and to determine the child's educational needs, the evaluation team must notify the child's parents. The notification that no further assessments are necessary must include:

- The team's determination and the reasons for the determination; and
- The parents' right to request an assessment to determine whether the child continues to be a child with a disability and to determine the child's educational needs.

The **Prior Written Notice to Parents PR-01** form may be used for this notification as long as it includes the information listed directly above.

The district must provide the **Prior Written Notice to Parents PR-01** form after the reevaluation is completed, if the parents disagree with the reevaluation or the reevaluation results in a change in the child's disability category.

9. No reevaluation conducted

If the IEP team, including the parents, agrees that a reevaluation of a child is unnecessary, the district must provide the **Prior Written Notice to Parents PR-01** form.

10. Transfers from out of state and out of district

Upon the enrollment of a child with an existing IEP from another district or state, the district must convene the IEP team and determine if the team will accept the existing IEP or change the existing IEP. If the parents disagree with the IEP team on the IEP that will be implemented by the district, the **Prior Written Notice to Parents PR-01** form must be provided to the parents. See IEP – 7.1 General.

Transfers from out of state

If the child moved into the district from another state, the district must provide the parents with a copy of the **procedural safeguards notice (Whose IDEA Is This?)**.

If the district determines that a new evaluation is necessary for a child who transfers from out of state, the evaluation is considered an initial evaluation and the district must provide the **Prior Written Notice to Parents PR-01** form and obtain written parental consent (**Parent Consent for Evaluation PR-05 form**). See Evaluation – 6.2 Request and Referral for Initial Evaluation.

Transfers from out of district

If the child transfers into the district from another district in the state, the district provides the parents with a copy of the **procedural safeguards notice (*Whose IDEA Is This?*)** if the sending school district had not provided the parents with a copy during the current school year.

If the IEP team refers a child who transfers from another district in the state for additional evaluation, the evaluation is considered to be a reevaluation. The district must provide the **Prior Written Notice to the Parents PR-01** form and obtain written parental consent (**Parent Consent for Evaluation PR-05** form). See Evaluation – 6.5 Reevaluation.

11. Change of placement

The district must provide the **Prior Written Notice to Parents PR-01** form after an IEP meeting, if the parents do not agree with the IEP team's proposed change of placement on the continuum of alternative placement options. The district may not change the child's placement until the parents consent to the proposed change of placement.

12. Change in the type and amount of services

The district must provide the **Prior Written Notice to Parents PR-01** form after an IEP meeting, if the parents do not agree with the changes in the types and amount of services being proposed. The district may then proceed to implement the IEP.

13. Exit from special education

The district must provide the **Prior Written Notice to Parents PR-01** form whenever a child exits special education. In addition, for a child whose eligibility for special education terminates because the child is graduating with a regular diploma or exceeding the age eligibility for special education, the school district must provide the child with a **summary of the child's academic achievement and functional performance**, which shall include recommendations on how to assist the child in meeting the child's postsecondary goals.

14. District refuses services requested by parents

The district must provide the **Prior Written Notice to Parents PR-01** form to the parents any time the district refuses the request of the parents to provide special education and related services to the child.

15. District proposes/refuses to change disability category

The district must provide the **Prior Written Notice to Parents PR-01** form to the parents any time the district proposes or refuses to change the child's disability category. The ETR and the documentation of eligibility can be considered a prior written notice if all the elements required in a prior written notice are present in the ETR and determination of eligibility.

16. Releasing personally identifiable information

The district must obtain **written parental consent** prior to releasing any personally identifiable information about the child to any person or agency not entitled by law to see it, and to a representative of any participating agency that is likely to be responsible for providing or paying for transition services.

17. Destruction of personally identifiable information

The school district must inform the parents when personally identifiable information collected, maintained and used is no longer needed to provide educational services to the child. The information must be destroyed at the request of the parents. However, a permanent record of a child's name, address, telephone number, grades, attendance record, classes attended, grade level completed and year completed shall be maintained without time limitation. This **notification may be in writing or provided verbally**. If provided verbally, the school district should document this notification in the child's education record.

18. Transfer of parental rights

One year before the child's 18th birthday, the district must notify both the child and the parents of the parental rights, under Part B, that will transfer to the child upon reaching the age of majority. The district also must provide the child with a copy of the **procedural safeguards notice (Whose IDEA Is This?)**. This notification is documented on the child's **IEP PR-07** form.

19. Upon receipt of the first due process complaint or upon receipt of the first state complaint in the school year

The school district must give the parents a copy of the **procedural safeguards notice (Whose IDEA Is This?)** upon receipt of the parents' first due process request. The Ohio Department of Education, Office for Exceptional Children gives the parents a copy of the **procedural safeguards (Whose IDEA Is This?)** upon the parents' filing of the first state complaint within the school year.

20. Disciplinary change in placement

Whenever a change of placement occurs due to disciplinary action, a copy of the **procedural safeguards notice (Whose IDEA Is This?)** and **Prior Written Notice PR-01** form must be provided.

21. Revocation of consent (must be in writing)

The district must provide the **Prior Written Notice to Parents PR-01** form if the parents of a child with a disability revoke consent in writing for the continued provision of all special education and related services. This notice must include:

- A summary of all of the supports and services the child will no longer receive, and any change in educational placement that will occur as a result of the revocation of consent.
- Statements that once the revocation takes effect, the district will not be considered to be in violation of its requirement to make FAPE available, is not required to convene an IEP meeting or develop an IEP, is not required to conduct a three year reevaluation, is not required to offer the child the discipline protections available under IDEA and is not required to amend the child's education records to remove any reference to the child's receipt of special education and related services.
- A statement that by revoking consent for special education and related services for the child, the parent is not waiving the right to request an initial evaluation or to receive services in the future.

Exhibit A

SECTION 504 POLICY

Strongsville Academy follows the federal guidelines detailed in Section 504 of the Rehabilitation Act and the Americans with Disabilities Act and which specifies that no one with a disability can be excluded from participating in federally funded programs or activities, including elementary, secondary, or postsecondary schooling. 'Disability' in this context refers to a physical or mental impairment which substantially limits one or more major life activities and can include physical impairments; illnesses or injuries; communicable diseases; chronic conditions like asthma, allergies and diabetes; and learning problems. Once the need is determined, a 504 plan is constructed that details the modifications and accommodations that will be needed for the students to have an opportunity to perform at the same level as their peers within a general education environment. This plan is developed in conjunction with the parent or adult student and is reviewed annually by the school leader or designee.

SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT (this “Sublease”) is made as of April 20, 2022 (the “Effective Date”), by and between **ELA CREATIVE PLAYROOMS HOLDINGS, LLC**, a Delaware limited liability company (“Sublandlord”), whose address is 1650 Tysons Boulevard, Suite 600, McLean, Virginia 22102, and **STRONGSVILLE ACADEMY**, an Ohio nonprofit corporation (“Subtenant”), whose address is c/o The Callender Law Group, 100 East Broad Street, Suite 690, Columbus, Ohio.

WHEREAS, pursuant to a certain Amended and Restated Master Lease Agreement (the “Prime Lease”), dated as of September 27, 2018, Sublandlord leases from STORE Master Funding III, LLC, a Delaware limited liability company (“Prime Landlord”), certain real property comprising multiple childcare and education centers (defined in the Prime Lease as the “Properties”), which Properties include that one described on **Exhibit A** attached hereto, together with all improvements located thereon, including one or more buildings comprising approximately 18,215 square feet of building area (the “Facility”), said Facility being located at 16000 Foltz Industrial Parkway, Strongsville, Ohio 44136; and

WHEREAS, Subtenant has been formed and organized for the purposes of operating a community school (a “Community School”) in accordance with Sections 3314 et seq. of the Ohio Revised Code (together with all other applicable Laws concerning Community Schools, “Community School Law”);

WHEREAS, Subtenant desires to sublease from Sublandlord, and Sublandlord is willing to sublease to Subtenant on and subject to the terms hereof, a portion of the Facility comprising approximately 3,335 square feet of building area (the “Subleased Premises”), said Subleased Premises being depicted on **Exhibit B** hereto, for Subtenant’s operation of a Community School;

NOW, THEREFORE, in consideration of the mutual premises and covenants herein contained, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1 Subleasing of the Subleased Premises. Sublandlord hereby subleases to Subtenant and Subtenant hereby subleases from Sublandlord the Subleased Premises, upon and subject to all of the terms, covenants, rentals and conditions hereinafter set forth. Upon such date that Sublandlord shall deliver possession of the Subleased Premises to Subtenant, Subtenant shall be deemed to have fully inspected and examined the Subleased Premises and shall accept the Subleased Premises in its then existing condition, as-is, where-is, with all faults. Subtenant agrees that it shall be responsible, at its sole cost and expense, for providing all fixtures, equipment, and personal property necessary for the operation of the Subleased Premises that are not furnished by Sublandlord.

Section 2 Term.

(a) This Sublease shall be in full force and effect from the date it has been executed by Sublandlord and Subtenant and consented to by Prime Landlord. The term (the “Term”) of this Sublease shall commence on July 1, 2022 (the “Commencement Date”), and expire at the earlier to occur of (i) June 30, 2027, or (ii) one (1) day sooner than the expiration of the term of the Prime Lease (as extended, the “Expiration Date”), unless sooner terminated as hereinafter provided.

(b) Subtenant shall have the right and option to extend the Term for two (2) extension terms (each an “Extension Term”) of three (3) years each, provided that, as conditions to such extension, (i) Subtenant must deliver written notice to Sublandlord of its election to extend the Term at least one hundred eighty (180) days prior to the expiration of the then current Term, and (ii) Subtenant shall not be in default under this Sublease both as of the date that Subtenant notifies Sublandlord in

accordance with the foregoing clause (i) and as of the date of commencement of such Extension Term. During the Extension Term(s) all of the terms, provisions, and conditions of this Sublease shall apply.

(c) Notwithstanding the foregoing, the Term shall not extend beyond the term of Subtenant's Charter, and this Sublease shall terminate automatically without penalty for early termination if Subtenant's Charter is terminated, non-renewed, or suspended, provided that such termination, non-renewal, or suspension is not a result of Tenant's request therefor.

Section 3 Rent.

(a) Subtenant shall pay to Sublandlord base rent for the Subleased Premises ("Base Rent") in accordance with **Exhibit C**, attached hereto and made a part hereof. Base Rent shall be payable monthly, without demand, setoff, or deduction, except as otherwise provided herein, on or before the first (1st) day of each calendar month, in advance, commencing on the Commencement Date and for the remainder of the Term. If the Base Rent is payable for a fraction of a month, the amount payable shall be a pro rata share of a full month's rent. Base Rent shall be timely paid to Sublandlord by electronic transfer to an account designated by Sublandlord pursuant to written instructions provided in advance by Sublandlord to Subtenant or by check payable to Sublandlord at such address of which Sublandlord shall notify Subtenant in writing, in each case, until Subtenant receives other written instructions from Sublandlord.

(b) Together with the payment of each installment of Monthly Base Rent, Subtenant shall also pay to Sublandlord, as additional rent ("Additional Sublease Rent") hereunder, (i) Subtenant's Proportionate Share of all Common Expenses and (ii) any and all other sums of money payable by Sublandlord under this Sublease that are attributable to the Subleased Premises or Subtenant's use thereof during the Term or to any act or omission of Subtenant. As used herein, "Subtenant's Proportionate Share" means the proportion that the floor area of the Subleased Premises bears to the aggregate of the floor area of the Facility (including the Subleased Premises), which, for purposes of this Sublease, Sublandlord and Subtenant hereby agree is 18.31%.

(c) As used herein, "Common Expenses" mean all costs incurred by Sublandlord relating to the operation, maintenance, and/or management of the Facility, including, but not limited to, the following and/or costs relating thereto: (i) amounts payable by Sublandlord in respect of taxes, pursuant to its obligation under Section 6.01 of the Prime Lease (provided that Subtenant's Proportionate Share of such taxes shall be offset by an amount equal to any amount not paid by or refunded to Sublandlord by virtue of the Community School Exemption); (ii) insurance maintained by Sublandlord in respect of the Facility meeting or exceeding the requirements set forth in Section 6.03 of the Prime Lease; (iii) supplies and materials used in the operation, maintenance repair, and security of the Facility; (iv) improvement made to the Facility; (v) utilities to the extent not separately metered; (vi) repairs and general maintenance of the Facility including the sprinkler systems, landscaping, drainage, lighting, signage, utilities, and similar systems and structures at the Facility; and (vii) service, maintenance, and management contracts for the operation, maintenance, management repair, replacement, or security of the Subleased Premises. Notwithstanding the foregoing, Common Expenses shall not include costs incurred by Sublandlord (x) in connection with renovations or improvements to the Facility for the sole benefit of occupants of the Facility other than Subtenant or (y) arising from Sublandlord's negligence, willful misconduct, or violation of applicable Law. Subtenant shall, upon Sublandlord's request, pay to Sublandlord monthly installments of estimated amounts of Additional Sublease Rent, said estimated amounts to be determined based on Sublandlord's reasonable estimate of Common Expenses to be incurred during a given lease year. Sublandlord shall annually, or at such other times as Sublandlord shall elect, reconcile actual Common Expenses with the estimated amounts paid by Subtenant and, as appropriate, (i) issue an invoice to Subtenant in the amount by which Subtenant's Proportionate Share of

actual Common Expenses exceeded the estimated amounts paid by Subtenant or (ii) issue a credit against Subtenant's rental obligation hereunder the amount by which the estimated amounts paid by Subtenant exceeded Subtenant's Proportionate Share of actual Common Expenses.

(d) Sublandlord and Subtenant acknowledge and agree that it is their intent to cause the Subleased Premises to be exempt from real property (ad valorem) tax as provided in Ohio Revised Code Section 5709.07, which exempts real property leased to community schools (the "Community School Exemption"). In furtherance of such intent, Sublandlord shall use its commercially reasonable efforts to obtain the Community School Exemption for the Subleased Premises in respect of tax years (or portions thereof) for which such exemption is available. Within thirty (30) days of Sublandlord's demand therefore, Subtenant shall reimburse Sublandlord for any and all reasonable expenses (including attorneys' fees) incurred in connection with Sublandlord's effort to obtain the Community School Exemption. In the event the Community School Exemption is obtained for the Subleased Premises resulting in a reimbursement or refund to Sublandlord from the taxing authority or any other governmental entity or agency of Taxes that had been actually paid by Subtenant, such reimbursement shall be credited to Subtenant as if it were a payment of Rent hereunder and accounted for in a writing from Sublandlord to Subtenant.

(e) Subtenant represents, warrants, and covenants that the fees required to be paid by Subtenant to any Manager pursuant to the terms of any Management Agreement are and shall be subordinate to the timely payment by Subtenant to Sublandlord of the Base Rent payable under this Sublease.

Section 4 Use.

(a) Except with the prior written consent of Sublandlord (which may be granted or withheld in its sole and absolute discretion) and Prime Landlord (if required under the Prime Lease), or as otherwise provided in this Sublease, the Subleased Premises shall be used only for the operation of a primary and/or secondary Community School, which may include other uses incidental to the operation of a Community School, including the operation of educational and/or extracurricular programs and activities by Subtenant and Subtenant's temporary licensees and/or the housing of all or part of Subtenant's administrative operations, to the extent permitted by applicable Legal Requirements (collectively, "**Ancillary Uses**") and for no other purpose. For purposes of this Sublease, references in the Prime Lease to a "Permitted Facility" shall be understood as permitting use in accordance with the preceding sentence.

(b) Sublandlord agrees to execute, without cost to Sublandlord, such customary applications, consents and other instruments as shall be required by Governmental Authorities to permit the operation of the Subleased Premises as a Community School, and to allow the Ancillary Uses, in each case as permitted by this Sublease, so long as such applications, consents, or other instruments do not impose or subject Sublandlord to any liability or claim, and Subtenant hereby covenants and agrees to indemnify and hold harmless Sublandlord from and against any and all claims, costs, demands, losses or liabilities (including attorneys' fees) which Sublandlord may suffer or incur by reason of Sublandlord's execution of any such applications, consents or other instruments as Subtenant may request. If at any time any claims, costs, demands, losses, or liabilities are asserted against Sublandlord by reason of Sublandlord's execution of any such applications, consents or other instruments as Subtenant may request, Subtenant will, upon notice from Sublandlord, defend Sublandlord with respect to any such claims, costs, demands, losses or liabilities at Subtenant's sole cost and expense by counsel, selected by Subtenant, and reasonably acceptable to Sublandlord. Sublandlord agrees to obtain any and all needed zoning, occupancy or other permits as may be required by Governmental Authorities for the operation of Premises as a Community School before the Commencement Date.

(c) Notwithstanding anything to the contrary herein, Subtenant shall not have the right to use the Subleased Premises, or any part thereof, for any use or purpose which is not permitted by, or which results in a violation of, any agreement, covenant, or restriction to which the Subleased Premises, or any part thereof, is subject as of the date of this Sublease.

(d) Without limiting any other provision of this Sublease or the Prime Lease, Subtenant shall take good care of the Subleased Premises, suffer no waste or injury thereto, and shall comply with all Laws which are imposed on Sublandlord, as tenant under the Prime Lease, as the same are applicable to the Subleased Premises, the Facility, and Subtenant's use thereof.

Section 5 Subordination to and Incorporation of Terms of Lease.

(a) This Sublease is in all respects subject and subordinate to any mortgage, deed, deed of trust, ground lease, or other instrument now or hereafter encumbering the Facility (including any building(s) and land encompassed thereby), to the terms and conditions of the Prime Lease and to matters to which the Prime Lease, including any amendments thereto, is or shall be subordinate. The terms, provisions, covenants, stipulations, conditions, rights, obligations, remedies and agreements of the Prime Lease are incorporated into this Sublease by reference and made a part hereof as if herein set forth at length, *mutatis mutandis*, and shall, as between Sublandlord and Subtenant (as if they were the "Lessor" and "Lessee," respectively, under the Prime Lease and as if the Subleased Premises were the Properties demised under the Prime Lease), constitute the terms of this Sublease, except to the extent that they expressly do not relate to the Subleased Premises or are expressly inapplicable to, or expressly modified or eliminated by, the terms of this Sublease; provided, however, that, except as provided below, for the purposes of this Sublease, references in the Prime Lease to (a) the "Lessor" shall be deemed to refer to Sublandlord, (b) the "Lessee" shall be deemed to refer to Subtenant, (c) the "Property" or "Properties" shall be deemed to refer to the Subleased Premises. Subtenant shall in no case have any rights under this Sublease greater than Sublandlord's rights as "Lessee" under the Prime Lease. Sublandlord may exercise all of the rights, powers, privileges and remedies reserved to Lessor under the Prime Lease to the same extent as if fully set forth herein at length, including, without limitation, all releases from liability to Sublandlord thereunder except as may be provided otherwise herein, and all rights and remedies arising out of or with respect to any default by Subtenant in the payment of Rent hereunder or the observance or performance of the terms, covenants, conditions and agreements of this Sublease (including those portions of the Prime Lease that are incorporated herein). Sublandlord and Subtenant each agree to observe and be bound by each and every covenant, condition, and provision of the Prime Lease insofar as any such covenant, condition or provision affects the Subleased Premises or Subtenant's use thereof. Subtenant acknowledges that it has reviewed and is familiar with the Prime Lease, and Sublandlord represents that the copy of the Prime Lease attached hereto as **Exhibit D** is a true, correct, and complete copy of the Prime Lease except for any provisions which are deleted therefrom as marked thereon. In confirmation of the subordination provided for in this Section, Subtenant shall, at Sublandlord's request, promptly execute any requisite or appropriate certificate or other document. Subtenant hereby irrevocably appoints Sublandlord as its attorney-in-fact, coupled with an interest, for the purpose of executing any such instrument of subordination if Subtenant shall fail to execute, acknowledge, and/or deliver any such instrument of subordination within ten (10) business days after Sublandlord's demand therefor.

(b) Notwithstanding anything to the contrary contained herein, incorporation of the Prime Lease pursuant to subsection (a) above is subject to the following:

(i) The following terms and provisions of the Prime Lease are hereby be deemed inapplicable to this Sublease and therefore excluded from the incorporation provided for above:

(i) Article I; (ii) Sections 3.01–3.03; (iii) Sections 4.01 and 4.02; (iv) Section 6.03(a)(i), (ii), (v), and (vi); (v) Section 6.04; (vi) Section 7.04; (vii) Section 7.05; (viii) Section 8.01(b); (ix) Section 9.03;

(x) the last sentence of Section 10.02; (xi) Article XI; (xii) Section 14.02–14.06; (xiii) Section 17.04; (xiv) Section 17.07; (xv) Exhibit B (to the extent relating to Properties other than the Facility); and (xvi) Exhibit C.

(ii) References to “Lessor” in the Prime Lease, as incorporated herein, shall, where the context requires, be deemed to refer to Sublandlord, Prime Landlord, or both, it being agreed, that (1) references to “Lessor” in Section 14.01 of the Prime Lease shall be deemed to refer to both Sublandlord and Prime Landlord, as applicable, in respect of their respective interests in and to the Facility; (2) references to “Lessor” in Section 17.10 of the Prime Lease shall be deemed to refer to Prime Landlord; (3) any provision in the Prime Lease authorizing access, entry, and/or inspection by “Lessor” in respect of the Properties shall, as incorporated herein, be deemed to authorize such access, entry, and/or inspection by Sublandlord and Prime Landlord in respect of the Subleased Premises; and (4) in all provisions of the Prime Lease incorporated herein that require the approval or consent of Prime Landlord, Subtenant shall be required to obtain the approval or consent of Sublandlord and Prime Landlord, provided that Subtenant shall not make such request directly to Prime Landlord, but rather, Sublandlord shall, upon Subtenant’s written request, request Prime Landlord’s consent or approval on Subtenant’s behalf.

(c) To the extent that any provisions of the Prime Lease impose on Prime Landlord any covenants, agreements, or obligations and, by virtue of incorporation, the same are imposed on Sublandlord hereunder, parties hereby agree that Sublandlord shall not be in default hereunder by reason of Prime Landlord’s failure to perform so long as Sublandlord uses its commercially reasonable efforts to cause Prime Landlord to perform in compliance with the Prime Lease.

Section 6 Subtenant’s Obligations with Respect to the Prime Lease. All acts to be performed and all of the terms and provisions to be observed by Sublandlord, as Lessee under the Prime Lease, shall be performed and observed by Subtenant, unless specifically excluded this Sublease. Notwithstanding the foregoing, in the event that the terms and provisions of the Prime Lease, as incorporated in this Sublease, would require Subtenant (a) to perform any work (including, without limitation, repair or replacements) on the Subleased Premises or other portion of the Subleased Premises or (b) to perform any Remediation at the Facility, then Subtenant shall provide Sublandlord with prior written notice of the same, and Sublandlord shall have the option (but not an obligation) to perform such obligations at Subtenant’s sole cost and expense.

(b) Subtenant covenants and agrees that Subtenant shall not do anything that would constitute a default under the terms of the Prime Lease specifically incorporated herein or fail to do anything that Subtenant is obligated to do under the terms of this Sublease so as to cause a default under the Prime Lease or which may make Sublandlord liable for any damages, claims, penalties, costs, or expenses thereunder.

(c) In the event that Subtenant shall be in default of any term or provision of, or shall fail to honor any obligation under this Sublease, Sublandlord, on giving the notice required by the Prime Lease (as modified pursuant to Section 12 hereof) and subject to the right, if any, of Subtenant to cure any such default as may be provided in the Prime Lease, but subject to Section 9 hereof, shall have available to it all of the remedies available to Prime Landlord under the Prime Lease in the event of a like default or failure on the part of Sublandlord as tenant thereunder. Such remedies shall be in addition to all other remedies available to Sublandlord at law or in equity.

Section 7 Insurance; Indemnification.

(a) Throughout the Term, Subtenant shall maintain, with respect to the Subleased Premises, at its sole expense, commercial general liability insurance, on an occurrence basis, with combined single liability limits of not less than One Million Dollars (\$1,000,000) per occurrence, Two Million Dollars (\$2,000,000) aggregate, plus an excess or umbrella policy extending coverage as broad as primary commercial general liability coverage in an amount no less than Five Million Dollars (\$5,000,000), covering Subtenant's activities and operations in the Subleased Premises. Such insurance shall comply in all respects with any applicable requirements set forth in Section 6.03(b) and (c) of the Prime Lease, provided, however, that that references therein to "Lessor" shall be deemed, for purposes of this Sublease, to refer to Sublandlord and Prime Landlord.

(b) Parties hereby acknowledge that Section 10.01 of the Prime Lease is incorporated in this Sublease, subject to the modifications provided for in Section 5 of this Sublease, provided that "Lessor Indemnified Parties" shall be deemed to include Sublandlord, Prime Landlord, and each of their direct or indirect members, managers, officers, directors, shareholders, partners, employees, affiliates, subsidiaries, successors, and assigns, including, but not limited to, any successors by merger, consolidation or acquisition of all or a substantial portion of the assets and business of Sublandlord or Prime Landlord.

(c) Sublandlord, to the fullest extent permissible by Law, agrees to indemnify, hold harmless and defend Subtenant from and against any and all Losses arising out of or based upon, in whole or in part (i) any failure on the part of Sublandlord to perform or comply with any of the terms of this Sublease, (ii) any negligent acts or omissions of Sublandlord or any other Sublandlord Party with respect to this Sublease or the Subleased Premises, (iii) the fraud, gross negligence, or willful misconduct of Sublandlord or any Sublandlord Party in connection with this Sublease or the Subleased Premises, except in each case to the extent arising from the negligence or willful misconduct of Subtenant or any Subtenant Party. If at any time any Losses are asserted against Sublandlord by reason of any of the matters as to which Sublandlord indemnifies Subtenant hereunder, Sublandlord will, upon notice from Subtenant, defend any such Losses at Sublandlord's sole cost and expense by counsel selected by Sublandlord and approved by Subtenant. As used herein, "Sublandlord Party" and "Subtenant Party" shall mean Sublandlord and Subtenant, as applicable, and each of their respective direct or indirect members, managers, officers, directors, shareholders, partners, employees, affiliates, subsidiaries, successors, and assigns, provided that Manager shall constitute a Sublandlord Party (and not a Subtenant Party) so long as Manager is an Affiliate of Sublandlord.

(d) The parties' obligations pursuant to the foregoing subsections (b) and (c) of this Section 7 shall survive the expiration or sooner termination of this Sublease.

Section 8 Alterations. Notwithstanding anything to the contrary contained in the Prime Lease, Subtenant shall not make any alterations or changes to the Subleased Premises whatsoever, including, without limitation, structural or nonstructural changes (collectively, "Alterations"), without the prior written consent of Sublandlord (not to be unreasonably withheld or delayed) and, if required under the Prime Lease, Prime Landlord. Any Alterations consented to by Sublandlord and Prime Landlord (if applicable) shall be performed by Subtenant, at its sole cost and expense, and in compliance with all applicable conditions and requirements set forth in the Prime Lease, including, without limitation, those set forth in Section 7.02 and Exhibit D of the Prime Lease.

Section 9 Time Limits. In the event Subtenant receives from Sublandlord any notice to cure any default hereunder or under the Prime Lease for which Subtenant is responsible, which notice is based

on a notice sent to Sublandlord by Prime Landlord pursuant to the Prime Lease, Subtenant shall cure such condition three (3) days prior to the time required of Sublandlord by Prime Landlord for the cure thereof.

Section 10 Subletting and Assignment.

(a) Subtenant shall not assign this Sublease or further sublet the Subleased Premises in whole or in part without the consent of Sublandlord, which consent Sublandlord may grant or deny in its sole and absolute discretion, provided, however, that Sublandlord shall not unreasonably withhold its consent in connection with any sublease, license, or similar arrangement proposed by Subtenant for the purpose of operating and/or undertaking one or more Ancillary Uses. Any attempted assignment or further subletting in violation of this provision shall be null and void. If Subtenant is a corporation or limited liability company, then any transfer of this Sublease by merger, consolidation or liquidation or any change (in any single transaction or series of related transactions) in the ownership (whether direct or indirect) of, or power to vote the majority of, its outstanding voting stock or membership interests, shall constitute an assignment for the purposes of this paragraph. If Subtenant is a partnership, then any change in the identity of any partner shall constitute an assignment for the purposes of this paragraph.

(b) In the event of any assignment or further subletting, Subtenant shall nevertheless remain primarily liable for the payment of Rent and the performance of all obligations under the terms of this Sublease.

(c) No assignment or further sublease shall be effective unless and until (i) the assignee or subtenant shall have assumed in writing the performance of all the terms, conditions, duties, and obligations of this Sublease (provided, however, that Subtenant shall remain fully liable under this Sublease in accordance with subsection (b) above) and (ii) Subtenant shall have delivered to Sublandlord an executed copy of such instrument of assumption and Sublandlord shall have accepted the same. If written consent is given by Sublandlord to any such assignment or further subletting, such consent shall not operate as a waiver of the necessity for obtaining Sublandlord's written consent to any subsequent assignment or further subletting. If this Sublease be assigned or if the Subleased Premises or any part thereof be sublet or occupied by anybody other than Subtenant, Sublandlord may, after default by Subtenant, collect Rent directly from the assignee, subtenant, or other occupant, and apply the net amount collected against the Rent herein reserved, but no such assignment, further subletting, occupancy, or collection shall be deemed a waiver of any of Subtenant's covenants contained in this Sublease or the acceptance of such assignee, subtenant, or occupant as Subtenant, or a release of Subtenant from further performance by Subtenant of covenants on the part of Subtenant herein contained.

(d) Anything in this Sublease to the contrary notwithstanding, Sublandlord shall have the right, without Subtenant's consent, to sell, transfer, or assign Sublandlord's interest in the Subleased Premises and/or this Sublease at any time and in such event, Sublandlord shall be relieved of Sublandlord's obligations under this Sublease to the extent such obligations arise after the date of such sale, transfer, or assignment, provided that such transferee or assignee agrees to assume all of the unaccrued obligations under this Sublease and agrees to perform to the full extent required under the terms and conditions of this Sublease.

(e) Notwithstanding anything to the contrary set forth above in this Section 10, no assignment or further sublease shall be effective unless Prime Landlord shall have consented to the same in writing.

Section 11 Continued Possession of Subtenant. The Term shall expire and terminate at the end of the Term without the necessity of any further notice from Sublandlord or Subtenant to terminate the same. Any holding over with respect to the Subleased Premises after the last day of the Term shall be

construed to be a monthly tenancy, on the terms herein set forth, terminable by either party on not less than one month's notice, with the exception that Base Rent shall be increased to one hundred fifty percent (150%) of the Base Rent that existed for the period immediately preceding the expiration of the then current term. THE PROVISIONS OF THIS SECTION SHALL NOT OPERATE AS (a) A WAIVER BY LANDLORD OF ANY REMEDIES PROVIDED UNDER THIS LEASE OR AT LAW OR (b) AN EXTENSION OF THE TERM.

Section 12 Notices. Section 15.01 of the Prime Lease shall govern in respect of parties' delivery of all notices, demands, designations, certificates, requests, offers, consents, approvals, appointments, and other instruments, provided that the same shall be provided to the parties at the addresses specified below:

If to Sublandlord: ELA Creative Playrooms Holdings, LLC
1750 Tysons Boulevard, Suite 1300
McLean, VA 22102
Attention: Jane Delaney
Email: jdelaney@earlylearningacademies.com

and to:

ELA Creative Playrooms Holdings, LLC
1750 Tysons Boulevard, Suite 1300
McLean, Virginia 22102
Attention: General Counsel
E-mail: legal@pansophiclearning.com

If to Subtenant: *Before the Commencement Date:*
Strongsville Academy
c/o The Callender Law Group
Attention: Mike Garcar, Esq.
100 East Broad Street, Suite 690
Columbus, OH 43215

After the Commencement Date:
Strongsville Academy
At the Subleased Premises

with copy to:

The Callender Law Group
Attention: Mike Garcar, Esq.
100 East Broad Street, Suite 690
Columbus, OH 43215

Section 13 Prime Landlord's Consent. Sublandlord and Subtenant each acknowledge and agree that this Sublease is subject to Sublandlord's obtaining the unconditional written consent of Prime Landlord in accordance with the terms of the Prime Lease. Sublandlord shall submit this Sublease and such information as may be required under the Prime Lease promptly upon full execution hereof for Prime Landlord's approval, or when fully provided by Subtenant, and Subtenant and Sublandlord agree to use commercially reasonable efforts to timely obtain such consent. Subtenant shall be responsible for any consent or approval fees charged by Prime Landlord or any other charges imposed on Sublandlord pursuant to the Prime Lease in connection with Prime Landlord's review and/or consideration of this

Sublease for approval, and that if such consent shall not be obtained within thirty (30) days of the date hereof, this Sublease shall be deemed cancelled and terminated and neither of the parties hereto shall have any liability to the other except for Subtenant's obligation to pay for such consent or approval fees. Subtenant's obligation with respect to such fees shall survive such termination of this Sublease. It is hereby acknowledged by Sublandlord and Subtenant that this Sublease shall not make Prime Landlord or its agent a party to this Sublease, shall not create any contractual liability or duty on the part of Prime Landlord, or its agent to Subtenant, and shall not in any manner increase, decrease or otherwise affect the rights and obligations of Prime Landlord and Sublandlord, as lessor and lessee respectively, under the Prime Lease, in respect of the Facility. Notwithstanding anything to the contrary contained in this Sublease, Sublandlord shall remain primarily liable to Prime Landlord for any breaches of the terms of the Prime Lease related to the Subleased Premises.

Section 14 Casualty and Condemnation.

(a) This Sublease and Subtenant's rights hereunder shall be subject to the exercise by Prime Landlord or any third party entitled thereto of any rights granted pursuant to the Prime Lease or by law, including the right to terminate the Prime Lease or this Sublease in the event of any Condemnation or Casualty. In the event of any Condemnation or Casualty with respect to the Subleased Premises, Subtenant agrees to be subject to any action taken to terminate the Prime Lease by Sublandlord pursuant to the terms of the Prime Lease or by agreement between Sublandlord and Prime Landlord, provided however that Sublandlord shall consult in good faith with Subtenant before taking any action that would result in the termination of this Sublease as a result of any Condemnation or Casualty.

(b) In the event the Facility or Subleased Premises is subject to a Casualty or Condemnation and, by reason thereof, (i) the damage to the Facility or the Subleased Premises (or a change in Laws enacted from and after the date of this Sublease relating to restoration of the Facility or the Subleased Premises) would, upon completion of any restoration work, prevent Subtenant from continuing to use the Subleased Premises for the operation of a Community School, or from repairing and restoring so much of the Subleased Premises as shall be required for Subtenant to operate a Community School with a student capacity that is at least fifty percent (50%) of the student capacity prior to the damage or destruction, and (ii) if Subtenant has complied with its insurance obligations under this Sublease (including maintaining business interruption insurance and insurance against loss of rents by Sublandlord), Subtenant may send notice of its intent to terminate this Sublease to Sublandlord given within thirty (30) days after such damage or destruction ("**Intent to Terminate Notice**"). Once all payments have been received by Sublandlord pursuant to the business interruption and rent loss insurance coverage carried by Subtenant pursuant to this Sublease, Sublandlord and Subtenant shall promptly execute a termination agreement, and Subtenant's obligation to pay Rent shall cease immediately upon termination of this Sublease.

Section 15 Community School Provisions.

(a) Subtenant is and will remain a non-profit corporation and a public Community School, duly organized and validly existing in good standing under the laws of the State of Ohio and under the Community School Law; Subtenant is duly qualified to do business and/or operate and is in good standing in every state where the nature or extent of its operations and properties require it to be qualified to do business and/or operate as a foreign corporation; Subtenant has obtained all licenses and permits and has filed all registrations necessary for the lawful operation of a Community School on the Subleased Premises, or will have obtained such by the Commencement Date; and Subtenant has the corporate power and authority to own its properties and carry on its operations as now being conducted or as will be conducted in the future.

(b) Subtenant is duly authorized to execute, deliver, and perform its obligations under this Sublease; this Sublease has been properly authorized by all requisite corporate action; Subtenant's governing body has authorized Subtenant's entry into and execution of this Sublease; this Sublease has been duly executed and delivered on behalf of Subtenant; this Sublease constitutes the legal, valid, and binding obligation of Subtenant, enforceable against Subtenant in accordance with its terms. The Subtenant is authorized by the Community School Law (i) to lease the Subleased Premises from Sublandlord pursuant to this Sublease, and (ii) to execute, deliver and perform its obligations under this Sublease. The execution, delivery and performance of this Sublease have been duly authorized by Subtenant and this Sublease is enforceable against Subtenant in accordance with its terms, subject only to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally and equitable principles.

(c) Subtenant's sole purpose is to operate a Community School which is to be operated on the Subleased Premises. Subtenant does not own any other property other than property used in connection with Subtenant's Community School and does not lease any asset or property other than the properties leased in connection with Subtenant's Community School; Subtenant will not engage in any business other than the operation of the Community School on the Subleased Premises without the prior written consent of the Sublandlord; Subtenant will maintain all of its books, records, financial statements and bank accounts separate from those of its affiliates and any constituent party and Subtenant will file its own tax returns, provided, however, that Subtenant's assets may be included in a consolidated financial statement with its affiliates with the appropriate notations being made on such consolidated financial statement to indicate the separateness of Subtenant and such affiliates and to indicate that none of such affiliates assets and credit are available to satisfy the debts and other obligations of Subtenant; Subtenant will be, and at all times will hold itself out to the public as, a legal entity separate and distinct from any other entity (including any affiliate of Subtenant, any constituent party of Subtenant, or any affiliate of any constituent party of Subtenant), shall correct any known misunderstanding regarding its status as a separate entity, shall conduct business in its own name, shall not identify itself or any of its affiliates as a division or part of the Sublandlord or any Affiliates of Sublandlord and shall maintain and utilize a separate telephone number and separate stationery, invoices and checks for its business as an operator of the Community School. The execution, delivery and performance of this Sublease are in the best interests of Subtenant, serve a public purpose and have been duly authorized by Subtenant's governing authority.

(d) Subtenant shall timely take all legally advisable, economically feasible and reasonable actions to keep and maintain in full force and effect, at all times, the charter granted to Subtenant by the applicable Governmental Authority or its contracted sponsor (the "**Sponsor**"), as amended from time to time, and required for the operation of the Community School on the Subleased Premises (the "**Charter**"). Subtenant covenants and agrees to the extent legally permissible to provide Sublandlord with all information reasonably requested by Sublandlord pertaining to Subtenant and the Charter as and when requested by Sublandlord from time to time. Subtenant hereby authorizes Sublandlord, after written notice to Subtenant, to contact Governmental Authorities and others as Sublandlord shall reasonably deem necessary or desirable to confirm the good standing of the Charter or Subtenant. To the extent legally permissible, Subtenant shall provide promptly to Sublandlord copies of all notices and material communications to and from Subtenant with respect to the Charter. Subtenant shall give notice to Sublandlord promptly after each Charter renewal, which notice shall include a copy of the renewal. Notwithstanding anything to the contrary contained in this Sublease, Subtenant will provide written notice to Sublandlord immediately (but not later than five (5) days) in the event Subtenant receives notice that Subtenant's charter is being recommended for revocation, revoked, not renewed or proceedings are commenced with respect to a revocation.

(e) With respect to Subtenant's Community School to be operated in the Subleased Premises (i) all material federal, state and local governmental authorizations, approvals, consents,

permits, licenses and charters required by all applicable Governmental Authorities regarding the Community School and its operation at the Subleased Premises have been obtained or will be obtained prior to the Commencement Date; (ii) all Legal Requirements, including the Charter, for Subtenant's operation of a Community School at the Subleased Premises are or will be in full force and effect prior to the Commencement Date; (iii) the Charter is not the subject of any proceeding, action or inquiry seeking its revocation; (iv) no suspension notice has been given with respect to the Charter; and (v) no notice of non-renewal has been given to Subtenant by Governmental Authority responsible for granting Charters in the State.

(f) None of the execution and delivery of this Sublease, the fulfillment of or compliance with the terms and conditions of this Sublease or the consummation of the transactions contemplated by this Sublease, conflicts with or results in a breach of the terms, conditions or provisions of the Charter, or of any material restriction or any agreement or instrument to which Subtenant is now a party or by which Subtenant is bound, or constitutes a default under any of the foregoing or, except as expressly disclosed to Sublandlord in writing or provided in this Sublease, results in the creation or imposition of a lien or encumbrance whatsoever upon any of the property or assets of Subtenant.

(g) The execution of this Sublease is contingent upon Subtenant, at its own cost, obtaining an opinion letter from an expert with experience in real estate which opines the terms of this Sublease and Prime Lease are commercially reasonable and are in line with its fair market value, as may be required by State Code.

Section 16 Miscellaneous.

(a) Terms capitalized herein but not otherwise defined shall have the meaning given to them in the Prime Lease.

(b) Sublandlord and Subtenant represent and warrant to each other that neither has dealt with any broker in connection with this Sublease. Sublandlord and Subtenant shall indemnify the other against, and hold each other harmless from, any claim of, or liability to, any broker or other party with whom Sublandlord or Subtenant shall have dealt in connection with this transaction or Sublease.

(c) This Sublease may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Each of the parties hereto shall be entitled to rely on delivery of a facsimile or PDF copy of this Sublease, and acceptance by each such party of any such facsimile or PDF copy shall be legally effective to create a valid and binding agreement between the parties hereto in accordance with the terms hereof.

(d) All exhibits, schedules, addenda, and other attachments to this Sublease are hereby incorporated and made a part of this Sublease for all purposes as if fully set forth herein.

[Signatures on the following page]

IN WITNESS WHEREOF, Sublandlord and Subtenant have caused this Sublease to be duly executed as of the day and year first above written.

SUBLANDLORD:

ELA CREATIVE PLAYROOMS HOLDINGS, LLC,
a Delaware limited liability company

By: Maria Szalay
Name: Maria Szalay
Title: COO

COMMONWEALTH OF VIRGINIA

COUNTY OF FAIRFAX

The foregoing instrument was acknowledged before me this 20th day of April 2022, by Maria Szalay, COO of ELA Creative Playrooms Holdings, LLC, a Delaware limited liability company, on behalf thereof.

In witness whereof, I have hereunto set my hand and official seal.

(seal)




[Signature]
My commission expires: 8/31/2025

[Signatures continue on the following page]

SUBTENANT:

STRONGSVILLE ACADEMY,
an Ohio nonprofit corporation

By: Jonathan Petrea
Name: Jonathan Petrea
Title: Board Chairman

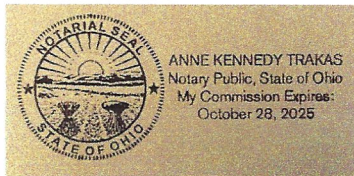
 04/12/2022
10:06 AM EDT

STATE OF Ohio

COUNTY OF Cuyahoga


The foregoing instrument was acknowledged before me this 12th day of April, 2022,
by Jonathan Petrea [name], Board Chairman [title]
of Strongsville Academy, an Ohio nonprofit corporation, on behalf thereof.

In witness whereof, I have hereunto set my hand and official seal.



Anne Kennedy Trakas

(signature)

 04/12/2022
10:10 AM EDT

My commission expires: 10/28/2025

Online Notary Public. This notarial act involved the use
of online audio/video communication technology.

[end of signatures]

[Signature Page to Sublease Agreement (16000 Foltz Industrial Parkway, Strongsville, OH)]

EXHIBIT A
LEGAL DESCRIPTION OF THE FACILITY

Address: 16000 Foltz Parkway, Strongsville, Ohio 44136

Legal Description:

Situated in the City of Strongsville, County of Cuyahoga and State of Ohio:

And known as being part of Original Strongsville Township Lot No. 97 and bounded and described as follows:

Commencing at a point on the Southerly line of said Original Strongsville Township Lot No. 97, which is also known as the centerline of Lunn Road (60 feet wide), at the Southeasterly corner of a parcel of land conveyed to Carlos W. Francis by deed dated December 20, 1907, and recorded in Volume 1094, Page 239 of Cuyahoga County Records;

Thence North 89 deg. 33' 30" East, along the centerline of said Lunn Road, 490.94 feet to a point of curvature;

Thence North 0 deg. 26' 30" West, 30.00 feet to a point on the Northerly line of said Lunn Road and the principal place of beginning;

Thence South 89 deg. 33' 30" West, along the Northerly line of said Lunn Road, 27.32 feet to a point;

Thence North 0 deg. 26' 30" West, 496.41 feet to a point;

Thence North 89 deg. 33' 30" East, 448.45 feet to a point of curvature on the Westerly line of Foltz Industrial Parkway (80 feet wide);

Thence Southerly 336.24 feet along the Westerly line of said Foltz Industrial Parkway, and along the arc of a curve deflecting to the left whose radius of 400.00 feet, and whose chord is 326.43 which bears South 01 deg. 35' 05" East, to a point of reverse curvature at the Northwest turnout of said Foltz Industrial Parkway and said Lunn Road;

Thence Southwesterly 29.03 feet along the arc of a curve deflecting to the right whose radius is 20.00 feet, and whose chord is 26.55 which bears South 15 deg. 54' 55" West, to a point of tangency;

Thence South 57 deg. 29' 48" West, along the Northerly line of said Lunn Road, 82.99 feet to a point of curvature;

Thence Westerly 368.78 feet along the Northerly line of Lunn Road, and along the arc of a curve deflecting to the right whose radius is 659.02 feet, and whose chord is 363.98 which bears South 73 deg. 31' 39" West, to a point of tangency and the principal place of beginning, and containing 4.5017 acres of land, more or less.

EXHIBIT B
DEPICTION OF THE SUBLEASED PREMISES

The Facility floorplans are included below. The portion that is shaded in blue constitutes the Subleased Premises.

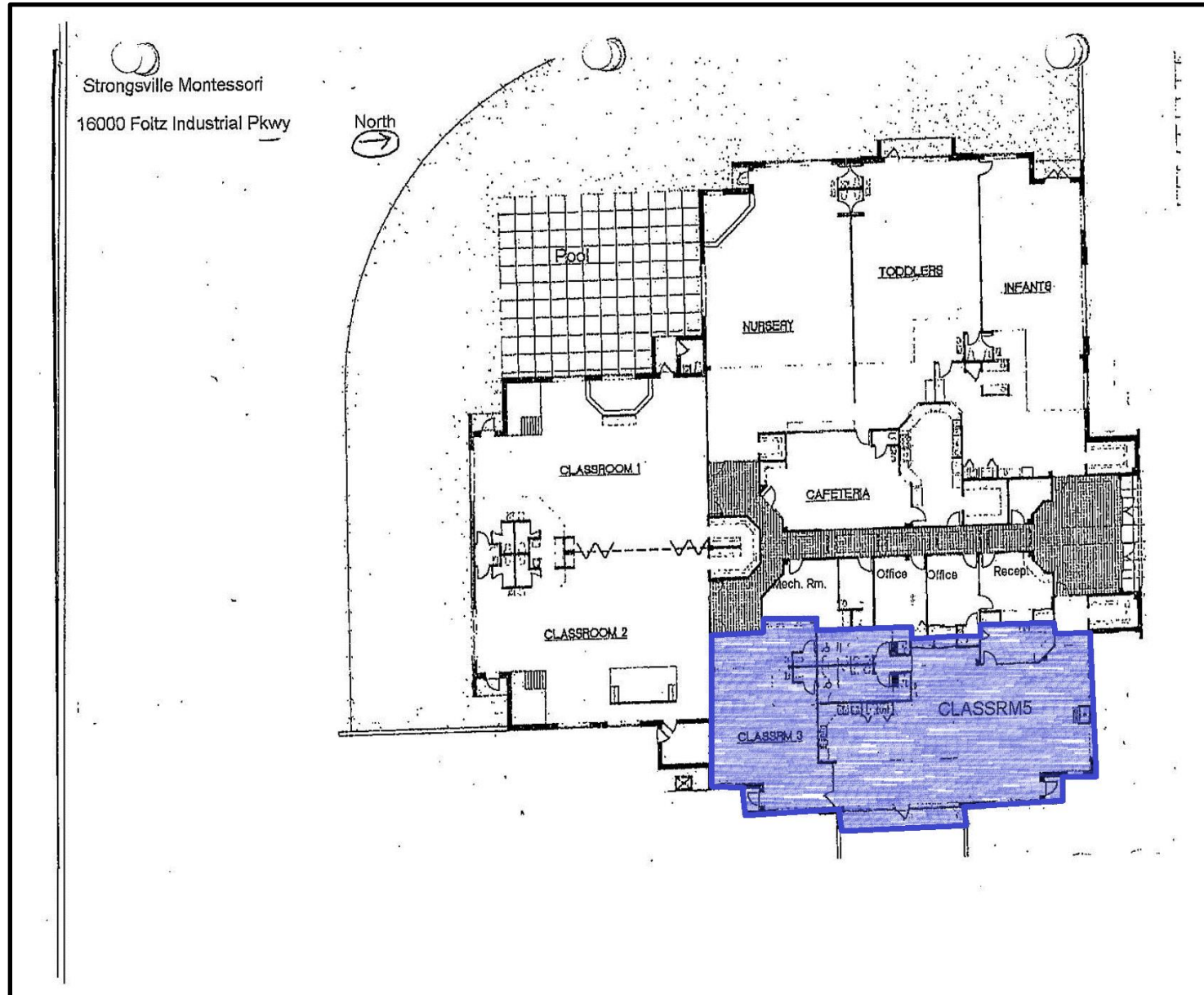


EXHIBIT C
BASE RENT (QF)

1. Amount of Base Rent. Subject to the other terms and provisions of this Exhibit B, Base Rent shall be an amount equal to the Base Rental Percentage (expressed as a fraction) times the amount of Qualified Funding received by Subtenant during the Term. As used herein, “Base Rental Percentage” means fifteen percent (15%).
2. Estimated Payments of Base Rent. Subtenant shall pay Base Rent by way of estimated monthly installments. The amount of each such estimated monthly installment shall be equal to the Base Rental Percentage (expressed as a fraction) times the Qualified Funding actually received during the month just ended.
3. No Estimate Available. Parties hereby acknowledge and agree that if Subtenant receives no Qualified Funding during the month immediately preceding the Commencement Date, then parties will not be able to determine estimated monthly installments in accordance with Paragraph 2 above. In such circumstance, the following shall apply:
 - (a) Subtenant’s obligation to pay monthly installments of Base Rent shall be suspended until such date as Subtenant shall have received Qualified Funding (such date, the “**Delayed Funding Date**” and the amount actually received, the “**Delayed Funding Amount**”).
 - (b) Upon the Delayed Funding Date, monthly installments of Base Rent for the period commencing on the Commencement Date and ending on the last day of the month in which the Delayed Funding Date occurs shall become due and payable. Such installments shall be determined based on the actual Delayed Funding Amount.
 - (c) Monthly installments of Base Rent shall be payable in accordance with Section 2 above commencing on the first (1st) day of the month following the Delayed Funding Date. The estimated monthly installment for such month shall be determined on the portion of the Delayed Funding Amount allocable to the month containing the Delayed Funding Date.
4. Reconciliation. At such time as Sublandlord shall have completed its review of any annual reporting concerning the Qualified Funding received by Subtenant in respect of a given Lease Year, Sublandlord shall finally determine the amount of Qualified Funding actually received by Subtenant during such Lease Year and the total Base Rent for such Lease Year based on such actual amount (“**Adjusted Base Rent**”). Sublandlord shall provide to Subtenant the results of its review and calculations made under this section 4 as regards Adjusted Base Rent. If Subtenant’s total payments of Base Rent for any Lease Year are less than the Adjusted Base Rent for such Lease Year, then Subtenant shall pay the difference to Sublandlord within 30 days after demand therefor. If Subtenant’s total payments of Base Rent for any Lease Year are more than the Adjusted Base Rent for such Lease Year, then Sublandlord shall retain such excess and credit it against Subtenant’s next payments.
5. Qualified Funding Changes; Management Agreement. Parties acknowledge and agree that Base Rent shall be determined in accordance with this paragraph and that the amount of Base Rent shall not be capped, regardless of any increase in Qualified Funding. Notwithstanding anything to the contrary set forth in this Exhibit B,(x) if Subtenant unilaterally takes any action that is not otherwise required by any Governmental Authority or the Sponsor which has the effect of limiting Subtenant’s enrollment (including, without limitation, overall enrollment caps, per class caps, decreasing student-to-teacher ratios, reducing grade levels, instituting or increasing admission requirements),

then Base Rent shall immediately and automatically be adjusted such that monthly installments of Base Rent following such adjustment shall be fixed in an amount equal to one hundred twenty percent (120%) of the then-most-recent monthly installment of Base Rent (as calculated based on Qualified Funding), subject to two percent (2%) escalations effective annually on the anniversary of such adjustment (or if such adjustment occurred on a day other than the first day of the month, then on the first day of the month following the month during which said anniversary shall occur); and (y) if the Management Agreement or similar contract between Sublandlord (or its affiliate) and Subtenant expires or terminates for any reason during the Term, Base Rent shall immediately and automatically be adjusted in the same manner as described in clause (x) above except that the monthly installment of Base Rent, as adjusted, shall be fixed in an amount equal to one hundred fifty percent (150%) of the then-most-recent monthly installment of Base Rent, subject to two percent (2%) escalations effective annually on the anniversary of such adjustment (or if such adjustment occurred on a day other than the first day of the month, then on the first day of the month following the month during which said anniversary shall occur).

6. Qualified Funding Definition. “**Qualified Funding**” means all state and local funding received by Subtenant directly or indirectly, whether by virtue of its status as a Community School or otherwise pursuant to the State Code, including (x) any per-student funding received in respect of the particular students enrolled at the school operated by Subtenant and (y) any facilities funding (including, without limitation, amounts so designated in any appropriation for the benefit of Community Schools), provided that the term Qualified Funding shall expressly exclude the following:
- (a) funds from transportation funding/reimbursements;
 - (b) revenue received as a result of any application submitted by or on behalf of Subtenant or any funding agreement reached by or on behalf of Subtenant;
 - (c) Title funding received directly or indirectly from the federal government, including but not limited to National School Lunch Program, Medicaid, Individuals with Disabilities Education Act, Every Student Succeeds Act, Comprehensive Continuous Improvement Plan, and any other federal grants or funds for facilities, professional development, replication, transportation;
 - (d) special education funding;
 - (e) private grant funding that has not been solicited, prepared, procured, or written by Manager or its affiliates (it being understood that funding pursuant to grants that have been solicited, prepared, procured, and written by Manager or its affiliates shall constitute Qualified Funding);
 - (f) PTA/PTO income;
 - (g) casino revenue; and
 - (h) proceeds from fundraisers.

EXHIBIT D
PRIME LEASE

(See attached.)

AMENDED AND RESTATED MASTER LEASE AGREEMENT

THIS AMENDED AND RESTATED MASTER LEASE AGREEMENT (this "Lease") is made as of September 27, 2018 (the "Effective Date"), by and between **STORE MASTER FUNDING III, LLC**, a Delaware limited liability company ("Lessor"), whose address is 8377 E. Hartford Drive, Suite 100, Scottsdale, Arizona 85255, and **ELA CREATIVE PLAYROOMS HOLDINGS, LLC**, a Delaware limited liability company ("Lessee"), whose address is 1650 Tysons Boulevard, Suite 600, McLean, Virginia 22102. Capitalized terms not defined herein shall have the meanings set forth in Exhibit A hereto.

This Lease amends and restates in its entirety that certain Master Lease Agreement dated July 19, 2018 (the "Original Effective Date"), by and between Lessor and Lessee (the "Prior Lease"). The terms of the Prior Lease remain in full force and effect as to the period ending at 11:59 p.m. on the day prior to the Effective Date. The terms contained in this Lease shall apply to and be effective with respect to the period from and after the Effective Date.

In consideration of the mutual covenants and agreements herein contained, Lessor and Lessee hereby covenant and agree as follows:

ARTICLE I

BASIC LEASE TERMS

Section 1.01. Properties. The street addresses and legal descriptions of the Properties are set forth on Exhibit B attached hereto and incorporated herein.

Section 1.02. Initial Term Expiration Date. July 31, 2033.

Section 1.03. Extension Options. Four (4) extensions of five (5) years each, as described in Section 3.02.

Section 1.04. Term Expiration Date (if fully extended). July 31, 2053.

Section 1.05. Initial Base Annual Rental. [REDACTED], as described in Article IV.

Section 1.06. Rental Adjustment. [REDACTED]

Section 1.07. Adjustment Date. August 1, 2019, and annually thereafter during the Lease Term (including any Extension Term).

Section 1.08. Guarantor. None.

Section 1.09. Lessee Tax Identification No. [REDACTED].

Section 1.10. Lessor Tax Identification No. [REDACTED].

ARTICLE II

LEASE OF PROPERTIES

Section 2.01. Lease. In consideration of Lessee's payment of the Rental and other Monetary Obligations and Lessee's performance of all other obligations hereunder, Lessor hereby leases to Lessee, and Lessee hereby takes and hires, the Properties, "AS IS" and "WHERE IS" without representation or warranty by Lessor, and subject to the existing state of title, the parties in possession, any statement of facts which an accurate survey or physical inspection might reveal, and all Legal Requirements and Environmental Laws now or hereafter in effect.

Section 2.02. Quiet Enjoyment. So long as no Event of Default has occurred and is continuing, and subject to the rights of Lessor under Section 12.02, Lessee shall have, subject to the terms and conditions set forth herein, the right to the peaceful and quiet enjoyment and occupancy of the Properties.

ARTICLE III

LEASE TERM; EXTENSION

Section 3.01. Initial Term. The initial term of this Lease ("Initial Term") shall expire at midnight on July 31, 2033, unless terminated sooner as provided in this Lease and as may be extended as provided herein. The time period during which this Lease shall actually be in effect, including any Extension Term, is referred to as the "Lease Term."

Section 3.02. Extensions.

(a) Unless this Lease has expired or has been sooner terminated, or an Event of Default has occurred and is continuing at the time any extension option is exercised, Lessee shall have the right and option (each, an "Extension Option") to extend the Initial Term for all or any number of the Properties for four (4) additional successive periods of five (5) years each (each, an "Extension Term"), pursuant to the terms and conditions of this Lease then in effect.

(b) In the event that Lessee extends the Lease Term as to all of the Properties, Base Annual Rental will continue at its then current amount subject to any scheduled Rental Adjustment. In the event that Lessee extends the Lease Term as to fewer than all of the Properties (the "Extension Properties"), Base Annual Rental for such Extension Properties shall be equal to (i) the Base Annual Rental for all of the Properties at the commencement of the Extension Term after giving effect to any scheduled Rental Adjustment, multiplied by (ii) the Extension Properties' pro rata share of the aggregate Fair Market Value of all of the Properties subject to the Lease at the time of exercise the Extension Option. For purposes of determining the "Fair Market Value" of the Properties, Lessor shall, at Lessee's sole expense, retain an independent MAI appraiser to prepare an appraisal of the fair market value of the Properties, including any additions or renovations thereto. In determining the Fair Market Value of the Properties, the appraiser shall utilize the cost, income and sales comparison

approaches to value. The average amount which results from the calculation of each of the cost approach, the income approach and the sales comparison approach, all as determined in accordance with the provisions of this subsection, shall constitute the "fair market value" of the Properties for purposes of this subsection. If within thirty (30) days after being notified of the results of such appraisal, Lessee elects to reject that appraisal, then the first appraisal shall become null and void and Lessor shall nominate to Lessee a list of not less than three (3) independent MAI appraisers who are experienced with appraising property similar to the Properties, and Lessee shall select one appraiser. Within five (5) days of such selection, Lessor shall retain such appraiser, at Lessee's sole expense, to prepare an appraisal of the Properties in the same manner described above and the results of such appraisal shall be the "Fair Market Value" of the Properties for purposes of such subsection.

Section 3.03. Notice of Exercise. Lessee may only exercise the Extension Options by giving written notice thereof to Lessor of its election to do so no later than one hundred twenty (120) days prior to the expiration of the then-current Lease Term. If written notice of the exercise of any Extension Option is not received by Lessor by the applicable dates described above, then this Lease shall terminate on the last day of the Initial Term or, if applicable, the last day of the Extension Term then in effect. Upon the request of Lessor or Lessee, the parties hereto will, execute and exchange an instrument in recordable form setting forth the extension of the Lease Term in accordance with this Section 3.03, provided that the fee for recording such document shall be borne by the requesting party, and each of Lessor and Lessee shall pay its own attorneys' fees in connection with any such instrument.

Section 3.04. Removal of Personalty. Upon the expiration of the Lease Term, and if Lessee is not then in breach hereof, Lessee may remove from the Properties all personal property belonging to Lessee. Lessee shall repair any damage caused by such removal and shall leave all of the Properties clean and in good and working condition and repair inside and out, subject to normal wear and tear, casualty and condemnation. Any property of Lessee left at any Property shall, at Lessor's option, on the tenth day following the date on which Lessee has vacated such Property, automatically and immediately become the property of Lessor.

ARTICLE IV

RENTAL AND OTHER MONETARY OBLIGATIONS

Section 4.01. Base Monthly Rental. During the Lease Term, on or before the first day of each calendar month, Lessee shall pay in advance the Base Monthly Rental then in effect. If the Effective Date is a date other than the first day of the month, Lessee shall pay to Lessor on the Effective Date the Base Monthly Rental prorated by multiplying the Base Monthly Rental by a fraction, the numerator of which is the number of days remaining in the month (including the Effective Date) for which such Base Monthly Rental is being paid, and the denominator of which is the total number of days in such month.

Section 4.02. Adjustments. During the Lease Term (including any Extension Term), on the first Adjustment Date and on each Adjustment Date thereafter, the Base Annual Rental shall increase by an amount equal to the Rental Adjustment; *provided, however*, that in no event shall Base Annual Rental be reduced as a result of the application of the Rental Adjustment.

Section 4.03. Additional Rental. Lessee shall pay and discharge, as additional rental ("Additional Rental"), all sums of money required to be paid by Lessee under this Lease which are not specifically referred to as Base Monthly Rental. Lessee shall pay and discharge any Additional Rental when the same shall become due to the extent same are billed directly to Lessee by a third party, provided that amounts required to be paid by Lessee under this Lease that are billed to Lessor or any third party, but not to Lessee, shall be paid within fifteen (15) Business Days after Lessor's written demand for payment thereof (accompanied by reasonably detailed backup documentation). In no event shall Lessee be required to pay to Lessor any item of Additional Rental that Lessee is obligated to pay and has paid to any third party pursuant to any provision of this Lease.

Section 4.04. Rentals to be Net to Lessor. The Base Annual Rental payable hereunder shall be net to Lessor, so that this Lease shall yield to Lessor the Rentals specified during the Lease Term, and (except as otherwise explicitly set forth herein) all Costs and obligations of every kind and nature whatsoever relating to the Properties shall be performed and paid by Lessee. Lessee shall perform all of its obligations under this Lease at its sole cost and expense. All Monetary Obligations which Lessee is required to pay hereunder shall be the unconditional obligation of Lessee and shall be payable in full when due and payable, without notice or demand (except in the case of non-recurring sums due in respect of Rental), and without any setoff, abatement, deferment, deduction or counterclaim whatsoever.

Section 4.05. Wire Payments. Payments of Base Monthly Rental payable to Lessor hereunder shall be paid in immediately available funds by wire or other electronic transfer of funds to the account identified on Exhibit C attached hereto, or to any other account as Lessor may from time to time designate to Lessee. Notwithstanding the foregoing, in the event that Lessee fails more than once during any twelve month period to pay the Base Monthly Rental by wire or other electronic transfer of funds when due, Lessee shall deliver to Lessor a complete Authorization Agreement – Pre-Arranged Payments in the form provided by Lessor together with a voided check for account verification, establishing arrangements whereby payments of the Base Monthly Rental are transferred by Automated Clearing House Debit initiated by Lessor.

Section 4.06. Late Charges; Default Interest. Any delinquent payment not made within three (3) Business Days of its due date shall, in addition to any other remedy of Lessor, incur a late charge of five percent (5%) (which late charge is intended to compensate Lessor for the cost of handling and processing such delinquent payment and should not be considered interest) and bear interest at the Default Rate, such interest to be computed from and including the date such payment was due through and including the date of the payment; *provided, however*, that such three (3) Business Day grace period shall only be available once in any twelve (12) month period and in no event shall Lessee be obligated to pay a sum of late charge and interest higher than the maximum legal rate then in effect.

Section 4.07. Holdover. If Lessee remains in possession of the Properties after the expiration of the term hereof, Lessee, at Lessor's option and within Lessor's sole discretion, may be deemed a tenant on a month-to-month basis and shall continue to pay Rentals and other Monetary Obligations in the amounts herein provided, except that, on the thirtieth (30th) day following the expiration of the term hereof, the Base Monthly Rental shall be automatically increased to one hundred fifty percent (150%) of the last Base Monthly Rental payable under

this Lease, and Lessee shall comply with all the terms of this Lease; *provided that* nothing herein nor the acceptance of Rental by Lessor shall be deemed a consent to such holding over.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

Section 5.01. Representations and Warranties of Lessee. The representations and warranties of Lessee contained in this Section 5.01 are being made to induce Lessor to enter into this Lease, and Lessor has relied, and will continue to rely, upon such representations and warranties. Lessee represents and warrants to Lessor as follows:

(a) **Organization, Authority and Status of Lessee.** Lessee has been duly organized or formed, is validly existing and in good standing under the laws of its state of formation and is qualified as a foreign limited liability company to do business in any jurisdiction where such qualification is required. All necessary and appropriate action has been taken to authorize the execution, delivery and performance by Lessee of this Lease and of the other documents, instruments and agreements provided for herein. Lessee is not, and if Lessee is a “disregarded entity,” the owner of such disregarded entity is not, a “nonresident alien,” “foreign corporation,” “foreign partnership,” “foreign trust,” “foreign estate,” or any other “person” that is not a “United States Person” as those terms are defined in the Code and the regulations promulgated thereunder. The Person who has executed this Lease on behalf of Lessee is duly authorized to do so.

(b) **Enforceability.** This Lease constitutes the legal, valid and binding obligation of Lessee, enforceable against Lessee in accordance with its terms.

(c) **Litigation.** There are no suits, actions, proceedings or investigations pending, or to the best of Lessee’s knowledge, threatened in writing against or involving any Lessee Entity or the Properties before any arbitrator or Governmental Authority which could reasonably be expected to result in any Material Adverse Effect.

(d) **Absence of Breaches or Defaults.** To Lessee’s knowledge, Lessee is not in default under any document, instrument or agreement to which Lessee is a party or by which Lessee, the Properties or any of Lessee’s property is subject or bound, which has had, or could reasonably be expected to result in, a Material Adverse Effect. The authorization, execution, delivery and performance of this Lease and the documents, instruments and agreements provided for herein will not result in any breach of or default under any document, instrument or agreement to which Lessee is a party or by which Lessee, the Properties or any of Lessee’s property is subject or bound, that could reasonably be expected to result in a Material Adverse Effect.

(e) **Compliance with OFAC Laws.** None of the Lessee Entities, and no individual or entity owning directly or indirectly any interest in any of the Lessee Entities, is an individual or entity whose property or interests are subject to being blocked under any of the OFAC Laws or is otherwise in violation of any of the OFAC Laws; provided, however, that the representation contained in this sentence shall not apply to any Person to the extent (i) such Person’s interest is in or through a U.S. Publicly Traded

Entity, or (ii) such Person owns less than ten percent (10%) of the direct or indirect beneficial ownership interests in a Lessee Entity.

(f) **Solvency.** There is no contemplated, pending or threatened in writing Insolvency Event or similar proceedings, whether voluntary or involuntary, with respect to Lessee or any Lessee Entity. Lessee does not have unreasonably small capital to conduct its business.

(g) **Ownership.** None of (i) Lessee, (ii) any Affiliate of Lessee, or (iii) any Person owning ten percent (10%) or more of Lessee, owns, directly or indirectly, ten percent (10%) or more of the total voting power or total value of capital stock in STORE Capital Corporation.

Section 5.02. Representations and Warranties of Lessor. The representations and warranties of Lessor contained in this Section 5.02 are being made to induce Lessee to enter into this Lease, and Lessee has relied, and will continue to rely, upon such representations and warranties. Lessor represents and warrants to Lessee as follows:

(a) **Organization, Authority, and Status of Lessor.** Lessor has been duly organized or formed, is validly existing and in good standing under the laws of its state of formation and is qualified as a foreign limited liability company to do business in any jurisdiction where such qualification is required. All necessary and appropriate action has been taken to authorize the execution, delivery and performance by Lessor of this Lease and of the other documents, instruments and agreements provided for herein. Lessor is not, and if Lessor is a "disregarded entity," the owner of such disregarded entity is not, a "nonresident alien," "foreign corporation," "foreign partnership," "foreign trust," "foreign estate," or any other "person" that is not a "United States Person" as those terms are defined in the Code and the regulations promulgated thereunder. The Person who has executed this Lease on behalf of Lessor is duly authorized to do so.

(b) **Enforceability.** This Lease constitutes the legal, valid and binding obligation of Lessor, enforceable against Lessor in accordance with its terms.

(c) **Absence of Breaches or Defaults.** To Lessor's knowledge, Lessor is not in default under any document, instrument or agreement to which Lessor is a party or by which Lessor, the Properties or any of Lessor's property is subject or bound, which has had, or could reasonably be expected to result in, a Material Adverse Effect. The authorization, execution, delivery and performance of this Lease and the documents, instruments and agreements provided for herein will not result in any breach of or default under any document, instrument or agreement to which Lessor is a party or by which Lessor, the Properties or any of Lessor's property is subject or bound, that could reasonably be expected to result in a Material Adverse Effect.

(d) **Compliance with OFAC Laws.** Neither Lessor nor and any individual or entity owning directly or indirectly any interest in Lessor is an individual or entity whose property or interests are subject to being blocked under any of the OFAC Laws or is otherwise in violation of any of the OFAC Laws; provided, however, that the representation contained in this sentence shall not apply to any Person to the extent (i)

such Person's interest is in or through a U.S. Publicly Traded Entity, or (ii) such Person owns less than ten percent (10%) of the direct or indirect beneficial ownership interests in Lessor.

(e) **Solvency.** There is no contemplated, pending or threatened in writing Insolvency Event or similar proceedings, whether voluntary or involuntary, with respect to Lessor.

ARTICLE VI

TAXES AND ASSESSMENTS; UTILITIES; INSURANCE

Section 6.01. Taxes.

(a) **Payment.** Subject to the provisions of Section 6.01(b) below, Lessee shall pay, prior to the earlier of delinquency or the accrual of interest on the unpaid balance, all taxes and assessments of every type or nature assessed against or imposed upon the Properties, Lessee or Lessor during the Lease Term related to or arising out of this Lease and the activities of the parties hereunder, including without limitation, (i) all taxes or assessments upon the Properties or any part thereof and upon any personal property, trade fixtures and improvements located on the Properties, whether belonging to Lessor or Lessee (except that Lessor shall be responsible for any payment of taxes upon Lessor's personal property, if any), or any tax or charge levied in lieu of such taxes and assessments; (ii) all taxes, charges, license fees and or similar fees imposed by reason of the use of the Properties by Lessee; (iii) all excise, franchise, transaction, privilege, license, sales, use and other taxes upon the Rental or other Monetary Obligations hereunder, the leasehold estate of either party or the activities of either party pursuant to this Lease; and (iv) all franchise, privilege or similar taxes of Lessor calculated on the value of the Properties or on the amount of capital apportioned to the Properties. Notwithstanding anything in clauses (i) through (iv) to the contrary, Lessee shall not be obligated to pay or reimburse Lessor for any taxes based on the net income of Lessor or any franchise, corporate, estate, inheritance, succession, capital levy or capital stock taxes of Lessor.

(b) **Right to Contest.** Within thirty (30) days after each tax and assessment payment is required by this Section 6.01 to be paid, if Lessor so requests in writing, Lessee shall provide Lessor with evidence reasonably satisfactory to Lessor that taxes and assessments have been timely paid by Lessee. Lessee and Lessor shall use commercially reasonable efforts to arrange for all tax bills in respect of the Properties to be sent directly to Lessee; provided, however, in the event Lessor receives a tax bill (and Lessee has not received a copy of same from the applicable tax authorities), Lessor shall use commercially reasonable efforts to forward said bill to Lessee within fifteen (15) days of Lessor's receipt thereof, and Lessee shall pay such bill within fifteen (15) days following receipt thereof (or such later time as the same shall become due), but in no event, later than the date such bill shall become due. If Lessor does not provide a copy of any such bill to Lessee at least five (5) days prior to the date such taxes are due and payable, then any amounts incurred as a result of any late payment of such taxes will be Lessor's sole responsibility. Lessee may, at its own expense, contest or

cause to be contested (in the case of any item involving more than \$10,000, after prior written notice to Lessor, which shall be given within fifteen (15) days of Lessee's determination to contest any matter as permitted herein), by appropriate legal proceedings conducted in good faith and with due diligence, any above-described item or lien with respect thereto, provided that (i) neither the Properties nor any interest therein would be reasonably expected to be in any danger of being sold, forfeited or lost by reason of such proceedings; (ii) no Event of Default has occurred and is continuing; (iii) if and to the extent required by the applicable taxing authority and/or reasonably required by Lessor, Lessee posts a bond or takes other steps acceptable to such taxing authority and/or reasonably acceptable to Lessor that removes such lien or stays enforcement thereof; (iv) Lessee shall promptly provide Lessor with copies of all material notices received or delivered by Lessee and filings made by Lessee in connection with such proceeding; and (v) upon termination of such proceedings, it shall be the obligation of Lessee to pay the amount of any such tax and assessment or part thereof as finally determined in such proceedings, the payment of which may have been deferred during the prosecution of such proceedings, together with any costs, fees (including reasonable out-of-pocket attorneys' fees and disbursements), interest, penalties or other liabilities in connection therewith, as the same are finally determined. Lessor shall at the request of Lessee, execute or join in the execution of any instruments or documents necessary in connection with such contest or proceedings, but Lessor shall incur no cost or obligation thereby.

Section 6.02. Utilities. To the extent possible, Lessee shall contract, in its own name, for and pay when due all charges for the connection and use of water, gas, electricity, telephone, garbage collection, sewer use and other utility services supplied to the Properties during the Lease Term. Under no circumstances shall Lessor be responsible for any interruption of any utility service, except to the extent same is caused by the gross negligence or willful misconduct of Lessor.

Section 6.03. Insurance.

(a) **Coverage.** Throughout the Lease Term, Lessee shall maintain, with respect to each of the Properties, at its sole expense, the following types and amounts of insurance, in addition to such other insurance as Lessor may reasonably require from time to time:

(i) Insurance against loss or damage to real property and personal property under an "all risk" or "special form" insurance policy, which shall include coverage against all risks of direct physical loss, including but not limited to loss by fire, lightning, wind, terrorism, and other risks normally included in the standard ISO special form (and shall also include National Flood and Excess Flood insurance for any Property located in a flood zone area identified by FEMA as a 100-year flood zone or special hazard area, and earthquake insurance if any Property is located within a moderate to high earthquake hazard zone as determined by an approved insurance company set forth in Section 6.03(b)(x) below). Such policy shall also include soft costs, a joint loss agreement, coverage for ordinance or law including the loss of value of the undamaged portion of the Properties, costs to demolish and the increased costs of

construction if any of the improvements located on, or the use of, the Properties shall at any time constitute legal non-conforming structures or uses. Ordinance or law limits shall be in an amount equal to the full replacement cost for the loss of value of the undamaged portion of the Properties and no less than 25% of the replacement cost for costs to demolish and the increased cost of construction, or in an amount otherwise specified by Lessor. Such insurance shall be in amounts not less than 100% of the full insurable replacement cost values (without deduction for depreciation), with an agreed amount endorsement or without any coinsurance provision, and with sublimits reasonably satisfactory to Lessor, as determined from time to time at Lessor's request but not more frequently than once in any 12-month period.

(ii) Commercial general liability insurance, including products and completed operation liability, covering Lessor and Lessee against bodily injury liability, property damage liability and personal and advertising injury, including without limitation any liability arising out of the ownership, maintenance, repair, condition or operation of every Property or adjoining ways, streets, parking lots or sidewalks. Such insurance policy or policies shall contain a broad form contractual liability endorsement under which the insurer agrees to insure Lessee's obligations under Article X hereof to the extent insurable, and a "severability of interest" clause or endorsement which precludes the insurer from denying the claim of Lessee or Lessor because of the negligence or other acts of the other, shall be in amounts of not less than \$6,000,000 per occurrence for bodily injury and property damage, and \$10,000,000 general aggregate, or such higher limits as Lessor may reasonably require from time to time, and shall be of form and substance reasonably satisfactory to Lessor. Such limits of insurance can be acquired through Commercial General liability and Umbrella liability policies.

(iii) Workers' compensation and Employers Liability insurance with statutorily mandated limits covering all persons employed by Lessee on the Properties in connection with any work done on or about any of the Properties for which claims for death or bodily injury could be asserted against Lessor, Lessee or the Properties.

(iv) Business interruption insurance including Rental Value Insurance payable to Lessor at all locations for a period of not less than twelve (12) months. Such insurance is to follow the form of the real property "all risk" or "special form" coverage and is not to contain a co-insurance clause. Such insurance is to have a minimum of 120 days of extended period of indemnity.

(v) Automobile liability insurance, including owned, non-owned and hired car liability insurance for combined limits of liability of \$5,000,000 per occurrence. The limits of liability can be provided in a combination of an automobile liability policy and an umbrella liability policy.

(vi) Comprehensive Boiler and Machinery or Equipment Breakdown Insurance against loss or damage from explosion of any steam or pressure

boilers or similar apparatus, if any, and other building equipment including HVAC units located in or about each Property and in an amount equal to the lesser of 25% of the 100% replacement cost of each Property or \$5,000,000.

(vii) Such additional and/or other insurance and in such amounts as at the time is customarily carried by prudent owners or tenants with respect to improvements and personal property similar in character, location and use and occupancy to each Property.

(b) **Insurance Provisions.** All insurance policies shall:

(i) provide for a waiver of subrogation by the insurer as to claims against Lessor, its employees and agents;

(ii) be primary and provide that any "other insurance" clause in the insurance policy shall exclude any policies of insurance maintained by Lessor and the insurance policy shall not be brought into contribution with insurance maintained by Lessor;

(iii) contain deductibles not to exceed \$25,000 (except in the case of flood policies which shall not exceed \$50,000 and earthquake policies);

(iv) contain a standard non-contributory mortgagee clause or endorsement in favor of any Lender designated by Lessor;

(v) provide that the policy of insurance shall not be terminated, cancelled or amended without at least thirty (30) days' prior written notice to Lessor and to any Lender covered by any standard mortgagee clause or endorsement;

(vi) provide that the insurer shall not have the option to restore the Properties if Lessor elects to terminate this Lease in accordance with the terms hereof;

(vii) be in amounts sufficient at all times to satisfy any coinsurance requirements thereof;

(viii) except for workers' compensation insurance referred to in Section 6.03(a)(iii) above, name Lessor and any Lessor Affiliate or Lender requested by Lessor, as an "additional insured" with respect to liability insurance, and as a "loss payee" with respect to real property and rental value insurance, as appropriate and as their interests may appear;

(ix) be evidenced by delivery to Lessor and any Lender designated by Lessor of an Acord Form 28 for property, business interruption and boiler & machinery coverage (or any other form requested by Lessor) and an Acord Form 25 for commercial general liability, workers' compensation and umbrella coverage (or any other form requested by Lessor); provided that in the event that

either such form is no longer available, such evidence of insurance shall be in a form reasonably satisfactory to Lessor and any Lender designated by Lessor; and

(x) be issued by insurance companies licensed to do business in the states where the Properties are located and which are rated no less than A-X by Best's Insurance Guide or are otherwise approved by Lessor.

(c) **Additional Obligations.** It is expressly understood and agreed that (i) if any insurance required hereunder, or any part thereof, shall expire, be withdrawn, become void by breach of any condition thereof by Lessee, or become void or in jeopardy by reason of the failure or impairment of the capital of any insurer, Lessee shall promptly obtain new or additional insurance reasonably satisfactory to Lessor and any Lender designated by Lessor; (ii) the minimum limits of insurance coverage set forth in this Section 6.03 shall not limit the liability of Lessee for its acts or omissions as provided in this Lease; (iii) Lessee shall procure policies for all insurance for periods of not less than one year and shall provide to Lessor and any servicer or Lender of Lessor certificates of insurance or, upon Lessor's written request, duplicate originals of insurance policies evidencing that insurance satisfying the requirements of this Lease is in effect at all times; (iv) Lessee shall pay as they become due all premiums for the insurance required by this Section 6.03; (v) in the event that Lessee fails to comply with any of the requirements set forth in this Section 6.03, within ten (10) days of the giving of written notice by Lessor to Lessee, (A) Lessor shall be entitled to procure such insurance; and (B) any reasonable, out-of-pocket sums expended by Lessor in procuring such insurance shall be Additional Rental and shall be repaid by Lessee, together with interest thereon at the Default Rate, from the time of payment by Lessor until fully paid by Lessee upon written demand therefor by Lessor; and (vi) Lessee shall maintain all insurance policies required in this Section 6.03 not to be cancelled, invalidated or suspended on account of the conduct of Lessee, its officers, directors, managers, members, employees or agents, or anyone acting for Lessee or any subtenant or other occupant of the Properties, and shall comply with all policy conditions and warranties at all times to avoid a forfeiture of all or a part of any insurance payment.

(d) **Blanket Policies.** Notwithstanding anything to the contrary in this Section 6.03, any insurance which Lessee is required to obtain pursuant to this Section 6.03 may be carried under a "blanket" policy or policies covering other properties or liabilities of Lessee provided that such "blanket" policy or policies otherwise comply with the provisions of this Section 6.03.

Section 6.04. Tax Impound. Upon the occurrence and during the continuation of a monetary Event of Default, in addition to any other remedies, Lessor may require Lessee to pay to Lessor on the first day of each month the amount that Lessor reasonably estimates will be necessary in order to accumulate with Lessor sufficient funds in an impound account (which shall not be deemed a trust fund) (the "Reserve") for Lessor to pay any and all real estate taxes ("Real Estate Taxes") for the Properties for the ensuing twelve (12) months, or, if due sooner, Lessee shall pay the required amount within ten (10) Business Days of Lessor's written demand therefor. Lessor shall, upon prior written request of Lessee, provide Lessee with evidence reasonably satisfactory to Lessee that payment of the Real Estate Taxes was made in a timely

fashion. In the event that the Reserve does not contain sufficient funds to timely pay any Real Estate Taxes, upon Lessor's written notification thereof, Lessee shall, within ten (10) Business Days of such notice, provide funds to Lessor in the amount of such deficiency. Lessor shall pay or cause to be paid directly to the applicable taxing authorities any Real Estate Taxes then due and payable for which there are funds in the Reserve; *provided, however*, that in no event shall Lessor be obligated to pay any Real Estate Taxes in excess of the funds held in the Reserve, and Lessee shall remain liable for any and all Real Estate Taxes, including fines, penalties, interest or additional costs imposed by any taxing authority (unless incurred as a result of Lessor's failure to timely (i) pay Real Estate Taxes for which it had funds in the Reserve, or (ii) bill Lessee for such Reserves). Lessee shall reasonably cooperate with Lessor in assuring that the Real Estate Taxes are timely paid. Lessor may deposit all Reserve funds in accounts insured by any federal or state agency and may commingle such funds with other funds and accounts of Lessor. Interest or other gains from such funds, if any, shall be the sole property of Lessor. During the continuation of any monetary Event of Default, in addition to any other remedies, Lessor may apply all impounded funds in the Reserve against any sums due from Lessee to Lessor. Lessor shall give to Lessee an annual accounting showing all credits and debits to and from such impounded funds received from Lessee.

ARTICLE VII

MAINTENANCE; ALTERATIONS

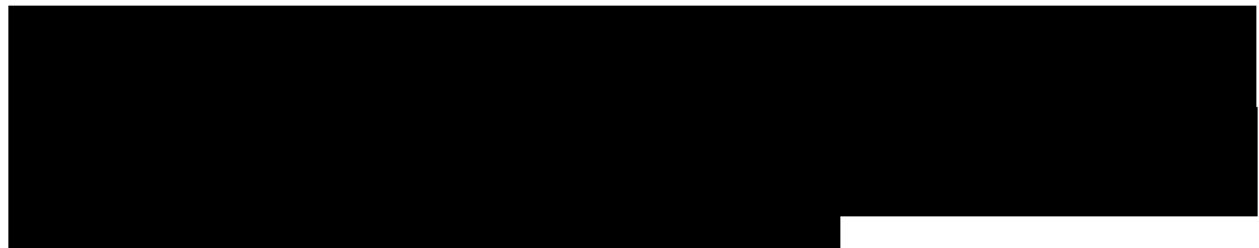
Section 7.01. Condition of Property; Maintenance. Lessee hereby accepts the Properties "AS IS" and "WHERE IS" with no representation or warranty of Lessor as to the condition thereof. Lessee shall, at its sole cost and expense and using its commercially reasonable judgment, be responsible for (a) keeping all of the building, structures and improvements erected on each of the Properties in good order and repair (ordinary wear and tear excepted), free from physical waste; (b) the repair or reconstruction of any building, structures or improvements erected on the Properties damaged or destroyed by a Casualty; (c) subject to Section 7.02, making all necessary structural, non-structural, exterior and interior repairs and replacements to any building, structures or improvements erected on the Properties; (d) (i) protecting, defending, indemnifying, releasing and holding the Lessor Indemnified Parties harmless from and against any and all claims and Losses arising out of or in any way relating to any encroachments first occurring on or after the Original Effective Date (or the Effective Date with respect to the Property located in Maple Heights, OH) and/or activities upon any Property caused by any Person, except to the extent any such claims or Losses arise out of the gross negligence or willful misconduct of any of the Lessor Indemnified Parties or a Lessor Event of Default; and (ii) prosecuting any claims that Lessee seeks to bring against any Person relating to Lessee's use and possession of any Property; and (e) paying all operating costs of the Properties in the ordinary course of business. Lessee waives any right to require Lessor to maintain, repair or rebuild all or any part of the Properties or make repairs at the expense of Lessor pursuant to any Legal Requirements or Environmental Laws at any time in effect.

Section 7.02. Alterations and Improvements. During the Lease Term, Lessee shall not alter the exterior, structural, plumbing or electrical elements of the Properties (any such alteration or nonstructural alteration, an "Alteration") in any manner without the consent of Lessor, which consent shall not be unreasonably withheld, conditioned, or delayed; *provided, however*, Lessee may undertake nonstructural Alterations to the Properties, individually, costing

less than [REDACTED] (the "Alterations Threshold") without Lessor's consent. If Lessor's consent is required hereunder and Lessor consents to the making of any such Alterations, the same shall be made by Lessee at Lessee's sole expense by a licensed contractor and according to plans and specifications approved by Lessor (such approval not to be unreasonably withheld, conditioned, or delayed) and subject to such other conditions as Lessor shall reasonably require. Any work at any time commenced by Lessee on the Properties shall be prosecuted reasonably diligently to completion, shall be of good workmanship and materials and shall materially comply with all the terms of this Lease and all Legal Requirements and applicable Environmental Laws. Upon completion of any Alterations individually costing in excess of the Alterations Threshold, Lessee shall promptly provide Lessor with evidence of full payment to all laborers and materialmen contributing to the alterations. Additionally, upon completion of any Alterations, Lessee shall promptly provide Lessor with (a) an architect's certificate certifying the Alterations have been completed in material conformity with the plans and specifications (if the Alterations are of such a nature as would require the issuance of such a certificate from the architect); (b) a certificate of occupancy (if the Alterations are of such a nature as would require the issuance of a certificate of occupancy); and (c) any other documents or information reasonably requested by Lessor. Lessee shall keep the Properties free from any liens arising out of any work performed on, or materials furnished to, the Properties. Lessee shall execute and file or record, as appropriate, a "Notice of Non-Responsibility," or any equivalent notice permitted under applicable Law in the states where the Properties are located which provides that Lessor is not responsible for the payment of any costs or expenses relating to the additions or alterations. Subject to Section 7.05, any addition to or alteration of the Properties shall be deemed a part of the Properties and belong to Lessor and Lessee shall have no obligation to remove same, and Lessee shall execute and deliver to Lessor such instruments as Lessor may reasonably require to evidence the ownership by Lessor of such addition or alteration. Lessor shall use commercially reasonable efforts to cooperate with Lessee, at no cost to Lessor, in applying for any licenses, permits, approvals, certificates, or similar items or documents required to be obtained by Lessee in connection with any Alterations which are consented to by Lessor or which are otherwise permitted to be undertaken by Lessee without Lessor's consent.

Section 7.03. Encumbrances. During the Lease Term, Lessor shall have the right, upon prior written consent from Lessee, to grant easements on, over, under and above the Properties. Subject to the immediately preceding sentence, Lessee shall materially comply with and perform all obligations of Lessor under all easements, declarations, covenants, restrictions and other items of record both (a) now encumbering the Properties, and (b) if approved by Lessee, hereafter encumbering the Properties (the "Permitted Encumbrances"). Without Lessor's prior written consent, Lessee shall not grant any easements on, over, under or above the Properties.

Section 7.04. [REDACTED]



Section 7.05. Playground Equipment. Notwithstanding anything to the contrary contained in Section 7.01, all playground equipment located at the Properties as of the Original Effective Date (or the Effective Date with respect to the Property located in Maple Heights, OH) or installed (or caused to be installed) by Lessee at the Properties during the Lease Term, whether freestanding or otherwise, shall be the property of Lessee, and in no event shall any such playground equipment be deemed to be a part of the Properties or otherwise owned by Lessor. Upon Lessee's request and at no cost to Lessor, Lessor shall execute and deliver such instruments in form and substance acceptable to Lessor as may be reasonably required to evidence such ownership by Lessee of all such playground equipment.

ARTICLE VIII

USE OF THE PROPERTIES; COMPLIANCE

Section 8.01. Use and "Go Dark" Right.

(a) **Use.** During the Lease Term, each of the Properties shall be used solely for the operation of a Permitted Facility. Subject to Lessee's rights under Article VII, except (i) during periods when a Property is untenable due to Casualty or Condemnation or (ii) during the performance of any Alterations (and provided that Lessee continues to comply with the other terms and conditions of this Lease), Lessee shall at all times during the Lease Term occupy the Properties and shall operate its business on the Properties.

(b) **"Go Dark" Right.** Notwithstanding any provision contained herein, Lessee shall not be in default under this Section 8.01 until either (i) Lessee fails to continue to materially operate its business at two (2) or more Properties (excluding instances of Casualty, Condemnation, Force Majeure and/or temporary closures connected to Lessee exercising its rights or obligations pursuant to Article VII), or (ii) Lessee fails to continue to materially operate its business at any one (1) Property for more than ninety (90) consecutive days (excluding instances of Casualty, Condemnation, Force Majeure and/or temporary closures connected to Lessee exercising its rights or obligations pursuant to Article VII). However, if, prior to the expiration of any such initial ninety (90)-day period described in (ii) above, Lessee notifies Lessor in writing that it is not in Lessee's best interest to re-open the applicable Property (as determined using Lessee's reasonable business judgment), then Lessee shall have an additional ninety (90)-day period to either (A) re-open the applicable Property; or (B) exercise Lessee's permitted assignment rights, or (C) exercise Lessee's permitted subletting rights. Notwithstanding any provision contained in this Section 8.01(b), (1) Lessee shall provide Lessor with written notice at least ten (10) days prior to

any Property "going dark" (except in the case of Casualty, Condemnation, or Force Majeure), (2) the terms and provisions of this Lease and Lessee's obligations hereunder shall remain in full force and effect during any "go dark" period, and (3) in no event shall Lessee "go dark" in any manner that would violate any Permitted Encumbrances in any material respect or give a third party any right to acquire title to the applicable Property as a result of a Property "going dark."

Section 8.02. Compliance. Lessee's use and occupation of each of the Properties, and the condition thereof, shall, at Lessee's sole cost and expense, materially comply with all Legal Requirements, Environmental Laws and all restrictions, covenants and encumbrances of record, and any owner obligations under such Legal Requirements, Environmental Laws, or restrictions, covenants and encumbrances of record, with respect to the Properties, in either event, the failure with which to comply would be reasonably likely to have a Material Adverse Effect. Without in any way limiting the foregoing provisions, Lessee shall materially comply with all Legal Requirements relating to anti-terrorism, trade embargos, economic sanctions, Anti-Money Laundering Laws, and the Americans with Disabilities Act of 1990, as such act may be amended from time to time, and all regulations promulgated thereunder, as it affects the Properties now or hereafter in effect. Lessee shall obtain, maintain and comply with all required licenses and permits, both governmental and private, to use and operate the Properties as Permitted Facilities. Upon Lessor's written request from time to time during the Lease Term (but no more than once in any consecutive twelve (12) month period), Lessee shall certify in writing to Lessor that Lessee's representations, warranties and obligations under Section 5.05 and this Section 8.02 remain true and correct and have not been breached. Lessee shall promptly notify Lessor in writing if any of such representations, warranties or covenants are no longer true or have been breached or if Lessee has a reasonable basis to believe that they are reasonably likely to no longer be true or have been breached in any material manner. In connection with such an event, Lessee shall comply with all Legal Requirements, Environmental Laws and directives of Governmental Authorities and, at Lessor's written request, provide to Lessor copies of all material notices, reports and other written communications exchanged with, or received from, Governmental Authorities relating to such an event. Lessee shall also reimburse Lessor for all Costs incurred by Lessor in evaluating the effect of such an event on the Properties and this Lease, in obtaining any necessary licenses from Governmental Authorities as may be necessary for Lessor to enforce its rights under this Lease, and in complying with all Legal Requirements and Environmental Laws applicable to Lessor as the result of the existence of such an event and for any penalties or fines imposed upon Lessor as a result thereof. Lessee agrees that it will defend, indemnify and hold harmless the Lessor Indemnified Parties from and against any and all Losses caused by, incurred or resulting from Lessee's failure to comply with its obligations under this Section, except to the extent such Losses result from the gross negligence or willful misconduct of any Lessor Indemnified Party or a Lessor Event of Default.

Section 8.03. Environmental.

(a) **Covenants.**

(i) Lessee covenants to Lessor during the Lease Term, subject to the limitations of subsection (ii) below, as follows:

(A) All uses and operations on or of the Properties, whether by Lessee or any other Person, shall be in compliance with all Environmental Laws and permits issued pursuant thereto.

(B) There shall be no Releases in, on, under or from the Properties, except in Permitted Amounts.

(C) There shall be no Hazardous Materials in, on or under the Properties, except in Permitted Amounts. Above and below ground storage tanks shall be properly permitted and only used as permitted.

(D) Lessee shall keep the Properties or cause the Properties to be kept free and clear of all Environmental Liens, whether due to any act or omission of Lessee or any other Person.

(E) Lessee shall not act or fail to act or allow any other tenant, occupant, guest, customer or other user of the Properties to act or fail to act in any way that (1) materially increases a risk to human health or the environment, (2) poses an unreasonable or unacceptable risk of harm to any Person or the environment (at the Properties), (3) has a Material Adverse Effect, (4) is contrary to any material requirement set forth in the insurance policies maintained by Lessee or Lessor, (5) constitutes a public or private nuisance or constitutes intentional, physical waste, (6) violates any material covenant, condition, agreement or easement applicable to the Properties, or (7) would result in any reopening or reconsideration of any prior investigation or causes a new investigation by a Governmental Authority having jurisdiction over any Property.

(F) Lessee shall, at its sole cost and expense, reasonably cooperate in all activities pursuant to this Section 8.03, including, but not limited to, providing all relevant information and making knowledgeable persons available for interviews. However, to the extent that any such costs are determined to stem from the gross negligence or willful misconduct of any Lessor Indemnified Party, Lessee shall not be responsible for any such costs already paid.

(ii) Notwithstanding any provision of this Lease to the contrary, an Event of Default shall not be deemed to have occurred as a result of the failure of Lessee to satisfy any one or more of the covenants set forth in subsections (A) through (E) above provided that Lessee shall be in material compliance with the requirements of any Governmental Authority with respect to the Remediation of any Release at the Properties.

(b) **Notification Requirements.** Lessee shall promptly notify Lessor in writing upon Lessee obtaining actual knowledge of (i) any Releases or Threatened Releases in, on, under or from any of the Properties other than in Permitted Amounts, or migrating towards any of the Properties; (ii) any non-compliance with any Environmental Laws related in any way to any of the Properties; (iii) any actual or potential

Environmental Lien or activity use limitation; (iv) any required or proposed Remediation of environmental conditions relating to any of the Properties required by applicable Governmental Authorities; and (v) any written notice or other written communication of which Lessee becomes aware from any Person or Governmental Authority relating in any way to Hazardous Materials or above or below ground storage tanks, or Remediation thereof at or on any of the Properties, other than in Permitted Amounts, liability reasonably expected to be incurred by any Person in connection with any of the Properties pursuant to any Environmental Law, or any actual or reasonably likely administrative or judicial proceedings in connection with any environmental matters referred to in this Section. Lessee shall, upon Lessor's written request, deliver to Lessor a certificate stating that Lessee is and has been in full compliance with all of the environmental representations, warranties and covenants in this Lease (or setting forth any deviations therefrom, if any).

(c) **Remediation.** Lessee shall, at its sole cost and expense, and without limiting any other provision of this Lease, effectuate any Remediation required by any Governmental Authority of any condition (including, but not limited to, a Release or Threatened Release) in, on, under or from the Properties and take any other reasonable action deemed necessary by any Governmental Authority for protection of human health or the environment, except Lessee shall have no responsibility to effectuate any Remediation to the extent same is required as a result of the gross negligence or willful misconduct of any Lessor Indemnified Party. Should Lessee fail to undertake any required Remediation in accordance with the preceding sentence, Lessor, after written notice to Lessee and Lessee's failure to promptly thereafter undertake such Remediation, shall be permitted to complete such Remediation, and all Costs incurred in connection therewith shall be paid by Lessee. Any Cost so paid by Lessor, together with interest at the Default Rate, shall be deemed to be Additional Rental hereunder and shall be due from Lessee to Lessor in accordance with the terms of Section 4.03 hereof.

(d) **Indemnification.** Lessee shall, at its sole cost and expense, protect, defend, indemnify, release and hold harmless each of the Lessor Indemnified Parties from and against any and all Losses, including, but not limited to, all Costs of Remediation (whether or not performed voluntarily), arising out of or in any way relating to any Environmental Laws, Hazardous Materials, above or below ground storage tanks, or other environmental matters concerning the Properties, to the extent same are not caused by the gross negligence or willful misconduct of any Lessor Indemnified Party. It is expressly understood and agreed that Lessee's obligations under this Section shall survive the expiration or earlier termination of this Lease for any reason. In no event shall Lessee be liable for any Losses (as defined on Exhibit A) to the extent caused by the gross negligence or willful misconduct of any Lessor Indemnified Party. Notwithstanding the foregoing, Lessee shall not have any liability under this Section 8.03(d) to any Lessor Indemnified Party with respect to matters otherwise within the scope of Lessee's indemnity obligations but which arose or accrued as a result of events occurring prior to the date of this Lease, except to the extent, if any, that the actions of Lessee or any Lessee Entity have contributed to or aggravated any Environmental Condition or Release.

(e) **Right of Entry.** In the event that Lessor has a reasonable basis to believe that a Release or a violation of any Environmental Law has occurred, Lessor and any other Person designated by Lessor, including but not limited to any receiver, any representative of a Governmental Authority, and any environmental consultant, shall have the right, upon reasonable prior written notice to Lessee (except in the case of emergency, in which case no prior notice shall be required, but Lessor shall use reasonable efforts to notify Lessee as soon as is reasonably practicable thereafter) but not the obligation, to enter upon the Properties at all reasonable times to assess any and all aspects of the environmental condition of any Property and its use, including, but not limited to, conducting any environmental assessment or audit (the scope of which shall be determined in Lessor's sole and absolute discretion) and taking samples of soil, groundwater or other water, air, or building materials, and conducting other invasive testing; *provided, however*, in connection with any such entry by Lessor, (i) Lessee shall have the right to have a representative present at all times, and (ii) Lessor shall use commercially reasonable efforts to minimize any interference with the conduct of Lessee's business at the applicable Property(ies). Lessee shall reasonably cooperate with and provide access to Lessor and any other Person designated by Lessor. The first such assessment or investigation in any consecutive twelve (12) month period shall be at Lessee's sole cost and expense and any additional assessments or investigations required by Lessor (or a Person designated by Lessor) shall only be at Lessee's cost and expense if such assessment or investigation determines that there has been a violation of this Section 8.03 by Lessee.

(f) **Survival.** The obligations of Lessee and the rights and remedies of Lessor under this Section 8.03 shall survive the termination, expiration and/or release of this Lease.

ARTICLE IX

ADDITIONAL COVENANTS

Section 9.01. Performance at Lessee's Expense. Lessee acknowledges and confirms that Lessor may impose reasonable administrative, processing or servicing fees, and collect its reasonable, actual, out-of-pocket attorneys' fees, costs and expenses in connection with (a) any extension or renewal, modification, amendment and termination of this Lease requested by Lessee; provided, however, that Lessee shall not be responsible for any costs or fees of Lessor incurred in connection with (i) an as-of-right exercise of an Extension Option as explicitly contemplated by this Lease, or (ii) the amendment and restatement of this Lease as explicitly contemplated by Section 2.03; (b) any release or substitution of Properties requested by Lessee; (c) the procurement of consents, waivers and approvals with respect to the Properties or any matter related to this Lease requested by Lessee; (d) the review of any assignment or sublease or proposed assignment or sublease or the preparation or review of any subordination or non-disturbance agreement requested by Lessee; (e) during the continuance of an Event of Default, the collection, maintenance and/or disbursement of reserves created under this Lease; and (f) inspections required to make certain determinations under this Lease following Lessor's reasonable belief of a breach under this Lease (unless Lessor is explicitly obligated for such costs under this Lease).

Section 9.02. Inspection. Lessor and its authorized representatives shall have the right, at all reasonable times and upon giving reasonable prior written notice (except in the event of an emergency, in which case no prior notice shall be required, provided that Lessor shall use reasonable efforts to notify Lessee as soon as is reasonably practicable thereafter), to enter the Properties or any part thereof and inspect the same; and provided further, that in connection with any such inspection, (i) Lessee shall have the right to have a representative present at all times, and (ii) Lessor shall use commercially reasonable efforts to minimize any interference with the conduct of Lessee's business at the Properties.

Section 9.03. Financial Information.

(a) **Financial Statements.** Within forty five (45) days after the end of each fiscal quarter and within one hundred twenty (120) days after the end of each fiscal year of Lessee and the Lessee Reporting Entity, Lessee shall deliver to Lessor:

(i) with respect to Lessee: (A) complete consolidated financial statements of Lessee, including a balance sheet, profit and loss statement, and statement of cash flows and all other related schedules for the fiscal period then ended, such statements to detail separately interest expense, income taxes, non-cash expenses, non-recurring expenses, operating lease expense, and current portion of long-term debt – capital leases; and (B) income statements for the business at each of the Properties that reflect revenues, rent, interest expense, non-cash expenses, non-recurring expenses, allocated corporate overhead and net income; and

(ii) with respect to the Lessee Reporting Entity: (A) a statement that reflects consolidated cash balance and consolidated revenues; and (B) a statement that reflects the calculation of the then-current Funded Debt to EBITDA ratio.

All such financial statements shall be prepared in accordance with GAAP, and shall be certified to be accurate and complete by an officer or director of each Lessee Reporting Entity.

(b) **Other Information.** Notwithstanding any provision contained herein, upon request at any time, Lessee will provide to Lessor, at no additional cost or expense to Lessee, any and all financial information and/or financial statements of Lessee or the Lessee Reporting Entity (and in the form or forms) as reasonably requested by Lessor in connection with Lessor's filings with or disclosures to the Securities and Exchange Commission or other Governmental Authority.

(c) **Confidentiality.** Notwithstanding anything to the contrary above or elsewhere in this Lease, Lessor hereby agrees, for itself and its Affiliates, to maintain confidentiality and not disclose Lessee's and/or Lessee Reporting Entity's financial information (but excluding matters of public record or matters generally known to the public) to third parties except (i) as may be required for reporting to any Governmental Authority or otherwise required by Law, (ii) in connection with a Securitization or related transaction, (iii) to a Lender, or to Lessor's employees, contractors, attorneys,

accountants and other Persons on a “need to know” basis (“Lessor Parties”), or to a prospective purchaser of a Property so long as such Lessor Parties and any prospective purchaser are aware of, and agree to comply with, the confidentiality provisions of this Section, or (iv) with Lessee’s prior written consent (which consent may be granted or withheld in Lessee’s sole and absolute discretion).

Section 9.04. OFAC Laws. Upon receipt of notice or upon actual knowledge thereof, Lessee shall promptly notify Lessor in writing if any Person owning (directly or indirectly) any interest in any of the Lessee Entities, or any director, officer, shareholder, member, manager or partner of any of such holders is a Person whose property or interests are subject to being blocked under any of the OFAC Laws, or is otherwise in violation of any of the OFAC Laws, or is under investigation by any Governmental Authority for, or has been charged with, or convicted of, drug trafficking, terrorist-related activities or any violation of the Anti-Money Laundering Laws, has been assessed civil penalties under these or related Laws, or has had funds seized or forfeited in an action under these or related Laws; *provided, however*, that the covenant in this Section 9.04 shall not apply to any Person to the extent such Person’s interest is in or through a U.S. Publicly Traded Entity.

Section 9.05. Estoppel Certificate. At any time, and from time to time, Lessee and/or Lessor shall, promptly and in no event later than ten (10) Business Days after a request from Lessee, Lessor or any Lender or mortgagee of Lessor (as applicable), execute, acknowledge and deliver to the requesting party a certificate certifying: (a) in the event of a Lessee certificate, that Lessee has accepted the Properties; (b) that this Lease is in full force and effect and has not been modified (or if modified, setting forth all modifications), or, if this Lease is not in full force and effect, the certificate shall so specify the reasons therefor; (c) the commencement and scheduled expiration dates of the Lease Term; (d) the date to which the Rentals have been paid under this Lease and the amount thereof then payable; (e) whether there are then any known existing defaults by the other party in the performance of its obligations under this Lease, and, if there are any such defaults, specifying the nature and extent thereof in reasonable detail; (f) that no notice has been received by the certifying party of any default under this Lease which has not been cured, except as to defaults specified in the certificate; (g) the capacity of the Person executing such certificate, and that such Person is duly authorized to execute the same on behalf of Lessee (but not in an individual capacity); (h) in the event of a Lessee certificate, that neither Lessor nor any Lender or mortgagee has actual involvement in the management or control of decision making related to the operational aspects or the day to day operation of the Properties, including any handling or disposal of Hazardous Materials; and (i) any other information reasonably requested by Lessor, Lessee, or any Lender or mortgagee, as the case may be.

ARTICLE X

RELEASE AND INDEMNIFICATION

Section 10.01. RELEASE AND INDEMNIFICATION. LESSEE AGREES TO USE AND OCCUPY THE PROPERTIES AT ITS OWN RISK AND HEREBY RELEASES THE LESSOR INDEMNIFIED PARTIES FROM ALL CLAIMS FOR ANY DAMAGE OR INJURY TO THE FULL EXTENT PERMITTED BY LAW, EXCEPT TO THE EXTENT ANY SUCH CLAIMS OR DAMAGES ARISE OUT OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF

ANY LESSOR INDEMNIFIED PARTY. LESSEE AGREES THAT THE LESSOR INDEMNIFIED PARTIES SHALL NOT BE RESPONSIBLE OR LIABLE TO LESSEE OR LESSEE'S EMPLOYEES, AGENTS, CUSTOMERS, LICENSEES OR INVITEES FOR BODILY INJURY, PERSONAL INJURY OR PROPERTY DAMAGE OCCASIONED BY THE ACTS OR OMISSIONS OF ANY OTHER LESSEE OR ANY OTHER PERSON, EXCEPT TO THE EXTENT SAME ARISES OUT OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY LESSOR INDEMNIFIED PARTY. LESSEE AGREES THAT ANY EMPLOYEE OR AGENT TO WHOM THE PROPERTIES OR ANY PART THEREOF SHALL BE ENTRUSTED BY OR ON BEHALF OF LESSEE SHALL BE ACTING AS LESSEE'S AGENT WITH RESPECT TO THE PROPERTIES OR ANY PART THEREOF, AND NEITHER LESSOR NOR THE LESSOR INDEMNIFIED PARTIES SHALL BE LIABLE FOR ANY LOSS OF OR DAMAGE TO THE PROPERTIES OR ANY PART THEREOF, EXCEPT TO THE EXTENT ANY SUCH LOSS OR DAMAGE ARISES OUT OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY LESSOR INDEMNIFIED PARTY. SUBJECT TO SECTION 10.02 BELOW, LESSEE SHALL INDEMNIFY, PROTECT, DEFEND AND HOLD HARMLESS EACH OF THE LESSOR INDEMNIFIED PARTIES FROM AND AGAINST ANY AND ALL LOSSES (AS DEFINED ON EXHIBIT A) (EXCLUDING LOSSES SUFFERED BY A LESSOR INDEMNIFIED PARTY ARISING OUT OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SUCH LESSOR INDEMNIFIED PARTY) CAUSED BY, INCURRED OR RESULTING FROM LESSEE'S OPERATIONS OR BY LESSEE'S USE AND OCCUPANCY OF THE PROPERTIES, WHETHER RELATING TO ITS ORIGINAL DESIGN OR CONSTRUCTION, LATENT DEFECTS, ALTERATIONS, MAINTENANCE, USE BY LESSEE OR ANY PERSON THEREON, SUPERVISION OR OTHERWISE, OR FROM ANY BREACH OF, DEFAULT UNDER, OR FAILURE TO PERFORM, ANY TERM OR PROVISION OF THIS LEASE BY LESSEE, ITS OFFICERS, EMPLOYEES, AGENTS OR OTHER PERSONS. IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT LESSEE'S OBLIGATIONS UNDER THIS SECTION SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE FOR ANY REASON WHATSOEVER. FOR THE AVOIDANCE OF DOUBT, IN NO EVENT SHALL LESSEE BE LIABLE FOR ANY LOSSES (AS DEFINED ON EXHIBIT A) TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY LESSOR INDEMNIFIED PARTY.

Section 10.02. Pre-Existing Liabilities. Notwithstanding anything to the contrary contained in this Lease, including, without limitation, those provisions pursuant to which Lessee has agreed to indemnify Lessor, (i) Lessee shall not be responsible or liable for any Losses relating directly or indirectly to any third-party claim against Lessee based upon any violation of any law, regulation, ordinance or requirement applicable to the Properties (including without limitation those governing petroleum products and Hazardous Materials) occurring prior to the date of this Lease or any physical defect in or other event or circumstance relating to the Properties existing prior to the date of this Lease (collectively, the "Pre-Existing Liabilities"), and (ii) Lessor shall indemnify, defend (with counsel from any reputable, national or international law firm with significant experience relating to the type of matter for which advice is being sought) and hold the Lessee Indemnified Parties harmless from and against any actual or claimed Losses arising directly or indirectly from any third-party claim against Lessee based upon the Pre-Existing Liabilities. The foregoing shall in no way limit the obligations of Lessee under Section 8.02 and Section 8.03 of this Lease from and after the Original Effective Date (or the Effective Date with respect to the Property located in Maple Heights, OH).

ARTICLE XI

CONDEMNATION AND CASUALTY

Section 11.01. Notification. Lessee shall promptly give Lessor written notice of (a) any Condemnation of any of the Properties, (b) the commencement of any proceedings or negotiations which are reasonably likely to result in a Condemnation of any of the Properties, and (c) any Casualty to any of the Properties or any part thereof. Such notice shall provide a general description of the nature and extent of such Condemnation, proceedings, negotiations or Casualty, and shall include copies of any material documents or notices received in connection therewith. Thereafter, Lessee shall promptly send Lessor copies of all material notices, correspondence and pleadings relating to any such Condemnation, proceedings, negotiations or Casualty.

Section 11.02. Total Condemnation. In the event of a Condemnation of all or substantially all of any of the Properties, and if as a result of such Condemnation: (i) access to the Property to and from the publicly dedicated roads adjacent to the Property as of the Original Effective Date (or the Effective Date with respect to the Property located in Maple Heights, OH) is permanently and materially impaired such that Lessee no longer has access to such dedicated road; (ii) there is insufficient parking to operate the Property as a Permitted Facility under applicable Laws; or (iii) the Condemnation includes a portion of the building such that the remaining portion is unsuitable for use as a Permitted Facility, as determined by Lessee in the exercise of good faith business judgment (and Lessee provides to Lessor an officer's certificate executed by an officer of Lessee certifying to the same) (each such event, a "Total Condemnation"), then, in such event:

(a) **Termination of Lease.** On the date of the Total Condemnation, all obligations of either party hereunder with respect to the applicable Property shall cease and the Base Annual Rental shall be reduced as set forth in Section 11.03(c) below; *provided, however*, that Lessee's obligations to the Lessor Indemnified Parties under any indemnification provisions of this Lease with respect to such Property and Lessee's obligation to pay Rental and all other Monetary Obligations (whether payable to Lessor or a third party) accruing under this Lease with respect to such Property prior to the date of termination shall survive such termination. If the date of such Total Condemnation is other than the first day of a month, the Base Monthly Rental for the month in which such Total Condemnation occurs shall be apportioned based on the date of the Total Condemnation.

(b) **Net Award.** Subject to Section 11.07 below, Lessor shall be entitled to receive the entire Net Award in connection with a Total Condemnation without deduction for any estate vested in Lessee by this Lease, and Lessee hereby expressly assigns to Lessor all of its right, title and interest in and to every such Net Award and agrees that Lessee shall not be entitled to any Net Award or other payment for the value of Lessee's leasehold interest in this Lease.

Section 11.03. Partial Condemnation or Casualty. In the event of a Condemnation which is not a Total Condemnation (each such event, a "Partial Condemnation"), or in the event of a Casualty:

- (a) **Net Awards.** All Net Awards shall be paid to Lessor.
- (b) **Continuance of Lease.** This Lease shall continue in full force and effect upon the following terms:
- (i) All Rental and other Monetary Obligations due under this Lease shall continue unabated.
- (ii) Lessee shall promptly commence and diligently prosecute restoration of such Property to the same or better condition, as nearly as practicable, as prior to such Partial Condemnation or Casualty. Subject to the terms and provisions of the Mortgages and upon the written request of Lessee (accompanied by evidence reasonably satisfactory to Lessor that such amount has been paid or is due and payable and is properly part of such costs, and that Lessee has complied with the terms of Section 7.02 in connection with the restoration), Lessor shall promptly reimburse Lessee in installments for any costs incurred in connection with such restoration, subject to reasonable conditions for disbursement imposed by Lessor, in an amount up to but not exceeding the amount of any Net Award received by Lessor with respect to such Partial Condemnation or Casualty. Prior to the disbursement of any portion of the Net Award with respect to a Casualty, Lessee shall provide evidence reasonably satisfactory to Lessor of the payment of restoration expenses by Lessee up to the amount of the insurance deductible applicable to such Partial Condemnation or Casualty. Lessor shall be entitled to keep any portion of the Net Award which may be in excess of the cost of restoration, and Lessee shall bear all additional Costs of such restoration in excess of the Net Award.
- (c) **Rental.** Upon removal of a Property pursuant to Section 11.02 or Section 11.08, the Base Annual Rental shall be reduced by an amount equal to the Lease Rate multiplied by the Net Award.

Section 11.04. Temporary Taking. In the event of a Condemnation of all or any part of any Property for a temporary use (a "Temporary Taking"), this Lease shall remain in full force and effect without any reduction of Rental payable hereunder. Except as provided below, Lessee shall be entitled to the entire Net Award for a Temporary Taking, unless the period of occupation and use by the condemning authorities shall extend beyond the date of expiration of this Lease, in which event the Net Award made for such Temporary Taking shall be apportioned between Lessor and Lessee as of the date of such expiration. At the termination of any such Temporary Taking, Lessee will, at its own cost and expense and pursuant to the provisions of Section 7.02, promptly commence and complete restoration of such Property.

Section 11.05. Adjustment of Losses. Any loss under any property damage insurance required to be maintained by Lessee shall be adjusted by Lessor and Lessee. Any Net Award relating to a Total Condemnation or a Partial Condemnation shall be adjusted by Lessor or, at Lessor's election, Lessee. Notwithstanding the foregoing or any other provisions of this Section 11.05 to the contrary, if at the time of any Condemnation or any Casualty or at any time thereafter an Event of Default shall have occurred and be continuing, Lessor is hereby authorized and empowered but shall not be obligated, in the name and on behalf of Lessee and

otherwise, to file and prosecute Lessee's claim, if any, for a Net Award on account of such Condemnation or such Casualty and to collect such Net Award and apply the same to the curing of such Event of Default and any other then existing Event of Default under this Lease and/or to the payment of any amounts owed by Lessee to Lessor under this Lease, in such order, priority and proportions as Lessor in its discretion shall deem proper.

Section 11.06. Lessee Obligation in Event of Casualty. During all periods of time following a Casualty, Lessee shall take reasonable steps to ensure that the affected Property is secure and does not pose any unreasonable risk of harm to any adjoining property and Persons (including owners or occupants of such adjoining property).

Section 11.07. Lessee Awards and Payments. Notwithstanding any provision contained in this Article XI, Lessee shall be entitled to claim and receive any award or payment from the condemning authority expressly granted for the taking of any personal property owned by Lessee, any insurance proceeds with respect to any personal property owned by Lessee, the interruption of its business and moving expenses, but only if such claim or award does not adversely affect or interfere with the prosecution of Lessor's claim for the Condemnation or Casualty, or otherwise reduce the amount recoverable by Lessor for the Condemnation or Casualty.

Section 11.08. Termination Following a Major Casualty. Notwithstanding anything contained in this Article XI to the contrary, if during the final twenty-four months of the Initial Term or the final twenty-four months of any Extension Term, any Property is destroyed or damaged by a Casualty to such an extent that (i) the applicable Property is rendered unsuitable for use as a Permitted Facility, and (ii) the estimated time to rebuild such Property exceeds 180 days, and (iii) provided that the damage or destruction is a Casualty fully insured by Lessee as required by this Lease, Lessee may terminate this Lease with respect to such Property by giving notice to Lessor within thirty (30) days after the date of such Casualty. If Lessee elects to terminate this Lease with respect to an affected Property, pursuant to this Section 11.08, Lessor shall be entitled to all insurance proceeds paid or payable under the insurance policies required to be maintained by Lessee under this Lease that are attributable to such Property, and Lessee, as a condition to the effectiveness of such termination, on or before the date of termination, (A) shall pay to Lessor the amount of the deductibles under any such insurance policies (the "Casualty Termination Payment"), and (B) execute an agreement, accepted by the insurer, whereby the parties agree that Lessor is the sole party entitled to adjust losses under such insurance policies, that all losses under such insurance policies shall be payable solely to Lessor, and insurer has no defense or offset to the payment of claims under such insurance policies and such insurance policies are in full force and effect. Upon the giving of notice by Lessee to terminate pursuant to this Section 11.08, and Lessee's payment of the Casualty Termination Payment (if any), any outstanding Monetary Obligation and the prorated portion of all Rental and Monetary Obligations, this Lease shall automatically terminate with respect to the applicable Property (except that any obligations which expressly survive any termination of this Lease shall survive) as of the date such notice is received and the Casualty Termination Payment (if any) and other Monetary Obligations are paid. Notwithstanding the foregoing, upon request by either Lessee or Lessor, the parties agree to execute an amended and restated version of this Lease that reflects removal of the applicable Property and a reduction of the then applicable Base Annual Rental pursuant to Section 11.03(c) above, but is otherwise in form and substance identical to this Lease.

ARTICLE XII

DEFAULT, CONDITIONAL LIMITATIONS, REMEDIES AND MEASURE OF DAMAGES

Section 12.01. Event of Default. Each of the following shall be an event of default by Lessee under this Lease (each, an “Event of Default”):

(a) if any representation or warranty of Lessee set forth in this Lease is false in any material respect when made;

(b) if any Rental or other Monetary Obligation due under this Lease is not paid within three (3) days after written notice of failure to pay the same; *provided, however,* that Lessor shall only be obligated to provide such written notice and the three (3)-day cure period shall only be available once in any twelve (12) month period; *provided further, however,* any delay in the payment of Rental as a result of a technical error in the wiring and/or automated clearinghouse process shall not constitute an Event of Default hereunder so long as the same is corrected within two (2) Business Days of the date Lessee receives notice thereof;

(c) subject to Lessee’s rights pursuant to Section 6.01(b), if Lessee fails to pay, prior to delinquency, any taxes, assessments or other charges the failure of which to pay will result in the imposition of a lien against any of the Properties; *provided, however,* any such failure shall not constitute an Event of Default hereunder (i) if Lessor was responsible for paying such taxes, assessments or other charges from any Reserve pursuant to the terms of Section 6.04 hereof, or (ii) in any event, unless and until Lessor shall have given Lessee written notice thereof and a period of ten (10) days shall have elapsed from receipt of such notice, during which period Lessee may correct or cure such failure, and upon Lessee’s failure to so correct or cure, an Event of Default shall be deemed to have occurred hereunder without further notice or demand of any kind being required;

(d) subject to Lessee’s rights pursuant to Section 8.01 and Article XIV, if Lessee vacates or abandons any Property;

(e) if there is an Insolvency Event with respect to Lessee;

(f) if Lessee fails to observe or perform any of the other covenants, conditions or obligations of Lessee in this Lease; *provided, however,* if any such failure does not involve the payment of any Monetary Obligation, then such failure shall not constitute an Event of Default hereunder, unless otherwise expressly provided herein, unless and until Lessor shall have given Lessee written notice thereof and a period of thirty (30) days shall have elapsed from receipt of such notice, during which period Lessee may correct or cure such failure, and upon Lessee’s failure to so correct or cure, an Event of Default shall be deemed to have occurred hereunder without further notice or demand of any kind being required. If such failure cannot reasonably be cured within such thirty (30)-day period, as determined by Lessor in its reasonable discretion, and Lessee is diligently pursuing a cure of such failure, then Lessee shall have a reasonable

period to cure such failure beyond such thirty (30)-day period, which shall in no event exceed ninety (90) days after receiving notice of such failure from Lessor. If Lessee shall fail to correct or cure such failure within such ninety (90)-day period, an Event of Default shall be deemed to have occurred hereunder without further notice or demand of any kind being required;

(g) if a final, nonappealable judgment is rendered by a court against Lessee which has a Material Adverse Effect, and is not discharged or provision made for such discharge within ninety (90) days from the date of entry thereof;

(h) if Lessee shall be liquidated or dissolved or shall begin proceedings towards its liquidation or dissolution; or

(i) if the estate or interest of Lessee in any of the Properties shall be levied upon or attached in any proceeding and such estate or interest is about to be sold or transferred or such process shall not be vacated or discharged within ninety (90) days after it is made.

Section 12.02. Remedies. During the continuance of an Event of Default, with or without notice or demand, except as otherwise expressly provided herein or such other notice as may be required by statute and cannot be waived by Lessee, Lessor shall be entitled to exercise, at its option, concurrently, successively, or in any combination, all remedies available at Law or in equity, including, without limitation, any one or more of the following:

(a) to terminate this Lease, whereupon Lessee's right to possession of the Properties shall cease and this Lease, except as to any provisions that expressly survive by their terms, shall be terminated;

(b) to the extent not prohibited by applicable Law, to (i) re-enter and take possession of the Properties (or any part thereof), any or all personal property or fixtures of Lessee upon the Properties and, to the extent permissible, permits and other rights or privileges of Lessee pertaining to the use and operation of the Properties, and (ii) expel Lessee and those claiming under or through Lessee, without being deemed guilty in any manner of trespass or becoming liable for any loss or damage resulting therefrom, without resort to legal or judicial process, procedure or action. No notice from Lessor hereunder or under a forcible entry and detainer statute or similar Law shall constitute an election by Lessor to terminate this Lease unless such notice specifically so states. If Lessee shall, after default, voluntarily give up possession of the Properties to Lessor, deliver to Lessor or its agents the keys to the Properties, or both, such actions shall be deemed to be in compliance with Lessor's rights and the acceptance thereof by Lessor or its agents shall not be deemed to constitute a termination of the Lease. Lessor reserves the right following any re-entry and/or reletting to exercise its right to terminate this Lease by giving Lessee written notice thereof, in which event this Lease will terminate;

(c) to bring an action against Lessee for any damages sustained by Lessor or any equitable relief available to Lessor and to the extent not prohibited by applicable Law, to seize all personal property or fixtures upon the Properties which Lessee owns or

in which it has an interest, in which Lessor may have a landlord's lien and/or security interest, and to dispose thereof in accordance with the Laws prevailing at the time and place of such seizure or to remove all or any portion of such property and cause the same to be stored in a public warehouse or elsewhere at Lessee's sole expense, without becoming liable for any loss or damage resulting therefrom and without resorting to legal or judicial process, procedure or action;

(d) to relet the Properties or any part thereof for such term or terms (including a term which extends beyond the original Lease Term), at such rentals and upon such other terms as Lessor, in its sole discretion, may determine, with all proceeds received from such reletting being applied to the Rental and other Monetary Obligations due from Lessee in such order as Lessor may, in its sole discretion, determine, which other Monetary Obligations shall be deemed to include, without limitation, all reasonable, out-of-pocket repossession costs, brokerage commissions, attorneys' fees and expenses, alteration, remodeling and repair costs and expenses of preparing for such reletting. Lessor shall have an obligation to mitigate its damages in accordance with applicable Law; *provided, however*, that in no event shall Lessor's obligation to mitigate its damages be interpreted to require Lessor (i) to lease any Property to any Person other than to a Qualified Operator (or any other Person acceptable to Lessor) upon terms and conditions reasonably acceptable to Lessor, or (ii) to lease only a portion of any Property to any Person. Lessor reserves the right following any re-entry and/or reletting to exercise its right to terminate this Lease by giving Lessee written notice thereof, in which event this Lease will terminate as specified in said notice;

(e) Lessor may accelerate all Rental due from the date of such Event of Default through the end of the Lease Term. Such "Accelerated Rent" shall be deemed liquidated damages hereunder, as Lessor's injury caused by such Event of Default is difficult or impossible to estimate accurately; the parties intend for this "Accelerated Rent" to provide for damages rather than a penalty; and such "Accelerated Rent" is a reasonable pre-estimate of Lessor's probable loss in the event of such Event of Default. Such "Accelerated Rent" amount shall be reduced by the fair market rental amount Lessor reasonably expects to receive if the Properties were relet for the time period to which the "Accelerated Rent" applies, which "Accelerated Rent" amount as so adjusted shall be discounted at a rate equal to the discount rate of the Federal Reserve Bank of New York at the time of such "Accelerated Rent" determination, plus 1%;

(f) to recover from Lessee all Costs paid or incurred by Lessor as a result of such breach, regardless of whether or not legal proceedings are actually commenced;

(g) to, upon ten (10) days' prior written notice (except in the case of imminent danger to life, health or property, in which case Lessor shall provide notice as soon as is reasonably practicable), at Lessor's sole option but without any obligation to do so, correct such breach or default and charge Lessee all Costs incurred by Lessor in connection therewith. Any sum or sums so paid by Lessor, together with interest at the Default Rate, shall be deemed to be Additional Rental hereunder and shall be due from Lessee to Lessor in accordance with the terms of Section 4.03 hereof. Any such acts by Lessor in correcting Lessee's breaches or defaults hereunder shall not be deemed to

cure said breaches or defaults or constitute any waiver of Lessor's right to exercise any or all remedies set forth herein;

(h) to immediately or at any time thereafter, and with or without notice, except as required herein, set off any money of Lessee held by Lessor under this Lease against any sum owing by Lessee hereunder;

(i) without limiting the generality of the foregoing or limiting in any way the rights of Lessor under this Lease or otherwise under applicable Laws, at any time during the continuance, of an Event of Default, Lessor shall be entitled to apply for and have a receiver appointed under applicable Law by a court of competent jurisdiction (by ex parte motion for appointment without notice) in any action taken by Lessor to enforce its rights and remedies hereunder in order to protect and preserve Lessor's interest under this Lease or in the Properties and the Personalty, and in connection therewith, LESSEE HEREBY IRREVOCABLY CONSENTS TO AND WAIVES ANY RIGHT TO OBJECT TO OR OTHERWISE CONTEST THE APPOINTMENT OF A RECEIVER DURING THE CONTINUANCE OF AN EVENT OF DEFAULT; and/or

(j) to seek any equitable relief available to Lessor, including, without limitation, the right of specific performance.

Section 12.03. Cumulative Remedies. All powers and remedies given by Section 12.02 to Lessor, subject to applicable Law, shall be cumulative and not exclusive of one another or of any other right or remedy or of any other powers and remedies available to Lessor under this Lease, by judicial proceedings or otherwise, to enforce the performance or observance of the covenants and agreements of Lessee contained in this Lease, and no delay or omission of Lessor to exercise any right or power accruing upon the occurrence of any Event of Default shall impair any other or subsequent Event of Default or impair any rights or remedies consequent thereto. Every power and remedy given by this Section or by Law to Lessor may be exercised from time to time, and as often as may be deemed expedient, by Lessor, subject at all times to Lessor's right in its sole judgment to discontinue any work commenced by Lessor or change any course of action undertaken by Lessor.

Section 12.04. Lessee Waiver. Lessee hereby expressly waives, to the extent permitted by applicable Law, for itself and all Persons claiming by, through and under Lessee, including creditors of all kinds, (a) any right and privilege which Lessee has under any present or future Legal Requirements to redeem the Properties or to have a continuance of this Lease for the Lease Term after termination of Lessee's right of occupancy by order or judgment of any court or by any legal process or writ, or under the terms of this Lease; (b) the benefits of any present or future Legal Requirement that exempts property from liability for debt or for distress for rent; and (c) any present or future Legal Requirement relating to notice or delay in levy of execution in case of eviction of a tenant for nonpayment of rent.

Section 12.05. Lessor Default. If Lessor fails to observe or perform any of its obligations explicitly set forth in this Lease, and if any such failure is not corrected or cured within thirty (30) days following receipt of written notice from Lessee thereof, then a Lessor event of default ("Lessor Event of Default") shall be deemed to have occurred hereunder; *provided, however*, that if such failure cannot reasonably be cured within such thirty (30)-day

period, and Lessor is diligently pursuing a cure of such failure, then Lessor shall have a reasonable period to cure such failure beyond such thirty (30)-day period. If Lessor shall fail to correct or cure such failure within such extended period, a Lessor Event of Default shall be deemed to have occurred hereunder. Following any such Lessor Event of Default, Lessee shall have all remedies available to it at law or in equity.

ARTICLE XIII

MORTGAGE, SUBORDINATION AND ATTORNMEN

Section 13.01. No Liens. Lessor's interest in this Lease and/or the Properties shall not be subordinate to any liens or encumbrances placed upon the Properties by or resulting from any act of Lessee, and nothing herein contained shall be construed to require such subordination by Lessor. NOTICE IS HEREBY GIVEN THAT LESSEE IS NOT AUTHORIZED TO PLACE OR ALLOW TO BE PLACED ANY LIEN, MORTGAGE, DEED OF TRUST, DEED TO SECURE DEBT, SECURITY INTEREST OR ENCUMBRANCE OF ANY KIND UPON ALL OR ANY PART OF THE PROPERTIES OR LESSEE'S LEASEHOLD INTEREST THEREIN, AND ANY SUCH PURPORTED TRANSACTION SHALL BE VOID.

Section 13.02. Subordination. This Lease at all times shall automatically be subordinate to the lien of any and all ground leases and Mortgages now or hereafter placed upon any of the Properties by Lessor, and Lessee covenants and agrees to execute and deliver, upon written demand therefor, such further instruments subordinating this Lease to the lien of any or all such ground leases and Mortgages as shall be desired by Lessor, or any present or proposed mortgagees under trust deeds, upon the conditions that (i) Lessee shall have the right to remain in possession of the Properties under the terms of this Lease, notwithstanding any default in any or all such ground leases or Mortgages, or after the foreclosure of any such Mortgages, so long as no Event of Default shall have occurred and be continuing, and (ii) the holder(s) of any such ground leases and/or Mortgages shall execute and deliver a commercially reasonable subordination, non-disturbance, and attornment agreement to (an "SNDA") Lessee.

Section 13.03. Attornment. In the event any purchaser or assignee of any Lender at a foreclosure sale (each, a "Successor Lessor") acquires title to any of the Properties, or in the event that any Lender or any purchaser or assignee otherwise succeeds to the rights of Lessor as landlord under this Lease, Lessee shall, upon such Successor Lessor's execution and delivery of a non-disturbance agreement reasonably acceptable to Lessee unless Lessee previously executed an SNDA with respect to such Successor Lessor, attorn to such Successor Lessor and recognize such Successor Lessor as lessor under this Lease, and, subject to the provisions of this Article XIII, this Lease shall continue in full force and effect as a direct lease between the Successor Lessor and Lessee, provided that the Successor Lessor shall only be liable for any obligations of Lessor under this Lease which accrue after the date that such Successor Lessor acquires title.

Section 13.04. Notice to Lender. Lessee shall give written notice to any Lender having a recorded lien upon any of the Properties or any part thereof of which Lessee has been notified of any breach or default by Lessor of any of its obligations under this Lease and give such Lender at least thirty (30) days beyond any notice period to which Lessor might be entitled to cure such default before Lessee may exercise any remedy with respect thereto.

ARTICLE XIV

ASSIGNMENT

Section 14.01. Assignment by Lessor. As a material inducement to Lessor's willingness to enter into the transactions contemplated by this Lease (the "Transaction") and the other Transaction Documents, Lessee hereby agrees that Lessor may, from time to time and at any time and without the consent of Lessee, engage in all or any combination of the following, or enter into agreements in connection with any of the following or in accordance with requirements that may be imposed by applicable securities, tax or other Laws: (a) the sale, assignment, grant, conveyance, transfer, financing, re-financing, purchase or re-acquisition of all or any portion of the Properties, this Lease or any other Transaction Document, Lessor's right, title and interest in this Lease or any other Transaction Document, the servicing rights with respect to any of the foregoing, or participations in any of the foregoing; or (b) a Securitization and related transactions. Without in any way limiting the foregoing, the parties acknowledge and agree that Lessor, in its sole discretion, may assign this Lease or any interest herein to another Person in order to maintain Lessor's or any of its Affiliates' status as a REIT. In the event of any such sale or assignment other than a security assignment, Lessee shall attorn to such purchaser or assignee (so long as Lessor and such purchaser or assignee notify Lessee in writing of such transfer and such purchaser or assignee expressly assumes in writing the obligations of Lessor hereunder from and after the date of such assignment). At the request of Lessor and at no material cost to Lessee, Lessee will execute such documents confirming the sale, assignment or other transfer and such other agreements as Lessor may reasonably request, provided that the same do not increase the liabilities or obligations or decrease the rights of Lessee hereunder. Lessor shall be relieved, from and after the date of such transfer or conveyance, of liability for the performance of any obligation of Lessor contained herein, except for obligations or liabilities accrued prior to such assignment or sale.

Section 14.02. No Assignment by Lessee.

(a) Lessee acknowledges that Lessor has relied both on the business experience and creditworthiness of Lessee and upon the particular purposes for which Lessee intends to use the Properties in entering into this Lease. Lessee shall not assign, transfer, convey, pledge or mortgage this Lease or any interest herein or any interest in Lessee, whether by operation of Law or otherwise, without the prior written consent of Lessor, not to be unreasonably withheld, conditioned, or delayed. At the time of any assignment of this Lease which is approved by Lessor, the assignee shall assume all of the obligations of Lessee under this Lease pursuant to a written assumption agreement in form and substance reasonably acceptable to Lessor. Such assignment of this Lease pursuant to this Section 14.02 shall not relieve Lessee of its obligations respecting this Lease unless otherwise agreed to by Lessor. Any assignment, transfer, conveyance, pledge or mortgage in violation of this Section 14.02 shall be voidable at the sole option of Lessor. Any consent to an assignment given by Lessor hereunder shall not be deemed a consent to any subsequent assignment.

(b) Notwithstanding anything to the contrary contained in this Section 14.02 and provided that no Event of Default has occurred and is continuing at the time of the proposed assignment or other transfer, and provided further that the proposed assignee

agrees to assume all of Lessee's obligations under this Lease by written agreement approved by Lessor (such approval not to be unreasonably withheld, conditioned, or delayed), Lessee shall have the right to assign or otherwise transfer all, but not less than all, of its interest in, to and under this Lease without Lessor's consent to (i) an Affiliate of Lessee, or (ii) a Qualified Operator (each, a "Permitted Transfer"). A "Qualified Operator" shall mean a Person who (x) for two (2) consecutive years immediately prior to the date of assignment or transfer and (y) on a proforma basis following the consummation of such assignment or transfer (all as reasonably determined by Lessor upon review of financial statements provided by the assignee prior to the proposed lease assignment and in a form reasonably satisfactory to Lessor), (A) has a CFCCR (defined below) of at least 1.75x; (B) generates EBITDA (defined below) of at least \$2,000,000, and (C) has a Lease Adjusted Leverage (defined below) of no more than 5.0x; *provided, however*, that Lessee may satisfy the foregoing conditions of a Qualified Operator by providing, or causing to be provided, a guaranty agreement, in form and substance reasonably acceptable to and approved by Lessor, in writing, which guaranty shall be from an entity that meets the requirements of (A), (B) and (C) set forth in this Section 14.02. Lessee shall provide Lessor with at least twenty (20) days' prior written notice of a proposed Permitted Transfer, which, if the proposed Permitted Transfer is to a Qualified Operator, must include financial information satisfying the Qualified Operator requirements set forth herein. In the event that Lessee effects an assignment to a Qualified Operator, Lessee shall be released from any liability arising under this Lease from and after the date of such assignment and any guarantor shall be released from any liability arising under any guaranty of this Lease from and after the date of such assignment. In the event that Lessee effects a Permitted Transfer pursuant to clause (i), Lessee shall not be released from liability under this Lease nor shall any guarantor be released from liability under any guaranty of this Lease.

For purposes hereof:

"*CFCCR*" means with respect to the twelve month period of time immediately preceding the date of determination, the ratio calculated for such period of time, each as determined in accordance with GAAP, of (i) the sum of Consolidated Net Income (excluding non-cash income), Depreciation and Amortization, Interest Expense, income taxes, Operating Lease Expense and non-cash expenses to (ii) the sum of Operating Lease Expense (excluding non-cash rent adjustments), scheduled principal payments of long term Debt, scheduled maturities of all Capital Leases, dividends and Interest Expense (excluding non-cash interest expense and amortization of non-cash financing expenses). For purposes of calculating the CFCCR, the following terms shall be defined as set forth below:

"*Capital Lease*" shall mean all leases of any property, whether real, personal or mixed, by a Person, which leases would, in conformity with GAAP, be required to be accounted for as a capital lease on the balance sheet of such Person. The term "Capital Lease" shall not include any operating lease.

"*Consolidated Net Income*" shall mean with respect to the period of determination, the net income or net loss of a Person. In determining the amount of Consolidated Net Income, (i) adjustments shall be made for nonrecurring gains

and losses or non-cash items allocable to the period of determination, (ii) deductions shall be made for, among other things, Depreciation and Amortization, Interest Expense, Operating Lease Expense, and (iii) no deductions shall be made for income taxes or charges equivalent to income taxes allocable to the period of determination, as determined in accordance with GAAP.

“Debt” shall mean with respect to a Person, and for the period of determination (i) indebtedness for borrowed money, (ii) subject to the limitation set forth in sub item (iv) below, obligations evidenced by bonds, indentures, notes or similar instruments, (iii) obligations under leases which should be, in accordance with GAAP, recorded as Capital Leases, and (iv) obligations under direct or indirect guarantees in respect of, and obligations (contingent or otherwise) to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of others of the kinds referred to in clauses (i) through (iv) above, except for guaranty obligations of such Person, which, in conformity with GAAP, are not included on the balance sheet of such Person.

“Depreciation and Amortization” shall mean the depreciation and amortization accruing during any period of determination with respect to a Person, as determined in accordance with GAAP.

“Interest Expense” shall mean for any period of determination, the sum of all interest accrued or which should be accrued in respect of all Debt of a Person, as determined in accordance with GAAP.

“Operating Lease Expense” shall mean the sum of all payments and expenses incurred by a Person, under any operating leases during the period of determination, as determined in accordance with GAAP.

“EBITDA” means for the twelve (12) month period ending on the date of determination, the sum of a Person’s net income (loss) for such period plus, in each case to the extent previously deducted in calculating net income (loss): (i) income taxes, (ii) interest payments on all of its debt obligations (including any borrowings under short term credit facilities), (iii) all non-cash charges including depreciation and amortization, and (iv) Non-Recurring Items (defined below).

“EBITDAR” means the sum of a Person’s EBITDA and its total land and building rent for the twelve (12) month period ending on the date of determination.

“Lease Adjusted Leverage” means with respect to a Person, as of any applicable date, the sum of (i) ten (10) times such Person’s total land and building rent for the twelve (12) month period ending on the date of determination, and (ii) the total current balance of such Person’s total debt obligations (including any borrowings under short term credit facilities) on such date, divided by EBITDAR.

“Non-Recurring Items” shall mean with respect to a Person, items of the sum (whether positive or negative) of revenue minus expenses that, in the judgment of Lessor, are

unusual in nature, occur infrequently and are not representative of the ongoing or future earnings or expenses of such Person.

Section 14.03. No Sale of Assets. Except in connection with a Corporate Transaction, without the prior written consent of Lessor, Lessee shall not sell all or substantially all of Lessee's assets. Any sale of Lessee's assets in violation of this Section 14.03, shall be voidable at the sole option of Lessor. Any consent to a sale of Lessee's assets given by Lessor hereunder shall not be deemed a consent to any subsequent sale of Lessee's assets.

Section 14.04. Subletting. Lessee shall not sublet any or all of the Properties without the prior written consent of Lessor, which consent shall not be unreasonably withheld, conditioned, or delayed and any such purported subletting shall be void; *provided, however*, that Lessee may, without Lessor's consent, (a) sublet any Property or portion thereof to an Affiliate of Lessee; or (b) sublet any Property to a subtenant that will operate such Property as a Permitted Facility (each such sublease described in this Section 14.03, individually, a "Sublease" and collectively, "Subleases", and each subtenant thereunder, individually a "Subtenant" and collectively, "Subtenants") so long as each Sublease contains the following provisions: (i) the Sublease is subject and subordinate to this Lease; (ii) the Sublease shall not contain any terms inconsistent with this Lease (or if so, the terms of this Lease shall control); (iii) the rent due under any Sublease shall be fixed rent and shall not be based on the net profits of any Subtenant; (iv) unless otherwise mutually agreed upon by Lessor and the applicable Subtenant, the Sublease shall terminate upon the expiration or sooner termination of this Lease (including any renewals hereof), provided that the applicable Subtenant agrees to attorn to Lessor if Lessor elects to assume the Sublease following a termination of this Lease; and (v) Lessee shall at all times remain liable under this Lease irrespective of any Sublease. Lessee covenants and agrees that (1) Lessee shall observe in all material respects and materially perform all of its obligations as the sublandlord under each Sublease in compliance with the terms thereof; (2) Lessee shall not assign all or part of any Sublease without the prior written consent of Lessor; (3) Lessee shall promptly provide Lessor with any notice of default received by Lessee from any Subtenant or any notice of default sent by Lessee to any Subtenant; (4) Lessee shall furnish Lessor with any and all information requested by Lessor reasonably necessary for a determination of the status of any Sublease; and (5) Lessee shall provide Lessor with copies of any and all Subleases and/or amendments to Subleases within five (5) Business Days of full execution thereof.

Notwithstanding the forgoing, STORE agrees to initially waive the requirement that the existing Solon Sublease be expressly subject and subordinate to this Lease and that the existing Solon Sublease terminate upon the termination of this Lease; provided, however, that in the event that the Solon Subtenant approaches Lessee at any time prior to the expiration of the Solon Sublease to request an amendment to or an extension or renewal of the Solon Sublease, and such amendment, extension or renewal is not already an express Solon Subtenant right under the Solon Sublease (without Lessee's, as sublandlord, approval), then Lessee agrees to condition Lessee's approval of such amendment, extension or renewal of the Solon Sublease on bringing the Solon Sublease (or any replacement sublease) into compliance with this Section 14.04, including, without limitation, clarifying in the amendment, extension or renewal that the Solon Sublease is subject and subordinate to this Lease and that the Solon Sublease shall terminate upon the expiration or sooner termination of this Lease, provided that the Solon

Subtenant shall agree to attorn to Lessor if Lessor elects to assume the Solon Sublease following a termination of this Lease.

If, at any time during the term of the Solon Sublease, it is determined by a Governmental Authority (as a result of any party other than a Lessee Indemnified Party instituting a proceeding with a Governmental Authority challenging the validity of this Lease as it pertains to any portion of the Solon Property or challenging the validity of the assignment of the Solon Sublease to Lessee) that Lessee does not hold the landlord's interest in the Solon Sublease, then (i) for the balance of the term of the Solon Sublease, (x) Lessor shall deliver to Lessee any rental or other payments received by Lessor from the Solon Subtenant, and (y) Lessee shall have the right to cause Lessor to use commercially reasonable efforts to enforce the terms of the Solon Sublease against the Solon Subtenant, including, without limitation, Solon Subtenant's obligation to pay all rent and other amounts due thereunder, (ii) Lessee shall continue to perform any of "landlord's" obligations under the Solon Sublease on Lessor's behalf, to the extent permitted by Law, (iii) neither Lessor nor Lessee shall enter into any extension, renewal, or replacement of the Solon Sublease, and (iv) both Lessor and Lessee agree to execute any instruments or amendments to this Lease reasonably necessary to re-demise the Solon Sublease Premises (together with any other Property or portion thereof that, as a result of any such finding by a Governmental Authority, is no longer demised to Lessee pursuant to the terms hereof) to Lessee following expiration or earlier termination of the Solon Sublease, in form and substance mutually acceptable to Lessor and Lessee.

Section 14.05. Collateral Assignment of Subleases. As security for the payment and performance by Lessee of its obligations under this Lease, Lessee hereby assigns, transfers, sets over and grants to Lessor, a security interest in any and all of Lessee's right, title and interest, powers, privileges and other benefits as sublandlord under the Subleases, including, without limitation: (i) rent and proceeds thereof; (ii) the right to enter upon, take possession of and use any and all property subleased or granted by Lessee under the Subleases; (iii) the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of any default giving rise to a right in favor of Lessee under the Subleases; and (iv) the right to do any and all other things whatsoever which Lessee is entitled to do under the Subleases. Upon the occurrence of and during the continuance of an Event of Default hereunder, Lessee agrees that, at the option of Lessor and in addition to such other rights and remedies as may be afforded to Lessor under this Lease, Lessor shall have the right, without giving notice to or obtaining the consent of Lessee, to exercise, enforce or avail itself of any of the rights, powers, privileges, authorizations or benefits assigned and transferred to Lessor pursuant to this Section 14.05 ("Lessor's Collaterally Assigned Sublease Rights"), including, without limitation, the right to collect all amounts due under the Subleases; provided, however, that except during any period when there is a continuing Event of Default, Lessor shall have no right to exercise any of Lessor's Collaterally Assigned Sublease Rights. During the continuance of an Event of Default, Lessee does hereby irrevocably appoint Lessor as Lessee's true and lawful attorney, with full power (in the name of Lessee or otherwise) to ask, require, demand, receive and give acquittance for every payment under or arising out of the Subleases to which Lessee is or may become entitled. Lessee declares that this appointment is coupled with an interest and shall be irrevocable by Lessee. Lessee further agrees to execute any and all other instruments deemed reasonably necessary by Lessor to further the intent of the foregoing assignment and to vest Lessor in the Subleases. Notwithstanding any provision contained in this Section 14.05, (i) Lessor shall not be obligated to perform or discharge any

obligation, duty or liability under the Subleases by reason of the foregoing assignment; and (ii) Lessor shall not be liable or responsible for, and Lessee agrees to indemnify and hold Lessor harmless from and against any liability, loss, cost or damage, claim or demand against Lessor arising, directly or indirectly, from or related to the Subleases, except to the extent same arises from the gross negligence or willful misconduct of Lessor or a Lessor Event of Default.

Section 14.06. Additional Permitted Transfer Rights. Notwithstanding anything to the contrary contained in this Article XIV, and provided that no Event of Default has occurred and is continuing at the time of the proposed transfer, the following transactions, transfers or changes in control or ownership of Lessee shall not constitute a prohibited assignment under the terms of this Lease: (i) a transfer of Lessee's entire interest in this Lease pursuant to a written lease assumption agreement approved by Lessor to any entity: (A) into which or with which Lessee, its successors or assigns, is merged or consolidated, in accordance with applicable statutory provisions of merger or consolidation of entities, so long as the liabilities of the entities participating in such merger or consolidation are assumed by the entity surviving such merger or created by such consolidation; or (B) that acquires all or substantially all of the assets of Lessee in a bona fide sale for fair market value, provided that the transferee is a Person who for two (2) consecutive years immediately prior to the date of assignment or transfer and on a proforma basis following the consummation of such assignment or transfer (all as reasonably determined by Lessor upon review of financial statements provided by the assignee prior to the proposed lease assignment and in a form reasonably satisfactory to Lessor), (1) generates EBITDA (defined above) of at least \$2,000,000, and (2) has a Lease Adjusted Leverage (defined above) of no more than 5.0x; or (ii) a sale of any equity interest in Lessee, provided that, immediately following the consummation of such sale, Lessee has a net worth determined in accordance with GAAP equal to or greater than the amount that is five (5) times the Base Annual Rental then in effect. With respect to each of the transactions described above in this Section 14.06, Lessee shall remain liable under this Lease, except to the extent provided in Section 14.02(b) with respect to an assignment of this Lease to a Qualified Operator. Lessee shall provide Lessor with at least twenty (20) days' prior written notice of any proposed transfer or sale contemplated herein.

ARTICLE XV

NOTICES

Section 15.01. Notices. All notices, demands, designations, certificates, requests, offers, consents, approvals, appointments and other instruments given pursuant to this Lease shall be in writing and given by any one of the following: (a) hand delivery; (b) express overnight delivery service; (c) certified or registered mail, return receipt requested; or (d) email transmission, provided that a hard copy shall also be delivered in accordance with one of the other delivery methods set forth in this Section 15.01, and shall be deemed to have been delivered upon (i) receipt, if hand delivered; (ii) the next Business Day, if delivered by a reputable express overnight delivery service; (iii) the third Business Day following the day of deposit of such notice with the United States Postal Service, if sent by certified or registered mail, return receipt requested; or (iv) transmission, if delivered by email transmission (provided that a hard copy is delivered in accordance with one of the other delivery methods set forth in this Section 15.01). Notices shall be provided to the parties and addresses (or electronic mail addresses) specified below:

If to Lessee: ELA Creative Playrooms Holdings, LLC
1650 Tysons Boulevard, Suite 600
McLean, VA 22102
Attention: Jane Delaney, COO
Email: jdelaney@earlylearningacademies.com

If to Lessor: STORE Master Funding III, LLC
8377 E. Hartford Drive, Suite 100
Scottsdale, AZ 85255
Attention: Asset Management
Email: customerservice@storecapital.com

With a copy to: Kutak Rock LLP
1801 California Street, Suite 3000
Denver, CO 80202
Attention: Kristine Poston, Esq.
Email: kristine.poston@kutakrock.com

or to such other address or such other person as either party may from time to time hereafter specify to the other party in a notice delivered in the manner provided above.

ARTICLE XVI

INTENTIONALLY OMITTED

ARTICLE XVII

MISCELLANEOUS

Section 17.01. Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, acts of God, enemy or hostile governmental action, civil commotion, fire or other casualty beyond the control of the party obligated to perform (each, a "Force Majeure Event") shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage, expressly excluding, however, the obligations imposed upon Lessee with respect to Rental and other applicable Monetary Obligations to be paid hereunder.

Section 17.02. No Merger. There shall be no merger of this Lease nor of the leasehold estate created by this Lease with the fee estate in or ownership of any of the Properties by reason of the fact that the same person, corporation, firm or other entity may acquire or hold or own, directly or indirectly, (a) this Lease or the leasehold estate created by this Lease or any interest in this Lease or in such leasehold estate, and (b) the fee estate or ownership of any of the Properties or any interest in such fee estate or ownership. No such merger shall occur unless and until all persons, corporations, firms and other entities having any interest in (i) this Lease or the leasehold estate created by this Lease, and (ii) the fee estate in or ownership of the Properties or any part thereof sought to be merged shall join in a written instrument effecting such merger and shall duly record the same.

Section 17.03. Interpretation. Lessor and Lessee acknowledge and warrant to each other that each has been represented by independent counsel and has executed this Lease after being fully advised by said counsel as to its effect and significance. This Lease shall be interpreted and construed in a fair and impartial manner without regard to such factors as the party which prepared the instrument, the relative bargaining powers of the parties or the domicile of any party. Whenever in this Lease any words of obligation or duty are used, such words or expressions shall have the same force and effect as though made in the form of a covenant.

Section 17.04. Characterization. The following expressions of intent, representations, warranties, covenants, agreements, stipulations and waivers are a material inducement to Lessor entering into this Lease:

(a) Lessor and Lessee intend that (i) this Lease constitutes an unseverable, unitary and single lease of all, but not less than all, of the Properties, and, if at any time this Lease covers other real property in addition to the Properties, neither this Lease, nor Lessee's obligations or rights hereunder may be allocated or otherwise divided among such properties by Lessee; (ii) this Lease is a "true lease," is not a financing lease, capital lease, mortgage, equitable mortgage, deed of trust, trust agreement, security agreement or other financing or trust arrangement, and the economic realities of this Lease are those of a true lease; and (iii) the business relationship created by this Lease and any related documents is solely that of a long-term commercial lease between Lessor and Lessee, the Lease has been entered into by both parties in reliance upon the economic and legal bargains contained herein, and none of the agreements contained herein is intended, nor shall the same be deemed or construed, to create a partnership (*de facto* or *de jure*) between Lessor and Lessee, to make them joint venturers, to make Lessee an agent, legal representative, partner, subsidiary or employee of Lessor, nor to make Lessor in any way responsible for the debts, obligations or losses of Lessee.

(b) Lessor and Lessee covenant and agree that: (i) each will treat this Lease as an operating lease pursuant to Statement of Financial Accounting Standards No. 13, as amended, and as a true lease for state Law reporting purposes and for federal income tax purposes; (ii) each party will not, nor will it permit any Affiliate to, at any time, take any action or fail to take any action with respect to the preparation or filing of any statement or disclosure to Governmental Authority, including without limitation, any income tax return (including an amended income tax return), to the extent that such action or such failure to take action would be inconsistent with the intention of the parties expressed in this Section 17.04; (iii) with respect to the Properties, the Lease Term is less than seventy-five percent (75%) of the estimated remaining economic life of the Properties; and (iv) the Base Annual Rental is the fair market value for the use of the Properties and was agreed to by Lessor and Lessee on that basis, and the execution and delivery of, and the performance by Lessee of its obligations under, this Lease do not constitute a transfer of all or any part of the Properties.

(c) Lessee waives any claim or defense based upon the characterization of this Lease as anything other than a true lease and as a master lease of all of the Properties. Lessee stipulates and agrees (i) not to challenge the validity, enforceability or characterization of the lease of the Properties as a true lease and/or as a single,

unitary, unseverable instrument pertaining to the lease of all, but not less than all, of the Properties; and (ii) not to assert or take or omit to take any action inconsistent with the agreements and understandings set forth in this Section 17.04.

Section 17.05. Disclosures.

(a) **Securities Act or Exchange Act.** The parties agree that, notwithstanding any provision contained in this Lease, any party (and each employee, representative or other agent of any party) may disclose to any and all persons, without limitation of any kind, any matter required under the Securities Act or the Exchange Act.

(b) **Lessor Advertising and Related Publications.** Lessee hereby consents to the use by Lessor of, and Lessor is hereby expressly permitted to use, Lessee's name, pictures of stores and signage (provided that such pictures do not include images of any people), and basic Transaction information (except for any material economic terms of the Transaction) (collectively, "Lessee's Information") solely in connection with Lessor's sales, advertising, and press release materials, including on Lessor's website. Lessee's consent shall be deemed authorization during the Lease Term for the limited use of Lessee's Information by Lessor under all applicable copyright and trademark laws.

(c) **Public Disclosures.** Except as required by Law, Lessee shall not make any public disclosure, including press releases or any form of media release, of this Lease or any transactions relating hereto (excluding, however, the transaction pursuant to which Lessee acquired the underlying business being operated at the Properties) without the prior written consent of Lessor.

Section 17.06. Attorneys' Fees. In the event of any judicial or other adversarial proceeding concerning this Lease, to the extent permitted by Law, the prevailing party shall be entitled to recover all of its reasonable, out-of-pocket attorneys' fees and other Costs in addition to any other relief to which it may be entitled.

Section 17.07. Memoranda of Lease. Concurrently with or prior to the execution of this Lease, Lessor and Lessee have executed Lessor's standard form memorandum of lease in recordable form, indicating the names and addresses of Lessor and Lessee, a description of the Properties, the Lease Term, but omitting Rentals and such other terms of this Lease as Lessor and/or Lessee may not desire to disclose to the public. Further, upon Lessor's written request, Lessee agrees to execute and acknowledge a termination of lease and/or quitclaim deed in recordable form to be held by Lessor until the expiration or sooner termination of the Lease Term; *provided, however*, if Lessee shall fail or refuse to sign such a document in accordance with the provisions of this Section within ten (10) Business Days following a written request by Lessor, Lessee irrevocably constitutes and appoints Lessor as its attorney-in-fact to execute and, upon the expiration or sooner termination of the Lease Term, record such document, it being stipulated that such power of attorney is coupled with an interest and is irrevocable and binding.

Section 17.08. No Brokerage. Lessor and Lessee represent and warrant to each other that they have had no conversation or negotiations with any broker concerning the leasing of the

Properties. Each of Lessor and Lessee agrees to protect, indemnify, save and keep harmless the other, against and from all liabilities, claims, losses, Costs, damages and expenses, including attorneys' fees, arising out of, resulting from or in connection with their breach of the foregoing warranty and representation.

Section 17.09. Waiver of Jury Trial and Certain Damages. LESSOR AND LESSEE HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY AND ALL ISSUES PRESENTED IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER OR ITS SUCCESSORS OR ASSIGNS WITH RESPECT TO ANY MATTER ARISING OUT OF OR IN CONNECTION WITH THIS LEASE, THE RELATIONSHIP OF LESSOR AND LESSEE, LESSEE'S USE OR OCCUPANCY OF THE PROPERTIES, AND/OR ANY CLAIM FOR INJURY OR DAMAGE, OR ANY EMERGENCY OR STATUTORY REMEDY. THIS WAIVER BY THE PARTIES HERETO OF ANY RIGHT EITHER MAY HAVE TO A TRIAL BY JURY HAS BEEN NEGOTIATED AND IS AN ESSENTIAL ASPECT OF THEIR BARGAIN. FURTHERMORE, LESSOR AND LESSEE HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO SEEK PUNITIVE, CONSEQUENTIAL, SPECIAL AND INDIRECT DAMAGES FROM THE OTHER PARTY AND ANY OF THE AFFILIATES, OFFICERS, DIRECTORS, MEMBERS, MANAGERS OR EMPLOYEES OF LESSOR OR LESSEE, AS APPLICABLE, OR ANY OF THEIR SUCCESSORS OR ASSIGNS WITH RESPECT TO ANY AND ALL ISSUES PRESENTED IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM BROUGHT WITH RESPECT TO ANY MATTER ARISING OUT OF OR IN CONNECTION WITH THIS LEASE OR ANY DOCUMENT CONTEMPLATED HEREIN OR RELATED HERETO. THE WAIVER BY LESSOR AND LESSEE OF ANY RIGHT EITHER MAY HAVE TO SEEK PUNITIVE, CONSEQUENTIAL, SPECIAL AND INDIRECT DAMAGES HAS BEEN NEGOTIATED BY THE PARTIES HERETO AND IS AN ESSENTIAL ASPECT OF THEIR BARGAIN.

Section 17.10. Securitizations. As a material inducement to Lessor's willingness to enter into the Transactions contemplated by this Lease and the other Transaction Documents, Lessee hereby acknowledges and agrees that Lessor may, from time to time and at any time (a) advertise, issue press releases, send direct mail or otherwise disclose information regarding the Transaction for marketing purposes; and (b) (i) act or permit another Person to act as sponsor, settler, transferor or depositor of, or a holder of interests in, one or more Persons or other arrangements formed pursuant to a trust agreement, indenture, pooling agreement, participation agreement, sale and servicing agreement, limited liability company agreement, partnership agreement, articles of incorporation or similar agreement or document; and (ii) permit one or more of such Persons or arrangements to offer and sell stock, certificates, bonds, notes, other evidences of indebtedness or securities that are directly or indirectly secured, collateralized or otherwise backed by or represent a direct or indirect interest in whole or in part in any of the assets, rights or properties described in Section 14.01 of this Lease, in one or more Persons or arrangements holding such assets, rights or properties, or any of them (collectively, the "Securities"), whether any such Securities are privately or publicly offered and sold, or rated or unrated (any combination of which actions and transactions described in both clauses (i) and (ii) in this paragraph, whether proposed or completed, are referred to in this Lease as a "Securitization"). Lessee shall reasonably cooperate with Lessor and any Affected Party with respect to all reasonable requests and due diligence procedures and use reasonable

efforts to facilitate such Securitization, provided that such cooperation shall be at no additional cost or expense to Lessee so long as Lessee is not otherwise required to provide such information to Lessor pursuant to the other provisions of this Lease.

Section 17.11. State-Specific Provisions. The provisions and/or remedies which are set forth on the attached Exhibit D shall be deemed a part of and included within the terms and conditions of this Lease.

Section 17.12. Time is of the Essence; Computation. Time is of the essence with respect to each and every provision of this Lease. If any deadline provided herein falls on a non-Business Day, such deadline shall be extended to the next day that is a Business Day.

Section 17.13. Waiver and Amendment. No provision of this Lease shall be deemed waived or amended except by a written instrument setting forth the matter waived or amended and signed by the party against which enforcement of such waiver or amendment is sought. Waiver of any matter shall not be deemed a waiver of the same or any other matter on any future occasion. No acceptance by Lessor of an amount less than the Rental and other Monetary Obligations stipulated to be due under this Lease shall be deemed to be other than a payment on account of the earliest such Rental or other Monetary Obligations then due or in arrears nor shall any endorsement or statement on any check or letter accompanying any such payment be deemed a waiver of Lessor's right to collect any unpaid amounts or an accord and satisfaction.

Section 17.14. Successors Bound. Except as otherwise specifically provided herein, the terms, covenants and conditions contained in this Lease shall bind and inure to the benefit of the respective heirs, successors, executors, administrators and assigns of each of the parties hereto.

Section 17.15. Captions. Captions are used throughout this Lease for convenience of reference only and shall not be considered in any manner in the construction or interpretation hereof.

Section 17.16. Other Documents. Each of the parties agrees to sign such other and further documents as may be necessary or appropriate to carry out the intentions expressed in this Lease.

Section 17.17. Entire Agreement. This Lease and any other instruments or agreements referred to herein, constitute the entire agreement between the parties with respect to the subject matter hereof, and there are no other representations, warranties or agreements except as herein provided.

Section 17.18. Forum Selection; Jurisdiction; Venue; Choice of Law. For purposes of any action or proceeding arising out of this Lease, the parties hereto expressly submit to the jurisdiction of all federal and state courts located in the state or states where the Properties are located. Lessee consents that it may be served with any process or paper by registered mail or by personal service within or without the state or states where the Properties are located in accordance with applicable Law. Furthermore, Lessee and Lessor each waive and agree not to assert in any such action, suit or proceeding that it is not personally subject to the jurisdiction of

such courts, that the action, suit or proceeding is brought in an inconvenient forum or that venue of the action, suit or proceeding is improper. This Lease shall be governed by, and construed in accordance with, the Laws of the applicable state or states in which the Properties are located, without giving effect to any state's conflict of Laws principles.

Section 17.19. Counterparts. This Lease may be executed in one or more counterparts, each of which shall be deemed an original. Furthermore, the undersigned agree that transmission of this Lease via e-mail in a ".pdf" or other electronic format shall be deemed transmission of the original Lease for all purposes.

[Remainder of page intentionally left blank; signature page(s) to follow]

IN WITNESS WHEREOF, Lessor and Lessee have entered into this Lease as of the date first above written.

LESSOR:

STORE MASTER FUNDING III, LLC,
a Delaware limited liability company

By: [Signature]

Printed Name: Michael T. Bennett
Executive Vice President

Title: General Counsel

STATE OF ARIZONA

)
) ss.

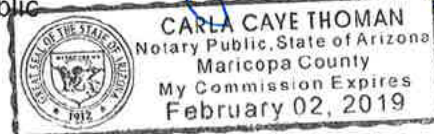
COUNTY OF MARICOPA

Before me, the undersigned, a Notary Public of the State and County aforesaid, personally appeared Michael T. Bennett – as Executive Vice President – General Counsel, with whom I am personally acquainted (or proved to me to be on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Executive Vice President – General Counsel of STORE MASTER FUNDING III, LLC, a Delaware limited liability company, the within named Lessor, and that he/she as such officer, being authorized so to do, executed the within instrument for the purposes therein contained, by signing the name of STORE MASTER FUNDING III, LLC, by himself/herself as such officer.

WITNESS my hand and Official Seal at office, this 24 day of September, 2018.

[Signature]
Notary Public

My Commission Expires 2/2/2019



LESSEE:

ELA CREATIVE PLAYROOMS HOLDINGS, LLC,
a Delaware limited liability company

By: 

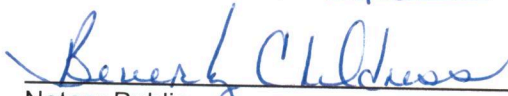
Printed Name: Steve Goetzinger

Title: Vice President

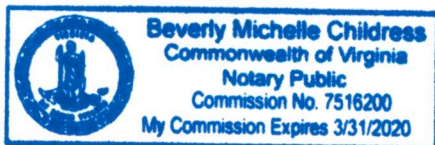
STATE OF Virginia)
COUNTY OF Fairfax) ss.
)

Before me, the undersigned, a Notary Public of the State and County aforesaid, personally appeared Steve Goetzinger with whom I am personally acquainted (or proved to me to be on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Vice President of ELA CREATIVE PLAYROOMS HOLDINGS, LLC, a Delaware limited liability company, the within named Lessee, and that he as such officer, being authorized so to do, executed the within instrument for the purposes therein contained, by signing the name of ELA CREATIVE PLAYROOMS HOLDINGS, LLC by himself as such officer.

WITNESS my hand and Official Seal at office, this 25 day of September, 2018.


Notary Public

My Commission Expires 3/31/2020



EXHIBITS

Exhibit A:	Defined Terms
Exhibit B:	Legal Descriptions and Street Addresses of the Properties
Exhibit C:	Wire Instructions
Exhibit D:	State-Specific Provisions

EXHIBIT A
DEFINED TERMS

The following terms shall have the following meanings for all purposes of this Lease:

"Additional Rental" has the meaning set forth in Section 4.03.

"Adjustment Date" has the meaning set forth in Section 1.07.

"Affected Party" means each direct or indirect participant or investor in a proposed or completed Securitization, including, without limitation, any prospective owner, any rating agency or any party to any agreement executed in connection with the Securitization.

"Affiliate" means any Person which directly or indirectly controls, is under common control with or is controlled by any other Person. For purposes of this definition, "controls," "under common control with," and "controlled by" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or otherwise.

"Anti-Money Laundering Laws" means all applicable Laws, regulations and government guidance on the prevention and detection of money laundering, including, without limitation, (a) 18 U.S.C. §§ 1956 and 1957; and (b) the Bank Secrecy Act, 31 U.S.C. §§ 5311 et seq., and its implementing regulations, 31 CFR Part 103.

"Base Annual Rental" has the meaning set forth in Section 1.05.

"Base Monthly Rental" means an amount equal to 1/12 of the applicable Base Annual Rental.

"Business Day" means any day other than a Saturday, Sunday, or any other day on which national banks located in Scottsdale, Arizona or the principal place of business of Lessee are not open for business.

"Casualty" means any loss of or damage to any property included within or related to the Properties or arising from an adjoining property caused by an Act of God, fire, flood or other catastrophe.

"Casualty Termination Payment" has the meaning set forth in Section 11.08.

"Code" means the Internal Revenue Code of 1986, as the same may be amended from time to time.

"Condemnation" means a Taking and/or a Requisition.

"Costs" means all reasonable, out-of-pocket costs and expenses incurred by a Person, including, without limitation, reasonable, out-of-pocket attorneys' fees and expenses, court

costs, expert witness fees, costs of tests and analyses, travel and accommodation expenses, deposition and trial transcripts, copies and other similar costs and fees, brokerage fees, escrow fees, title insurance premiums, appraisal fees, stamp taxes, recording fees and transfer taxes or fees, as the circumstances reasonably require.

"Default Rate" means 12% per annum or the highest rate permitted by Law, whichever is less.

"Effective Date" has the meaning set forth in the introductory paragraph of this Lease.

"Environmental Laws" means federal, state and local Laws, ordinances, common law requirements and regulations and standards, rules, policies and other governmental requirements, administrative rulings and court judgments and decrees having the effect of Law in effect now or in the future and including all amendments, that relate to Hazardous Materials, USTs, and/or the protection of human health or the environment, or relating to liability for or Costs of Remediation or prevention of Releases, and apply to Lessee and/or the Properties.

"Environmental Liens" means any liens and other encumbrances imposed pursuant to any Environmental Law.

"Event of Default" has the meaning set forth in Section 12.01.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Expenditure Cap" has the meaning set forth in Section 7.04.

"Extension Option" has the meaning set forth in Section 3.02.

"Extension Properties" has the meaning set forth in Section 3.02(b).

"Extension Term" has the meaning set forth in Section 3.02.

"Force Majeure Event" has the meaning set forth in Section 17.01.

"Fair Market Value" has the meaning set forth in Section 3.02(b).

"GAAP" means generally accepted accounting principles, consistently applied from period to period.

"Governmental Authority" means any governmental authority, agency, department, commission, bureau, board, instrumentality, court or quasi-governmental authority of the United States, any state or any political subdivision thereof with authority to adopt, modify, amend, interpret, give effect to or enforce any federal, state and local Laws, statutes, ordinances, rules or regulations, including common law, or to issue court orders.

"Hazardous Materials" includes: (a) oil, petroleum products, flammable substances, explosives, radioactive materials, hazardous wastes or substances, toxic wastes or substances or any other materials, contaminants or pollutants, the presence of which causes any of the

Properties to be in violation of any local, state or federal Law or regulation, or Environmental Law, or are defined as or included in the definition of “hazardous substances,” “hazardous wastes,” “hazardous materials,” “toxic substances,” “contaminants,” “pollutants,” or words of similar import under any applicable local, state or federal Law or under the regulations adopted, orders issued, or publications promulgated pursuant thereto, including, but not limited to: (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601, et seq.; (ii) the Hazardous Materials Transportation Act, as amended, 49 U.S.C. § 5101, et seq.; (iii) the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6901, et seq.; and (iv) regulations adopted and publications promulgated pursuant to the aforesaid Laws; (b) asbestos in any form which is friable, urea formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls in excess of fifty (50) parts per million; (c) underground storage tanks; and (d) any other chemical, material or substance, exposure to which is prohibited by any Governmental Authority.

“Initial Term” has the meaning set forth in Section 3.01.

“Insolvency Event” means (a) a Person’s (i) failure to generally pay its debts as such debts become due; (ii) admitting in writing or any court proceeding its inability to pay its debts generally; or (iii) making a general assignment for the benefit of creditors; (b) any proceeding being instituted by or against any Person (i) seeking to adjudicate it bankrupt or insolvent; (ii) seeking liquidation, dissolution, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any Law relating to bankruptcy, insolvency, or reorganization or relief of debtors; or (iii) seeking the entry of an order for relief or the appointment of a receiver, trustee, or other similar official for it or for any substantial part of its property, and in the case of any such proceeding instituted against any Person, either such proceeding shall remain undismissed or shall fail to be vacated or bonded, for a period of one hundred twenty (120) days or any of the actions sought in such proceeding shall occur; or (c) any Person taking any corporate action to authorize any of the actions set forth above in this definition.

“Insurance Premiums” has the meaning in Section 6.04.

“Law(s)” means any constitution, statute, rule of law, code, ordinance, order, judgment, decree, injunction, rule, regulation, policy, requirement or administrative or judicial determination, even if unforeseen or extraordinary, of every duly constituted Governmental Authority, court or agency, now or hereafter enacted or in effect.

“Lease Rate” means a percentage equal to (a) the then-current Base Monthly Rental multiplied by twelve (12), divided by (b) the aggregate purchase price of all of the Properties paid by Lessor (or Lessor’s predecessor-in-interest).

“Lease Term” has the meaning described in Section 3.01.

“Legal Requirements” means the requirements of all present and future Laws (including, without limitation, all Laws relating to accessibility to, usability by, and discrimination against, disabled individuals, and excluding the Environmental Laws), all judicial and administrative interpretations thereof, including any judicial order, consent, decree or judgment, and all

covenants, restrictions and conditions now or hereafter of record which may be applicable to Lessee or to any of the Properties, or to the use, manner of use, occupancy, possession, operation, maintenance, alteration, repair or restoration of any of the Properties, even if compliance therewith necessitates structural changes or improvements or results in interference with the use or enjoyment of any of the Properties.

“Lender” means any lender in connection with any loan secured by Lessor’s interest in any or all of the Properties, and any servicer of any loan secured by Lessor’s interest in any or all of the Properties.

“Lessee Entity” or *“Lessee Entities”* means individually or collectively, as the context may require, Lessee and all Affiliates thereof.

“Lessee Indemnified Parties” means Lessee, its direct and indirect members, managers, officers, directors, shareholders, partners, employees, affiliates, subsidiaries, and successors and assigns or each of the foregoing.

“Lessee Reporting Entity” means EL Academies, Inc., a Delaware corporation.

“Lessee’s Information” has the meaning set forth in Section 17.05(b).

“Lessor Entity” or *“Lessor Entities”* means individually or collectively, as the context may require, Lessor and all Affiliates of Lessor.

“Lessor Event of Default” has the meaning set forth in Section 12.05.

“Lessor Expenditure” has the meaning set forth in Section 7.04.

“Lessor Indemnified Parties” means Lessor, its direct or indirect members, managers, officers, directors, shareholders, partners, employees, affiliates, subsidiaries, successors and assigns, including, but not limited to, any successors by merger, consolidation or acquisition of all or a substantial portion of the assets and business of Lessor.

“Lessor Parties” has the meaning set forth in Section 9.03(c).

“Losses” means any and all claims, suits, liabilities (including, without limitation, strict liabilities), actions, proceedings, obligations, debts, reasonable, actual, out-of-pocket damages, losses, Costs, fines, penalties, interest, charges, fees, judgments, awards, amounts paid in settlement and damages of whatever kind or nature, inclusive of bodily injury and property damage to third parties (including, without limitation, reasonable, out-of-pocket attorneys’ fees and other Costs of defense).

“Material Adverse Effect” means a material adverse effect on (a) any Property, including without limitation, the operation of any Property as a Permitted Facility and/or the value of any Property; (b) the business, condition, worth or operations of any Lessee Entity; (c) Lessee’s ability to perform its obligations under this Lease; or (d) Lessor’s interests in any of the Properties, this Lease or the other Transaction Documents.

“Monetary Obligations” means all Rental and all other sums payable or reimbursable by Lessee under this Lease to Lessor, to any third party on behalf of Lessor, or to any Lessor Indemnified Party.

“Mortgages” means, collectively, the mortgages, deeds of trust or deeds to secure debt, assignments of rents and leases, security agreements and fixture filings executed by Lessor for the benefit of Lender with respect to any or all of the Properties, as such instruments may be amended, modified, restated or supplemented from time to time and any and all replacements or substitutions.

“Net Award” means (a) the entire award payable with respect to a Property by reason of a Condemnation whether pursuant to a judgment or by agreement or otherwise; or (b) the entire proceeds of any insurance required under Section 6.03 payable with respect to a Property, as the case may be, and in either case, less any Costs incurred by Lessor in collecting such award or proceeds. In no event shall a Net Award include any award made for loss of Lessee’s business or the taking of Lessee’s personal property, or for removal and relocation expenses of Lessee.

“OFAC Laws” means Executive Order 13224 issued by the President of the United States, and all regulations promulgated thereunder, including, without limitation, the Terrorism Sanctions Regulations (31 CFR Part 595), the Terrorism List Governments Sanctions Regulations (31 CFR Part 596), the Foreign Terrorist Organizations Sanctions Regulations (31 CFR Part 597), and the Cuban Assets Control Regulations (31 CFR Part 515), and all other present and future federal, state and local Laws, ordinances, regulations, policies, lists (including, without limitation, the Specially Designated Nationals and Blocked Persons List) and any other requirements of any Governmental Authority (including without limitation, the U.S. Department of the Treasury Office of Foreign Assets Control) addressing, relating to, or attempting to eliminate, terrorist acts and acts of war, each as supplemented, amended or modified from time to time after the Original Effective Date (or the Effective Date with respect to the Property located in Maple Heights, OH), and the present and future rules, regulations and guidance documents promulgated under any of the foregoing, or under similar Laws, ordinances, regulations, policies or requirements of other states or localities.

“Original Effective Date” has the meaning set forth in the introductory paragraph of this Lease.

“Partial Condemnation” has the meaning set forth in Section 11.03.

“Permitted Amounts” shall mean, with respect to any given level of Hazardous Materials, that level or quantity of Hazardous Materials in any form or combination of forms which does not constitute a violation of any Environmental Laws and is customarily employed in, or associated with, similar businesses located in the state or states where the Properties are located.

“Permitted Encumbrances” has the meaning set forth in Section 7.03.

“Permitted Facility” or *“Permitted Facilities”* means a day care center, all related purposes such as ingress, egress and parking, and uses incidental thereto, or any other use reasonably approved by Lessor in writing.

"Person" means any individual, partnership, corporation, limited liability company, trust, unincorporated organization, Governmental Authority or any other form of entity.

"Personalty" means any and all "goods" (excluding "inventory," and including, without limitation, all "equipment," "fixtures," appliances and furniture (as "goods," "inventory," "equipment" and "fixtures" are defined in the applicable Uniform Commercial Code then in effect in the applicable jurisdiction)) from time to time situated on any of the Properties, whether now owned or held or hereafter arising or acquired, together with all replacements and substitutions therefor and all cash and non-cash proceeds (including insurance proceeds and any title and UCC insurance proceeds) and products thereof, and, in the case of tangible collateral, together with all additions, attachments, accessions, parts, equipment and repairs now or hereafter attached or affixed thereto or used in connection therewith.

"Pre-Existing Liabilities" has the meaning set forth in Section 10.02.

"Price Index" means the Consumer Price Index which is designated for the applicable month of determination as the United States City Average for All Urban Consumers, All Items, Not Seasonally Adjusted, with a base period equaling 100 in 1982 - 1984, as published by the United States Department of Labor's Bureau of Labor Statistics or any successor agency. In the event that the Price Index ceases to be published, its successor index measuring cost of living as published by the same Governmental Authority which published the Price Index shall be substituted and any necessary reasonable adjustments shall be made by Lessor and Lessee in order to carry out the intent of Section 4.02. In the event there is no successor index measuring cost of living, Lessor shall reasonably select an alternative price index measuring cost of living that will constitute a reasonable substitute for the Price Index.

"Prior Lease" has the meaning set forth in the introductory paragraph of this Lease.

"Property" or "Properties" means those parcels of real estate legally described on Exhibit B attached hereto, all rights, privileges, and appurtenances associated therewith, and all buildings, fixtures and other improvements now or hereafter located on such real estate (whether or not affixed to such real estate).

"Real Estate Taxes" has the meaning set forth in Section 6.04.

"REIT" means a real estate investment trust as defined under Section 856 of the Code.

"Release" means any presence, release, deposit, discharge, emission, leaking, spilling, seeping, migrating, injecting, pumping, pouring, emptying, escaping, dumping, disposing or other movement of Hazardous Materials.

"Remediation" means any response, remedial, removal, or corrective action, any activity to cleanup, detoxify, decontaminate, contain or otherwise remediate any Hazardous Materials or USTs, any actions to prevent, cure or mitigate any Release, any action to comply with any Environmental Laws or with any permits issued pursuant thereto, any inspection, investigation, study, monitoring, assessment, audit, sampling and testing, laboratory or other analysis, or any evaluation relating to any Hazardous Materials or USTs.

“Rental” means, collectively, the Base Annual Rental and the Additional Rental.

“Rental Adjustment” means an amount equal to the lesser of (a) 2% of the Base Annual Rental in effect immediately prior to the applicable Adjustment Date, or (b) the product of (i) the percentage change between the Price Index for the month which is two months prior to the Original Effective Date or the Price Index used for the immediately preceding Adjustment Date, as applicable, and the Price Index for the month which is two months prior to the applicable Adjustment Date; and (ii) the then current Base Annual Rental.

“Required Capital Improvement” has the meaning set forth in Section 7.04.

“Requisition” means any temporary requisition or confiscation of the use or occupancy of any of the Properties by any Governmental Authority, civil or military, whether pursuant to an agreement with such Governmental Authority in settlement of or under threat of any such requisition or confiscation, or otherwise.

“Reserve” has the meaning in Section 6.04.

“Securities” has the meaning set forth in Section 17.10.

“Securities Act” means of the Securities Act of 1933, as amended.

“Securitization” has the meaning set forth in Section 17.10.

“Solon Property” means 32750-32800 Solon Road, Solon, Ohio 44139.

“Solon Sublease” means Indenture of Lease dated April 11, 2016, by and between Solon Subtenant, as tenant, and Lessee, as sublandlord and successor in interest to Creative Playrooms Real Estate LLC.

“Solon Sublease Premises” means the portion of the Solon Property subject to the Solon Sublease.

“Solon Subtenant” means Jay W. Reu & Associates, Inc.

“Sublease” or *“Subleases”* has the meaning set forth in Section 14.04.

“Subtenant” or *“Subtenants”* has the meaning set forth in Section 14.04.

“Successor Lessor” has the meaning set forth in Section 13.03.

“Taking” means (a) any taking or damaging of all or a portion of the Properties (i) in or by condemnation or other eminent domain proceedings pursuant to any Law, general or special; (ii) by reason of any agreement with any condemnor in settlement of or under threat of any such condemnation or other eminent domain proceeding; or (iii) by any other means; or (b) any de facto condemnation. The Taking shall be considered to have taken place as of the earlier of the date actual physical possession is taken by the condemnor, or the date on which the right to compensation and damages accrues under the Law applicable to the Properties.

“Temporary Taking” has the meaning set forth in Section 11.04.

“Threatened Release” means a substantial likelihood of a Release which requires action to prevent or mitigate damage to the soil, surface waters, groundwaters, land, stream sediments, surface or subsurface strata, ambient air or any other environmental medium comprising or surrounding any Property which may result from such Release.

“Total Condemnation” has the meaning set forth in Section 11.02.

“Transaction” has the meaning set forth in Section 14.01.

“Transaction Documents” means this Lease, and all documents related thereto.

“U.S. Publicly Traded Entity” means an entity whose securities are listed on a national securities exchange or quoted on an automated quotation system in the United States or a wholly-owned subsidiary of such an entity.

“USTs” means any one or combination of tanks and associated product piping systems used in connection with storage, dispensing and general use of petroleum or petroleum-based substances.

EXHIBIT B

LEGAL DESCRIPTIONS AND STREET ADDRESSES OF THE PROPERTIES

Address: 32750-32800 Solon Road, Solon, Ohio 44139

Legal Description:

Parcel 1:

Situated in the City of Solon, County of Cuyahoga, and State of Ohio:

And known as being Sublot Nos. 233, 234, and 235 in Solon Allotment Company's Subdivision No. 1 of part of Original Solon Township Lot Nos. 6 and 15, Tract No. 2, as shown by the recorded plat in Volume 114 of Maps, Page 28 of Cuyahoga County Records, and together forming a parcel of land 150 feet front on the Southeasterly side of Solon Road, and extending back of equal width 150 feet, as appears by said plat, be the same more or less but subject to all legal highways.

Parcel 2:

Situated in the City of Solon, County of Cuyahoga, and State of Ohio:

And known as being Sublot Nos. 236, 237, and 238 in Solon Allotment Company's Subdivision No. 1, of part of Original Solon Township Lot Nos. 6 and 15, Tract No. 2 as shown by the recorded plat in Volume 114 of Maps, Page 28 of Cuyahoga County Records, and together forming a parcel of land 150 feet front on the Southerly side of Solon Road, and extending back of equal width 150 feet, as appears by said plat, be the same more or less but subject to all legal highways.

Address: 26830 Detroit Road, Westlake, Ohio 44145

Legal Description:

SITUATED IN THE CITY OF WESTLAKE, COUNTY OF CUYAHOGA AND STATE OF OHIO:

KNOWN AS BEING PART OF ORIGINAL DOVER TOWNSHIP LOT NO. 66 AND BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING IN THE CENTERLINE OF DETROIT ROAD (60 FEET WIDE) AT A POINT DISTANT NORTH 79 DEG. 48' 58" EAST, 1049.00 FEET AS MEASURED ALONG SAID CENTERLINE FROM ITS POINT OF INTERSECTION WITH THE CENTERLINE OF DOVER CENTER ROAD;

THENCE NORTH 3 DEG. 47' 55" EAST, ALONG THE EASTERLY LINE OF A PARCEL OF LAND CONVEYED TO NICHOLAS P. AND R. A. KOURIS, BY DEED AS RECORDED IN VOLUME 14838, PAGE 681 OF CUYAHOGA COUNTY DEED RECORDS, A DISTANCE OF 409.40 FEET TO THE SOUTHERLY LINE OF INTERSTATE ROUTE 90;

B-1

THENCE NORTH 76 DEG. 15' 55" EAST, ALONG SAID SOUTHERLY LINE AT A DISTANCE OF 276.57 FEET TO THE WESTERLY LINE OF A PARCEL OF LAND CONVEYED TO MARY J. AND CAROL A. SEXTON, BY DEED AS RECORDED IN VOLUME 14669, PAGE 875 OF CUYAHOGA COUNTY DEED RECORDS;

THENCE SOUTH 3 DEG. 46' 19" WEST, ALONG SAID WESTERLY LINE, A DISTANCE OF 207.00 FEET TO THE NORTHERLY LINE OF A PARCEL OF LAND CONVEYED TO RONALD J. ISABELL, BY DEED AS RECORDED IN VOLUME 88-3473, PAGE 64 OF CUYAHOGA COUNTY RECORDS;

THENCE SOUTH 79 DEG. 48' 58" WEST, ALONG SAID NORTHERLY LINE A DISTANCE OF 70.00 FEET TO THE NORTHWESTERLY CORNER THEREOF;

THENCE SOUTH 3 DEG. 46' 19" WEST, ALONG THE WESTERLY LINE OF THE SAID RONALD J. ISABELL PARCEL, A DISTANCE OF 220.00 FEET TO THE CENTERLINE OF DETROIT ROAD;

THENCE SOUTH 79 DEG. 48' 58" WEST, ALONG SAID CENTERLINE, A DISTANCE OF 201.98 FEET TO THE PLACE OF BEGINNING, ACCORDING TO A SURVEY BY CARL S. ANDREAMO & ASSOCIATES, DATED APRIL 11, 1989, BE THE SAME MORE OR LESS BUT SUBJECT TO ALL LEGAL HIGHWAYS.

Address: 12925-65 Corporate Drive, Parma. Ohio 44130

Legal Description:

PARCEL 1:

SITUATED IN THE CITY OF PARMA, COUNTY OF CUYAHOGA, AND STATE OF OHIO:

AND KNOWN AS BEING A PART OF ORIGINAL PARMA TOWNSHIP LOT NUMBERS 24 AND 25, TUCKERMAN TRACT, BOUNDED AND DESCRIBED AS FOLLOWS:

COMMENCING AT AN 1-INCH IRON PIN MONUMENT FOUND AT THE INTERSECTION OF VENTURE DRIVE (60 FEET WIDE) AND CORPORATE DRIVE (60 FEET WIDE) AS SHOWN IN THE DEDICATION PLAT FOR CORPORATE DRIVE AND VENTURE DRIVE RECORDED IN PLAT VOLUME 301, PAGE 56 OF CUYAHOGA COUNTY MAP RECORDS;

THENCE NORTH 89 DEG. 19' 50" WEST, ALONG THE CENTERLINE OF SAID CORPORATE DRIVE, A DISTANCE OF 674.60 FEET TO A 1-INCH IRON PIN MONUMENT FOUND AT A POINT OF CURVATURE IN CORPORATE DRIVE;

THENCE SOUTH 00 DEG. 40' 10" WEST, A DISTANCE OF 30.00 FEET TO A 5/8-INCH IRON PIN SET ON THE SOUTHERLY LINE OF SAID CORPORATE DRIVE, AND ALSO BEING THE PRINCIPAL PLACE OF BEGINNING OF THE PREMISES HEREIN INTENDED TO BE DESCRIBED;

B-2

THENCE SOUTH 89 DEG. 19' 50" EAST, ALONG THE SOUTHERLY LINE OF SAID CORPORATE DRIVE, A DISTANCE OF 191.10 FEET TO A 5/8-INCH IRON PIN SET WITH CAP NO. "BLR S-7774";

THENCE SOUTH 00 DEG. 40' 10" WEST, A DISTANCE OF 289.97 FEET TO A 5/8-INCH IRON PIN SET WITH CAP NO. "BLR S-7774" ON THE NORTHERLY LINE OF LAND CONVEYED TO TRIAD METAL PRODUCTS CO. BY DEED RECORDED IN VOLUME 92-8881, PAGE 52 OF CUYAHOGA COUNTY DEED RECORDS;

THENCE NORTH 89 DEG. 19' 50" WEST, ALONG THE NORTHERLY LINE OF SAID TRIAD METAL PRODUCTS CO. LAND, A DISTANCE OF 311.10 FEET TO A 5/8-INCH IRON PIN SET WITH CAP NO. "BLR S-7774" ON THE EASTERLY LINE OF SAID CORPORATE DRIVE;

THENCE NORTH 00 DEG. 40' 09" EAST, ALONG THE EASTERLY LINE OF SAID CORPORATE DRIVE, A DISTANCE OF 169.97 FEET TO A 5/8-INCH IRON PIN SET WITH CAP NO. "BLR S-7774" AT A POINT OF CURVATURE;

THENCE NORTHEASTERLY CONTINUING ALONG THE NORTHEASTERLY LINE OF SAID CORPORATE DRIVE, A DISTANCE OF 188.50 FEET ALONG THE ARC OF A CURVE DEFLECTING TO THE RIGHT, SAID CURVE HAVING A RADIUS OF 120.00 FEET, AND A CHORD WHICH BEARS NORTH 45 DEG. 40' 10" EAST, A DISTANCE OF 169.71 FEET TO THE PRINCIPAL PLACE OF BEGINNING AND CONTAINING WITHIN SAID BOUNDS ABOUT 2.0000 ACRES OF LAND, BE THE SAME MORE OR LESS, AS DETERMINED BY A SURVEY PERFORMED BY BRUCE L. ROBINSON, P.E., P.S. 7774, OF B.L. ROBINSON ENGINEERING & SURVEYING, CO. IN MARCH OF 2001.

PARCEL 2:

SITUATED IN THE CITY OF PARMA, COUNTY OF CUYAHOGA, AND STATE OF OHIO:

AND KNOWN AS BEING PARCEL 6 OF THE LOT SPLIT OF BLOCK 1R-2 AND PARCEL 3 FOR GEIS FAMILY, LTD. RECORDED IN PLAT VOLUME 321, PAGE 68, OF THE CUYAHOGA COUNTY RECORDS.

PARCEL 3 (EASEMENT PARCEL BENEFITING PARCELS 1 AND 2 ABOVE)

TOGETHER WITH THE NON-EXCLUSIVE ACCESS EASEMENT RIGHTS RESERVED IN THE DEED FROM GENERAL MOTORS CORPORATION TO TRIAD METAL PRODUCTS COMPANY, DATED OCTOBER 5, 1992, FILED FOR RECORD OCTOBER 7, 1992 AND RECORDED IN VOLUME 92-8881, PAGE 56, OF THE CUYAHOGA COUNTY RECORDS.

Address: 16000 Foltz Parkway, Strongsville, Ohio 44136

Legal Description:

Situated in the City of Strongsville, County of Cuyahoga and State of Ohio:

And known as being part of Original Strongsville Township Lot No. 97 and bounded and described as follows:

Commencing at a point on the Southerly line of said Original Strongsville Township Lot No. 97, which is also known as the centerline of Lunn Road (60 feet wide), at the Southeasterly corner of a parcel of land conveyed to Carlos W. Francis by deed dated December 20, 1907, and recorded in Volume 1094, Page 239 of Cuyahoga County Records;

Thence North 89 deg. 33' 30" East, along the centerline of said Lunn Road, 490.94 feet to a point of curvature;

Thence North 0 deg. 26' 30" West, 30.00 feet to a point on the Northerly line of said Lunn Road and the principal place of beginning;

Thence South 89 deg. 33' 30" West, along the Northerly line of said Lunn Road, 27.32 feet to a point;

Thence North 0 deg. 26' 30" West, 496.41 feet to a point;

Thence North 89 deg. 33' 30" East, 448.45 feet to a point of curvature on the Westerly line of Foltz Industrial Parkway (80 feet wide);

Thence Southerly 336.24 feet along the Westerly line of said Foltz Industrial Parkway, and along the arc of a curve deflecting to the left whose radius of 400.00 feet, and whose chord is 326.43 which bears South 01 deg. 35' 05" East, to a point of reverse curvature at the Northwest turnout of said Foltz Industrial Parkway and said Lunn Road;

Thence Southwesterly 29.03 feet along the arc of a curve deflecting to the right whose radius is 20.00 feet, and whose chord is 26.55 which bears South 15 deg. 54' 55" West, to a point of tangency;

Thence South 57 deg. 29' 48" West, along the Northerly line of said Lunn Road, 82.99 feet to a point of curvature;

Thence Westerly 368.78 feet along the Northerly line of Lunn Road, and along the arc of a curve deflecting to the right whose radius is 659.02 feet, and whose chord is 363.98 which bears South 73 deg. 31' 39" West, to a point of tangency and the principal place of beginning, and containing 4.5017 acres of land, more or less.

Address: 16554-74 Broadway Avenue, Maple Heights, Ohio 44137

Legal Description:

PARCEL 1:

SITUATED IN THE CITY OF MAPLE HEIGHTS, COUNTY OF CUYAHOGA AND STATE OF OHIO:

AND KNOWN AS BEING PART OF ORIGINAL BEDFORD TOWNSHIP LOT NO. 13 AND BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING IN THE CENTER LINE OF BROADWAY (66 FEET WIDE), FORMERLY KNOWN AS THE CLEVELAND BEDFORD ROAD, AT A POINT DISTANT 291-57/100 FEET NORTHWESTERLY (MEASURED ALONG SAID CENTER LINE) FROM THE MOST NORTHERLY CORNER OF O.V. HENSLEY AND COMPANY'S OAKLAND PARK ALLOTMENT RECORDED IN VOLUME 15 OF MAPS, PAGE 38 OF CUYAHOGA COUNTY RECORDS;

THENCE SOUTHWESTERLY AT RIGHT ANGLES WITH SAID CENTER LINE OF BROADWAY, 690-20/100 FEET TO THE WESTERLY LINE OF SAID ORIGINAL LOT NO. 13;

THENCE NORTHERLY ALONG SAID WESTERLY LINE OF ORIGINAL LOT NO. 13, A DISTANCE OF 93-46/100 FEET TO THE MOST SOUTHERLY CORNER OF PREMISES CONVEYED BY JENNIE BERENY (WIDOW) TO LAURA BRINKMAN BY DEED DATED AUGUST 12, 1913, AND RECORDED IN VOLUME 1473, PAGE 402 OF CUYAHOGA COUNTY RECORDS;

THENCE NORTHEASTERLY AT RIGHT ANGLES WITH SAID CENTER LINE OF BROADWAY, AND ALONG THE SOUTHEASTERLY LINE OF PREMISES SO CONVEYED TO LAURA BRINKMAN, 624-31/100 FEET TO THE CENTER LINE OF BROADWAY;

THENCE SOUTHEASTERLY ALONG THE CENTER LINE OF BROADWAY, 66-28/100 FEET TO THE PLACE OF BEGINNING, CONTAINING ONE ACRE OF LAND AS PER SURVEY OF JAY F. BROWN, SURVEYOR, OCTOBER 1913, BE THE SAME MORE OR LESS, BUT SUBJECT TO ALL LEGAL HIGHWAYS

PARCEL 2:

SITUATED IN THE CITY OF MAPLE HEIGHTS, COUNTY OF CUYAHOGA AND STATE OF OHIO:

AND KNOWN AS BEING PART OF ORIGINAL BEDFORD TOWNSHIP LOT NO. 13 AND BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING ON THE CENTER LINE OF BROADWAY (FORMERLY KNOWN AS THE CLEVELAND AND BEDFORD ROAD), AT A POINT 357.85 FEET NORTHWESTERLY, (MEASURED ALONG SAID CENTER LINE) FROM THE MOST NORTHERLY CORNER OF O.V. HENSLEY AND COMPANY'S OAKLAND PARK ALLOTMENT OF PART OF ORIGINAL

BEDFORD TOWNSHIP LOT NOS. 13, 14, 22 AND 23, AS SHOWN BY THE RECORDED PLAT IN VOLUME 15 OF MAPS, PAGE 38 OF CUYAHOGA COUNTY RECORDS;

THENCE CONTINUING NORTHWESTERLY ALONG SAID CENTERLINE OF BROADWAY, 74.15 FEET;

THENCE SOUTHWESTERLY ON A LINE AT RIGHT ANGLES WITH THE CENTERLINE OF BROADWAY, 550.59 FEET TO THE WESTERLY LINE OF SAID ORIGINAL LOT NO. 13;

THENCE SOUTHERLY ALONG SAID WESTERLY LINE OF ORIGINAL LOT NO. 13, A DISTANCE OF 104.56 FEET;

THENCE NORTHEASTERLY AT RIGHT ANGLES TO THE CENTER OF BROADWAY, 624.31 FEET TO THE PLACE OF BEGINNING AND CONTAINING ABOUT 1 ACRE OF LAND, ACCORDING TO THE SURVEY OF JAY F. BROWN, CIVIL ENGINEER, MADE IN OCTOBER, 1913, BE THE SAME MORE OR LESS, BUT SUBJECT TO ALL LEGAL HIGHWAYS.

EXHIBIT C
WIRE INSTRUCTIONS



EXHIBIT D

STATE-SPECIFIC PROVISIONS

OHIO

Upon the expiration of this Lease and receipt of Lessor's invoice, Lessee shall pay its *pro rata* share of the installment of taxes for which Lessee is responsible pursuant to Section 6.01(a) that were a lien during the Lease Term but are due and payable following the expiration of this Lease.

Notwithstanding Section 7.02 (Alterations and Improvements), prior to commencing any Alterations to the Properties, to the extent required by Law, Lessee shall prepare, record, serve and post a Notice of Commencement in compliance with Ohio Revised Code Section 1311.04. Upon completion of such improvements, to the extent required by Law, Lessee shall prepare and record a termination of the Notice of Commencement. Copies of all Notices of Commencement and terminations shall be delivered to Lessor within seven (7) days of Lessee's receipt of the recorded copy of same.



April 12, 2022

7155 Pearl Road, Suite 203
Cleveland, OH 44130

Peter W. Miller
Vice President
Cell: 216-357-9020
Email: canoepeter@gmail.com

Dear Strongsville Academy,

The following information in this Broker Price Opinion is based on 15 years of experience working in NE Ohio with Charter School clients leasing and purchasing facilities ranging from interacting with private owners and the Diocese of Cleveland, Canton and Cincinnati.

I am a Real Estate Licensee employed by [Green Bridge Real Estate](#) based in Cleveland, Ohio. I am not a licensed Property Appraiser, so the content presented here are conclusions suited for general reference.

The Subject Address is: **16000 Foltz Industrial Parkway Strongsville, OH 44136**. The building is 18,215 sq. ft. while the school is occupying 3,335 +/- SF.

The base percentage rents agreed to at **15%** of total Student Revenue plus 2% annual rent escalations in a five-year lease term is a bit above what is acceptable ranging from **10% to 13%** according to a Charter School operator that has been setting up schools for the past 18 years in NE Ohio. The lease rates are on a "net" basis. The tenant/school operator pays separately. It would benefit the school to be aware of what they will need to cover the Net charges to obtain a **line-item cost breakdown** of net expenses from the Landlord.

I have an obligation to keep specifics on the client and their addresses in NE OH to compare to several other Charter School locations in NE Ohio for reference. So, rather than providing other addresses I will give information that will still be equally helpful in this report.

Instead of saying 123 Main St. Cleveland and the Charter School name, I'll identify Comps as School #1 in NE Ohio Total SF for instance / Lease term, light TI or extensive TI etc.



April 12, 2022

7155 Pearl Road, Suite 203
Cleveland, OH 44130

Peter W. Miller
Vice President
Cell: 216-357-9020
Email: canoepeter@gmail.com

Conclusion: After reviewing the lease and terms for the Strongsville Academy, the rent escalations are typical, and the base rental percentage is reasonable given the market in which the building sits.

Charter School Lease **COMPS** in no particular order All figures have payment for Landlord TI included in the rent structure.

School #1 – 28,000 SF / Average rent 10-year lease term = \$8.50 psf with TI

School #2 – 40,000 SF / Average rent 10-year lease term = \$10.50 psf with TI

School #4 – 24,000 SF / Average rent 5-year lease term = \$7 psf with no TI

School #5 – 20,000 SF / Average rent 5-year lease term = \$6 psf with no TI

School #6 – 37,000 SF / Average rent 10-year lease term = \$7.50 psf with little TI

*School #7 – 20,000 SF / Average rent 10-year lease term = \$11.55 psf with no TI

*Unique circumstance. The facility was completely rehabbed with state-of-the-art interior work which sat empty for years after a quick school failure, then got a tenant to re-occupy.

Sincerely,

Peter W. Miller

School Name:	Strongsville Academy	Date:	02/16/2022
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6.3a Mission, Vision, Philosophy

The mission should answer the question *why do we exist?* The vision should answer the question *what do we hope to become?* Likewise, a school's philosophy should answer the question *what do we value and believe about educating students?*

Mission	6.3a	1) MISSION (Why do we exist?): State the school's clear, <i>concise</i>, and compelling mission statement that describes its specific intent/purpose.
The mission of the school is to allow students to become productive global citizens of the world by providing them with a world- class, high-quality education.		
Vision	6.3a	2) VISION (What we hope to become?): State the school's clear, <i>concise</i>, and compelling vision statement that describes the anticipated operation, function and success of the school over time.
Our vision is to become a school that provides highly qualified, high school and college ready students. The school curriculum model embraces standards-based instruction in such a way that allows for research-based resources to be used within a framework of best practices fostering engagement to produce students who are considered highly qualified applicants for high school and college. Research shows that the four components of high school and college readiness are: cognitive strategies, content knowledge, self-management skills, and knowledge about postsecondary education. With this understanding in mind our school's curriculum model embeds the very components that foster high school and college readiness.		
Philosophy	6.3a	3) PHILOSOPHY (What do we value and believe about educating students?) State the school's clear, <i>concise</i>, and compelling philosophy that describes the values and beliefs by which the school will operate.
In embracing a new vision of challenging learning activities, our curriculum for all students emphasizes the integration of higher order thinking skills, authentic tasks, and mixed-ability groupings. Instead of students practicing discrete, isolated skills (such as spelling and punctuation done on worksheets), the curriculum stresses composition, comprehension, and applications of skills. Rather than treating basic skills as an obstacle that must be surmounted before exposing students to more complex and meaningful learning activities, we give at-risk students opportunities to learn and practice basic skills in the context of working on authentic tasks. At-risk students work more in heterogeneous groupings as part of collaborative classrooms and less in ability groupings or pull-out classes for compensatory instruction. They are judged on their ability to perform a complex task and to reflect on and describe the thinking that went into it rather than on their facility with multiple-choice tests.		

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

The school will serve students in grades K-2 whose families desire school choice. We will provide a safe, secure and positive individualized learning environment for children as an alternative to traditional public schools that have been ineffective in meeting certain family and student learning needs, or cost-prohibitive private schools. The school serves students who have either been displaced or underserved by traditional public schools. Since our students often arrive more than one full grade level behind, our instruction is focused on mastery of standards not time in the seat.

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

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

6.3b Curriculum

The primary function of a school is to provide for the education of students. The curriculum describes all planned learning of students and should describe the learning experiences through which a student will progress. Responses should address the following questions: *What are the learning goals for students at your school and what research support the curriculum choice and its effectiveness for the student population served?* Each of the items below should be addressed with strong evidence and detail.

Curriculum – Learning Standards	6.3b	<p>1) Provide specific standards with detailed descriptions for all core and non-core content (physical education, music, art, technology, etc.), including social-emotional learning, addressed by school that will enable each student to acquire learning across all four learning domains: foundational knowledge and skills, well-rounded content, leadership & reasoning, and social-emotional learning.</p> <p>If the school will use Ohio's Learning Standards in all core and non-core content areas, please check the box. x</p>
<p>The school is built on a strong foundation of high expectations for academic achievement for all students. A standards-based curriculum that teaches students skills for college and career readiness is fundamental to the teaching and learning program implemented at the school. Teachers will receive on-going professional development in unpacking learning standards so that students develop the skills necessary to successfully advance from one grade level to the next. The curriculum is built on the Ohio Learning Standards (OLS) for English Language Arts, mathematics, science, social studies, visual arts, and physical education.</p> <p>English Language Arts Model Curriculum Standards: http://education.ohio.gov/getattachment/Topics/Learning-in-Ohio/English-Language-Art/English-Language-Arts-Standards/ELA-Learning-Standards-2017.pdf.aspx</p> <p>Mathematics Standards: http://education.ohio.gov/getattachment/Topics/Learning-in-Ohio/Mathematics/Ohio-s-Learning-Standards-in-Mathematics/MATH-Standards-2017.pdf.aspx?lang=en-US</p> <p>Ohio's Science Learning Standards: http://education.ohio.gov/getattachment/Topics/Learning-in-Ohio/Science/Ohios-Learning-Standards-and-MC/SciFinalStandardsMC060719.pdf.aspx?lang=en-US</p> <p>Ohio's Socials Studies Learning Standards: http://education.ohio.gov/getattachment/Topics/Learning-in-Ohio/Social-Studies/Ohio-s-Learning-Standards-for-Social-Studies/SSFinalStandards01019.pdf.aspx?lang=en-US</p> <p>Ohio's Music Learning Standards: http://education.ohio.gov/getattachment/Topics/Learning-in-Ohio/Fine-Arts/Fine-Arts-Standards/Ohio-Music-Standards-2012.pdf.aspx?lang=en-US</p>		

Ohio's Visual Arts Standards:

<http://education.ohio.gov/getattachment/Topics/Learning-in-Ohio/Fine-Arts/Fine-Arts-Standards/Ohio-Visual-Art-Standards-2012.pdf.aspx?lang=en-US>

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

<http://education.ohio.gov/getattachment/Topics/Ohios-Learning-Standards/Physical-Education/Updated-Physical-Education-Standards-Evaluations-2/Updated-Physical-Education-Standards.pdf.aspx>

The Ohio Technology Learning Standards

<http://education.ohio.gov/getattachment/Topics/Learning-in-Ohio/Technology/Ohios-Learning-Standards-for-Technology/The-2017-Ohio-Learning-Standards-in-Technology.pdf.aspx?lang=en-US>

Social Emotional Learning Standards <http://education.ohio.gov/Topics/Learning-in-Ohio/Social-and-Emotional-Learning>

Deconstructing/Unpacking Standards Clarifying Learning Targets

When deconstructing or clarifying learning targets we take a broad and/or unclear standard or objective and break it into smaller more explicit learning targets. We break a larger standard or objective into its component parts.

- What do my students need to know, understand or be able to do, to demonstrate mastery of this goal or objective?
- What knowledge will students need to demonstrate the intended learning?
- What patterns of reasoning will they need to master?
- What skills are required, if any? What product or capabilities must they create or acquire, if any?

When de-constructing standards, you are looking at what the content standard requires students to know and be able to do, not how you will assess it. We must be vigilant in distinguishing between learning targets-statements of what we want students to know and be able to do-and the manner in which we will teach or assess them-the tasks and assignments we will give students to do.

Knowledge Targets-The facts and concepts we want students to know. Knowledge targets represent the factual underpinnings in each discipline. They are often stated using verbs such as knows, lists, names, identifies, and recalls. We know there is not enough time to teach everything of importance so we determine which knowledge learning targets students are required to know outright and which they will be required to know via reference. This professional judgment is best conducted with a group of colleagues. Ex. Know multiplication facts to 10 Reasoning Targets-Students use what they know to reason and solve problems.

Reasoning targets represent mental processes such as predicts, infers, classifies, hypothesizes, compares, concludes, summarizes, analyzes, evaluates, and generalizes.

Skill Targets-Students use their knowledge and reasoning to act skillfully. When we speak of skill targets, we are referring to those performances that must be demonstrated and observed, heard or seen, to be assessed. Knowledge targets always precede skill targets. In many cases reasoning targets do also. Ex. Oral fluency in reading, driving with skill, playing a musical instrument.

Product Targets- Students use their knowledge, reasoning, and skills to create a concrete product such as “creates tables, graphs, scatter plots, and box plots to display data, notates music, or creates a personal wellness plan.” There are usually fewer product targets than knowledge and reasoning targets.

Steps for Deconstructing

1. Select standard or objective to unpack.

- Highlight all of the verbs in the standard (circling or underlining works too)
- Highlight all of the nouns in the standard

2. Look at the verbs and place each one in the appropriate category on the Deconstructing/Unpacking Standards Worksheet:

- Knowledge
- Patterns of reasoning
- Skills
- Products

What targets are in this standard? What key vocabulary do students need to know? What key understandings do students need to have?

3. Use the nouns with the verbs to write learning targets.

What targets are in this standard? What key vocabulary do students need to know? What key understandings do students need to have?

4. Stop and Reflect Are all of the knowledge, reasoning, skills and products that students need to be successful from the standard listed on the chart? What else do students need to know, understand or be able to do to master this standard?

After the standards are deconstructed we look at the testing blueprint to see if all standards are assessed, and if so, how they are weighted. Given this information we then create a pacing guide that delineates the standards that will be covered each week. This approach to unpacking standards and creating a pacing guide allows teachers to have a roadmap that guides their instructional planning.

Curriculum - Model	6.3b	2) Does the school plan to use the Ohio Model Curriculum? X Yes, the school will utilize the Ohio Model Curriculum in all core and non-core content areas. <input type="checkbox"/> No, the school will utilize the curriculum model described below. If “no” is marked, provide evidence of the school’s written curriculum including standards, assessments, differentiation strategies, etc. as an attachment (Attachment # _ Curriculum Model). Describe the research supporting the model.
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[See above](#)

Curriculum - Pacing Guides	6.3b	3) Provide a detailed description of the development process for pacing guides used in your school that includes the deconstruction of standards.
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The Head of School and Director of Academics, along with the teachers to develop the curriculum maps and pacing guides for the school. The resources from Ready Reading, Eureka Mathematics, Houghton Mifflin Harcourt (HMH) for Social Studies and Sciences provide a starting point for the development of both documents. The teachers and administration will use student data to drive the curriculum mapping process. Throughout the school year, as the curriculum maps are developed, teachers will receive ongoing professional development on deconstructing the standards. To ensure there are no additional gaps, our team will work together to create curriculum maps for every core subject and grade level. The pacing guides will be developed to provide a timeline for moving through the curriculum. The driving force in the curriculum mapping process was the review of the ODE Model Curriculum. We will continue to review the maps annually to ensure the OLS are accurately met.

Curriculum Maps

A curriculum map provides a guide to ensure instruction covers the standards and meets the needs of ALL learners. A curriculum mapping process produces documents that outline the relationship between every component of the curriculum and allows teachers to check for gaps and redundancies. It is a process for collecting and recording curriculum-related data that identifies core skills and content taught, processes employed, and assessments used for each subject area and grade level. All School Curriculum Maps and Pacing Guides will be continuously updated. A curriculum mapping process and document are not curriculum guides. A mapping process looks at the pacing guide, at the end of the year or mid-way, to see which standards were taught as identified in the pacing chart and those that were not. Teachers examine why identified standards were not taught, root cause, and how those

missing standards can be incorporated in reteaching. It addresses concerns with pacing and if teachers are spending too much time re-teaching the entire group.

Curriculum maps in ELA and Mathematics will be created by the teachers and Director of Academics using the model curriculum and maps from our curricular resources. We will follow the curriculum maps and pacing for this content. As vendor resources such as textbooks that are aligned to national standards, not specifically Ohio's Learning Standards, a deconstruction process will allow teachers to understand the complexity of each standard and group or bundle them based on the needs of the students and expectations of Ohio State Tests. The Academy will adopt an Ohio Model Curriculum balanced with student performance data acquired over time.

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

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

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

Pacing guides

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

Pacing guide development will involve teachers in the development and review of the pacing guides.

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

Curriculum maps and pacing guides for Art, Music, and PE will be created by the specialists. When possible, the specialists will work collaboratively with other ACCEL teachers in the same subject area to develop curriculum maps and pacing guides. For curriculum mapping, the specialists will go through the

process of collecting and recording curriculum-related data that identifies core skills and content taught, processes employed, and assessments used for the subject area (Art, Music, PE) and grade level. The completed curriculum map will then become a tool that helps teachers keep track of what has been taught and plan what will be taught. The pacing guide will be developed in order to help plan the year to enable the teachers to cover necessary material.

Curriculum – Lesson Template	6.3b	4) Explain what specific components are to be included in model lesson plan templates and rationale.
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All teachers will use a template similar to the format below. All teachers will be required to outline the State Standards addressed (OLS), lesson objective, materials needed for the lesson, assessment, and structure. The rationale behind these components is to provide a consistent framework for all teachers across the school while allowing for creativity and differentiated instruction.

Teacher:	Grade:
Content:	Date:

Ohio Learning Standard(s):		
Identify each of the above as Essential or Comprehensive		
Skills:		
DOK1	DOK 2	DOK 3

Lesson Title/#:	Unit Title/#:	Module Title/#:	
Lesson Objective/Goal(s):			
Lesson Component:			
Vocabulary:			
How will vocabulary be taught throughout the lesson?			
Fluency/Application Problem:			
What are the student actions during the fluency/application problem?			
What are the teacher actions during the fluency/application problem?			
Concept Development:			

What are the student actions during the concept development?		
What are the teacher actions during the concept development?		
How do I check for understanding during/after the concept development?		
Problem Sets:		
Is the problem set independent or collaborative?		
What are the student actions during the problem set?		
What are the teacher actions during the problem set?		
How am I going to check for understanding during the problem set?		

Debrief:		
What are the student actions during the debrief?		
What are the teacher actions during the debrief?		
Exit Ticket:		
What are the student actions during the exit ticket?		
What are the teacher actions during the exit ticket?		
Homework:		
Differentiation/Meeting Students' Needs:		
Notes:		

Curriculum - Alignment with Ohio Learning Standards	6.3b	5) Provide evidence of alignment of the school's curriculum model to the Ohio Learning Standards, the Ohio Strategic Plan for Education: 2019-2024, and the mission, vision, and philosophy of the school.
<p>Curriculum maps and pacing guides for Art, Music, and PE will be created by the specialists. When possible, the specialists will work collaboratively with other ACCEL teachers in the same subject area to develop curriculum maps and pacing guides. For curriculum mapping, the specialists will go through the process of collecting and recording curriculum-related data that identifies core skills and content taught, processes employed, and assessments used for the subject area (Art, Music, PE) and grade level. The completed curriculum map will then become a tool that helps teachers keep track of what has been taught and plan what will be taught. The pacing guide will be developed in order to help plan the year to enable the teachers to cover necessary material.</p> <p>The alignment of the school's curriculum model to the Ohio Learning Standards (OLS) is embedded in the ODE Model Curriculum for ELA, Mathematics, Social Studies, Science, and Fine Arts, and Ohio Association of Health, Physical Education, Recreation, and Dance (OHPERD) standards for PE. The School intends to support the Model Curriculum by creating pacing guides for each area and/or utilizing pacing guides provided from the curricular resources. To create these pacing guides, we will/have a comprehensive review of all Ohio Learning Standards, unpacked each standard (including content and vocabulary), included guiding questions for modeling and check for understanding, identified mastery for each standard, and considered time for re-teaching if mastery is not met. The pacing guides will continually be reviewed and adjusted based on student achievement. The Director of Academics will continually work to review the updated Model Curriculum documents, pacing guides, and curricular resources to ensure alignment with the OLS.</p> <p>By utilizing the ODE standards-based model curriculum, pacing guides, academic framework, and curricular resources, our teachers will be able to provide high quality instruction that will allow our mission to thrive.</p> <p>Our vision is to become a school that provides highly qualified, high school and college ready students. The school's curriculum model embraces standards- based instruction in such a way that allows for research-based resources to be used within a framework of best practices fostering engagement to produce students who are considered highly qualified applicants for high school and college.</p> <p>The alignment in the school's curriculum model and philosophy is rooted in its structure of focus on closing the achievement gap, providing an avenue for proficiency in students. Our School's philosophy is that all students can reach proficiency and beyond when given the appropriate academic structure and support. Research shows that students who do not attain grade-level proficiencies in math and reading by the eighth grade are much less likely to be</p>		

college-ready at the end of high school. The school's curriculum model places its focus on evidenced-based best practices that have been proven to close the achievement gap and move students to proficiency.

Curriculum - Literacy Skills	6.3b	6) Describe how the school will develop literacy skills across all ages, grades and subjects, as well as building the capacity for effective literacy instruction (i.e. search ODE Ohio's Plan to Raise Literacy Achievement Birth-12, January 2018).
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The Academy has chosen to adopt Accel School's extensive Literacy Plan which has been attached for reference. The ACCEL Schools Literacy Plan articulates the components of literacy instruction and the research base for each. All components are grounded in relevant literacy research and includes evidenced based strategies. Stakeholders are expected to internalize and operationalize this plan to meet the needs of their respective schools and communities. The components of the ACCEL Schools Literacy Plan guides the work of school teams in meeting the literacy needs of all students, including those students who are second language learners and those who have cognitive challenges. While strategies specific to meeting the diverse needs of our students are not specifically noted in this plan, there is an expectation that Special Education team members and those who support English language learners devise supports to engage these students in the same components of the literacy plan using strategies that are specific to the needs of those students.

Key stakeholders include the school community, the governing Board of the school, sponsors and authorizers, families, students, school staff, building leadership teams and ACCEL Schools leadership members. Each of these stakeholders play a different role in the support and execution of this plan. With support from the ACCEL Schools leadership and building level teams, it is expected that each stakeholder internalize this Literacy Plan and its aspects at a level that is appropriate for their role in the execution, monitoring and assessment of the plan. With each stakeholders' support, over time students who attend an ACCEL School consistently will reach their full reading potential.

Curriculum – Future Success	6.3b	7) Describe how the school will identify and support student's future success (i.e. focus on career, project-based learning, expanding work-based learning, career-tech/industry credentials, job shadowing and expanding pathways to graduation).
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The school will support students using the outline provided by ODE with the College and Career Readiness Program. The school will utilize monitor the current needs and anticipate the future workforce demands of the economy. Prepare learners to succeed in lifelong learning and careers through secondary-postsecondary programs of study that include high-level academic and technical skills in real life contexts. The school will support career development for all learners, career pathways for high school students and workforce development. As a K-2 school, all career programs will be developmentally appropriate. The Academy will link to the Career Connections Framework to ensure that we are incorporating age appropriate college and career readiness exposure.

6.3c Instructional Delivery Methods and Resources/Materials

Instructional methods and resources are the ways and tools used to deliver the curriculum. *What strategies or techniques will be used to engage students in learning? What instructional resources and materials will the teachers and students be using, including technology?* With strong evidence and great detail, each of the following items should be addressed.

Instructional Delivery Methods	6.3c	1) Explain in detail the <u>primary</u> , evidence-based instructional delivery methods, strategies, and/or techniques (i.e. high yield instructional practices, project-based learning, computer-based, etc.) that will be used to provide daily instruction in your school to support success for all students.
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Evidence Based Programs and Strategies Documentation Tool

Evidence Based Program or Strategy	Evidence Based Levels	References for Levels 1-3 Activity or Description of Level 4 Activity
Leveled Literacy Intervention	1	https://ies.ed.gov/ncee/wwc/Intervention/1287
Systems for Teacher and Student Advancement	1	https://ies.ed.gov/ncee/wwc/Intervention/803
Functional Behavior Assessments-based Interventions	1	https://ies.ed.gov/ncee/wwc/Intervention/1241

Instructional Delivery Methods - Blended Learning Instructional Model	6.3c	<p>2) Is the school using a blended learning instructional model, as defined in section 3301.079 of the Revised Code? If yes, check box. <input type="checkbox"/></p> <p>Blended Learning Requirements - please provide ALL of the following:</p> <ul style="list-style-type: none"> a. An indication of what blended learning model or models will be used; b. A description of how student instructional needs will be determined and documented; c. The method to be used for determining competency, granting credit, and promoting students to a higher grade level; d. The school's attendance requirements, including how the school will document participation in learning opportunities; e. A statement describing how student progress will be monitored; f. A statement describing how private student data will be protected; g. A description of the professional development activities that will be offered to teachers. 									
NA											
Instructional Delivery Methods – Research Base	6.3c	<p>3) Provide the evidence-base for the primary delivery methods, strategies, and/or techniques including impact on population served. If applicable, include a detailed description of the school's credit flexibility policy. Refer to ESSA definition of evidence based strategies. Provide documentation from the: What Works Clearinghouse or Ohio's Evidence-Based Clearinghouse for meeting level I or II criteria.</p>									
<table border="1" style="width: 100%;"> <thead> <tr> <th colspan="3" data-bbox="134 1133 1967 1198">Evidence Based Programs and Strategies Documentation Tool</th> </tr> <tr> <th data-bbox="134 1198 548 1334">Evidence Based Program or Strategy</th> <th data-bbox="548 1198 737 1334">Evidence Based Levels</th> <th data-bbox="737 1198 1967 1334">References for Levels 1-3 Activity or Description of Level 4 Activity</th> </tr> </thead> <tbody> <tr> <td colspan="3" data-bbox="134 1334 1967 1341" style="height: 20px;"></td> </tr> </tbody> </table>			Evidence Based Programs and Strategies Documentation Tool			Evidence Based Program or Strategy	Evidence Based Levels	References for Levels 1-3 Activity or Description of Level 4 Activity			
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Evidence Based Program or Strategy	Evidence Based Levels	References for Levels 1-3 Activity or Description of Level 4 Activity									

RTI – Response to Intervention: - Differentiated Reading/Math Instruction for All Students. - Intensive, Systematic Instruction for Some Students.	Level 1, 2	Gersten, R., Compton, D., Connor, C.M., Dimino, J., Santoro, L., Linan-Thompson, S., and Tilly, W.D. (2008). Assisting students struggling with reading: Response to Intervention and multi-tier intervention for reading in the primary grades. A practice guide. (NCEE 2009-4045). Washington, DC: National Center for Education Evaluation and Regional Assistance, Institute of Education Sciences, U.S. Department of Education. Retrieved from http://ies.ed.gov/ncee/wwc/publications/practiceguides/ .
Instructional Coaching: Coaching programs are broadly defined as in-service PD programs where coaches or peers observe teachers' instruction and provide feedback to help them improve. Coaching should be individualized, time-intensive, sustained over the course of a semester or year, context-specific, and focused on discrete skills.	Level 1	Matthew A. Kraft, David Blazar, Dylan Hogan. The Effect of Teacher Coaching on Instruction and Achievement: A Meta-Analysis of the Causal Evidence. Review of Educational Research, November 2016
Positive Behavior Support: PBIS seeks to reduce or eliminate poor behavior schoolwide through the encouragement of positive behaviors.	Level 1	https://www.pbis.org/research

High-leverage practices (HLPs) and evidence-based practices (EBPs) when used together can become powerful tools for improving student outcomes.	Level 1	<i>Erica McCray, Mary Brownell, Margaret Kamman, Suzanne Robinson, CEEDAR Center (2017)</i>
Instructional Delivery Methods - Resources/Materials	6.3c	4. Identify resources and materials that will be in place at the school's opening in all core and non-core content areas, including technology.
<p>English Language Development: The Ready Reading materials focus on language development that prepares students for academic and lifelong success and on supporting educators and families in creating a collaborative environment that fosters student achievement. Tier II intervention materials include Foundations, Heggerty's Phonemic Awareness, iRead, and Jan Richardson's Next Step Forward in Guided Reading & Assessment Guide. Lucy Calkin's Writing Units of Study will be used to support writing.</p> <p>English Language Arts: Ready Ohio Reading's rigorous yet supportive content is proven to make today's demanding standards reachable for all students. Its complex, authentic texts engage students in opportunities to practice close reading strategies across a variety of genres and formats.</p> <p>Ready Ohio Reading instruction uses a consistent Read, Think, Talk, Write model in which teacher-led discussion and small group collaboration are central to student achievement. Lessons scaffold to build students' confidence as they develop important critical thinking and analytical skills. Students are immediately engaged by the variety of real-world source texts, from literature and poetry to blogs and news articles.</p> <p>Ready Ohio Reading supports students and teachers with a wealth of on- and off-grade level resources. The program:</p> <ul style="list-style-type: none"> • Develops sound skills and strategies for reading comprehension • Supports a balance of on-grade level and differentiated instruction • Provides in-the-moment teacher support to guide teachers and help them build students' reading habits • Connects instruction to the Ohio's Learning Standards for English Language Arts across K–8 for a coherent path within and across grades 		

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

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

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

All classrooms will be equipped with the supplies and equipment to meet the needs of our students. Upon opening each classroom will be equipped with HMH curriculum (1:1 ratio), access to school wide assessments, White Boards (1 per classroom by year 2), and Chromebooks (1:1 ratio by year 3). We will work with FIT technology to ensure each classroom has access to the internet and Whiteboards will be added to each classroom as funds are available. All specialists will have the needed supplies and materials to provide standards-based instruction. The Academy will subscribe to the AMP online platform that includes iReady (diagnostic and data-driven instruction), Mastery Connect (short cycle assessments) as well as several intervention programs including ILX, BrainPOP, Raz-Kids and supplemental programs like Kahoot!, Khan Academy, typing.com, Newsela, and Sora OverDrive. The necessary supplies and equipment will include math manipulatives, leveled readers, textbooks, and other supplemental materials.

Physical Education classes will be equipped with the necessary athletic equipment (i.e. balls, safety mats, cones, jump ropes etc. and other materials needed to meet the standards. The art teacher will have the necessary supplies including paint, markers, brushes, paper, and other supplies needed to address the standards. The music teacher will have the necessary music, instruments, and supplies needed to meet the music standards.

Social-Emotional Learning: the Academy will make available to teachers resources such as Second Step, Leader in Me, or Character Strong to address the SEL Standards.

Instructional Delivery Methods - Resources/Materials	6.3c	5. Explain the selection, approval (including board) and change process for instructional resources and materials to be used by teachers and students, including technology.
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The instructional resources for the core curriculum are chosen by committee. The committee is responsible for reviewing vendors and materials. The resources are chosen based on The National Common Criteria for Quality Instructional Materials which included a discussion on 1. Content, 2. Equity and Accessibility, 3. Assessment, 4. Organization and Presentation, and 5. Instructional Design & Support. Once narrowed down, the final candidates are put before the Board of Directors for approval.

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

6.3d Continuous Improvement and Professional Growth

Schools must improve instructional practices and student performance on a continual basis. With strong evidence and great detail, each of the following items should be addressed.

Continuous Improvement	6.3d	1) How will the school develop, monitor, and evaluate a school improvement plan using the <u>Ohio 5-Step Decision Making Process</u>. Describe the structures and processes to support the improvement planning.
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The School embraces and supports the Ohio Improvement Process (OIP). Ongoing meetings will be held to discuss the student data and determine our progress towards the goals in the OIP. In year 1, the school will develop a Building Leadership Team (BLT) to develop our OIP. The BLT will be composed of the Head of School, Director of Academics, K-3 certified teacher, 4-9 certified teacher and if possible, a parent. In stage 1, data will be used to identify our school's critical needs. We will do this through an analysis of national and local assessments and information on Teacher Quality/needs. During Stage 2, we will develop our goals, strategies, indicators, and action steps which are focused on the Stage 1 critical needs (we will focus on adult (professional development) and student needs (academic, climate, and social/emotional). In stage 3, the BLT will implement strategies and action steps to achieve district goals. Data will be used to monitor fidelity of implementation and effect on changes in adult practice and student learning. Throughout, the school will use the Ohio 5 Step Process (Step 1 – Collect and chart data, Step 2 – Analyze data, Step 3 – Established shared expectations for implementing specific changes, Step 4 – implement changes consistently, Step 5 – Collect, chart, and analyze post data). Finally, in Step 4 we will evaluate the improvement process by reviewing data and gathering evidence of implementation and impact. Teacher based Teams (TBT) will meet on a weekly basis to analyze data at the school, grade level, classroom and student levels. The staff will meet in horizontal groups to compare student growth in that grade level and vertical groups to discuss data in the grades above and below. The process will be led by the teachers with support from the director of Academics

The OIP will be presented to the Board of Directors in the beginning of the school year for input. Every Board Meeting, the Board of Directors will be given updates on our progress towards the OIP goals, strategies, indicators, and action steps. The information presented in the OIP will be one tool the Board of Directors will use to monitor the progress of the school.

Monthly meetings will entail reviewing the school-wide goals (Reading, Math, Behavior) to determine if we are on track as well as reviewing supporting data (Standardized Test results, the short cycle assessments (bi-weekly assessments), Targeted assistance students (Limited, Basic, Advanced)). The Director of Academics will gather data from every classroom teacher and will review every grade level with all teachers and administrators at data meeting. Any student who is below proficient for that month will be identified and the MTSS Team will determine what measures need to be taken to get the student to the proficient level. Grade level teams will also determine if strategies need adjusted in order to meet goals (Reteach, Redo, Remediate, Retain).

The goal of the BLT is to create conditions for perpetual learning – an environment in which innovation and experimentation is the way to conduct day-to-day business to achieve the goal of increasing student achievement.

Ohio Teacher Evaluation System (OTES)	6.3d	<p>2) Confirm implementation of the Ohio Teacher Evaluation System (OTES) or an alternative aligned to Ohio Standards for Educators.</p> <p><input checked="" type="checkbox"/> Yes, the school will implement the Ohio Teacher Evaluation System. Please identify what credentialed individuals (job title) will be conducting the evaluations?</p> <p><input type="checkbox"/> The school will implement an alternative evaluation system as described below.</p> <p>3) If an alternative evaluation system is used, provide evidence of alignment to Ohio Standards for Educators and connection to accountability for student performance. What credentialed individuals (job title) will be conducting the evaluations?</p>
<p>The school will implement OTES. The Head of School will be the evaluator.</p>		
Ohio Principal Evaluation System (OPES)	6.3d	<p>4) Confirm implementation of Ohio Principal Evaluation System and Ohio Superintendent Evaluation System (if applicable) or alternative aligned to Ohio Standards for Principals and Ohio Standards for Superintendents.</p> <p><input checked="" type="checkbox"/> Yes, the school will implement the Ohio Principal Evaluation System and the Ohio Superintendent Evaluation System.</p> <p><input type="checkbox"/> The school will implement an alternative evaluation system as described below.</p>

		5) If an alternative evaluation system is used, provide evidence of alignment to Ohio Standards for Principals and Ohio Standards for Superintendents and connection to accountability for student performance. What credentialed individuals (job title) will be conducting the evaluations?
The school will implement the Ohio Principal Evaluation System. The principal is evaluated by the Regional Vice President.		
Local Professional Development Committee	6.3d	6) Discuss development and implementation of Local Professional Development Committee, including bylaws, committee membership, roles and responsibilities, processes and procedures, Individual Professional Development Plan (IPDP) template, etc.
<p>All professionally licensed school personnel will be responsible for developing IPDPs for license renewal. Professionally licensed school personnel will meet as necessary to complete this process or as other related tasks require. The school will utilize the Ohio Standards for Educators as criteria for quality IPDP development. The school will seek to participate the Accel Schools Consortium and abide by its bylaws and processes/ procedures for approval of IPDPs and licensure applications/renewals. The school will select a representative to participate in Consortium meetings, be responsible to communicate between the Consortium and professionally licensed school personnel for general and individual information, and enter data into the My.LearningPlan.com tracking system.</p> <p>Resources: http://education.ohio.gov/Topics/Teaching/Professional-Development/LPDC-s/Local-Professional-Development-Committee#FAQ1886 (http://education.ohio.gov/Topics/Teaching/Resident-Educator-Program/Establishing-a-Local-Resident-Educator-Program) to establish RE Program including establishing the right personnel, assigning a program coordinator in OEDS, and establishing local RE policies and procedures. We will strive to maintain a low Mentor to Beginning teacher ratio (1:3 or lower).</p>		
Resident Educator Program	6.3d	7) Discuss implementation of Ohio's Resident Educator Program in the school (i.e., mentoring process, meetings, monitoring of work completed, timelines, ratios of mentor to mentees, etc.).
<p>The school will participate in the Ohio Resident Educator Program, a four- year induction system of support and mentoring for new teachers. The goal of the RE Program is for new teachers to successfully complete the program in order to qualify for a five-year professional educator license. As a new Community School, the school will first need to determine if the staff of the school has the necessary qualified personnel to implement a RE Program. If not, we will identify appropriate individuals and work to have them qualified. We will then use the ODE resources (http://education.ohio.gov/Topics/Teaching/Resident-Educator-Program/Establishing-a-Local-Resident-Educator-Program) to establish RE Program including establishing the right personnel, assigning a program coordinator in OEDS, and establishing local RE policies and procedures. We will strive to maintain a low Mentor to Beginning teacher ratio (1:3 or lower).</p>		

Resident Educators will work collaboratively with their Mentor to complete the RE Program requirements by:

- Using the Ohio Teacher Evaluation System forms for self-assessment and goal-setting.
- Demonstrating use of authentic teacher work, such as lesson planning, data analysis and assessment for reflection.
- Reflecting on teacher work that shows the continual implementation of the “Plan, Teach, Assess, Reflect, Revise” teaching-learning cycle by completing a collaborative log or interactive journal (or other locally developed collaborative tools).
- Participating in the mentoring in program Years 1 and 2 and having one formal annual observation completed by the mentor.
- Analyzing student work during the mentoring in program Years 1 and 2 by using the state’s Gathering and Synthesizing Data Tool (or other locally developed data tool).
- Successfully completing the Resident Educator Summative Assessment to advance to professional licensure.

Resident Educator meeting documentation and assignments will be maintained on campus by the Mentor Teachers.

The school will participate in ODE meetings and ODE reporting as required by CORE.

The Head of School will be the point of contact.

The Resident Educator Program will be handled by both the Head of School and the Director of Academics.

Meetings will be held on campus as needed.

Professional Development Plan for Teachers	6.3d	8) Using the Ohio Standards for Professional Development (adopted 2015), describe the process for how the school will <i>develop, implement, and evaluate</i> a differentiated professional development plan for teachers informed by student data, curriculum needs, OTES, IPDPs, Resident Educator Program, etc. and how it will link to the school’s continuous improvement plan.
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Annually, the school will conduct a comprehensive needs assessment gathering data from students, teachers, and stakeholders. We will then perform a gap analysis to determine where our needs are. Based on this data, we will develop a professional development plan which will be aligned with the needs assessment which drives the OIP. The school will align all professional development plans to the Ohio Standards for Professional Development. The Ohio Standards for Professional Development define the essential elements of a strong professional learning system.

Standard 1: Learning Communities

Effective professional learning takes place within a system, with a culture of collaboration and shared responsibility. In an effective system, all members are focused on a cycle of continuous improvement, which maintains its focus on a set targets goals that align with larger school and system goals. Through our Teacher Based Teams (TBTs) and PLC’s, our teachers will be part of a system that holds a shared responsibility for having a growth mindset in their craft.

Continuously pushing for proficiency in their students. Within the structure of this Learning Community teachers will discuss, develop, give feedback, review, and revise strategies for gaining proficiency in students.

Standard 2: Leadership

Leaders in effective professional learning systems may be found at the classroom, school or system levels. What these leaders share is the belief that professional learning is key to increasing student results – and, as a result, learning is among their top priorities. Effective leaders maintain a persistent focus on educator professional learning. Our school will maintain a teacher leader for TBT's as well as Mentor Teacher's for the Resident Educator Program.

Standard 3: Resources

To achieve goals, effective professional learning requires human, fiscal, material and technological resources – and time. Our School's professional development calendar will map out the time for professional development for preservice as well as through the school year. Resources needed for professional development may include but are not limited to, pacing guides for each grade level and each subject area, all core and supplemental resources, *Teach Like a Champion*, *A Framework for Understanding Poverty*, *Leverage Leadership*, *Mindset*, *External Leadership Coaching*, *Internal Leadership Coaching*, *External Assessment Implementation and Analysis*, and *Internal Assessment Implementation and Analysis*.

Standard 4: Data

To have a balanced and comprehensive view of student, educator and system performance, educators must collect, analyze and interpret multiple source of quantitative and qualitative data. Sources for this may include, but will not be limited to, the results of the Ohio Principal and Teacher Evaluation Systems, IPDP, formative and summative assessments, performance assessment results, observations, samples of work, portfolios and self-reports of educator needs. Analysis of student achievement data will also inform the continuous improvement process and opportunities for PD to support strategies to be implemented in the classrooms.

Standard 5: Learning Designs

Research has revealed much about how people learn, and educators should use this information to design high-quality professional learning that will impact teaching and student achievement. The use of multiple designs for learning are supported by evidence and while they differ, they share features such as active engagement, modeling of new techniques or practices; opportunities for application, reflection, self-assessment and feedback; and monitoring and support during implementation. Teachers will all be observed regularly by the Head of School and Director of Academics who will be monitoring and supporting the implementation of skills and strategies previously discussed in coaching meetings. During the weekly coaching meetings, teachers will have opportunities to reflect upon their teaching either by a discussion with the Director of Academics on the lesson or by observing a recorded lesson that was taught. The teacher will be given time for self-assessment and feedback collaboratively with the Director of Academic. During the coaching meeting, there will be opportunities for practice and modeling of a specified techniques and how make improvement.

Standard 6: Implementation

When systems have in place the foundational elements for professional learning, they must then take action. Knowing is not the same as doing. Through the ongoing professional development method of instructional coaching, teachers are expected and monitored on the actions taking place daily in the classroom. With the coaching model being implemented in our school, the knowing/doing gap becomes less of an obstacle as continuous observation and support is embedded in the system. Additionally, analysis of student achievement data will also inform the continuous improvement process and opportunities for PD to support strategies to be implemented in the classrooms.

Standard 7: Outcomes

Student and educator standards specify what students and educators should know and be able to do. By aligning professional learning with these high expectations for students and educators, the link between educator learning and student learning becomes explicit. Making these connections creates a coherent system in which activities and professional learning do not take place in isolation. Professional development during preservice revolving around pacing guides for Ohio's Learning Standards helps to give a deeper understanding of standards in order to link more concretely the educator learning with the student learning. Throughout the school year data teams will meet to identify professional learning needs in response to data results. Throughout the school year leadership walk-throughs will also be done in order to gather data and find areas for focus in growth that will lead to future professional development session.

Professional Development Plan for School Leaders	6.3d	9) Using the Ohio Standards for Principals 2018, describe how the school will <i>develop, implement, and evaluate</i> a differentiated professional development plan for school leaders informed by student data, curriculum needs, OTES, OPES, IPDPs, Resident Educator Program, etc. and how it will link to the school's continuous improvement plan.
The Regional Vice President will complete a needs assessment and work with the Principal to <i>develop</i> a Professional Development Plan. The plan will be <i>implemented</i> and supported through summer training, targeted leadership training and job embedded coaching. The Principal will be supported through ongoing professional development sessions for more intense development of skills and strategies. The Principal will also receive differentiated support from the Regional Vice President throughout the year. In addition, the Principal will participate in ongoing weekly calls for individualized professional development with the Regional Vice President that focuses on specific building needs. The progress on the plan will be <i>evaluated</i> through data collected from student data (academic, climate, and survey), OTES, OPES, IPDPs, and the Resident Educator Program. The plan will be embedded in the school's continuous improvement plan through the activities/milestones which support each of the school's goals.		
School Calendar	6.3.1	9) Provide the proposed school calendar, including how parents and students will be notified. It must be comprehensive with professional development and assessment days, vacation days, and number of hours the school will be in session. The school calendar will need to be submitted annually by a due date established

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		yearly for approval by the Sponsor and ODE. Once the calendar is approved, changes can only be made for limited reasons with approval of the sponsor and ODE, and may require a corrective action plan.
See Attached		
Bell Schedule	6.3.1	10) Provide the school’s proposed bell schedule(s). The bell schedule must incorporate all core and non-core content areas. The schedule must demonstrate common planning time for teachers. Please include the number of hours per day. If additional services are provided, such as after-school tutoring, include these on the schedule.

Time/ Grade	K	1	2		
7:55-8:10	Reading 125 mins 7:55- 10:00	Specials 45 mins 7:55-8:40	Reading 55 mins 7:55- 8:50		
8:10-8:20					
8:20-8:30					
8:30-8:40					
8:40-8:50		Reading 120 min 8:40-10:40	Specials 40 mins 8:50-9:30		
8:50-9:00					
9:00-9:10					
9:10-9:20					
9:20-9:30					
9:30-9:40					
9:40-9:50					
9:50-10:00					
10:00-10:10	Recess 20 mins		Reading 70 mins 9:30-10:40		
10:10-10:20					
10:20-10:30	Specials 40 mins 10:20-11:00				
10:30-10:40					
10:40-10:50	Math 80 mins 10:40-12:00				
10:50-11:00					
11:00-11:10	Lunch	Science 50 mins 10:40-11:30			

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11:10-11:20	30 mins			
11:20-11:30	11:00-11:30			
11:30-11:40	Math 90 mins 11:30-1:00			Lunch
11:40-11:50				30 mins
11:50-12:00				11:30-12:00
12:00-12:10		Recess		
12:10-12:20	30 mins	30 mins		
12:20-12:30	12:00-12:30	12:00-12:30		
12:30-12:40		Math 90 mins 12:30-2:00		
12:40-12:50			Recess	
12:50-1:00			30 mins	
			12:30-1:00	
1:00-1:10	Science 40 mins 1:00-1:40	Science 60 mins 1:00-2:00		
1:10-1:20				
1:20-1:30				
1:30-1:40				
1:40-1:50	Writing 30 mins 1:40-2:10			
1:50-2:00				
2:00-2:10		Writing 30 mins 2:00-2:30		
2:10-2:20				
2:20-2:30				
2:30-2:40	Soc. Studies 60 mins 2:30-3:30	Soc. Studies 60 mins 2:30-3:30		
2:40-2:50				
2:50-3:00				
3:00-3:10				
3:10-3:20				
3:20-3:30				

6.3e Prevention and Intervention Policy

A *Comprehensive System of Learning Support Guidelines*, an Ohio State Board of Education approved document (link provided below), provides direction for foundation and intervention services to students to assist with the development of necessary systems to meet the unique needs of students.

<https://education.ohio.gov/getattachment/Topics/Other-Resources/School-Safety/School-Safety-Resources/Comprehensive-System-of-Learning-Supports-Guidelin/Brochure-fulfillingthepromise.pdf.aspx>

Appropriate implementation of the guidelines will result in school meeting or exceeding RC 3313.6012 requirements to (1) provide diagnostic assessment procedures, (2) provide intervention services based on the results of the diagnostics, (3) collect data regularly, and (4) use the data to evaluate the effectiveness of the interventions. Please provide strong evidence and specific details to address the items below.

Prevention and Intervention Plan	6.3.2	<p>1) Describe a whole-child model for meeting students needs related to health, safety, engagement, personalized learning and prepared for success.</p> <p>2) Describe the school's multi-tiered educational services policy, plan and procedures to provide early detection and intervention for your at-risk (NOT identified special education students) experiencing academic and/or behavior problems, and address the needs of <u>ALL</u> students (i.e. limited English proficient, gifted, Third Grade Reading Guarantee, homeless, lowest achieving 20%).</p>
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The school will implement a research-based Multi-Tiered System of Supports (MTSS) framework and will establish a school based MTSS team to ensure that students needing Tier 2 and Tier 3 services receive the research-based interventions that will allow them to accelerate their learning. The School Principal will lead the MTSS framework and serve as the leader for MTSS. Starting with the MTSS process in the general classroom, the School's 3-tiered system utilizes multiple measures including, but not limited to, teacher observation, results from Ohio's State Tests (OCBA, KRA, OPELPA), normative testing (NWEA MAP), report cards/progress reports, classroom assessments, incident reports, behavior logs, suspension records, and anecdotal records. The results of these assessments are used to identify students that are "at risk" and demonstrate a struggle in performing proficiently with grade level material and skills. For those students that are identified as "at risk" in the general education population, the students may be referred to the Intervention Assistance Team (IAT) to engage in the MTSS process.

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

The teachers and IAT will screen students, review data, complete classroom observations, and give teacher/parent/student surveys, in order to make via the School Referral Form. The Referral Form has teachers indicate any concerns they may have academically or behaviorally, outline student successes, and

share data that led them to refer the student. This form is submitted to the Principal and is placed in the IAT binder. A meeting will be scheduled for the IAT to review observations and data.

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

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

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

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

Tier 1

Most Important Level

Includes All Students

Scientifically-Based Curriculum with High Quality Instruction

Differentiated Instruction

Universal Behavior Management System

Universal Screenings: Formative and summative assessments

Tier 2

Small group instruction

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

Target a specific skill to improve

Small group size

Frequency: 2 to 3 times per week

Duration: At least 6 weeks

Monitor progress at least weekly

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

Developed programs

Title I Reading, Title I Math

Tier 3

Intensive, Smaller group instruction

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

Target a specific skill to improve

Smaller group size: no more than 3

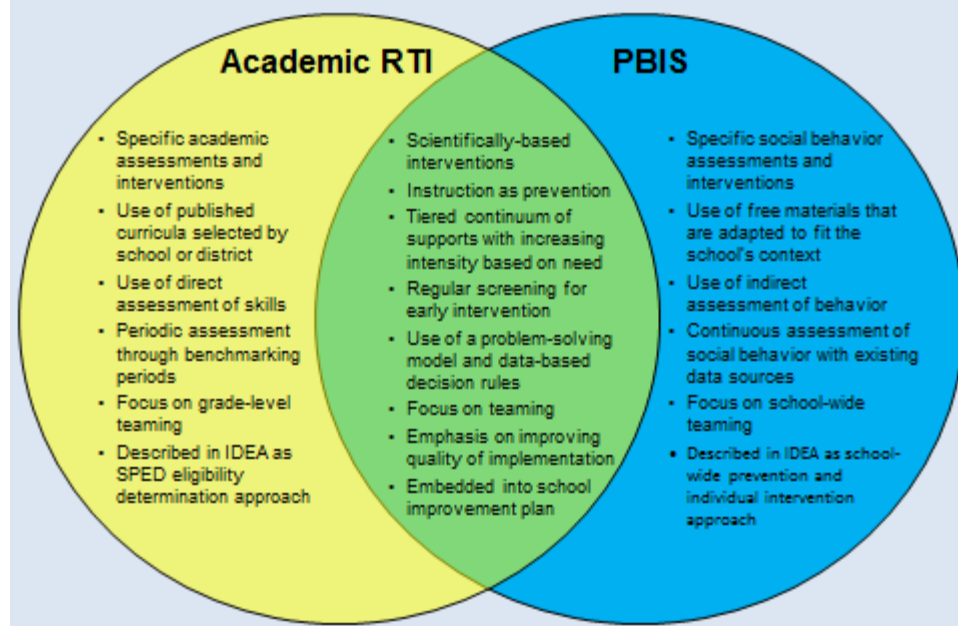
Frequency: 4 to 5 times per week

Duration: At least 8 weeks

Monitor progress at least two times per week

Parents will be invited and should be involved

Features of MTSS (McIntosh & Goodman, in press)



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

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

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

Students identified as LEP students must participate in the Ohio English Language Proficiency Assessment (OELPA) to determine their level of English proficiency. Parents are informed of the student's LEP/ELL status and program first through a parent notification letter in either English or the parent's native language detailing the results of the OELPA, explaining the need for LEP/ELL services, program participation and exit requirements, providing the parent with program options. Parents are informed regularly of the student's progress, their OELPA results, and are informed when the student has met criteria for exiting the LEP/ELL program.

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

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

6.4a Goals and Performance Indicators

The school will be required to show progress toward meeting the goals established in its school improvement plan. The school improvement plan will be reviewed at monthly board meetings and updated as needed. Revised plans will be submitted to the Sponsor.

Schools newly chartered with Charter School Specialists will establish an school improvement plan by September 30th.

The sponsor will provide accountability standards, which include but are not limited to, all applicable report card measures set forth in R.C. 3302.03 or R.C. 3314.017.

6.5 Assessment Plan

The Assessment Plan should enable the school to make an accurate reference as to what students should know and be able to do. It should align to the desired learning outcomes of the curriculum.

Nationally Normed Assessment

6.5

1) St. Aloysius requires its sponsored schools to identify and utilize at least one nationally normed, [ODE approved standardized testing tool](#). It is mandatory that the assessment be administered a minimum of twice per year and the administration should be identified on the school calendar. Which Nationally Normed Assessment will be used? Discuss rationale for assessment selection and the relationship to Student Growth Measures (OTES and OPES). Nationally normed assessment data and a comprehensive written analysis will be due to the sponsor by June 30th of each year.

Various assessments will be used to measure each student's progress toward the school's scholastic goals and to monitor whether a particular methodology is working.

i-Ready: i-Ready is a nationally-normed assessment that is aligned to Ohio Learning Standards, and will be given to all students who are in grade three through grade eight to assess reading and mathematics. This assessment will provide teachers with a set of baseline data to inform instruction. The students will be tested twelve weeks later and then again in the spring to provide teachers and parents with a roadmap to instruction that identifies student gaps in learning and need for intervention as well as areas in which students can be accelerated. For each of the students, using a comparison of the fall versus spring results, an in-year growth measure can be determined based on whether he/she met or exceeded his/her statistical expectancy in reading and mathematics. This information will be vital to the school leadership as they develop professional development plans, make programmatic changes, and plan for school growth. The test is aligned to Ohio standards and will be a valuable tool as teachers assist students on their journey to standards attainment and proficiency on state assessments. i-Ready assessments will be used in all grades in core content areas 3x per year.

The i-Ready assessment will be taken three times a year for students in kindergarten through grade eight. The results from this exam determine the growth that is taking place in reading and mathematics over the course of the school year. The goal is for 80% of students to reach their annual target, resulting in at least 1.25 years of grade level growth during the current academic school year. Teachers use the assessment data that is aligned to the Ohio Learning Standards to monitor growth, establish flexible grouping, and implement evidence-based interventions. i-Ready will assess student growth in reading and mathematics. i-Ready results will be tracked as part of the OIP. Quarterly evaluations of i-Ready results will be discussed by the BLT and shared with the Board of Directors. The results along with other data collected through the OIP process will drive instruction and determine if instructional strategies are effective when delivered with fidelity. The BLT will use the results to determine the professional development needed for our teachers and if the materials we are using are effective.

Ohio's State Assessments	6.5	<p>2) All required state assessments must be included in the school's assessment blueprint and calendar.</p> <p>Confirm use of specific state tests, how the data will be collected and distributed to Board of Directors, staff, students, parents, and how the results will impact professional development and Ohio Improvement Process (OIP) goals and strategies. These may include required grade level state assessments, End of Course Exams, Industry Credentialing, ACT/SAT, WorkKeys, OELPA, and Kindergarten Readiness Assessment.</p>
<p>The school will participate in all state required assessments for applicable grade levels in assessing core subjects. The individualized and school-wide results will encompass 50% of teachers and principals Student Growth Measures (OTES, OPES).</p> <p>KRA: Kindergarten Readiness Assessment: This assessment includes ways for teachers to measure a child's school readiness. Ohio's Early Learning and Development Standards (birth to kindergarten entry) are the basis for the new assessment. It has six components: social skills (including social and emotional development, and approaches toward learning), mathematics, science, social studies, language and literacy, and physical well-being and motor development. All kindergarten children will take the assessment.</p> <p>Diagnostic Assessments: The primary purpose of Ohio's diagnostic assessments, which are aligned to Ohio's academic standards, is to provide a tool for teachers in checking the progress of students toward meeting grade-level indicators.</p> <p>The language and literacy portion of the new kindergarten readiness assessment will meet the reading diagnostic assessment requirement of the Third Grade Reading Guarantee. To meet the diagnostic requirement, teachers must complete at least the Language and Literacy portion no later than Sept. 30. Diagnostic Assessments in reading, writing, and mathematics are administered to all K-2 transferred students and writing for Grade 3 transferred students if each applicable Diagnostic Assessment was not administered in the student's previous district or school.</p> <p>All of the assessment results will be closely analyzed by the student's teacher to determine where (what academic areas and subsections of those areas) a child is succeeding academically and where that child needs further education or remediation. Furthermore, the test results will be catalogued in a database so that each parent, student and teacher can instantaneously have up-to-date access to all testing results for the student. By providing all stakeholders with this test data, formative assessment will become a natural exercise allowing the entire team to become invested in the process and providing a springboard for instruction. In addition to the analysis of individual student results, the school administration will analyze school-wide trends to identify gaps in overall student learning. The academic program may require adjustments in the area of curriculum or professional development if the data points to these areas. Teachers will be trained to use the data to individualize instruction, set goals and facilitate parent involvement.</p>		

Formative Assessments	6.5	3) Describe the process for developing formative assessments that includes gauges of all learning domains (social-emotional), sharing data across grade levels and with students and parents, and how results will impact instructional strategies, practices, materials selection and professional development.
<p>Formative assessment is essential to our academic model. We believe that assessment should be frequent, authentic, and its results immediately actionable. Several assessment systems will be used to assess students against the relevant state standards. All of these assessments will be in addition to state mandated assessments and the computer adaptive assessment.</p> <p>When incorporated into classroom practice, the formative assessment process provides information needed to adjust teaching and learning while they are still happening. The process serves as practice for the student and a check for understanding during the learning process. The formative assessment process guides teachers in making decisions about future instruction. While the possibilities are endless, a few examples of formative assessments that will be used in the classroom include:</p> <ul style="list-style-type: none">● Hand Signals: Asking students to display a designated hand signal to indicate their understanding of a specific concept, principal, or process (Thumbs up/down).● Web or concept maps: Any of several forms of graphical organizers which allow learners to perceive relationships between concepts through diagramming key words representing those concepts.● Student Conference: One on one conversation with students to check their level of understanding.● Think-Write-Pair-Share: Students think individually, write their thinking, pair and discuss with partner, then share with the class.● K-W-L & KWL+: Students respond as whole group, small group, or individually to a topic as to “What they already Know, what they want to learn, what they have learned”. PLUS (+) asks students to organize their new learnings using a concept map or graphic organizer that reflects the key information. Then, each student writes a summary paragraph about what they have learned. <p>Quick Write: The strategy asks learners to respond in 2–10 minutes to an open-ended question or prompt posed by the teacher before, during, or after reading.</p> <p>Teachers will continually review NWEA scores, DRA, and short cycle assessment data along with common assessment data to monitor student growth and progress. Teachers will conference regularly with their students throughout the school year, in addition to before and after testing periods, to discuss their individual learning targets. Students are empowered to develop a data-based action plan leading to mastery. An important element of the assessment plan is the importance of data walls in classrooms. Students will monitor their own achievement and track their growth. Students will be assessment literate so they are able to understand their specific area of need and work with their teacher to close the achievement gap. The learning needs of students who are making exceptional progress beyond grade level expectations will also be addressed through the on-going review of assessment data. Formative assessments will be developed through grade level and cross grade level team meetings as well as professional development days with the Director of Academics. During weekly meetings with the Director of Academics, teachers will share their data from the formative assessments to provide insight into student learning. The Director of Academics and Head of School will conduct daily informal observations to monitor the use of formative assessments in</p>		

the classroom. Along with other data gathered through the OIP, the BLT will use formative assessment data to monitor the effectiveness of resources, materials, and determine the need for additional professional development.

Non-Academic Measures	6.5	4) Describe non-academic measures such as parent and student satisfaction surveys, student interest surveys, etc. that might inform school practices and program effectiveness.
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The school will send out parent satisfaction surveys that are scored on a scale of 1-10. The survey seeks to gather parent reactions to the school's practices, curriculum, and culture. The goal will be to receive an average score of at least 8.5.

Diverse Measures of Student Performance	6.5	5) Identify diverse ways to measure student performance beyond standardized assessments that include tools such as student portfolios, capstone projects, presentations or performance-based assessments.
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All curricula being implemented have assessment provisions embedded as part of their programs. These on-going assessments will inform instruction so that teachers are able to assess the extent of student learning and the success of their teaching. Adding yet more information to this base of knowledge about student performance, will be teacher-created short cycle assessments providing formative assessment feedback. All of these assessments will ensure that teachers have the necessary data to determine student growth and plot the course to the mastery of standards.

The mCLASS Math: This program is an integrated screening, progress monitoring, and diagnostic assessment system that helps determine children's understanding of mathematical skills and concepts in kindergarten and 1st grade. The program allows staff to conduct one-to-one or written benchmark assessments with students and receive instant diagnostic profiles and suggested instructional activities to remediate skill gaps.

The mCLASS DRA: This assessment identifies the needs of each student in grades K and 1 in the area of literacy. The short, one-minute fluency measures for foundational reading skills compare student progress with predictive, research-based benchmark goals. These results allow teachers to track progress and target instruction to individual student needs.

Short Cycle Assessments - All curricula being implemented have assessment provisions embedded as part of their programs. These on-going assessments will inform instruction so that teachers are able to assess the extent of student learning and the success of their teaching. Adding yet more information to this base of knowledge about student performance, will be teacher-created short cycle assessments providing formative assessment feedback. All of these assessments will ensure that teachers have the necessary data to determine student growth and plot the course to the mastery of standards.

The school will implement a short cycle assessment program. Biweekly short cycle assessments focus on the standards taught during that time period. The results of the assessments are then placed in a data tracker for analysis. Teachers use this type of assessment to determine which students need additional support on a standards and which are ready for enrichment opportunities. This process allows for frequent monitoring of student progress, but also the

opportunity to provide test preparation. The short cycle assessments are administered via Mastery Connect which allows students to experience many of the technology enhanced items not possible on paper and pencil tests.

The Head of School will create a testing schedule to ensure a positive and productive environment, which meets all policies regarding state and short cycle assessment testing. Each teacher will be assigned a data tracker to track each standard. Teachers will review the data monthly at professional development meetings with the Head of School, Regional Vice President, and the Director of Academics. Teachers will then review any weak areas with students prior to state testing.

This method will be the main source of data for teachers and administrators. A data wall will be placed outside of each individual classroom where teachers, administrators, students, parents and visitors (authorizers) can see how each individual student is performing and the overall classroom performance index. Students and parents will always be informed of where their performance is for each short cycle assessment. The administrator has a quick glance at who is at a proficient level and who is behind grade level. Administrators can address students who are struggling and have conversations with parents. This also will help in the RTI process.

The data from these short cycle assessments will be used by teachers and administrators to find the gaps in student mastery. Teachers will review the data and find the standards where students struggled during the year.

Mock Assessments: Students will take a mock or practice test once a month beginning in August and ending with the posttest in March. The director of academics and teachers will get these tests from released state assessment questions, triumph learning practice tests, Buckle Down practice tests, and released items from other states who use a similar assessment. Teachers will be learning the test construction parameters used by all testing companies. The Academy staff will receive training on how to construct those assessments and they will become better test creators, modelers, and graders, causing the students to become better test takers. The mock assessment will be a local tool that will track student growth throughout the year as well as student fatigue levels on the test. The mock test is just one day a month to orient students to the testing format, language, and length and does not count as a student grade. The mock test is a monthly checkpoint to monitor student growth.

8.1 Organization and Staffing

Personnel and understanding of roles and responsibilities are critical for successful school operation. Please provide strong evidence and specific details to address the items below.

Organizational Chart	8.1	1) Provide the school's organizational chart with clear identification of all positions including fiscal officer, EMIS and Management Company (if applicable).
See attached		
Roles and Responsibilities	8.1	2) Describe the roles and responsibilities of school staff aligned to the organizational chart and mission, vision, and philosophy of the school: a) administrative, b) teaching, c) specialized, d) contracted services (i.e. speech and language pathologist, school psychologists, etc.), e) other. <i>Please only include job titles.</i>
<p>School success depends on the presence of exceptional leaders, highly qualified teachers and well-trained instructional coaches. Brief job descriptions are listed below.</p> <p>Head of School. The Head of School ensures that all students are engaged in a safe learning environment that utilizes effective and approved curricula. Responsibilities:</p> <ul style="list-style-type: none"> • Ensures the established policies and procedures are in place and enforced equitably for all participants of the school including students, staff and leadership • Provides effective guidance, support, coaching, assistance and supervision to all members of the leadership team. • Conducts evaluations for staff and leaders and earns and maintains OTES credentials • Maintains knowledge of all polices, laws and mandates as imposed by the handbooks, State of Ohio and Department of Education and sees they are fully implemented and communicated effectively within the school building. • Supervises all school personnel directly or indirectly • Serves as the chief administrator of the school in developing, implementing and communicating policies, projects, programs, curricular and non-curricular activities in a manner that promotes the educational development of each student and the professional development and growth of each staff member. • Conceptualizes goals and plans accordingly to ensure that procedure and schedules are implemented to carry out the total school program • Ensures the school program in its entirety is compatible with the legal, financial, and organizational structure of the school system. • Identifies objectives for the instructional and extracurricular programs of the school • Manages, directs and maintains records of supplies and equipment necessary to carry out the daily school routines • Organizes, oversees and provides support to various services, supplies, materials, and equipment necessary to carry out the school program • Assumes responsibility for the health, safety, and welfare of students, employees, and visitors. • Maintains and accounts for all student activity funds and money collected from Students and functions in compliance with the determined CFO policies. 		

- Protects confidentiality of records and information gained as part of exercising professional duties and use discretion in sharing such information within legal confines.
- Provides progress reports and report cards to families
- Encourages the staff and leaders to contribute their best efforts to the school's success
- Organizes and oversees staff meetings
- Protects the privacy rights and confidentiality of matters in dealing with students and staff.
- Establishes the annual master schedule for instructional programs, ensuring sequential learning experiences for students consistent with the school's philosophy, mission statement and instructional goals.

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

Responsibilities:

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

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

Responsibilities:

- Use assessment data to refine curriculum and inform instructional practices.
- Participate in collaborative curriculum development, grade-level activities, and school-wide functions.

- Communicate effectively with students, families, and colleagues.
- Remain highly organized and meet deadlines 100% of the time.
- Create intentional lesson plans that support academic rigor and student engagement.

Fiscal Officer:

- Assist in the development, implementation and maintenance of the fiscal policies and procedures for the school and the Governing Authority in accordance with professional accounting standards;
- Maintain financial stability in internal fiscal controls and systems to assure compliance with established standards, policies and procedures;
- Provide recommendations to the School and Governing Authority of alternative fiscal practices or plans which would result in additional revenue, decreased expenditures and financial efficiency;
- Provide technical advice or assistance regarding fiscal matters, policies, procedures and computerized accounting systems;
- Secure a Public Official Bond on behalf of the school and maintain credentials required by the State of Ohio to hold the position of Fiscal Officer;
- Maintain all financial records in accordance with Generally Accepted Accounting Principles (GAAP);
- Ensure that all transactions are coded utilizing the State of Ohio Chart of Accounts and maintain ability to file reports on a cash-basis where required;
- Maintain accurate general ledger and all their financial records; Prepare financial and statistical reports as requested by the School Administrator and the Governing Authority;
- Assist in preparation, monitoring, and revision of Annual Budget for the School. Present comparison of actual results to budget at all regular meetings of the Governing Authority;
- Assist in the preparation, revision, and submission of the School's Five-Year Forecast in accordance with Section 5705.391 of the Ohio Revised Code;
- Monitor and comply with all financial requirements imposed on the School through Sponsor Contracts and if applicable, management agreements;
- Communicate with the Ohio Department of Education and the Auditor of the State of Ohio, among other funding agencies, to ensure sufficient funds are available for program operation and to assist in the execution of fund transfers;
- Review and approve financial status reports and funding reimbursement requests; Ensure the reports are reconciled to the general ledger, verify supporting documentation and submit to funding agencies in a timely manner;
- Responsible for working with appropriate School personnel to complete, submit, and Fiscal Approve the "Consolidated" application (Title 1, IDEA and Title IIA) in the Comprehensive Continuous
- Improvement Plan (CCIP). This service would also extend to any other Federal programs that the School participates in through the CCIP.
- Responsible for all financial reporting and cash drawdown requests for federal and state allocations made to the School;
- Prepare monthly unaudited financial statements and other financial reports (as requested) for presentation to the School Administrator and Governing Authority at special and regular meetings of the Governing Authority;
- Attend Board meetings (in person or by phone if necessary) to present financial reports to Board of Directors;
- Review and approve bank reconciliations on a monthly basis, verifying balances are reconciled to the general ledger;

- Review Accounts Payable records for accuracy of funding source, general ledger account coding and verify the supporting documents are attached, including those indicating approval;
- On an annual basis, prepare Form 1099-MISC on behalf of the School and distribute to qualifying parties;
- Ensure compliance with purchasing procedures.
- Maintain appropriate depreciation schedules for capitalized assets;
- Coordinate and act as the liaison between the Governing Authority, School, and Auditor of State of Ohio during the annual audit process. Prepare all schedules and compile all information as required for annual and interim audits by the Auditor of the State of Ohio;

In the event of a School closure, MFS will assist the school in fulfilling its obligations as outlined in the “ODE Closing Assurances and Procedures Document”.

Contracted Services:

Special Education Provider: Depending on the services required, the contractor will be responsible for fulfilling all services included in the school contract. The Special Education Provider will be responsible for communicating with the school on a predetermined basis.

Transportation: The Academy will have transportation provided by the local school district.

Recruitment and Retention Plan

8.1

3) Describe the plan to recruit, retain and train highly qualified personnel including how the school will meet the goals identified in Ohio’s 2015 Plan for Equity at ODE’s website at:

<https://education.ohio.gov/getattachment/Topics/Teaching/Educator-Equity/Ohio-s-Teacher-Equity-Plan-and-ED-HEE-Analysis-Tool/Ohio-s-2015-Plan-to-Ensure-Equitable-Access-to-Excellent-Educators102615.pdf.aspx>.

A qualified and committed instructional staff is the cornerstone of exceptional learning outcomes for the students that attend our school. We recognize that a comprehensive talent management strategy for both teachers and our school leadership team is critical to recruiting and retaining top educators. Our plan begins with identifying credentialed individuals who are committed to our school’s mission.

We will employ a mix of veteran teachers and recent college graduates, allowing us to leverage school experience and the latest in instructional practices. All instructional staff will be offered a variety of mandatory and optional training opportunities to further their instructional effectiveness. Their performance will be assessed throughout the year, with regular feedback and coaching.

There are several key areas of focus that we believe are crucial to hiring and retaining top talent.

Recruitment

- Job Posting
- Career Fairs and Campus Visits
- Compensation

- Signing and Milestone Bonuses
- Employee Referral Program
- Retention
- Exit Interview
- Career Development
- Education and Training Opportunities
- Job Mobility

Our goal is to find and retain the best instructional staff in order to help our students reach their maximum potential.

Job Posting - Each position will be posted on the following job boards:

- Top School Jobs – Education Week
- Indeed
- K12 Job Spot
- Ohio Department of Education
- Ohio Means Jobs
- Various university career boards
- Career Board
- Idealist
- LinkedIn
- Simply Post
- Teachers-Teachers

Career Fairs and Campus Visits - The following campuses will be targeted for campus visits, job fairs, and relationship building with their career offices:

- Baldwin Wallace University
- Case Western
- Cleveland State University
- John Carroll University
- Lake Erie College
- Mount St. Joseph University
- Notre Dame College of OH
- University of Akron & Cincinnati
- Ursuline College
- Xavier University
- Columbus State

- Mount Vernon
- Ohio Dominican
- Otterbein University
- The Ohio State University

COMPENSATION

Signing and Milestone Bonuses

In addition to a competitive salary structure, signing bonuses are potentially available for certain circumstances, such as employees relocating and/or employees taking a salary reduction. Employees will be eligible for a milestone bonus once they reach a certain number of years of service with Accel Schools.

Employee Referral Program

Another source of quality applicants can come from an employee referral program. A bonus will be available for current employees who refer qualified candidates that are hired. Referred candidates will still go through our standard hiring process and must remain employed for set amount of time before the bonus will be paid out.

RETENTION

Exit Interviews - One mechanism for decreasing turnover is to better understand, and where possible, act on the reason(s) why staff are leaving our school. Accel Schools has an exit interview process in place to assist with the data collection related to voluntary staff turnover. Exit interviews will be conducted that allow us to better understand what our schools are doing well and pinpoint areas that need improvement. Open-ended questions coming from an Accel Schools employee outside of the school will allow us to uncover more information.

Some sample questions for the exit interview include:

- Why did you begin looking for a new job?
- What led you to accept the new position?
- How would you describe the culture of your school?
- Do you feel like you were provided the tools and resources needed to be successful?
- How would you describe the quality of the supervision and support you received within your school?
- What could have been done for you to remain employed with us?
- How did this teaching assignment compare with other teaching positions you have held?

Career Development - Providing an opportunity for career development will lower our turnover rate and increase the effectiveness of instructional practices provided by existing employees. Helping our employees develop professionally will allow them to be successful in their roles within the school.

Education and Training Opportunities - Accel Schools will provide professional development for all employees prior to the start of the school year. Topics that are typically addressed include:

- Curriculum training
- Classroom management
- Highlight topics of professional development
- Data driven instruction
- Compliance training

Professional development will continue during the school year. At least one day per month for continued development among staff.

Job Mobility - Through our management organization, we will provide all employees with additional and diverse employment opportunities within the portfolio of Accel Schools.

Equitable Access to Excellent Educators Component: The school has reviewed the Ohio Local Equitable Access Planning Guide. Local equitable access planning will occur annually to ensure poor and minority students have equitable access to excellent educators. Through this process we will address HQT components in the Planning Tool.

- Component 1 – Analyze equitable access data to determine and document gaps. Conduct an analysis of the schools Equitable Access Analysis Tool to determine where and to what extent any gaps in equitable access to excellent educators exist. Document the most concerning gaps for the LEA after reviewing the data.
- Component 2 – Identify the most likely cause of the gap(s) by conducting a root-cause analysis with stakeholder engagement description. Conduct a root-cause analysis with stakeholders to determine the systemic challenge(s) contributing to gaps in equitable access and describe findings. Consider the continuum of the human capital management system (attracting, assigning, developing and/or retaining educators) during the root-cause analysis to find the underlying cause(s) of identified gaps.
- Component 3 – Select a strategy to address documented gap(s) and root-cause finding; outline strategy implementation and progress measures. Describe the identified strategy or strategies the district personnel will use to assure that poor and minority students have equitable access to Excellent Educators. Include activities, timeline, and progress monitoring for the strategy or strategies, and changes in data that would demonstrate progress.
- Component 4 - Describe policies and procedures used to verify State certification and licensure status of teachers and paraprofessionals. LEAs must develop and implement employment procedures to ensure that all teachers and paraprofessionals working in a program supported with Title I funds meet State certification and licensure.
- Component 5 - Describe the steps that will be taken to address teachers and paraprofessionals who are not State certified and licensed. Teacher and paraprofessionals must meet federal and state requirements. The school will address those instances where teachers and paraprofessionals are not State certified or license and how they will take action to meet this requirement.

https://education.ohio.gov/getattachment/Topics/Teaching/Educator-Equity/Ohio-s-Teacher-Equity-Plan-and-EDHEE-Analysis-Tool/Ohio-s-2015-Plan-to-Ensure-Equitable-Access-to-Excellent-Educators102615.pdf.aspx		
Student/Teacher Ratios	8.1	4) State the student/teacher ratios for the school. <i>Ratios can be no more than 29 students to 1 teacher (29:1).</i>
25:1		
Staffing Plan for Projected Enrollment	8.1	5) Describe the staffing plan (for the next 5 years) based on the projected enrollment and differentiate between certified teaching, para-teaching, and non-licensed staff.
Years 1-3: 75 students, 3 certified teachers, 1 administrator, intervention specialists for special education services based on caseload Years 4-5: 75 students, 3 certified teachers, 1 administrator, 1 shared specialist, intervention specialists for special education services based on caseload		

Strongsville Academy submitted the following items for reference along with their education plan: [ACCEL Schools Literacy Plan](#) and [Strongsville Academy Organizational Chart](#).

Performance Framework

This framework describes a comprehensive system of monitoring a community school's performance and compliance. This rigorous framework will be used to inform renewal and revocation decisions. The goal for each school is to achieve a 75% or greater of the available points based on academic, compliance/operations and financial performance. The Sponsor believes that completing the interventions per the Intervention Attachment 6.4 may assist the School in increasing their performance and helping them to achieve 75% or greater of the available points in the academic performance section. Annually, the School will be sent a performance report showing its percentage over a certain number of years. The goal is for each School to reach 75% by the end of its fifth year of operation.

During a renewal year, the school will be evaluated on an average calculated over the four most recent years of the charter term or the number of years within the charter term that data is available. Schools may earn additional points for improvement in the total percentage from year to year.

TRADITIONAL K-12 COMMUNITY SCHOOLS

Academic Performance

Performance Area	Description	Scoring Scale									
		Above Target				Target	Below Target		Far Below Target		
		5 Points	4.5 Points	4 Points	3.5 Points	3 Points	2.5 Points	2 Points	1.5 Points	0.5 Points	0 Points
		5 Stars (weighted x 3)	4.5 Stars (weighted x 2.5)	4 Stars (weighted x 2)	3.5 Stars (weighted x 2)	3 Stars	2.5 Stars	2 Stars	1.5 Stars	1 Star*	1 Star*
Overall Rating *Not calculated until SY 2022-2023	Overall Rating on the Local Report Card										

*Schools will receive 0.5 points based on a 1 Star rating if the schools' overall rating points are greater than or equal to the average overall rating points of all community schools.

Performance Area	Description	Scoring Scale			
		Above Target	Target	Below Target	Far Below Target
		4 Points	3 Points	1 Point	0 Points
		Outperform 4 or 5 comparison schools (weighted x 3)	Outperform 3 comparison schools (weighted x 2)	Outperform 2 comparison schools	Outperform 1 comparison school
Overall Rating vs Comparison Schools Overall Grade *Not calculated until SY 2022-2023	Number of schools in which the total points used for the Overall Rating on the Local Report Card is higher than the total points used for the Overall Rating of comparison schools listed in contract.				
Performance Area	Description	Scoring Scale			

		Above Target		Target	Below Target	Far Below Target
		4 Points		3 Points	1 Point	0 Points
Achievement	Measures students' academic achievement using each level of performance on Ohio's State Tests.	5 Stars (weighted x 2)	4 Stars (weighted x 2)	3 Stars (weighted x 2)	2 Stars (weighted x 2)	1 Star*
*Schools will receive 1 point based on a 1 Star rating if the schools' overall achievement percentage is greater than the average overall achievement percentage of its comparison schools that also received a 1 Star rating.						
Progress	Measures the academic performance of students compared to expected growth on Ohio's State Tests.	5 Stars (weighted x 3)	4 Stars (weighted x 2)	3 Stars	2 Stars	1 Star
*Note: as reported on the local report card as the progress component score. Not ODE's one year calculation as used for closure.						
Gap Closing	Measures the reduction in educational gaps for student subgroups. *Now includes Chronic Absenteeism	5 Stars (weighted x 3)	4 Stars (weighted x 2)	3 Stars	2 Stars	1 Star*
*Schools will receive 1 point based on a 1 Star rating if the schools' overall gap closing percentage is greater than the average overall gap closing percentage of its comparison schools that also received a 1 Star rating.						
Early Literacy	Measures reading improvement and proficiency for students in kindergarten through third grade.	5 Stars	4 Stars	3 Stars	2 Stars	1 Star*
*Schools will receive 1 point based on a 1 Star rating if the schools' overall early literacy percentage is greater than the average overall early literacy percentage of its comparison schools that also received a 1 Star rating.						
Performance Area	Description	Scoring Scale				
		Above Target		Target	Below Target	Far Below Target

		4 Points		3 Points	1 Point	0 Points
Graduation Rate	Measures the four-year adjusted cohort graduation rate and the five-year adjusted cohort graduation rate.	5 Stars	4 Stars	3 Stars	2 Stars	1 Star
College, Career, Workforce, and Military * Not rated until 2024-2025	Tracks post-graduation outcomes and students participating in credentials and pathways.	5 Stars	4 Stars	3 Stars	2 Stars	1 Star
Nationally Normed Assessment Data	A standardized assessment listed in the community school contract should demonstrate at least one (1) years' worth of growth for 80% of students tested in reading and math using the Ohio's Where Kids Count Rules.	≥ 1 years' worth of growth for 80% of students tested in reading and math		≥ 1 years' worth of growth for 50% of students tested in reading and math	< 1 years' worth of growth for 50% of students tested in reading and math	N/A
Additional Factors:	One additional point is given for each of the indicators above that has improved at least one star level from the previous year (ex. K-3 moves from 2 Stars to 3 Stars)					
	One additional point given for each subgroup in which the suspensions and expulsions decrease by 2 percentage points.					
	One additional point given if school increases the number of schools it outperforms in either the Overall Rating or the Progress Rating. (ex: improves from outperforming one school to outperforming two schools)					
	One additional point is given if the school's percentage of income spent on classroom instruction is within 10% of the state average as reflected on the local report card. School will receive 2 additional points if its percentage of income spent on classroom instruction is above the state average as reflected on the local report card.					

Total Points Available (100%): *Note: Weighting is not considered in the total points available and total possible points are reduced for any not applicable measures listed.		3
		2022-2023 33 *Based on 2022-2023 local report card
		2023-2024 and beyond 37 *Based on local report cards starting with 2023-2024
Target Points (at least a 75%): *Note: Points listed will be achieved if the school meets all target scores for all applicable measures.		2021-2022 18 *Based on 2021-2022 local report card
		2022-2023 24.75 *Based on 2022-2023 local report card
		2023-2024 and beyond 27.75 *Based on local report cards starting with 2023-2024

DROP OUT RECOVERY PROGRAM COMMUNITY SCHOOLS

Academic Performance

Performance Area	Description	Scoring Scale		
		Above Target	Target	Below Target
		4 Points	3 Points	0 Points
Overall Grade	Overall Grade on the Local Report Card	Exceeds (weighted x 2)	Meets	Does not Meet
Overall Grade vs Comparison Schools Overall Grade	Number of schools in which the Overall Grade on the Local Report Card is higher than the Overall Grade of comparison schools listed in contract. *If a school scores equal to a majority of its comparison schools in Overall Grade, the school will be compared in the Progress Component Grade. The school will then be given credit for each school it outperforms in its comparison group in the Progress Grade and each school it outperforms in the Overall Grade.	>3 (weighted x 3)	≥ 2 (weighted x 2)	≥ 1
High School Test Passage Rate	Percent of students meeting applicable criteria on test from Local Report Card	Exceeds	Meets	Does not Meet
Progress	Component grade from Local Report Card	Exceeds	Meets	Does not Meet
Gap Closing	Overall Gap Closing Grade on the Local Report Card	Exceeds	Meets	Does not Meet
Graduation Rate – 4 Year	4-Year Graduation Rate from the Local Report Card *Students enrolled in DOPR schools are usually 1-2 years behind their original graduation cohort.	Exceeds (x2)	Meets (x2)	Does not Meet (1 point)
Graduation Rate – 5 Year	5-Year Graduation Rate from the Local Report Card	Exceeds	Meets	Does not Meet
Graduation Rate – 6 Year	6-Year Graduation Rate from the Local Report Card	Exceeds	Meets	Does not Meet
Graduation Rate – 7 Year	7-Year Graduation Rate from the Local Report Card	Exceeds	Meets	Does not Meet
Graduation Rate – 8 Year	8-Year Graduation Rate from the Local Report Card	Exceeds	Meets	Does not Meet
Combined Graduation Rate	Combined rate from the Local Report Card	Exceeds	Meets	Does Not Meet

Performance Area	Description	Scoring Scale		
		Above Target	Target	Below Target
		4 Points	3 Points	0 Points
Identified Paths to Future Success	Strategy 10 of Ohio's Strategic Plan for Education: High schools inspire students to paths of future success through work-based learning experiences; career-technical education and/or military readiness.	School offers multiple paths of future success AND 50% or more of the eligible student population participate in those paths (work-based learning experiences, career technical education, career-based instruction or military readiness.	School offers limited paths of future success through work-based learning experiences, career-technical education/industry credentialing, career-based instruction or military readiness.	School does not offer paths of future success through work-based learning experiences, career-technical education/industry credentialing, career-based instruction or military readiness.
Additional Factors:	One additional point is given for each of the indicators above that has improved at least one grade level from the previous year (ex. Progress moves from Meets to Exceeds)			
	One additional point is given for each subgroup that improves its attendance percentage by 2 percentage points.			
	One additional point given if school increases the number of comparison schools it outperforms in the Overall Local Report Card Grade as listed in the contract from 2 to 3 schools, from 3 to 4 schools or from 4 to 5 schools.			
Total Points Available (100%) *Note: Weighting is not considered in the total points available.				48
Target Points (at least a 75%)				36 *Note: 36 points are achieved if the school meets all target scores.

Organizational/Operational Performance

Performance Area	Description	Scoring Scale		
		Above Target	Target	Below Target
		2 Points	1 point	0 Points
Timely submission of required documentation.	Monthly Financial and Enrollment Reports, Assessment data, Management Company Evaluation, school improvement plan, Annual Report, Five-year forecasts and Annual Budgets are submitted timely.	All Applicable Submissions were Submitted Timely	At least 75% of the applicable Submissions were submitted timely	Less than 75% of the applicable submissions were submitted timely
Compliance Onsite Visits including Spring Survey (As measured by the Ohio Department of Education Sponsor Evaluation System)	Overall performance of onsite compliance reviews and the spring survey	Overall Compliant (96% or greater of applicable compliance items substantiated)	Substantially Compliant (at least 92-95.9% of applicable compliance items substantiated)	Not Compliant (less than 92% of applicable compliance items substantiated)
Corrective Action Plans	Were corrective action plans required during this school year.	No CAPs required	Yes, at least one CAP was required, however all issues were adequately addressed	Yes, at least one CAP was required, and was still unaddressed by the end of the school year
Probation	Was the school put on probation during this school year	No *Target	N/A	Yes
Board Meetings	School met for mandatory minimum six (6) board meetings	No less than six (6) meetings *Target	N/A	Board met less than six (6) times for the year.
Additional Factors	One additional point is given if academic coaching is provided for teachers if recommended by the School Improvement Team.			
	One additional point is given for each mission-specific goal that is met for any subgroup, up to a maximum 3 points.			
Total Points Available (100%) *Note: Weighting is not considered in the total points available.				10
Target Points (at least a 70%)				7 *The school should strive to achieve 7 points in this section by achieving a combination of target and above target points.

Financial Performance

Performance Area	Description	Scoring Scale		
		Above Target	Target	Below Target
		2 Points	1 Point	0 Points
Net Income (Change in Net Position) Net of GASB 68,75	Positive Net Income	Positive Net Income (x2) *Target	N/A	Negative net income
Average FTE Change from beginning of year to end of year calculated from October to June.		Increased or maintained enrollment and compliant with enrollment requirement in contract (x2)	Enrollment decreased less than 10%	Enrollment decreased greater than 10%
Current Ratio (Current Assets/Current Liabilities, net of GASB 68/75 and amounts owed to Management Company)		Ratio greater than 1.5:1	Ratio 1:1 to 1.49:1	Ratio less than 1:1
Days Operating Cash on Hand *Note: this section will be an N/A for all pass-through management agreements and the total points required will be reduced accordingly.		Greater than 60 days	30 to 59 days	Less than 30 days
Five Year Forecast		No projected deficits in years 1-5.	No projected deficits in years 1-3	Projected deficits in years 1-3.
Audit Reports, Findings for Recovery (FFR)		No FFRs and clean audit opinion	Clean audit opinion and all FFRs have been corrected	FFRs not corrected or qualified opinion
Additional Factors	One additional point will be given for schools that have EMO/CMO supporting the schools start-up/expansion expenses.			
Total Points Available (100%): *Note: Weighting is not considered in the total available points				12
Target Points (75%)				9



Intervention Attachment 6.4

Kindergarten – 12th Grade

(A school that does not offer a grade higher than twelve excluding
Dropout Prevention & Recovery Schools)



➤ **Evaluation of Local Report Card Components - Beginning with the 2022-2023 Local Report Card**

- The school should aim to receive a rating of 3 Stars or better in all applicable Ohio Local REPORT CARD **components** on the Ohio Interactive Local Report Card (iLRC) Power User Reports, or any subsequent report enacted to replace or supplement the iLRC Power User Reports.
- A school shall be placed in Level 1 status if it does not receive a rating of 3 Stars or better in all applicable Local Report Card components. The school shall remain in Level 1 status unless it receives a rating of 3 or more Stars in all applicable Local Report Card components, at which point interventions will no longer be required, or it meets the At Risk for Closure Criteria identified below.
- At Risk for Closure Criteria:
 - Any school offering only grades K-3 or lower that receives a performance rating of 1 Star in the early literacy component of the Local Report Card OR receives an overall performance rating of 1 Star or 1.5 Stars;
 - Any school offering any combination of grades K-4 to K-8 and does not offer a grade level higher than ninth grade that receives a performance rating of 1 Star in both achievement and progress on the Local Report Card OR it receives an overall performance rating of 1 Star or 1.5 Stars and 1 Star in progress; or
 - Any school offering any grade levels between 10-12 and is not a Drop-Out Prevention and Recovery School that receives a performance rating of 1 Star in achievement and has not met annual measurable objectives for gap closing OR it receives an overall performance rating of 1 Star or 1.5 Stars and 1 Star in progress.
- When a school meets the At Risk for Closure Criteria it shall be placed in Level 2 status. A school shall progress one level of intervention for each consecutive year that it meets the At Risk for Closure Criteria. A school shall return to Level 1 status when it does not meet the

At Risk for Closure Criteria and a school shall be removed from interventions when it receives a rating of 3 or more Stars in all applicable Local Report Card components.

Level 1	
The Sponsor Will:	The School Will:
A. Offer technical assistance for the development of a plan of improvement for the school or the One Plan.	A. Require School Leader and Community School Leadership Team to attend an Ohio Leadership Advisory Council (OLAC) Facilitator Training, other approved Ohio Department of Education training, or sponsor training and implement a process to identify root-cause, needs, goals, strategies, and action steps that will move the school forward.
B. Require the School to review or revise and submit a school improvement plan for the following school year to address the academic and other needs of the School. Review and offer feedback on the school improvement plan.	B. Through a Community School Leadership Team (CSLT) that attempts to include parents, Board Members, community stakeholders and sponsor feedback, review and revise school improvement plans inclusive of 6.4 Intervention actions listed herein. Provide evidence of the process, including timelines and modification to the strategies and action steps based on data collected.
C. Require the School to monitor and evaluate the school improvement plan for the following school year to address the needs of the School.	C. The School Leader will systematically report to the Governing Authority on the development, implementation and progress of the school improvement plan at each regularly scheduled Board meeting.
D. Offer technical assistance for the development of a school professional development plan included in the school Improvement plan action steps.	D. Implement evidence-based school-wide practices to support student learning that includes “best” first instruction: <ul style="list-style-type: none"> a. Provide resources for the deconstruction of learning standards and creation of learning targets in content areas, specifically reading and math, throughout the year. Using this process systematically in TBTs, revise pacing guides in ELA and math, ensure standards and learning targets are identified in lesson plans, and evaluate the communication of the standards/learning targets to students as part of the formal OTES process/or alternative b. Align informal assessments, materials, and resources to the standards and learning targets as evidenced by the use of an alignment tool kit

	<p>c. Using disaggregated data trends to determine root cause, design and implement a multi-tiered system of supports for students at-risk that meets criteria outlined by ESSA and the Ohio Department of Education.</p>
<p>E. Offer technical assistance to support the development of instructional leadership skills for the school leader and/or the school leadership team.</p>	<p>E. Meet any other requirements as outlined in legislation or by ODE and submit any required reporting to ODE and the Sponsor as required by ESSA Focus and Priority Schools.</p>
	<p>F. Abide by all consequences as outlined in ESSA or any subsequent enacted legislation.</p>

Level 2 Actions	
In addition to Level 1 supports, the Sponsor Will:	The School Will:
A. Utilize school performance data and surveys to determine technical assistance needs related to improve academic instruction and student achievement.	A. The School will build upon and strengthen all Level 1 Actions.
B. Review and offer feedback on the school improvement plan and 5-Step Process. Offer training and support for School Leaders related to instructional leadership.	B. Make reasonable efforts to hire an Academic Coach(s) following Sponsor requirements and tools (See Academic Coach credentials and job responsibilities). The School will submit Academic Coach credentials to Sponsor for review and confirm hiring of an Academic Coach. The school is responsible for evidence of the fidelity to the outlined job responsibilities by the Academic Coach.
C. Establish Academic Coach minimum qualifications and suggest key roles and responsibilities.	C. Establish schedules and implement strategies that provide increased collaborative planning time for teachers that is protected from internal or external interference or interruptions.
D. Continue to offer technical assistance for the development and implementation of a school professional development plan as identified within the school improvement plan to support strategies and action steps. Utilize the guidelines outlined in Ohio Standards for Professional Development.	D. Continue and strengthen implementation of first year professional development plan components (based on root-cause analysis) outlined in the school improvement plan. Follow guidelines presented in Ohio Standards for Professional Development.
	E. Work with sponsor's school improvement team to continuously monitor progress toward academic goals listed in the school improvement plan.
	F. Using the Ohio Standards for Principals, the School will review and clarify job responsibilities and priorities for the School Leader and provide mentorship/coaching related to identified priorities and revised growth plan goals from an educational organization that will meet the needs of the school to provide coaching or mentorship. The school will provide evidence of such.
	G. School leader will develop teacher growth plans for ineffective staff following Ohio Teacher Evaluation System (OTES) guidelines or an alternative to improve academic instruction and student achievement. The school will provide evidence of such upon request.

Level 3 Actions	
In addition to Level 1 and Level 2 Supports, the Sponsor Will:	The School Will:
A. Offer technical assistance to assist in improving academic instruction and student achievement.	A. The School will build upon and strengthen all Level 1 Actions and Level 2 Actions.
B. Conduct a mini audit of the school's instructional program, resources and tools and distribute the findings to the Governing Authority.	B. Utilizing an evidence-based evaluation model, complete a program evaluation on key reading and/or math initiatives in the school and provide results to the Governing Authority with suggestions for modification, deletions, or expansions based on the data.
	C. Based on a school review/audit from external source, implement recommendations as they relate to academic performance to address challenges and build on strengths to improve school performance in areas of leadership/governance, curriculum & instruction, data and assessment, human resource and professional development, and fiscal management.

Level 4 Actions (Risk of Academic Probation)	
If the School is not required to close by the Ohio Revised Code, the Sponsor may:	The School Will (If placed on academic probation):
A. Sponsor may take over the operations of the school; and/or	A. If the School does not close as required by the Ohio Revised Code, it will continue all Level 1, Level 2 and Level 3 Actions.
B. Work with the Board to replace the operator of the school; and/or	B. Meet all requirements as outlined by the Sponsor before the Academic Probation ² status is lifted.
C. May place the school in Academic Probation ² status and outline specific requirements for the School; and	C. Review all staff in relation to school failure and replace staff members where necessary; and/or
D. Continue to offer technical assistance towards improving academic instruction and student achievement.	D. Reconfigure the organizational structure of the school or adopt a new operational structure.
<p><i>Academic Probation status denotes that the Sponsor has considered the school's specific circumstances surrounding not meeting the minimum requirements stated in Attachment 6.4 and has prescribed steps to assist the school in meeting those requirements. The Sponsor will consider the options listed in Attachment 6.4 as possible interventions but will consider other options if deemed appropriate considering the school's specific circumstances. The Sponsor cannot be held responsible if the academic intervention steps do not result in a 3 Star rating or better in all components as the Sponsor will act in good faith to assist in ensuring the school is academically successful while honoring and respecting the School and Governing Authority's autonomy.</i></p>	

Attachment 8.3**Process for Disposition of Employees if Contract is Terminated**

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

- The Executive Team will:
 - Ensure there is a clear and written timeline for the school closing;
 - Ensure all STRS and SERS contributions are current;
 - Clarify COBRA benefits and notify staff of the date when medical benefits will end;
 - Remind the faculty of their obligation to teach up to the date of closing or as otherwise agreed upon; and
 - Ensure that each faculty's LPDC information is current and available the teachers, and provide sponsor contact person information to all staff.
- As soon as the last day of school is completed, Accel Schools Ohio will provide displaced staff with a list of openings across the organization, allowing them to transfer to those positions maintaining seniority and benefits.



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

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

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

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

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

Medical Benefits

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

Benefits run on a school-year schedule. The rates below are for the August 2020 – July 2022 plan year:

Accel Schools Plans: Employee Costs (monthly)	Employee Only (EE)	Employee+Spouse (ES)	Employee+Child(ren) (EC)	Employee + Family
Anthem BCBS PPO 750-80	\$143.39	\$623.84	\$506.14	\$1,056.33
Anthem BCBS PPO 1500-80	\$70.85	\$532.08	\$421.09	\$953.37
Anthem BCBS PPO 3000-70	\$17.47	\$361.94	\$269.43	\$669.78
Anthem BCBS HDHP 3500-90	\$10.00	\$283.67	\$202.70	\$534.43

Employees who begin employment before August 1, 2021, will need to complete a separate open enrollment for the period from date of hire through July 31, 2021.



Dental and Vision Benefits

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

Benefits run on a school-year schedule. The rates below are for August 2020 – July 2022:

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

Flexible Spending

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

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

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

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

Ancillary Insurance Benefits

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

Employees will also have the opportunity to purchase Accident Insurance, Critical Illness Insurance, and Whole Life Insurance. For the plan year beginning August 1, 2021, employees will also have the opportunity to purchase Hospital Insurance.

All ancillary insurance coverage is provided through UNUM.

Retirement Benefits – For Ohio Employees

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



Retirement Benefits – For Michigan Employees

Eligible employees may actively enroll in the 401(k) Plan beginning the first of the month after completing 45 days of employment. Employees who do not actively elect to participate will auto-enroll at a 4% pre-tax contribution rate the following month (the first of the second month following 45 days of employment). Once auto-enrollment takes effect, an employee can opt out retroactively within 90 days of the auto-enroll date. Employees may opt out of future contributions at any point in time.

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

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

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

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

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

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

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

FY23 - May 2022

IRN No.:

County: Cuyahoga

Type of School: Brick Mortar

School Name: Strongsville Academy
Statement of Receipt, Disbursements, and Changes in Fund Cash Balances
the Fiscal Years Ending 2023 through 2027, Forecasted

	Actual			Forecasted				
	Fiscal Year XXXX	Fiscal Year XXXX	Fiscal Year XXXX	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027
Operating Receipts								
State Foundation Payments (3110, 3211)	\$ -	\$ -	\$ -	\$ 480,000	\$ 675,000	\$ 712,500	\$ 750,000	\$ 768,750
Charges for Services (1500)	-	-	-	-	-	-	-	-
Fees (1600, 1700)	-	-	-	-	-	-	-	-
Other (1830, 1840, 1850, 1860, 1870, 1890, 3190)	-	-	-	-	-	-	-	-
Total Operating Receipts	\$ -	\$ -	\$ -	\$ 480,000	\$ 675,000	\$ 712,500	\$ 750,000	\$ 768,750
Operating Disbursements								
100 Salaries and Wages	\$ -	\$ -	\$ -	\$ 190,960	\$ 206,206	\$ 212,293	\$ 218,462	\$ 225,015
200 Employee Retirement and Insurance Benefits	-	-	-	\$ 81,840	\$ 88,374	\$ 90,983	\$ 93,626	\$ 96,435
400 Purchased Services	-	-	-	320,711	379,853	392,795	403,565	416,041
500 Supplies and Materials	-	-	-	68,000	22,500	22,500	22,500	25,000
600 Capital Outlay -New	-	-	-	-	-	-	-	-
700 Capital Outlay - Replacement	-	-	-	-	-	-	-	-
800 Other	-	-	-	-	-	-	-	-
819 Other Debt	-	-	-	-	-	-	-	-
Total Operating Disbursements	\$ -	\$ -	\$ -	\$ 661,511	\$ 696,933	\$ 718,570	\$ 738,153	\$ 762,492
Excess of Operating Receipts Over (Under)								
Operating Disbursements	\$ -	\$ -	\$ -	\$ (181,511)	\$ (21,933)	\$ (6,070)	\$ 11,847	\$ 6,258
Nonoperating Receipts/(Disbursements)								
Federal Grants (all 4000 except fund 532)	\$ -	\$ -	\$ -	\$ 24,000	\$ 45,000	\$ 60,000	\$ 60,000	\$ 60,000
State Grants (3200, except 3211)	-	-	-	-	-	-	-	-
Restricted Grants (3219, Community School Facilities Grant)	-	-	-	-	-	-	-	-
Donations (1820)	-	-	-	-	-	-	-	-
Interest Income (1400)	-	-	-	-	-	-	-	-
Debt Proceeds (1900)	-	-	-	200,000				
Debt Principal Retirement	-	-	-	-	-	(25,000)	(75,000)	(50,000)
Interest and Fiscal Charges	-	-	-	(15,751)	(13,405)	(7,971)	(744)	-
Transfers - In	-	-	-	-	-	-	-	-
Transfers - Out	-	-	-	-	-	-	-	-
Total Nonoperating Revenues/(Expenses)	\$ -	\$ -	\$ -	\$ 208,249	\$ 31,595	\$ 27,029	\$ (15,744)	\$ 10,000
Excess of Operating and Nonoperating Receipts								
Over/(Under) Operating and Nonoperating								
Disbursements	\$ -	\$ -	\$ -	\$ 26,738	\$ 9,662	\$ 20,959	\$ (3,897)	\$ 16,258
Fund Cash Balance Beginning of Fiscal Year	\$ -	\$ -	\$ -	\$ -	\$ 26,738	\$ 36,400	\$ 57,359	\$ 53,462
Fund Cash Balance End of Fiscal Year	\$ -	\$ -	\$ -	\$ 26,738	\$ 36,400	\$ 57,359	\$ 53,462	\$ 69,720

Assumptions

	Actual			Forecasted				
	Fiscal Year XXXX	Fiscal Year XXXX	Fiscal Year XXXX	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027
Staffing/Enrollment								
Total Student FTE				75	75	75	75	75
Instructional Staff				6.00	6.00	6.00	6.00	6.00
Administrative Staff				2.00	2.00	2.00	2.00	2.00
Other Staff								
Purchased Services								
Rent	\$ -	\$ -	\$ -	63,637.00	64,909.74	66,207.93	67,532.09	68,882.74
Utilities	-	-	-	10,200.00	10,404.00	10,612.08	10,824.32	11,040.81
Other Facility Costs	-	-	-	41,934.00	42,772.68	43,628.13	44,500.70	45,390.71
Insurance	-	-	-	10,000.00	10,200.00	10,404.00	10,612.08	10,824.32
Management Fee	-	-	-	75,600.00	108,000.00	115,875.00	121,500.00	124,312.50
Sponsor Fee	-	-	-	14,400.00	20,250.00	21,375.00	22,500.00	23,062.50
Audit Fees	-	-	-	20,400.00	29,012.00	29,592.00	30,183.84	30,787.52
Contingency	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Legal	-	-	-	24,000.00	24,480.00	24,969.60	25,468.99	25,978.37
Marketing	-	-	-	15,000.00	15,300.00	15,606.00	15,918.12	16,236.48
Consulting	-	-	-	-	-	-	-	-
Salaries and Wages								
Employee Benefits								
Special Education Services				12,000.00	15,000.00	15,000.00	15,000.00	20,000.00
Technology Services				21,540.00	24,525.00	24,525.00	24,525.00	24,525.00
Food Services				12,000.00	15,000.00	15,000.00	15,000.00	15,000.00
Other								
Total	\$ -	\$ -	\$ -	\$ 320,711.00	\$ 379,853.42	\$ 392,794.75	\$ 403,565.14	\$ 416,040.95
Financial Metrics								
Debt Service Payments	\$ -	\$ -	\$ -	\$ 15,751	\$ 13,405	\$ 32,971	\$ 75,744	\$ 50,000
Debt Service Coverage	0.00	0.00	0.00	-10.00	1.72	1.64	0.95	1.33
Growth in Enrollment	0.00%	0.00%	0.00%	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%	0.00%	0.00%	0.00%
Growth in Operating Receipts	0.00%	0.00%	0.00%	0.00%	40.63%	5.56%	5.26%	2.50%
Growth in Non-Operating Receipts/Expenses	0.00%	0.00%	0.00%	0.00%	-84.83%	-14.45%	-158.25%	-163.52%
Days of Cash	0.00	0.00	0.00	0.00	0.04	0.05	0.08	0.07

Assumptions Narrative Summary

Fiscal Year 2023-2027 Projected Debt					
Description	Beginning Year Balance	Principle Retirement	Interest Expense	Ending Year Balance	Debitor/ Creditor
FTE Review	\$ -	\$ -	\$ -	\$ -	
Loan A	\$ -	\$ -	\$ 37,871.00	\$ -	Accel
Loan B	\$ -	\$ -	\$ -	\$ -	
Line of Credit	\$ -	\$ -	\$ -	\$ -	
Notes, Bonds	\$ -	\$ -	\$ -	\$ -	
Capital Leases	\$ -	\$ -	\$ -	\$ -	
Payables (Past Due 180+ days)	\$ -	\$ -	\$ -	\$ -	Accel
Total	\$ -	\$ -	\$ 37,871.00	\$ -	