

## COMMUNITY SCHOOL CONTRACT

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

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

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

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

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

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

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

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

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

As outlined in Section 3323.012 of the Ohio Revised Code, the **School** is considered a school district for purposes of Chapter 3323 of the Ohio Revised Code. The **School** is also considered a school district for all purposes provided for in Section 3314.082 of the Ohio Revised Code. The **Governing Authority** and **School** shall also comply with Chapter 102 and Section 2921.42 of the Ohio Revised Code and must have a conflicts of interest policy. The **Governing Authority** and **School** will comply with Sections 3302.04 and 3302.041 of the Ohio Revised Code, except that any action required to be taken by a school district pursuant to those Sections shall be taken by the **Sponsor** in accordance with the Ohio Revised Code. However, the **Sponsor** shall not be required to take any action described in Division (F) of Section 3302.04 of the Ohio Revised Code. The **School** shall comply with federal and state laws regarding the education of students with disabilities.

To comply with requirements in this Section, members of the **Governing Authority**, the designated fiscal officer, the Chief Administrative Officer, other administrative employees of the **School**, and all individuals performing supervisory or administrative services for the **School** under a contract with the operator shall complete training on an annual basis on the public records and open meetings laws.

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

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

If the **School** changes or expands its location, and such location has been or will be leased, no lease shall be signed by the **Governing Authority** unless in accordance with the financial plan included with **ATTACHMENT 7**, which may be revised to include the specifics of the costs for the new location. The **Sponsor** shall have the right to inspect the site before a lease is signed. If the location has been or will be purchased by the **Governing Authority**, the contract of sale and related documents shall not be signed unless in accordance with the financial plan included with **ATTACHMENT 7**, which may be revised to include the specifics of the costs for the new location. Approval of the financial plan or site shall not be unreasonably withheld and/or delayed. After leasing or purchase, a copy of the fully executed lease or conveyance documents, subsequent amendments, modifications, or renewals thereof, and all related documents shall be provided to the **Sponsor** within 10 business days and included in **ATTACHMENT 2**, along with updated facilities information as specified above and in Section 3314.03(A)(9) of the Ohio Revised Code.

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

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

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

7. The **School** shall be authorized to provide learning opportunities for grades K-12 for at least 25 students for a minimum of 920 hours per school year or in accordance with any applicable changes of law.
8. The **School** was not a non-public chartered or non-chartered school in existence on January 1, 1997. This representation is material, and if in error, the **Sponsor** may terminate this Contract. For purposes of this Section, if the **School** is new but the faculty and students in 1997 were almost all located at the same non-public chartered or non-chartered school in existence on January 1, 1997, the **School** will be considered to be a non-public chartered or non-chartered school.
9. The **School** shall be nonsectarian in its programs, admissions policies, employment practices, and all other operations, and it will not be operated by a sectarian school or religious institution.
10. A list of the current members of the **Governing Authority**, including all contact information required by law, is included as **ATTACHMENT 3**. A description of the process by which the **Governing Authority** of the **School** shall be selected in the future shall also be included, unless that process is outlined in the Code of Regulations included with **ATTACHMENT 1**. The **Governing Authority** shall consist of not less than 5 members and a majority of the members must be comprised of individuals who live or work in the county in which the **School** is located, or an adjacent county. In accordance with Section 3314.035 of the Ohio Revised Code, the **Governing Authority** shall ensure the name of each member is posted on the **School's** website. For new members, the **School's** website shall be updated within 30 days of appointment.

No person shall serve on the **Governing Authority** under any of the circumstances prohibited by Section 3314.02(E) of the Ohio Revised Code, including, but not limited to, serving on the governing authority of more than 5 community schools at

the same time, unless as allowed by Section 3314.02(E)(3) of the Ohio Revised Code. Additionally, in accordance with Section 3314.02(E)(7), each then current member of the **Governing Authority** shall make the required annual disclosures by October 31 of each year or within 60 days of appointment to the **Governing Authority**.

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

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

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

confirming the lack of findings of recovery, assistance from the **Governing Authority** will not be unreasonably withheld.

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

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

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

11. The **School's** Chief Administrative Officer will be the **School's** leader and chief administrator. This individual is responsible for the daily operations at the **School** and will be listed in any state reporting system as the Superintendent, or other similar title. Within 5 business days, the **School** or the **School's** designee shall notify the **Sponsor**, in writing, of any change in the identity of the **School's** Chief Administrative Officer and shall include any documentation required by law.
12. The **School** shall begin operation for the academic year no later than September 30 (unless it is a drop-out prevention and recovery program) by teaching the minimum number of students required by law or this Contract.
13. The **School's** Educational Plan, including its mission, academic goals, characteristics of students the **School** is hoping to attract (including ages and grades), instructional program and methods, focus of the curriculum, educational philosophy of the **School**, and a description of the learning opportunities that will be offered to students (including both classroom and non-classroom based learning opportunities, if present) that complies with the criteria for student participation in Section 3314.08(H)(2) of the Ohio Revised Code are attached as **ATTACHMENT 4**. If applicable, **ATTACHMENT 4** shall also include a notation if the **Governing Authority** is seeking designation as a STEM school equivalent under Section 3326.032 of the Ohio Revised Code, and, if the **School** is operating using the blended learning model as defined in Section 3301.079 of the Ohio Revised Code, the required information as outlined in Section 3314.03(A)(29) of the Ohio Revised Code. The **Governing Authority** shall give the **Sponsor** advanced written notice of its desire to update **ATTACHMENT 4**; however, changes shall not be implemented without prior written approval of the **Sponsor**, which approval shall

not be unreasonably withheld. Additionally, if the **School** is serving any of grades K-8, multiple grade levels shall not be served concurrently in the same classroom without prior written approval of the **Sponsor**, which approval shall not be unreasonably withheld.

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

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

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

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

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

15. Within 4 months after the end of each school year, the **Governing Authority** must submit a report of its activities and progress in meeting the goals and standards set

forth in this Contract and its financial status to the **Sponsor** and the parents of all students enrolled in the **School**.

16. The **Governing Authority** or its designee shall report annually to the **Sponsor** and the State Board of Education on the day set by the State Board of Education all of the reporting requirements set by Chapter 3314 of the Ohio Revised Code, including, but not limited to, those found in Section 3314.08(B) of the Ohio Revised Code.
17. The **Governing Authority** or its designee shall report in writing every month to the **Sponsor** with statistics and other items required by the **Sponsor**, including financials, enrollment, staff and teacher turnover, expulsions, suspensions, and shall respond promptly to the **Sponsor's** inquiries regarding such information or other matters the **Sponsor** reasonably deems important. Provided that the **Sponsor** uses its reasonable discretion, while visiting the **School**, the **Sponsor** shall use best efforts to avoid undue disruption. The **Sponsor** shall be allowed to observe the **School** in operation at site visits and shall have open access for such visits. Upon the written request of **Sponsor**, the **Governing Authority** shall also report in writing all of the following data: total assets, current assets, total liabilities, current liabilities, total number of people on payroll, gross revenue, occupancy cost, payroll/instruction cost, state revenue, management fee cost, grant revenue, and total number of students.

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

The **Governing Authority** hereby appoints the **Sponsor** as a representative pursuant to Section 3319.39(D) of the Ohio Revised Code, for purposes of



receiving and reviewing the results of criminal records checks performed pursuant to Section 3319.39(A)(1) of the Ohio Revised Code for employees working at the **School** and authorizes its agent(s) (including education management companies) to communicate this information directly to the **Sponsor**.

The **Sponsor** agrees to comply with FERPA and the regulations promulgated thereunder and warrants that it uses reasonable methods to limit **Sponsor** employee access to only those records 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.

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

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

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

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

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

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

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

22. The **Governing Authority** shall adopt a policy regarding suspension, expulsion, emergency removal, and permanent exclusion of a student that specifies, among other things, the types of misconduct for which a student may be suspended, expelled, or removed, and the due process related to any action taken under this Section. The policy and practices 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 unlawfully infringe upon the rights of students with disabilities as provided by state and federal law.

23. Unless operations are suspended in accordance with Section 3314.072 of the Ohio Revised Code, the **School** must remain open for students to attend until the end of the school year in which it is determined that the **School** must close. The programs provided to students in the final year of the **School** must continue without interruption or reduction to the fullest extent possible, unless program changes are approved in writing by the **Sponsor**. The **Sponsor** may, but is not obligated to, assume operation of the **School** as provided for in Section 3314.073 of the Ohio Revised Code. Provided prior written notice is delivered to all members of the **Governing Authority**, the **Sponsor** may also replace the **Governing Authority** if the **Governing Authority** abandons or materially breaches its duties under this Contract or at law in a manner that could cause immediate and irreparable harm to the **School** and/or its students.
24. At least 1 full-time classroom teacher or 2 part-time classroom teachers each working more than 12 hours per week must be employed to work in the **School**. The full-time classroom teachers and part-time classroom teachers working more than 12 hours per week shall be licensed in accordance with Sections 3319.22 to 3319.31 of the Ohio Revised Code. Non-licensed persons may teach up to 12 hours or forty hours per week in the **School** pursuant to Section 3319.301 of the Ohio Revised Code. The student to full-time equivalent classroom teacher ratio shall be no more than 28:1 without prior written approval of the **Sponsor**. The **School** may employ non-teaching employees.  
  
If the **School** is the recipient of moneys from a grant awarded under the federal race to the top program, Division (A), Title XIV, Sections 14005 and 14006 of the "American Recovery and Reinvestment Act of 2009," Pub. L. No. 111-5, 123 Stat. 115, the **School** will pay teachers based upon performance in accordance with Section 3317.141 and will comply with Section 3319.111 of the Ohio Revised Code as if it were a school district.
25. Although the **Governing Authority** may employ teachers and non-teaching employees necessary to carry out its mission and fulfill this Contract, no contract of employment shall extend beyond the expiration of this Contract or termination according to the procedures set forth in the Ohio Revised Code.
26. The **Governing Authority** shall specify any arrangements for providing health and other benefits to employees. To the extent required by law, the benefits provided by the **School** must include and are subject to Chapters 3307 and 3309 of the Ohio Revised Code ("STRS" and "SERS"), as applicable.
27. The **School's** financial records shall be maintained in the same manner as are financial records of school districts, pursuant to rules of the Ohio Auditor of State.

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

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

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

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

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

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

- 28. The fiscal year for the **School** shall begin July 1 and end June 30 of the following year.
- 29. A financial plan detailing a projected **School** budget for each fiscal year of this Contract is included with **ATTACHMENT 7**. Each year of this Contract, on or before June 30, a revised financial plan shall be submitted by the **Governing Authority** to the **Sponsor**. The **Governing Authority** and **School** agree that if a deficit is projected, the parties will take appropriate measures to budget for a positive cash flow. All projected and actual revenue sources must be included in the plan and projected expenses must include the total estimated per pupil

expenditure amount for each such year. In accordance with Section 3314.042 of the Ohio Revised Code, the **Governing Authority** agrees to comply with Section 3301.07(B)(2) of the Ohio Revised Code in terms of financial reporting.

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

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

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

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

30. Pursuant to Section 3314.08(G) of the Ohio Revised Code, the **School** may borrow money to pay any necessary and actual expenses of the **School** in anticipation of receipt of any portion of the payments to be received by the **School** pursuant to

Section 3317.022 of the Ohio Revised Code. The **School** may issue notes to evidence such a borrowing to mature as necessary. The proceeds from the notes shall be used only for the purposes for which the anticipated receipts may be lawfully expended by the **School**. The **School** may borrow money for a term not to exceed 15 years for the purpose of acquiring facilities. Any monies loaned to the **School** by the operator, including facilities loans or cash flow assistance, must be accounted for, documented, and bear interest at a fair market rate.

31. The **Governing Authority** shall purchase, or ensure that, insurance coverage providing for the general liability of the **School** is maintained at all times. The **Governing Authority** shall ensure that this liability insurance policy provides coverage for itself; the **School** and its employees; and shall include the **Sponsor**, its Board, officers, employees, and contractors of the **Sponsor** as additional insureds thereunder. The policy or certificate indicating coverage shall be provided to the **Sponsor** upon execution of this Contract. This policy shall provide coverage in amounts not less than \$1 million per occurrence and \$5 million in the aggregate or \$1 million per occurrence, \$2 million in the aggregate, and at least a \$5 million umbrella covering all claims otherwise payable under the policy. The **Governing Authority** shall provide documentation regarding any change in or renewal of this policy to the **Sponsor** as soon as reasonably practicable following the renewal of the policy and shall require the insurer to notify the **Sponsor** in writing promptly upon receiving notification from the insurer of any material adverse change to, or cancellation of, such coverage. To the extent obtained under this Contract, the **School** must provide copies of all commercial general liability, real or personal property, directors and officers liability insurance, proof of workers' compensation payments, and unemployment compensation payments, and notice of lapse of any such coverage to **Sponsor** within 5 business days of written request by the **Sponsor**.
  
32. The **Governing Authority** and **School** shall indemnify and hold harmless the **Sponsor** and its Board, and their respective members, employees, agents, and officers, from any claims, demands, actions, suits, causes of action, obligations, losses, costs, expenses, attorneys' fees, damages, judgments, orders and liabilities of whatever kind or nature, in law, equity or otherwise, arising from any of the following, which include, but are not limited to:
  - (a) A failure of the **Governing Authority** and/or **School** or any of its officers, trustees, directors, employees, successors, agents, or contractors to perform any duty, responsibility, or obligation imposed by law or by this Contract; and/or
  - (b) An action or omission by the **Governing Authority** and/or **School** or any of its officers, trustees, directors, employees, successors, agents, or contractors that result in injury, death, or loss to person or property, breach of contract, or violation of statutory law or common law (state and federal).

The entering into of this Contract and the oversight of the **Sponsor** of the **School** and the **Governing Authority** pursuant to this Contract, shall in no way implicate

the **Sponsor** or render it liable or responsible for the acts or omissions of the **Governing Authority** or the **School**.

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

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

33. Where required by this Contract, the **Governing Authority** and **School** shall comply with all reasonable requests of the **Sponsor**. Unless otherwise directed in writing for a longer period of time, any reasonable request of the **Sponsor** shall be fulfilled in writing within 10 business days.
34. If the **School** includes a high school, the **School** shall comply with Sections 3313.61, 3313.611, 3313.614, 3313.617, 3313.618, and 3313.6114 of the Ohio Revised Code, except with regard to students who entered ninth grade for the first time before July 1, 2010, the requirement in Sections 3313.61 and 3313.611 of the Ohio Revised Code that a person must successfully complete the curriculum in any high school prior to receiving a high school diploma may be met by completing the curriculum adopted by the **Governing Authority**. Beginning with students who entered ninth grade for the first time on or after July 1, 2010, the requirement in Section 3313.61 and 3313.611 of the Ohio Revised Code that a person must successfully complete the curriculum of a high school prior to receiving a high school diploma shall be met by completing the Ohio core curriculum prescribed in division (C) of Section 3313.603 of the Ohio Revised Code, unless the person qualifies under division (D) or (F) of that Section. The **School** shall comply with the plan for awarding high school credit based on demonstration of subject area competency, and beginning with the 2017-2018 school year, with the updated plan that permits students enrolled in seventh and eighth grade to meet curriculum requirements based on subject area competency adopted by the State Board of Education under divisions (J)(1) and (2) of Section 3313.603 of the Ohio Revised Code. Beginning with the 2018-2019 school year, the **School** shall comply with the framework for granting units of high school credit to students who demonstrate subject area competency through work-based learning experiences, internships, or cooperative education developed by the department under division (J)(3) of Section 3313.603 of the Ohio Revised Code.
35. In addition to provisions provided in the Ohio Revised Code, any individual, responsible for the care, custody or control of a student, under final consideration

for appointment or employment with the **Governing Authority** or **School** shall have an Ohio and federal background check conducted in the manner described in Section 3319.39 of the Ohio Revised Code and as may be required by law every 5 years after the initial background check is performed. The results of all employee background checks will be provided to the **Sponsor** within 3 business days of receipt and/or appointment and subsequently upon request.

36. Pursuant to Section 3314.03(B) of the Ohio Revised Code, a comprehensive plan for the **School** must be submitted to the **Sponsor**. The requirements for the comprehensive plan are fulfilled through various attachments to this Contract. The **School's** comprehensive plan shall specify the following:
- (a) The process by which the Governing Authority of the School will be selected in the future (portion of ATTACHMENT 1 – Code of Regulations);
  - (b) The management and administration of the School (portion of ATTACHMENT 7 – Financial Plan and ATTACHMENT 8 – Management Agreement);
  - (c) If the community school is a currently existing public school or educational service center building, alternative arrangements for current public school students who choose not to attend the converted school and for teachers who choose not to teach in the school or building after conversion (If applicable, these arrangements will be developed and added);
  - (d) The instructional program and educational philosophy of the School (ATTACHMENT 4 – Education Plan);
  - (e) Internal financial controls (portion of ATTACHMENT 7 – Internal Financial Controls); and,
  - (f) Any other information or documentation as determined by the **Sponsor** or as deemed necessary by the **Governing Authority** to comply with the requirements of the comprehensive plan.

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

- 1. Monitoring the **School's** compliance with applicable law, and the terms of this Contract;
- 2. Monitoring and evaluating the academic and fiscal performance and the organization and operation of the **School** on at least an annual basis;



3. Reporting annually the results of its evaluation to the Ohio Department of Education and parents of students enrolled in the **School**;
4. Submitting the necessary, **Sponsor**-required reports to the Ohio Department of Education, or other appropriate entities;
5. Providing technical assistance to assist the **School** in complying with applicable laws and this Contract;
6. Intervening and taking action as the **Sponsor** deems necessary in the **School's** operation to correct problems with overall performance, including, but not limited to, exercising its right to place the **School** on probation, suspend operations of the **School**, and/or terminate this Contract according to Sections 3314.073, 3314.072 or 3314.07, respectively, of the Ohio Revised Code;
7. Preparing and assisting with contingency plans in the event the **School** experiences financial difficulties or closes before the end of the school year;
8. Timely performance of any other duties related to the **School** that may be relegated to the **Sponsor** through state or federal law; and,
9. Pursuant to Section G. of this Contract and in compliance Ohio law, the **Sponsor** will oversee the **Governing Authority** and **School's** actions in the closure of a community school established under Chapter 3314 of the Ohio Revised Code.

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

1. As permitted by Section 3314.03(C) of the Ohio Revised Code, in consideration for time, organization, monitoring, oversight, technical assistance, fees, and costs of the **Sponsor** pursuant to this Contract, the **Governing Authority** shall pay to the **Sponsor** the amount of 2.5% of the total amount of payments for operating expenses that the **School** receives from the state each year. Such payments shall be paid based on invoices from the **Sponsor**. The invoices shall be payable within 10 days of receipt of the invoice and the **School's** receipt of the associated state funds. Calculations for the invoicing shall be taken from the Ohio Department of Education-issued report identifying the amount of state funds paid to the **School** for the invoice period.

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

such amounts are actually received during or after the term of this Contract. Similarly, the **Sponsor** shall repay any fees it receives from the **School** or **Governing Authority**, as appropriate, related to amounts adjusted by the Ohio Department of Education that are related to periods prior to termination, non-renewal, or expiration of this Contract whether such adjustment is made during or after the term of this Contract.

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

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

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

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

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

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

If the **Governing Authority** does not intend to renew this Contract with the **Sponsor**, the **Governing Authority** shall notify the **Sponsor** at least 180 days prior to the expiration date of this Contract in writing, or otherwise in compliance with Ohio law. In the event the **Governing Authority** provides notice to the **Sponsor** in accordance with this Section and Ohio law, the **Governing Authority** agrees to diligently pursue any necessary approval for changing sponsors and to apply for sponsorship with one or more eligible sponsors. The **Governing Authority** shall promptly respond to reasonable requests from the **Sponsor** regarding the status of such approval and the search for a different sponsor. By March 15 of the year this Contract expires, the **Governing Authority** shall provide the **Sponsor** with documentation showing that the **Governing Authority** has executed a charter contract with a different sponsor for a term beginning July 1 of that year, or, if it has not yet executed a charter contract, documentation which is sufficient to support the conclusion that a charter contract will be signed prior to July 1. For good cause and in the sole discretion of the **Sponsor**, the March 15 deadline can be extended until April 15. Good cause will exist under circumstances supporting that the **Governing Authority** will likely obtain a new sponsor and in the absence of undue hardship on students. In the event the **Governing Authority** does not provide such documentation, the **Governing Authority** agrees to begin planning for closure and cease operations on June 30 if it does not have a signed sponsor contract before July 1, and work with the **Sponsor** to ensure an orderly and timely school closure, including, but not limited to, prompt notification of parents and students.

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

1. If the **School** is non-renewed or terminated under Sections 3314.07(B)(1)(a) or (b) of the Ohio Revised Code or permanently closed under 3314.35, the **School** shall permanently close at the end of the school year or applicable and lawful date. In the event the **School** permanently closes or the **Governing Authority** secures a new sponsor and for the time following expiration of this Contract, the **Sponsor**, **Governing Authority**, and **School** agree to continue to follow all reporting requirements and relinquish all necessary documents until all of their responsibilities under this Contract are completed.

2. Upon termination of this Contract, by law or by these Contract provisions, or upon dissolution of the Ohio non-profit corporation which operates the **School**, all equipment, supplies, real property, books, furniture or other assets of the **School**, including, property acquired by the operator in the manner described in Section 3314.0210 of the Ohio Revised Code, shall be distributed in accordance with Sections 3314.015(E) and 3314.074 of the Ohio Revised Code, and the **Governing Authority's** Articles of Incorporation, and Code of Regulations.
  3. Upon prior written request of the **Sponsor**, the **Governing Authority**, **School**, and/or their agents will immediately provide the **Sponsor** any and all documentation and records, including, but not limited to, financial records deemed necessary within reason by the **Sponsor** to facilitate the **School's** closure. This transmittal of documentation and records to the **Sponsor** excludes all students' educational records, which should be forwarded to the individual student's school district of residence or where the student has enrolled.
  4. In accordance with Section 3314.44 of the Ohio Revised Code, the **School's** leader, as Chief Administrative Officer of the **School**, shall take all reasonable steps necessary to collect and assemble the students' educational records in an orderly manner and transmit the records to the student's school district of residence within 7 business days of the **School's** closing. The fiscal officer shall deliver all financial and enrollment records to the **Sponsor** within 30 days of the **School's** closure. The **School** agrees that the fiscal services agreement will state that the fiscal officer is primarily responsible for all finance-related portions of the closing procedures if the **School** closes. Additionally, the **Governing Authority** agrees that the fiscal officer is primarily responsible for closing procedures related to the finances of the **School** and, upon the written request of the **Sponsor**, the **Governing Authority** agrees to remain in place and will use its best efforts to retain the services of a fiscal officer to complete a final audit, if the current fiscal officer is no longer available.
  5. The **School** also hereby agrees that it will cooperate fully with **Sponsor** to complete the appropriate procedures and paperwork as outlined by the **Sponsor**, the Ohio Department of Education, or in statute in the event the **School** is closed. Any refusal by the **School** to cooperate fully with **Sponsor** will be considered a material breach of this Contract.
  6. In the event that this Contract is voided by operation of Section 3314.016(C) of the Ohio Revised Code or similar provision based upon sponsor rating, the parties agree that neither may seek damages as a result of the voiding of this Contract by operation of such a provision.
- H. **Dispute Resolution.** Other than a dispute falling under Section F. of this Contract, for all other disputes regarding either any term of this Contract or any community school issue, the parties shall use the following non-binding dispute resolution procedure: The parties shall make initial attempts to resolve any dispute through an agent designated by the **Sponsor** and an agent designated by the **Governing Authority**. If those parties cannot

resolve the dispute, the dispute will be submitted to mediation. The parties will take efforts to agree mutually on a mediator with relevant background and experience with community schools. In the event the parties cannot agree to a mediator within 21 days of the request for mediation, the party requesting dispute resolution will request a list of 7 mediators, with experience in charter schools and/or education from the Ohio State Bar Association but not a party who has ever represented the **Sponsor** or the **Governing Authority** or who is conflicted out due to business conflict reasons. Each party, beginning with the party requesting mediation, will strike one name from the list, until one name remains, which shall be the mediator.

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

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

- I. **Term.** Except as otherwise stated in this section, this Contract shall be for a term commencing on **July 1, 2022** and expiring on **June 30, 2027**. The **Sponsor** and **Governing Authority** further agree that either party may provide written notice, to be received on or before **December 15, 2024**, that this Contract shall expire on **June 30, 2025**, and is being non-renewed. The parties acknowledge that the **Sponsor** retains its rights to terminate the contract for the reasons stated in Section 3314.07 of the Ohio Revised Code and as provided in this Contract.
  
- J. **Management by Third Parties.** The **Governing Authority** may enter into a contract with an operator to assist with its obligations under this Contract or for any other lawful reason that does not conflict with the terms of this Contract. If the **Governing Authority** contracts with an operator, the **Governing Authority** shall immediately notify the **Sponsor**. The fully-executed management agreement between the **Governing Authority** and operator must be provided to the **Sponsor** and is attached as **ATTACHMENT 8**. Any new or renewed management agreement shall comply with the provisions set forth in this Contract and Section 3314.032 of the Ohio Revised Code. Further, the **Governing Authority** shall ensure full compliance with additional requirements placed on its relationship with an operator, including, but not limited to, Sections 3314.02(E), 3314.0210, 3314.024, and 3314.036 of the Ohio Revised Code. Any changes to the management agreement shall be provided to the **Sponsor** within 10 business days, after which the **Sponsor** may notify the **Governing Authority** if it believes that any provisions

do not comply with this Contract and the applicable law. The **Governing Authority** must hold all rights to the name or a license to use the name of the **School**.

- K. **Organizational Structure**. The organizational structure and management / administration, employee, **Governing Authority** relationships must be accurately reflected in an organizational chart and attached as **ATTACHMENT 9**. Written summaries which describe working relationships of each entity if not in the contract itself must also be included. Any material modifications to the chart, relationships, descriptions, and/or positions must be submitted in written form to the **Sponsor** within 10 business days.
- L. **Headings and Attachments**. Headings are for the convenience of the parties only. Headings have no substantive meaning. All **ATTACHMENTS 1-9** of this Contract are attached hereto and incorporated by reference into this Contract.
- M. **Assignments and Modifications**. Subject to Section J. above, this Contract and its terms shall not be assigned or delegated without the written approval of the other party which shall not be unreasonably withheld. No modifications to this Contract shall be valid and binding unless signed by both the **Sponsor** and the **Governing Authority** and attached to this Contract. Notwithstanding the preceding sentence, modifications to and substitutions of any attachment hereto may be done in accordance with applicable laws and the regulations of each party.
- N. **Notification Procedures**. Any notice to one party by the other shall be satisfied upon receipt, and delivered by personal delivery or by certified mail, return receipt requested, as well as electronic mail service. As for delivery via electronic mail, burden of proving receipt, if necessary, lies with the sending party.

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

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

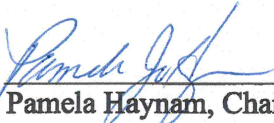
**Sponsor:**  
Lenny Schafer, M.Ed.  
Ohio Council of Community Schools  
3131 Executive Parkway, Suite 306  
Toledo, OH 43606  
lenny@ohioschools.org

**With a copy to:**  
Matthew Aumann  
Isaac Wiles Burkholder & Teetor, LLC  
Two Miranova Place, Suite 700  
Columbus, OH 43215  
maumann@isaacwiles.com

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

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

**OHIO COUNCIL OF COMMUNITY SCHOOLS**

By:   
Pamela Haynam, Chairman

6/14/2022  
Date

**SUNBRIDGE SCHOOLS**

By:   
Stephen Mitchell, Chairman

5/19/22  
Date



## Exempt Organizations Select Check

[Exempt Organizations Select Check Home](#)

Organizations Eligible to Receive Tax-Deductible Charitable Contributions (Pub. 78 data) - Search Results

The following list includes tax-exempt organizations that are eligible to receive tax-deductible charitable contributions. Click on the "Deductibility Status" column for an explanation of limitations on the deductibility of contributions made to different types of tax-exempt organizations.

Results are sorted by EIN. To sort results by another category, click on the icon next to the column heading for that category. Clicking on that icon a second time will reverse the sort order. Click on a column heading for an explanation of information in that column.

26-32 of 32 results      Results Per Page        [« Prev](#) | 26-32 | [Next »](#)

<a href="#">EIN</a> ▲	<a href="#">Legal Name (Doing Business As)</a> ▲	<a href="#">City</a> ▲	<a href="#">State</a> ▲	<a href="#">Country</a> ▲	<a href="#">Deductibility Status</a> ▲
45-4667676	Kids Unlimited Academy	Toledo	OH	United States	PC

[« Prev](#) | 26-32 | [Next »](#)





DATE	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
06/12/2014	201416300902	DOMESTIC/AMENDMENT TO ARTICLES (AMD)	50.00	0.00	0.00	0.00	0.00

### Receipt

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

KIDS UNLIMITED ACADEMY  
 HEIDI CALLENDER  
 9853 JOHNNYCAKE RIDGE RD, STE 107  
 MENTOR, OH 44060

## STATE OF OHIO CERTIFICATE

Ohio Secretary of State, Jon Husted  
 2061141

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

**SUNBRIDGE SCHOOLS**

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

Document(s)

**DOMESTIC/AMENDMENT TO ARTICLES**

Effective Date: 06/12/2014

Document No(s):

**201416300902**

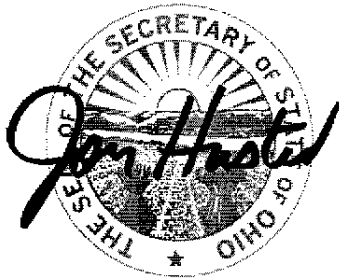


United States of America  
 State of Ohio  
 Office of the Secretary of State

Witness my hand and the seal of the  
 Secretary of State at Columbus, Ohio this  
 12th day of June, A.D. 2014.

*Jon Husted*

Ohio Secretary of State



Form 541 Prescribed by:  
**JON HUSTED**  
Ohio Secretary of State

Central Ohio: (614) 466-3910  
Toll Free: (877) SOS-FILE (767-3453)  
*www.OhioSecretaryofState.gov*  
*Busserv@OhioSecretaryofState.gov*

Mail this form to one of the following:

Regular Filing (non expedite)  
P.O. Box 1329  
Columbus, OH 43216

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

2014 JUN 12 AM 11:26

**Certificate of Amendment**  
**(Nonprofit, Domestic Corporation)**  
**Filing Fee: \$50**

Check the appropriate box:

- Amendment to existing Articles of Incorporation by Members pursuant to Ohio Revised Code section 1702.38(C) (128-AMD)
- Amended and Restated Articles by Members pursuant to Ohio Revised Code section 1702.38(D) or by Directors pursuant to Ohio Revised Code section 1702.38(E) (126-AMAN) - The following articles supersede the existing articles and all amendments thereto.

Complete the following information:

Name of Corporation

Charter Number

A copy of the resolution of amendment must be attached to this document.

Note: If amended and restated articles were adopted, amended articles must set forth all provisions required in original articles other than with respect to the initial directors pursuant to Ohio Revised Code section 1702.38(A). In the case of adoption of the resolution by the directors, a statement of the basis for such adoption shall be provided.

**Required**

Must be signed by an authorized officer of the Corporation pursuant to the Ohio Revised Code section 1702.38(G).

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

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

*Joseph L. Braker*  
Signature

By (if applicable)

*JOSEPH L. BRAKER*  
Print Name

Signature

By (if applicable)

Print Name



**RESOLUTION – Change of Name**

RESOLVED, that the Board of Directors approves the renaming of Kids Unlimited Academy to SUNSHINE SCHOOLS for the 2014-2015 School Year.

Resolution Approved:

[Signature]

[Signature]

[Signature]  
[Signature]

[Signature]  
[Signature]

Date: 05/27/14



DATE:	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
11/15/2011	201131801292	DOMESTIC ARTICLES/NON-PROFIT (ARN)	125.00	100.00		.00	.00

**Receipt**

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

NIEHAUS & ASSOCIATES, LTD  
 7150 GRANITE CIRCLE  
 SUITE 203  
 TOLEDO, OH 43617

**STATE OF OHIO  
 CERTIFICATE**

**Ohio Secretary of State, Jon Husted**

**2061141**

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

**KIDS UNLIMITED ACADEMY**

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

Document(s)

**DOMESTIC ARTICLES/NON-PROFIT**

Document No(s):

**201131801292**



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 14th day of November,  
 A.D. 2011.

*Jon Husted*

Ohio Secretary of State



Prescribed by **J. Kenneth Blackwell**

Ohio Secretary of State

Central Ohio: (614) 466-3910

Toll Free: 1-877-SOS-FILE (1-877-767-3453)

[www.state.oh.us/sos](http://www.state.oh.us/sos)

e-mail: [busserv@sos.state.oh.us](mailto:busserv@sos.state.oh.us)

**Expedite this Form:** (Select One)

**Mail Form to one of the following:**

Yes PO Box 1390  
Columbus, OH 43216

\*\*\* Requires an additional fee of \$100 \*\*\*

No PO Box 670  
Columbus, OH 43216

## INITIAL ARTICLES OF INCORPORATION

(For Domestic Profit or Non-Profit)

Filing Fee \$125.00

2011 NOV 14 AM 10:43

THE UNDERSIGNED HEREBY STATES THE FOLLOWING:

**(CHECK ONLY ONE (1) BOX)**

<p><b>(1)</b> <input type="checkbox"/> Articles of Incorporation Profit (113-ARF) ORC 1701</p>	<p><b>(2)</b> <input checked="" type="checkbox"/> Articles of Incorporation Non-Profit (114-ARN) ORC 1702</p>	<p><b>(3)</b> <input type="checkbox"/> Articles of Incorporation Professional (170-ARP) Profession _____ ORC 1785</p>
--	---	---

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

**FIRST:** Name of Corporation Kids Unlimited Academy

**SECOND:** Location Toledo Lucas  
(City) (County)

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

Check here if additional provisions are attached

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

**THIRD:** Purpose for which corporation is formed

Please see attachment

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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

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

(Refer to instructions if needed) \_\_\_\_\_ (No. of Shares) \_\_\_\_\_ (Type) \_\_\_\_\_ (Par Value)

**Completing the information in this section is optional**

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

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Street) **NOTE: P.O. Box Addresses are NOT acceptable.**

\_\_\_\_\_  
(City) (State) (Zip Code)

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Street) **NOTE: P.O. Box Addresses are NOT acceptable.**

\_\_\_\_\_  
(City) (State) (Zip Code)

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Street) **NOTE: P.O. Box Addresses are NOT acceptable.**

\_\_\_\_\_  
(City) (State) (Zip Code)

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

*Christopher J. Amato*  
\_\_\_\_\_  
Authorized Representative

**NOVEMBER 8, 2011**  
\_\_\_\_\_  
Date

Christopher J. Amato  
\_\_\_\_\_  
(Print Name)  
**CHRISTOPHER J. AMATO**  
\_\_\_\_\_

\_\_\_\_\_  
Authorized Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Print Name)  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Authorized Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Print Name)  
\_\_\_\_\_  
\_\_\_\_\_

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

### ORIGINAL APPOINTMENT OF STATUTORY AGENT

The undersigned, being at least a majority of the incorporators of Kids Unlimited Academy 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

Christopher J. Amato

(Name)

8927 Royal Oak Drive

(Street) **NOTE: P.O. Box Addresses are NOT acceptable.**

Holland, Ohio 43528

(City) (Zip Code)

Must be authenticated by an authorized representative

*Christopher J. Amato*

Authorized Representative

NOVEMBER 8, 2011

Date

[Blank Signature Line]

Authorized Representative

[Blank Date Line]

Date

[Blank Signature Line]

Authorized Representative

[Blank Date Line]

Date

#### ACCEPTANCE OF APPOINTMENT

The Undersigned, Christopher J. Amato, named herein as the

Statutory agent for, Kids Unlimited Academy, hereby acknowledges and accepts the appointment of statutory agent for said entity.

Signature: *Christopher J. Amato*  
(Statutory Agent)



**ARTICLES OF INCORPORATION  
OF  
KIDS UNLIMITED ACADEMY**

**THIRD:** The Corporation is organized and shall be operated exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future United States Internal Revenue law (the "Code"). Specifically, the Corporation is organized to operate as a public community school in the State of Ohio. The Corporation shall be permitted to engage in any lawful activity that may be conducted by an Ohio nonprofit public benefit corporation that is exempt from federal tax by reason of being an entity organized for charitable and educational purposes, as described in Code Section 501(c)(3), or the corresponding provision of any future United States Internal Revenue law. This Corporation shall not engage in activities which are not in furtherance of the charitable and educational purposes set forth in this Article THIRD.

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

- (a) No part of the assets of or the net earnings of the corporation shall inure to the benefit of any member, trustee, or officer of the corporation or any private individual or entity (except that reasonable compensation may be paid for services rendered to or for the corporation effecting one or more of its purposes). In the event of the liquidation or dissolution of the corporation, whether voluntary or involuntary, no member trustee or officer of the Corporation, or any private individual or entity shall be entitled to receive any distribution from the remaining assets of the Corporation or the proceeds thereof.
- (b) No substantial part of the activities of the Corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation, nor shall the corporation participate in or intervene in (including the publication and distribution of statements) any political campaign on behalf of any candidate for public office.
- (c) Notwithstanding any other provisions in these Articles, the Corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from federal tax under Code Section 501(c)(3) or by an organization, contributions to which are deductible under Code Section 170(b)(1)(A), or corresponding provisions of any future United States Internal Revenue law.

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

Code of Regulations  
Of  
SunBridge Schools

Article I  
Introduction

Section 1: Definition of Regulations

These Regulations constitute the code of rules adopted by SunBridge Schools for the regulation and management of its affairs.

Section 2: Purposes & Powers

This Corporation will have the purposes or powers as stated in its Articles of Incorporation, and whatever powers are or may be granted by the Nonprofit Corporation Law of the State of Ohio or any successor legislation.

The primary purpose of this Corporation is as follows:

- A. The Corporation shall be operated exclusively for charitable and educational purposes. Specifically, the Corporation is organized to operate as a public community school in the State of Ohio.

It is authorized to carry out any act and to ensure the performance of any function that is in compliance with the statutes applicable to an Ohio non-profit corporation and Ohio Community Schools and the charter contract entered into with the school's sponsor.

- B. The Corporation is further organized exclusively for charitable, educational, religious and/or scientific purposes, including for such purposes, the making of distributions to organizations that qualify as exempt organizations under 501 (c)(3) of the Internal Revenue Code of 1986 as amended, or corresponding section of any future tax code. The intention of this Corporation is to be tax-exempt pursuant to 501(c)(3) of the Internal Revenue Code.

Article II  
Offices and Statutory Agent

Section 1: Offices

The principal place of business of this Corporation in Ohio will be located at 2105 N. McCord Rd Toledo OH 43615. In addition, the Corporation may maintain other offices either within or without the State of Ohio as its business requires.

**Section 2: Statutory Agent**

The Statutory Agent for this Corporation is Steve Mitchell, whose address is 2105 N. McCord Rd Toledo, OH 43615.

**Article III**

**Sponsors, Benefactors, Contributors, or Advisors of the Corporation**

The Trustees may designate certain persons or groups of persons as sponsors, benefactors, contributors, or advisors of the Corporation, or as having such other title as the Trustees deem appropriate. Such persons shall serve in an honorary capacity and, except the as directors shall otherwise designate, shall in such capacity have no right to notice of or to vote at any meeting, shall not be considered for purposes of establishing a quorum, and shall have no other rights or responsibilities.

**Article IV**

**Board of Trustees**

**Section 1: Definition of Board of Trustees**

The Board of Trustees is that group of persons vested with the management of the business and affairs of this Corporation.

**Section 2: General Powers**

The activities of the Corporation shall be managed by its Board of Trustees. The Trustees shall comply with and manage all the authority of the Corporation, conduct all of the affairs of the Corporation, and control and manage all of the property of the Corporation subject to the provisions of Chapter 1702 and Chapter 3314 of the Revised Code, the Articles of Incorporation, the contract with the Corporation's sponsor and every act and thing whatsoever which it shall deem necessary, expedient or advisable to carry out the purpose of the Corporation.

The Board of Trustees shall take no action that will violate the terms of the contract entered into with the Corporation's sponsor.

**Section 3: Number of Trustees**

The Number of Trustees of the Corporation will not be less than five (5) nor more than fifteen (15), as elected from time to time in accordance with Section 5 below.

**Section 4: Term of Office**

The Trustees constituting the first Board of Trustees as names in the Articles of Incorporation ("Organizing Trustees") will hold offices until the first annual election of Trustees or until their successors are chosen and qualified. The Organizing Trustees will be replaced by the Initial Board of

Trustees by appointment by the Organizing Trustees. Trustees will be elected for a term of three (3) years and will hold the office for the term for which the Trustee was elected and/or until a successor has been selected and qualified. No elected trustee shall serve beyond three (3) terms (9 years).

**Section 5: Election/Nomination of Trustees:**

Except as may be otherwise provided in the Articles of Incorporation or otherwise provided herein, Trustees shall be elected by a majority vote of the entire Board of Trustees. Individuals may be nominated for election to the Board of Trustees by any Trustee currently serving or by candidates presented by the Nominating Committee.

**Section 6: Qualification**

- A. All members of the Board of Trustees (BOT) shall be residents and citizens of the United States.
- B. No member shall be elected to the Board of Trustees who is a paid employee or who has an immediate family member working as a paid employee of SunBridge Schools unless waived by the Board of Trustees (Immediate family will be interpreted as parents, children, spouses, siblings, in-law or step-family).

**Section 7: Vacancies on Board of Trustees**

Any vacancy or vacancies occurring on the Board of Trustees, and any Trusteeship to be filled by reason of an increase in the number of Trustees, will be filled by appointment by a majority of the remaining Trustees. In the event of a vacancy, the new Trustee appointed to the vacancy will serve for the unexpired term of the predecessor in office. IN the event of an increase in the number of Trustees, the new Trustee appointed will serve for a term as determined by the Trustees by the resolution increasing the number of Trustees.

**Section 8: Resignation**

Any Trustee may resign at any time by giving written notice to the Board of Trustees. Unless otherwise specified in such written notice, such resignation shall take effect upon receipt thereof by the Board of Trustees or by the President or Secretary of the Corporation. The acceptance of such resignation shall not be necessary to make it effective.

**Section 9: Removal**

Any Trustee may be removed with or without cause at any time by a two-thirds (2/3) vote of the entire Board of Trustees (excluding the Trustee to be removed) at a special meeting of the Board of Trustees called for that purpose.

**Section 10: Location of Trustees' Meetings**

Meetings of the Board of Trustees, regular or special, will be held at the principal place of business of the Corporation or such place or places as the Board of Trustees designates, excepting that without a vote of two-thirds (2/3) of the Trustees, all meetings shall be held in either Wood County or Lucas County, Ohio.

**Section 11: Annual Trustees' Meetings**

The Board of Trustees shall meet annually on a date and at such times as are fixed from time to time by resolution of the Board of Trustees. The annual meeting of the Board of Trustees shall be for the purpose of electing the Trustees and Officers and for the transaction of such other business as may come before the meeting.

**Section 12: Regular Trustees' Meetings**

Regular meetings of the Board of Trustees may be held at such place, date, time as shall be determined by resolution of the Board of Trustees or its Officers. Regular Meetings may be held without notice other than said resolution.

**Section 13: Notice of Special Trustees' Meetings**

Written or printed notice stating the place, day and hours of any special meeting of the Board of Trustees shall be delivered to each Trustee not less than two (2) nor more than five (5) days before the date of the meeting, either personally, by facsimile or by regular mail, by or at the direction of the President or the Secretary or the Trustees calling the meeting. The notice need not state the business to be transacted at, or the purpose of, the meeting unless otherwise required by the Code of Regulations.

**Section 14: Call of Special Board Meetings**

A special meeting of the Board of Trustees may be called by the President, Secretary, or a majority of the Board of Trustees.

**Section 15: Quorum of Trustees**

A majority of the whole Board of Trustees will constitute a quorum. The act of a majority of the Trustees present at a meeting at which a quorum is present will be the act of the Board of Trustees unless a greater number is required under the provisions of the Nonprofit Corporation Law of Ohio, the Articles of Incorporation of this Corporation, or any provision of these Regulations.

**Section 16: Action Without Meeting**

Any action which may be authorized or taken at a meeting of the Board of Trustees, may be authorized or taken without a meeting with the affirmative vote or approval of, and in a writing or writings signed by all of the Trustees, who would be entitled to notice of a meeting for such purpose. Any such writing shall be filed with or entered upon the records of the Corporation.

#### Section 17: Attendance

Trustees are expected to attend all Board meetings. If a Trustee is unable to attend a meeting, he/she shall notify the President of his/her designee prior to the meeting. Any member of the Board of Trustees missing three (3) unexcused meetings in any twelve (12) month period shall be notified by the President in writing, that upon missing the next meeting, his/her board membership will be terminated immediately upon missing a fourth meeting. The Executive Committee shall review the Board membership status of any Board member who misses three (3) meetings in any 12-month period.

### Article V

#### Officers

##### Section 1: Roster of Officers

The Officers of this Corporation shall consist of a Chairperson of the Board and Chief Executive Officer, Secretary, Treasurer, and other such Officers as the Board of Trustees may from time to time determine. One person may hold two offices. An Officer need not, but can be a Trustee.

##### Section 2: Election of Officers

Each of the Officers of this Corporation will be elected and appointed annually by a majority of the Board of Trustees.

##### Section 3: Term of Office/Removal

Each Officer will remain in the office until a successor to the office has been selected and qualified unless otherwise provided in an employment agreement entered into between the Officer and the Corporation. Any Officer may be removed, either with or without cause, and a successor elected by a majority of the Trustees unless otherwise provided in an employment agreement entered into between the Officer and the Corporation.

##### Section 4: Resignation

Unless otherwise provided in an employment agreement entered into between the Officer and the Corporation, any Officer may resign at any time by giving written notice of such resignation to the Board of Trustees or the Chairperson of the Board. Unless otherwise specified in such notice, such resignation

shall take effect upon receipt thereof by the Board of Trustees or the Chairperson of the Board, and the acceptance of such resignation shall not be necessary to make it effective.

## Article VI

### Duties of Officers

#### Section 1: Chairperson and Chief Executive Officer (CEO)

The CEO or its appointed designee shall preside at all meetings of the Board of Trustees and the Executive Committee and may preside over any meetings of the special committees that he/she may attend. The CEO will oversee the performance of the organization as a whole leading the organization through policies adopted by the Board. The CEO should be active in maintaining and developing external relations with other groups that directly affect the Corporation's success and develop long range strategic planning for future years.

The CEO shall also work with the COO and others of their choosing to develop agendas along with background materials for Board Meetings. The Chair should maintain a close relationship with all board members and the various Chairs of the standing committees. The CEO shall be an Ex Officio member of all committees except the nominating committee.

#### Section 2: President/Chief Operating Officer

The President shall be the active Executive Officer of the Corporation and shall exercise supervision over the business, property, and affairs of the Corporation, subject, however, to the control of the Board. The President shall perform other acts and have other powers as the Board may assign from time to time. The President shall generally perform all duties incident to the office of the president and other duties as may be required by law or regulations, or that may be assigned by the Board of Trustees.

The President shall be responsible for presenting to the directors an annual report of the Board, verified by the President and Treasurer, showing in appropriate detail the following: (i) the assets and liabilities of the Corporation as of the end of the fiscal year immediately preceding the date of the report; (ii) the principal changes in assets and liabilities during the year immediately preceding the date of the report, (iii) the revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the report, and (iv) the expenses or disbursements of the Corporation, for both general and restricted purposes, during the year immediately preceding the date of the report

The President is the chief officer of the Corporation and serves at the pleasure and discretion of the Board of Trustees. The President shall be an Ex Officio member of any/all committees. In the absence of the CEO the COO or its designee shall preside at the Board of Trustees and Executive Committee meetings.

### Section 3: Secretary

In the absence of the CEO and COO the Secretary or its designee shall preside at all meetings of the Board of Trustees and the Executive Committee. He or She shall have such other powers as the CEO and/or the Board may assign to him or her from time to time. The Secretary shall perform all the duties of the CEO or COO in the case of the absence or disability of both. In case both the CEO, COO and the Secretary are absent or unable to perform their duties, the Trustees may appoint a President pro tempore. The Secretary shall keep the minutes of all meetings of the Board, be the custodian of the corporate records, give all notices as are required by law or by these regulations and generally perform all duties incident to the office of Secretary and any other duties as may be required by law, by the Articles of Incorporation, or by these Regulations, or that may be assigned by the Board of Trustees. The Secretary shall have other powers as the Board may assign from time to time.

### Section 4: Treasurer

The Treasurer will have charge and custody of all funds of this Corporation, and will deposit the funds as required by the Board, keep and maintain adequate and correct accounts of the Corporation's properties and business transactions, render reports and accountings to the Board of Trustees as required by the Board of Trustees or by law. The Treasurer will perform, in general, all duties incident to the office of Treasurer and any other duties as may be required by law, by the Articles of Incorporation, or by these Regulations, or that may be assigned by the Board of Trustees.

### Section 5: Compensation

Compensation for any officer will be determined by an annual review by the Executive Committee and subject to approval by the Board of Trustees.

## Article VII

### Committees

#### Section 1: General Scope

This Corporation may have certain Committees, each of which will consist of one or more Trustees. Each committee will have and exercise such authority of the Board of Trustees in the management of this Corporation as are set forth in this Code of Regulations or as may be prescribed by resolution of the Board of Trustees from time to time. However, no committee will have the authority of the Board of Trustees in the following:

- A. Filling of vacancies on the Board of Trustees;
- B. Adoption, amendment or repeal of Regulations;
- C. Amendment or repeal of any resolution of the Board of Trustees; or
- D. Action on matters committed by Regulations or resolutions of the Board of Trustees to another Committee of the Board of Trustees or reserved to the Board of Trustees itself.



Each Committee shall act only in the intervals between meetings of the Board of Trustees, and each Committee shall keep full and complete records of all meetings and actions, which shall be open to inspection by the Trustees. Committees other than the Executive Committee may include persons other than Trustees, but chairpersons of committees must be Trustees.

## Section 2: Standing Committees

The following Committees will always operate as a part of the corporate management and with the following specific and prescribed authority of the Board and such other authority as may be approved by the Board of Trustees. The particular members to be serving on the Committee are to be designated and appointed by resolution of the Board of Trustees:

- A. Executive Committee: The Executive Committee will act for the Board of Trustees in the day-to-day management of this Corporation in the absence of action by the Board of Trustees, where legally permissible.

This Committee will consist of the Chairperson of the following standing Committees: Advancement, Education, Finance, Governance, and Human Resources as well as the Chairperson of the Board and President. It shall meet at the pleasure of the CEO or COO, but no less than every 8 weeks. From time to time it may invite other Trustees or invited guests to attend the meeting.

This Committee shall function in the management of overall operations of SunBridge Schools, and shall guide and assist the CEO and COO in making governing decisions in furtherance of the operation of the organization. Those items felt necessary to be brought before the full board for adoption will be at the discretion of the CEO or the COO.

- B. Nominating Committee: The Nominating Committee will screen and nominate individuals worthy for membership on the Board of Trustees. The Committee will consist of at least three (3) members of the Board of Trustees but not specifically limited to Board Members.

## Section 3: Standing Committees

In addition, the Board may designate and appoint certain Standing Committees to transact certain business of the Corporation or to advise the Board of Trustees. An Officer or Trustee will chair these Committees as designated by the Board of Trustees, including those listed below and such others as may be created by the Board from time to time. The Chairperson will proceed to select the remaining members of the committee up to the number set by the Board of Trustees or terminate the memberships or appoint successors in the Chairperson's discretion. The Board of Trustees may terminate any Standing Committee. The Chairmen of each Standing Committee will have a report (written/oral) to present to the Board of Trustees at its regularly scheduled meeting.

1. **Advancement:** Shall study and recommend policies related to communications and public relations; it shall also develop financial sources of funding both public and private for the organizations growth and needs.
2. **Education:** shall review curriculum and oversee the educational and character development of the pupils; it shall also design and measure improvements in education process.
3. **Finance:** Shall prepare the annual budget; review the monthly financial statements and monitor the financial viability of SunBridge Schools; it shall also develop and recommend those financial principals, plans, and course of action that provide for financial well-being of the corporation. As part of this committee function it should develop an audit function to oversee the internal accounting controls and make recommendation thereof.
4. **Governance:** Shall recommend policies to the Board pertaining to governance issues and processes and review and update the Code of Regulations and procedures involved in Management and operation of SunBridge. This committee can also serve to develop a roster of potential board candidate for review by the nominating committee or in lieu thereof.
5. **Human Resources:** Shall review and standardize all policies and procedures governing and pertaining to employee and employment and oversee compliance with federal, state and local laws.
6. **Strategic Planning Committee:** Shall explore long-range goals and the methodologies to obtain them.

## Article VIII

### Indemnification

#### Section 1: Indemnification of Trustees, Officers and Employees

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

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

The determination of (a), (b), (c) above shall be made:

- (1) By a majority vote of a quorum of the Board of Trustees consisting of sais trustees who are not or were not parties to or threatened with such action, suit, or proceeding, or

- (2) If such a quorum is not available, or even if obtainable if a majority of such a quorum of disinterested trustees so directs, by a written opinion of independent legal counsel to whom the matter may be referred by a majority of trustees.

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

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

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

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

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

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

#### Section 2: Advances of Expenses

Expenses of each person seeking indemnification under Section 1, above, 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 Board of Trustees in the Specific case, on receipt of an undertaking by or on behalf of the Trustee, Officer, employee or agent to repay the amount if it is ultimately determined that he or she is not entitled to be indemnified by the Corporation.

#### Section 3: Purchase of Insurance

The Corporation may purchase and maintain insurance on behalf of any person who was a Trustee, Officer, employee, or agent of the Corporation or is or was serving at the request of the Corporation as a director, trustee, officer, employee, member, manager, or agent of another corporation, limited liability company, partnership, joint venture, trust, or other enterprise against liability asserted against him or her and incurred by him or her in that capacity, or arising out of his or her status that capacity, whether or not the Corporation would have the power to indemnify him or her against liability under the provisions of this Article or the Ohio General Non-Profit Corporation Law.

ARTICLE IX  
Operations

Section 1: Fiscal Year.

The fiscal year of the Corporation will begin on July 1<sup>st</sup> and end on June 30<sup>th</sup> of the next year.

Section 2: Deposits.

The Board of Trustees shall select banks, trust companies, or other depositories in which all funds of the Corporation, not otherwise employed, shall from time to time be deposited to the credit of the Corporation.

Section 3: Execution of Documents.

Except as otherwise provided by law, checks, drafts, promissory notes, orders for the payment of money and other evidence of indebtedness of the Corporation will be signed by the Treasurer and/or President or a designee of the Treasurer or President. Contracts, leases, or other instruments executed in the name of and on behalf of the Corporation will be signed by the President or a designee of the President.

Section 4: Books and Records.

This Corporation will keep correct and complete books and records of account, and will also keep minutes of the proceedings of the Board of Trustees and Executive Committees.

Section 5: Nonprofit Corporations.

This Corporation will not have or issue shares of stock. No dividend will be paid, and no part of the income of this Corporation will be distributed to its Trustees or Officers. However, the Corporation may pay compensation in a reasonable amount to Trustees, Officers, and/or employees for services rendered as determined by the Board of Trustees.

ARTICLE X  
Gifts

Section 1: Acceptance of Gifts.

The Board of Trustees may accept on behalf of the Corporation, any gift, grant, bequest, contribution or devise for the general purposes or for any special purpose of the Corporation. The Board of Trustees may refuse on behalf of the Corporation to accept any gift, grant, bequest, contribution, or devise (1) when there is a question as to whether

the purposes or timeliness of such is compatible with the ideals, objectives, and programs of the Corporation; or (2) when the conditions, limitations or purposes of such gift, grant, bequest, contribution or devise are deemed unacceptable.

Section 2: Funds and Accounts.

All property received and accepted by the Corporation shall become a part of the Corporation's property. Subject to any limitations, conditions, or requirements, if property is held as a part of Corporation property, it may be commingled with other assets of the Corporation. However, such property may be placed in any number of separate and distinct funds or accounts whenever the conditions, limitations, or instructions of the gift requires a separate fund or account, or whenever the Board of Trustees or Executive Committee, in its judgment, determines that such property should be placed in a separate and distinct fund or account. Each such separate fund or account shall be administered by the Board of Trustees or by a special committee appointed for such purpose by the Board of Trustees.

Section 3: Restrict Funds.

It is contemplated that this Corporation may, from time to time, receive funds restricted by the donor or transferor to the use and benefit of specific charity/charities, which furthers the purposes of the Corporation. This Corporation may receive, manage, sell, transfer, conduct any business, and/or transact any fiduciary responsibility on behalf of the charity/charities. Such funds shall be maintained in separate restricted accounts and disbursed only for the uses and purposes of such specific charity/charities unless otherwise approved by such charity/charities. The restriction of such funds shall not prohibit the pooling of such funds for investment purposes so long as the individual interest of a specific charity/charities account in such pooled investment may be identified at all times. Prior approval of the Board of Trustees is necessary to accept and establish restricted fund accounts for the charity/charities. Rules, fees, and standards of performance governing restricted funds and accounts must be approved by the Board of Trustees.

Section 4: Unrestricted Gifts.

All gifts to the Corporation or other income not otherwise designated/restricted by the donor or transferor shall go into the general fund of the Corporation and shall be used in accordance with the general purposes of the Corporation.

ARTICLE XI  
Tax-Exempt Provisions

A. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its members, 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

set forth in Article I hereof. No substantial part of the activities of the Corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publication or distribution or statements) any political campaign on behalf of any candidate for public office, except as authorized under the Internal Revenue Code. Notwithstanding any other provision of these Articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under §501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law); or (b) by a corporation, contributions to which are deductible under §170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

B. Upon the dissolution of the Corporation, the Board of Trustees shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation exclusively for the purposes of the Corporation, or to such organization or organizations organized and operated exclusively for the 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 provision of any future United States Internal Revenue Law), in such manner as the Board of Trustees shall determine. Any such assets not so disposed of shall be disposed of by the Court of Common Pleas of the country in which the principal office of the Corporation is then located, exclusively for such purposes, or to such organization or organizations which are organized and operated exclusively for such purposes, as said court shall determine.

## ARTICLE XII Amendments

The power to alter, amend, or repeal these Regulations, or to adopt new Regulations, to the extent allowed by law, is vested in the Board of Trustees at a meeting held for that purpose, by the affirmative vote of two-thirds (2/3) of the whole Board of Trustees as then constituted, provided that notice of the proposal to alter, amend, or repeal the Code of Regulations was included in the notice of Board of Trustees' meeting at which such action takes place.



DATE	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
05/16/2017	201713601212	SUBSEQUENT AGENT APPOINTMENT (AGS)	25.00				0

### Receipt

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

**LANE ALTON & HORST  
2 MIRANOVA PLACE  
SUITE 220  
COLUMBUS, OH, 43215**

# STATE OF OHIO CERTIFICATE

**Ohio Secretary of State, Jon Husted**

**2061141**

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

**SUNBRIDGE SCHOOLS**

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

Document(s)

**SUBSEQUENT AGENT APPOINTMENT**

**Effective Date: 05/16/2017**

Document No(s):

**201713601212**



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 16th day of May, A.D. 2017.

*Jon Husted*  
Ohio Secretary of State





Form 521 Prescribed by:  
**JON HUSTED**  
Ohio Secretary of State

Date Electronically Filed: 5/16/2017

Central Ohio: (614) 466-3910  
Toll Free: (877) SOS-FILE (767-3453)  
[www.OhioSecretaryofState.gov](http://www.OhioSecretaryofState.gov)  
[Busserv@OhioSecretaryofState.gov](mailto:Busserv@OhioSecretaryofState.gov)

### Statutory Agent Update Filing Fee: \$25

(CHECK ONLY ONE(1) BOX)

(1) Subsequent Appointment of Agent

Corp (165-AGS)

LP (165-AGS)

LLC (171-LSA)

Business Trust (171-LSA)

Real Estate Investment Trust (171-LSA)

(2) Change of Address of an Agent

Corp (145-AGA)

LP (145-AGA)

LLC (144-LAD)

Business Trust (144-LAD)

Real Estate Investment Trust (144-LAD)

(3) Resignation of Agent

Corp (155-AGR)

LP (155-AGR)

LLC (153-LAG)

Partnership (153-LAG)

Business Trust (153-LAG)

Real Estate Investment Trust (153-LAG)

Name of Entity

Charter, License or Registration No.

Name of Current Agent

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

Name and Address of New Agent

Name of Agent

Mailing Address

City State ZIP Code

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

ACCEPTANCE OF APPOINTMENT FOR DOMESTIC ENTITY'S AGENT

The Undersigned,  , named herein as the  
Name of Agent  
statutory agent for  , hereby acknowledges  
Name of Business Entity

and accepts the appointment of statutory agent for said entity.

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

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

New Address of Agent   
Mailing Address  
    
City State ZIP Code

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

The agent of record for the entity identified on page 1 resigns as statutory agent.  
Current or last known address of the entity's principal office where a copy of this Resignation of Agent was sent as of the date of filing or prior to the date filed.  
  
Mailing Address  
    
City State Zip Code

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

**Required**

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

STEVE MITCHELL

Authorized Representative

By (if applicable)

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

Print Name

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

Authorized Representative

By (if applicable)

Print Name

Date of this notice: 03-01-2012

Employer Identification Number:  
45-4667676

Form: SS-4

Number of this notice: CP 575 E

KIDS UNLIMITED ACADEMY  
8927 ROYAL OAK DR  
HOLLAND, OH 43528

For assistance you may call us at:  
1-800-829-4933

IF YOU WRITE, ATTACH THE  
STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 45-4667676. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Assigning an EIN does not grant tax-exempt status to non-profit organizations. Publication 557, *Tax Exempt Status for Your Organization*, has details on the application process, as well as information on returns you may need to file. To apply for formal recognition of tax-exempt status, most organizations will need to complete either Form 1023, *Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code*, or Form 1024, *Application for Recognition of Exemption Under Section 501(a)*. Submit the completed form, all applicable attachments, and the required user fee to:

Internal Revenue Service  
PO Box 12192  
Covington, KY 41012-0192

The Pension Protection Act of 2006 contains numerous changes to the tax law provisions affecting tax-exempt organizations, including an annual electronic notification requirement (Form 990-N) for organizations not required to file an annual information return (Form 990 or Form 990-EZ). Additionally, if you are required to file an annual information return, you may be required to file it electronically. Please refer to the Charities & Non-Profits page at [www.irs.gov](http://www.irs.gov) for the most current information on your filing requirements and on provisions of the Pension Protection Act of 2006 that may affect you.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at [www.irs.gov](http://www.irs.gov). If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.





DATE:	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
11/15/2011	201131801292	DOMESTIC ARTICLES/NON-PROFIT (ARN)	125.00	100.00	.00	.00	.00

**Receipt**

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

NIEHAUS & ASSOCIATES, LTD  
7150 GRANITE CIRCLE  
SUITE 203  
TOLEDO, OH 43617

**STATE OF OHIO  
CERTIFICATE**

**Ohio Secretary of State, Jon Husted**

2061141

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

**KIDS UNLIMITED ACADEMY**

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

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

Document No(s):  
**201131801292**



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 14th day of November,  
A.D. 2011.

Ohio Secretary of State

## General Information

**School Name:** SunBridge Schools

**Physical Address:** 2729 124<sup>th</sup> St Toledo, OH 43611

**Phone Number:** (419) 725-5437

**Fax Number:** (419) 754-2073

**County:** Lucas County

**Grade Levels Served:** K-6

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

**Public School District:** Toledo Public Schools

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

Our new facility has 41,825 sq. ft and currently houses the following:

- 17 - Classrooms
- 1 - Cafeteria
- 1 - Gym
- 1 – Art Office/Aide Space

In addition to these, we have a gym office, transportation office, Principal’s office, 2 behavior counseling spaces & front desk/reception area with administrative offices The building has a secured system, where only visitors can be buzzed in. The school also houses a playground, with equipment and a small blacktop area.

## Financial Information

### **Lease Information**

**Monthly Payment:** \$12,000

**Annual Payment:** \$144,000

**Lease Start Date:** July 1, 2020

**Lease Expiration Date:** June 30, 2023

### **Mortgage Information**

**Monthly Payment:** N/A

**Annual Principal:** N/A

**Annual Interest Payment:** N/A

### **Landlord Information:**

**Name of Landlord/Lender:** Diocese of Toledo

**Relationship to the Operator:** None

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

Yes  
\_\_\_\_\_  
X No  
\_\_\_\_\_

## LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made effective as of the 1<sup>st</sup> day of July, 2020 by and between the **The Roman Catholic Diocese of Toledo In America** ("Landlord") and **Sunbridge Schools**, ("Tenant").

### RECITALS

A. Toledo St. John the Baptist Parish ("Parish"), a community of members of the Roman Catholic faith, recognized as such by Landlord, is the beneficial owner of a group of buildings and related improvements commonly known as St. John the Baptist Parish located at 5153 Summit Street in Toledo, Ohio (collectively, "Premises"). The Premises consists of the following: (1) a church building; (2) a rectory and church parking lot (3) a modular building located adjacent to the school building; and (4) a school building, school parking lot, community center and playground (the "School Facility"). Although legal title to the premises where Premises is located lies in the name of the Bishop of the Roman Catholic Diocese of Toledo, the premises are beneficially owned by Parish which has the authority, in its own name, to enter into agreements for use of or improvements to the property. All duties and obligations incident to this Agreement are solely duties and obligations of Parish and not the Bishop or the Diocese.

B. Tenant desires to lease the School Facility and personal property and equipment ("Personal Property") from Landlord for the purpose of operating an Ohio public community school. Landlord is willing to lease the Facility to Tenant, subject to certain terms and conditions.

**NOW, THEREFORE**, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant agree as follows:

1. **Lease of Facility; Definitions.** Landlord demises and leases the School Facility to Tenant, and Tenant leases and takes the School Facility from Landlord, subject to the terms and conditions set forth in this Lease. For purposes of this Lease, the term "School Day" means any regularly scheduled school day or day on which Tenant's professional staff members are required to be present at the Facility.

2. **Term.** This Lease shall be for a term of three (3) years ("Initial Term") commencing July 1, 2020 ("Commencement Date") and terminating on June 30, 2023 .

a. **Option to Renew.** Provided that Tenant is not in breach of any provision of this Lease, Tenant shall have an option to renew the Lease for three (3) additional three (3) year term under the terms and conditions except that the Minimum Rent shall be agreed upon by Landlord and Tenant for each renewal. Notice of the Option to Renew must be



given by Tenant in writing and delivered to Landlord no later than April 30<sup>th</sup> prior to the expiration of the Lease Term. In the event that Tenant elects not to renew, then Tenant's rights with respect to the Renewal Option shall cease and be of no further force or effect; Tenant shall surrender and vacate the Facility as of the last day of the Initial Term, and neither Landlord nor Tenant shall have any rights or obligations thereafter under this Lease, except as expressly provided herein. As used herein, the "Lease Term" means the Initial Term and any additional period for which this Lease is renewed pursuant to the Renewal Option.

### 3. Rent.

**(a) Minimum Rent.** Tenant shall pay minimum rent ("Minimum Rent") during the first year of the Initial Term in the amount of Twelve Thousand Dollars (\$12,000.00) per month. The Minimum Rent for subsequent years shall be increased based on the student enrollment reported to the State of Ohio Department of Education on October 15, or other applicable "school count date" in place for that particular year, such that for every ten (10) students above two hundred eighty (280) total enrolled students, the Minimum Rate shall be increased by One Thousand Dollars (\$1,000.00) ("Enrollment Factor"). Should the reported number of enrolled students decrease in a subsequent year, the Minimum Rent shall be decreased according to the same formula for that year. In no case shall the Minimum Rent be less than Twelve Thousand Dollars (\$12,000.00) nor more than Sixteen Thousand Dollars (\$16,000) in any given year during the Initial Term. Should Tenant exercise its Option to Renew, the Minimum Rent for the subsequent three-year term and the Enrollment Factor shall be increased in an amount equal to the product of the Minimum Rent times a number equal to the percentage increase in the published Consumer Price Index during the preceding thirty-six (36) month period. The first month's Minimum Rent shall be paid by the Commencement Date. Thereafter, Minimum Rent shall be paid in equal and consecutive monthly installments on the first day of each calendar month in advance.

**(b) Additional Rent.** In addition to Minimum Rent, Tenant shall pay as Additional Rent ("Additional Rent") during the Lease Term all other amounts that Tenant is required to pay as set forth in the Lease, including, but not limited to, amounts payable hereunder for real estate taxes and assessments, snow removal, trash removal, insurance, late charges, or penalties. Minimum Rent and Additional Rent are hereinafter collectively referred to as the "Rent".

**(c) Payment of Rent.** All Minimum Rent shall be paid to Landlord at the address set forth below, or at such other address as Landlord may, from time to time, inform Tenant in writing. Except where a contrary payment method is specifically provided for herein, Tenant shall pay all Additional Rent directly to the party to whom such amount is owed. Tenant shall submit to Landlord such documents or instruments as Landlord may reasonably require to evidence the fact that all Additional Rent payable to third parties has been timely paid. Except as otherwise provided herein, any Additional Rent payable to Landlord shall be paid within twenty (20) days after written demand therefor. If any installment of Rent is not paid within ten (10) days after the due date, Tenant shall pay a late charge equal to five percent (5%) of the

amount due. In addition, amounts not paid within thirty (30) days of the due date shall accrue interest at the rate of one percent (1%) per month from the date due until paid.

**(d) Personal Property.** Tenant acknowledges that as of the date hereof, Landlord's personal property is located at the Facility ("Landlord's Personal Property"). Tenant may use such articles of Landlord's Personal Property and the same shall be deemed to be included in the Lease of the Facility and referred to herein as "Leased Personal Property." Tenant acknowledges that landlord has made no representations, warranties, or covenants as to the condition, quality, fitness or merchantability of the Leased Personal Property that Tenant is allowed to use at the Facility. Tenant shall accept and use the Leased Personal Property in its "as is" condition, and Landlord shall have the right to remove any articles of the Leased Personal Property from the Facility during the Lease Term upon reasonable notice to Tenant and upon removal by Landlord such articles no longer deemed to be Leased Personal Property. Prior to the Initial Term Landlord shall remove the playground set currently located on the school playground. The parties understand that Tenant intends to locate a replacement playground set on the school playground, subject to Landlord's approval which shall not be unreasonably withheld.

4. **Deposit.** Tenant shall pay a deposit of Twelve Thousand Dollars (\$12,000.00) on or before July 1, 2020 to be held by Landlord to satisfy unpaid rent or damage to the Leased Premises. Tenant shall increase the amount held on deposit for any renewal term in order to match one month's rent for any renewal period.

5. **Use.**

**(a) Tenants' Use of Facility.** The facility shall be used and occupied by Tenant solely as a public community school and for related educational and administrative activities ("Intended Use"). The Facility shall not be used for any illegal or immoral purpose, nor shall Tenant permit the Facility be used for any instruction that is (i) disparaging of or detrimental to the Roman Catholic Church; or (ii) contrary or antithetical to the teachings, dogmas, canon and doctrines of the Roman Catholic Church ("Restrictive Covenants"). Tenant's use of and access to the School Facility shall be limited to the hours between 6:30 a.m. and 7:00 p.m. on School Days, unless Tenant has requested and obtained Landlord's consent to use the School Facility at other times for parent-teacher conferences, holiday programs, extracurricular programs, etc., which consent shall not be unreasonably withheld by Landlord if the requested time does not conflict with a scheduled use of the School Facility by Landlord or a parish organization. Tenant shall obtain the advance written consent of Landlord for any programs, guest speakers or activities that Tenant desires to have at the School facility for purposes other than the Intended Use. Tenant acknowledges that the limitations set for in this Section 4(a) and the rights granted to Landlord under Section 4(b) are a material part of the consideration received by Landlord for this Lease, and Landlord would not have entered into this Lease but for these limitations. Tenant acknowledges that the limitations set forth in this Section 4(a) are a material part of the consideration received by Landlord for the use of the Facility and Landlord would not have entered into this Lease but for these limitations. Notwithstanding the foregoing, Landlord and

Tenant agree that Tenant's reasonable compliance with the laws, regulations, requirements and curriculum standards of the federal and state governments and applicable chartering authorities, which are imposed upon Tenant as a public community school shall not be interpreted as a violation of the Restrictive Covenants,

**(b) Landlord's Use of Facility.** Notwithstanding anything to the contrary contained herein, Landlord shall have the right and license to use, and may grant to other parties the right and license to use, (A) six classrooms and the front office desk every Monday evening for CCD classes from 5:30 p.m. until 8:00 p.m. ; (B) the kitchen and gym or lunchroom for funeral lunches; and (C) the gym for CYO practices and games, provided that Landlord shall coordinate any such use with the designated representative of the school operated at the Leased Premises. Landlord shall keep those areas used by Landlord in the same or better condition as they were in prior to Landlord's use. Landlord's use of the Leased Premises is unrelated to the policies, operation or uses of Tenant and Landlord's use of the Leased Premises shall be as owner of the Leased Premises and not as the agent, licensee or guest of Tenant.

**(c) Supervision.** Tenant shall at all times supervise all Tenant Parties, students, faculty, staff members and parents utilizing the facility or the Church Parking Lot, and all activities at the Facility or the Church Parking Lot. Tenant shall be solely responsible for providing appropriate security and safety precautions at and for the Facility (and the Church Parking Lot when in use by Tenant) and for all Tenant Parties. Tenant shall take such action as may be necessary or requested by landlord to assure that Tennant Parties are behaving in an orderly manner, and to prevent any Tenant Parties, students, faculty, staff or parents from committing acts of vandalism, creating a nuisance, or interfering with, obstructing or impairing the activities or events of landlord, the Parish or any others, employees, licensees, invitees members or visitors of either using the Premises.

**6. Parking.** Landlord grants to Tenant the nonexclusive right to use the Parking Lot/Playground Area on School Days, however, that Landlord reserves the right to exclude Tenant from using the Parking Lot/Playground Area (or any portion thereof) at times when same is needed for Parish functions (e.g., funerals). Landlord will notify Tenant of the need for such use by Landlord, and Tenant shall cause all Tenant Parties to keep parked cars out of the reserved areas of the Parking Lot/Playground Area. Landlord reserves the right to designate up to five (5) parking spaces in the Parking Lot/Playground Area specifically for Landlord's use at all times. Landlord also reserves the right to impose reasonable regulation and restrictions on Tenant's use of the Parking Lot/Playground Area. Landlord also grants to Tenant a similar license to park school buses on the church parking lot during school days, subject to Landlord's right to exclude such bus parking when necessary to accommodate Landlord use of the church parking lot (e.g. funerals). The parties agree to use good faith efforts to cooperate as to scheduling and other matters touching on use of parking lots.

**7. Security Equipment.** Tenant shall be responsible to maintain and monitor the security equipment currently installed on the Premises. Landlord shall not be required to install, maintain, or monitor any additional security equipment at the School Facility. The

installation of any additional equipment shall be at Tenant's discretion and cost and shall be removed at Tenant's costs at the termination of the Lease. Landlord shall be responsible to maintain the fire alarm/security equipment currently installed on the Premises.

8. **Taxes and Assessments.** Tenant acknowledges that as of the Commencement Date the Facility and the Premises are exempt from real estate taxes. Landlord and Tenant shall cooperate to assure that, to the maximum extent permitted by law, the Facility and the Premises remain exempt from real estate taxes. However, if any real estate taxes are levied, charged or assessed against the Premises solely as a result of Tenant's lease or use of the Facility, then Tenant shall pay to Landlord, not later than thirty (30) days after Tenant receives the invoice, all real estate taxes levied, charged or assessed against the Facility that are either due and payable during the Lease Term or that are due and payable after the Lease Term for tax periods occurring during the Lease Term. If any real estate taxes are levied, charged or assessed against the Premises due in part to Tenant's use of the Facility and in part to a change in use of the Premises by landlord, Tenant shall pay a Pro Rata Share of such real estate taxes. Tenant shall in any event pay a Pro Rata Share of any assessments against the Premises. Tenant shall pay any such amounts with thirty (30) days after Tenant receives an invoice from landlord. Tenant shall pay all special assessments against the Facility, and all taxes, assessments, licenses, fees and other charges of any kind or nature that may be assessed, levied or imposed upon Tenant's Property (hereinafter defined) or the occupation of the Facility by Tenant. The term "Pro Rata Share" means a portion reasonably determined by Landlord to be fair apportionment based on the size and usage of the Facility compared to the size and usage of the remainder of the Premises, taking into account the probable and actual effect of the size and usage of the remainder of the Premises, taking into account the probable and actual effect of Tenant's use and occupancy of the Facility on specific expenses.

9. **Utilities and Miscellaneous Costs.** Tenant shall pay for the gas, electricity, water and sewer services serving the School Facility which are separately metered from the remainder of the Premises.

10. **Keys to School Facility.** Landlord shall provide Tenant with a two (2) sets of keys to the School Facility. Tenant acknowledges and agrees that the school leader of the school occupying the Facility shall be responsible for such keys. Tenant shall not copy the keys to the School Facility without the prior consent of Landlord. At the termination of this Lease, Tenant hereby agrees to return all sets of keys and copies thereof to Landlord. Tenant shall be entitled to retain keys to the School Facility during the Lease Term.

11. **Compliance with Laws.** Tenant shall, at its cost, comply with all laws, statutes, ordinances, regulations, rules, orders decrees, codes, directives, and regulations of all federal, state and local governmental entities, agencies or authorities (collectively, "Laws") affecting the School Facility and the Church Parking Lot; any portions of the facility that Tenant is required to maintain, repair or replace; or relating to Tenant's use and occupancy thereof.

12. **Tenant Environmental Matters.** Tenant shall not violate and shall, at its sole cost and expense, fully comply with all applicable Laws relating to the protection of human health or the environment or the use, generation, storage or disposal of Regulated Materials (hereinafter defined) on, in, around, under or from the School Facility (collectively, "Environmental Laws"). Tenant shall indemnify, defend and hold Landlord and the Parish and their respective officers, employees, agents and representatives harmless from and against any and all claims, injuries, damages, fines, liens, judgments, penalties, liabilities, causes of action, losses, costs or expenses (collectively, "Claims"), including, without limitation, any and all sums paid for attorneys' and professional fees and litigation costs, arising either during or after the Lease Term, caused by or arising out of any violation of or failure to fully comply with Environmental Laws by Tenant or Tenant's officers, members, contractors, agents, employees, licensees, invitees and students ("Tenant Parties") or any environmental contamination of the School Facility or Church Parking Lot or any adjoining properties or waterways caused in whole or in part by Tenant or Tenant's Parties. Tenant acknowledges that Landlord has advised Tenant that there may be asbestos containing materials ("ACMs") or lead based paint located in the School Facility and the Premises. Tenant shall be solely responsible during the Lease Term for establishing and complying with any operations and maintenance program for the ACM's, and for assuring that proper precautions are taken to protect Tenant Parties from exposure to ACM's or lead-based paint. Tenant shall not make any alterations, additions, repairs or replacements unless and until Tenant has confirmed and provided evidence to Landlord that such work can be performed without risk to the health and safety of the occupants of the School Facility and the Premises. "Regulated Material" means any substance: (a) that is regulated or controlled under any Laws; (b) that is or becomes defined as a solid waste, hazardous waste, hazardous substance, toxic waste, toxic substance, pollutant or contaminate under any Laws; (c) the presence of which on the Facility or Church Parking Lot causes or threatens to cause a nuisance upon the Facility or Church Parking Lot or to the adjacent properties, or poses or threatens to pose a hazard to the health or safety of persons on or about the School Facility; (d) that contains petroleum, including crude oil or any fraction thereof; or (e) that contains polychlorinated biphenyl, ACMs or urea formaldehyde foam insulation. Tenant acknowledges that it has had an opportunity to investigate the Facility, including, but not limited to, the environmental condition of the School Facility and that it is leasing the School Facility in its "AS, WHERE IS" condition.

13. **Maintenance and Repair.**

(a) Tenant shall at all times operate the School Facility in a clean, safe and sanitary condition, as good or better than the condition in which it was given to Tenant, and shall be responsible for the performance and cost of any clean-up, repairs or replacements to the School Facility that are necessary because of fire, casualty, accident negligence, misconduct, vandalism, malicious mischief, causes commonly covered by "special forms-causes of loss" or similar property and casualty insurance, or any other cause except normal obsolescence or wear and tear, up to the Tenant Coverage Amount (as defined in the insurance provisions of Section 18 of this Lease) as to each incident. The Landlord shall be responsible for the cost of any clean-up, repairs or replacements caused by any building interior flooding resulting from defective

building entrances or sewer back-up; roof repairs; electrical line and water line repair; structural repairs, subject to Section 19. Tenant shall, at its cost, provide all necessary cleaning and janitorial services for the School Facility, and shall keep the paved areas and sidewalks adjacent to the School Facility and leading from the School Parking Lot free of debris, snow and ice, and unsafe or unsightly conditions. Tenant shall reimburse Landlord for the expense and use of any Landlord personnel providing routine maintenance at the School, such as , fluorescent ballast replacement, plugged restroom facilities, at the like. Tenant shall provide, at Tenant's cost, trash removal at a location approved by Landlord, sufficient to have all trash and debris generated by Tenant removed on a timely basis and without threat to the health and safety of any person using the Facility or the Premises. Tenant shall not cause any damage to the Church Parking Lot and shall Pay Landlord upon demand for any repair or maintenance costs incurred by Landlord as a result of the negligence or willful misconduct of any Tenant Parties in using the Church Parking Lot. Tenant shall repair or address all maintenance issues presented to it by Landlord and correct them within twenty (20) working days.

(b) Tenants shall be responsible for taking such actions and making such improvements as may be reasonably necessary or required by applicable Laws to comply with applicable building, codes and to provide for access to and use of the Facility and all necessary portions thereof by persons with disabilities, in accordance with the requirements of the Americans with Disabilities Act or other applicable Laws. Landlord shall not be required to ensure that the Facility complies with applicable building codes, or that access to or use of the Facility and the restrooms and common areas in the Facility are accessible in accordance with the requirements of the Americans with Disabilities Act or other applicable Laws. If the cost of placing the Facility in compliance with applicable building codes, the Americans with Disabilities Act or other applicable Laws would not be economically feasible in the reasonable judgment of Landlord and Tenant, then either party may terminate this Lease upon not less than thirty (30) days prior written notice to the other.

(c) Landlord shall bear all costs and remain responsible for routine maintenance of the boiler and HVAC systems serving the School Facility. To the extent any maintenance is required as a result of Tenant's acts or omission, the cost of such maintenance will be Tenant's responsibility.

14. **Condition of Facility.** Tenant acknowledges and agrees that it has had the opportunity to thoroughly inspect the School Facility and accepts the School Facility "as is" and subject to all conditions and defects. Neither Landlord, the Bishop nor the Parish makes any representation or warranty regarding the suitability of the School Facility for Tenant's purposes. xcept as provided above in Section 12(a), Landlord shall not be liable for any loss or damage to the School Facility (up to the Tenant Coverage Amount) or any of Tenant's Property occasioned by the failure of any public utility to provide service; by any malfunction in wiring, plumbing, gas, water, steam, hot water or other pipes; by bursting, leaking or running of any cistern, tank, boiler, washstand or pipe; by water, snow or ice on the roof, gutters or otherwise; by acts of negligence or misconduct of any Tenant Parties or the owners or occupants of adjacent property. Landlord

shall not be liable for any loss or damage to Tenant's Property occasioned by any defect in the School Facility.

15. **Alterations and Liens.** Tenant may not make alterations, modifications, additions or improvements to the School Facility without Landlord's written consent. Landlord will not unreasonably withhold its consent to nonstructural alterations, modifications or improvements. At the time Tenant requests any such alterations, modifications, additions or improvements, Tenant shall submit detailed plans and specifications for the same. All such alterations, modifications, additions or improvements shall be completed in a good and workmanlike manner in accordance with all applicable Laws and in accordance with the plans and specifications approved by Landlord. Tenant shall keep the Facility and the premises free from liens that may result from the failure of Tenant or any contractor, subcontractor or material supplier of Tenant to pay any amount due. If any mechanic's lien is filed against the Facility or the Premises at any time relating to work performed by Tenant or its contractors, subcontractors or material suppliers, Tenant shall, at Landlord's option, (a) deposit a sum with Landlord sufficient to satisfy the lien in an interest-bearing account; (b) file a bond in the amount required by statute until the lien is discharged and released of record; or (c) take such other action to remove the lien as may be reasonably acceptable to Landlord.

16. **Signs.** Tenant may not erect or place any permanent or temporary signs on the School Facility or the Premises without Landlord's prior written consent. Any permitted signs shall be erected at Tenant's expense and shall comply with all applicable Laws. Prior to the expiration of the Lease, Tenant shall remove any signs at Tenant's expense and repair and damage caused by such signs.

17. **Default.** It shall be a Default ("Default") under this Lease if (a) Tenant fails to pay any Rent when due and such failure continues for ten (10) days; (b) Tenant fails to perform or observe any other agreement or obligation under this Lease to be performed or observed by Tenant within thirty (30) days after receipt of notice from Landlord of such failure; (c) Tenant vacates or abandons the Facility or any material portion thereof (except during standard school vacation periods); (d) a receiver, trustee, custodian or other person is appointed for Tenant or Tenant's property or is granted the authority to operate or make decisions with respect to the Facility; Tenant becomes insolvent or admits in writing that it is generally unable to pay its debts when due; Tenant seeks an arrangement or other relief under the United States Bankruptcy Code or under any applicable laws relating to bankruptcy, insolvency or the relief of debtors; the State of Ohio or any other governmental authority, including any court, institutes or initiates any proceeding as a result of the insolvency of Tenant, the inability to pay its debts as they come due or the failure of inability of Tenant to comply with any Laws; or (e) Tenant's status as a charter school or community public school, or any funding of Tenant by any governmental authority, including but not limited to Ohio Council of Community Schools, its sponsor, or any agency of the United States or the State of Ohio, is terminated.

18. **Remedies.** Upon the occurrence of a Default, Landlord may with or without process of law take any one or more of the following actions, independently, concurrently or successively.

(a) Landlord may, re-enter and take possession of the School Facility without terminating this Lease and may (but is not required to) lease the School Facility for the account of Tenant, holding Tenant liable for all costs of Landlord in reletting the Facility and for the difference in the amount received by such reletting and the amounts payable by Tenant under this Lease. Thereafter, all right of Tenant to occupy the Facility shall end and Landlord shall have the right to repossess the School Facility and to expel and remove Tenant and every other person occupying the School Facility. Neither the termination of the right of Tenant to occupy the Facility, nor such re-entry by Landlord shall relieve Tenant from its obligation to pay Rent and to perform and observe all of Tenant's agreements and obligations.

(b) Landlord may, terminate this Lease and exclude Tenant from possession of the School Facility, and may (but is not required to) lease the School Facility to others, holding Tenant liable for the difference in the amounts received from such reletting and the amount payable by Tenant under this Lease and for any costs of reletting, including, but not limited to, real estate commissions, repairs, and renovations.

(c) Landlord may accelerate the payment of Rent, and may exercise any other right or remedy available at law or in equity.

(d) Landlord may cure any Default for the account of and at the expense of Tenant, provided, however, that Landlord shall have the right in cases of emergency to immediately cure any failure by Tenant to perform any agreement or obligations to be performed by Tenant, regardless of whether such failure would constitute a Default and regardless of whether notice has been given to Tenant. Tenant shall pay the expenses of any such cure within ten (10) days after demand.

No receipt of money by Landlord from Tenant or from any other party after Default, after notice of a Default shall reinstate this Lease or affect any notice, demand or suit. Nothing contained herein shall be construed to adversely affect the right of Landlord to indemnification for any liability of Tenant arising prior to termination of this Lease. All indemnifications and payment obligations contained herein shall survive the termination of this Lease for any reason whatsoever, including expiration of the Lease Term. No right or remedy herein set forth shall be exclusive of any other right or remedy granted or conferred upon Landlord under any Law, and each and every such right and remedy shall be cumulative.

19. **Insurance.**

(a) **Casualty Insurance.** Landlord shall keep the School Facility insured against loss or damage by fire, vandalism and malicious mischief, and other physical loss perils



commonly covered by "special forms-causes of loss" or similar insurance in such amount as the same may be determined by Landlord from time to time in its reasonable discretion. Tenant shall keep all of Tenant's improvements and Tenant's trade fixtures, equipment, furniture, machinery, inventory and other personal property (including the personal property of Tenant's employees and students) ("Tenant's Property") insured against the following risks: (i) loss or damage by fire, vandalism and malicious mischief, sprinkler leakage, and all other physical loss perils commonly covered by "all risk" insurance in an amount not less than one hundred percent (100%) of the replacement cost, and (ii) loss or damage by explosion of steam boilers, pressure vessels or similar apparatus, now or hereafter installed on the Facility, in a commercially reasonable amount acceptable to Landlord.

Landlord has disclosed and Tenant acknowledges that any property or casualty insurance policy maintained by Landlord under this Lease is likely to be a blanket policy with a substantial deductible and/or self-insurance amount ("Tenant Coverage Amount"). The Tenant Coverage Amount shall be deemed to be One Hundred Fifty Thousand Dollars (\$150,000.00) as of the effective date of this Lease. Landlord will provide at least sixty (60) days' advance written notice to Tenant of any required increase in the Tenant Coverage Amount. If and to the extent that any such increase is more than ten percent (10%) per year, Tenant shall be entitled to a credit against Minimum Rent for the cost of coverage exceeding the increase caps. Tenant shall carry insurance in the Tenant Coverage Amount ("Tenant Coverage Insurance"), covering loss or damage to the Facility cause by fire, casualty, accident, negligence, misconduct, vandalism, malicious mischief and other causes commonly covered by "special forms-causes of loss" property and casualty insurance. The Tenant Coverage Insurance shall be required to cover and pay, from the first dollar up the Tenant Coverage Amount (subject to a deductible not to exceed Five Hundred Dollars (\$500.00) or such other amount as is approved by Landlord), for any loss or damage to the Facility caused by fire, casualty, accident, negligence, misconduct, vandalism, malicious mischief and other causes commonly covered by "special forms-causes of loss" property and casualty insurance, on a "replacement cost with agreed amount" basis. In the event of any incident of loss or damage to the Facility that is less than the Tenant Coverage Amount, and that Tenant is required to insure against or otherwise repair at its cost under this Lease, Landlord shall not be required to make a claim under its casualty insurance police or reimburse Tenant for the cost of repairing such loss or damage.

(b) **Compliance with Requirements.** Tenant shall comply with all insurance company requirements applicable to the use of the School Facility, and Tenant shall not use the School Facility, or permit the School Facility to be used in any manner which would increase the premium of the insurance described above or cause a cancellation of any such insurance policy, except, however, Tenant's Intended Use. Tenant shall not keep in or about the School Facility any article which may be prohibited by any casualty insurance policy carried by Landlord. Without limiting the foregoing, Tenant shall be responsible for installing and maintaining such smoke detectors, fire prevention or fire safety equipment at the School Facility as is required by any applicable Laws with respect to the Intended Use, or which is necessary to satisfy insurance company requirements.

(c) **Liability Insurance.** Tenant shall maintain general liability insurance against claims for bodily injury, death or property damage commonly covered by commercial general liability insurance, with endorsements for blanket contractual, personal injury, owner's protective liability, fire damage, legal liability, broad form property damage and extended bodily injury, in commercially reasonable amounts acceptable to Landlord, but in no event having a combined single limit less than Two Million Dollars (\$2,000,000.00). Tenant shall carry workers' compensation insurance for all persons employed by Tenant. Tenant shall carry plate glass insurance coverage in a commercially reasonable amount approved by Landlord.

(d) **General.** Landlord and the Parish shall be named as additional insureds on all policies to be carried by Tenant hereunder, except for workers compensation policies. Landlord shall have the right to approve all insurers providing such coverage, which approval shall not be unreasonably withheld. If Tenant fails to procure and maintain said insurance, Landlord may procure and maintain the same at expense of Tenant. Tenant shall deliver to Landlord, on or before the Commencement Date and, with respect to renewal policies, at least ten (10) days prior to the expiration of the existing policy, a copy of the policies of insurance required herein or certificates evidencing the existence and amounts of such insurance, whichever is requested by Landlord. No such policy shall be subject to reduction of coverage, and all such policies shall be written as primary policies not contributing with any coverage that Landlord may carry. Each such policy shall provide that it shall not be canceled, reduced or modified by the insurer unless the insurer gives (and not merely endeavors to give) thirty (30) days' prior written notice to Landlord, the Diocese and their insurance consultants at the addresses provided in the notice section of this Lease, and to any mortgagee disclosed by Landlord to Tenant in writing.

(e) **Waiver of Subrogation.** Landlord and Tenant release each other from any and all liability to the other or anyone claiming through or under them by way of subrogation or otherwise for any loss or damage to the School Facility, the Leased Personal Property or Tenant's Property suffered by or caused by any of the perils covered by any property, casualty, legal liability or other insurance policy carried by Landlord, the Diocese or Tenant to the extent that such insurance is required under this Lease, notwithstanding the fact that such peril shall have been caused by the fault or negligence of a released party. Each party shall endeavor to have its insurer provide said waivers, and each party shall endeavor to obtain any special endorsements that may be required to evidence compliance with the waivers.

20. **Damage to Facility.** If the School Facility suffers any damage or destruction that exceeds the Tenant Coverage Amount and that Landlord would be obligated to restore or repair under this Lease, Landlord may, at Landlord's option, either (a) terminate this Lease, or (b) repair and restore the Facility. Landlord shall notify Tenant as to whether Landlord will terminate this Lease or repair and restore the Facility within forty-five (45) business days after the date of the damage or destruction. If Landlord elects to repair and restore the Facility, the (i) Landlord shall complete the repair and restoration of the Facility (but not of any of Tenant's Property, including Tenant improvements) within a one hundred twenty (120) days after the date of the damage or destruction; (ii) the Minimum Rent shall be abated from the date of the damage or destruction until the date when such repair or restoration is substantially completed by a

percentage equal to the percentage of the school building rendered untenable; (iii) Tenant shall repair and restore Tenant's Property, including Tenant improvements; and (iv) this Lease shall remain in full force and effect. Landlord shall receive all insurance proceeds payable as a result of such damage or destruction. If the Facility suffers any damage or destruction that is less than the Tenant Coverage Amount, or that Tenant is otherwise required to restore or repair under this Lease, Tenant shall promptly complete such restoration or repairs using its own funds or insurance proceeds, and shall not cause or permit any liens to be filed against the Parish Property in connection with such restorations or repairs. Rent shall not be abated during the course of such restoration or repairs unless more than twenty-five (25%) of the school building is rendered untenable, in which case Minimum Rent shall be abated by a percentage equal to the percentage of the school building rendered untenable, from the date the damage occurred until the earlier of completion or repairs or sixty (60) days after the damage occurred. Tenant shall obtain Landlord's approval of the plans and specifications for any such restoration or repairs estimated to cost more than Ten Thousand Dollars (\$10,000.00)

21. **Eminent Domain.** If the entire School Facility is taken for any public or quasi-public use, under any statute or by right of eminent domain, or if any part of the School Facility is taken and the part not taken is insufficient for the Intended Use, then this Lease shall terminate on the date when possession is required for public use, and the Minimum Rent shall be prorated and paid to such date. If only part of the School Facility is so taken and the part not taken is sufficient for the Intended Use, this Lease shall remain unaffected except that (a) the Minimum Rent payable hereunder shall be reduced by a percentage agreed upon by Landlord and Tenant that is reasonable and equitable based upon the value of the portion taken in relation to the School Facility as a whole and the effect upon Tenant's operations; and (b) Landlord shall restore that part of the School Facility not taken to as near its former condition as the circumstances will permit, and to the extent that condemnation proceeds are available. In case of any such taking, whether of all or any part of the School Facility and regardless of whether this Lease survives, Tenant shall not be entitled to receive any portion of the award, provided, however, that Landlord shall not be entitled to any portion of the award made to Tenant for trade fixtures or relocation expenses.

22. **Surrender of Facility.** Upon the termination of this Lease for any reason, Tenant shall surrender the School Facility to Landlord in good condition and repair, broom clean, normal wear and tear excepted, together with all of Tenant's improvements other than Tenant's moveable trade fixtures then situated on the School Facility, unless Landlord notifies Tenant prior to such date that Landlord desires the removal of any or all of Tenant's improvements, in which event Tenant shall be responsible for removal of same prior to the date of the termination of this Lease. Any damage caused by Tenant's removal of any of Tenant's Property, including any improvements, shall be repaired at Tenant's cost.

23. **Assignment, Subletting, Encumbering.** Tenant may not (a) assign, transfer or encumber this Lease or any interest therein, (b) sublet the Facility or any part thereof; or (c) enter into a license agreement or other arrangement whereby the ownership or use of the leasehold estate or the School Facility is held or utilized by another party, to any other party

without the prior written consent of Landlord. No assignment, subletting or transfer permitted hereunder shall act as a release of Tenant from any liability or obligations under this Lease, unless Landlord provides prior written consent to the contrary.

24. **Limitation on Liability.** Notwithstanding the fact that the Bishop owns the Premises, the Parish has the beneficial use and control of the premises. Accordingly, the Parish is solely responsible for fulfilling Landlord's obligations hereunder. Tenant waives and releases any and all Claims that Tenant may have against the Bishop as a result of any failure on the part of the Parish to fulfill Landlord's agreements and obligations hereunder. In addition, if Tenant obtains a judgment for any Claim under this Lease, such judgment shall be satisfied solely out of the Facility and the assets of the parish, and Tenant shall have no right or claim against any assets of the Bishop as the Landlord. This provision is a material part of the consideration given by Tenant, and Landlord would not have executed this Lease but for this provision.

25. **Indemnification.** Tenant shall indemnify, defend and hold harmless Landlord, the Bishop and their respective members, pastors, officers, agents, employees, contractors, licensees or invitees from and against any and all Claims, including, without limitation, any and all sums paid for attorneys' and provisional fees and litigation costs, caused by arising out of or relating to (a) the use and occupancy of the Facility or the Premises by Tenant or any Tenant Party; (b) any act or omission of Tenant or any Tenant Party; or (c) any failure to perform any agreement or obligation to be performed by Tenant under this Lease. Landlord shall indemnify, defend and hold harmless Tenant, and Tenant's members, officers, agents, employees, contractors, licensees or invitees from and against any and all Claims, including, without limitation, any and all sums paid for attorney's and professional fees and litigation costs, caused by arising out of or relating to (a) the use and occupancy of the Gymnasium/Kitchen Areas or the Premises by Landlord or any officers, members, contractors, agents, employees, licensees or invitees of Landlord (each a Landlord Party"); (b) any act or omission of Landlord or any Landlord Party; or (c) any failure to perform any agreement or obligation to be performed by Landlord under this Lease.

26. **Holding Over.** If Tenant, with or without the express or implied consent of Landlord, continues to hold and occupy the Facility after the expiration of the Lease Term, such holding over and the acceptance or collection of rent shall operate and be construed as creating a tenancy for month to month and not for any other term whatsoever, subject to the terms and conditions of this Lease. Landlord may terminate the month to month tenancy by giving Tenant ten (10) days written notice; provided, however, that no such notice of termination is required with respect to the expiration of the Lease Term and Landlord may take such action as may be necessary to regain possession of the Facility at the end of the Lease Term. Nothing contained in this section shall be deemed to authorize Tenant's holding over.

27. **Waiver.** The waiver by Landlord of any Default or the breach of any agreement or obligation hereunder shall not be deemed to be a waiver of any subsequent Default or breach.

28. **Subordination.** This Lease shall automatically be subordinate at all times to the lien of any mortgage now or hereafter placed upon the Facility or the Premises. Tenant shall execute and deliver within ten (10) days after Landlord's request for same, such instruments as may be desired by Landlord or by any mortgagee subordinating this Lease to the lien of any present or future mortgage.

29. **Estoppel Certificate.** Tenant shall, within ten (10) days after receipt of Landlord's request therefore, execute and deliver to any proposed purchaser or mortgagee of the Facility, a certificate stating: whether this Lease is in full force and effect; whether this Lease has been modified or amended and, if so, identifying and describing any such modifications or amendments; the date to which the Rent has been paid; whether Tenant knows of any default on the part of Landlord or has any claim against Landlord and, if so, specifying the nature of such default or claim; and such other matters as may reasonably be requested by the recipient thereof.

30. **Attornment.** In the event of any foreclosure of any mortgage on the School Facility, Tenant shall attorn to the purchaser at the foreclosure sale. Tenant shall execute and deliver, within ten (10) days after written request by Landlord an instrument providing for such attornment that includes such terms and conditions as may be reasonably requested by Landlord or any mortgagee of the School Facility.

31. **Binding Effect.** This Lease and all of the agreements and obligations herein shall be binding upon and shall inure to the benefit of the successors and permitted assigns of each of the parties. This Lease may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall be but one and the same document. If any provision in this Lease is for any reason held to be invalid, illegal or unenforceable, such judgment shall not affect, impair or invalidate the remainder of this Lease, but shall be limited in its operation to the provision directly involved in the controversy, and in all other respects this Lease shall continue in full force and effect.

32. **Inspection.** Landlord and its agents and representatives may enter upon the Facility for the purpose of inspecting, making repairs, replacements or alterations and showing the Facility to prospective purchasers, lenders or lessees at any time. Landlord shall use reasonable efforts not to interfere with Tenant's use of the Facility.

33. **Entire Understanding.** This Lease sets forth the entire understanding between the parties with respect to all matters referred to herein, and may not be changed or modified except by an instrument in writing signed by both parties. All exhibits, amendments and addenda attached to this Lease are incorporated herein and made a part hereof.

34. **Miscellaneous.** This Lease shall be construed and enforced in accordance with the laws of the State of Ohio. Neither this Lease nor a memorandum hereof shall be recorded. Time is of the essence in the performance of this Lease.

**35. Notices.** All notices or other communications required or desired to be given hereunder shall be in writing and delivered either personally' by nationally recognized overnight courier; or by United States mail, postage prepaid, certified or registered mail, return receipt requested, addressed to the party at the following addresses or to such other address as notice thereof may have been given:

<b>Landlord:</b>	St. John the Baptist Parish 5153 Summit Street Toledo, OH 43611
<b>With copies to:</b>	Thomas J. Antonini General Counsel 1933 Spielbusch Avenue Toledo, OH 43604
<b>Tenant:</b>	SunBridge Schools c/o Steve Mitchell, Board President 3150 Republic Blvd. N. Suite 3 Toledo, OH 43615 Srm.mdc@gmail.com
<b>With copies to:</b>	Christopher Burch Bailey Cavalieri LLC 10 W. Broad Street Suite 2200 Columbus, OH 43215 cburch@baileycav.com

All notices shall be deemed to be given on the day personally delivered or, if sent by overnight courier or U.S. mail, on the day after depositing such notice in an approved receptacle for the overnight courier or United States mail, as the case may be. A notice given by the attorney for Landlord or Tenant to the addresses listed above shall be deemed to be as effective as if given by Landlord or Tenant.

**36. Authority.** Each person executing this Lease represents and warrants that he/she has the authority to execute this Lease on behalf of Landlord or Tenant, as the case may be. Landlord and Tenant each represents and warrants that this Lease is the legal, valid and binding obligation of Landlord or Tenant, as the case may be, enforceable in accordance with its terms. Any act that may be taken by Landlord hereunder shall be deemed to have been duly authorized if approved in writing or taken by the then-current pastor of the Parish. The execution of this Lease by a representative of the Landlord and the Bishop is for the limited purpose of evidencing approval of this Lease, and shall not be deemed to obligate the Bishop in any way under this Lease. This Lease may be executed in counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one agreement.

IN WITNESS WHEREOF, this Lease has been executed as of the date set forth above.

ROMAN CATHOLIC DIOCESE OF TOLEDO IN AMERICA

By: William J. Kubacki  
Rev. Msgr. William J. Kubacki, Vicar General

STATE OF OHIO }  
COUNTY OF Lucas }SS:  
}

The forgoing instrument was acknowledged before me this 6 day of May 2020, by Rev. Msgr. William J. Kubacki, Vicar General, on behalf of the Roman Catholic Diocese of Toledo in America.

Thomas J. Antonini  
Notary Public

My Commission Expires: Does Not

[SEAL]  
THOMAS J. ANTONINI ATTORNEY-AT-LAW  
NOTARY PUBLIC, STATE OF OHIO  
My Commission Has No Expiration Date  
Section 147.03 R.C.

SUNBRIDGE SCHOOLS

By: Stephen R. Mitchell  
STEPHEN R. MITCHELL, CHAIR OF THE BOARD

STATE OF OHIO }  
COUNTY OF Lucas }SS:  
}

The foregoing instrument was acknowledged before me this 6th day of May, 2020 by Stephen R. Mitchell, Chair, on behalf of Sunbridge Schools.



Claudia Witkowski  
Notary Public  
My Commission Expires: 6-28-2021  
RESIDING IN WOOD COUNTY  
MY COMMISSION EXPIRES 6/28/2021

## Governing Authority Composition

### SunBridge Schools

#### Name

Black, Todd  
Gathard, Lisa  
Mitchell, Stephen  
Nietz, Jennifer  
Payak, II, John  
Wiegand, James

#### Email Address

tblack@sjtitans.org  
lgathard@gmail.com  
srm.mdc@gmail.com  
jnietz@teamcoact.com  
jpayak@firstinsurancegrp.com  
jwiegand@gmail.com

Contact the members by mail:  
2729 124th Street, Toledo, OH 43611

Contact the members by phone:  
(419) 725-5437

Uploaded: July 2022



# **SunBridge Schools**

## **Selection of New Governing Authority Members**

### **Section 7: Vacancies on Board of Trustees.**

Any vacancy or vacancies occurring on the Board of Trustees, and any Trusteeship to be filled by reason of an increase in the number of Trustees, will be filled by appointment by a majority of the remaining Trustees. In the event of a vacancy, the new Trustee appointed to fill the vacancy will serve for the unexpired term of the predecessor in office. In the event of an increase in the number of Trustees, the new Trustee appointed will serve for a term as determined by the Trustees by the resolution increasing the number of Trustees.



Education Plan  
2022-2027

## **Mission, Vision and Values**

**Mission:** SunBridge Schools is committed to offering children in underserved areas the educational opportunities they need to reach their full potential by preparing them to graduate from high school. We will do this by helping them develop the necessary academic and social tools, along with a strong sense of values and character, within an atmosphere of love and respect. SunBridge Schools fully supports the whole child in his/her pursuit of excellence in the four foundational domains of development: cognitive, social, emotional, and physical. These four domains comprise the essential building blocks of life-long success as a learner, worker, family and community member.

SunBridge Schools is more than a school; it is a community where students, teachers, families, administrators, board members, and the greater Toledo community work and learn together to *excel* – individually and collectively.

**Core Values:** The core values of SunBridge are excellence, integrity, respect, perseverance, ownership and accountability:

- Excellence: SunBridge members will expect excellence from themselves and others.
- Integrity: SunBridge members will be honest with themselves and others and uphold the values of the community.
- Respect: SunBridge members will demonstrate respect for themselves, others, the community, and the physical environment.
- Perseverance: SunBridge members will understand that all people face daily challenges – large and small – and the response to those challenges determines success or failure. SunBridge members will accept and confront each challenge with a “ready-to-succeed” attitude; instead of “I can’t,” members will believe, “I can!”
- Ownership and Accountability: SunBridge members will learn about and understand their “locus of control” as individuals and as part of a broader community. SunBridge members will take control and “own” that which is within their locus of control and be accountable for their choices and resulting outcomes.

Our self-fulfilling prophecy is “Success *IS* Attainable” through excellence, integrity, respect, perseverance, ownership and accountability.

**Vision:** SunBridge Schools will utilize evidence-based curricula to ensure outstanding academic performance by all students. SunBridge Schools aims to continue to be a highly collaborative organization where the greater Toledo community, the Board, administrators, teachers, parents, and students work together to achieve academic excellence in a powerful career and college preparatory curriculum and supportive, community environment.

Through its philosophical, curricular, and pedagogical approach, SunBridge Schools will fulfill four key objectives:

- Student Learning: Through excellence in education and administration, SunBridge Schools'

students will make significant progress toward mastery of Ohio Learning Standards in all core subject areas and demonstration of higher-order thinking skills across all content areas.

- **Social and Leadership Development:** SunBridge Schools students, staff members, and Board members will consistently demonstrate effective and appropriate interpersonal, social, self-discipline, and leadership skills.
- **Safety:** The learning environment will be safe. All students, staff, Board members, and community members will be held accountable to safety and security protocol at all times.
- **Efficient Operations:** SunBridge Schools will utilize proven business and education leadership methodology to manage school operations – fiscal, educational, and organizational – with excellence.

### **Characteristics of Students and Admission Procedures**

**Characteristics of Students:** SunBridge Schools' student population will be comprised predominantly of children who:

- Live in Toledo-area neighborhoods with underperforming schools;
- Commonly receive free/reduced lunch;
- Come from urban, low socio-economic backgrounds in the central Toledo area; and
- Face transience and other social obstacles that tend to negatively impact school success.

**Admission Procedures:** The school accepts all students. It will be entirely up to parents to determine the suitability of the student for the program. However, the school will seek enrollment from the zip codes with the highest rate of poverty, otherwise in concert with ethnic and other student characteristics reflected in the Toledo Public Schools District. As a public charter school, SunBridge will follow the state mandated policies for enrollment.

Students must attain the appropriate age for entering Kindergarten – age 5 by September 30<sup>th</sup>. The school enrolls students in grades K-6.

Any student living in the Toledo area who is attending, or will attend, grades K-6 may apply for enrollment. All students will be invited without preference to any particular sub-group, ethnicity or handicapping condition. Through marketing, every effort will be made to interest all eligible students to attend the school.

The makeup of a particular neighborhood surrounding a school may not reflect the ethnic makeup of a larger area. SunBridge Schools intends to utilize a lottery should there be full classrooms of 20 students. Should a governing authority specify a different selection process, SunBridge schools will abide by that process.

SunBridge schools does not discriminate in admissions on the basis of race, color, national origin, sex, or disability. In addition, SunBridge schools will not limit admissions on the basis of intellectual ability, measures of achievement or aptitude, or athletic ability.

### **Curricular Plan**

**Plan overview:** The SunBridge Schools leadership team and curriculum committees selects curriculum aligned to the Ohio Learning Standards and Ohio Model Curriculum. Adopted curriculum is founded in evidence based instructional strategies across all content areas. Curriculum and supplemental materials may be adapted to meet the diverse needs of individual students, ensuring that all students have access to grade level content. The SunBridge Schools curriculum committee will continue to conduct regular audits of curriculum needs to ensure that resources provided continue to align with the Ohio Learning Standards, the Ohio Model Curriculum, appropriate curriculum maps, and the instructional needs of all students.

**English Language Arts Curriculum:** SunBridge Schools will utilize a reading curriculum founded in Structured Literacy. Students will receive instruction utilizing an explicit, multi-sensory approach to foundational reading, writing, and comprehension. Students will receive 90 minutes of ELA instruction daily.

**Mathematics Curriculum:** SunBridge Schools has adopted Reveal Math to be utilized by all students in grades K-6. Supplemental materials and resources include but are not limited to RedBird Math, Aleks, and additional supplemental resources included in the Reveal curriculum. Students will receive 60 minutes of math instruction daily.

**Social Studies/Science Curriculum:** SunBridge Schools utilizes Studies Weekly curriculum to engage students in a research based curriculum that supports students through differentiation, rich assessments, content specific vocabulary, and alignment with Ohio ELA Learning Standards. Students will receive 45 minutes of science or social studies instruction daily.

**Instructional Practices and Assessments:** The curriculum of the school will utilize multiple individualized and differentiated instructional practices to achieve proficiency in subject areas of reading/ELA, writing, mathematics, science, and social studies. SunBridge Schools will fully implement and utilize Ohio Learning Standards. Proficiency will be measured by success on the Ohio State Assessments for grades 3-6, ODE diagnostic assessments in reading, writing and mathematics in grades K-3 as required by the state of Ohio, standards-aligned curriculum based assessments for grades K-6, and NWEA MAP Growth Assessments. SunBridge Schools will utilize evidence-based instructional practices including but not limited to Universal Design for Learning (UDL), Multi-Tiered Systems of Support (MTSS), and Structured Literacy. SunBridge Schools will continue to work closely with OCCS, and the State Support Team to regularly evaluate instructional practices and implementation.

**College and Career Readiness:** As part of the 6<sup>th</sup> grade curriculum, we will focus on college and career readiness with our sixth grade students. We continue to work with Partners in Education and their program, “College, Career, Ready Set Go!”

- Meeting the current needs and anticipating the future workforce demands of the economy;
- Preparing learners to succeed in lifelong learning and careers through secondary-postsecondary programs of study that include high-level academic technical skills in real-work contexts;
- Supporting career development for all learners, career pathways for high school students and workforce development and literacy for adults

**Technology:** SunBridge Schools aims to increase the technology competency of all students through the development of basic operations and concepts, social and ethical human issues, the use of technological productivity, communication and research tools, and the use of technology for problem-solving and decision making. Technology is integrated seamlessly into daily lessons to enhance academic exposure for students. All students will be supplied with a Chromebook to be used at school or at home as determined by current instructional needs. The use of Chromebooks will provide each student access to education materials needed for success.

**Differentiation and Instructional Support:** Two models that provide the strongest foundation for Differentiated Instruction are Universal Design for Learning (UDL) and Response to Intervention (RTI). The characteristics of UDL and RTI include (a) a specific curriculum, (b) a specific way of teaching (rapidly paced, small-group instruction), (c) a specified model of ongoing in-service education, and (d) a system for constantly monitoring both student and teacher performance. Each student is assessed, an individualized program developed for specific needs is implemented, progress is monitored, adjustments made as needed, and goals are met. UDL will be discussed in detail in this section; RTI will be discussed in detail in the Special Education Program section later in this document.

**Students with Disabilities:** Programs and procedures will be in accordance with Ohio Revised Code 3323: <http://codes.ohio.gov/orc/3323>. To assist in analyzing performance the Intervention Specialist will use evaluation tools such as: curriculum based assessments, observations, standardized assessments, NWEA MAP Growth Assessments, developmental assessments, academic achievement tests, behavior assessments, intelligence tests. Intervention Specialists will meet regularly with classroom teachers to ensure students with disabilities have access to grade level instruction with identified needs and supports in place.

### **Evidence-Based Curriculum, Instruction, and Focused Interventions**

Evidence-based practice and targeted intervention will enhance the learning of all children. An evidence-based curriculum and effective teaching will help ensure the majority of children grow and develop in all domains. Assessment will help teachers improve general education programs and provide more targeted interventions for children who may be at risk of learning problems.

### **School Improvement and Other Teams**

#### **OIP and School Improvement Process**

The School Leadership Team will meet regularly to form data driven decisions to ensure academic growth for all students. The School Leadership will analyze school data to determine areas of focus for school improvement such as professional development, instructional coaching, teacher team support, curricular decisions, and school climate. The School Leadership Team will work closely with the State Support Team and OCCS continuously monitor implementation of the school improvement plan. .

#### **Curriculum Coaches and Mentors**

Resident Educator Program – Resident Educators will be provided a fully certified Mentor teacher to work with them throughout the first 3 years of the ResEd program. In their fourth year, Resident Educators who passed all components of the RESA program will be provided with leadership

opportunities within the district.

### **Team Meetings**

The regular education classroom teacher along with the Intervention Specialists, Title 1 Teachers, and paraprofessionals will work together to meet individual needs for students. Teachers will work collaboratively to make instructional decisions, vertically align standards, identify essential standards, and monitor student progress.

**Positive Behavior Intervention Supports (PBIS)/Multi-Tiered System of Support (MTSS):** PBIS and MTSS practices will be utilized to.

- reduce reactive, aversive, dangerous, and exclusionary behavior
- Increase engaging, responsive, preventive, and productive behavior
- Address classroom management and disciplinary issues (i.e. – attendance, tardiness, antisocial behavior)
- Improve supports for students whose behavior requires more specialized assistance (i.e. – emotional and behavioral disorders, mental health), and
- Maximize academic engagement and achievement for all students.

Additionally, there will be school-wide expectations that all students will be expected to follow and demonstrate at all times. These school-wide expectations are:

- Be Respectful
- Be Responsible
- Be Safe

All staff members will help students develop skills to exhibit and monitor positive behavior during school. The staff members will exhibit these positive behaviors as well. Additionally, staff will support students' positive behavior through the use of positive, teaching language, modeling, and role playing. Staff members will recognize students' positive behaviors and actions through verbal praise, the use of the PAX Good Behavior Game, and classroom and school wide incentives.

Families will be informed of the school-wide expectations and should support their students in accordance with the expectations of the program.

**Response to Intervention (RTI)-** The SunBridge Schools RTI Team will meet regularly to monitor student progress and make data driven decisions regarding individual student needs. Multiple tiers of intervention will be utilized to support student growth. All students will be provided with strong tier 1 instruction in the general education setting, students with additional needs will be provided individualized interventions based on the child's need within the general education classroom. The RTI team will employ a problem-solving team approach to identifying problems, developing an intervention plan, and assessing the plan's effectiveness. A data collection/assessment system to guide decision making at each tier.

### **Tiers of Instruction**

Each tier of instruction addresses specific education practices, interventions, and assessments.

In Tier 1, the teacher provides all children with a research-based curriculum and effective teaching strategies using differentiated instruction. Also, all children receive screening, assessment, and progress monitoring in key academic, health, and development areas. This allows educators to determine whether most children (approximately 80 percent) are making adequate progress and to identify the children who need additional support.

In Tier 2, teachers provide interventions and curriculum modifications that require minimum adjustment to classroom routines to the children who do not make adequate progress in Tier 1. Small group instruction will be incorporated into the classroom setting to provide review and practice of concepts/skills missed during large group instruction. Decisions are guided by assessment and anecdotal documentation.

In Tier 3, teachers implement more intensive and individualized instruction plans, developed by the RTI team, for those children who do not make adequate progress in Tier 2. Supplemental programs, such will be utilized to provide age appropriate instruction of the skills missed by those who are 2+ years behind. Educators make instructional decisions through collaborative problem solving, which is guided by assessment and best practices.

Children who don't make adequate progress in Tier 3 may need to be referred for formal evaluation for learning disabilities or other special needs.

**Attendance Intervention Team:** An Attendance Intervention Team will work collaboratively with families and community partners to provide support, education, and resources to increase school attendance for students with chronic absenteeism. The AIT will work to address barriers that impede regular attendance.

**School Culture and Climate:** SunBridge Schools will provide opportunities for students and families to explore activities outside the classroom. We will continue to partner with the Zepf Center to offer wraparound services for our students and their families. Also, we continue to host Family Nights and we partner with Partners in Education to host these and other engaging community events.

# SunBridge Schools

## Attachment 5 – Performance and Accountability Plan

Effective Date: July 1, 2022

### Overview

The Performance and Accountability Plan (Attachment 5) sets out the performance standards and/or performance requirements as measured annually to be satisfied in the four Core Performance Areas: Legal Compliance; Organization and Operational Performance; Financial Performance; and, Student and Academic Performance.

### I. Legal Compliance

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

1. The school had a substantiated compliance rate of 96% as outlined by the Ohio Department of Education.
2. The school had a compliance rate of 96% for all applicable laws and rules as outlined by the Ohio Department of Education and the Council.
3. The governing authority submitted the school's annual report to the parents and Council by October 31.
4. The governing authority and school receive a rating of "Needs Assistance" or better on the LEA Special Education Performance Determination.
5. The school's safety plan and blueprint were appropriately submitted and on file the Ohio Attorney General.

### Rating Scale – Legal Compliance

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

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

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

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



## II. Organization and Operational Performance

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

1. The governing authority held at least the contractually required number of meetings.
2. The governing authority was not out of compliance with regard to the required number of approved members for more than 60 cumulative days throughout the year.
3. The governing authority members completed all trainings as required by the Ohio Revised Code and ODE.
4. The governing authority members filed annual conflicts of interest statements.
5. The governing authority and/or school met at least one of the following governance goals:
  - a) **School Mission-specific Goal:** For the 2022-2023 school year, the school will increase parental involvement by increasing response rates on quarterly parent surveys to 20% of families.

Beginning in the 2023-2024 school year, the school will increase student participation in community-minded events by introducing grade-specific activities in which students will participate in 75% of grades.

- b) **Governing Authority Goal:** The governing authority will continue to provide financial support through fundraising efforts. In the 2022-2023 school year, the governing authority will raise funds totaling \$10,000 with a 10% increase in funds each year for the next 4 years.

### Rating Scale – Organization and Operational Performance

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

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

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

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

### III. Financial Performance

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

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

#### Rating Scale – Financial Performance

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

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

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

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

## IV. Student and Academic Performance

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

1. Based on the school’s Local Report Card, the school met at least one of the following:
  - a) The “Overall Star Rating” is at least two stars;
  - b) Receives at least three stars in at least half of all applicable Local Report Card Components and Measures of student performance; or,
  - c) When comparing all applicable Local Report Card measures of student performance, the school was not outperformed by 50% of the Comparison Group in 50% of those graded areas.

Note: In determining whether the school was outperformed in any of the School, Component, or Measure Grades where the school and a member of the Comparison Group both receive one star, the school will be deemed as to have been outperformed in that area if the member of the Comparison Group exceeds the school’s performance by more than 5%. If a one star grade is in an area without percentages, the area will not be counted in the calculation.

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

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

District:	Toledo Public Schools	Comm. School 1:	Central Academy of Ohio
IRN:	(044909)	IRN:	(09164)
Dist. School 1:	Pickett Elementary School	Comm. School 2:	Horizon Science Academy –
IRN:	(029892)	IRN:	Toledo (000338)
Dist. School 2:	Walbridge Elementary School	Comm. School 3:	Star Academy of Toledo
IRN:	(038984)	IRN:	(009171)

### Rating Scale – Student and Academic Performance

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

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

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

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

# Communication from the Council to the Governing Authority

## Intervention and Probation

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

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

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

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

## High-Stakes Review and Charter Contract Reauthorization

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

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

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

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

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

○

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

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

## Attachment 6

### **POLICY: Admission Procedures**

The governing authority of each community school established under this chapter shall adopt admission procedures that specify the following:

(A) That, except as otherwise provided in this section, admission to the school shall be open to any individual age five to twenty-two entitled to attend school pursuant to section 3313.64 or 3313.65 of the Revised Code in a school district in the state. An individual younger than five years of age may be admitted to the school in accordance with division (A)(2) of section 3321.01 of the Revised Code.

(B)(1) That admission to the school may be limited to students who have attained a specific grade level or are within a specific age group; 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 section 3314.061 of the Revised Code and as defined in the contract. (2) For purposes of division (B)(1) of this section, "at-risk" students may include those students identified as gifted students under section 3324.03 of the Revised Code.

(C) Whether enrollment is limited to students who reside in the district in which the school is located or is open to residents of other districts, as provided in the policy adopted pursuant to the contract.

(D)(1) That there will be no discrimination in the admission of students to the school on the basis of race, creed, color, disability, or sex except that:

(a) The governing authority may do either of the following for the purpose described in division (G) of this section: (i) Establish a single-gender school for either sex; (ii) Establish single-gender schools for each sex under the same contract, provided substantially equal facilities and learning opportunities are offered for both boys and girls. Such facilities and opportunities may be offered for each sex at separate locations.

(b) The governing authority may establish a school that simultaneously serves a group of students identified as autistic and a group of students who are not disabled, as authorized in section 3314.061 of the Revised Code. However, unless the total capacity established for the school has been filled, no student with any disability shall be denied admission on the basis of that disability.

(2) That upon admission of any student with a disability, the community school will comply with all federal and state laws regarding the education of students with disabilities.

(E) That the school may not limit admission to students on the basis of intellectual ability, measures of achievement or aptitude, or athletic ability, except that a school may limit its enrollment to students as described in division (B) of this section.

(F) That the community school will admit the number of students that does not exceed the capacity of the school's programs, classes, grade levels, or facilities.

(G) That the purpose of single-gender schools that are established shall be to take advantage of the academic benefits some students realize from single-gender instruction and facilities and to offer students and parents residing in the district the option of a single-gender education.

(H) That, except as otherwise provided under division (B) of this section or section 3314.061 of the Revised Code, if the number of applicants exceeds the capacity restrictions of division (F) of this section, students shall be admitted by lot from all those submitting applications, 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 be given to siblings of students attending the school the previous year. Notwithstanding divisions (A) to (H) of this section, in the event the racial composition of the enrollment

of the community school is violative of a federal desegregation order, the community school shall take any and all corrective measures to comply with the desegregation order. R.C. § 3314.06

**Admission Procedures:** The school will accept all students. It will be entirely up to parents to determine the suitability of the student for the program. However, the school will seek enrollment from the zip codes with the highest rate of poverty, otherwise in concert with ethnic and other student characteristics reflected in the Toledo Public Schools District. As a public chartered school, SunBridge will follow the state mandated policies for enrollment.

Students must attain the appropriate age for entering Kindergarten – age 5 by September 30<sup>th</sup>. In the first year, the school will enroll students in grades K-3. In each subsequent year, one additional grade will be added through grade 6.

Any student living in the Toledo area who is attending, or will attend, grades K-6 may apply for enrollment. All students will be invited without preference to any particular sub-group, ethnicity or handicapping condition. Through marketing, every effort will be made to interest all eligible students to attend the school.

The makeup of a particular neighborhood surrounding a school may not reflect the ethnic makeup of a larger area. SunBridge Schools intends to utilize a lottery should there be full classrooms of 20 students. Should a governing authority specify a different selection process, SunBridge schools will abide by that process.

SunBridge schools will not discriminate in admissions on the basis of race, color, national origin, sex, or disability. In addition, SunBridge schools will not limit admissions on the basis of intellectual ability, measures of achievement or aptitude, or athletic ability.

**SunBridge Schools: 013175**

**Statement of Receipt, Disbursements, and Changes in Fund Cash Balances  
the Fiscal Years Ending 2023 through 2027, Forecasted**

	Forecasted				
	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
	2023	2024	2025	2026	2027
<b>Operating Receipts</b>					
State Foundation Payments (3110, 3211)	\$ 3,003,750	\$ 3,059,375	\$ 3,170,625	\$ 3,226,250	\$ 3,226,250
Charges for Services (1500)	-	-	-	-	-
Fees (1600, 1700)	-	-	-	-	-
Other (1830, 1840, 1850, 1860, 1870, 1890, 3190)	10,000	10,000	10,000	10,000	10,000
<b>Total Operating Receipts</b>	<b>\$ 3,013,750</b>	<b>\$ 3,069,375</b>	<b>\$ 3,180,625</b>	<b>\$ 3,236,250</b>	<b>\$ 3,236,250</b>
<b>Operating Disbursements</b>					
100 Salaries and Wages	\$ 2,002,848	\$ 2,042,904	\$ 2,123,763	\$ 2,166,238	\$ 2,166,238
200 Employee Retirement and Insurance Benefits	480,683	490,297	509,703	519,897	519,897
400 Purchased Services	968,763	985,258	1,002,083	1,019,245	1,019,245
500 Supplies and Materials	201,229	207,266	113,484	116,888	116,888
600 Capital Outlay - New	-	-	-	-	-
700 Capital Outlay - Replacement	-	-	-	-	-
800 Other	10,191	10,497	10,811	11,136	11,136
819 Other Debt	-	-	-	-	-
<b>Total Operating Disbursements</b>	<b>\$ 3,663,714</b>	<b>\$ 3,736,222</b>	<b>\$ 3,759,844</b>	<b>\$ 3,833,404</b>	<b>\$ 3,833,404</b>
Excess of Operating Receipts Over (Under) Operating Disbursements	\$ (649,964)	\$ (666,847)	\$ (579,219)	\$ (597,154)	\$ (597,154)
<b>Nonoperating Receipts/(Disbursements)</b>					
Federal Grants (all 4000 except fund 532)	\$ 1,725,000	\$ 1,742,250	\$ 739,573	\$ 746,969	\$ 746,969
State Grants (3200, except 3211)	-	-	-	-	-
Restricted Grants (3219, CS Facilities Grant)	-	-	-	-	-
Donations (1820)	-	-	-	-	-
Interest Income (1400)	-	-	-	-	-
Debt Proceeds (1900)	-	-	-	-	-
Debt Principal Retirement	(399,200)	-	-	-	-
Interest and Fiscal Charges	(122,371)	-	-	-	-
Transfers - In	-	-	-	-	-
Transfers - Out	-	-	-	-	-
<b>Total Nonoperating Revenues/(Expenses)</b>	<b>\$ 1,203,429</b>	<b>\$ 1,742,250</b>	<b>\$ 739,573</b>	<b>\$ 746,969</b>	<b>\$ 746,969</b>
Excess of Operating and Nonoperating Receipts Over/(Under) Operating and Nonoperating Disbursements	\$ 553,465	\$ 1,075,403	\$ 160,354	\$ 149,815	\$ 149,815
Fund Cash Balance Beginning of Fiscal Year	\$ 166,757	\$ 720,222	\$ 1,795,625	\$ 1,955,979	\$ 2,105,794
Fund Cash Balance End of Fiscal Year	\$ 720,222	\$ 1,795,625	\$ 1,955,979	\$ 2,105,794	\$ 2,255,609

**Assumptions**

	Forecasted				
	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
	2023	2024	2025	2026	2027
<b>Staffing/Enrollment</b>					
Total Student FTE	270	275	285	290	290
Instructional Staff	35	35	36	36	36
Administrative Staff	8	8	8	8	8
Other Staff	13	13	13	13	13
<b>Purchased Services</b>					
Rent	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000
Utilities	73,427	74,895	76,393	77,921	77,921
Other Facility Costs	110,807	113,023	115,283	117,589	117,589
Insurance	45,755	46,670	47,604	48,556	48,556
Management Fee	-	-	-	-	-
Sponsor Fee	49,472	50,461	51,471	52,500	52,500
Audit Fees	44,832	45,729	46,643	47,576	47,576
Contingency	-	-	-	-	-
Transportation	119,675	122,068	124,509	127,000	127,000
Legal	3,198	3,262	3,327	3,393	3,393
Marketing	7,113	7,256	7,401	7,549	7,549
Consulting	71,210	72,634	74,087	75,569	75,569
Salaries and Wages	-	-	-	-	-
Employee Benefits	-	-	-	-	-
Special Education Services	47,925	48,883	49,861	50,858	50,858

Technology Services	20,764	21,179	21,603	22,035	22,035
Food Services	195,811	199,728	203,722	207,797	207,797
Other	34,774	35,469	36,179	36,902	36,902
Total	\$ 968,763	\$ 985,258	\$ 1,002,083	\$ 1,019,245	\$ 1,019,245
<b>Financial Metrics</b>					
Debt Service Payments	\$ 521,571	\$ -	\$ -	\$ -	\$ -
Debt Service Coverage	2.06	0.00	0.00	0.00	0.00
Growth in Enrollment	2.66%	1.85%	3.64%	1.75%	0.00%
Growth in New Capital Outlay	-100.00%	0.00%	0.00%	0.00%	0.00%
Growth in Operating Receipts	2.65%	1.85%	3.62%	1.75%	0.00%
Growth in Non-Operating Receipts/Expenses	-8.07%	44.77%	-57.55%	1.00%	0.00%
Days of Cash	0.05	0.19	0.48	0.51	0.55

Fiscal Year 2023-2027 Projected Debt					
Description	Beginning Year Balance	Principle Retirement	Interest Expense	Ending Year Balance	Debitor/Creditor
FTE Review	\$ -	\$ -	\$ -	\$ -	
Loan A	\$ 170,000	\$ (170,000)	\$ -	\$ -	Thaman Foundation
Loan B	\$ 229,200	\$ (229,200)	\$ 98,766	\$ -	CSC
Line of Credit	\$ 135,000	\$ (135,000)	\$ 23,605	\$ -	Signature Bank
Notes, Bonds	\$ -	\$ -	\$ -	\$ -	
Capital Leases	\$ -	\$ -	\$ -	\$ -	
Payables (Past Due 180+ days)	\$ -	\$ -	\$ -	\$ -	
Total	\$ 534,200	\$ (534,200)	\$ 122,371	\$ -	

#### **Assumptions Narrative Summary**

The School is projecting just over \$3M for FY23 in total State Aid based on FTEs of 270. Federal revenue is based off of current allocations for FY22 and is inclusive of all ESSER revenues. The school is projecting misc revenue to continue to remain stable through FY25. The School is projecting enrollment to grow to 290 through FY27. Overall, the projection is for a 2% increase in salaries and benefit costs to be 24% of salaries year over year for FY22-27. All other expenses were calculated on a 3% increase over FY22-27 to cover market price fluctuations. The school does not have a management company. Dave Massa of Massa Financial Solutions is the Fiscal Officer. The sponsor for the school is OCCS and charges a fee of 2% of base state aid. The school has a lease agreement for the current location and is billed per the lease. The School moved to a new location at the beginning of FY21. The school contracts with Aramark to provide meals to the students under their NSLP contract. The food service is billed based on usage and contract rates. The school leases vehicles to provide transportation to their students and is responsible for all repairs, maintenance and fuel costs associated with providing transportation. The school currently has three lines of debt outlined below in the debt schedule, all of which are anticipated to be retired within the next fiscal year.



# Fiscal Officer License and Contact Information

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

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

STATE OF OHIO DEPARTMENT OF EDUCATION		
5 Year School Treasurer School Treasurer License		
<u>DAVID MASSA</u> THIS LICENSE AWARDED TO		
<u>OH3014246</u> EDUCATOR STATE ID	<u>04/02/2021</u> ISSUE DATE	<u>07/01/2021 to 06/30/2026</u> EFFECTIVE DATES
<p><i>The holder of this credential, having satisfactorily completed the requirements prescribed by The State Board of Education and the laws of Ohio, is authorized to teach the subject(s) or serve in the area(s) listed on this document for the period specified. The holder of this credential is responsible for being knowledgeable about current requirements for maintaining the credential.</i></p>		
<p> Superintendent of Public Instruction</p>		<p>This official document was created by the Ohio Department of Education and represents a true copy of a legal educator license as referenced in Ohio Revised Code Section 3319.36.</p> <p style="text-align: center;"><b>Credential # 21965653</b></p>
		<p>Employers may verify this credential by going to Educator Profile on <a href="http://education.ohio.gov">education.ohio.gov</a> and ensuring that the unique credential number appearing on this credential matches the person's records in Educator Profile, which is the official record of educator credential history.</p>

Continuation  
Certificate

# Westfield Insurance Company

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

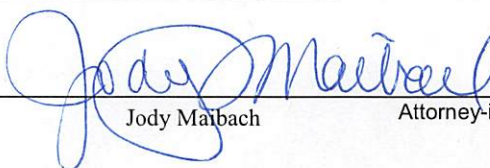
In consideration of an agreed premium payable in advance, the Bond described below is hereby continued in force for the period indicated. Continuation is subject to the condition that the maximum aggregate liability under the Bond and any and all continuations thereof shall in no event exceed the amount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

BOND NO.	BOND AMOUNT	RENEWAL PREMIUM	CONTINUED	
			FROM	TO
BND 0478922	\$ 25,000.00	\$ 390.00	7/1/2021	7/1/2024
PRINCIPAL Christopher D. Massa on behalf of SunBridge Schools				
OBLIGEE State of Ohio				

Signed, sealed and dated this 26th day of April, 2021.

O'NEILL INSURANCE AGENCY INC  
Agency

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

By:   
Jody Maibach Attorney-in-Fact



CERTIFIED COPY

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

Bond Number: **BND 0478922**  
Principal Name: **Christopher D. Massa on behalf of SunBridge Schools**  
Obligee Name: **State of Ohio**  
Bond Penalty: \$ **25,000.00**

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

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

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

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

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

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

Affixed  
Corporate  
Seal



CERTIFICATE

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

In Witness Whereof, I have hereunto set my hand and affixed the seal of said Company at Westfield Center, Ohio, this **26th** day of **April**, A.D., **2021**.

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

State of Ohio  
County of Medina ss:

Notarial  
Seal  
Affixed



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

State of Ohio  
County of Medina ss.:



**Massa**  
Financial Solutions, LLC

# **Financial Policies and Controls Manual**

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## **Fiscal Management Overview**

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

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

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

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



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## **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



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## **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.





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## **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.



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## **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.



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## **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.



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## **Procurement Policy for Federal Grants**

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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**

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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**

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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**

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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**

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

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

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

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

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

## **Procurement Policy for Federal Grants – Page Three**

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

### **METHODS OF PROCUREMENT**

#### **Micro Purchases (< \$10,000)**

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

#### **Small Purchases (\$10,000 to \$250,000)**

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

#### **Large Purchases (>@250,000 – “Simplified Acquisition Threshold”)**

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

##### **Procurement by Sealed Bids**

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



## Procurement Policy for Federal Grants – Page Four

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

If sealed bids are used, the following requirements apply:

- The invitation for bids shall be publicly advertised;
- Bids must be solicited from an adequate number of known suppliers, providing them sufficient time to respond;
- The invitation for bids must fully describe the items or services sought, so that the bidder may properly respond;
- All bids will be opened at the time and place prescribed in the invitation for bids;
- A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
- Any or all bids may be rejected if there is a sound, documented reason

### Procurement by Competitive Proposals

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

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

**GENERAL PROCUREMENT PROCEDURES**

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

(1) Recipients must avoid purchasing unnecessary items.

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

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

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

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

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

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

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

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

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

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

## Procurement Policy for Federal Grants – Page Six

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

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

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

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

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

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

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

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

## Procurement Policy for Federal Grants – Page Seven

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

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

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

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

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

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

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

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

## Procurement Policy for Federal Grants – Page Eight

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

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

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

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

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

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

c) Except as otherwise required by statute, an award that requires the contracting (or subcontracting) for construction or facility improvements shall provide for the recipient to follow its own requirements relating to bid guarantees, performance bonds, and payment bonds unless the construction contract or subcontract exceeds \$150,000. For those contracts or subcontracts exceeding \$150,000, the Federal awarding agency may accept the bonding policy and requirements of the recipient, provided the Federal awarding agency has made a determination that the Federal Government's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:

## Procurement Policy for Federal Grants – Page Nine

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

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

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

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

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

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

### Costs

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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.

## **Procurement Policy for Federal Grants – Page Ten**

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

### **Cost Classification: Assigning Account Codes**

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

### **Allowable Direct Costs**

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

### **Unallowable Costs**

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

## **Procurement Policy for Federal Grants – Page Eleven**

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

### **Facilities and Administrative Costs (Formerly Indirect Costs)**

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

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

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





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## Accounts Payable and Cash Disbursements

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.



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## **Purchasing Card (“PEX Card”) Policy**

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

### **GENERAL**

1. The Fiscal Officer will be responsible for the issuance, account monitoring, card retrieval or cancellation, and generally for overseeing compliance with the PEX Card Policy. The PEX card will be issued in the name of the Fiscal Officer and/or an employee designated by the Fiscal Officer.
2. The Fiscal Officer or an employee designated by the Fiscal Officer may use the PEX card, only for goods or services for the official business of the School.
3. Documentation detailing the goods and services purchased must be submitted 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.



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## **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.



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## **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

## Capital Assets, Federally Funded Equipment, and Inventory – Page Two

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.



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## **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.





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## **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.



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## **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 30<sup>th</sup>), 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).



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## 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.



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## 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.



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## **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.

