

## CICS & SMO Contract Template

Updated as of:  
August 15, 2023

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**[Version 8152023] Amended and Restated Campus Management  
Agreement Between the Chicago Charter School Foundation  
and Regeneration Schools**

CICS Avalon  
CICS Basil  
CICS Washington Park

THIS VERSION 8152013 AMENDED AND RESTATED CAMPUS MANAGEMENT AGREEMENT (the "**Agreement**") is executed as of the 15 of August, 2023, by and between ReGeneration Schools, an Illinois not-for-profit corporation, and the Chicago Charter School Foundation a/k/a and referred to herein as the Chicago International Charter School ("**CICS**"), an Illinois not-for-profit corporation.

WHEREAS, CICS has qualified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (the "**Code**");

WHEREAS, CICS has been granted a charter (the "**Charter**") to organize and operate a charter school (the "**School**") at multiple locations in Chicago, Illinois (each such location, an "**Attendance Center**") by the Chicago School Reform Board of Trustees (the "**School Reform Board**") pursuant to the State of Illinois Charter Schools Law, 105 ILCS 5/27A-1 et seq., as amended (the "**Charter Schools Law**"). CICS and the School Reform Board entered into a Renewal of Charter and Charter School Agreement dated as of May 17, 2002, which was renewed in 2007 and again in 2012 and 2017 (the "**Charter Agreement**"), which sets forth certain terms and conditions of the Charter and which may be amended from time to time;

WHEREAS, CICS is governed by a Board of Directors (the "**CICS Board**"), which is responsible for overseeing the operations of CICS;

WHEREAS, CICS wants ReGeneration Schools to provide services at CICS' Attendance Centers at the Campuses;

WHEREAS, CICS conducts a computerized lottery to randomly and fairly assign students to places in schools or on waiting list. The high school lottery is conducted via the city's GoCPS and the elementary lottery is conducted electronically via the SchoolMint platform, and;

WHEREAS, CICS and ReGeneration Schools now desire to enter into this Agreement to govern their relationship beginning July 1, 2023 (the "**Effective Date**") and ending on June 30, 2026, provided however that upon CPS voting on CICS' charter renewal, the termination date of the Term shall adjust to align to the expiration date of CICS' renewed charter with CPS, as long as Distinctive Schools remains in good standing per the terms of this agreement.

NOW, THEREFORE, for and in consideration of the mutual undertakings in this Agreement, the parties hereby agree to the following term and conditions.

## 1. DEFINITIONS.

- a. **"Academic Year"** means the period in which students are attending school, in which minutes are in compliance with state requirements and subject of approval by CICS.
- b. **"Annual ReGeneration Schools Receipts"** shall equal the difference between Operating Funds and the sum of: (i) the CICS Holdback; (ii) the Insurance Amount, (iii) the Offset Amount, and (v) the CPS Debits Amount. The sum of the Monthly ReGeneration Schools Receipts for all twelve (12) Months is intended to equal the Annual ReGeneration Schools Receipts.
- c. **"Attendance Center"** shall have the meaning ascribed to it by the preamble to this Agreement.
- d. **"Campus"** means one of the three (3) following Attendance Centers: (i) CICS Avalon, (ii) CICS Basil or (iii) CICS Washington Park. "Campuses" means two or more of the foregoing Attendance Centers.
- e. **"Capital Repairs and Improvements"** means capital repairs and improvements for which CICS is responsible as more particularly described in Schedule A.
- f. **"Charter"** shall have the meaning ascribed to it by the preamble to this Agreement.
- g. **"Charter Agreement"** shall have the meaning ascribed to it by the preamble to this Agreement.
- h. **"Charter Schools Law"** shall have the meaning ascribed to it by the preamble to this Agreement.
- i. **"CICS Holdback"** means the annual amount "held back" by CICS for facilities and central administration. The CICS holdback shall not exceed the total of 14% of ReGeneration Schools total Student Based Budgeting (SBB) (excluding any amounts accounting for federal Title and Special Education funding, which is passed through in full), Non-Student Based Budgeting (Non-SBB), Supplemental Aid and Facilities Supplement for all CICS Campuses managed by ReGeneration Schools. Student Based Budgeting (SBB), Non-Student Based Budgeting (Non-SBB), Supplemental Aid and Facilities Supplement amount is expected to be provided to each ReGeneration Schools Campus by the Chicago Public Schools in Fiscal Year 2024. CICS reserves the right to adjust the CICS Holdback in the event that it provides ReGeneration Schools additional services, as provided herein or as agreed to by the Parties, including but not limited to additional facilities, finance, recruitment or data services.
- j. **"CICS Intellectual Property"** means (i) all intellectual property rights created or conceived by CICS or an affiliate, including, but not limited to: all patents, patent applications, trademarks, trade names, logos, descriptive slogans, service marks, copyrights and any renewal rights therefore relating thereto, including the trademarks "Chicago Charter School

Foundation," "Chicago International Charter School" and any combination thereof, applications for any of the foregoing, and (ii) all inventions, ideas, processes, trademarks, know-how, works, discoveries, and improvements or enhancements to any of the foregoing which are created, in whole or in part, by ReGeneration Schools out of ReGeneration Schools Campus Receipts relating to the operation of the Campuses or CICS' other Attendance Centers (collectively "Inventions Made From ReGeneration Schools Campus Receipts").

- k. **"CICS Property"** shall have the meaning ascribed to it by Section 13(b)(i).
- l. **"CPS"** means Chicago Public Schools.
- m. **"CPS Debits Amount"** means any offset for any obligations that are imposed on CICS by CPS, including, without limitation, pensions.
- n. **"Effective Date"** shall have the meaning ascribed to it by the preamble to this Agreement.
- o. **"Epicenter"** means the network compliance management tool used by CICS and ReGeneration Schools.
- p. **"Insurance Amount"** means the amounts payable by CICS for insurance required pursuant to Section 16.
- q. **"Maintenance and Repairs"** means maintenance and repairs for which ReGeneration Schools is responsible as more particularly described in Schedule A.
- r. **"Month"** shall mean a calendar month during the Term.
- s. **"Offset Amount"** means an offset for any obligations that are imposed on ReGeneration Schools by this Agreement and that have not been paid in a timely fashion.
- t. **"Operating Funds"** means the funds that CICS receives pursuant to the Charter Agreement to the extent allocable to the Campuses.
- u. **"Per Pupil Amount"** means the Student Based Budgeting ("SBB") per pupil funds that CICS receives pursuant to the Charter Agreement to the extent allocable to each Campus.
- v. **"Quarter"** shall mean a calendar three-month period beginning on July 1, 2023, October 1, 2023, January 1, 2024 and April 1, 2024.
- w. **"Quarterly ReGeneration Schools Receipts"** for a Quarter shall equal the difference between Operating Funds received in respect of such Quarter and the sum of: (i) the CICS Holdback, (ii) one-fourth (1/4) of the Insurance Amount, and (iii) the Offset Amount, to the extent not previously debited against the Quarterly ReGeneration Schools Receipts for a previous Quarter.
- x. **"ReGeneration Schools Campus Receipts"** shall equal Annual ReGeneration Schools

Receipts minus the SMO Holdback.

- y. **"ReGeneration Schools Intellectual Property"** means all copyright and other proprietary rights developed or created by or on behalf of ReGeneration Schools that are not CICS Intellectual Property, including all instructional materials, personal preparation materials, administrative/procedural materials, training materials, curriculum and lesson plans, teaching techniques or methods, and any other materials developed by or on behalf of ReGeneration Schools, its employees, agents or subcontractors prior to this Agreement or any predecessor thereto.
  - i. **"ReGeneration Schools Property"** shall have the meaning ascribed to it in Section 12.
  - ii. **"Reserve"** shall have the meaning ascribed to it by Section 3(c)(iv).
  - iii. **"School Facilities"** means the real estate facilities for each of the campuses.
  - iv. **"CICS Board of Directors"** shall have the meaning ascribed to it by the preamble to this Agreement.
  - v. **"SMO Holdback"** shall have the meaning ascribed to it by Section 3(c).
  - vi. **"Term"** shall have the meaning ascribed to it by Section 2(a).

## 2. TERM.

- a. **Initial Term.** Unless terminated earlier in accordance with this Agreement, the term of this Agreement ("**Term**") shall commence on July 1, 2023, and end on June 30, 2026, which Term shall presumably include at least three (3) Academic Years, provided however that upon CPS voting on CICS' charter renewal, the termination date of the Term shall adjust to align to the expiration date of CICS' renewed charter with CPS, as long as ReGeneration Schools remains in good standing per the terms of this agreement.
- b. **Extensions.** At least four (4) months prior to the expiration of the current Term of this Agreement, if the Parties desire to extend the Term of the Agreement, the parties will enter into negotiations to extend the Term of this Agreement. If the Parties have not entered into extension negotiations within two (2) months of the expiration of the Agreement, it will be presumed that the Agreement will terminate by non-renewal, in accordance with Section 19(b)(ii) herein, and that the Parties do not intend to extend the Term. If the Parties have not executed an amended agreement, or extension, upon the expiration of the Agreement, CICS shall so notify ReGeneration Schools that CICS will be terminating the Agreement pursuant to Section 19(b)(ii) herein. Notwithstanding the foregoing, in no event shall the Term extend beyond the term of the charter granted to CICS, as such charter may or may not be extended from time to time. Nothing herein requires either party to agree to an extension beyond the Term of this Agreement.

## 3. FINANCIAL TERMS.

- a. **Compliance & Reporting**

- i. **State and Other Funding.** CICS shall use its best efforts, without expenditure of funds other than its share of Operating Funds, to comply with (i) the requirements of the Charter Agreement and the Charter Schools Law for the purpose of receiving or maintaining its eligibility to receive from CPS the per pupil allowance for each student enrolled and in attendance at the Campuses, and (ii) the requirements to receive funds from other external sources, including but not limited to those listed in Subsection (ii) below, provided that ReGeneration Schools shall provide such assistance to CICS in the preparation or review of such applications and reports as CICS may request and provided further that CICS shall permit ReGeneration Schools to review any such applications and reports prior to their submission.
- ii. **Non-amendment.** CICS shall not agree to amend the Charter Agreement as it relates to the Campuses in any way that materially adversely affects ReGeneration Schools unless it obtains written consent (which shall not be unreasonably withheld) from ReGeneration Schools in advance, except that no consent shall be required for any amendments that: (i) are required or directed by Chicago Public Schools and (ii) if CICS reasonably believes such amendment is necessary to further the best interests of the network of campuses, as a whole, operated by CICS pursuant to the Charter Agreement.
- iii. **Compliance with External Source Funding.** CICS shall comply with all terms and conditions of any external source funding (e.g., federal, state, or local funds designated for particular purposes such as Title I and special education) that is received pursuant to this Agreement. ReGeneration Schools shall (i) comply with all terms and conditions of any external source funding (e.g., including but not limited to, federal, state, and local funds designated for particular purposes such as Title I and special education) that is received pursuant to this Agreement, (ii) expend any such funds solely on behalf of the designated students when so required by the funding source, (iii) upon reasonable advance request, provide evidence to CICS that the Campuses are in compliance with such terms and conditions, and (iv) provide all reports, data, and information reasonably necessary for CICS to meet any reporting, certification or other requirements for such funding, including a copy of its procurement policy. If it is ever determined that ReGeneration Schools was non-compliant with any external source funding that was received pursuant to this Agreement, and such non-compliance results in a loss of or repayment of cash, the cost of such loss or repayment of cash shall be deducted from ReGeneration Schools' succeeding quarterly payment. In the event that such a determination is made after the termination of this Agreement or after the final quarterly payment under this Agreement has already been paid, ReGeneration Schools shall immediately return to CICS the cost of such loss or repayment.
- iv. **Financial Reporting.** ReGeneration Schools shall be responsible for preparing and delivering to CICS financial reports on an accrual and cash basis, according to the time frames identified in Epicenter. By the 20th day of the month following the end of a quarter, ReGeneration Schools must also upload accurate and complete quarterly financial statements, balance

sheet reconciliations (for items over \$5,000 only, provided that ReGeneration Schools' most recent audit resulted in no findings), and any other pertinent financial information requested by the Finance Working Group in Sage Intacct. ReGeneration Schools' Fiscal Year shall commence on July 1st and end on June 30th. ReGeneration Schools shall undergo an independent financial and compliance audit of its CICS Campuses as defined in this Agreement at the end of each Fiscal Year. The auditing firm shall be chosen by CICS and shall start no later than one week after the commencement of the CICS audit.

- ReGeneration Schools' financial reports to CICS, referenced in Section 14(a), shall separately account for the SMO Holdback. Moreover, upon request and in an effort to promote transparency of public spending, ReGeneration Schools shall provide CICS with information about how it's SMO Holdback has been spent based on the following expenditure categories: occupancy, personnel, professional development, legal, insurance, consulting, and administration.
- ReGeneration Schools shall not commingle the Annual ReGeneration Schools Receipts, or any other funds paid or otherwise disbursed by CICS to ReGeneration Schools under this Agreement, with any funds received from its activities that are unrelated to the Campuses. ReGeneration Schools shall maintain separate bank accounts for each Campus for all Annual ReGeneration Schools Receipts and any other funds paid or otherwise disbursed by CICS to ReGeneration Schools under this Agreement. Additionally, upon CICS' request, ReGeneration Schools shall approve CICS as an authorized user for each of ReGeneration Schools' Campus bank accounts and provide CICS with all of the account statements, including the account numbers for such bank accounts.
- ReGeneration Schools must use a CICS-designed accounting platform for all financial record keeping for each CICS campus and must attach all financial records that support the entries that ReGeneration Schools makes in the CICS-designed accounting platform. ReGeneration Schools must further use the CICS accounts at a CICS-selected bank exclusively for all campus and operating bank accounts. CICS agrees to transfer the Operating Funds, less any CICS holdback, to the applicable ReGeneration Schools Campus CICS-selected bank accounts within one week of receiving such funds from CPS. ReGeneration Schools will have access to the ReGeneration Schools Campus CICS-selected bank, and any funds transferred thereto, at all times during the Term of this Agreement.
- If ReGeneration Schools chooses to outsource its campus-related financial operations to an external vendor, ReGeneration Schools will afford CICS a reasonable opportunity to review the vendor, vendor contract and scope of vendor services that will be provided.

If the scope of vendor services extends solely to CICS Campuses, the term of any external vendor contract must not exceed the length of the fiscal year of this Agreement, unless otherwise agreed to by CICS in writing.

- v. **Submission of an Annual Budget.** ReGeneration Schools shall submit an annual projected budget for the following Academic Year by 15 days prior to the CPS deadline for submission, in reasonable detail (including an accounting of the SMO Holdback) and on an accrual basis, to CICS for each of the Campuses on or before the deadlines in Epicenter, for CICS' approval in its discretion. If ReGeneration Schools does not submit an annual projected budget by the deadline referenced, or does not have an approved budget by the CPS deadline, CICS reserves the right to withhold funding. The approved annual projected budget for the following Academic Year is required by CICS to submit to CPS to ensure timeliness of funding for the following Academic Year.

**b. CICS Obligations**

- i. **Annual Holdback / Fee.** The CICS Holdback shall not exceed the total of 14% of ReGeneration Schools total Student Based Budgeting (SBB), Non-Student Based Budgeting (Non-SBB), Supplemental Aid and Facilities Supplement for all CICS Campuses managed by ReGeneration Schools. Notwithstanding the language herein, the CICS Holdback shall not apply to portions of SBB that reflect federal Title or special education funds, which funds shall be passed through in entirety to ReGeneration Schools for purposes of supporting its students.
- ii. **Additional Annual Holdback / Fee Agreement.** CICS shall provide ReGeneration Schools the opportunity to meet metric-driven objectives that reduce CICS' annual CICS Holdback and fee collected based on Student Based Budgeting (SBB), Non-Student Based Budgeting (Non-SBB), Supplemental Aid and Facilities, less federal Title or special education funds, as referenced in Sections 7(c)(i), Enrollment Target and Annual Holdback / Fee Reduction Collaborative and 11(c)(i), Performance-based Reduction of Annual Holdback / Fee.
- iii. **Payment Schedule.** All funds payable to ReGeneration Schools hereunder shall be paid or made available to ReGeneration Schools by CICS within five (5) business days upon the last day of every quarter, provided that CICS has received the Operating Funds pursuant to the Charter Agreement.
- iv. **School Facilities.** CICS shall (i) provide the School Facilities for each of the Campuses, and (ii) use its reasonable efforts to provide the Capital Repairs and Improvements needed to (A) make the School Facilities suitable and appropriate for use as a school by the student population to be served at each Campus and (B) to put such School Facilities in compliance with all federal, state and local fire, safety, and building codes and requirements applicable to CICS, including, to the extent applicable, the abatement of environmental hazards and the requirements of the Americans with Disabilities Act. CICS' obligations under clause (ii) of this subsection (iv) and under subsection (v) below shall, in all events, be subject to CICS'



- rights under any lease affecting the applicable School Facilities.
- v. **Capital Repairs and Improvements.** CICS shall (i) manage and pay for Capital Repairs and Improvements at the Campuses and (ii) consult with ReGeneration Schools in determining the Capital Repairs and Improvements that will be made, *provided* that the final decision with respect to Capital Repairs and Improvements shall rest with CICS.
  - vi. **Real Estate.** CICS shall make all rental payments and other payments due from CICS as tenant pursuant to leases, or as owner of the real estate.
  - vii. **ReGeneration Schools Financial Obligations Expenditures.** Except as otherwise provided in this Agreement, ReGeneration Schools shall pay the costs associated with operating the Campuses and shall use the Annual ReGeneration Schools Receipts to defray those costs.
  - viii. **Use of Funds.** The Annual ReGeneration Schools Receipts, or any other funds paid or otherwise disbursed by CICS to ReGeneration Schools under this Agreement, must be utilized in accordance with all of the provisions in this Agreement and solely for CICS students and the Campuses and may not be used for any other purpose, including general business operations unrelated to the Campuses. If ReGeneration Schools has expenses that relate to Campus operations and non-Campus operations (i.e., network-level personnel supporting Campuses and other, non-CICS operations), ReGeneration Schools must apportion the expenses in accordance herewith. Use of Annual ReGeneration Schools Receipts for non-Campus related expenses is considered a material breach of this Agreement and CICS maintains the right to deduct the total of any such expenses from ReGeneration Schools' succeeding quarterly payment, or, in the event that the final quarterly payment under this Agreement has already been paid or made available to ReGeneration Schools, ReGeneration Schools shall immediately pay any such amount to CICS.
  - ix. **Reserve.** At the end of the Term, the Campus bank accounts may have a reserve that represents the excess of the ReGeneration Schools Campus Receipts and the amount that ReGeneration Schools has expended in connection with each Campus and CICS (the "Reserve"). The Reserve shall only be expended for the benefit of the Campuses, with CICS' prior approval. If the Campus bank accounts have such a Reserve at the end of the Term of this Agreement and the parties decide not to renew this Agreement or the Agreement is terminated pursuant to Section 19, the Reserve funds shall remain in the appropriate Campus bank account for the benefit of the Campus. Nothing herein shall limit ReGeneration Schools' collection of any budgeted central office and other Non-Campus expenses.
  - x. **Annual Audit.** CICS shall be responsible for managing the collection of materials to ensure the annual audit is submitted for review. CICS shall communicate in a timely manner with ReGeneration Schools to ensure that documents and materials required for audit review are requested

**c. ReGeneration Schools Obligations**

- i. **Annual Budget.** The ReGeneration Schools budget should reflect the Parties' commitment to ensuring that to the greatest extent possible, Student

Based-Budgeting is directed to classroom-based expenditures and to that end, the budget should be aligned with national best practices for campus and network budgeting expenses.

- ii. **Remaining within Budget.** In connection with the operation of the Campuses, ReGeneration Schools shall not deviate more than five percent (5%) from the approved budget in totality or in any major category on the CPS Budget Template without notice to CICS and approval by CICS. For purposes of this Agreement, moving an amount from one category to another without CICS' approval shall be treated as a deviation, even if the bottom line numbers remain unchanged.
- iii. **Modification of the Budget.** If either party believes that the actual Annual ReGeneration Schools Receipts reasonably projected to be remitted to ReGeneration Schools during a fiscal year with respect to the Campuses will fall below ninety-five percent (95%) of the Annual ReGeneration Schools Receipts projected in the budget, such party shall notify the other party in writing, and ReGeneration Schools shall then promptly notify CICS of its proposed budget amendments to adjust for such revenue shortfall. If CICS disagrees with the proposed amendments, the parties will attempt to negotiate an agreed amendment, and if they cannot do so, the matter will be submitted to arbitration in accordance with Section 22. If ReGeneration Schools fails to notify CICS of its proposed amendments prior to the third (3rd) quarter of the Fiscal Year, ReGeneration Schools' succeeding quarterly payment shall be decreased to account for the budget shortfall. In the event that such a determination is made after the termination of this Agreement or after the final quarterly payment under this Agreement has already been paid, ReGeneration Schools shall immediately return to CICS the amount of the budget shortfall.
- iv. **Default.** If CICS believes that ReGeneration Schools or its external vendor are not providing adequate accounting, payroll and budgeting services in accordance with GAAP accounting principles or equivalent standards for payroll and budgeting services, CICS shall notify ReGeneration Schools in writing of such default and ReGeneration Schools shall have thirty (30) days to cure such default. If ReGeneration Schools does not cure such default within a thirty (30) day period or if ReGeneration Schools receives two (2) or more notices of default in any two (2) month period, CICS, upon written notice to ReGeneration Schools, shall have the right to outsource the accounting, payroll and budgeting services for which ReGeneration Schools is responsible to another vendor (including, as appropriate, CICS' back-office services), and to adjust the CICS Holdback accordingly for the cost of such services. In the event that the final quarterly payment under this Agreement has already been paid or made available to ReGeneration Schools, ReGeneration Schools shall immediately return to CICS the amount of such increased costs.
- v. **Limitations on Use of Annual ReGeneration Schools Receipts.** ReGeneration Schools shall be entitled to use not more than ten percent (10%) of the amount which equals the total Student Based Budgeting

(SBB), Non-Student Based Budgeting (Non-SBB), Diverse Learner funding, Supplemental Aid and Facilities Supplement for all CICS campuses managed by ReGeneration Schools in respect to the Academic Year to pay management or other non-Campus fees, other expenses charged by ReGeneration Schools or its affiliates, other than CICS and ReGeneration Schools, related to fulfilling its duties under this Agreement, or other expenses not authorized and budgeted (the "SMO Holdback"). Notwithstanding the foregoing, in no event shall the SMO Holdback be deducted from Diverse Learner funding, or other restricted funds. In the event that ReGeneration Schools' collection of any SMO Holdback will result in an unapproved negative net income for the CICS Campuses on either an accrual or cash basis, the amount of ReGeneration Schools' SMO Holdback shall be reduced up to the amount of the total unapproved negative deviation from budget. In the event ReGeneration Schools wishes to seek approval to operate at a net deficit, ReGeneration Schools must submit a revised budget to the CICS CEO for approval prior to April 1. CICS will provide a response, including its rationale for its decision, within 5 business days of receiving the request for approval. CICS shall reduce ReGeneration Schools' SMO Holdback, however, unless ReGeneration Schools has sought and obtained approval of an expenditure that could, once incurred, result in a negative net income. CICS approval of a request by ReGeneration Schools that has been made in good faith to improve student performance shall not be unreasonably withheld.

- vi. **Annual Audit.** ReGeneration Schools shall be required to submit any requested information necessary for the completion of CICS' audit.

**d. Additional Terms.**

- i. **Right of Set-Off.** CICS shall be entitled at all times to set-off any amount owing at any time from ReGeneration Schools to CICS against any amount payable at any time by CICS to ReGeneration Schools pursuant to this Agreement. If CICS desires to exercise such right, CICS shall provide ReGeneration Schools with specific and detailed written notice and ReGeneration Schools shall use its best efforts to remedy the situation within ten (10) days. ReGeneration Schools will notify CICS in writing immediately if ReGeneration Schools reasonably believes it will take longer than ten (10) days to resolve, with specifics around the proposed resolution. Upon reviewing the proposed resolution, CICS, at its sole discretion, may grant ReGeneration Schools an extension to remedy the situation.
- ii. **Tax-Exempt Status.** Both parties acknowledge and agree that this Agreement is intended to be consistent with CICS' status as a tax-exempt organization and
- iii. d with the tax-exempt status of its bonds, and both parties shall interpret this Agreement in such a manner so as to prevent this Agreement from causing CICS from losing its tax-exempt status or from causing the bonds to lose their tax-exempt status and, if necessary, shall amend this Agreement in such a manner that will cause it to comply, including without limitation an appropriate allocation of amounts payable to ReGeneration Schools

hereunder into fixed and variable components.

- iv. **No Inconsistent Tax Position.** ReGeneration Schools agrees that it is not entitled to and will not take any tax position that is inconsistent with being a service provider to CICS with respect to the Campuses, Attendance Centers and CICS Property. ReGeneration Schools agrees, for example, not to claim any depreciation or amortization deduction, investment tax credit, or deduction for any payment as rent with respect to any of the Campuses, Attendance Centers or CICS Property.

#### 4. ATTENDANCE.

##### a. Compliance and/or Regulatory Requirements

- i. **Attendance Days; School Days; School Week.** To ensure state compliance, the academic school year and schedule will be presented to CICS for approval prior to the schedule being shared externally. ReGeneration Schools must maintain a minimum academic school year of at least 179 instructional days.
- ii. **Accurate Attendance Reporting.** ReGeneration Schools shall ensure that each of its Attendance Centers accurately submit attendance reports as required by CPS, and on the timeline required by CPS and to ensure accurate and real-time attendance monitoring.

##### b. CICS Obligations

- i. **Attendance Days; School Days; School Week.** CICS will provide State and local guidance and policy support to ReGeneration Schools to ensure State and Authorizer compliance with the required calendar mandates.
- ii. **Academic Calendar.** CICS will review and approve the ReGeneration Schools calendar. CICS will submit the campus calendar to CPS on behalf of ReGeneration Schools by the deadline provided by CPS.

##### c. ReGeneration Schools Obligations

- i. **Attendance Centers Expansion.** CICS acknowledges that ReGeneration Schools may operate and manage other educational programs and provide educational and related services, with other partners in and around Chicago and elsewhere. If ReGeneration Schools plans on expansion of educational programs and related services in and around Chicago and elsewhere, ReGeneration Schools will inform CICS no less than three months from the decision made by ReGeneration Schools leadership. This notice of expansion ensures that both CICS and ReGeneration Schools engage in good faith discussion to ensure that ReGeneration Schools has the capacity and resources to meet the Portfolio Excellence Framework standards and priorities.

**Naming of Attendance Centers.** ReGeneration Schools acknowledges that the naming of campuses, sports fields and rooms within CICS School Facilities provides opportunities for CICS to raise philanthropic funds. ReGeneration Schools accordingly acknowledges that CICS has the sole naming authority of any Attendance Centers physical space, including the

campus itself, sports fields and rooms within the Attendance Center, such as the cafeteria, gymnasium or classrooms.

- ii. **Class Size.** Each party agrees to perform its duties under this agreement in such a way that will allow the maximum class sizes to be set as set forth below:

**Maximum Class Size**

<b><u>Grade</u></b>	<b><u>Maximum Number of Students per Class</u></b>
Kindergarten	The adult-to-student ratio for each Kindergarten class must be less than or equal to 1 adult : 25 students. If more than 25 students are assigned to one Kindergarten class, then an additional full-time adult must be added to that class.
1	35
2	35
3	35
4	35
5	35
6	35
7	35
8	35
9	35
10	35
11	35
12	35

**5. ACCESS TO FACILITIES.**

**a. Compliance and/or Regulatory Requirements**

- i. **Building Specifications for Health/Life Safety in Public Schools.** CICS and ReGeneration Schools shall comply with building specifications

referenced in 23 Ill. Adm. Code 185.

- ii. **Compliance with Leases.** Without limiting any other obligations of ReGeneration Schools under this Agreement, CICS and ReGeneration Schools will operate the School Facilities in accordance with the requirements of leases affecting such School Facilities.

**b. CICS Obligations**

- i. **Federal, State and Local Laws and Mandates Regarding Facilities.** CICS agrees to take appropriate actions with respect to all applicable laws and regulations related to building specifications for public school buildings, subject to and consistent with the expectations of the Charter Agreement.

**c. ReGeneration Schools Obligations**

- i. **Access and Use.** Although CICS shall retain legal possession of and access to the School Facilities at all times, ReGeneration Schools shall be entitled to enter the School Facilities to meet its obligations under this Agreement and may use equipment, computers, desks and other furniture, furnishings and other CICS Property included with and located at the School Facilities to educate students at the Campuses, provided that: (i) if the School Facilities are leased by CICS, then ReGeneration Schools shall only be permitted to use the School Facilities and the related CICS Property to the extent permitted under its current lease and/or related documents with the landlord and with landlord approval, if required and (ii) ReGeneration Schools may not move any property or equipment owned by the landlord, if any, or any CICS Property valued over \$15,000 in the aggregate, between Campuses or from Campuses without the prior written approval of CICS. Notwithstanding the foregoing, ReGeneration Schools may remove ReGeneration Schools Property between campuses or from the Campuses without the prior written approval of CICS.
- ii. **After-School Use of School Facilities.** During after-school, evening and weekend hours, ReGeneration Schools may request that CICS make the School Facilities available for non-school use purposes that are consistent with CICS policies and related to the operation of the Campuses, and CICS shall not unreasonably deny any such request. For the avoidance of doubt, CICS may deny any such request that (i) may cause CICS to recognize unrelated trade or business income, (ii) may give ReGeneration Schools legal rights or entitlement to Campuses or Campuses' facilities, (iii) may impede CICS' ability to satisfy any required law or regulation, including such tax regulations affecting any tax-exempt bond financing eligibility, or (iv) such activities or hours of use are not permitted under the lease for the applicable School Facilities or would otherwise violate such lease or the landlord under such lease has not consented to such use, if such consent is required .
- iii. **ReGeneration Schools Rules and Regulations.** Subject to the overall direction, oversight and policies of CICS and subject to compliance with all policies that CICS sets for its Campuses, ReGeneration Schools shall be authorized to adopt and enforce such rules, regulations and procedures

applicable to CICS at the Campuses that do not conflict with federal, state, or local laws, rules, regulations or policies that have not been waived, including rules and regulations concerning student attendance, standards of conduct, discipline, compulsory attendance, including without limitation hour requirements and the distinction between excused and unexcused absences.

## **6. BRANDING, MARKETING AND ADVOCACY.**

### **a. Compliance and/or Regulatory Requirements**

- i. **Use of Name.** CICS and ReGeneration Schools must keep and utilize the Campus name(s) as defined in the charter agreement on any and all marketing materials. Subject to CICS' written approval, ReGeneration Schools may use the name "CICS" on business note paper or marketing materials, signage, press releases, websites and other documents in accordance with brand standards.

### **b. CICS Obligations**

- i. **Branding and Marketing Collateral/Materials.** CICS shall perform its duties of marketing and building brand awareness for its network of campuses. CICS is not obligated to market or provide branding collaterals/materials for any one specific campus or SMO, but may do so based on specific enrollment and/or engagement activities that support the overall CICS brand.
- ii. **Social Media.** CICS will support ReGeneration Schools on content development and collaborate with ReGeneration Schools social media teams when needed to support content, brand and marketing efforts.
- iii. **Collaboration.** CICS and ReGeneration Schools shall meet at a minimum once a month to collaborate and discuss communication priorities such as campus content, branding and marketing collateral/materials, press/media, social media, website and government advocacy.

### **c. ReGeneration Schools Obligations**

- i. **Branding and Marketing Collateral/Materials.** In connection with each Campus, ReGeneration Schools shall use the official name dictated by charter agreement and logo chosen by CICS on all public communications including the campus and operator websites, social media, email signatures, when greeting visitors or callers to the campus and on all signage, stationery, marketing, clothing and any other materials. The form of all such materials shall be subject to CICS' prior review and written approval. CICS reserves the right to re-order materials that do not conform to CICS branding standards, including but not limited to Campus apparel. CICS will withhold the cost of any such branded materials, plus a fee of ten percent (10%), from ReGeneration Schools' succeeding quarterly payment. In the event the final quarterly payment under this Agreement has already been paid or made available to ReGeneration Schools, ReGeneration Schools shall immediately pay CICS the cost of any such branded materials plus the

ten percent (10%) fee. ReGeneration Schools shall cooperate with CICS in transitioning to the new design of CICS' official name, logo or any other new or different branding designs that CICS may hereafter approve and agrees to assist CICS in transitioning its branding designs in such a way that does not impose material costs upon the families of students attending any Campus. Should ReGeneration Schools wish to use joint CICS/ReGeneration Schools branding, it will work with CICS to develop and agree on such joint branding prior to use.

- ii. **Campus Website.** In connection with each Campus, ReGeneration Schools shall maintain a Campus website, which shall include, at a minimum, a listing of network and school leadership. The website shall be updated regularly and ReGeneration Schools agrees that content posted on any Campus website shall comply with any federal, state or local statute or regulation or any agreement ReGeneration Schools or CICS has entered into with any person or entity.
- iii. **Social Media.** ReGeneration Schools agrees to operate a social media account in connection with each Campus consistent with any branding guidebook or other guidance provided by branding vendors engaged by CICS. ReGeneration Schools shall not create any additional websites or social media accounts containing or utilizing the CICS logo without CICS' express written consent.
- iv. **Government Advocacy.** ReGeneration Schools shall notify the CICS Communications team of any contact with local, state and national elected officials, so that CICS and ReGeneration Schools can coordinate advocacy efforts to the joint benefit of both CICS and ReGeneration Schools. ReGeneration Schools acknowledges that close coordination with CICS is essential to ensuring that CICS and ReGeneration Schools take consistent positions on policies affecting CICS schools and their communities, students and their families.
- v. **Press Releases and Media Inquiries.** ReGeneration Schools shall notify and collaborate with CICS' Communications and Marketing team prior to issuing any press release, authoring any article or participating in any interview, video, social media platform statement or other promotional activity relating in any way to CICS, its operations or any Campus ReGeneration Schools operates pursuant to the Charter Agreement.
- vi. **Collaboration.** ReGeneration Schools shall meet with CICS at a minimum of once a month to collaborate and discuss communication priorities such as campus content, branding and marketing collateral/materials, press/media, social media, website and government advocacy.

## 7. ADMISSIONS, RECRUITMENT AND ENROLLMENT.

### a. Compliance and/or Regulatory Requirements

- i. Each party shall perform its duties under this Agreement in such a way that the following enrollment criteria will be met.



- Enrollment shall be open to all Chicago students, as determined by CICS and in accordance with the Charter Schools Law.
- To enroll for any Campus, a child's parent or legal guardian must complete a CICS elementary school or high school application, depending upon the age of the child.
- A child's parent or legal guardian must complete the CICS application and must list the Attendance Centers at which they want their child to attend in preferential order.
- A child's parent or legal guardian shall be entitled to apply to all or any Attendance Centers that have programs for the grade for which the application is being submitted.
- An elementary lottery shall be held in April for the immediately succeeding Academic Year.
- CICS follows the GoCPS application process through CPS for 9th grade seats and high school transfers.
- In order for an application to be included in the relevant lottery, it must be received by CICS in the manner designated by it on the Friday immediately preceding the date of the lottery.
- Applications that are received after the relevant lottery date shall be assigned a place at the Attendance Center or a position on the waiting list that is behind all who applied in a timely fashion, on a first-come, first-served basis.
- Students who are attending an Attendance Center at the time of the relevant lottery need not participate in the lottery and shall be allowed to fill any "open" seats before the admission of any students through the relevant lottery unless they have officially transferred from such Attendance Center prior to the relevant lottery.
- The applications of siblings of students who are currently enrolled at a specific Attendance Center are given preference to any "open" seats at that Attendance Center.
- The applications of students transferring from one CICS campus to another are given preference to any "open" seats at campuses they have applied to in the order of selection.
- Students must have attended a CICS Campus for one full year before requesting a transfer to another campus. Provided there is a seat available in the requested CICS campus, the student will be transferred in the next academic year.
- "Open" seats in each grade level are determined for the Academic Year aligned with enrollment projection deadlines driven by CPS, which are typically in January for high school students and in March for elementary school students, after "intent to return forms" are completed by currently enrolled CICS students.
- Except for boundary schools, all CICS Campuses shall adhere to the same application and admission policies.
- Where a boundary exists for an Attendance Center, CICS shall work with the office of School Demographics & Planning of the Chicago

Public Schools to ensure that students, who live within the appropriate boundaries for that Attendance Center and who applied to that Attendance Center by the lottery deadline, are given preference in the lottery over those students who applied by the lottery deadline but who: (a) do not live within the set boundary, (b) are not transferring from another Attendance Center, (c) do not have a sibling currently attending that Attendance Center, or (d) do not have a parent or legal guardian currently employed at that Attendance Center.

- If there are more applicants than space available in any given grade, all students not accepted in the lottery will be placed on a waiting list in the order that their name was placed in the lottery. The CICS waiting list will not carry over from year to year and a new student application must be filled out annually if parents or legal guardians wish to enroll their student for subsequent Academic Years.
- Once a student enrolls in CICS, if a parent or legal guardian wishes to withdraw the student from CICS, the parent or legal guardian must fill out a withdrawal form that will contain the name of the school to which the student is transferring. The form must then be signed by the student's parent or legal guardian. The student's file will be kept for the legally required amount of time at the Campus or sent with the student to the school to which they transfer, whichever is required by law. In this case, the Campus will make the required changes in the student information system.
- Siblings of students currently enrolled in an Attendance Center are given preference when applying to that Attendance Center. Sibling preference is not a guarantee of acceptance into an Attendance Center. If there are more siblings interested in attending a particular Attendance Center than there are available enrollment slots, the siblings shall be placed in a random lottery and accepted in the order indicated by the computerized lottery program. Sibling preference will only be granted if the application is received by CICS by the lottery deadline. Applications for siblings received after the deadline are entered into the general lottery. No preference is given to those applications.
- ReGeneration Schools shall only enroll students in full compliance with the requirements of the Charter Agreement and the Charter Schools Law.
- If a student who applied to and was admitted by CICS to CICS is found in violation of residency or age requirements, ReGeneration Schools will inform CICS within 48 hours of discovery, and CICS shall have such student removed from CICS immediately.

**b. CICS Obligations**

- i. **Student Recruitment.** ReGeneration Schools and CICS shall be jointly responsible for the recruitment of students for the Campuses as described further in [Appendix A]. Joint responsibility will include sharing equally

the cost of advertising and marketing for the Campuses and community outreach for new Campuses, provided that such costs will not be incurred without CICS' and ReGeneration Schools' prior written approval. CICS will support the recruitment efforts of ReGeneration Schools by providing ReGeneration Schools with the leadership staff responsible for this effort and a student recruitment and community engagement strategy. Notwithstanding this joint responsibility for recruiting, no ReGeneration Schools personnel shall be considered a joint or single employee of CICS and CICS will have no authority to exercise control over any ReGeneration Schools employee. Any compensation to ReGeneration Schools personnel for recruiting activity shall be paid by ReGeneration Schools. The recruitment and community engagement strategy will be developed and approved jointly by CICS and ReGeneration Schools.

- ii. **Enrollment.** CICS will be responsible for selecting, managing and the costs of the network's platform for enrollment information and database. CICS will actively work with ReGeneration Schools to ensure proper access to student and family information pertaining to campuses directly managed by ReGeneration Schools.

**c. ReGeneration Schools Obligations**

- i. **Enrollment Target and Annual Holdback / Fee Reduction Collaborative.** Given the parties shared interest in maintaining enrollment levels consistent with the attendance caps set in CICS' Charter Agreement, CICS agrees to decrease the CICS Holdback for the remainder of any fiscal year in which ReGeneration Schools meets the enrollment targets for the Campuses as of the 20th day enrollment count, by 1%. In no event, however, shall either CICS or ReGeneration Schools engage in any conduct inconsistent with the enrollment criteria set forth above, or with the parties' obligations under the law.
- ii. **Student Recruitment.** ReGeneration Schools is responsible for student recruitment activities as described further in Appendix A.
- iii. **Enrollment.** ReGeneration Schools is responsible for all enrollment activities as described further in Appendix A.
- iv. **Tracking and Data Collection.** Given the parties shared interest in maintaining enrollment and ensuring that appropriate resources are allocated for effective student recruitment strategies, ReGeneration Schools will collaborate with data collection during student recruitment and enrollment related activities. CICS will provide tools and training for ReGeneration Schools to complete student recruitment and enrollment data.

**8. DEVELOPMENT AND FUNDRAISING.**

**a. Compliance and/or Regulatory Requirements**

- i. **Transparency.** The Parties shall comply with all applicable provisions in the Grant Accountability and Transparency Act (GATA) (30 ILCS 708).
- ii. **501(c)(3) Tax Status.** The Parties shall comply with all applicable 501c3

fundraising guidelines and requirements.

**b. CICS Obligations**

- i. **Grant Application and Fundraising Initiatives.** CICS may apply for grants and philanthropic support for its general operations, new initiatives, as well as programs offered by its SMO partners, including ReGeneration Schools.
- ii. **Conflict Resolution.** CICS will notify ReGeneration Schools when there is a potential conflict in philanthropic initiatives between CICS and ReGeneration Schools' applications. CICS and ReGeneration Schools will work to coordinate their efforts to diminish any potential conflicts. CICS reserves the right to resolve conflicts of interest related to grant applications and other fundraising activities at the network office level on a case by case basis with ReGeneration Schools input.

**c. ReGeneration Schools Obligations**

- i. **Fundraising Initiatives Support.** ReGeneration Schools shall cooperate and support CICS' philanthropic efforts during the Term and for the joint benefit of CICS and ReGeneration Schools.
- ii. **Facilities Access.** As a result of its fundraising activities, CICS may occasionally need access to the Campuses. ReGeneration Schools shall grant CICS access to the Campuses and provide support from school leadership and teachers as needed for Campus tours or other events.
- iii. **Grant Application and Fundraising Initiatives.** ReGeneration Schools shall have the right to apply for and receive grant money and other contributed income on its own or together with CICS, and to retain any such funds for its use consistent with the terms of such grants and/or gifts; provided that ReGeneration Schools will keep CICS informed in writing of such applications prior to any application's submission, and grants at the level of detail that CICS reasonably requests for any such application or grant relating directly or indirectly to CICS or any Campus ReGeneration Schools operates on behalf of CICS. ReGeneration Schools shall use the standard grant language provided in the CICS External Affairs Policy and Procedure Policy with regard to CICS network operations, attached hereto as Appendix B. Any such monies received by ReGeneration Schools shall not reduce the fees due under this Agreement, unless otherwise agreed at the time the application is made. Any tax deductible funds raised utilizing CICS' charitable organization status under Section 501(c)(3) of the Code, with EIN 36-4141583 must be processed through the CICS network office's accounting and development departments according to network office policies and procedures.

**9. CAMPUS/SCHOOL OPERATIONS.**

**a. Compliance and/or Regulatory Requirements**

- i. **Epicenter Reporting.** ReGeneration Schools shall provide all information regarding the operation of the Campuses and the students at such times and

in such manner as CICS shall reasonably request, including without limitation information relating to ReGeneration Schools' educational performance and the efficiency of the operation of the Campuses during the school year. Without limitation of the forgoing, ReGeneration Schools shall deliver the Monthly and Quarterly reports on the Campuses as outlined in Epicenter and below:

- Notice of changes in leadership of the attendance center should be communicated two weeks before the change is implemented or within 48 hours if personnel removal is unplanned;
  - Notice of physical or perceived threats to members of the attendance center community that may have safety and security implications should be communicated immediately;
  - Notice of engagement of emergency response departments (Fire, Police, Medical), including while on attendance center sponsored field trips and events, should be communicated immediately (and no later than by the end of the same day on which the incident occurred) so that CICS may take appropriate coordination steps to support the campus and/or ReGeneration Schools and required communication steps with the Local Education Authority, CPS, our charter authorizer; and
  - Notice of any publicly released information with public relations implications for CICS or public media statements at least 48 hours prior to public release, or as far in advance as possible.
- ii. **Educational Programming.** ReGeneration Schools shall provide CICS and its students at the Campuses in grades kindergarten through twelve (12) with a complete educational program based on (A) school management principles previously presented in writing to CICS, subject to the overall direction, oversight and policies of CICS, (B) the requirements of the Charter Agreement, and (C) the Charter Schools Law, except as may be further required by this Agreement.
- iii. **Academic Performance.** ReGeneration Schools shall be responsible for and accountable to CICS for the performance of students who attend the Campuses, said performance to be measured in accordance with the requirements of the Charter Agreement and the Charter Schools Law. ReGeneration Schools shall be responsible for conducting interim testing and sharing the interim data (including but not limited to percentage of students performing at grade level in an IAR/SAT predictive assessment) with CICS, in a spreadsheet capable of sorting and filtering, within one week of the administration window closing.
- iv. **Student Testing.** ReGeneration Schools shall take all testing required through both the Charter Schools Law and the Contract with CPS and the CICS Contract.
- v. **Academic Interventions.** ReGeneration Schools shall offer intensive academic interventions for students at risk of being retained for the subsequent school year. Those interventions may include, but are not limited to the following options: virtual "anytime anywhere learning"

instruction, in-person summer school, Saturday school or other interactive academic enrichment programming.

- vi. **Campus Safety Training.** ReGeneration Schools, as required by law and charter authorizer, will be required to participate in training and/or complete webinars related but not limited to safety, hazardous materials and asbestos.

vii. **Special Needs**

- *Special Education.* ReGeneration Schools shall (A) be responsible for identifying the Campuses' students with special needs and developing Individual Educational Plans and Section 504 Plans, as necessary, (B) enroll students with disabilities, mental illness, behavior disorders, or other health impairments without prejudice, (C) serve Campus students requiring special education services in classrooms, (D) provide special education services to students who attend the Campuses in a manner that complies with federal, state and local laws and applicable regulations, all in a manner consistent with the Charter Agreement, the Charter Schools Law and other applicable law, provided that ReGeneration Schools may subcontract all or any portion of such services to a public or private subcontractor, subject to approval by CICS.
- *Bilingual and ELL Education.* ReGeneration Schools shall provide appropriate bilingual and/or "English for speakers of other languages" for English language learners ("ELL") education services to the limited English proficient students at the Campuses through programs consistent with the requirements of this Agreement, the Charter Agreement, the Charter Schools Law and other federal, state, and local law, provided that ReGeneration Schools may subcontract all or any portion of such services to a public or private subcontractor, subject to approval by CICS.
- *Other Special Student Services.* ReGeneration Schools shall work with CICS to ensure compliance with the requirements of the Individuals with Disabilities Education Act, Section 504 of the Rehabilitation Act, the Americans with Disabilities Act, and regulations relating to homeless students, provided that in no event shall CICS be required to expend funds in connection with the foregoing, provided that services necessary to comply with such requirements shall be provided in a manner that complies with state, federal, or local laws and applicable rules, regulations and policies, and provided further that ReGeneration Schools may subcontract such services to a public or private subcontractor, subject to approval by CICS and consistent with this Agreement.
- *CPS Compliance.* In the event that CPS imposes additional requirements on CICS related to special education services, CICS shall notify ReGeneration Schools of those requirements and ReGeneration Schools shall comply therewith.

viii. **Compliance with Local, State, and Federal Guidelines**

- a. ReGeneration Schools shall operate the Campuses in accordance

with the Charter Agreement, the Charter Schools Law, and applicable state, federal, or local regulations and any additional requirements imposed by the Illinois State Board of Education or CPS, CICS' charter authorizer.

- b. Except to the extent expressly waived by appropriate governmental authorities, ReGeneration Schools shall, and shall cause its officers and employees to, (A) comply with the Charter Schools Law, the Charter Agreement, and all applicable federal, state, and local laws, concerning the maintenance and disclosure of student records, and (B) comply with the Family Educational Rights and Privacy Act, provided that ReGeneration Schools acknowledges that such records are property of CICS, that ReGeneration Schools has no rights in such records whatsoever, that it shall maintain such records on behalf of CICS and may use such records only in connection with its duties under this Agreement, and that it will follow CICS' instructions in connection with such records. Based on the foregoing, CICS hereby designates employees of ReGeneration Schools as having a legitimate educational interest such that they are entitled to access to education records under 20 U.S.C. §1232g, the Family Educational Rights and Privacy Act.
- c. ReGeneration Schools shall meet an agreed calendar of reporting dates relating to local, state, and federal compliance reporting and must submit at least ninety percent (90%) of the documents on time (and the remaining ten percent (10%) within thirty (30) days of the applicable reporting date) and at least ninety percent (90%) of the documents must be accurate the first time that they are submitted.
- d. If ReGeneration Schools fail to meet the ninety percent (90%) benchmark in terms of either accuracy or timeliness in a fiscal quarter, CICS shall notify ReGeneration Schools in writing that such benchmark was not met. If ReGeneration Schools fails to meet the ninety percent (90%) benchmark in terms of either accuracy or timeliness, ReGeneration Schools will make the following additional payments to CICS:

After two (2) consecutive fiscal quarters that ReGeneration Schools does not meet the ninety percent (90%) benchmark in terms of either accuracy or timeliness	ReGeneration Schools will pay CICS \$10,000 per Campus.
After four (4) consecutive fiscal quarters that ReGeneration Schools does not meet the ninety percent (90%) benchmark in terms of either accuracy or timeliness	ReGeneration Schools will pay CICS \$20,000 per Campus.

After eight (8) consecutive fiscal quarters that ReGeneration Schools does not meet the ninety percent (90%) benchmark in terms of either accuracy or timeliness	ReGeneration Schools will pay CICS \$40,000 per Campus.
After twelve (12) consecutive fiscal quarters that ReGeneration Schools does not meet the ninety percent (90%) benchmark in terms of either accuracy or timeliness	ReGeneration Schools will pay CICS \$60,000 per Campus.

- e. CICS reserves the right to hire a third-party auditor if any internal financial control findings or concerns are identified in conjunction with ReGeneration Schools' audit. The third-party auditor shall audit ReGeneration Schools' accounting practices and where necessary, correct deficiencies. ReGeneration Schools shall bear the cost of the third-party auditor, not to exceed \$25,000.
- f. CICS reserves the right to hire a third-party auditor if any legal compliance findings are identified in conjunction with ReGeneration Schools' audit. The third-party auditor shall audit ReGeneration Schools' compliance with local, state and federal regulations and guidelines throughout the subsequent Academic Year. ReGeneration Schools shall bear the cost of the third-party auditor, not to exceed \$25,000.
- ix. **Procurement Requirements.** Pursuant to CICS' obligations to the Illinois State Board of Education, ReGeneration Schools shall adhere to all applicable procurement guidance and requirements from the Illinois State Board of Education, including guidelines for contracting diversification.
- x. **Reporting and Documenting Reasonable Suspicions of Child Abuse or Neglect.** ReGeneration Schools shall ensure that all ReGeneration Schools employees and related vendors and volunteers are trained in and adhere to applicable local, state and federal laws related to the reporting of child abuse and neglect, including that mandatory reporters with reasonable cause to believe that a child known to the reporter in the reporter's official capacity may have been abused or neglected immediately call the DCFS Hotline at 1-800-252-2873 (1-800-25-ABUSE). ReGeneration Schools must also adhere to CPS' requirements on the Handling of Sexual Misconduct Allegations and pursuant thereto must (i) appoint at least one person per campus to serve as a Title IV School Representative(s); (ii) immediately report all allegations of actual, attempted or suspected sexual misconduct involving any charter school board member, director, employee, vendor or volunteer with a student, former student or minor to the Office of Inspector General ("OIG") at 1-833-835-5377 (1-833-TELL CPS) and (iii) report all allegations of sexual misconduct involving only students to the Office of Student Protections & Title IX ("OSP") at 1- 773-535-4400. As soon as possible and no later than within 24 hours after a DCFS, OIG or OSP report has been made, ReGeneration Schools is required to notify CICS leadership that a report has been filed. Within 48 hours after a DCFS Hotline, OIG or



OSP call has been made, ReGeneration Schools or its school leader/supervisor shall upload any pertinent documentation/incident reports, including written confirmation of the reporter's oral Hotline report into the CICS electronic incident- reporting system. ReGeneration Schools shall fully cooperate with DCFS, OIG and/or OSP investigations.

- xi. **Providing Support to Students Who Are Abused or Neglected.** ReGeneration Schools shall ensure that all ReGeneration Schools school leaders are trained in and adhere to the following policies for students who are abused or neglected:

- If the school leader or designee determines that the child needs medical assistance, the principal or designee must call the Chicago Police Department.
- If the school leader or designee determines that it is not safe for the child to return home, the school leader or designee must not allow the child to go home until DCFS has interviewed the child.
- The school leader shall assign a school mental health professional to support students who are determined to be abused or neglected.

**b. CICS Obligations**

- i. **Reporting and Auditing.** CICS shall be responsible for the enforcement and collection of any Compliance and/or Regulatory Requirements described in this Section (9). CICS shall provide adequate timelines and communications to meet these requirements to ensure that CICS and ReGeneration Schools are compliant as part of any reporting and auditing requirements.

**c. ReGeneration Schools Obligations**

- i. **Educational Program.** ReGeneration Schools shall provide the management and administrative services necessary to implement and operate its educational program at each of the Campuses.
- ii. **Program Requirements.** ReGeneration Schools shall operate the Campuses in accordance with the program requirements set forth in this Agreement.
- iii. **School Technology.** ReGeneration Schools shall be responsible for the acquisition and installation of school-based technology equipment integral to the operations of the Campuses, and for related clean-up and painting incident thereto, provided that all such technology equipment acquired or installed on the Campuses purchased with ReGeneration Schools Campus Receipts or any other funds paid or otherwise disbursed by CICS to ReGeneration Schools under this Agreement shall be and remain property of CICS. CICS may purchase and distribute technology in accordance with funding released by CPS for such purposes (ex: ESSER).
- iv. **Curriculum Materials and Other Property.** ReGeneration Schools shall provide curriculum materials to be used at the Campuses, including without limitation acquisition of curriculum materials from third parties to the extent necessary or appropriate, provided that curriculum materials and other property provided by ReGeneration Schools out of its owns funds (excluding any funds paid or otherwise disbursed by CICS to ReGeneration

Schools under this Agreement) shall be the property of ReGeneration Schools and curriculum materials and other property provided by ReGeneration Schools out of ReGeneration Schools's Campus Receipts or any other funds paid or otherwise disbursed by CICS to ReGeneration Schools under this Agreement shall be and remain property of CICS.

- v. **Cost of Operating the Campuses.** Except as otherwise provided in this Agreement or on Schedule A, ReGeneration Schools shall be responsible for all expenses of operating the Campuses.
- vi. **School Facilities.** In addition to the Capital Repairs and Improvements paid for by CICS, subject to the terms of any lease affecting the applicable School Facilities, ReGeneration Schools may make building adaptations to the School Facilities at its own cost and expense if required by or advantageous to its educational objectives, provided that ReGeneration Schools shall not make capital improvements or alterations to the School Facilities without ten (10) business days prior approval of CICS, which approval may be contingent upon consistency and compliance with normal CICS standards, educational objectives and lease/landlord requirements, but shall not be unreasonably withheld. If ReGeneration Schools makes building adaptations to the School Facilities without the required prior written consent of CICS or the applicable landlord, and CICS and/or such landlord does not provide subsequent approval, CICS shall deduct one hundred and five percent (105%) of the cost of such building adaptations from ReGeneration Schools' succeeding quarterly payment, or, in the event that the final quarterly payment under this Agreement has already been paid or made available to ReGeneration Schools, ReGeneration Schools shall immediately pay such cost to CICS.
- vii. **Maintenance and Repair.** ReGeneration Schools shall provide Maintenance and Repairs and shall be responsible for any additional costs or expenses incurred as a result of ReGeneration Schools' negligence or willful misconduct and the negligent and willful misconduct of any independent contractors hired by ReGeneration Schools or students managed by ReGeneration Schools. If ReGeneration Schools incurs additional costs related thereto, such costs shall be deducted from ReGeneration Schools' succeeding quarterly payment and (ii) CICS, upon written notice to ReGeneration Schools, shall have the right to outsource the Maintenance and Repairs for which ReGeneration Schools is responsible, and to deduct the increased cost of such services, if any, over that allocated by ReGeneration Schools in the annual projected budget, from ReGeneration Schools succeeding quarterly payment. In the event that such a determination is made after the termination of this Agreement or after the final quarterly payment under this Agreement has already been paid or made available to ReGeneration Schools, ReGeneration Schools shall immediately return to CICS the amount of such additional costs.
- viii. **Cleaning and Maintenance.** ReGeneration Schools shall be responsible for the cleaning, maintenance and operation of the School Facilities. If CICS believes that ReGeneration Schools is not providing adequate cleaning and

maintenance services, in accordance with the generally accepted industry standards as reflected in Appendix D hereto, CICS shall notify ReGeneration Schools in writing of such default and ReGeneration Schools shall have ten (10) days to cure such default or provide a plan for promptly curing the default. If (i) ReGeneration Schools does not cure such default within the ten (10) day period or provide a plan to promptly cure the default in that time period, or (ii) ReGeneration Schools receives two or more notices of default in any three (3) month period, CICS, upon written notice to ReGeneration Schools, shall have the right to outsource the cleaning and maintenance services for which ReGeneration Schools is responsible, and to deduct the increased cost of such services, if any, over that allocated by ReGeneration Schools in the annual projected budget, from ReGeneration Schools' succeeding quarterly payment. In the event that the final quarterly payment under this Agreement has already been paid or made available to ReGeneration Schools, ReGeneration Schools shall immediately return to CICS the amount of such increased costs.

- ix. **Facilities Restoration upon Termination.** Upon termination of this Agreement in whole, or in part with respect to any Campus, ReGeneration Schools shall take steps to insure that the applicable School Facilities are in substantially the same condition as they were on the date of this Agreement, except for permitted alterations and improvements, reasonable wear and tear consistent with the number of years that ReGeneration Schools has performed services at the School Facilities, obsolescence, and fire or other casualties beyond ReGeneration Schools' control.
- x. **Transportation.** ReGeneration Schools shall be responsible for arranging transportation for students in accordance with applicable local, state and federal law.
- xi. **Food.** ReGeneration Schools recognizes that CICS is the School Food Authority for all the campuses within its network and that CICS will contract with a food service management company for the provision of breakfast, lunch, snacks, and where applicable, dinner, at all Campuses. With the cooperation of CICS, ReGeneration Schools shall ensure the food operations at its Campuses adhere to all applicable local, state, and federal laws and the CICS Wellness Policy.
- xii. **Health and Safety.** ReGeneration Schools shall comply with all applicable federal, state, or local laws concerning welfare, safety and health of students, and with all applicable CPS policies and rules, and the Code of Conduct, including the participation of training set forth by the state or charter authorizer.
- xiii. **School Uniforms.** ReGeneration Schools and program leaders may implement a uniform or dress code policy that promotes a positive, safe, and culturally responsive learning environment. All uniform or dress code policies must be approved by CICS and consider students and families who may not have the ability to afford uniforms.
- xiv. **Student Conduct.** ReGeneration Schools will communicate to CICS any Category 5 and Category 6 violations or alleged violation to the Student

- Code of Conduct within 24 hours of the alleged violation occurring.
- xv. **Student Fees.** Subject to the Charter Agreement, the Charter Schools Law and other applicable law, and the approval of CICS, ReGeneration Schools shall be entitled to charge fees to students at the Campuses for program expenses for which other public schools in the region customarily charge fees or for extra services such as after school programs, athletics and other similar activities, provided that such fees must be on a "sliding scale" to allow students who qualify for free/reduced lunch to pay a reduced charge or to waive such fee if it causes financial hardship for such student's family and provided further that students may not be excluded from school day activities because of failure to pay fees. These fees must be approved by CICS in advance of their collection.

## **10. ACADEMIC MONITORING.**

### **a. Compliance and/or Regulatory Requirements**

- i. CICS and ReGeneration Schools shall participate in any CPS or ISBE-mandated remediation practices relating to academic monitoring (ex: continuous improvement session).
- ii. CICS and ReGeneration Schools shall ensure that all grades and attendance must be assigned and entered into the CICS student information system accurately and in a timely manner to determine student on-track status.
- iii. CICS and ReGeneration Schools shall ensure that incidents of suspension must be assigned and recorded in the system of record accurately to determine suspension rate.
- iv. CICS and ReGeneration Schools shall ensure that data must be presented by priority sub groups such as Diverse Learner and English Learner as defined by ISBE.

### **b. CICS Obligations**

- i. CICS shall provide an accurate dashboard updated in real time that projects academic performance on year-end priority metrics.
- ii. CICS shall provide intensive support for schools labeled as "comprehensive" or "targeted" by ISBE up to and including site visit assessments 3x/year and monthly advisory sessions.
- iii. CICS shall facilitate quarterly SWOT meetings resulting in key priorities to be implemented across CICS.
- iv. CICS shall facilitate monthly Academic Leads status meetings where priorities from quarterly SWOT are determined and shared.
- v. In the event that CICS needs to implement additional levels of support needed to ensure successful remediation per CPS and ISBE guidelines, CICS shall charge ReGeneration Schools the cost of such services and support to ReGeneration Schools.
- vi. CICS shall communicate academic monitoring progress to the CICS Board of Directors.

### **c. ReGeneration Schools Obligations**

- i. **Performance and Culture.** With the goal of ensuring that all CICS students receive an excellent education, it is CICS' expectation that no campus managed by ReGeneration Schools is placed on the CPS warning list or equivalent as determined by the CPS Charter School Policy or the applicable CPS accountability metric. If any campus is in danger of this status based on current year data, or any campus otherwise exhibits performance deficiencies with respect to meeting the criteria set forth in the Excellence framework or rubric, as determined by CICS, CICS may require ReGeneration Schools to develop mitigation plans to increase excellence for students. In the case where any Campus that ReGeneration Schools manages is placed on the warning list, CICS may require ReGeneration Schools to implement specific academic, operational and other strategic changes to improve performance.
- ii. ReGeneration Schools shall submit accurate data to inform a network-wide dashboard updated in real time that projects academic performance on year-end priority metrics.
- iii. ReGeneration Schools shall implement intensive support for schools labeled as “comprehensive” or “targeted” by ISBE up to and including site visit assessments 3x/year and monthly advisory sessions.
- iv. ReGeneration Schools shall participate in quarterly SWOT meetings resulting in key priorities to be implemented across CICS
- v. Implement key priorities outlined in SWOT meetings
- vi. ReGeneration Schools shall participate in monthly Academic Leads status meetings where priorities from quarterly SWOT are shared
- vii. ReGeneration Schools shall communicate academic monitoring progress to CICS within 2 weeks of assessment administration ensuring 95% student participation in interim assessments
- viii. ReGeneration Schools shall implement quarterly interims that are predictive of IAR and/or P/SAT with 95% student participation.
- ix. ReGeneration Schools shall implement the CICS-approved survey for students and families with at least 95% student participation and 50% family participation.
- x. ReGeneration Schools shall implement two (2) staff experience surveys with 95% instructional staff participation.

## **11. VISION OF EXCELLENCE (VOE).**

### **a. Compliance and/or Regulatory Requirements**

- i. The parties commit to understanding and abiding by the school performance and accountability expectations of CPS as defined in CPS' Charter School Quality Policy and School Quality Rating Policy (SQRP) for each campus, or the applicable CPS accountability metric.

### **b. CICS Obligations**

- i. **VOE Steering Committee.** The CICS VOE Steering Committee has the responsibility to advise and support the Vision of Excellence and

accountability framework that holds the CICS network of campuses to excellent student outcomes aligned to our Graduate Aims. CICS shall lead the VOE Steering Committee, which shall consist of at least one representative from ReGeneration Schools. This committee shall meet at least once a year, and up to quarterly, to evaluate the context for the steering committee's work, which includes but is not limited to:

- CPS Accountability and ISBE summative designations
- Charter renewal & CICS responsibility for all CICS campuses
- Post-pandemic student needs - SEL & academic
- Opportunity to clarify and align CICS accountability

ii. **Internal Accountability Measurements.** CICS shall jointly collaborate with ReGeneration Schools as part of the VOE Steering Committee, as referenced above in Section 11 (b)(i), to establish internal accountability measurements. The measurements shall include but are not limited to:

- ISBE Summative Designation (overall rating)
- ELA and Math Proficiency
- 4-, 5-, and 6-year Composite High School Graduation Rates
- ELA and Math Growth
- Chronic Absenteeism
- 9th Grade-On-Track
- Staff vacancy data
- Staff certification data
- Suspension data
- GPA

c. **ReGeneration Schools Obligations**

- i. **VOE Steering Committee Membership and Participation.** ReGeneration Schools shall identify at least one representative as a member of the steering committee. The selected representative must be a senior leader who has academic expertise and be appointed with decision-making authority by ReGeneration Schools' CEO. The representative is required to attend and participate in steering committee meetings.
- ii. **Performance-based Reduction of Annual Holdback / Fee.** Given the parties shared commitment to serving student needs, CICS agrees to decrease the CICS Holdback when a Campus meets the performance metrics under the Vision of Excellence. For each Campus where the Vision of Excellence performance metrics are met, CICS will decrease the total CICS Holdback by 1%, applied retroactively to the first two Quarter payments, and for Quarter 3 and 4 payments.
- iii. **Performance Improvement Aligned with Authorizer.** Because we believe all students deserve an excellent education, it is CICS' expectation that no campus managed by Distinctive is placed on the CPS warning list as determined by the CPS Charter Quality Policy, or the applicable CPS accountability metric. If any campus is in danger of warning list status based on current year data, or any campus otherwise exhibits performance deficiencies with respect to meeting the expectations set forth in the Excellence framework or rubric, as determined by CICS, CICS may require

(SMO) to develop mitigation plans to increase excellence for students. (SMO) must meet with CICS to review the plan within 10 days of CICS notification of concerns and must immediately thereafter execute the plan, as approved by CICS. In the case where any Campus that (SMO) manages is placed on the warning list, CICS may require (SMO) to implement specific academic, operational or other strategic changes to improve performance. (SMO) must include progress on mitigation implementation and outcomes within regular monthly updates and during monthly 1:1 meetings.

- iv. **Expectation for Stakeholder Feedback Related to Our VOE.** As a steward of public dollars with the responsibility to provide a public service, entities within the CICS network must prioritize stakeholder feedback that evaluates and informs delivery of such service. In addition to SMO-specific stakeholder feedback tools, a specific, network-wide stakeholder feedback tool will be determined in partnership between the VOE Steering Committee, the CICS Board Academic Committee and the Academic Leads Working Group.

## 12. BOARD GOVERNANCE.

### a. Compliance and/or Regulatory Requirements

- i. **Board Governance and Oversight.** Transparent and effective governance is a critical component for ensuring CICS Campuses are managed by organizations fulfilling nonprofit legal obligations as well as upholding stakeholder expectations for quality and trustworthy services. Directors of the governing board of ReGeneration Schools shall (i) have duties and responsibilities consistent with the Illinois General Not-For-Profit Corporation Act of 1986, as amended and (ii) Operate in accordance with the Open Meetings Act (5 ILCS 120/1.01 et seq.), to the extent applicable.
- ii. **Board Meeting Requirements.** The ReGeneration Schools governing board shall hold meetings at least four (4) times a year and must notify CICS of any board meeting at least ten (10) business days before each meeting so that CICS leaders can attend. Every four (4) months, ReGeneration Schools shall submit to CICS the approved minutes of every governing board meeting held since its last submission of its approved board meeting minutes to CICS and any advertised copies of such meeting notices. The Board Bylaws and Conflict of Interest Policy and notices shall be submitted to CICS on an annual basis.

### b. CICS Obligations

- i. **Board Engagement.** CICS is committed to facilitating committee meetings and to send prework to prepare CICS board members prior to scheduled meetings.
- ii. **Board Diversity and Representation.** CICS shall make every effort to ensure that the governing board reflects the diversity of student enrollment, including representation of the local communities CICS campuses are

located in.

**c. ReGeneration Schools Obligations**

- i. **Board Diversity and Representation.** ReGeneration Schools shall make every effort to ensure that the governing board reflects the diversity of student enrollment, including representation of the local communities CICS campuses are located in.

**13. PROPERTY OWNERSHIP.**

**a. Compliance and/or Regulatory Requirements**

- i. N/A

**b. CICS Obligations**

- i. **CICS Property.** All property purchased by CICS with its own funds, all property purchased by ReGeneration Schools for use at the Campuses with ReGeneration Schools Campus Receipts, any other funds paid or otherwise disbursed by CICS to ReGeneration Schools under this Agreement (other than the SMO Holdback), any funds CICS acquires through government or private grants or donation, or any other CICS funds ("CICS Property"), shall remain the property of CICS, or be disposed of in accordance with the terms of the applicable grant. Any such property acquisitions shall require contemporaneous recording in the books and records of CICS. To the extent that such acquisitions are made by ReGeneration Schools with ReGeneration Schools Campus Receipts, or other funds paid or otherwise disbursed by CICS to ReGeneration Schools under this Agreement (other than the SMO Holdback), ReGeneration Schools shall be responsible for initiating the contemporaneous financial accounting entries necessary in the books and records of both ReGeneration Schools and CICS to properly reflect the asset acquisition transaction and CICS' ownership of the asset.
- ii. **CICS Intellectual Property.** CICS owns the CICS Intellectual Property, and ReGeneration Schools shall at no time contest or aid in contesting the validity or ownership of the CICS Intellectual Property or take any action in derogation of CICS' rights therein, including, without limitation, applying to register any trademark, trade name, domain name, or other designation that is confusingly similar to CICS' trademarks, trade names or domain names, ReGeneration Schools shall promptly notify CICS of any actual or suspected infringement by a third party of CICS' rights in the CICS Intellectual Property. In addition, ReGeneration Schools shall take all measures reasonably necessary to assure that no ReGeneration Schools personnel or agents employed or engaged by it disclose, publish, copy, transmit, modify, alter or utilize CICS Intellectual Property without CICS' written consent. CICS hereby grants ReGeneration Schools a non-exclusive, royalty-free, worldwide, perpetual, non-assignable license to use, make, have made, import, offer for sale, sell, reproduce, distribute, modify, adapt, prepare derivative works of, display, perform, and otherwise exploit Inventions Made From ReGeneration Schools Campus Receipts.



**c. ReGeneration Schools Obligations**

- i. **ReGeneration Schools Property.** All property which has been purchased by ReGeneration Schools with its own funds will remain the property of ReGeneration Schools, provided that such ReGeneration Schools funds do not include ReGeneration Schools Campus Receipts, any other funds paid or otherwise disbursed by CICS to ReGeneration Schools under this Agreement (other than the SMO Holdback), any funds CICS acquires through government or private grants or donation, or any other CICS funds ("ReGeneration Schools Property").
- ii. **ReGeneration Schools Intellectual Property.** ReGeneration Schools shall own the ReGeneration Schools Intellectual Property. CICS shall at no time contest or aid in contesting the validity or ownership of the ReGeneration Schools Intellectual Property or take any action in derogation of ReGeneration Schools' rights therein, including, without limitation, applying to register any trademark, trade name, domain name, or other designation that is confusingly similar to ReGeneration Schools' trademarks, trade names or domain names. CICS shall promptly notify ReGeneration Schools of any actual or suspected infringement by a third party of ReGeneration Schools' rights in the ReGeneration Schools Intellectual Property. CICS shall take all measures reasonably necessary to ensure that no CICS personnel or agents employed or engaged by it disclose, publish, copy, transmit, modify, alter or utilize ReGeneration Schools Intellectual Property without ReGeneration Schools' written consent. Nothing in this paragraph shall be construed to prevent a teacher from using lesson plans or other instructional materials s/he has developed for his or her own use, in or outside of the Campuses, regardless of the expiration or termination of this Agreement. If new teaching techniques or methods, or significant revisions to known teaching techniques or methods, are developed or used in the Campuses, ReGeneration Schools shall report those to CICS.
- iii. **Teacher and Other Staff Property.** All property owned personally and/or individually by the teachers, administrative and support staff shall remain the property of such individual teachers and staff. Such property shall include, but shall not be limited to, albums, curriculum manuals, and personal mementos and other materials or apparatus that have been personally financed or personally developed by teachers or staff.

**14. PERSONNEL.**

**a. Compliance and/or Regulatory Requirements**

- i. **Background Checks.** Pursuant to CICS' obligations to CPS, related to the IL School Administrative Code: 105 ILCS 5/27A-5(1) Sections 10-21.9 and 34-18.5., ReGeneration Schools shall adhere to the Employee and Volunteer Background Check Policy.
- ii. **Personnel Policies.**

- ReGeneration Schools shall comply with applicable federal, state, and local laws and regulations, concerning employee welfare, safety and health, including, without limitation, the requirements of federal, state, or local law for a drug free workplace.
  - ReGeneration Schools shall comply with all applicable federal, state, or local laws and regulations concerning the maintenance and disclosure of employee records for Campus personnel.
  - ReGeneration Schools shall not illegally discriminate against any employee or applicant for employment on the basis of race, creed, color, sex, national origin, religion, ancestry, age, disability, marital status, citizenship, veteran status, or sexual orientation in its recruitment, selection, training, utilization, termination or other employment-related activities.
- iii. **Joint or Single Employer.** CICS is not an employer, joint employer, or single employer of Campus personnel and does not authorize any party, including ReGeneration Schools, to consent to or imply that CICS is an employer, joint employer or single employer of Campus personnel. CICS does not possess or reserve any authority to exercise control over Campus personnel or any other ReGeneration Schools employees. Pursuant to IL School Administrative code: 105 ILCS 5/27A-10.5(c).
- b. **CICS Obligations**
  - i. N/A
- c. **ReGeneration Schools Obligations**
  - i. **Personnel Responsibilities.** ReGeneration Schools shall (i) determine staffing levels at the Campuses and select, evaluate, assign, discipline and transfer personnel consistent with federal, state, and local laws, rules, and regulations (unless waived by appropriate authorities), (ii) ensure that all ReGeneration Schools personnel meet all local, state, and federal laws and regulations related to school personnel, and (iii) complete a background check in accordance with public school policies for all ReGeneration Schools personnel.
  - ii. **Selection of Personnel; Supervision.** ReGeneration Schools shall, in a manner consistent with local, state and federal laws, select the principal(s)/directors for the Campuses, and ReGeneration Schools shall supervise such principal(s)/directors and hold her, him or them accountable for the success of the Campuses. ReGeneration Schools shall, in a manner consistent with local, state and federal laws and in consultation with its principals, select and supervise the teachers and the non-instructional staff at the Campuses. Upon advance reasonable notice to ReGeneration Schools, CICS shall have the right to investigate or provide oversight for any investigation into allegations that a Principal, director, teacher or non-instructional staff member has engaged in misconduct, fraud or any other act in violation of local, state or federal laws affecting the ReGeneration Schools Campuses. Any such investigation that involves ReGeneration Schools personnel shall be limited in scope to investigating actions affecting the ReGeneration Schools Campuses. CICS will coordinate with

ReGeneration Schools whenever any participation by ReGeneration Schools personnel is necessary and ReGeneration Schools shall be permitted to attend any interviews of ReGeneration Schools personnel, provided however that where the investigation is conducted by a third-party unrelated to the Parties (such as the OIG or another agency), such attendance is only allowed as permitted by the investigator. Notwithstanding any investigation by CICS, ReGeneration retains the authority to exercise control over its employees and CICS shall not direct any ReGeneration Schools personnel in the course of an investigation. ReGeneration Schools reserves the right to conduct its own investigation, provided that ReGeneration Schools takes no actions which interferes with CICS' investigation. In the event CICS fails to provide notice as set forth herein (unless such notice is prohibited by law, court order or governmental agency), ReGeneration Schools reserves the right to object to the scope of the investigation or insist that the investigation be conducted jointly. For any investigation, CICS and ReGeneration Schools may mutually agree to conduct the investigation jointly, provided that except as expressly provided herein, nothing shall require either party to agree to a joint investigation. Notwithstanding the foregoing, if CICS' authorizer requires an investigation be conducted in a manner that precludes the parties from meeting their obligations hereunder, provided that CICS has knowledge and is permitted to do so, CICS shall so notify ReGeneration Schools and the Parties will cooperate and make reasonable modifications to the process to ensure compliance with applicable authorizer rules.

- iii. **Employment Terms.** ReGeneration Schools shall engage all personnel working at the Campuses as employees of ReGeneration Schools, and ReGeneration Schools shall compensate all such employees according to ReGeneration Schools' compensation policies, which may include performance-based incentives. ReGeneration Schools shall pay for the salaries, fringe benefits, employment taxes and other employment related costs and expenses for all such employees.
- iv. **Training and Coaching.** ReGeneration Schools shall provide (i) training in its methods, curriculum, program, and technology to all teaching personnel at the Campuses on a regular basis, (ii) training to new teaching personnel prior to the commencement of each school year, and (iii) ongoing professional development programs throughout each school year, provided that such training and development may be held onsite or offsite, at locations selected by ReGeneration Schools.

## 15. INSURANCE.

### a. Compliance and/or Regulatory Requirements

#### i. Liability Insurance.

- ReGeneration Schools shall secure and maintain, at its expense, for the protection of CICS, ReGeneration Schools, and their respective

officers, directors, employees, students, teachers and volunteers, insurance, including but not limited to general liability, sexual misconduct and molestation liability, education, employment practices, employee dishonesty, errors and omissions insurance and insurance coverage for bodily injury, property damage and ransomware. Appendix E to this Agreement sets forth minimum coverage amounts for certain insurance policies required pursuant hereto. All such insurance policies shall be issued by an insurance company or companies selected by ReGeneration Schools (subject to approval by CICS) and licensed to do business in the State of Illinois. Except as otherwise agreed in writing by CICS and ReGeneration Schools, all such insurance coverage shall be primary insurance, with deductibles or self-insured retentions and policy limits in accordance with Appendix E and shall be occurrence based insurance and not claims made insurance. ReGeneration Schools shall be financially responsible for payment of all deductibles and self-insured retentions.

- ReGeneration Schools shall cause all insurance policies maintained by ReGeneration Schools pursuant to this Agreement (including without limitation insurance described in this Section 16 hereof) to be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced, in coverage or limits, except after thirty (30) days prior written notice to CICS and ReGeneration Schools. The parties shall furnish one another certified copies of the insurance policies or certificates of insurance which name one another as additional insured and which demonstrate compliance with this Agreement.

**ii. Hazard Insurance.**

- Each party shall secure and maintain workers' compensation insurance for its own employees.
- ReGeneration Schools shall (i) maintain hazard insurance for all ancillary property and other personal property provided by ReGeneration Schools at the School Facilities, on which CICS shall be named as an additional insured, as further described in Appendix E, (ii) secure from its insurers waivers of subrogation as against CICS with respect to damages to the site, and (iii) otherwise hold CICS and its Board harmless against liabilities arising out of any such damages.
- CICS shall (i) maintain hazard insurance for the School Facilities and for all personal and other property on the site provided by CICS, on which ReGeneration Schools and its facilities manager shall be named as additional insureds and the premiums for which insurance shall be withheld from Operating Funds otherwise payable to ReGeneration Schools, (ii) secure from its insurers waivers of subrogation as against ReGeneration Schools and its facilities managers, with respect to damages to the site, and (iii) otherwise

hold ReGeneration Schools and its facilities managers, and their respective offices, employees and agents, harmless against liabilities arising out of any such damages.

- The parties shall coordinate risk management activities with one another, including without limitation the prompt reporting of any and all pending or threatened claims, filing of timely notices of claim, cooperating fully with one another in the defense of any claims and complying with any defense and reimbursement provisions of state governmental immunity laws and applicable insurance policies.
- Neither party shall compromise, settle, negotiate or otherwise affect any disposition of any claim or potential claims asserted against it to the extent such claims are insured by or through the other party without the approval of the other party.

- iii. **Insurance Required under Leases.** In addition to the other insurance required to be carried pursuant to this Agreement, in the event that any lease affecting any School Facilities requires additional insurance to be carried or requires higher insurance limits or lower deductibles than are required hereunder, ReGeneration Schools will carry such insurance at such limits and with such deductibles, as applicable.

b. **CICS Obligations**

- i. N/A

c. **ReGeneration Schools Obligations**

- i. N/A

## **16. REPRESENTATIONS, WARRANTIES AND COVENANTS.**

a. **Compliance and/or Regulatory Requirements**

- i. The Parties shall comply with statutory requirements for educational or charter management organizations, including those set forth in 105 ILCS 5/27A-10.5.

b. **CICS Obligations**

i. **Representations, Warranties and Covenants of CICS.**

- CICS represents and warrants that it is an Illinois not-for-profit corporation duly organized and existing under the laws of the State of Illinois and that it has the authority under state law to execute, deliver and perform this Agreement, to incur the obligations provided for under this Agreement and to contract with ReGeneration Schools for ReGeneration Schools to provide the services set forth in this Agreement.
- CICS represents and warrants that this Agreement constitutes a legal, valid and binding obligation of CICS enforceable in accordance with its terms.
- CICS shall notify ReGeneration Schools immediately in the event any of its representations or warranties made above become untrue

after the date of this Agreement.

**c. ReGeneration Schools Obligations**

**i. Representations, Warranties and Covenants of ReGeneration Schools.**

- ReGeneration Schools represents and warrants that it is an Illinois not-for-profit corporation duly organized and existing under the laws of the State of Illinois and that it has the authority under state law to execute, deliver and perform this Agreement, to incur its obligations provided for in this Agreement, and to contract with CICS to provide the services set forth in this Agreement.
- ReGeneration Schools represents and warrants that this Agreement constitutes a legal, valid and binding obligation of ReGeneration Schools enforceable in accordance with its terms.
- ReGeneration Schools shall notify CICS immediately in the event any of its representations or warranties made above become untrue after the date of this Agreement.

**17. INDEMNIFICATION.**

**a. Compliance and/or Regulatory Requirements**

- i. The Parties shall comply with section 108.75 of the General Not For Profit Corporation Act of 1986 regarding indemnification of officers, directors, employees, and agents.

**b. CICS Obligations**

- i. **Indemnification.** CICS shall indemnify and save and hold ReGeneration Schools, its Board of Directors, its employees, officers, directors, subcontractors and agents harmless against any and all claims, demands, suits, damages, liabilities, losses, settlements, judgments, costs and or other forms of liability to third parties, actual or claimed, including reasonable attorneys' fees, which arise out of or relate to the operation of the Campuses from conduct committed or omitted by CICS or by its employees, officers, directors, subcontractors, agents or by employees of any Campus while assigned to the supervision of CICS during the term of this Agreement or any renewal thereof, including but not limited to allegations related to injuries to property or person or compliance with local, state, or federal regulations. Upon timely written notice from ReGeneration Schools, CICS shall defend the foregoing indemnitees in any such action or proceeding brought thereon.
- ii. **Notice.** CICS shall give prompt written notice to ReGeneration Schools of the assertion of any claim or the commencement of any litigation for which indemnification is sought and shall cooperate with the indemnifying party in the defense of the claim or litigation.
- iii. **No Waiver.** The foregoing provisions shall not be deemed a relinquishment or waiver of any kind of applicable limitations of liability to third parties provided or available to any of the parties under applicable state governmental immunities laws or otherwise.

- iv. **Survival.** The provisions of this Section 34 shall survive any termination, expiration or cancellation of this Agreement.
- c. **ReGeneration Schools Obligations**
  - i. **Indemnification.** ReGeneration Schools shall indemnify and save and hold CICS, its Board of Directors, its employees, officers, directors, subcontractors and agents harmless against any and all claims, demands, suits, damages, liabilities, losses, settlements, judgments, costs and or other forms of liability to third parties, actual or claimed, including reasonable attorneys' fees, which arise out of or relate to the operation of the Campuses from conduct committed or omitted by ReGeneration Schools or by its employees, officers, directors, subcontractors, agents or by employees of any Campus while assigned to the supervision of ReGeneration Schools during the term of this Agreement or any renewal thereof, including but not limited to allegations related to injuries to property or person or compliance with local, state, or federal regulations. Upon timely written notice from CICS, ReGeneration Schools shall defend the foregoing indemnitees in any such action or proceeding brought thereon.
  - ii. **Notice.** ReGeneration Schools shall give prompt written notice to CICS of the assertion of any claim or the commencement of any litigation for which indemnification is sought and shall cooperate with the indemnifying party in the defense of the claim or litigation.
  - iii. **No Waiver.** The foregoing provisions shall not be deemed a relinquishment or waiver of any kind of applicable limitations of liability to third parties provided or available to any of the parties under applicable state governmental immunities laws or otherwise.
  - iv. **Survival.** The provisions of this Section 34 shall survive any termination, expiration or cancellation of this Agreement.

## 18. TERMINATION.

### a. Compliance and/or Regulatory Requirements

- i. N/A

### b. CICS Obligations

- i. **CICS Termination for Cause.** CICS may terminate this Agreement in whole, or in part with respect to any Campus, for cause prior to the end of the Term, in accordance with the procedures set forth herein, for the reasons set forth in subparagraphs (i), (ii), or (iii) below, as applicable.
  - If (i) ReGeneration Schools substantially breaches any of the material terms and conditions of this Agreement and fails to remedy such breach within ninety (90) days after receipt of written notice of such breach from CICS, (ii) ReGeneration Schools is liquidated or dissolved, (iii) ReGeneration Schools makes any assignment of its assets for the benefit of a creditor, (iv) ReGeneration Schools files a voluntary petition under any federal, state, or local bankruptcy statute, (v) a third party files an involuntary petition against

ReGeneration Schools under any federal, state, or local bankruptcy statute, which involuntary petition has not been dismissed or withdrawn with ninety (90) days of the date of filing, (vi) ReGeneration Schools violates the rights of any protected individuals under the Individuals with Disabilities Education Act, (vii) or engages in severe misconduct directed at students, or (viii) ReGeneration Schools misuses, misappropriates or commingles funds in violation of this Agreement, CICS may terminate this Agreement; or

- If there occurs an enactment, repeal, promulgation or withdrawal of any federal, state, or local law, regulation, or court or administrative decision or order which, after all possible appeals, results in a final judgment or finding that this Agreement or the operation of the Campuses in conformity with this Agreement violates CICS' responsibilities, duties or obligations under the state, federal, or local constitutions, statutes, laws, rules or regulations, or any Foundation contract or agreement, or interferes with CICS' status as a tax-exempt organization under Code Section 501, or results in an excess benefit transaction under Code Section 4958, CICS may terminate this Agreement.
- If there occurs a material reduction (more than 25%) of the funding for the Campuses in comparison to the funding budgeted, CICS may terminate this Agreement.

ii. **CICS Termination by Non-Renewal.** CICS may elect, pursuant to Section 2 above, not to extend the Term.

iii. **Procedures.** The following procedures shall apply to any termination pursuant to Section 19. CICS shall give ReGeneration Schools written notice of its intent to terminate this Agreement in whole or with respect to a Campus, as applicable, at least ninety (90) days prior to the effective date of termination stated in the notice, except in the case of a termination pursuant to Section 19, in which case such notice shall be given at least thirty (30) days prior to the effective date of termination. The cause for termination shall immediately be submitted to CICS' Chief Executive Officer and ReGeneration Schools's Chief Executive Officer, or their respective designees, for consideration and discussions to attempt to resolve the matter. If these representatives are unable to resolve the matter, then termination shall become effective in accordance with CICS' termination notice. Notwithstanding the foregoing, any termination will not become effective until the end of a school year unless there are unusual and compelling circumstances, determined by CICS in its sole discretion, that justify the disruption to the educational program and the students caused by a mid-year termination. However, if the grounds for termination relates to a serious health, safety or educational risk to students, then notwithstanding any provision to the contrary set forth above, upon election by CICS termination shall be effective immediately.

iv. **Disposition of Fixed Assets upon Termination.** Upon expiration or



termination of this Agreement in whole, or in part with respect to any Campus for any reason, CICS shall have the right, subject to any limitations and/or conditions in loan or lease agreements to which ReGeneration Schools is a party, to acquire or lease all or any part of the property and equipment owned by ReGeneration Schools and located in the Campus or Campuses, as applicable, and in the homes of the schools' students or teachers by paying ReGeneration Schools the lower of "net depreciated value" or the then fair market value of such property and equipment as carried on the books of ReGeneration Schools, within sixty (60) days after the effective date of termination. ReGeneration Schools shall be allowed to remove and retain such property and equipment in the event that CICS elects not to purchase it. ReGeneration Schools shall restore the School Facilities after removing equipment to the condition that existed prior to such removal. In the event CICS and ReGeneration Schools cannot agree on the "net depreciated value" or fair market value, as applicable of such property and equipment within thirty (30) days after the effective date of termination, such dispute shall be settled by arbitration administered by an arbitrator reasonably selected by CICS (the "Arbitrator"). In such an event, within ten (10) days of the engagement of the Arbitrator, CICS and ReGeneration Schools shall submit to the Arbitrator their respective valuations for the property and equipment, along with any supporting material or analysis. Within thirty (30) days of the Arbitrator's engagement, the Arbitrator shall choose from the two valuations which valuation shall be binding on the parties. In the event a party fails to submit to the Arbitrator a valuation within ten (10) days of the Arbitrator's engagement, then the valuation received by the Arbitrator shall automatically be the final valuation to be used by the parties. Upon reaching a final decision, the Arbitrator shall immediately deliver notice to each of the parties, who shall promptly act in accordance therewith. The parties agree that any decision of the Arbitrator shall be final, conclusive and binding, and that they will not contest any actions taken by any other parties in accordance with the decision of the Arbitrator. It is specifically understood and agreed that any party may enforce any arbitration decision rendered pursuant hereto by bringing suit pursuant hereto. All fees, costs and expenses of the Arbitrator shall be shared equally by ReGeneration Schools and CICS.

- v. **Remedies.** Termination of this Agreement in whole, or in part with respect to any Campus in accordance with Sections 19 shall be the sole remedies for breaches of this Agreement except for any breach of any obligation to make monetary payments to the other party. Any monetary payments that are not paid within thirty (30) days after the due date will be subject to interest at the rate of one percent (1%) per month. Notwithstanding the foregoing, nothing herein shall preclude any party from seeking a temporary and/or permanent injunction, or other equitable remedy, in the event of a breach hereof by the other party hereto or any person acting for or in concert with such party. ReGeneration Schools acknowledges that if it fails to provide assistance to CICS pursuant to Section 19 after the termination of

this Agreement, CICS will be irreparably harmed and money damages will not be a sufficient remedy. In addition to all other remedies available at law, CICS shall be entitled to specific performance and injunctive and other equitable relief as a remedy for such breach or threatened breach. ReGeneration Schools hereby waives any requirement for the securing or posting of any bond or the showing of actual monetary damages in connection with such claim.

**c. ReGeneration Schools Obligations**

- i. **ReGeneration Schools Termination for Cause.** ReGeneration Schools may terminate this Agreement for cause prior to the end of the Term, in accordance with the procedures set forth below, for any of the reasons set forth in subparagraphs (i), (ii), or (iii) below, as applicable.
  - If (A) CICS substantially breaches any of the material terms and conditions of this Agreement and fails to remedy such breach within ninety (90) days after receipt of written notice of such breach from ReGeneration Schools, (B) CICS makes any assignment of its assets for the benefit of a creditor, (C) CICS files a voluntary petition under any federal, state, or local bankruptcy statute, or (D) a third party files an involuntary petition against CICS under any federal, state, or local bankruptcy statute, which involuntary petition has not been dismissed or withdrawn with ninety (90) days of the date of filing. For this purpose, a material breach may include, but is not limited to, failure to make payments as required by this Agreement unless the required payment is subject to reasonable dispute, or any other failure which undermines the purposes of this Agreement.
  - A material reduction (more than 25%) in the funding for the Campuses (unrelated to declines in enrollment) in comparison to the funding for the prior fiscal year.
  - The enactment, repeal, promulgation or withdrawal of any federal, state, or local law, regulation, or court or administrative decision or order which has a material adverse effect on ReGeneration Schools's ability to operate a charter school in accordance with its budget.
- ii. **ReGeneration Schools Termination by Non-Renewal.** ReGeneration Schools may elect, pursuant to Section 2 hereof, not to extend the Term.
- iii. **Procedures.** The following procedures shall apply to any termination pursuant to Section 19. ReGeneration Schools shall give CICS written notice of its intent to terminate this Agreement at least ninety (90) days prior to the effective date of the termination stated in the notice. The cause of termination shall immediately be submitted to CICS' Chief Executive Officer and ReGeneration Schools' Chief Executive Officer, or their respective designees, for consideration and discussions to attempt to resolve the matter. If these representatives are unable to resolve the matter, then termination shall become effective in accordance with ReGeneration Schools' termination notice. Notwithstanding the foregoing, any termination will not become effective until the end of a school year unless there are unusual and compelling circumstances that justify the disruption

to the educational program and the students caused by a mid-year termination.

- iv. **Assistance.** In the event of a termination by CICS or ReGeneration Schools of this Agreement in whole, or in part with respect to any Campus, ReGeneration Schools shall, at its sole expense, (i) provide reasonable assistance to CICS for up to ninety (90) days after the effective date of termination, to assist in the transition of the Campus or Campuses, as applicable, to an alternative school program, (ii) return to CICS all CICS Property and Reserve funds, (iii) cooperate with CICS and the auditor to promptly provide such information and records necessary to complete the audits, including any and all reports, (iv) execute an agreement with CICS governing the wind-down procedures and (v) provide the following information (including both printed and, where available, machine readable forms), in good and orderly condition, to CICS or its designees:
- All staff records, including copies of personnel files and other information related to audit and state reporting.
  - All student records including, without limitation, all materials which pre-date a student's enrollment at the applicable Campus or Campuses and all records generated for operation of such Campus while the student has been enrolled at the applicable Campus including student and parent or legal guardian names, addresses and contact information; attendance records; medical records; special education records, if any; disciplinary records; academic transcripts; standardized test scores; and report cards.
  - Name, address and phone number and grade level for each student enrolled in each applicable Campus.
  - All free and reduced lunch records.
  - All material documents relating to the pension fund and other employee benefits provided to personnel employed at each applicable Campus.
  - All material administrative files or records necessary for the operation of each applicable Campus.
  - Such other materials which would be necessary to ensure that the re-enrollment process for the Academic Year following termination proceeds in an orderly manner.
  - Such other materials as ReGeneration Schools are required to deliver pursuant to applicable law.
  - All financial records pertinent to Campus operations.
  - CICS, any affiliate of CICS, any designee of CICS or any organization replacing ReGeneration Schools shall have the right to offer employment to and to hire any ReGeneration Schools employee who works at any applicable Campus and any such employee shall have the right to accept employment with any of the foregoing, both without any obligation to ReGeneration Schools.

## **19. APPENDICES AND SCHEDULES.**

- a. The parties agree to the terms and conditions of this Agreement and the Appendices and Schedules, if any, attached hereto and incorporated herein by reference. The above described Appendices and Schedules shall become incorporated herein and part of this Agreement effective as of the date the parties agree to the terms and conditions of such Appendices and Schedules.

## **20. ENTIRE AGREEMENT.**

- a. This Agreement and Appendices and Schedules hereto shall constitute the full and complete agreement between the parties. All prior representations, understandings and agreements are merged herein and are superseded by this Agreement.

## **21. DISPUTE RESOLUTION.**

- a. The parties agree to cooperate in good faith in all actions relating to this Agreement, to communicate openly and honestly, and generally to attempt to avoid disputes in connection with this Agreement. If, nevertheless, a dispute should arise in connection with this Agreement, the parties agree to use their best efforts to resolve such dispute in a fair and equitable manner and without the need for expensive and time-consuming litigation. Except as otherwise set forth in this Section 18, in the event any dispute arises between CICS and ReGeneration Schools concerning this Agreement, it shall be resolved in accordance with the alternate dispute resolution procedure that is set forth in Appendix F to this Agreement (subject to any specific modifications to such procedure required pursuant to this Agreement). All such dispute resolution proceedings shall take place in Chicago, Illinois, unless otherwise agreed by the parties.

## **22. FORCE MAJEURE.**

- a. Neither party shall be liable if the performance of any part or all of this contract is prevented, delayed, hindered or otherwise made impracticable or impossible by reason of any strike, flood, riot, fire, explosion, war, act of God, sabotage, accident or any other casualty or cause beyond either party's control, and which cannot be overcome by reasonable diligence and without unusual expense.

## **23. INDEPENDENT CONTRACTOR STATUS.**

- a. The parties to this Agreement intend that the relationship between them created by this Agreement is that of an independent contractor, and not employer-employee. No agent, employee, or servant of ReGeneration Schools shall be deemed to be the employee, agent or servant of CICS except as expressly acknowledged in writing by CICS.

## **24. SUBCONTRACTING.**

- a. ReGeneration Schools reserves the right to subcontract any and all services specified in this Agreement to CICS and/or to public or private subcontractors, as permitted by law, provided that ReGeneration Schools shall not subcontract the management, oversight or operation of the teaching and instructional program, except as specifically permitted herein or as expressly agreed to in writing by CICS. If ReGeneration Schools desires to enter into a contract with a subcontractor or any other third-party service provider which has a term of three (3) years or more and which binds any Campus to make regularly scheduled payments throughout the term of the contract (regardless of whether ReGeneration Schools remains the management provider for such Campus), ReGeneration Schools must provide at least ten (10) days prior written notice to CICS before entering into such contract.

## **25. NO THIRD PARTY BENEFICIARY RIGHTS.**

- a. No third party, whether a constituent of CICS or otherwise, may enforce or rely upon any obligation of, or the exercise of or failure to exercise any right of, CICS or ReGeneration Schools in this Agreement. This Agreement is not intended to create any rights of a third party beneficiary.

## **26. GOVERNING LAW; CONSTRUCTION AND ENFORCEMENT.**

This Agreement shall be construed and enforced in accordance with the laws of the State of Illinois, without respect to conflicts of laws principles thereof.

## **27. LEGAL REPRESENTATION AND COST; COOPERATION.**

- a. Except as expressly provided herein or in connection with insurance coverage required to be provided in this Agreement by one party for the benefit of the other, each party shall be responsible for its own legal representation and legal costs. Except where there is an actual or potential conflict of interest, CICS and ReGeneration Schools shall fully cooperate with legal counsel for one another in connection with any legal claim asserted against either of them. Notwithstanding any other provision of this Agreement, neither party shall settle or compromise any claim against the other without the express written permission of that party.

## **28. AMENDMENTS.**

- a. This Agreement may be altered, amended, changed or modified only by agreement in writing executed by ReGeneration Schools and CICS.

## **29. SECTION HEADINGS.**

- a. The section headings shall not be treated as part of this Agreement or as affecting the true meaning of the provisions hereof. The reference to section numbers herein shall be deemed to refer to the numbers preceding each section.

## **30. INVALIDITY OF PROVISIONS IN THIS AGREEMENT.**

- a. If, for any reason, any provision hereof shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

## **31. ASSIGNMENT.**

- a. This Agreement shall not be assigned by either party without the prior written consent of the other party.

## **32. NO WAIVER.**

- a. No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision. Nor shall such waiver constitute a continuing waiver unless otherwise expressly stated.

## **33. SURVIVAL.**

- a. All representations, warranties and indemnities made herein shall survive termination of this Agreement.

## **34. NOTICE.**

- a. All notices required or permitted by this Agreement shall be in writing and shall be either personally delivered or sent by nationally-recognized overnight courier, telecopy, e- mail, or by registered or certified U.S. mail, postage prepaid, addressed as set forth below (except that a party may from time to time give notice changing the address for this purpose). A notice shall be effective on the date personally delivered, on the date delivered by a nationally- recognized overnight courier, on the date set forth on the receipt of a telecopy, facsimile or e- mail, or upon the earlier of the date set forth on the receipt of registered or certified mail or on the fifth day after mailing.

<b>To ReGeneration Schools at:</b>	<b>With a copy to:</b>
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ReGeneration Schools 110 E 61st St Chicago, IL 60637-2116 Attn: Stacey Shells Harvey, CEO	[Duane Morris LLP] [190 S. LaSalle St Suite 3700 Chicago, IL 60603 ] [Attn: Lisa T. Scruggs ]
<b>To CICS at:</b>	<b>With a copy to:</b>
The Chicago Charter School Foundation 11 East Adams Street, Suite 600 Chicago, Illinois 60603 Attn: Kris Cheung, CEO	Goldberg Kohn Ltd. 55 East Monroe Street, Suite 3300 Chicago, Illinois 60603 Attn: Meredith S. Kirshenbaum

**[SIGNATURE PAGE FOLLOWS]**

## SIGNATURE PAGE

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

THE CHICAGO CHARTER  
SCHOOL FOUNDATION

By:   
Kris Cheung  
Chief Executive Officer

REGENERATION SCHOOLS

By:   
Stacey Shells Harvey  
Chief Executive Officer



## **Table of Schedules and Appendices**

Schedule A	Maintenance, Repairs and Improvements
Appendix A	Student Recruitment and Enrollment Responsibilities
Appendix B	External Affairs Policy and Procedure
Appendix C	Vision of Excellence Framework
Appendix D	Maintenance and Cleaning Standards
Appendix E	Insurance
Appendix F	Dispute Resolution

## **Schedule A**

### **Maintenance, Repairs and Improvements**

1. **Capital Repairs and Improvements to be made by CICS.** The following maintenance, repair, replacement and improvement activities at the School Facilities shall be CICS' responsibility, without reimbursement from ReGeneration Schools (unless the need for such maintenance, repair, replacement or improvement is due to the negligence or willful misconduct of ReGeneration Schools or its agents, employees or contractors):
  - a. All maintenance, replacement and repair to the roof, flashing, gutters, downspouts, foundation, outer walls and structural portions of the School Facilities which shall be necessary to maintain the School Facilities in a safe, dry and tenantable condition and in good order and repair;
  - b. All maintenance, replacement and repair of underground utility installations and underground electrical conduit and wire, up to the points of connection with the School Facilities and inside the School Facilities;
  - c. Any repair, maintenance or restoration required as a result of the act or neglect of Lessor or its agents, employees or contractors, or resulting from the failure of Lessor to perform in a timely manner its obligations under this Agreement;
  - d. All major repairs, improvements and alterations and all replacements to: (i) all fixtures attached within the School Facilities, (ii) the parking area(s) adjacent to the School Facilities, (iii) the building systems of the School Facilities and/or any major component thereof, including the heating, ventilation, electrical, mechanical, sewerage and plumbing systems, ceiling and flooring, initial security system installation, adherence to all local, state and national building codes relevant to structures.
2. **Repair and Maintenance to be made by ReGeneration Schools.** All maintenance, repair and replacement activities not allocated to CICS pursuant to paragraph (A) above shall be the sole responsibility of ReGeneration Schools, without reimbursement from CICS (unless the need for such maintenance, repair or replacement is due to the negligence or willful misconduct of CICS or its agents, employees or contractors).
3. **Budgets.** To the extent allocation of responsibility for maintenance, repair and improvement expenditures set forth in any annual budget for any Campus is inconsistent with this Schedule A, the allocation of responsibility set forth in the budget shall govern and control.

## Appendix A

### Student Recruitment and Enrollment Responsibilities

ReGeneration Schools and CICS are jointly responsible for student recruitment and enrollment. Roles and responsibilities are further delineated below.

<b>Role</b>	<b>Student Recruitment &amp; Enrollment Responsibility</b>
Principal	Face of the school who sets tone for family engagement, primary person to engage with families at student recruitment and enrollment events
Campus-based student recruitment point person	<p>Carries out student recruitment plans at campus-level, executes logistics for events and completes weekly community outreaches.</p> <p>Beginning in the first week of October, responsible for a minimum of five (5) community outreaches each week. Must track the forms of outreach on the recruitment outreach tracker by every Friday at 5pm.</p> <p>Coordinates a minimum of one (1) school open house each month beginning in January through the start of the following school year.</p>
CICS Network Manager of Student Recruitment	Monitors student recruitment plans & delegates responsibilities, provides student recruitment materials, best practices and support
Campus-based enrollment point person	Serves as point person for registering students and fielding registration questions, keeps enrollment data updated including capturing transfer reasons
CICS Network Manager of Enrollment	Oversees enrollment process including monitoring and providing information to campuses for targeted follow-up with families
CICS Network Director of Communications	Reviews student recruitment & enrollment materials, checks for proper branding, amplifies social media posts, supports events as needed
Campus front office team members	Point of contact for families once admitted, information resource for enrollment & on-campus student recruitment events

## **Appendix B**

### **External Affairs Policy and Procedure**

Chicago International Charter School (CICS) is committed to providing effective external affairs support to its partner school management organizations and schools, including building and marketing brand awareness, securing philanthropic funding and continuing its advocacy efforts. If we are successful at elevating and marketing the CICS brand and securing substantial funding for our strategic initiatives, we will experience greater community awareness, successful student recruitment, and increased funding for our network of schools.

CICS is in a time of transition, placing renewed focus on quality and innovation as communicated in our Vision of Excellence. In our efforts to realize the Vision, it is important that we maintain a positive and consistent public profile in all our interactions with the media (traditional and social), government representatives and prospective donors. To this end, CICS has outlined the following external affairs parameters for all partner SMOs and schools within the network.

#### **Press Releases and Inquiries**

Prior to issuing a press release, authoring an article, speaking with the media, participating in a video, responding to social media (with a global context) or other promotional activity, please notify CICS Director of Communications via email or phone. CICS fully supports the public relations efforts of the SMOs and their campuses. It is important that we are notified of these efforts and are afforded the opportunity to review and coordinate on all press material prior to distribution.

If a CICS network or school employee is contacted, unsolicited, by the press, please ask for the reporter's name, publication and contact information and refer the inquiry to our Director of Communications, via email or phone, while also notifying your SMO leadership. Please do not participate in an interview with the media without advanced preparation. It is appropriate when contacted by a reporter to ask for their questions or the purpose of their call, ask if they are on deadline, and schedule a time to call back. Do not have conversations with reporters "off the record" because there is no such thing. You should approach conversations with reporters as if anything you say could be included in their publication. Please be sure that all school employees are aware of this policy.

To ensure consistency, interactions with the press should always include the following CICS organizational description:

CICS (school name), a (SMO campus) school, is part of the Chicago International Charter School (CICS) network. CICS, founded in 1997, is one of Illinois' largest charter networks with two decades of experience managing a diverse portfolio of innovative public charter schools. Our vibrant network of diverse Chicago charter schools enables students to thrive every day, puts them on a path to success in college and life, and empowers entrepreneurial educators to pursue excellence through innovation. CICS educates over 7,000 students in grades K-12 who travel from 56 different Chicago neighborhoods to attend one of its 13 campuses.

#### **Campus Website**

CICS asks that all partners include the CICS organizational description (included on the previous page) on its website regarding its relationship with CICS and CICS network operations. It is the campus' responsibility to keep their website up-to-date and accurate, ensuring timely updates to its calendar and contents. Campuses should provide web access to CICS, SMO and campus social media sites including official network and campus Facebook, LinkedIn, Twitter, Instagram and YouTube profiles. Campuses are expected to adhere to all network, district and state policies regarding student privacy. Campuses must secure parental approval in advance when posting student names, pictures, personal stories, etc. Campuses may also be asked to include links to articles mentioning CICS or its other SMO campuses.

### **Social Media**

CICS requires SMO partners to maintain a clearly delineated policy regarding appropriate social media behavior for all of its employees and students. CICS understands the value of social media and the benefits offered by digital communication for providing quick and easy interaction among peers, students and families. When using social media or digital communication devices to communicate with students and/or families, network staff should always comply with the policies of CICS, their School Management Organization, and the district and state policies related to student privacy, acceptable use policies, mandatory reporting requirements, copyright and discrimination policies. CICS does not take a position on an employee's decision to participate in blogs, wikis, social media pages, etc. for personal use on personal time. However, do not "friend", "follow" or otherwise interact with students from your personal social media accounts. Only communicate with families and students through network or SMO devices, or via network or SMO systems. Staff must avoid posting student information, pictures, work-product exemplars or other identifying information on personal social media sites, blogs, etc.

Staff who have identified themselves as associated with CICS should use the following disclaimer on personal social media sites, including blogs: "The views on this site are my own and do not necessarily represent the views, opinions, vision or strategies of the Chicago International Charter School network."

### **Government Affairs**

CICS is working towards building an effective advocacy strategy for the City of Chicago and the State of Illinois. The network team is often in communication with district, city and state officials concerning funding and policy decisions that impact our network and schools.

Please notify CICS Director of Communications via email if your school is contacted by any local, state and national elected official. Should an elected official contact your school to schedule a visit, please refer the inquiry to the CICS Director of Communications. Close coordination with the network team is essential to ensuring that we are consistently and repeatedly pressing the same policy positions on behalf of CICS schools, students and their families.

### **Fund Development and Donor Relations**

The CICS network team is focused on funding network operations, new strategic initiatives and supporting the financial needs of its partner schools. As we ramp up our fund development activities, we must maintain clear communications regarding any donor interactions so that we are aware of existing relationships at the school, SMO and network levels. The ability of the CICS

development team to successfully raise funds will depend on a professional, well- coordinated effort across the network.

### **Tours**

It is likely that we will be meeting with many local and national education funding partners over the coming months as we roll out the new network strategy. We expect to bring prospective donors on tours of the network campuses, and we ask that school leadership support our efforts by personally participating in the meetings and providing access to the facilities and students during the tour. Network staff will provide as much advance notice as possible and be responsible for preparing all of the presentation materials.

Grants (applications and letters of inquiry) in excess of \$5,000: When a CICS campus or SMO considers pursuit of a grant valued at, or above, \$5,000, please contact CICS Director of Development or Chief Executive Officer via email or by phone to coordinate an effective submission. We are confident that we will achieve increased collective success that fully leverages every opportunity with better communication, as well as avoid the embarrassment and potential conflict of competing proposals submitted to the same organization. CICS is committed to providing as much support as possible to ensure our collective success, including notifying schools of potential opportunities, and providing materials, training and other strategic support.

Websites such as [FirstGiving.org](http://FirstGiving.org), [JustGiving.org](http://JustGiving.org), and [DonorsChoose.org](http://DonorsChoose.org) are useful ways to feature classroom or campus projects and solicit donations. Pages set up on these types of sites can be specific to the school instead of the network and checks should be made out to the school. All donors who contribute directly to a school should receive an acknowledgement letter as both a thank you and a receipt to use for tax purposes.

### **CICS Network Events and Site Visits**

The CICS network team will occasionally host special events at network campuses. We will provide as much notice as possible and be considerate of the campus academic calendar. When CICS hosts an event, we request a campus contact be assigned during the planning and execution phase. The network may request a student performance or speakers for the event and will work with the schools to select the appropriate group or individuals. The campus custodial team is expected to ensure the cleanliness and proper set-up of the space being used in advance of the event. The network will cover all costs associated with these events.

### **CICS Campus and SMO Fundraising Events**

When campuses and SMOs plan to host a fundraising event, CICS requests that all prospective sponsors be submitted to the CICS Chief Executive Officer or designated representative, for review prior to solicitation. While we request that lists be submitted as soon as possible, the Chief Executive Officer or designated representative should receive the list no later than two weeks prior to a planned solicitation. The Chief Executive Officer or designated representative will review this list and provide feedback no later than one week after receiving it. Close coordination will ensure that funding partners are engaged most effectively and consistently. Please note: Individual ticket purchases do not fall under this policy.

## **Appendix C**

### **CICS Vision of Excellence Framework**

TO BE INSERTED UPON COMPLETION

## Appendix D

### Maintenance and Cleaning Standards

Custodial Duties, Expectations & Standards	
Items	Descriptions
<b>RESTROOMS</b>	
<b>Overall room-wall to wall</b>	Inspect areas and remove debris from floors and sink areas, look for clogs, and graffiti, empty trash, general clean-up. Ensure paper products and hand soap are stocked. Sanitize and disinfect surfaces.
<b>Lighting</b>	Ensure all working lamps are installed and working of proper wattage/color. Notify the supervisor of any lighting issues.
<b>Trash receptacles</b>	Should be empty, liners clean & without tears.
<b>Sanitary napkin receptacles</b>	Receptacles should be checked and restocked as needed.
<b>All waste receptacles</b>	Outside surfaces of all trash and sanitary napkin receptacles should be free of dirt and stains.
<b>Sinks</b>	Tops, sides and undersides should be free of dirt, soap, stains, hair and other debris. No disinfectant, detergent or cleanser residue should be present. Sinks should be regularly checked throughout the day to ensure no water is running, no debris is left in the sink etc.
<b>Sink hardware</b>	Faucets should be free of dirt, grease and lime or calcium deposits. Notify supervisor of any loose or non-working hardware.
<b>Toilets</b>	Toilet seats, bases, fronts, undersides and flush valves should be free of dirt, grease, hair, urine and feces. Sanitize and disinfect throughout the day. All ceramic and chrome should shine. Toilet seats should be in an upright position.
<b>Toilet bowls</b>	There should not be any waste or debris in the toilet bowl. There should not be any water rings or stains inside the toilet bowl or under the toilet rim.



<b>Urinals</b>	Urinal tops, sides, fronts, undersides, inner edges and rims should be free of dirt, grease, hair and urine stains. There should not be any trash or debris in the base of the urinal.
<b>Product dispensers</b>	Dispensers should be checked throughout the day. No dispenser should fall below 1/4 level of product remaining.
<b>Partitions</b>	No waste should be present or paper adhered to any surface. Graffiti and vandalism should be checked for and resolved.
<b>Ceilings</b>	Shall be free of paper wads and other items.
<b>Exhaust and supply grills</b>	All vents to be in-place and adjoined to ducting, wall or other surface securely.
<b>Flooring</b>	Floors, including edges, corners, behind toilets and around partition standards, should be free of dirt, gum, stains, smears, trash and debris. Floors should not be sticky. Routine mopping of the areas near sinks, urinals and toilets (especially during lunch hour use). No excessive paper clutter or moisture pooling. VCT and Tile Floors should be routinely stripped, deep cleaned, and waxed. Carpets should be shampooed.
<b>Room entry</b>	The thresholds and entryways shall be dirt and stain free.
<b>Mirrors</b>	The mirrors should be regularly checked for debris and vandalism.
<b>GENERAL NOTES</b>	
<b>Housekeeping equipment</b>	Placed in proper storage closets, mops hung to dry and not left in water, mops or rags disposed of when beyond laundering and all chemicals safely secured. Any supply orders required or equipment concerns noted to the supervisor.
<b>Cleaning water/chemicals</b>	Upon the mop bucket water becoming a light to moderate shade of brown, it should be emptied and refilled with the proper amount and type of chemical.
<b>Emergency lighting</b>	Weekly test all emergency lighting fixtures and replace dead lamps or batteries as needed from stock. Replace all dead EXIT sign lamps from stock. Communicate any low lamp inventory levels to the supervisor.
<b>CLASSROOMS</b>	
<b>Trash receptacles</b>	Ensure the trash is regularly checked and no more than 3/4 full before disposing and replacing.

<b>Surfaces &amp; ledges</b>	Should be kept clean and clear of dust and debris. High touch surface areas should be disinfected and sanitized daily.
<b>Flooring</b>	Respond as needed to calls by staff to resolve spills and debris.
<b>Doors, cabinets &amp; switch plates</b>	Should be kept clean and clear of dust and debris.
<b>Instruction boards</b>	Respond to calls as needed by teachers or staff.
<b>Exhaust and supply grills</b>	Exhaust, hoods, supply grills, and grease traps should be cleaned at a minimum of every 6 months.
<b>Lighting</b>	Notify the supervisor or replace any lighting that is out.
<b>Desks</b>	Respond to calls as needed by teachers or staff.
<b>Computer stations</b>	Not to be touched during the day except if asked to do so by teachers or staff.
<b>Windows</b>	Respond to calls as needed by teachers or staff.
<b>CAFETERIA</b>	
<b>Trash receptacles</b>	No more than 3/4 of cans are full of waste. Any odor causing trash is removed promptly.
<b>Tables and seating</b>	Tabletops wiped and sanitized in-between breakfast and lunch meal periods. Chairs pushed tightly into tables.
<b>Wall surfaces and ledges</b>	No large food stains present. Walls adjacent to dining tables wiped clean as needed more frequently.
<b>Flooring</b>	Following each cafeteria meal period (can mean multiple changeovers within the same meal) flooring is dry swept removing any large debris and food waste. After the final shift of a meal, flooring is swept and wet mopped thoroughly, including under tables, chairs and corners of the room.
<b>Drinking fountains</b>	Wiped and sanitized at least once or more often each lunch session. Should be free from trash, gum or major stains or water puddling at the base of the fixture.
<b>Doors and switch plates</b>	Doors and switch plates are in working order and securely fastened. No large stains or debris are found on any surface.
<b>Lighting</b>	Working lamps installed of proper wattage/color.

<b>EXIT lighting</b>	Fixtures requiring re-lamping noted to supervisor.
<b>Exhaust and supply grills</b>	All vents to be in-place and adjoined to ducting, wall or other surface securely.
<b>CORRIDORS &amp; COMMON AREAS</b>	
<b>Flooring</b>	In high-traffic areas, patrol for dust/dirt, vacuum entryway walk-off mats and address any spills, large debris or trip hazards.
<b>Wall surfaces</b>	All wall surfaces should be free of shoe scuff marks, smudges and other cosmetic scars. All tape or adhesive residue to be removed. All entry doorway glass is cleaned 1x during day shift.
<b>Drinking fountains</b>	All fountains and surrounding wall area should be free of dust, dirt, stains marks and debris. Drinking fountains should shine.
<b>Locker clusters</b>	Locker doors are kept closed and out of the corridor passageway and any minor damages are repaired or reported and clutter along the flooring is collected.
<b>Lighting</b>	Working lamps installed being of proper wattage/color. No flickering lamps.
<b>GYMNASIUM</b>	
<b>Trash receptacles</b>	All trash cans should be emptied and liners should be clean and without tears.
<b>Wall surfaces</b>	The walls, doors, door frames, and door glass should be free of dirt, marks, smudges and graffiti.
<b>Flooring</b>	The floor should be free of spills, large debris or any objects posing a safety hazard. Equipment posing this concern should be reported to a supervisor immediately.
<b>Bleacher seating</b>	No large or visible trash present, no spills or unsafe conditions. Seating either fully extended or retracted.
<b>EXIT lighting</b>	All exit lights should be operational.
<b>KITCHEN</b>	
<b>Trash receptacles</b>	No more than 3/4 of cans are full of waste. Any odor causing trash is removed promptly.
<b>Wall surfaces and ledges</b>	Respond to calls as needed or requested by staff or supervisor.

<b>Pest control</b>	All traps are dust free and in locations selected by the pest technician. Any droppings or signs of pests are reported to the supervisor immediately. If a bed bug is found, the specimen is kept intact and given to the supervisor in a plastic bag.
<b>Flooring</b>	After the final shift of a meal, flooring is swept and wet mopped thoroughly including corners of the room. Report any sightings of pest droppings to supervisor promptly and thoroughly clean areas impacted.
<b>Floor safety mats</b>	Mats are to be free of food, grease build-up and dirt. Mats should be neatly re-positioned daily.
<b>Doors and switch plates</b>	Doors and switch plates are in working order and securely fastened. No large stains or debris are found on any surface.
<b>Lighting</b>	Working lamps installed of proper wattage/color. No flickering lamps.
<b>EXIT lighting</b>	All exit lights should be operational. Outages or malfunctioning units will be replaced.
<b>Cooking surface exhaust hoods</b>	Respond to calls as needed or requested by staff or supervisor. Wiped clean following the final meal of the day.

## **Appendix E**

### **Certain Insurance Requirements Minimum Acceptable Insurance Requirements for Educational Management Organizations**

During the term of this Agreement, ReGeneration Schools shall, at its own expense, have in effect the coverages listed below. ReGeneration Schools shall also require the same in writing from all of its subcontractors engaged in the work.

#### **Commercial General Liability:**

- Coverage should include premises operations, products and completed operations, broad form property damage, contractual liability, independent contractors, and personal and advertising injury with minimum limits of \$1,000,000 limit per occurrence for bodily injury and property damage; \$2,000,000 aggregate with defense outside the limits. Any aggregate limit must apply per project/per location and must be unimpaired.
- The policy shall include CICS and the Campuses under ReGeneration Schools management and its subsidiaries, affiliates, officers, directors and employees as additional insureds under ISO form #CG2026 (11/85) or its equivalent.
- The coverage provided by the additional insured endorsement shall be primary without right of contribution by any coverage carried by CICS and the Campuses under ReGeneration Schools management and its subsidiaries, affiliates, officers, directors and employees.
- The policy shall include a waiver of subrogation endorsement in favor of CICS and the Campuses under ReGeneration Schools management and its subsidiaries under ISO form #CG2404 or its equivalent.
- The policy shall contain a severability of interest clause for all additional insureds with no cross suits liability exclusion.

#### **Sexual Misconduct and Molestation Liability:**

- Coverage shall include Sexual Misconduct and Molestation Liability insurance for minimum limits of \$1,000,000 Each Loss and Annual Aggregate. Further Innocent Party Defense Coverage shall be included at a minimum amount of \$300,000 per occurrence.
- It is understood and agreed that the aforementioned primary limits shall be included within the underlying schedule of primary coverage applicable to the CMO Umbrella Liability Policy, and as such be supplemented by Excess Liability Limits to the full extent of the CMO Umbrella policy.
- It is further understood and agreed that the aforementioned limits of insurance are primary

and noncontributory with respect to any other insurance that may be available, and only after the aforementioned limits of liability are exhausted for any single occurrence or multiple occurrences shall the insurance of CICS/CCSF become available for any covered claim.

#### **Workers Compensation:**

- Workers compensation coverage: statutory limits required by all authorities having jurisdiction in locations in which ReGeneration Schools operates, and in which the work required by the contract awarded is performed.
- Employers liability coverage:
  - \$500,000 Bodily injury by accident – each accident
  - \$500,000 Bodily injury by disease – each employee
  - \$500,000 Bodily injury by disease – policy limit

The Employers Liability Limits may be combined with either an Excess or Umbrella Liability policy.

- The policy shall include a waiver of subrogation endorsement in favor of CICS and the Campuses under ReGeneration Schools management and its subsidiaries under form #WC000313 or its equivalent.

#### **Cyberware/Ransomware Coverage:**

- Coverage of \$50,000 per incident with an aggregate limit of \$250,000.

#### **Automobile Liability:**

- Coverage for owned, leased, hired and non-owned vehicles with a combined single limit of \$1,000,000 for bodily injury and property damage.
- The policy shall include CICS and the Campuses under ReGeneration Schools management, affiliates, officers, directors and employees as additional insureds under ISO form #CG2026 or its equivalent.
- The coverage provided by the additional insured endorsement shall be primary without right of contribution by any coverage carried by CICS and the campuses of the Campuses under ReGeneration Schools management and its subsidiaries, affiliates, officers, directors and employees.
- The policy shall include a waiver of subrogation endorsement in favor of CICS and the Campuses under ReGeneration Schools management and its subsidiaries.

#### **Umbrella Liability:**

- Coverage excess of general liability, auto liability and employers liability in an amount of at least \$ 5,000,000 per occurrence with defense outside the limit. Any aggregate limit must apply per project/per location and must be unimpaired.

#### **Property and Builders Risk:**

- When hiring contractors to do work for ReGeneration Schools on Campus, maintain property coverage on a special form cause of loss or "all risk" basis for personal property, improvements & betterments, and business income/extra expense/rents with an agreed amount provision to waive coinsurance.
- When hiring contractors to do work for ReGeneration Schools on Campus, replacement cost valuation should apply to personal property and improvements & betterments.

#### **Educators Legal Liability, Directors and Officers Liability, and Employment Practices Liability:**

- Coverage for Professional Services, Educators Legal Liability and Directors and Officers Liability, Including Employment Practices Liability shall be provided at minimum limits of \$5,000,000 per occurrence, and annual aggregate.

#### **Conditions Applying to all Coverages:**

- All policies required should apply with a worldwide coverage territory to cover the sale of products worldwide and suits brought worldwide.
- Any deductibles or self-insured retention must be declared to and approved by Foundation.
- Any changes to the coverages required must be authorized in advance by Foundation and be documented in writing.
- The certificate shall provide that sixty (60) days prior written notice of cancellation be given to CICS. The wording "endeavor to...but failure to do so shall impose no obligation or liability of any kind upon the insurer, its agents or representatives" should be stricken from the Accord certificate form.
- Certificates for renewal policies must be issued ten (10) days prior to the renewal date.
- All liability policies for injury and property damage shall be issued on the "occurrence" form.
- All coverages must be in a company approved to do business in the state and carrying a rating of at least A X by A.M. Best's. Coverages for subcontractors must have a carrier rating of at least A- VIII by A.M. Best's.
- ReGeneration Schools shall be responsible for assuring in its contracts that all

subcontractors are properly insured and maintain the same coverage, terms, and conditions as required by this agreement.

- Foundation reserves the right to increase or expand these requirements when it deems prudent.
- If any of the insurance required to be maintained by this contract is written with aggregate limits, ReGeneration Schools shall actively monitor all claims, incidents and occurrences that may affect such insurance to assure that the application of the aggregate limit will not have the practical effect of reducing the minimum amount of insurance coverage that is available on a per occurrence or per claim basis. If, at any time, the full minimum per occurrence or per claim limit is not available for the payment of claims, or ReGeneration Schools reasonably believes that such limits may not be available, ReGeneration Schools shall take immediate steps to increase the aggregate limits as necessary to provide such coverage, notify Foundation in writing, subject to the insurance requirements herein, maintain separate insurance protection that is not subject to the aggregate limit.



## **Appendix F**

### **Dispute Resolution**

1. Any dispute under this Agreement shall be submitted to arbitration conducted in accordance with the Commercial Arbitration Rules ("Rules") of the American Arbitration Association ("AAA") except as amplified or otherwise varied hereby. The parties shall submit the dispute to the Chicago regional office of the AAA and the situs of the arbitration shall be Chicago. The arbitration shall be conducted by a single arbitrator. The parties shall appoint the single arbitrator to arbitrate the dispute within ten (10) business days of the submission of the dispute. In the absence of agreement as to the identity of the single arbitrator to arbitrate the dispute within such time, the AAA is authorized to appoint an arbitrator in accordance with the Rules, except that the arbitrator shall have as his principal place of business the Chicago metropolitan area.
2. Anything in the Rules to the contrary notwithstanding, in any dispute seeking a monetary award, the arbitration award shall be made in accordance with the following procedure: Each party shall, at the commencement of the arbitration hearing, submit an initial statement of the amount each party proposes be selected by the arbitrator as the arbitration award ("Settlement Amount"). During the course of the arbitration, each party may vary its proposed Settlement Amount. At the end of the arbitration hearing, each party shall submit to the arbitrator its final Settlement Amount ("Final Settlement Amount"), and the arbitrator shall be required to select either one or the other Final Settlement Amounts as the arbitration award without discretion to select any other amount as the award. The arbitration award shall be paid within five (5) business days after the award has been made, together with interest from the date the dispute was submitted to arbitration at the rate of ten percent (10%) per annum. Judgment upon the award may be entered in any federal, state, or local court having jurisdiction over the parties.
3. Should a budget be submitted for arbitration, the arbitrator will take into account the desires of the parties to maintain the tax status of bond financing Campus facilities and restrictions imposed on this Agreement and on the budget related thereto. Any budget approved or proposed by the Arbitrator will provide for dollar amounts for line items of the budget and no such budget will include any reference to net profits or losses or to both total revenues and expenses related to a Campus or to any amounts to be calculated on the basis of net profits or losses.






# SY2024 - CICS-SMO Contract - ReGeneration Schools - Ver08152023\_CICSSigned

Final Audit Report

2023-08-21

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