

MANAGEMENT SERVICES AGREEMENT

THIS SERVICES AGREEMENT (this “**Agreement**”) is made and effective as of the 3rd day of December, 2021 (“**Effective Date**”), by and between IPS Enterprises, Inc., a Texas non-profit corporation (“**IPS**”), whose address is 2115 W. Pike, Weslaco, TX 78596, and IDEA Greater Cincinnati, Inc., an Ohio Nonprofit Corporation (“**IGC**”), whose address is 2700 Glenway Ave, Cincinnati, OH 45204. IPS and IGC are sometimes referred to herein individually as a “**Party**” and together as the “**Parties**.”

RECITALS:

- A. IGC has entered into a preliminary agreement to operate a community school by the Thomas B. Fordham Foundation (also referred to as “**Fordham**,” or “**Sponsor**”), with such school opening in the 2022-23 school year.
- B. IPS represents that it has expertise in the management and operation of charter schools and provides comprehensive educational and operational support services to charter schools.
- C. IGC desires that IPS provide to IGC “**School Management Services**” (the “**Services**”) (all as described in Section 4) in connection with the development and operation of IGC, and IPS is willing to accept such engagement and provide Services to IGC, pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the terms, conditions and premises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AGREEMENTS:

1. **Engagement; Board Authority; Relationship.**

1.1 **Engagement.** IGC hereby: (i) engages IPS for the purpose of providing the Services; and (ii) grants IPS the right, power and authority necessary to perform the Services upon the terms and conditions set forth herein, to the full extent permitted by applicable law and the preliminary agreement and subsequent Sponsor Contract under which IGC operates. IPS hereby accepts such engagement, for the term set forth herein and to the extent permitted by applicable law, to act on behalf of IGC for the purposes set forth herein, with such authority as delegated to IPS herein or by subsequent resolutions by IGC’s Board of Directors, subject to the terms and conditions of this Agreement and in compliance with Ohio Revised Code Chapter 3314, (“**the Act**”), other applicable law, and the Sponsor Contract that IGC may enter into with any Sponsor in Ohio (the “**Sponsor Contract**”). IGC agrees to engage IPS to provide School Management Services, pursuant to this Agreement with respect to IGC’s operations as a public community school. IGC further acknowledges that IPS may unilaterally assign and transfer, by written notice

to IGC, in whole or in part, its obligations under this Agreement to its designated affiliate/single member limited liability company(ies).

1.2 Board Authority. Notwithstanding any provision contained herein, IPS acknowledges and agrees that IGC is and shall be governed by its Board of Directors (the “**Board**”), which shall act as its Governing Authority pursuant to the Act. IPS shall provide the Services to IGC subject to the Board’s direction, oversight and policies, the requirements of this Agreement, the Act, the Sponsor Contract, and other applicable law. Nothing in this Agreement shall be construed to interfere with the Board’s authority and ability to perform its obligations under the Charter Contract(s), or its statutory and fiduciary responsibilities governing all Community School and IGC corporate operations.

1.3 Relationship of the Parties.

1.3.1 The Parties agree that, subject to the Act and applicable laws, regulations, duties and obligations of the Parties, IGC and IPS shall aim to carry out their respective rights, duties and obligations under this Agreement working together in good faith, in a cooperative manner and to minimize disruption in the orderly functioning and administration of IGC.

1.3.2 IGC designates IPS and IPS’s teachers, administrators, counselors and staff, as agents of IGC having a legitimate educational interest for the purpose of entitling such persons, access to education records under The Family Educational Rights and Privacy Act, 20 U.S.C. §1232g (“**FERPA**”), and under applicable Ohio state law. IPS shall comply with all applicable FERPA and state law requirements.

1.3.3 There shall be no modification of, addition to, or deletion from the Services, unless set forth in a writing and signed by the Parties.

1.3.4 The relationship between IGC and IPS is based upon the terms of this Agreement and any other written agreements between IPS and IGC. This Agreement shall create only an independent contractor relationship and shall not be construed or interpreted to create an employer-employee, partnership, joint-venture or other legal relationship or entity between IPS and IGC. While performing under this Agreement, neither Party shall represent the other Party in any dealings or transactions except as expressly authorized herein and neither Party shall represent any relationship except for the relationship specified herein. Except in the performance of the Services by IPS or any of its employees or contractors in accordance with this Agreement, neither Party may enter into, bind or attempt to bind the other Party to any contractual obligation or duty and each Party shall be solely responsible for its acts and omissions and for the acts and omissions of its directors, officers, employees, agents and contractors. Except in the performance of the Services by IPS or any of its employees or contractors in accordance with this Agreement, or as IGC may authorize in writing, IPS is not authorized to act on behalf of IGC and any attempt to do so shall be null and void.

1.3.5 IPS agrees that it is not entitled to, and will not take, any tax position that is inconsistent with being a service provider to IGC with respect to any properties managed or to be managed or any relationship created pursuant to this Agreement. Without limiting the

generality of the foregoing, IPS will not claim any depreciation or amortization deduction, investment tax credit, or deduction for any payment as rent with respect to any properties managed or to be managed pursuant to this Agreement.

1.4 Cooperation. The Parties shall cooperate with each other in promptly furnishing all information and documents and submitting all forms and reports that may be necessary or convenient for each Party to properly perform its responsibilities under this Agreement or in accordance with federal or state laws or regulations, subject, in all cases, to any confidentiality obligations a Party may have. Notwithstanding the foregoing, the Parties expressly acknowledge that IGC will be a public office once in operation as an Ohio public community school, and will therefore be subject to the Ohio Public Records Act, R.C. 149.43 *et seq.* Further, the Parties shall cooperate in scheduling and related matters, including IGC providing timely written notice to IPS of Board meetings of IGC where IPS representatives shall be invited to attend. An IPS representative shall be entitled to attend any general IGC Board discussions, but not executive sessions except upon invitation of the Board. Provided however, no IPS shall be permitted to attend executive session of the IGC Board if doing so would jeopardize IGC's attorney-client privilege, or if the matter to be discussed is one that concerns a dispute between IPS and IGC.

2. Term.

2.1 Agreement. Subject to Section 13 and unless earlier terminated as provided herein, the Term of this Agreement shall commence on the Effective Date, and shall run through June 30, 2032, unless terminated by either Party to the extent termination rights are provided in this Agreement. Notwithstanding anything else set forth in this Agreement, this Agreement shall terminate no later than December 3, 2051. IPS's Services shall cease upon the termination of this Agreement unless the term of this Agreement is renewed or extended as provided herein. Upon expiration or termination of this Agreement, regardless of the reason, IPS shall be entitled to, and shall promptly receive, all fees and reimbursement of all expenses pursuant to Sections 6 and 7 due and payable through the effective date of expiration or termination. Notwithstanding, in the event that IGC permanently closes as a community school, IGC shall distribute all assets consistent with federal and state laws and regulations. IPS and IGC agree that the term of this Agreement, including all additions to the term of this Agreement expected to occur pursuant to Section 2.2 below, does not exceed the lesser of 30 years or 80 percent of the weighted average remaining reasonably expected economic life of the properties managed and to be managed pursuant to this Agreement, as determined under Section 147(b) of the Internal Revenue Code of 1986, as amended ("**Code**"). For each New School that is to be managed by IPS pursuant to this Agreement, at the time of addition of each such New School to the scope of this Agreement, IPS and IGC agree to assess compliance with the limitation on the Term of this Agreement set forth in the immediately preceding sentence.

2.2 Automatic Renewal. Unless earlier terminated, this Agreement shall renew automatically pursuant to the terms established in Exhibit "A," subject to the final termination date and Term limitation set forth in Section 2.1 above.

3. **Responsibilities of IGC.**

3.1 **Operations of IGC.** IGC is responsible for overseeing its operations as a school and all corporate activities and operations of IGC. In determining IGC's operations and activities, IGC shall, in good faith, consider the recommendations of IPS on issues including, but not limited to, policies, rules, regulations, procedures, curriculum and budgets, subject to the constraints of the Act and applicable law and the requirements of the relevant Charter Contract. If IGC chooses to adopt one or more policies, rules, regulations, procedures, curricula and/or budgets other than that recommended by IPS and IPS believes such adoption to be contrary to the best interest of the Charter Schools or contrary to the maintenance of the high quality standards for the Charter Schools set forth in the Trademark License Agreement dated as of December 3, 2021 ("**TM Agreement**"), and material to IPS's management or operations of the school, then IPS may so notify IGC in writing of the basis for such position, and request IGC to reconsider the particular policy, rule, regulation, procedure, curriculum and/or budget item. If after such a request IGC determines to affirm its prior decision, and IPS determines IGC's alternative is not a viable alternative for the school's ongoing programs and operational objectives, then IPS may, in its sole discretion, terminate this Agreement after providing sixty (60) days prior written notice to IGC. Such termination shall take effect at the end of the current academic year in which the notice was given. Notwithstanding anything else set forth herein or in any other agreement between the Parties, including but not limited to the TM Agreement, IGC will approve (a) the annual budget(s) of the properties managed and to be managed pursuant to this Agreement, (b) capital expenditures with respect to the properties managed and to be managed pursuant to this Agreement, (c) each disposition of property that is managed or to be managed pursuant to this Agreement, (d) rates charged for the use of each property that is managed or to be managed pursuant to this Agreement (including, without limitation, rates charged for the use of such properties outside of school hours, if any), and (e) the general nature and type of use of properties managed and to be managed pursuant to this Agreement.

3.2 **Facilities.** Subject to IPS's facility acquisition work, IGC remains ultimately responsible for the lease or acquisition of facilities for the Charter Schools and will cooperate and work with IPS in good faith to provide such facilities and all materials as well as all equipment and supplies that are necessary and appropriate to provide an adequate learning environment for its students and that comply with all of the requirements of the Sponsor Contract and applicable law. IPS shall not lease any parcel of real property to IGC until an independent professional in the real estate field verifies via addendum to that lease that at the time the lease was agreed to, the lease was commercially reasonable.

3.3 **Cooperation.** IGC shall cooperate with IPS in promptly furnishing all information and documents and submitting all forms and reports that may be necessary or convenient for IPS to perform its responsibilities under this Agreement properly.

3.4 **Legal Counsel.** IGC is responsible for selecting, retaining and payment of fees for its local legal counsel to advise it regarding its rights and responsibilities under the Act, this Agreement and applicable law. IPS is responsible for selecting, retaining and payment of fees for its legal counsel to advise it regarding its rights and responsibilities under the Act, this Agreement, applicable law and with respect to ongoing School operations.

3.5 Sponsor Contract. IGC shall not act, or fail to act, in any manner that may result in a breach of any Sponsor Contract or applicable law.

3.6 Evaluation of IPS. At its sole option and expense, IGC may conduct an annual review of the performance of IPS in terms of IPS's compliance with the terms of this Agreement and applicable requirements of the Sponsor). If such annual review is conducted, IPS will be evaluated against a set of metrics to be mutually agreed upon by IGC and IPS, subject to change annually as desired and agreed to by both parties. Should IPS fail to meet the agreed to and required metrics for two consecutive years, IPS shall prepare and present a corrective action plan to IGC and if it fails to meet the agreed to metrics and corrective action plan after the third consecutive year, IGC shall have the option to terminate this agreement immediately and find a new operator, or place IPS on a probationary term for one additional year. If IPS fails to meet the required metrics for a fourth consecutive year, this Agreement may be terminated at the sole discretion of IGC.

3.7 Place of Performance. The Parties shall, by separate agreement, work together in good faith to provide for reasonable and necessary office and administrative space to perform the Services. Except as prohibited by the Sponsor Contract, the Act or other applicable law, IPS reserves the right to perform a portion of the Services off-site at other locations and outside the State of Ohio.

3.8 Charter School Budget. IGC is responsible for adopting an annual Charter School budget or budgets for each fiscal year in a timely manner and as required by applicable law (the "**Annual Budget**") that has adequate resources to fulfill its obligations under the Sponsor Contract and this Agreement and in order to sustain the high quality standards set forth in the TM Agreement including, but not limited to, its oversight of IPS, operations and activities of IGC's operations as a school, payment for the Services, equipment, insurance, annual financial audits and other expenses, and, with respect to revenues, including equalization payments and state funding, federal funding (if any), grants, donations, contributions, operational and activities revenues and all other revenues (collectively, the "**Revenues**"). To that end, and subject to any requirements of a particular Sponsor Contract, or the applicable requirements of a governmental authority, each fiscal year, the Board will adopt a provisional budget pending adoption and approval of an Annual Budget by the Board as and when required by applicable law. In addition, IGC is responsible for approving revisions and amendments to such Annual Budget to reflect necessary deviations from the adopted Annual Budget.

3.9 Communication and Notice. IGC agrees to communicate with IPS and timely notify IPS of any anticipated or known: (i) material health or safety issues; (ii) labor, employee or funding problems; and (iii) problems of any other type that could adversely affect IPS in complying with or performing its obligations and responsibilities hereunder.

3.10 Risk of Loss. IGC agrees to assume the risk of loss from damage or destruction of the properties managed and to be managed pursuant to this Agreement.

4. **Responsibilities of IPS.**

4.1 Services.

4.1.1 IPS shall, subject to IGC's authority, manage, administer, oversee and supervise all the operations and activities of the IGC's operations as a public community school and shall provide IGC with the "**School Management Services,**" as expressly delineated and defined on Exhibit "B" hereto and incorporated herein by this reference.

4.1.2 IPS acknowledges that in entering into this Agreement IGC is relying on IPS's expertise, skill and professional competence in the areas of both educational and management services of charter schools. IPS shall provide the Services in a competent and efficient manner in accordance with the standard of performance within the industry in Ohio. IPS agrees that any contractors, faculty or staff provided by IPS will be skilled and trained in the relevant professional discipline for the Services and compliant with all State and federal requirements.

4.2 Compliance. IPS acknowledges that this Agreement is subject to the terms of the Sponsor Contract, the Act and other Federal and State laws applicable to charter schools. In providing Services to IGC, IPS is responsible for selecting and retaining legal counsel to advise it regarding its responsibilities and obligations under the Act, this Agreement, the Sponsor Contracts, and applicable law. IPS agrees that, to the extent applicable to the Services, IPS will comply with the terms and provisions of the Sponsor Contract, the Act and other federal and State laws applicable to charter schools and the performance of the Services. If IGC is, at any time, determined to be out of compliance, IPS shall promptly cooperate to correct such deficiency and shall participate in any corrective action plan approved by the Sponsor, the Internal Revenue Service ("**IRS**") or any other federal or State agency, to remedy such noncompliance to the extent that the noncompliance and corrective action are related to the Services. IPS shall not act, or fail to act, in any manner that may result in breach of the Act, the Charter Contract(s) or other laws applicable to the Services or operation as a school.

4.3 Contracting. Except as expressly prohibited by the Sponsor Contract, the Act or other applicable law, IPS may contract or subcontract all or any part of the Services required by this Agreement, delegating the performance of, but not the responsibility for, any duties and obligations of IPS hereunder to a qualified independent contractor, expert or professional advisor. The costs or expenses of such contracts or subcontracts may be treated as a "**Pass-Through Expense**" or a "**Direct Payment**" as defined in Exhibit "B", to the extent permitted by the Sponsor Contract, the Act or applicable law, if the expenses are within the "Category Cap" defined in Exhibit "B" or otherwise approved by IGC through a budget amendment. IPS will be responsible for any breach of this Agreement by its subcontractors or failure of its subcontractors to comply with the Act, Sponsor Contract or any applicable law.

4.4 Furnish Information. IPS is responsible for timely providing IGC with all of the information that may be necessary (i) to fulfill IGC's reporting requirements under the Sponsor Contract; (ii) for the applicable Sponsor or State or Federal agency's oversight of IGC's school operations; and (iii) to comply with the Sponsor Contract and/or applicable law, including the Internal Revenue Code. Additionally, IGC may require, upon reasonable notice, IPS to attend

meetings of the Board to provide reports on operations at IGC, or materials on other matters related to the Services. Upon termination of this Agreement, IPS shall cooperate in good faith with IGC in transitioning all records and materials for continued operation of IGC to IGC's designated provider, excluding any intellectual property of IPS or matters subject to the TM Agreement.

4.5 Acquisitions. If IPS makes or directs any personal property acquisitions using IGC funds, which shall not include any Fee or reimbursement paid to IPS by IGC, for personalty including, without limitation, instructional materials, equipment, supplies, furniture, computers or other assets, shall be owned by and remain the property of IGC. IPS shall not add any administrative charges or fees to the cost of such acquisitions in excess of the fees and charges specified herein. All property or assets acquired by IPS with its own funds shall be owned by and remain the property of IPS; provided however, any furniture, computers, software, equipment, or other personal property purchased by IPS for use in the operation of IGC as a community school under this chapter with state funds that were paid to IPS by IGC as payment for services rendered, such property shall be the property of IGC and not property of IPS. IPS shall maintain records sufficient to establish the ownership of such assets acquired by IPS with its own funds and those, if any, acquired by IGC with its funds.

4.6 Communication and Notice. IPS agrees to communicate with the Board and timely notify the Board of any anticipated or known: (i) material health or safety issues; (ii) labor, employee or funding problems; and (iii) problems of any other type that could adversely affect the Board or IGC or the Sponsor Contract.

4.7 IPS Offices. Although IPS may maintain other offices at other locations, subject to Section 3.7, IPS shall maintain offices at IGC for management and administrative services, as IPS determines necessary or appropriate.

4.8 Other Services. The Services to be provided by IPS to IGC under this Agreement comprise only those duties, responsibilities and obligations of IPS expressly stated herein. IPS shall not be obligated to provide any additional or other services to IGC except as may be mutually agreed in writing between IPS and IGC in compliance with Section 16.19.

4.9 Maintenance of 501(c)(3) Status.

4.9.1 Operations. The principal corporate activity of IPS is to benefit, perform the functions of, and carry out the purposes of, IDEA and other charter schools and educational organizations located in Texas, Louisiana, Florida, and Ohio. IPS will operate for the term of this Agreement in a manner consistent with such purposes. The Restated Certificate of Formation with New Amendments requires that IPS:

- a. Not allow more than an insubstantial part of its activities to be:
 - (i) The carrying on of propaganda or otherwise attempting to influence legislation by contacting, or urging any person to contact, any member or members of a legislative body for the purpose of proposing, supporting, or opposing legislation, or some combination thereof; or

- (ii) Advocating or campaigning for the adoption or rejection of legislation;
- b. Not participate or intervene, directly or indirectly (including the publication or distribution of written or printed statements or the making of oral statements), in any political campaign on behalf of or in opposition to any individual who offered himself or herself, or was proposed by others as a contestant for an elective public office (whether such office was national, state, or local); and
- c. Not allow any part of IPS's net income to inure to the benefit of any private shareholder or individual.

For purposes of this Section 4.9, the term "legislation" includes action by the Congress of the United States, by any state legislature, by any local council or similar governing body, or by the general public in a referendum, initiative, constitutional amendment, or similar procedure.

4.9.2 Unrelated Trade or Business Activities. Notwithstanding any other provision of this Agreement, IPS will not perform activities under this Agreement that constitute for IPS an "unrelated trade or business" as defined in Section 513 of the Code.

4.9.3 Notification to the School. IPS will notify IGC within three (3) business days if IPS receives a notice or communication from the IRS indicating that IPS's 501(c)(3) status is proposed to not be granted or, in the event that such status is granted, under review or that the IRS has revoked, or proposed revocation of, IPS's 501(c)(3) status. In addition, IPS will timely notify the School (i) if IPS determines that any activities that IPS is required to perform under this Agreement are activities that constitute an "unrelated trade or business" as defined in Section 513 of the Code and (ii) of any changes in its organizational documents or method of operations to the extent that IGC does not already have knowledge of such changes.

4.9.4 Modification of Covenants. To the extent that published rulings of the IRS, or amendments to the Code or the Regulations require modification of the covenants of IPS that are set forth in this Agreement to preserve the excludability from federal gross income of interest on obligations issued for the benefit of IGC, IPS and IGC will comply with such modifications.

5. Representations and Warranties.

5.1 IGC's Representations and Warranties. IGC hereby represents and warrants to IPS that:

5.1.1 it is duly organized and is or will be an Ohio nonprofit corporation and an educational institution or organization established under the Act and is in good standing under the laws of Ohio; it will maintain, extend and renew its corporate existence under the laws of Ohio, and it will not do, suffer or permit any act or thing to be done whereby its right to transact

its functions might or could be terminated, its activities restricted or its nonprofit 501(c)(3) status rescinded;

5.1.2 it has full authority and power to enter into this Agreement and it has been duly authorized to execute and perform this Agreement;

5.1.3 the execution, delivery, and performance of this Agreement will not conflict with or constitute a breach of or default by IGC under any other instrument or agreement to which IGC is a party or by which its property is bound and will not constitute a violation of any order, rule, or regulation of any court or governmental agency having jurisdiction over IGC;

5.1.4 there are no pending actions, claims, suits or proceedings filed or, to its knowledge, threatened or reasonably anticipated against or affecting it, which, if adversely determined, would have a material adverse effect on its ability to perform its obligations under this Agreement; and

5.1.5 prior to the Board's approval and IGC's execution and delivery of this Agreement, each member of the Board and IGC's legal counsel were given ample opportunity to review and discuss this Agreement.

5.2 IPS's Representations and Warranties. IPS hereby represents and warrants to IGC that:

5.2.1 it is duly organized and existing as a Texas non-profit corporation and is in good standing under the laws of the State and under IRS regulations and registered to transact business in Louisiana; it will maintain, extend and renew its corporate existence under applicable laws, and it will not do, suffer or permit any act or thing to be done whereby its right to transact its functions might or could be terminated or its activities restricted;

5.2.2 it has full authority and power to enter into this Agreement and it has been duly authorized to execute and perform this Agreement;

5.2.3 the execution, delivery, and performance of this Agreement will not conflict with or constitute a breach of or default by IPS under any other instrument or agreement to which IPS is a party or by which its property is bound and will not constitute a violation of any order, rule, or regulation of any court or governmental agency having jurisdiction over IPS;

5.2.4 there are no pending actions, claims, suits or proceedings filed or, to its knowledge, threatened or reasonably anticipated against or affecting it, which, if adversely determined, would have a material adverse effect on its ability to perform its obligations under this Agreement; and

5.2.5 prior to IPS's execution and delivery of this Agreement, IPS and its legal counsel were given ample opportunity to review and discuss this Agreement.

5.3 Disclaimer of Warranty. IPS makes no expressed or implied warranties as to any matter whatsoever with regard to any equipment, materials or supplies purchased on behalf of or for use at IGC including, without limitation, the condition of any such item, its merchantability or fitness for any particular purpose. No defect or unfitness of any equipment, materials or supplies shall relieve IGC of its obligations to pay for use of the item or of any other obligation under this Agreement.

5.4 Warranties. IPS shall have the right to enforce any existing manufacturer warranties on all equipment, materials or supplies purchased on behalf of or for use at IGC.

6. **Compensation; Fee.**

6.1 Definitions. For purposes of this Agreement, the following terms shall have the meanings indicated below:

“Actual Gross Revenues” means Gross Revenues of IGC as reflected in IGC’s [audited] financial statements at and as of the end of a Contract Year.

“Budgeted Gross Revenues” means Gross Revenues of IGC set forth in the final budget approved by the governing body of IGC for a Contract Year.

“Contract Year” means the period beginning each [MONTH DAY] and ending each [MONTH DAY]; provided, however, that the first Contract Year will commence on the Effective Date and end on [MONTH DAY, YEAR].

“Funding Date” means the date from which the School first receives state funding for educational services as a public community school.

“Gross Revenues” means the total gross revenues of IGC.

“IGC True-Up Payment” means an amount paid to IPS by IGC as a result of Actual Gross Revenues exceeding Budgeted Gross Revenues in a Contract Year, and shall be computed by subtracting Budgeted Gross Revenues from Actual Gross Revenues and multiplying the difference by the Management Fee Percentage in effect for the applicable Contract Year. By way of example only, if Actual Gross Revenues are \$10,000,000 and Budgeted Gross Revenues are \$8,000,000 for a Contract Year, the IGC True-Up Payment is equal to $(\$10,000,000 - \$8,000,000) \times (\text{Management Fee Percentage})$.

“IPS True-Up Payment” means an amount paid to IGC by IPS as a result of Budgeted Gross Revenues exceeding Actual Gross Revenues in a Contract Year, and shall be computed by subtracting Actual Gross Revenues from Budgeted Gross Revenue and multiplying the difference by the Management Fee Percentage in effect for the applicable Contract Year. By way of example only, if Actual Gross Revenues are \$8,000,000, and Budgeted Gross Revenues are \$10,000,000 for a Contract Year, the IPS True-Up Payment is equal to $(\$10,000,000 - \$8,000,000) \times (\text{Management Fee Percentage})$.

“**Management Fee**” shall mean an amount equal to the Management Fee Percentage multiplied by Gross Revenues received by IGC in each Contract Year.

“**Management Fee Percentage**” shall mean an amount equal to fifteen percent (15%).

6.2 Management Fee. In consideration for the services to be provided by IPS pursuant to this Agreement, IGC shall pay to IPS the Management Fee for each Contract year. The Management Fee shall be invoiced and paid each month in the manner set forth in Section 6.1 below based on Budgeted Gross Revenues for the applicable Contract Year. At the end of each Contract Year, (a) IGC agrees to pay to IPS the IGC True-Up Payment in the event that Actual Gross Revenues exceed Budgeted Gross Revenues for the applicable Contract Year, and (b) IPS agrees to pay to IGC the IPS True-Up Payment in the event that Budgeted Gross Revenues exceed Actual Gross Revenues for the applicable Contract Year.

6.3 Payment of Fee. IGC shall pay IPS’s Fee for School Management Services in twelve (12) monthly installments.

6.4 Invoices; Late Fees; Deferral of IPS’s Compensation.

6.4.1 IPS shall submit invoices by the 12th day of each billing month or by such earlier or later date as the independent certified public accountant engaged by IGC pursuant to Section 7.2.3 determines to be appropriate. All invoiced amounts (other than the Fee) shall be due and payable within five (5) business days or otherwise as specified in the applicable IPS invoice. If IGC fails to pay an undisputed invoice in full within ten (10) days after the invoice due date, interest shall accrue on the outstanding balance at a rate of 1.5 percent per month. IPS reserves the right to cease providing the Services if IGC’s account remains past due for more than thirty (30) days until such time as IGC’s account is brought current.

6.4.2 In the event that any amounts due to IPS hereunder are deferred (“**Deferred Compensation**”) due to insufficient net cash flows from the operation of the properties managed and to be managed pursuant to this Agreement, interest shall accrue on such Deferred Compensation at the rate of one and one-half percent (1.5%) per year, compounded annually, until paid and, in all events, IGC shall be obligated to pay such Deferred Compensation no later than the end of five (5) years after the original due date of such Deferred Compensation. In the event that Deferred Compensation is not paid within five (5) years of the original due date of such Deferred Compensation, IPS, in addition to all other rights that IPS has under this Agreement, shall have the right, but not the obligation, to terminate this Agreement (“**Compensation Deferral Termination Option**”). In the event that IPS exercises its Compensation Deferral Termination Option or amounts due to IPS remain owed for five years from the original payment date, all compensation earned and due to IPS hereunder (including, without limitation, amounts payable to IPS pursuant to Section 7.2 below), including Deferred Compensation, shall remain due and owing to IPS, and shall continue to accrue interest at the rate of one and one-half percent (1.5%) per year, compounded annually, and, in such event, IGC agrees that such obligation will at such time be represented by a promissory note, in a form mutually agreed upon by IPS and IGC at such time.

6.5 Reserved.

6.6 Reserved.

6.7 Reasonable Compensation. The Parties agree that based on a comparison of services to be performed and other management organizations available and reported fees, that the Management Fee described above is fair, reasonable and not excessive, and IPS represents that the Management Fee (taking into account the Pass-Through Expenses and Direct Payments as defined below) is fair and reasonable based on the fees it charges similarly-situated and sized charter schools for similar services as well as its knowledge of the market for charter school management services. If and to the extent required by law, IPS shall select and engage a qualified specialist to determine whether the Management Fee under this Agreement is reasonable compensation for the Services. If the qualified specialist determines that the Management Fee is not reasonable compensation for the Services, the Parties shall negotiate in good faith an adjustment to the Management Fee that constitutes reasonable compensation for the Services, as confirmed by such qualified specialist. Any Management Fee paid under this Agreement determined not to be reasonable compensation by the qualified specialist shall be reimbursed by IPS within thirty (30) days of such determination, and any amount not reimbursed, together with 1.5 percent per month from the date of disbursement until reimbursement, in that time period may be withheld by IGC from IPS's future Fee or other payments until the amount owed to IGC has been recovered. The costs of the qualified specialist's work shall be paid for by IPS and reimbursed by IGC if the Fee is found to be reasonable compensation.

6.8 Other Arrangements. IPS and IGC may enter into other arrangements, including, without limitation, leasing arrangements. No portion of the amounts payable to IPS hereunder are or will be intended to serve as compensation under any other arrangements between IPS and IGC, and no compensation payable under any other arrangement has been or will be adjusted or otherwise modified to take into account amounts payable hereunder.

7. Financial Obligations

7.1 Annual Audit. IGC shall be responsible for the cost of the annual audit required by the Sponsor Contract, the Act and applicable law. IPS shall cooperate in the preparation of the annual audit and any other accounting or financial reviews that are undertaken by independent auditors approved or selected by the Board and paid from IGC funds. IPS shall make all of IGC's financial and other records related to IGC available to the auditor as required by applicable law. IPS shall produce such records at IGC's offices.

7.2 Expenses. IGC shall also be responsible for all expenses of IGC (other than expenses that are included in the Fee, as set forth in Exhibit "B") and IPS shall have no obligation to pay such expenses from its own funds. IPS may incur and pay "**Pass-Through Expenses**" and "**Direct Payments**", as those terms are defined in Exhibit "B," and in accordance with this Section 7.2.

7.2.1 Without limiting the foregoing, in addition to IPS's Fee, IGC shall make Direct Payments or permit Pass-Through Expenses, for all costs and expenses incurred for,

without limitation: (i) salaries, wages, benefits and workers' compensation insurance premiums for faculty and staff; (ii) required payroll taxes, withholdings and other amounts due with regard to payroll; (iii) all debt service, including, without limitation, any bond finance debt; (iv) educational services and materials and any other expense that is not included in IPS's Fee that is necessary for the operation of the Schools in accordance with the high quality standards set forth in the TM Agreement and is within the approved budget levels.

7.2.2 For those expenses that are payable directly by IGC, IGC may, consistent with authority granted by the Board, authorize and establish an IGC account for which appropriate IPS representatives are permitted signers on the account and shall fund such an account on a quarterly basis with sufficient funds to permit IPS to make Direct Payments for IGC's legitimate and ordinary operating expenses, such as utility bills and office supplies.

7.2.3 IGC agrees to reimburse IPS for all Pass-Through Expenses monthly, which shall be invoiced by IPS at the same time as IPS provides IGC with invoices for its Management Fee. The Parties hereby agree that IPS will not be responsible for costs relating to properties managed and to be managed pursuant to this Agreement without reimbursement by IGC. In the event that IPS invoices IGC for Pass-Through Expenses and such amounts are not reimbursed by IGC within thirty (30) days of IPS's provision of an invoice with respect to such Pass-Through Expenses, the amounts to be reimbursed will accrue interest at the rate of one and one-half percent (1.5%) per year, and will in all events be paid within five years of the original due date for payment of such amounts. IGC agrees that any amounts represented invoiced but unpaid Pass-Through Expenses not paid by the date that is five years from the original due date (and including any accrued interest to such date) will be represented by a promissory note in form and substance acceptable to the Parties at such time, and will continue to accrue interest in the manner set forth in this Section 7.2.3.

7.3 Deposits; Banking. IPS and IGC shall mutually agree on and select depository institutions and accounts for all Revenues received by IGC; and all Revenues received by IGC shall be deposited in such accounts. All interest and investment earnings on IGC's deposits shall accrue to IGC. The signatories on such accounts shall be designated by the Board, but may include representatives of IPS with limits of authority to be set by IGC where required by applicable law. The depository institutions selected, shall be, to the extent possible, institutions with branches convenient to both IPS and IGC to facilitate its services under this Agreement

7.4 Account Management and Expenditures. IPS shall supervise, manage, disburse and account for all Revenues consistent with the Annual Budget, the Act, this Agreement, the Sponsor Contract Board resolutions and applicable law. Revenues shall be used to pay for the fees or expenses associated with IGC's operation. IPS shall provide the Board regular, accurate and complete documentation for dispersed fees and expenses review by the Board. The Board retains the authority to disapprove expenditures not within the Approved Budget nor otherwise approved or ratified by the Board. IPS shall not make any disbursements of IGC Revenues in excess of authorized limits, the Annual Budget or approved expenditures without the prior authorization of the Board. To the extent such expenditures are made by IPS and disapproved by the Board, IPS shall promptly and fully reimburse the unauthorized expenditures from its own funds and pay to IGC interest on such unauthorized expenditure or portion thereof at the rate of 1.5 percent per month from the date of disbursement until repayment.

7.5 Accurate and Complete Recordkeeping and Reporting. To assure the highest degree of accuracy in recordkeeping, the Acceptable Use Policy (“AUP”) will be designed to use a larger sample of transactions than is customary practice and, upon reasonable request of IGC, but no more frequently than quarterly, IPS shall provide the Board with records supporting expenditures of IGC funds made by IPS during the previous quarter. IGC may request, at its discretion, monthly financial statements, to be delivered not later than the 15th day of the month after the end of the month covered by the financial statements.

7.6 Quarterly Management Report. IPS is responsible for implementing reasonable information and reporting systems for IGC that will enable IGC to monitor key areas of business, academics, legal and regulatory compliance and risk in IGC operations. IPS will prepare a written management report for presentation at each Board meeting where requested by IGC with sufficient notice. The report will address academic performance, student enrollment, teaching resources, New Schools activity, legal and regulatory compliance, organizational structure and risk management, providing an overview of what has occurred in each of these areas since the last management report, including any items of concern, improvement or changes in noted items of concern from prior reports, areas needing additional attention or resources from IGC, steps IPS has taken to control or mitigate any areas of concern, and other detail material or relevant to the Services and IGC’s operations of the IGC as a public community school. The Board will be given the opportunity to review and discuss the report with knowledgeable IPS personnel at a Board meeting and to request additional information and follow up, as deemed necessary.

7.7 Marketing Costs and other Expenses. Marketing and development costs, and other expenses, including office expenses and personnel expenses, paid by or charged to IGC shall be limited to those costs or expenses specific to IGC and the Services, and shall not include any costs or expenses for IPS or IPS’s other clients.

7.8 Availability of Funds. IPS shall only be required to perform its duties and obligations hereunder to the extent that there are sufficient and timely Revenues available to make payments in accordance with the terms of the Annual Budget, unless such budget shortfalls are caused by or arise from IPS’s own grossly negligent or intentional acts or omissions.

7.9 IPS’s Other Clients. IGC acknowledges that IPS may have other school and non-school clients. IPS shall maintain separate accounts for each client and shall only charge IGC for expenses incurred by or on behalf of IGC.

8. **Staffing.**

8.1 Charter School Staff. IPS is responsible for hiring, managing, retaining and discharging (as deemed appropriate) all of the faculty, personnel, contractors, professionals, staff and administrators, whether independent contractors to or employees of IPS, of the IGC school in conformance with applicable law and the Sponsor Contract (“**Charter School Staff**”). IGC may make recommendations to IPS regarding the hiring and discharging of the IGC Executive Director for IPS’s consideration. All of the Charter School Staff shall be employees or contractors of IPS.

8.2. Other Personnel. IPS may from time to time recommend assignment to IGC of a person(s) IPS deems advisable to perform some Services for IGC in relation to IGC's corporate and community school operations. Any such person not a Charter School Staff, whether independent contractors to or employees of IPS, assigned to IGC by IPS, or for whom IPS wishes to be reimbursed by IGC ("**Other Personnel**"), must be pre-approved by IGC, including the total compensation to be paid to such person, prior to assignment by IPS, or no reimbursement will be provided. All of the Other Personnel shall be employees or contractors of IPS.

8.3 Removal or Replacement. Notwithstanding the foregoing, but subject to and in compliance with IPS's contractual obligations and labor and employment agreements, the Board shall retain the right to request the removal or replacement of any Charter School Staff or Other Personnel assigned to IGC or a Charter School by IPS.

8.4 Compliance; Background Checks; Policies. IPS will conduct initial and updated criminal background checks through the Ohio Bureau of Criminal Investigation and the Federal Bureau of Investigation prior to employment of all Charter School Staff or Other Personnel. IPS is responsible for developing, implementing and administering (i) payroll policies and procedures; (ii) personnel policies and procedures; and (iii) welfare and benefit plans, for all employees or others entitled to be covered by such policies and plans, and those who are assigned to IGC by IPS.

8.5 IPS Management and Staff. Subject to IPS's unfettered rights with respect to management and structure of its own management and staff, site managers shall be employed and paid by IPS, without reimbursement by IGC for any wages, salaries, bonuses, benefits, workers' compensation insurance premiums, unemployment insurance, payroll taxes, withholdings or other payroll costs.

8.6 Compensation of Charter School Staff and Other Personnel

8.6.1 All Payroll Costs (as defined below) of the Charter School Staff and Other Personnel, whether full-time or part-time, shall be paid by IPS, subject to direct reimbursement by IGC for the Payroll Costs; provided, however, that for site managers, IGC will only reimburse the foregoing amounts incurred by IPS prior to the Funding Date.

8.6.2 "Payroll Costs" means, subject to the terms of Section 8.6.3 total expense of all such Charter School Staff's or Other Personnel's payments, wages, salaries, benefits, workers' compensation insurance premiums, payroll taxes, unemployment insurance, or other payroll costs (not deducted from gross pay), as applicable to the individual in issue.

8.6.3 IPS acknowledges that IGC, as an organization recognized as tax-exempt under Internal Revenue Code Section 501(c)(3), is prohibited from engaging in private benefit or private inurement (as those terms have been interpreted and defined by the Internal Revenue Code, Treasury Regulations, the IRS and/or courts), which includes a requirement for payment of only reasonable compensation for services rendered, and IPS agrees that IGC shall only be responsible for reimbursement of Payroll Costs that are reasonable compensation for the

services rendered. Upon request, but no more frequently than annually, IPS shall provide IGC with a confidential list of employees and the Payroll Costs paid by IPS for which IPS has been, or is requesting to be, reimbursed by IGC for the services rendered by the Charter School Staff or Other Personnel. IPS shall provide to IGC upon request the basis for compensation for persons identified in the list. IGC reserves the right, at its sole cost and expense, to audit the Payroll Costs, including engaging a qualified specialist to determine the reasonableness of the Payroll Costs. Any Payroll Costs reimbursed by IGC to IPS determined not to be reasonable compensation by a qualified specialist, by the IRS on audit of IGC, shall be reimbursed by IPS within thirty (30) days of such determination, and any amount not reimbursed in that time period may be withheld, together with 1.5 percent per month from the date of disbursement until reimbursement, by IGC from IPS's future Fee or other payments until the amount owed to IGC has been recovered. Notwithstanding any other provision in this paragraph, no Charter School Staff or Other Personnel shall be paid a percentage of net revenues or any other basis that gives rise to private inurement with respect to the staff or personnel member.

8.6.4 IGC shall promptly notify IPS if IGC receives a notice of assessment of, or if IGC is determined by any governmental authority to owe, any federal or State excise, unemployment, withholding, income or social security taxes (any or all of the foregoing, "**Taxes**") with respect to Payroll Costs for which IGC previously reimbursed IPS. IPS will cooperate with IGC in its efforts to obtain information to defend such assessment or determination. IPS shall promptly take all appropriate action to seek a refund from the appropriate governmental authority(ies) of any such previously reimbursed Taxes it had paid for a similar time or period for the same employees or contractors ("**Refund**"). IGC will cooperate with IPS in IPS's efforts to seek a Refund. IPS will promptly remit any Refund to IGC. Additionally, if IGC can demonstrate that such Taxes, were the result of IPS's actions or failure to act, IPS will also reimburse IGC for any penalties, interest or similar charges due on such Taxes and paid by IGC.

9. **Insurance.**

9.1 **General Liability Insurance.** Each Party shall, at its own expense, maintain general liability insurance, including, without limitation, bodily injury and property damage insuring itself with a minimum of \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate limit of liability coverage. Each Party shall provide the other Party with a certificate evidencing such insurance and showing the other Party as an additional insured.

9.2 **Workers' Compensation Insurance.** Each Party shall maintain workers' compensation insurance where required by law to cover their respective employees (if any) and shall provide the other Party with a certificate or certificates of such insurance. The cost of such insurance shall be paid as specified herein.

9.3 **Automobile Insurance.** IPS shall, at its own expense, maintain comprehensive automobile insurance, insuring itself with a minimum of \$1,000,000.00 combined single certificate evidencing such insurance and showing the other Party as an additional insured. If IGC owns any automobile, IGC shall maintain comparable automobile insurance to that required by IPS pursuant to this Section.

9.4 Cancellation; Subrogation. Each insurance policy required herein shall provide for not less than 10 days written notice to the other Party in the event of cancellation or material change of coverage. To the maximum extent permitted by its insurance policies, each Party, for the benefit of the other Party, waives any and all rights of subrogation which might otherwise exist (and the certificate required herein shall indicate such waiver of subrogation).

10. Indemnification. Each Party agrees that the fullest extent permitted by law, it will indemnify, defend, save and hold the other Party, and its directors, officers, employees, agents and other representatives harmless for, from and against any and all manner of loss, cost, expense (including attorneys' fees and other costs and expenses of litigation, defense and appeal), damage, injury, liability, claims, actions and causes of action whatsoever arising from or in any way related to the indemnifying Party's: (i) negligent or willful acts or omissions; (ii) breach of this Agreement; or (iii) operation of its own business.

11. Intellectual Property Rights.

11.1 IPS's Materials. In connection with the Services, IPS may furnish IGC with curriculum, testing, analysis, reports, programs, procedures or other information or materials (collectively, "**Materials**") that have been or will be authored, originated, discovered and invented by or for IPS and of which IPS is deemed to be the author and originator. The Parties agree that IPS shall have and retain all right, title and interest in and to IPS's Materials that (i) are created on or after the effective date of this Agreement, or (ii) were created prior to the effective date of this Agreement and to the extent such Materials were authored, originated, discovered or invented outside the scope of IGC's operations; and IPS shall have all rights to sell, assign or otherwise transfer any right, title or interest in such IPS's Materials and all rights to apply for, register, obtain and own any and all copyrights, trademarks, service marks, trade names, patents and/or other exclusive or proprietary registrations or forms of ownership. IPS retains the right to sell any of IPS's Materials, even if IPS's Materials are derivatives, or incorporate any, of IGC's Materials. In the event IGC is held, for any reason, to have any right, title or interest in and to any of IPS's Materials, regardless of the media and whether or not copyrighted or copyrightable, trademarked or registerable, patented or patentable, IGC hereby unconditionally and irrevocably transfers and assigns such right, title and interest in and to IPS as an essential part of the consideration for this Agreement. IGC further agrees that it shall, within 5 days after receipt of a written request from IPS, execute a written instrument for the purpose of waiving its rights, if any, to attribution for any of IPS's Materials under Section 106A(a) of The Copyright Act of 1976 (17 U.S.C. Sec. 101, 1976) or any succeeding law.

12. Trademarks. The Parties' respective rights to use IDEA Public Schools marks are set forth in, and governed by, the attached Trademark Licensing Agreement.

13. Termination. In addition to termination provisions that may be set forth in School Appendices, this Agreement may be terminated as follows:

13.1 Agreement. Without further liability to either Party, either Party has the right to terminate the Agreement:

13.1.1 If, at any time, IGC determines that this Agreement would serve as grounds for revocation of a Sponsor Contract, would jeopardize its tax-exempt status as a Section 501(c)(3) tax-exempt organization, would jeopardize the tax exempt status of any debt issued for the benefit of IGC, would create adverse tax consequences for IGC, or would cause IGC to be in violation of applicable law, IGC may terminate this Agreement in accordance with this Section 13. IGC shall give IPS at least ninety (90) days notice of its intent to terminate the Agreement pursuant to this Section 13. In addition, IGC shall provide IPS with an analysis as to why such action is necessary. If requested by IPS, IGC shall meet and confer with IPS to determine whether some other course of action could be taken which might satisfy IGC's concerns and the parties shall work together in good faith to resolve or satisfy any such concerns before a termination is pursued; or

13.1.2 If a Party is in breach of a material provision of this Agreement and has failed (a) to cure the breach within sixty (60) days of notice ("**Cure Period**") from the non-breaching Party specifying the breach or (b) to take substantial steps toward a cure within the Cure Period if the breach is incapable of cure within the Cure Period. The Parties shall make a good faith effort to avoid termination of this Agreement prior to the end of any academic year.

13.2 Non-Appropriation Clause. Without further notice and without further liability to either Party, this Agreement, with respect to any individual and specific Sponsor contract, shall terminate if:

13.2.1 The legislature of the applicable jurisdiction fails to appropriate funds for the IGC by the non-appropriation shall terminate on the last date that such government funds are appropriated for the operation of Schools covered by that Sponsor Contract; or

13.2.2 IGC's Sponsor Contract is suspended, terminated, or not renewed, by or from the Sponsor or the Ohio Department of Education. In such an event, the obligations of the Parties shall terminate on the date the Sponsor Contract expires or on the effective date of termination or non-renewal, as applicable; or

13.2.3 The other Party is in breach of a material provision of the Agreement and has failed (a) to cure the breach within the Cure Period from the non-breaching Party specifying the breach, or (b) to take substantial steps toward a cure within the Cure Period if the breach is incapable of cure within the Cure Period.

13.3 Automatic Revocation Upon Loss of 501(c)(3) Status of IPS. This Agreement shall automatically terminate thirty (30) days after the denial or revocation of the 501(c)(3) status of IPS by the IRS.

13.4 If, at any time, IGC breaches the Trademark License Agreement and/or the Copyright License Agreement between IPS and IGC, and fails to remedy such breach(es) in accordance with the terms of the Trademark License Agreement and/or the Copyright License Agreement, IPS may immediately terminate this Management Services Agreement.

14. **Dispute Resolution.** In the event of any disagreement, claim, dispute, controversy or other matter (collectively “**Dispute**”) in question between the Parties (including the question of what issues can be mediated and the validity of this Section 14) arising out of, or relating to this Agreement, or any breach of this Agreement, the Parties agree to submit the Dispute first to non-binding mediation and then to arbitration pursuant to Section 14.2.

14.1 **Mediation.** Any Dispute may be submitted to mediation upon mutual agreement of the Parties prior to arbitration or litigation. If the Parties agree to submit the Dispute to mediation, the Parties shall share the mediator’s fee and any filing fees equally. The mediation shall be held in Cincinnati, Ohio, unless the Parties mutually agree to another location. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

14.2 **Arbitration.** In the event the Parties do not agree to engage in mediation or if the Dispute is not resolved through mediation, the Parties may agree to submit the Dispute to binding arbitration. If the Parties mutually agree, in writing, to arbitrate such Dispute, the following terms and conditions shall apply to the arbitration:

14.2.1 The Dispute shall be arbitrated in accordance with the Commercial Arbitration Rules of the AAA as then existing, to the extent such rules are not inconsistent with the provisions of this Section 14, but shall not be arbitrated by an AAA tribunal, or administered by the AAA, unless specifically agreed to, in writing, by the Parties. Each of the Parties shall keep all Disputes and arbitration proceedings strictly confidential, except for disclosures of information required by applicable law or regulation.

14.2.2 Notice of the demand for arbitration shall be given in writing to the other Party in the manner provided for notice by Section 16.8. The demand for arbitration shall be made within a reasonable time after the Dispute has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based on such Dispute would be barred by the applicable statute of limitations. Unless otherwise agreed in writing by the Parties, either the Parties or their legal counsel shall, within thirty (30) days following notification of the arbitration, mutually agree upon, qualify and select an arbitrator. In the event the Parties cannot mutually agree on one arbitrator, an arbitration panel, composed of three (3) arbitrators, shall be selected in the following manner: each of the Parties, or their respective legal counsel, as the case may be, shall, within forty (40) days after one Party notifies the other of his, her or its intent to arbitrate a Dispute, each select an arbitrator and the two (2) arbitrators shall, within fifteen (15) days following notification of their selection, select a third arbitrator. In the event either Party fails to timely select an arbitrator, the arbitrator selected by the other Party shall be the sole arbitrator and shall hear the Dispute. In the event each Party selects an arbitrator, and the selected arbitrators cannot decide upon a third arbitrator for the panel, the Parties shall each select a new arbitrator and the two (2) new arbitrators shall, within fifteen (15) days following notification of their selection select a third arbitrator. This process shall be repeated until a panel of three (3) arbitrators is constituted. To qualify to arbitrate any Dispute under this Section 14, the arbitrator must be a licensed attorney in the jurisdiction wherein the proceedings occur, must have practiced law in such jurisdiction for a minimum of ten (10) years and must have a minimum of five (5) years’ experience in the area of the law primarily implicated by the Dispute. If the

Parties cannot agree on the “primary” area of law implicated, they shall select arbitrators with a minimum of five (5) years’ experience in business and contract law. Once qualified and notified of his or her selection, the arbitrator (or arbitration panel, as applicable) shall hear the Dispute within sixty (60) days and render a written legal opinion and decision, specifying the factual and legal basis for the decision, within twenty (20) days thereafter (or as soon thereafter as is practicable and justified under the circumstances). In the case of an arbitration panel, the opinion of the majority of the arbitrators shall be adopted as the panel’s opinion.

14.2.3 Discovery may be conducted either upon mutual consent of the Parties, or by order of the arbitrator upon good cause being shown. In ruling on motions pertaining to discovery, the arbitrator shall consider that the purpose of arbitration is to provide for the efficient and inexpensive resolution of Disputes, and the arbitrator shall limit, expedite or order discovery whenever appropriate to insure that this purpose is preserved. For the purposes of this section, the term “**Discovery**” shall not limit the absolute right of IGC to obtain all documents and records held by or in the possession of IPS that are rightfully and properly the property and records of IGC. The arbitrator shall not have the authority to limit IGC’s access to or use of any property and records of IGC that may be held by or in the possession of IPS, but the arbitrator does have the authority to order IPS to produce to IGC all of IGC’s original property and records.

14.2.4 The decision and award rendered by the arbitrator shall be based upon applicable law and judicial precedent and shall be final, conclusive and binding upon each of the Parties. Judgment may be entered upon the arbitrator’s decision in accordance with applicable law in a court having jurisdiction thereof. Any such award by the arbitrator shall include recovery by the prevailing Party of the costs and expenses of the proceeding, including reasonable attorneys’ fees; provided that, if neither Party prevails, the expenses of arbitration (other than attorneys’ fees) shall be borne equally between the Parties. Any such award by the arbitrator shall not include the award of punitive damages in excess of an amount equal to the compensatory damages awarded in the proceeding.

14.3 Litigation. If the parties do not mutually agree, in writing, to submit the Dispute to binding arbitration, either party may bring suit following the arbitration process described above as allowed and contemplated under Section 16.10.

15. **Default; Remedies**.

15.1 Default. A “**Default**” is defined as the failure by a Party to observe, comply with or perform any of the terms, covenants or conditions applicable to such Party under this Agreement, where such Party fails to cure such Default within the applicable grace period specified herein, and shall entitle the non-defaulting Party to pursue the remedies set forth in Section 14.2. Specific Defaults and cure periods are set forth below:

15.1.1 The failure by IGC to make any payment of the Fee or to reimburse any cost or expenses as and when due, where such failure continues for a period of 5 calendar days following notice thereof to IGC by or on behalf of IPS;

15.1.2 Failure of IPS to perform any of its obligations under Section 4.9 of this Agreement;

15.1.3 The failure by either Party to observe, comply with or perform any obligation under this Agreement, other than those described in Section 15.1.1, where such Default continues for a period of 60 days after written notice thereof by or on behalf of the non-defaulting Party to the defaulting Party; provided, however, that if the nature of the Default is such that more than sixty (60) days are reasonably required for its cure, then it shall not be deemed to be a Default of this Agreement if the defaulting Party commences such cure within said sixty (60)-day period and thereafter diligently prosecutes such cure to completion;

15.1.4 The occurrence of any of the following events: (i) the making by a Party of any general arrangement or assignment for the benefit of creditors; (ii) a Party becomes a “debtor” as defined in 11 U.S. Code Section 101 or any successor statute thereto (unless, in the case of a petition filed against such Party, the same is dismissed within ninety (90) days); (iii) the appointment of a trustee or the judicial appointment of a receiver to take possession of substantially all of a Party’s assets, where possession is not restored to such Party within ninety (90) days; or (iv) the attachment, execution or other judicial seizure of substantially all of a Party’s assets, where such seizure is not discharged within ninety (90) days; or

15.1.5 Any action by IGC to remove or otherwise limit the authority or role of IPS Enterprises, LLC under IGC’s articles of incorporation or bylaws; or

15.1.6 The failure of IGC to timely pay any of its obligations associated with the construction, acquisition, equipment or renovation of any facilities whether directly financed or leased,

15.2 Remedies. If either Party defaults hereunder, the non-defaulting Party may, at its option (but without obligation to do so), perform such duty or obligation on the defaulting Party’s behalf. The costs and expenses of any such performance shall be due and payable by the defaulting Party to the other Party immediately upon invoice therefor. In the event of a Default of this Agreement by either Party (which is not timely cured), with or without further notice or demand, the non-defaulting Party may pursue any remedy now or hereafter available to such Party under the laws or judicial decisions of the State.

16. General Provisions.

16.1 Incorporation of Recitals. Recitals “A” through “D” above are acknowledged by the Parties to be true and correct and are incorporated herein as a material part of this Agreement.

16.2 IGC Records. Financial, educational and other records pertaining to IGC, whether or not generated or maintained by IPS, are IGC property, and such records may be subject to inspection and copying under applicable law. IGC records will be kept and maintained on IGC property. The physical location and access to all records of IGC shall fully comply with other applicable laws. Upon expiration or earlier termination of this Agreement, IPS shall, within 30

days, turn over to IGC all IGC's records in whatever form (on paper, electronic or otherwise), which shall be retained by IGC and thereafter maintained by the Board. IPS may make and keep one copy of all books and records that IPS is permitted to retain under applicable law.

16.2.1 Student Data Privacy: Personally Identifiable Information

- a. IPS shall not allow access to, release, or allow the release of student information to any person or entity except as specified in this agreement, or as required by law.
- b. IPS agrees not to sell, transfer, or process any student information for use in commercial advertising, marketing, or any other commercial purpose, unless otherwise permitted by this agreement, or by federal, state, or local law.
- c. IPS agrees to create and maintain access and access authentication policies for its computer system(s) that ensure only authorized individuals have access to student information. Authorized individuals include those authorized by IGC and employees or agents of IPS who require access to fulfill the intent of this agreement.
- d. IPS agrees to comply with all federal, state, and local laws and regulations related to privacy compliance standards.
- e. IPS agrees to provide the results of privacy and security audits on its computer systems that may be required by IGC.
- f. IPS agrees to put in place safeguards on its computer systems against the breach of student information privacy. In the event of a breach of the privacy of student information, IPS agrees to immediately alert IGC and to work with IGC to remediate said breach.
- g. IPS agrees to retain and store student information as required by this agreement with IGC and to delete all student information from its computer systems upon termination of this agreement. All information removed from Provider's servers upon termination of this agreement will be returned to School.

16.3 **Personally Identifiable Information.** Under the terms of this Agreement, IPS may be provided with students' "personally identifiable information" as defined by the FERPA . Accordingly, IPS shall not allow access to, release, or allow the release of student information to any person or entity except as specified below and must take all steps required by applicable law, including the following:

- (i) IPS agrees to protect and maintain the security of data with protecting security measures that include maintain secure environments that are pathed and up to date with all appropriate security updates as designated by a relevant authority.
- (ii) IPS agrees that any “personally identifiable information” will be stored, processed, and maintained solely on designated servers.
- (iii) IPS agrees to implement various forms of authentication to establish the identity of the requester of the information with a level of certainty that is commensurate with the sensitivity of the data.
- (iv) IPS agrees that any and all data exchanged shall be used expressly and solely for the purposes enumerated in this Agreement.
- (v) IPS agrees that, as required by applicable state and federal law, auditors from state, federal or other agencies so designated by IGC, shall have the option to audit the outsourced service. Records pertaining to the service shall be made available to auditors and IGC during normal working hours for this purpose.
- (vi) IPS agrees that upon termination of this Agreement, it shall return all data to IGC in a useable electronic form, and erase, destroy, and render unreadable all data IPS may have, and certify in writing that these actions have been completed within thirty (30) days of the termination of this Agreement or within seven (7) days of the request of IGC, whichever shall come first.
- (vii) IPS agrees that unauthorized disclosure of such information may irreparably damage IGC, such that adequate compensation could not be obtained from damages in an action at law. Accordingly, the actual or threatened unauthorized disclosure of use of any protected information shall give IGC the right to seek injunctive relief to restrain the disclosure, in addition to any other remedy. IPS hereby waives the posting of a bond with respect to any action for injunctive relief. IPS also grants IGC the right, but not the obligation, to enforce these provisions in IPS’s name.
- (viii) IPS must establish and implement a clear data breach response plan outlining organizational policies and procedures for addressing a potential breach.
- (ix) IPS agrees that the confidentiality obligations contained herein shall survive termination of this Agreement for a period of fifteen (15) years or for so long as the information remains confidential, whichever is longer.

16.4 No Delegation of Authority. Nothing in this Agreement shall be construed as: (i) delegating to IPS any of the powers or authority of IGC which are not subject to delegation under the Act or other applicable law; or (ii) interfering with IGC’s duty to exercise its statutory, contractual and fiduciary responsibilities governing the operation of IGC as a community schools. Furthermore, notwithstanding any contrary provision contained herein, no provision of this

Agreement shall be construed to prohibit IGC from acting as an independent, corporate governing body.

16.5 Statutory Requirements. IPS acknowledges that IGC must comply with all the financial requirements as a community school under applicable State law. In addition to the obligations set forth in Section 7, IPS agrees to provide such details and documentation related to IPS's Initial-Year Fee, IPS's Annual Fee and the Services as are reasonably necessary for IGC to meet its accounting and reporting obligations. In addition to the rights set forth in Section 7, upon reasonable, written notice, IGC and its designees shall have the right to review and audit IPS's books and records as they relate to this Agreement, including the right to make copies.

16.6 Force Majeure. If performance by IPS or IGC of any of their respective obligations other than the payment of money, under the terms of this Agreement is interrupted or delayed by an act of God, by acts of war, riot, terrorism or civil commotion, by an act of the State, by fire or flood, or by the occurrence of any other event beyond the control of the Parties, the Parties shall be excused from such performance for the same amount of time as such occurrence lasts or such period of time as is reasonably necessary after such occurrence abates for the effect of the occurrence to have dissipated. The Parties agree to act diligently to remedy the cause of any delay subject to this Section 16.6. Each Party shall notify the other Party promptly after any occurrence subject to this Section 16.6 that may affect the Party's performance of its obligations under this Agreement.

16.7 Assignment. Neither Party may assign any of its rights, duties or obligations under this Agreement without the other Party's prior written consent, provided that, IPS may assign all of its rights, duties and obligations to a subsidiary organization after providing written notice to IGC as provided herein.

16.8 IPS's Business Costs. All expenses or obligations incurred by IPS in the operation of its business and its performance of duties hereunder including, without limitation, IPS's business overhead expenses, shall be borne entirely by IPS and IGC shall have no obligation or liability for any fees, expenses or losses incurred by IPS except as expressly provided herein.

16.9 Notices. All notices required or permitted under this Agreement shall be in writing and shall be deemed received upon personal delivery (by hand delivery or courier), 5 days after being sent by registered or certified United States mail, return receipt requested, postage fully prepaid, or one day after being sent by a reputable, overnight express-mail service, addressed to the respective Party at its address as set forth above, or to such other address as each Party shall, from time to time, specify in the manner provided herein.

16.10 Severability. To the fullest extent possible, each provision of this Agreement shall be interpreted in such fashion as to be effective and valid under applicable law. If any provision of this Agreement is declared void or unenforceable with respect to particular circumstances, such provision shall remain in full force and effect in all other circumstances. If any provision of this Agreement is declared entirely void or unenforceable, such provision shall be deemed severed from this Agreement and this Agreement shall otherwise remain in full force and effect.

16.11 Governing Law. This Agreement shall be deemed to be made under, shall be construed in accordance with, and shall be governed by, the internal, substantive laws of Texas, without reference to any choice-of-law principles or provisions. Suit to enforce any provision of this Agreement or to obtain any remedy with respect hereto shall be brought in a federal or state court of competent jurisdiction in the State of Texas; and each Party hereto expressly and irrevocably consents to the jurisdiction of said court.

16.12 Successors In Interest. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by and against the respective successors and assigns of the Parties.

16.13 Time of Essence; Time Periods. Time is of the essence of this Agreement and each and every provision of this Agreement. Any extension of time granted for the performance of any duty under this Agreement shall not be considered an extension of time for the performance of any other duty under this Agreement. Unless expressly stated otherwise, any computation of time periods permitted or required herein stated in “**days**” shall mean calendar days. “**Business day**,” when so identified, shall mean normal working days, excluding Saturdays, Sundays and federal or State legal holidays. If the time for performance of any obligation due hereunder or the making of any election permitted hereunder is stated in “days” and expires on a Saturday, Sunday or federal or State legal holiday, then the time for performance of such obligation or for the making of any such election shall be extended to the next day which is not a Saturday, Sunday or legal holiday.

16.14 Survival. The provisions of Sections 1.3.4, 4.4, 5, 8.6.3, 8.6.4, 10, 11, 12, 14, 16.2, 16.17, 16.18, 16.22 and 16.24 shall survive the expiration or termination of this Agreement.

16.15 Waivers. No waiver of any term covenant or condition hereof shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent violation of the same or any other term, covenant or condition hereof. A Party’s consent to or approval of, any act of the other Party shall not be deemed to render unnecessary the obtaining of the applicable Party’s consent to, or approval of, any subsequent or similar act by the other Party, or be construed as the basis of an estoppel to enforce the provision or provisions of this Agreement requiring such consent.

16.16 Consents and Approvals. Except as otherwise expressly provided herein, wherever in this Agreement the consent or approval of a Party is required to an act by or for the other Party, such consent or approval shall not be unreasonably withheld or delayed.

16.17 Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

16.18 Attorney’s Fees. If attorneys are engaged, or any action is brought, by either Party in respect of its rights under this Agreement, the prevailing Party shall be entitled to reasonable attorneys’ fees, court costs and costs of appeal as determined by the court.

16.19 Counterparts. This Agreement may be executed in any number of counterparts, all such counterparts shall be deemed to constitute one and the same instrument, and each of the executed counterparts shall be deemed an original of this Agreement; provided, however, that this Agreement shall not be effective or enforceable unless and until it is executed by each Party.

16.20 Amendments. This Agreement may be amended or modified only in writing, signed by the Parties in interest at the time of the modification.

16.21 No Third Party Rights. No person or entity who is not a Party to this Agreement shall have any right to performance under this Agreement nor shall any person or entity who is not a Party to this Agreement have any right to enforce this Agreement.

16.22 Captions; Interpretation. Captions and headings are for convenience only and shall not alter the interpretation of any provision or be used in construing this Agreement. If the context requires, the use of the singular or plural (including the use of defined terms) shall also refer to the other. The word “including” is not exclusive; if exclusion is intended, the word “comprising” is used instead. The word “or” shall be construed to mean “and/or” unless the context clearly prohibits that construction. The language in all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning and not strictly for or against any Party. **Each Party warrants and represents that it has read this Agreement in its entirety, that it understands each and every term and condition hereof, and that it has had ample time to seek the advice of its own legal counsel and other professional advisors before signing this Agreement.** Accordingly, any rule of construction to the effect that ambiguities are to be construed against the drafting Party shall not apply to the interpretation of this Agreement or any amendment or exhibit hereof.

16.23 Representative Signatures. Any individual signing in a representative capacity hereby represents and warrants that he or she is duly authorized to execute and deliver this Agreement and has full authority and power to bind his principal to this Agreement. Each Party shall, upon the execution of this Agreement, deliver to the other Party documents evidencing such authority.

16.24 No Disparagement. During the term of this Agreement and for a period of 2 years thereafter, each Party agrees that neither it, nor its directors, officers, employees or agents, shall defame or disparage the other Party, nor any of the other Party’s directors, officers, employees or agents, to any third Party.


16.25 No Circumstances Substantially Limiting Rights. The Parties hereby agree that at all times during the Term of this Agreement, (a) no more than twenty percent (20%) of the voting power of IGC will be vested in the directors, officers, and employees of IPS, (b) the governing body of IGC will not include the chief executive officer of IPS or the chairperson (or equivalent executive) of IPS’s governing body, and (c) the chief executive officer of IPS will not be the chief executive officer of IGC or any of IGC’s related parties (as defined in Treas. Reg. § 1.150-1(b)). For purposes of this Section 16.25, references to IPS include IPS’s related parties (as

defined in Treas. Reg. § 1.150-1(b)) and the phrase “chief executive officer” includes a person with equivalent management responsibilities.

16.26 Entire Agreement. This Agreement, including any exhibits or schedules referenced herein, contains the entire agreement and understanding of the Parties with respect to the subject matter of this Agreement and, except for the TM Agreement, all agreements and understandings entered into prior to this Agreement, including those included in any prior agreement between the parties regarding the subject matter of this Agreement, are superseded by this Agreement to the extent they relate to the subject matter of this Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the dates shown below.

IPS ENTERPRISES, INC., a Texas non-profit corporation

Signed by:

By: _____
Its: Chief Financial Officer
Date: December 5, 2021

IPS GREATER CINCINNATI, INC., an Ohio non-profit corporation

By: _____
Its: Board President
Date: December 3, 2021

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the dates shown below.

IPS ENTERPRISES, INC., a Texas non-profit corporation

By: _____
Its: Chief Financial Officer
Date: December 5, 2021

IPS GREATER CINCINNATI, INC., an Ohio non-profit corporation

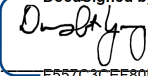
By:  _____
Its: Board President
Date: December 3, 2021

EXHIBIT A

AUTOMATIC RENEWAL PROVISION

Unless the Management Services Contract is terminated by either party pursuant to any of the clauses contained therein, it shall automatically renew in the event that any Ohio community school sponsor, including but not limited to the Thomas B. Fordham Foundation, renews the sponsor contract with IPS Greater Cincinnati, Inc. The renewal term of the Management Services Contract shall run concurrently with the term of each respective renewed sponsor contract; provided, however, that as of the time of each such renewal, the length of the renewal term of the Agreement shall never exceed the lesser of (a) 30 years, or (b) eighty percent (80%) of the remaining weighted average reasonably expected economic life of the assets managed pursuant to the Agreement and financed (directly or indirectly) by proceeds of obligations described in Section 103 of the Internal Revenue Code of 1986, as amended, or any successor provisions of future law.

EXHIBIT B

SCHOOL MANAGEMENT SERVICES

IPS shall provide the following 3 categories of services for each School. Except as expressly noted in the list of representative services below, expenses related to these Services (including payroll expenses of site management employed by IPS) shall be paid by IPS from IPS's Fee. This Exhibit B may be amended unilaterally by IPS in writing from time to time as reasonably determined necessary in order to facilitate or more accurately describe its services under the Agreement.

"Management Services" means and comprises general management services, site management services and supervision of operations.

"Operational Services" means and comprises all teaching and academic services and site administrative services (including enrollment, attendance, etc.).

"Accounts Payable Services" means IPS's management and supervision of all accounts payable and the New School's bank accounts, including the direct payment of the School's bills and expenses by IPS on behalf of the School from the School's bank accounts, and management and supervision of the School's bond reserve accounts.

Types of Payment. Reasonable costs and expenses associated with goods and services not covered by IPS's Fee may be paid by the School by either of two methods, as determined by IPS: (1) Such expenses may initially be paid by IPS then passed through IPS's accounting services and invoiced by IPS to the School for reimbursement to IPS ("**Pass-Through Expense**"). All Pass-Through Expenses are in addition to IPS's Fee; or (2) IGC may pay such expenses from the School's bank accounts ("**Direct Payment**"). Direct Payments shall be authorized and permitted for any of the School's legitimate and ordinary expenses, including, without limitation, utility bills, supplies, building maintenance and repair, equipment maintenance and repair and all other ordinary or recurring business expenses. All Direct Payments are in addition to and not included in the Services fees and Pass-Through Expenses established in this Agreement.

Management Services

Site Management. Subject to IPS's right to restructure its management and staff, in its sole and absolute discretion, the typical site management at a school will be comprised of:

1. a Head of School;
2. an Upper-School Director for each upper school; and
3. a Middle-School Director for each middle school and a Head of Operations.

Site Management also includes:

1. Overall Management of the New School's academic program by the Head of School;
2. Overall Management of the Upper School by the Upper School Director;
3. Overall Management of the Middle School by the Middle School Director; and
4. Overall Management of the New School's physical plant and day-to-day operations by the Head of Operations.

Technology and IT Services:

1. Designing overall technology and IT system and strategy;
2. Assuring alignment of technology purchases with technology strategy;
3. Providing staff training on the technology and IT systems;
4. Designing overall data collection system; selecting and/or creating database systems; assuring compatibility and security of systems;
5. Managing IT staff at school site; and
6. Conducting research on future growth of technology and IT services and equipment and implementing changes and improvements.

Costs and expenses of the IT services provided at School site either by contract or by IPS employees and other direct costs related to technology and IT systems (e.g., computer and other technology repairs, software installation, internet connection maintenance, etc.) are not included in IPS's Fee.

Public Relations:

1. Developing the public-relations strategy for the School;
2. Preparing and distributing press releases for the School;
3. Conducting regular outreach efforts for the School; and
4. Engaging firms for PR services as required.

Costs and expenses for services provided by PR firms are not included in IPS's Fee.

Development:

1. Identifying relevant grant opportunities;
2. Writing and administering of all grants for the School;
3. Managing fundraising for the Master Teacher Programs;
4. Managing fundraising for special projects and needs; and
5. Contracting with outside fundraisers and/or providing fundraising staff at each school as required.

Costs and expenses for (i) services provided by outside fundraisers; (ii) expenses for fundraising staff at the New Schools; and (iii) fundraising costs including, but not limited to the costs of printing brochures, hosting events and travel, are not included in IPS's Fee.

Other:

1. Negotiating capital equipment purchases and lease for existing site;
2. Maintaining the School's corporate files and providing support for Board meetings;
3. Preparing State and Sponsor- required annual reports for the School;
4. Providing school calendars that meets State requirements;
5. Providing time schedules for School;
6. Coordinating and supervising building and asset maintenance and repair;
7. Planning staffing levels at School; and
8. Providing administrative support for the Board under the direction of the Chairman.

Costs and expenses related to building and asset maintenance and repair are not included in IPS's Fee.

Operational Services

Enrollment and Enrollment Maintenance:

1. Supervising operations related to:
 - Enrollment - registration, waiting-list management and withdrawals
 - Attendance
 - Student Records
2. Creating manuals and time lines for policies and procedures and staff training related to:
 - Enrollment - registration, waiting-list management and withdrawals
 - Attendance
 - Student Records
3. Conducting market analysis (demand for the School's services)
4. Conducting student-retention analysis
5. Preparing periodic enrollment reports for the Board

EMIS – Education Management Information System

1. Contracting with database-system providers, updating and solving database problems.

Costs and expenses relating to contracting for database systems are not included in IPS's Fee.
2. Conducting data-entry training for site staff.
3. Supervising data entry.
4. Supervising data uploads.
5. Reconciling EMIS and School database data.
6. Supervising EMIS legal compliance.

Curriculum:

1. Designing and publishing policies and procedures related to Board-approved Middle School grade promotion and High School graduation requirements, consistent with Ohio law.
2. Designing and administering the New School's internal syllabi audit system (the audit system includes the curriculum alignment with state standards), managing the system and supervising the process of AP course audits.
3. Designing the School's students' and schools' progress assessment system, managing the system and training the teachers and administrators to use the system.
4. Supervising the administration of required State assessments, including end-of-course exams, etc.

Costs and expenses related to external tests for students including, but not limited to, PSAT, SAT, ACT, AP Exams, Cambridge Exams, Latin National Exam, and the costs of external training related to these exams, are not included in IPS's Fee.

Teachers:

1. Conducting teacher recruiting.
2. Conducting in-house, teacher-training programs in subject content, classroom management, assessment design, developmental psychology and federal and State compliance, including special-education compliance.
3. Arranging training by outside experts and coordinating off-site individual teacher training and professional development activities.
4. Planning instructional staffing levels.

Costs and expenses related to teacher recruitment paid to third parties and the costs of food, lodging and space rental for teacher training as well as the costs and expenses of training or professional development courses for teachers provided and/or organized by other organizations including, but not limited to, AP course training, and Cambridge Exams, are not included in IPS's Fee.

Students:

1. Creating policies and procedures and supervising operations related to:

Identifying and providing services to “**Atypical Learners**” (i.e., students that demonstrate atypical learning behavior: a faster or slower pace of learning than the average student);

Identifying and providing educational services to students with disabilities, in compliance with federal and State laws and regulations, including State-required reporting.

2. Finding, contracting and supervising licensed SPED staff at school.

3. Supervising data collection and providing relevant data for State monitoring and SPED audits.

Costs and expenses related to services provided to Atypical Learners and SPED services are not included in IPS’s Fee.

Accounts Payable Services

Accounting

1. Preparing proposed, adopted and adjusted versions of school budgets.
2. Submitting budgets and five-year forecasts for Board review and approval as required by applicable law.
3. Coordinating, preparing and providing audit data for annual audits.
4. Recording the School’s accounting data.
5. Preparing quarterly financial reports for the Board.
6. Preparing the School’s tax returns.
7. Managing accounts payable and accounts receivable.
8. Maintaining all vendor files.
9. Assuring compliance with GAGAS accounting standards.
10. Assuring compliance with existing Bondholder reporting requirements.

Unenumerated Services:

IPS is authorized to provide reimbursable services and incur expenses not specifically enumerated above that IPS believes are required to execute IPS's responsibly to manage, oversee and supervise all the operations and activities of the School so long as the costs incurred for such services do not exceed two percent (2%) of the authorized budget level for the appropriate category of expense ("**Category Cap**") or any higher cap set by the Parties. Within 30 days of incurring expenses under this provision in the aggregate amount of the Category Cap or any higher cap set by IGC, IPS will notify the Chairman of IGC concerning the details of such expenses.