



**COMMUNITY SCHOOL SPONSORSHIP
RENEWAL CONTRACT**

FOR

**HORIZON SCIENCE ACADEMY
LORAIN**

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**COMMUNITY SCHOOL SPONSORSHIP
RENEWAL CONTRACT
FOR
HORIZON SCIENCE ACADEMY LORAIN**

Pursuant to Ohio Revised Code Chapter 3314, this community school sponsorship contract ("Contract") for the Horizon Science Academy Lorain ("School") is entered into on the 22 day of May, 2020, between the Buckeye Community Hope Foundation, ("Sponsor" or "BCHF") an Ohio non-profit corporation and the Governing Authority of Horizon Science Academy Lorain ("Governing Authority"), an Ohio non-profit corporation (collectively, the "Parties").

WHEREAS, Ohio law permits the formation and operation of public community schools; and

WHEREAS, the Sponsor is authorized to sponsor community schools; and

WHEREAS, the School commenced operation as a community school as of July 1, 2010; and

WHEREAS, the Sponsor currently sponsors the School pursuant to sponsorship contract (the contract and any amendments or modifications, collectively the "Existing Contract") with a term ending June 30, 2020; and

WHEREAS, the School timely applied for the Sponsor to continue to sponsor the School; and

WHEREAS, as required by R.C. 3314.03(E) and through the renewal process, which included a High Stakes Review, the Sponsor found that the School's compliance with applicable laws and the terms of the Existing Contract, and the School's progress in meeting the academic standards in the Existing Contract have been satisfactory; and

WHEREAS, pursuant to the aforementioned review, Sponsor desires to extend its relationship through this Contract.

NOW, THEREFORE, in consideration of the mutual benefits provided hereunder and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

I. ESTABLISHMENT AND AUTHORITY

Authority to Operate & Term

- A. 1. Authority to Operate.** The Governing Authority shall operate a start-up community school as permitted by law, subject to applicable federal laws, state laws, and this Contract. The Governing Authority may carry out any act or ensure the performance of any function that is in compliance with the Ohio Community School Law (R.C. Chapter 3314), Ohio Administrative Code,

the United States Constitution, the Ohio Constitution, other relevant Federal and/or State law, and this Contract.

2. **Term.** This Contract shall commence for a term beginning on July 1, 2020 and ending on June 30, 2025 ("Term") provided the Ohio Department of Education authorizes Buckeye Community Hope Foundation to operate as a sponsor for the Term.
3. **Open for Operation.** The School will be open for operation by September 30th of each School Year, unless the mission of the School is solely to serve drop-out students. If the School fails to open by September 30th in its initial year of operation or within one (1) year after the adoption of a contract pursuant to R.C. 3314.02(D), the Contract shall be void, unless the mission is to serve drop-out students.
4. **School Agreements with Third Parties.**
 - a. The Sponsor is not liable for the debts of the School or the Governing Authority.
 - b. The Parties agree that certain agreements represent significant and material transactions that must be provided to the Sponsor in substantial form at least five (5) business days prior to adoption by the Governing Authority. These agreements include:
 - (1) the purchase, sale, lease, or other disposition of any real property; and
 - (2) All agreements in excess of five hundred thousand dollars (\$500,000.00).
5. **Bond.** To the extent required by R.C. 3314.50 which only applies to schools that initiated operation on or after February 1, 2016, the Governing Authority must post a bond in the amount of Fifty Thousand Dollars (\$50,000). In lieu of a bond, the Governing Authority or the Operator may deposit cash in the amount of Fifty Thousand Dollars (\$50,000). In lieu of a bond or cash deposit, the School's operator may provide a written guarantee of payment obligating the Operator to pay the costs of audits of the School up to an amount of Fifty Thousand Dollars (\$50,000). Unless agreed to otherwise, the Sponsor shall not deposit cash or provide a written guarantee pursuant R.C. 3314.50.
6. **Independent Attorney.** The School shall comply with R.C. 3314.036, which provides "[t]he governing authority of a community school shall employ an attorney, who shall be independent from the school's sponsor or the

operator with which the school has contracted, for any services related to the negotiation of the community school's contract with the sponsor or the school's contract with the operator.”

B. Corporate Formalities

1. **Establishment.** The School shall be established as either: (1) a nonprofit corporation established under R.C. Chapter 1702, if established prior to April 8, 2003; or (2) a non-profit public benefit corporation established under R.C. Chapter 1702, if established after April 8, 2003. The School shall remain in good standing as a non-profit or public benefit corporation pursuant to Chapter 1702 of the Revised Code for the entire term of this Contract.
2. **Tax Exempt Status.** The School may apply to be a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code. Upon obtaining tax exempt status, the School must provide its status determination letter to the Sponsor within ten (10) business days of receipt.
3. **Documentation.** Prior to either party approving this Contract and as a part of the School's Comprehensive Plan, the School shall provide the Sponsor a copy of all current Corporate Documents. Any modification to or renewal of a Corporate Document during the School Year shall be provided to the Sponsor within ten (10) business days of said modification or renewal. Corporate Documents are defined to include:
 - a. The Certificate of Incorporation;
 - b. The Articles of Incorporation;
 - c. Appointment of Statutory Agent;
 - d. The Code of Regulations;
 - e. Taxpayer Employer ID Number; and
 - f. the IRS Tax Determination Letter, if applicable.

C. Location

The School is authorized to operate at 760 Tower Blvd., Lorain, Ohio, 44052, which shall be the School's primary location ("Primary Location"). The Primary Location may not change without modification to this Contract.

1. Prior to the School entering or renewing any lease or purchase agreement for real property ("Property Agreement"), the Sponsor shall have the right to: (i) inspect and approve the property, provided that such approval may not be unreasonably withheld or delayed; (ii) reasonably request and review documentation to assess the adequacy of the property; and (iii) review the

terms of the Property Agreement prior to execution consistent with Article I, Section A (4) of this Contract.

2. The School shall perform due diligence prior to entering a Property Agreement and may not agree to or enter into any Property Agreement that is either (a) not reasonably reflective of fair market value or (b) above fair market value. The Governing Authority may not enter into a lease with a Management Company for any parcel of real property until an independent professional in the real estate field verifies that the lease is commercially reasonable at the time of signing. Any lease payments, mortgage payments, or capital improvement costs must be consistent with the yearly budgets given to and accepted by the Sponsor.
3. Each Property Agreement and any modification or renewal thereof shall be provided to the Sponsor upon execution.
4. Consistent with R.C. 3314.03, **Exhibit 1** contains an addendum outlining the facilities the School will use for instructional purposes, including: (a) a detailed description of each facility used for instructional purposes; (b) the annual costs associated with leasing each facility that are paid by or on behalf of the School; (c) the annual mortgage principal and interest payments that are paid by the School; and (d) the name of the lender or landlord, identified as such, along with the lender or landlord's relationship to the Operator, if any.

D. Dispute Resolution

Except for a dispute arising under Article XI, Section B, regarding expiration, probation, non-renewal, suspension, and termination, the Parties shall use the following dispute resolution procedure for any dispute regarding or arising from this Contract or any issue related to the School:

1. The Parties shall attempt to resolve any dispute by holding an informal meeting between a designee of the Sponsor and President or other designee of the Governing Authority.
2. If the Parties cannot resolve the dispute, the matter shall be submitted to a qualified, mutually selected, mediator for mediation. The Parties shall equally split all fees or costs of any third-party mediator. The Parties will make every attempt to resolve such disputes through mediation.

E. Organizational Plan

The Governing Authority must provide the organizational structure and relationships between the management/administration, employees, and Governing Authority in a chart

as well as a narrative describing the working relationships of each entity. This shall be submitted as part of the Comprehensive Plan and is subject to Sponsor approval, which shall not be unreasonably withheld. Any modifications to the organizational plan must be submitted to the Sponsor in writing prior to implementation.

F. Operator Agreements

1. The School may enter into a contract with an Operator ("Operator Agreement"). As used in this Contract, the term Operator is consistent with how the term is defined in R.C. 3314.02(A)(8), which as of the execution of this Contract means either (a) an individual or organization that manages the daily operations of the School pursuant to a contract between the Operator and the Governing Authority; or (b) a nonprofit organization that provides programmatic oversight and support to the School under a contract with the Governing Authority and that retains the right to terminate its affiliation with the School if the School fails to meet the organization's quality standards.
2. Prior to entering into an Operator Agreement, the School shall retain an attorney, who is independent of the Operator with which the School is contracting, for negotiation of the Operator Agreement in accordance with R.C. 3314.036.
3. As of the execution of this Contract, the School represents that it is/ is not contracting with an Operator. The Operator is Concept Schools NFP. If the Governing Authority proposes (a) to enter into another Operator Agreement after execution of this Contract, (b) to change operators or have its Operator Agreement assigned during the Term of this Contract, or (c) to remove the Operator and operate the School without an operator, the Governing Authority shall notify the Sponsor and submit all information necessary to propose a modification to this Contract.
4. Each executed Operator Agreement or any assignment, amendment, modification, or renewal thereof must be provided to the Sponsor within ten (10) days of execution. The Sponsor's receipt of the foregoing does not constitute the Sponsor's approval of or an opinion regarding-legality and is not binding upon the Sponsor. The Operator Agreement shall at all times comply with this Contract, State law, and Federal law.
5. Each Operator Agreement must:
 - a. Afford the School adequate resources to pay professional fees to resolve any controversies between the Operator and the Governing Authority;

- b. Include criteria to be used for early termination of the Operator Agreement and required notification procedures and timeline for early termination of nonrenewal of the Operator Agreement, in accordance with R.C. 3314.032(A); and
 - c. Stipulate which entity owns all community school facilities and property, including, but not limited to, equipment, furniture, fixtures, instructional materials and supplies, computers, printers, and other digital devices purchased by the Governing Authority or Operator, in accordance with R.C. 3314.032 and 3314.0210.
- 6. All moneys the Operator loans to the School, including facilities loans or cash flow assistance, must be accounted for in the School's annual budget, documented and bear interest at a fair market rate in accordance with R.C. 3314.03(A)(3).
- 7. If the Operator provides services to the School in excess of twenty percent (20%) of the School's gross annual revenues, then the Operator must provide a detailed accounting of the nature and costs of the services it provides to the School, in accordance with R.C. 3314.024 (A).
- 8. When an Operator purchases furniture, computers, software, equipment, or other personal property for use in the operation of the School with state funds that were paid to the Operator by the School as payment for services rendered, such property is property of the School and is not property of the Operator.
- 9. If the School closes and ceases its operation as a community school, any property that was acquired by the Operator shall be distributed in accordance with R.C. 3314.015(E) and R.C. 3314.074.
- 10. If the Governing Authority does not engage an Operator, the Sponsor may require the Governing Authority to interview, select, and enter into an operator agreement if the Sponsor determines at its sole discretion that an operator is necessary due to the Governing Authority abandoning or breaching its duties in a manner that is likely to cause immediate or irreparable harm to the School and/or its students.

II. GENERAL COMMUNITY SCHOOL REQUIREMENTS

A. Compliance with Ohio Law

- 1. To the extent required by R.C. 3314.03, the School shall comply with the following sections of the Revised Code as if it were a school district: Sections 9.90 [Purchase or procurement of insurance], 9.91 [insurance, annuities],

109.65 [missing children, fingerprinting], 121.22 [open meetings], 149.43 [public records], 2151.357 [sealed records], 2151.421 [child abuse reporting], 2313.19 [employees summoned for jury duty], 3301.0710 [Ohio graduation tests], 3301.0711 [administration and grading of tests], 3301.0712, [college and work ready assessments], 3301.0715 [achievement and diagnostic testing], 3301.0729 [time spent on assessments], 3301.948 [restriction against providing student names/addresses to multi-state consortium offering summative assessments], 3313.472 [parental/foster caregiver involvement policy], 3313.50 [student hearing and vision records], 3313.536 [school safety plan], 3313.539 [concussion and head injuries], 3313.5310 [information and training regarding sudden cardiac arrest], 3313.608 [third grade reading guarantee], intervention and remediation], 3313.609 [grade promotion and retention policy], 3313.6012 [academic intervention], 3313.6013 [dual enrollment programs], 3313.6014 [notice of core curriculum requirements], 3313.6015 [college and career readiness, financial literacy], 3313.6020 [career advising policy, at-risk student identification and success plans], 3313.6024 [reporting prevention-focused programs], 3313.6411 [school report card provided to parent upon enrollment of student], 3313.643 [eye protective devices], 3313.648 [prohibition of payment of incentive to enroll], 3313.66, [suspension, expulsion, removal, exclusion] 3313.661 [policy regarding discipline], 3313.662 [suspension, expulsion, removal, exclusion], 3313.666 [policy prohibiting harassment, intimidation, bullying], 3313.667 [bullying prevention initiatives]; 3313.668 [removal from school based on absences]; 3313.67 [immunization of pupils], 3313.671 [immunizations], 3313.672 [new student school records, custody orders, birth certificate], 3313.673 [k-1 health and other screening], 3313.69 [hearing and vision screening], 3313.71 [health screening, tuberculosis], 3313.716 [asthma inhalers], 3313.718 [epinephrine auto-injection], 3313.719 [policy protecting students with peanut or other food allergies], 3313.7112 [diabetes], 3313.721 [health care for students], 3313.80 [display of flag], 3313.801 [display of mottos], [3313.814 [food sold on school premises], 3313.816 [sale of a la carte items], 3313.817 [requirements concerning sale of food and beverages], 3313.818 [breakfast programs] 3313.86 [review of policies and procedures to ensure safety], 3313.89 [online education and career planning tool]; 3313.96 [missing children], 3319.073 [child abuse prevention training], 3319.321 [confidentiality of student information], 3319.39 [criminal records check], 3319.391 [applicants and new hires criminal records check], 3319.41 [corporal punishment], 3319.46 [behavior supports, restraint, and seclusion], 3321.01 [admittance to kindergarten, first grade], 3321.041 [requirements related to out-of-state enrichment or extracurricular activities], 3321.13 [duties of teacher or superintendent upon withdrawal or habitual absence], 3321.14 [attendance officer], 3321.141 [notification of unexcused absences], 3321.17 [attendance officer powers], 3321.18 [enforcement proceedings], 3321.19 [examination into cases of truancy],

3321.191 [habitual absence, truancy], 3327.10 [qualifications of drivers], 4111.17 [wage discrimination], 4113.52 [whistleblower protection], and 5705.391 [spending plan].

2. To the extent required by R.C. 3314.03, the School shall comply with the following Chapters of the Revised Code as if it were a school district: Chapters 117 [fiscal audits], 1347 [privacy], 2744 [tort liability], 3365 [post-secondary enrollment], 3742 [lead abatement], 4112 [civil rights], 4123 [workers' compensation], 4141 [unemployment compensation], and 4167 [occupational safety].
3. To the extent required by R.C. 3314.03, the School shall comply with R.C. 3301.0714 [EMIS guidelines] in the manner specified in R.C. 3314.17.
4. To the extent required by R.C. 3314.03, the School shall comply with R.C. Chapter 102 [public officers – ethics] and R.C. 2921.42 [soliciting or accepting improper compensation].
5. To the extent required by R.C. 3314.03, the School, unless it is an e-school, shall comply with R.C. 3313.801 as if it were a school district.
6. To the extent required by R.C. 3314.03, the School, unless it is an e-school or a school in which a majority of the enrolled students are children with disabilities, shall comply with R.C. 3313.6021 and R.C. 3313.6023 [CPR and AED training] of the Revised Code as if it were a school district.
7. If the School operates a preschool program that is licensed by the Department under R.C. Sections 3301.52 to 3301.59, the School shall comply with R.C. Sections 3301.50 to 3301.59 and the minimum standards for preschool programs prescribed in rules adopted by the state board under R.C. 3301.53.
8. The School shall comply with all other laws or rules that are or become applicable to Ohio community schools.

B. Prior Status

The School certifies that it was not a non-public chartered or non-chartered school in existence on January 1, 1997. This representation is material, and if in error, the Sponsor may terminate this Contract. For purposes of this Contract, the School will be considered to be a non-public chartered or non-chartered school if the faculty and students in 1997 were almost all located at the same non-public chartered or non-chartered school in existence on January 1, 1997.

C. Non-Sectarian

The School shall be nonsectarian in its programs, admissions policies, employment practices, and all other operations, and will not be operated by a sectarian school or religious institution.

III. GOVERNING AUTHORITY

A. Composition

The Governing Authority shall be responsible for carrying out the provisions of this Contract. The Governing Authority shall have at least five (5) members. No person may serve on the Governing Authority if prohibited from doing so pursuant to R.C. 3314.02 or any other law, rule, or regulation.

B. Roster

The School shall maintain and provide to the Sponsor a roster of the current Governing Authority members. The roster must include information used for Governing Authority business, including each member's name, mailing address, phone number, and email address.

C. Sponsor Prior Approval

1. No person shall be eligible to serve on the Governing Authority until he or she provides all information and documentation to the Sponsor as required under Article III, Section (D).
2. Each proposed member of the Governing Authority must be approved by the Sponsor prior to appointment as a member counted for quorum and voting purposes. Such approval shall not be unreasonably withheld, conditioned, or delayed.

D. Required Documentation

1. The School shall require each Governing Authority member to provide the documents identified below.
 - a. A signed consent to release BCI and FBI background check results to the Sponsor.
 - b. A copy of the results of both a BCI and FBI background check, which must be repeated every five (5) years, unless the Governing Authority member has lived in Ohio for the past five (5) years, in which case only a BCI check must be repeated.

- c. A resume or biographical vitae that accurately reflect experience, education, and other professional competencies related to serving on the Governing Authority.
 - d. A signed annual conflict of interest and disclosure statement, on a form prepared by or approved by the Sponsor.
 - e. A signed attestation form affirming compliance with all applicable provisions listed in R.C. 3314.02(E).
 - f. A list of all other Ohio community school governing authorities on which the person currently serves.
2. The Governing Authority agrees to supplement the above information if such information changes during the School Year.

E. Public Availability of Governing Authority Information

To promote transparency, the Governing Authority agrees to make the following information available at a publicly accessible area in the School's administrative office and on the School's website: (1) a current list of the Governing Authority members and officers, (2) the contact information of the Governing Authority members for Governing Authority business, and (3) the schedule and location of each Governing Authority meeting.

F. Training

The Governing Authority agrees to have its members attend training and receive technical assistance as required by law and this Contract.

- 1. All Governing Authority members must attend annual training on public records and open meetings as required by R.C. 3314.037. Existing members are encouraged to participate in additional training.
- 2. New Governing Authority members must make themselves available to participate in new member training provided by the Sponsor within ninety (90) days of appointment.
- 3. As part of its Comprehensive Plan, the Governing Authority must submit an annual Governing Authority training plan.

G. Conflicts of Interest

The Governing Authority shall adopt a conflict of interest policy that addresses Ohio's public official ethics and conflicts rules (to the extent that these laws and rules are

applicable to community schools), corporate conflict rules, and if applicable, Internal Revenue Code conflict rules. The policy shall be provided to the Sponsor upon request.

H. Meetings

1. The Governing Authority must hold a minimum of six (6) regular meetings per School Year. These meetings must be held on at least a bimonthly basis. A majority of the Governing Authority's regular meetings must be held within 50 miles of the school's Primary Location or within the same county as the Primary Location. The Governing Authority shall allow the Sponsor's representative to be present during all executive sessions unless either discussing pending or imminent litigation against the Sponsor or matters involving attorney-client privilege.
2. A majority of members of the Governing Authority shall constitute a quorum for purposes of conducting official business.
3. The School agrees to provide the Sponsor with a written notice of each Governing Authority meeting pursuant to the schedule specified below and further agrees to provide a copy of the agenda when it is provided to Governing Authority members.
 - a. Notice of regular meetings shall be provided promptly upon being approved and at least ten (10) business days prior to each meeting.
 - b. Notice of a special meeting shall be provided immediately upon being scheduled and at least twenty-four (24) hours before each meeting.
 - c. Notice of an emergency meeting shall be provided immediately upon being scheduled.

I. Payment to Sponsor

1. Pursuant to the R.C. 3314.03(C), the Governing Authority agrees to pay the Sponsor three percent (3%) of the total amount of payments for operating expenses that the School receives from the State in consideration for providing monitoring, oversight, and technical assistance to the School. Such payments shall be paid based on invoices from the Sponsor and shall be paid on or before the last day of each month.
2. If the School is required to repay funds received from the State of Ohio due to an FTE Final Adjustment, the Sponsor shall repay the Governing Authority the percentage of the oversight fee related to the FTE adjustment as determined by the FTE Final Adjustment audit so long as the adjustment is not related to the fraud or negligence of the School. The Sponsor shall have

the option of completing repayment (a) within ten (10) business days from written demand from the School or (b) in monthly installments for up to the entire term of the School's then current sponsorship contract.

J. Insurance

Comprehensive general liability, errors and omissions, business interruption and other miscellaneous insurance coverage (as per School policy) at all times shall be maintained by the Governing Authority for the School, itself, and its employees, in amounts not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) in the aggregate with an excess or umbrella policy extending coverage as broad as primary coverage in an amount no less than Five Million Dollars (\$5,000,000). The insurance coverage shall be not only for the School and the Governing Authority and its employees but also for the Sponsor as an additional insured and certificate holder. The policy or certificate of insurance shall be provided to the Sponsor upon request. The Governing Authority shall provide evidence of such coverage annually and the insurer shall notify the Sponsor in writing at least thirty (30) days in advance of any material adverse change to, or cancellation of, such coverage, however such updates will not require or constitute a modification to this Contract. The Governing Authority shall also maintain directors and officers' liability, errors and omissions, and business interruption insurance coverage in an amount not less than One Million Dollars (\$1,000,000) per occurrence.

K. Governance Plan

The process by which the Governing Authority will be selected in the future is outlined in the School's Code of Regulations, which shall be submitted to the Sponsor as part of the School's Comprehensive Plan. The School's Comprehensive Plan shall detail the School's management and administration as required by 3314.03 (B).

IV. REPORTING AND RECORDS

A. Annual Report

1. The Governing Authority shall create an annual report that includes the School's financial status, a report on all activities and progress in meeting the goals and standards of this Contract, and a statement from the Sponsor regarding the performance of the School. The School must submit a draft of the report to the Sponsor for review within three (3) months after the prior School Year and the School must submit the final report to the Sponsor and parents no later than four (4) months after the prior School Year.
2. To the extent R.C. 3314.023 requires the Sponsor to complete an annual evaluation of the School, the Governing Authority agrees to make the annual evaluation received from the Sponsor available to each parent by November 30th of each School Year.

B. Additional Reporting

- 1. Sponsor Requests.** Unless specified otherwise, the Governing Authority and/or the School shall provide responses to reasonable requests from the Sponsor within ten (10) business days. Any deficiency shall be cured within a reasonable period of time acceptable to the Sponsor, except for a health or safety emergency which must be cured immediately and which may be grounds for termination of this Contract.
- 2. Findings for Recovery.** Annually, the Governing Authority shall report to the Sponsor any findings for recovery issued by the Auditor of State against any member of the Governing Authority, the Operator, if applicable, or any employee of the School with responsibility for fiscal operations or authorization to expend money on behalf of the School, including those hired by the Operator. The School shall respond within a reasonable time to the Sponsor's inquiries regarding such information.
- 3. Operator.** The Governing Authority shall provide a written report to the Sponsor of all financial data, structure, and operations of the Operator it contracts with, if it contracts with one, as it pertains to the School, when requested and for the School's Annual Report.

C. Access to Records

- 1.** The Governing Authority, School, and Sponsor agree that pursuant to 20 U.S.C. Section 1232g, the Family Educational Rights and Privacy Act ("FERPA"), and 34 CFR Part 99, the Sponsor is an authorized representative of a state educational authority and the School is permitted to disclose to the Sponsor personally identifiable information from an education record of a student without parent consent (or student consent where applicable) and that the Sponsor is authorized by federal, state, and local law to conduct audits, compliance evaluations, and enforcement activities of federal and state supported education programs. Accordingly, the School agrees to grant the Sponsor Complete Access to "education records" as defined by FERPA and all documents, records, reports, databases, and other information made available to or maintained by the School or its agent(s) (including education management companies or charter management companies serving as the School's management company) that is reportable to the Department or the Ohio Auditor of State. Such information shall include, but is not limited to, ODDEX and the Education Management Information System. "Complete Access" shall include, subject to FERPA, the ability to inspect and copy paper and electronic records at the School and the School or its agents(s) shall

provide usernames and passwords where applicable to enable the Sponsor to review applicable records.

2. The Sponsor agrees to comply with FERPA and regulations promulgated thereunder and warrants that it shall use reasonable methods to limit Sponsor employee access to only those records in which they have legitimate educational interests and that, as required by law, the Sponsor will destroy the educational records when no longer needed for the purpose outlined in this Contract, or otherwise needed under state or federal law or any applicable court order.
3. The Sponsor is responsible for all reasonable costs or damages that result from the Sponsor's failure to comply with FERPA, or the Sponsor's failure to comply with other state and federal laws regarding the privacy of education records and the obtaining of criminal records checks.
4. The Sponsor is responsible for any liability or adverse consequence(s) to the School resulting from an accidental or other deletion, release, or alteration of information or data systems of the Department as a result of such access if caused solely and directly by the Sponsor, its employees, or its contractors.
5. Subject to Paragraph 1 of this Section, the School agrees to provide the Sponsor access to Testing Information Distribution Engine ("TIDE") norm-referenced testing portal, Educational-Value Added Assessment System ("EVAAS") data, and other school data necessary for the Sponsor to fulfill its obligations.

D. Notification

The Governing Authority must immediately report to the Sponsor knowledge of any event or circumstance that may have a material adverse effect on the School. The Governing Authority also must report to the Sponsor knowledge of any potential litigation or litigation against or affecting the School within three (3) business days of such knowledge.

V. ADMISSIONS, ENROLLMENT, AND WITHDRAWAL

A. Authorized Grades

The School is authorized to provide learning opportunities for grades kindergarten through twelfth (k-12). The Governing Authority must provide the Sponsor with a Governing Authority adopted resolution stating the intent of the School to add a grade or grades, along with any required updates to the Education Plan, Budget, Fiscal Plan, Comprehensive Plan, or any other certifications required by the Sponsor designed to meet the needs of the students served by the additional grades.

B. Admission Standards and Policy

1. The School shall comply with the admission standards and procedures specified in R.C. 3314.06 and R.C. 3314.061.
2. The Governing Authority must adopt a policy regarding the admission of students who reside outside the district in which the School is located. That policy shall comply with the admissions standard specified in R.C. 3314.06 and R.C. 3314.061. At the sole discretion of the Governing Authority, the admission policy shall do one of the following: (a) prohibit the enrollment of students who reside outside the district in which the School is located; (b) permit the enrollment of students who reside in districts adjacent to the district in which the School is located; or (c) permit the enrollment of students who reside in any other district in the state. At its sole discretion, the Governing Authority has identified that it will enroll students who reside in any district in the state.
3. Admission to the School shall be open to any individual age five (5) to twenty-two (22) entitled to attend school pursuant to R.C. 3313.64 or R.C. 3313.65 in a school district in the state, except that pursuant to R.C. 3314.06, the School may limit admission to students who have attained a certain grade level, are within a certain age group, who meet a definition of at-risk as defined in the Educational Plan (**Exhibit 2**), who reside in a specific geographic area, or to separate groups of autistic and nondisabled students. Such geographic limitations, if any, are specified in Article V, Section B(2). Such grade level limitations, if any, are specified in Article V, Section (A).
4. The School's admission procedures must specify that the School will not discriminate in its admission of students to the School on the basis of gender, race, creed, religion, color, national origin, sex, or disability, and will not limit admission to students on the basis of intellectual ability, measures of achievement or aptitude, or athletic ability, except as permitted by law.
5. The School shall provide a non-discrimination notice in annual reports, student/parent handbooks, enrollment materials, and marketing materials.
6. Upon the identification or admission of any disabled student, the School shall comply with federal and state laws regarding the education of disabled students.

C. Notice upon Enrollment

Upon enrollment of a student, the Governing Authority must distribute to the student's parent the statement required pursuant to R.C. 3314.041, and the School's most recent report card.

D. Enrollment, Attendance, and Dismissal

1. **Enrollment and Attendance.** The Governing Authority must adopt an enrollment and attendance policy that requires a student's parent to notify the School when there is a change in the location of the parent's or student's primary residence.
2. **Dismissal.** The Governing Authority must adopt an attendance policy that includes a procedure for automatically withdrawing a student from the School if the student without a legitimate excuse fails to participate in seventy-two (72) consecutive hours of the Learning Opportunities offered to the student.
3. The School's enrollment, attendance, and participation policies will be available for public inspection, posted on the School's website, and provided to the Sponsor upon request.
4. The School's attendance and participation records must be made available, upon request, to the Department, Auditor of State, and Sponsor to the extent permitted under and in accordance with the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232g, as amended, and any regulations promulgated under the act, and R.C. 3319.321.

E. Lottery

1. The number of students admitted to the School will not exceed the capacity of the School's programs, classes, grade levels, or facilities ("Capacity Restrictions").
2. The Governing Authority shall adopt a policy that if the number of applicants exceed Capacity Restrictions, students shall be admitted by lot from all those submitting applications. Pursuant to Ohio law, preference shall be given to students attending the School the previous year and to students who reside in the school district in which the School is located. The policy may give preference (a) to siblings of students attending the School the previous year or (b) to students who are the children of full-time School staff members, provided the total number of students receiving this preference is less than five percent (5%) of the School's total enrollment. The policy must be provided to the Sponsor upon request.
3. The School shall provide written notice to the Sponsor of any lottery dates at least five (5) business days in advance so the Sponsor may attend.

F. Community Balance

The School shall develop ways to achieve a balanced enrollment reflective of the community it serves. The School shall not restrict its marketing or recruiting efforts to any particular racial or ethnic group. The Parties recognize that community schools are schools of choice, and that parents and guardians ultimately choose where their students enroll. The Governing Authority shall annually assess and compare the School's racial and ethnic demographic data with the community it serves and determine whether the School's racial and ethnic balancing plan requires modification. Any modifications to the plan will be provided to the Sponsor for review.

G. Residence and Address Verification Policy

The Governing Authority shall adopt a student residence and address verification policy for students enrolling in or attending the School. The policy must be provided to the Sponsor upon request.

H. Tuition and Fees

1. The School may not charge tuition for any student who is a resident of Ohio. The Governing Authority may be open on a tuition basis to any individual who is not a resident of Ohio to the extent permitted by law.
2. The School may not require contributions from any student eligible to enroll or enrolled in the School or from any parent or guardian of a student intending to enroll or enrolled in the School.
3. Nothing in this Contract prevents the School from charging reasonable activity, class, book fees, or similar fees to the extent permitted by law.
4. The School may not require parents or guardians to volunteer at the School.

I. Student Discipline

1. The Governing Authority must adopt a policy regarding student suspension, expulsion, and permanent exclusion. The policy must meet the requirements of Ohio law and specify the types of misconduct for which a student may be suspended, expelled, or removed and the due process guarantees afforded to the student. This policy must be provided to the Sponsor upon request.
2. The Governing Authority must adopt a policy regarding discipline, suspension, and expulsion of disabled students. This policy must be provided to the Sponsor upon request.
3. The Governing Authority must adopt a policy regarding positive behavioral interventions and supports/restraint and seclusion. The policy must be

consistent with the requirement of Ohio law and must be provided to the Sponsor upon request.

J. Enrollment Data

1. The School agrees to use appropriate student software for the purposes of reporting to the Department through its Educational Management Informational System (EMIS) pursuant to R.C. 3314.17.
2. The School is responsible for reporting data under R.C. 3301.0714. The School understands that the School and its employees may be subject to sanctions and penalties for noncompliance with R.C. 3301.0714 by the State of Ohio and the Sponsor.

VI. EDUCATIONAL PLAN AND PROGRAM

A. Educational Plan

The School will provide learning opportunities to a minimum of twenty-five (25) students for a minimum of nine hundred twenty (920) hours per School Year. The School's Educational Plan, attached as **Exhibit 2**, describes:

1. the School's mission;
2. the characteristics of the students the School is expected to attract;
3. the ages and grades of the students;
4. the focus of the curriculum;
5. the Learning Opportunities that the School will offer, including classroom and non-classroom-based learning opportunities;
6. whether the School intends on seeking a STEM school equivalent designation;
7. whether the School is operating using a blended learning model and if so, whether it is providing all information required by R.C. 3314.03(A)(29)(a)-(g);
8. whether the School is operating a pre-school program;
9. whether the School is operating as an internet or computer-based school;
10. whether the School is operating an Adult Diploma program; and
11. whether the School is operating a career-technical program.

B. High School Core Curriculum

The School will comply with R.C. Sections 3313.61, 3313.611, 3313.614, 3313.617, 3313.618 and 3313.6114, except that for students who enter ninth grade for the first time before July 1, 2010, the requirements in R.C. Sections 3313.61 and 3313.611 that a person must successfully complete the curriculum in any high school prior to receiving a high school diploma may be met by completing the curriculum adopted by the governing

authority of the community school rather than the curriculum specified in Title XXXIII of the Revised Code or any rules of the State Board of Education. Beginning with students who enter ninth grade for the first time on or after July 1, 2010, the requirements in R.C. Sections 3313.61 and 3313.611 that a person must successfully complete the curriculum of a high school prior to receiving a high school diploma shall be met by completing the requirements prescribed in R.C. 3313.603(C), unless the person qualifies under division (D) or (F) of R.C. 3313.603. The School shall comply with the plan for awarding high school credit based on demonstration of subject area competency, and beginning with the 2017-2018 school year, with the updated plan that permits students enrolled in seventh and eighth grade to meet curriculum requirements based on subject area competency adopted by the State Board of Education under divisions (J)(1) and (2) of R.C. 3313.603. Beginning with the 2018-2019 school year, the School shall comply with the framework for granting units of high school credit to students who demonstrate subject area competency through work-based learning experiences, internships, or cooperative education developed by the Department under division (J)(3) of R.C. 3313.603. Notwithstanding the foregoing, the School shall comply with alternative graduation requirements mandated by Section 3 of H.B. 491 for students entering ninth grade for the first time between July 1, 2014 and July 1, 2017.

C. Evaluations/Assessments

1. The School must administer all statewide achievement tests as required by law. At least twice annually, the School shall also administer one nationally-normed assessment in English Language Arts and Mathematics that is reasonably aligned to Ohio learning standards. In a format acceptable to the Sponsor, approval of which shall not be unreasonably withheld, the School must assess and keep initial benchmarks of all students so the Sponsor can review quarterly progress and make suggestions for academic improvement. Such assessments and intended benchmarking shall be identified in the Comprehensive Plan.
2. Reports of the results from any nationally normed tests and statewide achievement tests administered by the School must be presented by the School to the Governing Authority at the next scheduled meeting after the test results are received by the School. The presentation must be in a manner in which the Governing Authority can assess the progress and success of the School in meeting the Performance Measures outlined in **Exhibit 3** of this Contract.
3. The School will comply with R.C. 3302.04 and R.C. 3302.41, except that any action required to be taken by a school district pursuant to these sections shall be taken by the Sponsor. However, the Sponsor shall not be required to take any action described in R.C. 3302.04(F).

4. The School shall develop a plan for intervention of all students not found proficient or on grade level. This plan shall be developed prior to the first day in which students attend class and shall be submitted to the Sponsor as part of the Comprehensive Plan and is subject to Sponsor approval, which shall not be unreasonably withheld.

D. Operation Until End of School Year

Unless this Contract is suspended or terminated, the School must remain open to students until the end of the School Year in which the School intends to close. The programs provided to students in the final year of the School must continue without interruption or reduction unless program changes are approved in writing by the Sponsor.

VII. ACCOUNTABILITY PLAN / PERFORMANCE MEASURES

The success of the School shall be evaluated in relation to academic, financial, and organizational/operational performance measures specified in the accountability plan found in **Exhibit 3**, which includes the academic goals to be achieved, the method of measurement that will be used to determine progress toward those goals, which shall include statewide achievement assessments and academic performance standards, including but not limited to all applicable report card measures set forth in section R.C. 3302.03 or R.C. 3314.017. Among other applicable standards, the School will be evaluated on achievement test performance, grade-level test performance, annual measurable objectives, performance index, value-added, graduation rates, state report card measures, school on-site observations and internal school academic SMART goals.

VIII. FINANCIAL STANDARDS

A. Financial Plan

The School's Financial Plan, attached as **Exhibit 4**, establishes an estimated school budget for each year of the Contract and specifies the estimated per pupil expenditure for each such year.

B. Audit Standards

1. The School's financial records shall be maintained in the same manner as the financial records of school districts, pursuant to rules adopted by the Auditor of State and in the manner presented in Chapter 117 of the Revised Code. The School shall meet the requirements and follow the procedures for program and financial audits established from time to time by the Auditor of State and the Department. The Governing Authority shall comply with the standards for financial reporting adopted under R.C. 3301.07(B)(2), and any other enhanced standards required by the Sponsor.

2. The School understands that the Sponsor is required to maintain a presence at any and all meetings with the Auditor of State. Accordingly, the School agrees to provide written notice to the Sponsor of the time, date, and location of the meeting to the Sponsor. Such notice must be provided within three (3) business days of receiving notification of a meeting.
3. If the School is declared unauditably pursuant to R.C. 3314.51, the Governing Authority shall suspend the Fiscal Officer and find an immediate replacement. If the Governing Authority has contracted with a management company that provides the services of a fiscal officer, the Governing Authority shall cause the management company to suspend the Fiscal Officer and find an immediate replacement.
4. If the Governing Authority contracts with an attorney, accountant, or entity specializing in audits, the attorney, accountant, or entity shall be independent from the Operator with which the School has contracted.

C. Fiscal Officer

1. The School shall have a designated Fiscal Officer and shall maintain internal financial controls in accordance with R.C. 3314.03. The Fiscal Officer must be employed by or engaged under a contract with the Governing Authority of the community school, except as otherwise permitted by law and approved by both the Sponsor and Governing Authority, approval of which shall not be unreasonably withheld. A copy of the Fiscal Officer's treasurer license must be provided to the Sponsor.
2. The Fiscal Officer must be bonded in an amount no less than Twenty-Five Thousand Dollars (\$25,000) or insured pursuant to R.C. 3.061. All money received by the School shall be placed in the custody of the Fiscal Officer. A copy of the Fiscal Officer's bond shall be provided to the Sponsor, the Governing Authority, and county auditor in which the School is located.
3. The School must provide a copy of any fiscal services agreement between a Governing Authority and a third party to the Sponsor. The fiscal services agreement must require the Fiscal Officer to assist in all audits and to perform all duties required by R.C. 3314.023 or other applicable law relating to the School's closure and final or special audit services. The fiscal services agreement must state that the Fiscal Officer is primarily responsible for all financial-related provision of the closing procedures should the School close.
4. Before changing the Fiscal Officer, the Governing Authority shall provide a copy of all required documentation for the new Fiscal Officer to the Sponsor. No person shall serve as Fiscal Officer until he or she provides all information

and documentation to the Sponsor as required pursuant to this section to enable the Sponsor to affirm eligibility in accordance with Ohio law.

5. At the request of the Sponsor and to the extent possible, the Governing Authority will agree to remain in place until a final audit is completed if the School closes, and in such a case, the Fiscal Officer must remain fully authorized to proceed to close the School.

D. Borrowing

The School may borrow money to pay any necessary and actual expenses of the School in anticipation of receipt of any portion of the payments to be received by the School pursuant to R.C. 3314.08. The School may issue notes to evidence such borrowing. The proceeds from the notes shall be used only for the purposes for which the anticipated receipts may be lawfully expended by the School. The School may also borrow money for a term not to exceed fifteen (15) years for the purposes of acquiring facilities pursuant to R.C. 3314.08. All borrowing must be documented in a promissory note, and copies of all notes must be provided to the Sponsor within ten (10) business days of signing.

IX. STAFFING

A. Contracts

1. The Governing Authority may employ teachers and non-teaching employees necessary to carry out its mission and fulfill this Contract. No such contract of employment may extend beyond the expiration of this Contract.
2. The Governing Authority may enter into agreements with a third party to employ, administer, and hire teachers and non-teaching staff as necessary to carry out the School's mission and fulfill its duties in this Contract. All such agreements shall address the disposition of staff in the event of nonrenewal, suspension, termination, or expiration of this Contract.
3. If the Sponsor provides a leave of absence to a person who is thereafter employed by the School, the Governing Authority and School shall defend, indemnify, and hold harmless the Sponsor and its Board members, Superintendents, employees, and agents from liability arising directly out of any action or omission occurring during that person's employment by the Governing Authority and during such leave from the Sponsor. Nothing in this subsection, however, obligates this Sponsor to provide such a leave of absence.
4. If the School is the recipient of moneys from a grant awarded under the Federal Race to the Top program, Division (A), Title XIV, Section 14005 and

14006 of the “American Recovery and Reinvestment Act of 2009,” Pub. L. No 111-5, 123 Stat. 115, the School will pay teachers based upon performance in accordance with R.C. 3317.141 and will comply with R.C. 3319.111 as if it were a school district.

B. General Standards and Qualifications of Teachers

1. At least one (1) full-time classroom teacher or two (2) part-time classroom teachers each working more than twelve (12) hours per week must be employed to work in the School.
2. The School's classroom teachers shall be licensed in accordance with R.C. Sections 3319.22 to 3319.31, except that the School may engage noncertificated persons to teach up to twelve (12) hours per week pursuant to R.C. 3319.301.
3. Unless otherwise approved by the Sponsor, in writing, the ratio of students to full-time equivalent classroom teachers shall not exceed the ratios specified below. The School shall provide evidence of maintaining the ratios specified below at least ten (10) business days before the Opening of School and within ten (10) business days of the Sponsor's request. The maximum ratios are as follows:
 - a. Kindergarten through 3rd grade: twenty-five (25) to one (1),
 - b. 4th through 8th grade: twenty-seven (27) to one (1), and
 - c. 9th through 12th grade: twenty-five (25) to one (1).
4. Upon Sponsor request, the School shall provide evidence of proper licensure for all employees and completed background checks for all school staff.

C. Chief Administrative Officer

The School's Chief Administrative Officer (1) will be the School's leader, (2) is responsible for the daily operations at the School, and (3) will be listed as such in any State reporting system. The School's Superintendent shall be the individual identified as such in OED S and may be the same as the Chief Administrative Officer.

D. Benefits

The Governing Authority shall make arrangements for providing health and other benefits to employees and shall provide information on such benefits in the Financial Plan, attached as **Exhibit 4**, and to the Sponsor upon request. Such benefits may be amended with written notice provided to the Sponsor. If employees have collectively bargained pursuant to R.C. Chapter 4416, any provisions related to health and other benefits shall supersede this

Contract. If an Operator, management company, or third party employs full-time staff placed at the School, the School shall provide a summary of benefits offered to the Sponsor upon request. The School shall comply with R.C. Chapters 3307 and 3309 (“STRS” and “SERS”) as applicable.

E. Professional Development

1. The Governing Authority shall provide a plan describing the professional development activities that are offered to School staff as a part of the School’s Comprehensive Plan.
2. As required by R.C. 3314.037, the designated Fiscal Officer, the Chief Administrative Officer, and other administrative employees of the School and all individuals performing supervisory or administrative services for the School under a contract with the School’s Operator shall complete annual training on the public records and open meetings laws.
3. Upon request from the Sponsor, the School shall provide evidence of staff participating in professional development.

X. COMPREHENSIVE PLAN

Before the Opening of School each School Year, the School shall submit a comprehensive plan that contains all the documentation and information required pursuant to R.C. 3314.03(B) and this Contract (“Comprehensive Plan”). The Comprehensive Plan and its subparts are subject to Sponsor approval, which shall not be unreasonably withheld. The School may not implement any aspect of the Comprehensive Plan that conflicts with this Contract, unless and until the Parties modify this Contract to be consistent with the Comprehensive Plan. The Comprehensive Plan includes, but is not limited to, the following:

- Corporate Documents as required by Article I, Section (B)(3);
- The Organizational Plan as required by Article I, Section (E);
- The Governing Authority Training Plan as required by Article III, Section (F);
- The process for Selecting the Governing Authority (Code of Regulations) as required by Article III, Section (K);
- Management and Administration as required by Article III, Section (K) and R.C. 3314.03(B)(4);
- Evaluations and Intended Benchmarking as required by Article IV, Section (C)(1);

- The Plan for Student Intervention as required by Article IV, Section (C)(4);
- The Professional Development Activity Plan as required by Article IV, Section (E)(1);
- If the School is a currently existing public school or educational service center building, alternative arrangements for current public school students who choose not to attend the converted school and for teachers who choose not to teach in the school or building after conversion as required by R.C. 3314.03(B)(3);
- The School's instructional program and educational philosophy as required by R.C. 3314.03(B)(4); and
- The School's internal financial controls and copies of all policies and procedures regarding internal financial controls adopted by the Governing Authority R.C. 3314.03(B)(5).

XI. SPONSOR RESPONSIBILITIES

A. Obligations

The Sponsor shall provide oversight, monitoring, and technical assistance to the Governing Authority and School, including but not limited to the following:

1. Monitoring the School's compliance with all laws applicable to the School and with the terms of the Contract and providing technical assistance to the School in complying with applicable laws and this Contract. However, the Sponsor is not the School's legal counsel, and the School shall consult its own legal counsel for legal advice.
2. Monitoring and evaluating the academic and fiscal performance and the organization and operation of the School on at least an annual basis, which shall be based on the performance standards specified in **Exhibit 3**, all applicable state report card measures, and any other analysis conducted by the Department or the Sponsor.
3. Reporting on an annual basis the results of its evaluation conducted pursuant to R.C. 3314.03(D)(2) to the Department and to parents of students enrolled in the School.
4. Monitoring the financial and enrollment records of the School by meeting with the Governing Authority or Fiscal Officer at least once per month, and,

within ten (10) days of each meeting, issuing a written report regarding the review to the Governing Authority and the Fiscal Officer.

5. Offering other activities, as determined by the Sponsor, specifically designed to benefit the School.
6. Consistent with R.C. 3314.023(E), taking steps to intervene in the School's operation to correct problems with the School's overall performance, declaring the school on probation status pursuant to R.C. 3314.073, suspending the operation of the School pursuant to R.C. 3314.072, or terminating the Contract pursuant to R.C. 3314.07 as determined necessary by the Sponsor. The Sponsor may, at its sole discretion, require a plan of action from the School to cure any issues or violations.
7. Having in place a plan of action to be undertaken in the event the School experiences financial difficulties or closes before the end of the School Year, which is attached as **Exhibit 5**. The Governing Authority acknowledges the purported obligations of the Sponsor in the Department's closing guidance and consents to the authority of the Sponsor to carry out those obligations, if needed, and agrees to not abandon its own statutory duties for closure.
8. Submitting annual assurances for the School to the Department no less than ten (10) business days prior to the opening of the School's first year of operation or, if the school is not an internet- or computer-based school and changes the building from which it operates, the opening of the first year it operates from the new building pursuant to R.C. 3314.19.
9. To the extent required by R.C. 3314.025, reporting on the amounts and types of expenditures made to provide monitoring, oversight, and technical assistance to authorized schools.
10. Adhering to and complying with the Authorizer Agreement with the Department to operate as a sponsor.
11. Upon request, assisting the Governing Authority in securing such technical assistance, training, and/or services from other entities as may be reasonably necessary.

B. Expiration, Renewal, Termination, Suspension, & Probation

1. **Expiration.** This Contract shall expire on its own terms and will cease to remain in force unless renewed by the Parties pursuant to the standards and process described in this Contract.

2. **High-Stakes Review.** The Sponsor shall perform a High-Stakes Review of the School prior to Contract renewal or at least every five (5) years. A High-Stakes Review is defined as a rigorous evaluation of the School's performance over the entire Term, including academic, financial, and organizational/ operational performance.
3. **Renewal Process.**
 - a. Provided this Contract is not currently suspended and has not been non-renewed or terminated by the Sponsor, the School may apply to the Sponsor for renewal of this contract.
 - b. During the School Year in which this Contract expires, the Sponsor shall provide the School with the renewal application, renewal application guidelines, and a list of required documentation.
 - c. Renewal is subject to a High-Stakes Review and the Sponsor's determination that the School has satisfactorily complied with this Contract and all applicable laws, that the School is financially and organizationally viable, and that the School's progress in meeting the Performance Targets in **Exhibit 3** of this Contract is satisfactory. Consistent with R.C. 3314.07, the Sponsor may choose to non-renew this Contract for any of the following reasons: (a) failure to meet student performance requirements stated in this Contract; (b) failure to meet generally accepted standards of fiscal management; (c) violation of any provision of the Contract or applicable state or federal law; or (d) other good cause.
 - d. By January 15 of the year in which the Contract expires, the Sponsor shall notify the Governing Authority in writing of whether the Sponsor intends to renew or non-renew this Contract.
 - e. Non-Renewal. If the Sponsor intends to non-renew this Contract, the notice shall include the reasons for the proposed action in detail, the effective date of the non-renewal, and a statement that the School may, within fourteen (14) days of receiving the notice, request an informal hearing before the Sponsor in accordance with the Sponsor's protocol for non-renewal informal hearing. Such request must be in writing. The informal hearing shall be held within fourteen (14) days of the receipt of a request for the hearing. Not later than fourteen (14) days after the informal hearing, the Sponsor shall issue a written decision either affirming or rescinding the decision to terminate or not renew the Contract.

- f. **Renewal.** If the Sponsor intends to renew the Contract, the Sponsor may, with the agreement of the Governing Authority and in accordance with R.C. 3314.03(E), renew the contract upon terms agreed to by the Parties and for a period of time to be determined by the Sponsor.
- 4. **School Intention to Non-Renew.** If the School does not intend to renew this Contract with the Sponsor, the School shall notify the Sponsor in writing of that fact, including the rationale, at least one hundred eighty (180) days prior to the expiration of this Contract. Prior to notification, the Governing Authority must adopt a resolution at a properly noticed and held public meeting that authorizes the non-renewal of this Contract and that authorizes one or more individuals to notify the Sponsor. The School may enter into a contract with a new sponsor in accordance with R.C. 3314.03 upon the expiration of this Contract, or at the sole discretion of the Sponsor, by an assignment of this Contract before its expiration date.
- 5. **Termination.** Consistent with R.C. 3314.07, the Sponsor may choose to terminate this Contract for any of the following reasons: (a) failure to meet student performance requirements stated in this Contract; (b) failure to meet generally accepted standards of fiscal management; (c) violation of any provision of the Contract or applicable state or federal law; (d) other good cause; or (e) The Board has suspended the Contract.
- 6. **Suspension and Probation.** The School may be placed on probationary status pursuant to R.C. 3314.073 and may be suspended pursuant to R.C. 3314.072.

C. **Sponsor Oversight/Discipline**

Corrective action may be required at the discretion of the Sponsor, which may or may not place the School in a probationary status. The Sponsor reserves the right to require the Governing Authority to make any reasonable request geared toward improvement of weakness, which may include placing staff members on improvement plans, hiring school improvement coaches, developing and monitoring academic improvement plans, requiring additional academic supports to be implemented, and requiring the Governing Authority to hire or replace an Operator. The Sponsor shall consider the financial position of the School when making such requirements and shall not require actions that cause undue financial hardship on the School.

XII. GOVERNING AUTHORITY ACKNOWLEDGEMENTS AND AGREEMENTS

The Governing Authority and School specifically acknowledge and agree to the following:

- A. The School shall submit to the Sponsor, upon request, a good faith deposit of Five-Thousand Dollars (\$5,000) if the School receives a notice of intent to suspend, notice of intent to terminate, or a notice of closure, suspension, or upon a vote of voluntary closure by the Governing Authority. The deposit shall be used to cover any costs or fees which may be required to facilitate or effectuate closing of the School, including but not limited to: providing notices to parents; transferring files; changing of locks; securing assets; segregating or selling assets; and any fees, costs, or expenses for accounting, legal, or treasurer services incurred by Sponsor that is in any way related to the suspension, termination, or closure of the School, if it is actually suspended, terminated, or closed. The good faith deposit will be returned to the School or the State of Ohio in a reasonable time, without interest, if not used for these purposes by the Sponsor.
- B. In the event this Contract expires, is terminated, or is non-renewed, and the School is unable to or is prohibited from obtaining a new sponsor prior to the end of the School Year, the operation of the School will cease to operate as a community school and the following requirements and procedures apply regarding the Governing Authority and the School:
1. If a collective bargaining agreement applies, the collective bargaining agreement shall be followed. In the absence of a collective bargaining agreement, the School may elect to treat employees as laid-off or their positions abolished. Expiring employee contracts may be non-renewed.
 2. Upon termination of this Contract by law or by these Contract provisions, or upon dissolution of the Ohio non-profit corporation which operates the School, all equipment, supplies, real property, books, furniture, or other assets of the School shall be distributed in accordance with Ohio Revised Code Chapter 1702, 3314.015(E) and 3314.074, subject to and in accordance with any other applicable laws, rules or regulations. The School shall comply with all closing procedures included in **Exhibit 5**. Notwithstanding the foregoing, the Sponsor recognizes its obligation to oversee closure.
 3. To the extent practicable, the Governing Authority and its officers understand that they must remain in their positions in order to carry out their responsibility for the non-fiscal closing procedures, and to maintain the licensed fiscal officer to be responsible for the fiscal-related closing procedures.
- C. At its sole discretion, the Sponsor may assume operation of the School under R.C. 3314.073(B) should the Governing Authority abandon its duties or breach its duties in a manner that is likely to cause immediate or irreparable harm to the School and/or its students.

- D.** The entering into of this Contract and the oversight of the Sponsor of this Contract shall in no way implicate the Sponsor or render it liable or responsible for the acts or omissions of the Governing Authority or the School. The Governing Authority hereby indemnifies, defends and holds the Sponsor harmless from claims, demands, causes of action, threatened actions, losses, damages or costs related to the duties, services, acts or omissions of the Governing Authority or the School. Said indemnification and defense shall survive the expiration, non-renewal, suspension, or termination of this Contract. The Sponsor shall have no obligations to the School, the parents or to third parties, to the State of Ohio or the United States or to the public by way of this Contract or its sponsorship of the School.
- E.** The Governing Authority and the School shall defend, indemnify and hold harmless the Sponsor and its Board, employees, officers and agents from any and all claims, demands, actions, suits, causes of action, obligations, losses, costs, expenses, attorney fees, damages, judgments, orders and liabilities of whatever kind of nature in law, equity, or otherwise, arising from any of the following:
- 1.** A failure of the Governing Authority and/or School or any of its officers, trustees, directors, employees, agents or contractors to perform any duty, responsibility or obligation imposed by law or by this Contract;
 - 2.** A failure of the Governing Authority and/or School or any of its officers, directors, employees, agents, or contractors to report data or information, or the reporting of improper, inaccurate, erroneous, negligent, or incomplete information or data to the Sponsor;
 - 3.** A failure of the Governing Authority and/or School or any of its officers, directors, employees, agents, or contractors to meet the obligations of this Contract or any other contract or other obligation between or on behalf of the School and another party; and
 - 4.** An action or omission by the Governing Authority and/or School or any of its officers, trustees, directors, employees, agents or contractors that result in injury, death, or loss to person or property, breach of contract, or violation of statutory law or common law (state and federal), or liabilities of any kind.
- F.** The Governing Authority recognizes the authority of the Department to suspend the operations of the School under R.C. 3314.072 if the Department has evidence of conditions or violations of law at the School that pose an imminent danger to the health and safety of the School's students and employees and the Sponsor refuses to take such action.
- G.** The Governing Authority recognizes the authority of the Department to take over sponsorship of the School in accordance with the provisions of R.C. 3314.015(C).

- H. The School agrees that it will cooperate with the Sponsor to complete the appropriate procedures and paperwork as outlined by the Sponsor, the Department, or in statute in the event the School is closed. Any refusal by the School to cooperate fully with the Sponsor will be considered a material breach of this Contract and may serve as the basis for injunctive relief.
- I. The Governing Authority recognizes the authority of public health and safety officials to inspect the facilities of the School and to order the facilities closed if those officials find that the facilities are not in compliance with health and safety laws and regulations.
- J. The Governing Authority acknowledges that the Department may withhold funding pursuant to R.C. 3314.19 and R.C. 3314.191 or as otherwise provided for by law.
- K. The Governing Authority and School recognize that the Sponsor is required to perform certain monitoring and oversight duties pursuant to Ohio law, and the Governing Authority and the School agree to cooperate fully to allow the Sponsor in the performance of such duties. This includes, but is not limited to:
 - 1. Annual file updates per checklist developed by the Sponsor.
 - 2. An on-site visit prior to opening of each School Year.
 - 3. On-site visits during the School Year.
 - 4. On-Site School improvement diagnostic reviews performed by the Sponsor.
 - 5. Monthly reviews of financial, enrollment records, and attendance monitoring.
 - 6. Read only access to academic and financial data and data systems.
 - 7. Other requests for information from the Sponsor, the Department of Education, and/or the Auditor of State.

XIII. MISCELLANEOUS

A. Definitions

- 1. "Opening of School" means the first day of each School Year in which students attend school.
- 2. "School Year" means the period of time beginning on the first (1st) of July and ending on the thirtieth (30th) of June the following year.

B. Severability

If any term, provision, or clause of this Contract is unlawful or unenforceable, the parties agree that the remaining provisions and terms of the Contract shall continue to be in full force and effect and the unlawful or unenforceable term, provision, or clause shall be removed.

C. Notice

All notices required or permitted by this Contract shall be in writing and effective upon receipt and may be satisfied by personal delivery or by any other means by which receipt can be documented to the following persons and addresses:

If to Sponsor:

Buckeye Community Hope Foundation
c/o Steven J. Boone, President
3021 E. Dublin-Granville Rd., Suite 200
Columbus, Ohio 43231

With a copy to:

Buckeye Community Hope Foundation
c/o Vice President of Legal Affairs
3021 E. Dublin-Granville Rd., Suite 200
Columbus, Ohio 43231

If to Governing Authority or School to:

Donald Malloy
Board President
HSA Lorain
760 Tower Blvd.
Lorain, OH 44052
donmall@yahoo.com

Fatih Sumer
Principal
HSA Lorain
760 Tower Blvd.
Lorain, OH 44052
sum@horizonlorain.org

D. Headings

Headings are for the convenience of the parties only. Headings have no substantive meaning.

E. Exhibits

All Exhibits are attached and incorporated by reference into this Contract as an integral part of this Contract. A breach of any of the terms, covenants, conditions, and/or agreements of this Contract, including any Exhibits to this Contract, shall constitute good

cause for discipline, correction, probation, termination, suspension, or non-renewal of this Contract.

F. Assignments and Modifications

This Contract and its terms shall not be assigned or delegated without the written approval of the other party. No modifications to this Contract shall be valid and binding unless approved by both the Sponsor and the Governing Authority and attached to this Contract.

G. Third Party Beneficiaries

This Contract creates no third-party beneficiaries.

H. Annual review

The parties agree to meet at least annually to review the terms and requirements of the Contract to ensure that the Contract is consistent with changes in state and/or federal law.

I. Entire Agreement

This Contract constitutes the entire agreement between the parties.

Executed this 22 day of May, 2020 in Franklin County, Ohio.

GOVERNING AUTHORITY:

Name: Donald Malloy

By: Donald Malloy

Its: President, Board of Directors

With full authority to execute this Contract for and on behalf of the Governing Authority and with full authority to bind the Governing Authority and the School;

SPONSOR:

BUCKEYE COMMUNITY HOPE FOUNDATION, an Ohio nonprofit corporation

By: Steven J. Boone
Steven J. Boone (May 22, 2020 10:29 EDT)
Steven J. Boone, President

☒ By checking here, the Governing Authority attests that the Governing Authority has engaged an attorney, who is independent from the Sponsor, to review and negotiate this Contract in accordance with R.C. Section 3314.036.

Exhibit 1
Addendum to Contract Providing Description of Facility

In accordance with the requirements of R.C. 3314.03, the school shall provide the following information:

1. A detailed description of each facility used for instructional purposes.

Horizon Science Academy of Lorain 760 Tower Blvd., Lorain, OH 44052	
School Building	130,000 sq. ft
Site Area	1,552,914 sq. ft
Full-size Classrooms	37
Library	1
Computer Lab(s)	2
Science Lab(s)	0
Partial Classrooms (less than 300 sq. ft)	10
Office Spaces	12
Gym	1
Playground	1

2. The annual costs associated with leasing each facility that are paid by or on behalf of the school.

Horizon Science Academy of Lorain	
Rent FY19	\$447,479
Rent FY20	\$457,593

3. The annual mortgage principal and interest payments that are paid by the school.

Not applicable

4. The name of the lender or landlord, identified as such, and the lender's or landlord's relationship to the operator.

The operator has no relationship with the landlord.

Horizon Science Academy of Lorain	
Landlord	New Plan Learning
Contact	Kairat Mavlyankulov 1300 Basswood Rd Suite 200H Schaumburg, IL 60173 847-376-8404 kairat@newplanlearning.org

Exhibit 2

Educational Plan

In accordance with the requirements of R.C. 3314.03, the School shall provide the following information:

1. Mission of the School.

- Elementary & Middle School Mission: We foster an environment of inquiry and a love of learning, so students are prepared to thrive in STEM-focused high school, college, and the world.
- Elementary & Middle School Vision: Our students will enter high school ready to tackle any academic challenge and will excel in the STEM subjects.
- High School Mission: We prepare students to succeed in college and the world by offering high-quality, college-prep, STEM education.
- High School Vision: Our students will achieve 100% graduation and college acceptance.

2. Characteristics of the students the School is expected to attract. If the School plans to serve an at-risk population, please include here the definition, agreed upon by the Sponsor and the School, of at-risk.

As a non-selective charter public school, all students within the community will be eligible to enroll. The school anticipates serving a large population of at-risk learners, i.e. students who are behind their age-group peers in social-emotional and academic skills. The school identifies students' learning deficiencies through regular assessments and extend learning opportunities to all students by providing an engaging and effective curriculum and instructional program and differentiating instruction to meet learners at all levels. For those who need extra help beyond the regular school program, the school offers multiple interventions within the classroom and beyond, such as after-school tutoring, Saturday school, peer tutoring, CYSP, and extra work to address deficiencies.

The school meets all state and federal laws (such as Individuals with Disabilities Education Act and Section 504 of the Rehabilitation Act of 1973) in serving students with special needs. The school implements strategies, such as employing an appropriately licensed special education teacher or teachers, paraprofessionals, a special education director to assist with creating and implementing Individual Education Plans (IEP); offering to tutor; and providing supportive special education technology in the classrooms.

Strategies to meet the educational needs of English learners and special needs students are similarly be in place. Students with limited proficiency in English achieve proficiency through the use of our school's services and teaching methods. The school hires ESL certified teachers as needed and adapt staffing according to the student population. The school ensures that ELL (English Language Learners) students are not excluded from curricular and extracurricular activities based on an inability to speak and understand the language of instruction.

Student Demographics

Black, Non-Hispanic: 19.7%
White, Non-Hispanic: 27.7%
Hispanic: 41.2%
Multi-racial: 11.2%

Economically Disadvantaged: 100%
Students with Disabilities: 9.2%
English as a Second Language: 13.5%

3. Ages and grades of the students. Ages 4-22,

Horizon Science Academy Lorain Enrollment Plan		
Grade	Number of Sections	Target enrollment per grade
Kindergarten	3	75
Grade 1	3	75
Grade 2	3	75
Grade 3	3	75
Grade 4	3	75
Grade 5	3	75
Grade 6	2	50
Grade 7	2	50
Grade 8	2	50
Grade 9	2	50
Grade 10	2	45
Grade 11	2	35
Grade 12	2	35
Total	32	765

4. Focus of the curriculum.

Horizon Science Academy Lorain is a K-12, college-preparatory public charter school that focuses on STEM education: science, technology, engineering, and mathematics. The mission and vision of HSA Lorain is to foster an environment of inquiry and a love of learning, so students are prepared to thrive in STEM-focused high school, college, and the world and to prepare students to succeed in college and the world by offering high-quality, college-prep, STEM education.

While the school is not planning to seek designation as a STEM school equivalent under R.C. 3326.032, the school offers a variety of STEM-focused clubs and activities, including robotics, science fair, and mathematics competitions, and all students are encouraged to participate.

5. Description of Classroom Based and Non-classroom-Based Learning Opportunities. Please provide a summary of the learning opportunities that will be offered to students (both classroom and non-classroom-based opportunities) that are in compliance with criteria for student participation established by the Ohio Department of Education under (H)(2) of Section 3314.08 of the Ohio Revised Code.

The leaders of HSA Lorain realize that many of our public schools located in poverty areas are in crisis. To undertake this challenge and close achievement gaps, the school personalizes education by supporting the development of meaningful, sustained relationships among teachers, students, and parents; set clear, coherent goals and expectations that are well communicated to students and parents; and provide opportunities for students to complete real-life, meaningful projects that students can relate to amongst other personalized activities.

The educational program model brings together best-practices in math and science education, helping us to achieve our goal of empowering students with high intellectual standards as they

prepare for college, careers and citizenship in the global economy.

The core features of our school include:

- Personalization
- Continuous Relationships
- High Standards and Performance-based Assessments
- Adaptive Pedagogy
- Knowledgeable and highly qualified teachers
- Collaborative planning and professional development
- Family and Community Connections
- Authentic Curriculum

HSA Lorain does not subscribe to one method of teaching but utilizes many successful methods to maximize classroom learning. We believe in allowing teachers to teach in an environment that supports their successful practices and strategies so that each teacher can customize their teaching materials according to their particular group of student's needs.

Our teachers utilize a unique mix of the following instructional strategies including:

- Direct teaching
- Problem-based learning & Project based learning
- Collaborative learning
- Digital learning
- Independent Practice

Use of these techniques reflect core beliefs of providing an engaging, dynamic learning environment for students to explore the questions they have about the world and ways to positively contribute to the world around them. We utilize diverse instructional approaches to teaching advanced concepts and thinking skills in mathematics and science, as well as other disciplines.

6. Additional programs and designations. Please place a check mark after the appropriate response in each section below. If the School is providing a blended learning program, additional information as described below must be provided as part of the Contract and shall be included in this Exhibit. If the School is planning on including any other programs or designations described below, additional information regarding such programs or designations shall be provided to the Sponsor upon request.

- a. STEM School Designation.

The School IS NOT planning to seek designation for the School as a STEM school equivalent under R.C. 3326.032. X

Subject to the prior written approval of the Sponsor, the School IS planning to seek designation for the School as a STEM school equivalent under R.C. 3326.032.

- b. Blended Learning Program. "Blended learning" means the delivery of instruction in a combination of time in a supervised physical location away from home and online delivery whereby the student has some element of control over time, place, path, or pace of learning.

The School IS NOT planning to register for the School as a blended learning program under Section 3302.41(A) of the Revised Code. X

Subject to the prior written approval of the Sponsor, the School IS planning to register a blended learning program under Section 3302.41 (A) of the Revised Code.

- c. Preschool Program.

The School IS NOT planning to operate a preschool program. X

The School IS planning to operate a preschool program.

- d. Internet- or Computer-Based Program.

The School IS NOT planning to operate as an internet or computer-based community school. X

The School IS planning to operate as an internet or computer-based community school.

- e. Adult Diploma Program.

The School IS NOT planning to offer and operate a 22+ Adult Diploma Program under Sections 3317.23, 3317.231, and 3314.38 of the Revised Code and Chapter 3301-45 of the Administrative Code. X

Subject to the prior written approval of the Sponsor, the School IS planning to offer and operate a 22+ Adult Diploma Program under Sections 3317.23, 3317.231, and 3314.38 of the Revised Code and Chapter 3301-45 of the Administrative Code.

- f. Career-Technical Education Program.

The school IS NOT planning to operate a career-technical education program.

The school IS planning to operate a career-technical education program. X

Career-technical programs are subject to the approval of the lead district of a career-technical planning district and must be based on requirements for career-technical education programs that are specified in rules adopted by the Department. See Section 3317.161 of the Revised Code for more information.

HSA Lorain has traditionally focused heavily on college preparedness and only recently began to focus on developing Career-Technical Education (CTE) pathways. While we have experienced success with Advanced Placement, Dual Enrollment and Honors Diplomas at the high school level, we want to offer all students the opportunities to earn industry credentials, while prioritizing an engineering pathway as these credentials are critical gatekeepers for employment. These efforts align to our improvement plan strategies of expanding work based opportunities for our students and provide programming that will increase the number of industry credentials earned.

The alignment of our program to ODE's competencies identified through coursework and experiences will ensure high quality programming that will allow our students the ability to matriculate seamlessly to our area university programs. Course structure and delivery will be based on effective learning approaches and students will engage in real world experiences, internships and practicum opportunities that will encourage students to participate in our program. We will provide teacher development to expand the program and be prepared to provide supportive environments that will facilitate maximum learning experiences for our students.

Our plan highlights the need to expand work based opportunities for our students and provide programming that will equip them with an industry credential. Our strategic plan calls for the development of CTE pathway, Engineering and Design for 7th and 8th grade students.

We developed our strategy by engaging a variety of stakeholders, including business owners, higher education representatives, local engineers, parents, students, teachers and staff who have all expressed support for our career and technical education development goals. A key area for growth in our strategic plan focuses on developing more opportunities for our students to engage with career and technical education and earn industry credits as well as offsetting college costs will help our families with increased access. Providing expanded learning opportunities and career and technical credentials is a critical step for our plan. We plan to achieve this goal by adding a career academy and offering opportunities for our students to begin this career pathway early and gain industry credentials that can help them earn while they learn.

Exhibit 3

Performance Frameworks – Metrics, Measures, & Targets

OVERVIEW

The Performance Frameworks provide the Buckeye Community Hope Foundation (BCHF) a mechanism of: (1) strong accountability for the students and families who choose to attend one of our sponsored schools, (2) clear decision making by our Board of Trustees regarding our portfolio of schools, and in the longer term, (3) a higher-quality community school portfolio.

The purpose of the Performance Frameworks is to set annual targets that BCHF will use to consider a school for recognition, intervention, renewal, non-renewal, or termination.

We subscribe to the National Association of Charter School Authorizer's Principles & Standards that state: "A Quality Sponsor implements an accountability system that effectively streamlines federal, state and local...compliance requirements while protecting schools' legally entitled autonomy and minimizing schools' administrative and reporting burdens."

BCHF ultimately maintains discretion in making final decisions to consider a school for recognition, intervention, renewal, non-renewal, or termination. To this end, we strive to sponsor high performing community schools that have an incubation period of five (5) years and to protect the innovative and entrepreneurial spirit of the intent behind school choice. We maintain the discretion to utilize additional data collected through our ongoing monitoring in order to elevate a school in the overall renewal decision based upon the expertise, evaluation, and recommendation(s) by our Education Division team.

PERFORMANCE FRAMEWORK SCORING SCALE

Each section of the Performance Framework has a target score in each major category as highlighted in the scale – Academics, Compliance (legal and operations), and Fiscal. Some indicators are weighted more than others. For example, the Overall Grade metric from the Local Report Card is made up of multiple components – Achievement, Progress, Gap Closing, Improving At-Risk K-3 Readers, Graduation Rate, and Prepared for Success – of which all or some may apply to a school. This measure is a significant indicator of a school's performance and carries of weight of (3x) on the performance framework.

The Academic total score is weighted at 50% of the overall performance score on the framework for a school. Compliance and Fiscal both are weighted at 25% each of the overall performance score. Although a score could exceed the number of possible points based upon a school exceeding the target, the maximum a school can achieve on the framework is 100% of the points. This information is used to annually evaluate the performance of a school for strengths, weaknesses, and intervention; and to make renewal decisions.

ACADEMIC PERFORMANCE TARGETS & METRICS – Traditional K-12 Community School

ITEM	DESCRIPTION/DATA SOURCE	SCALE				
		4 points	3 points	2 points	1 point	0 points
1. Overall Grade	Local Report Card (LRC) Grade– Weighted at 3X	(A)12	(B)9	(C)6	(D)3	(F)0
2. PI vs Challenged District PI (points)	Performance Index of the school from the LRC compared to the Performance Index from the LRC for the District where the school is located.	≥12	6 to 11	5 to -5	-6 to -11	≤-12
3. PI vs Local Market PI (points)	Performance Index of the school from the LRC compared to the average Performance Index of from the LRC of similar local market schools. (Up to 3 local market schools will be used)	≥ 12	6 to 11	+5 to -5	-6 to -11	≤ -12
4. Overall VA vs Challenged District VA	School's Overall Value Added letter grade from the LRC compared to the Overall Value Added letter grade from the LRC for the District where the school is located.	≥ 2	+1	0	-1	≤-2
5. Overall VA vs Local Market VA	School's Overall Value Added grade from the LRC compared to the average of the Overall Value Added grade from the LRC of local market schools. (Up to 3 similar local market schools will be used)	≥ 2	+1	0	-1	≤-2
6. Chronic Absenteeism Rate	Chronic Absenteeism Rate (%) from the school's LRC	≤10%	11% to 15%	16% to 20%	21% to 24%	≥ 25%
7. Over the Contract Averages	School's letter grade average of the three most recent school years for the Performance Index Measure.	A(4)	B(3)	C(2)	D(1)	F(0)

ITEM	DESCRIPTION/DATA SOURCE	SCALE				
		TARGET				
		4 points	3 points	2 points	1 point	0 points
Over the Contract Averages	School's letter grade average of the three most recent school years for the K3-Literacy Component.	A(4)	B(3)	C(2)	D(1)	F(0)
Over the Contract Averages	School's letter grade average of the three most recent school years for the Progress Component.	A(4)	B(3)	C(2)	D(1)	F(0)
8. Achievement NRT	Percent of students at or above the 50 th Normal Curve Equivalent (NCE) for the better of either winter or spring NRT administration.	≥ 50	45 to 49	40 to 44	35 to 39	≤ 35
9. Improvement NRT	The greater of the average NCE growth from fall to winter or fall to spring.	≥ 20	10 to 19	0 to 9	> 0 to -10	≤ -10
10. Disaggregated Performance Beyond GAP Closing.	Using ELA and Math AMO calculations the total earned subgroup points are divided by the total possible points.	≥ 90%	80%-89%	70%-79%	60%-69%	≤ 59%
11. English Learner	The percent of English Learners meeting their goal based on the AMO from the GAP report.	≥ 90%	80%-89%	70%-79%	60%-69%	≤ 59%
12. SMART Goal	Progress toward the school meeting its <i>prioritized</i> SMART Goal set at the beginning of each school year.	A(4)		C(2)		F(0)

ACADEMIC PERFORMANCE TARGETS & METRICS – Drop Out Recovery Community School

ITEM	DESCRIPTION/DATA SOURCE	SCALE				
		TARGET				
		4 points	3 points	2 points	1 point	0 point
1. Overall Rating	Local Report Card (LRC) Rating – Weighted at 3X	Exceeds(12)		Meets(6)		Does Not Meet(0)
2. Test Passage Rate Compared to State	Percent difference of the school's test passage rate from the Drop Out Recovery LRC compared to the State's average test passage rate for Drop Out Recovery schools.	$\geq 20\%$		-19.9 % to +19.9 %		$\leq -20\%$
3. Combined Graduation Rate Compared to State	Percent difference of the school's combined graduation rate from the LRC compared to the State's average Drop Out Recovery graduation rate.	$\geq 20\%$		-19.9 % to +19.9 %		$\leq -20\%$
4. Over the Contract Averages Exceeds=A(4) Meets=C(2) Does not Meet=F(0)	School's letter grade average of the three most recent school years for the Test Passage rate.	A	B	C	D	F
Over the Contract Averages Exceeds=A(4) Meets=C(2) Does not Meet=F(0)	School's letter grade average of the three most recent school years for the Combined Graduation rate.	A	B	C	D	F
Over the Contract Averages Exceeds=A(4) Meets=C(2) Does not Meet=F(0)	School's letter grade average of the three most recent school years for the Progress Component.	A	B	C	D	F

ITEM	DESCRIPTION/DATA SOURCE	SCALE				
		TARGET				
		4 points	3 points	2 points	1 point	0 point
5. Achievement NRT	Percent of students at or above the 50 th Normal Curve Equivalent (NCE) for the better of either winter or spring NRT administration.	≥ 50	45 to 49	40 to 44	35 to 39	< 35
6. Improvement NRT	The greater of the average NCE growth from fall to winter or fall to spring.	≥ 20	10 to 19	0 to 9	> 0 to -10	≤ -10
7. Disaggregated Performance Beyond GAP Closing.	Using ELA and Math AMO calculations the total earned subgroup points are divided by the total possible points.	≥ 90%	80%-89%	70%-79%	60%-69%	≤ 59%
8. English Learner	The percent of English Learners meeting their goal based on the AMO from the GAP report.	≥ 90%	80%-89%	70%-79%	60%-69%	≤ 59%
9. SMART Goal	Progress toward the school meeting its <i>prioritized</i> SMART Goal set at the beginning of each school year.	A(4)		C(2)		F(0)

COMPLIANCE PERFORMANCE TARGETS & METRICS – All Schools

ITEM	DESCRIPTION/DATA SOURCE	SCALE			
		TARGET	1 point	0 points	Not Calculated
OPERATIONS		2 points	1 point	0 points	Not Calculated
1. Health, Safety, and Environment	Applicable Rule and Law requirements related to facilities, inspections, policies, transportation, food service, and emergency planning.	School scores 100% for required items.	School scores 95-99% for required items.	School scores <95% for required items.	NC
2. Human Capital	Applicable Rule and Law requirements related to workers comp, licensure, policies, staff training, benefits, professional development, non-discrimination & bullying, and reporting.	School scores 100% for required items.	School scores 95-99% for required items.	School scores <95% for required items.	NC
3. Financial	Applicable Rule and Law requirements related to liability insurance, treasurer license & bond, EMIS/SOES coordinator, financial reporting, and ITC contract.	School scores 100% for required items.	School scores 95-99% for required items.	School scores <95% for required items.	NC
4. Governance	Applicable Rule and Law requirements related to board materials, annual COIs, school annual report, public records, record retention, and meeting schedule.	School scores 100% for required items.	School scores 95-99% for required items.	School scores <95% for required items.	NC
5. Admission, Access and Student Requirements	Applicable Rule and Law requirements related to admission & residency policies, parent notices, enrollment, academic calendar, student files, attendance/truancy/withdrawal, student screenings, student handbook, FAPE, child find, racial balance, parental involvement, and discipline.	School scores 100% for required items.	School scores 95-99% for required items.	School scores <95% for required items.	NC
6. Educational Program	Applicable Rule and Law requirements related to academic assurances, 504 Plans, testing, academic intervention, curriculum, financial literacy, RTI, school improvement, RIMPs, special education, academic performance, and graduation.	School scores 100% for required items.	School scores 95-99% for required items.	School scores <95% for required items.	NC

ITEM	DESCRIPTION/DATA SOURCE	SCALE			
		TARGET	1 point	0 points	Not Calculated
		2 points			
LEGAL					
7. Governance-Required Number of Board Meetings	Number of governing board meetings held per school year as required by the community school contract and/or rule and law.	6+ meetings held per year.	5 meetings held per year.	4 or fewer meetings held per year.	NC
8. Governance-Required Number of Board Members	Number of governing board members approved by BCHF per school year as required by the community school contract and/or rule and law.	5+ sponsor approved members for the full year.	4 sponsor approved members for (1) or more meetings.	3 or fewer sponsor approved members for (1) or more meetings.	NC
9. Governance-Required Board Member Training	Governing authority board annual training as required by the community school contract and/or rule and law.	2 (or more) hrs. of annual training completed in Open Meetings and Public Records for 100% of board members.	2 (or more) hrs. of annual training completed in Open Meetings and Public Records for 90-99% of board members.	2 (or more) hrs. of annual training completed in Open Meetings and Public Records for <90% of board members.	NC
10. Annual Report	Annual Report prepared by the school, submitted to the sponsor by the deadline prescribed in law, and made available to the parents of students attending the school.	School Annual Report submitted AND made available to parents by the due date.	N/A	School Annual Report NOT submitted OR NOT made available to parents by the due date.	NC

FISCAL PERFORMANCE TARGETS & METRICS – All Schools

ITEM	DESCRIPTION/DATA SOURCE	SCALE			
		TARGET	1 point	0 points	Not Calculated
		2 points			
1. Current Ratio	School's financial statements.	Current Ratio is >1.0	Current Ratio is between .9 and 1.0 or between 1.0	Current Ratio is below .9	NC
2. Unrestricted Days of Cash	School's financial statements.	School has 45 days cash available.	School has between 15 and 45 days cash available.	School has less than 15 days cash available.	NC
3. Change in Cash Position	School's financial statements. <i>Schools Meeting Target on Metric #2 (Days of Cash) will automatically receive Meets Target.</i>	Cash available increased.	Cash available decreased.	Cash available decreased by >20%	NC
4. Debt Management	School's financial statements.	School meets all debt requirements and is not delinquent on payments.	School has missed payments.	School is in default on any debt service.	NC
5. Debt Coverage Ratio	School's financial statements.	School's Debt Coverage Ratio is > 1.1.	School's Debt Coverage Ratio is between 1.0 and 1.1.	School's Debt Coverage Ratio is below 1.0.	NC

ITEM	DESCRIPTION/DATA SOURCE	SCALE			
		TARGET			
		2 points	1 point	0 points	Not Calculated
6. Surplus/(Deficit) Variance	School's financial statements. <i>Calculation may exclude large planned expenditures or capital outlay. Calculation may exclude payments to reduce debt.</i>	Net Income is positive.	School's Net Income is Negative by <5% of Total revenue.	School's Net Income is Negative by >5% of Total revenue.	NC
7. Enrollment Sustainment	School's settlement reports and board approved five year forecasts.	Final FTE is >90 of October FTE.	Final FTE is 85-90% of October FTE.	Final FTE is <85% of October FTE.	NC
8. Enrollment Variance	School's settlement reports and board approved five year forecasts.	Final FTE is >90% of October Forecast.	Final FTE is 85-90% of October Forecast.	Final FTE is below 80% of October Forecast.	NC

Exhibit 4

Financial Plan and Employee Benefits

In accordance with the requirements of R.C. 3314.03, please include an estimated school budget for each year of the Contract, specifying an estimated per-pupil expenditure for each year. Separately, please also provide a summary of health and other benefits provided to employees.

Financial Plan

Please refer to the attached 5-year budgeting forecasts for each school.

Employee Benefits

Please note that the following summary of health and other benefits is the same for each BCHF-sponsored school.

Health Insurance and Retirement

Each Concept-managed school will comply with ORC 3307 and ORC 3309 as it pertains to the State Teacher Retirement System, School Employee Retirement System, Social Security System, and Annuities.

- State Teachers Retirement System (STRS) - Each school will contribute to STRS, and withhold employee contributions, as required by Chapter 3307 of the Revised Code.
- School Employee Retirement System (SERS) - Each school will contribute to SERS, and withhold employee contributions, as required by Chapter 3309 of the Revised Code.
- Social Security System - Effective July 1, 1991, all employees not otherwise covered by STRS or SERS will be covered by the United States Social Security System.

Insurance

The school currently offers all regular full-time employees' enrollment in medical and dental insurance coverage options in the first month following their employment. The school contributes 60% of the monthly premium and the employee is responsible for the remaining 40% of the premium, which is deducted from their paycheck on a monthly basis. Basic Life insurance coverage is 100% paid by the employer.

Employees are to make medical and dental plan elections by the end of the month in which they are hired. Once made, elections are fixed for the remainder of the plan year.

Employees with Qualifying Life Event (QLE) as prescribed by IRS and the plan document are allowed to make changes in the mid plan year. At the end of each plan year during

open-enrollment, employees may change medical and dental elections for the following plan year.

Both the Medical and Dental insurances terminate on the last day of the month of employment. Information for Consolidated Omnibus Budget Reconciliation (COBRA) continued health coverage is provided after the termination of employment. Employees who elect COBRA coverage are required to pay their share of the dependent health and dental premiums through the end of the month.

The school also offers voluntary insurance, which is 100% paid by the employee, such as Short-Term Disability, Long-Term Disability, Supplemental Life, Vision, AD&D Coverage, Accident and Critical Illness Insurance, and Employee Assistance Program (EAP).

More information is available through the Benefits Guide, which is shared with all employees every year.

Pension

Employees who enter the School as members of the State Teachers Retirement System or the State Employment Retirement System will continue their participation, if permitted pursuant to current law. The employees will contribute at the rate established by the State Retirement Systems. The School will also make all employer contributions as required by the State Retirement Systems. The School will also make normal contributions for workers compensation insurance, unemployment insurance, and all other payroll obligations of an employer.

Paid Time Off Benefits

Personal and Sick Days

Pursuant to Personnel policies, all full-time employees are eligible for personal and sick days. Each full-time employee who works up to 200 days receives 8 days of PTO. The employees who work more than 220 days receive 10 days of PTO, and the employees who work between 210 and 220 days receive 9 days of time off. Any unused days are paid off to the employee at the end of the year with a \$150 per day rate.

Maternity Leave

A full-time female employee is entitled to thirty (30) calendar days of paid leave during the postpartum period where she is incapacitated as a result of having given birth. The paid leave shall start immediately following childbirth and shall run for thirty (30) consecutive calendar days. This policy applies to full-time female employees only.

Parental Leave

A full-time employee who becomes a new parent is entitled to three (3) days of paid parental leave. This policy applies to full-time employees only. Any leave taken shall run concurrently with any Maternity Leave available (if applicable) and with any leave available under the Family & Medical Leave Act.

Funeral Leave

For the death and burial of an immediate relative of the teacher (employee) or the teacher's (employee) husband or wife, three (3) days of paid funeral leave may be allowed. Absence beyond three days shall be covered by any remaining sick and personal time or at full loss of pay if no sick and personal time is available to use.

Moving Bonus

All new full-time employees who move from a distance over 50 miles to accept a position at the school are entitled to a one-time moving bonus up to \$2,500 pursuant to the guidelines based on the distance of the employee's residence at the time of the job application.

FY20 - Oct 2019 submission
IRN No.: 011533
Type of School: Brick and Mortar
Contract Term: June 30, 2020

County: Lorain

School Name: **Horizon Science Academy Lorain**
Statement of Receipt, Disbursements, and Changes in Fund Cash Balances
For the Fiscal Years Ended 2017 through 2019, Actual and
the Fiscal Years Ending 2020 through 2024, Forecasted

	Actual			Forecasted				
	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Operating Receipts								
State Foundation Payments (3110, 3211)	\$ 5,269,551	\$ 5,504,048	\$ 5,875,573	\$ 5,959,500	\$ 6,059,000	\$ 6,179,000	\$ 6,216,000	\$ 6,253,000
Charges for Services (1500)	6,451	-	-	10,000	-	-	-	-
Fees (1600, 1700)	42,321	46,038	34,844	31,000	31,930	32,888	33,875	34,891
Other (1830, 1840, 1850, 1860, 1870, 1890, 3190)	244,097	227,533	226,192	257,000	264,710	272,651	280,831	289,256
Total Operating Receipts	\$ 5,562,419	\$ 5,777,619	\$ 6,136,609	\$ 6,257,500	\$ 6,355,640	\$ 6,484,539	\$ 6,530,705	\$ 6,577,147
Operating Disbursements								
100 Salaries and Wages	\$ 2,922,130	\$ 3,298,036	\$ 3,522,780	\$ 3,696,478	\$ 3,770,408	\$ 3,845,816	\$ 3,922,732	\$ 4,001,187
200 Employee Retirement and Insurance Benefits	733,557	786,420	805,815	924,120	942,602	961,454	980,683	1,000,297
400 Purchased Services	2,120,922	2,103,003	2,355,069	2,214,607	2,236,753	2,259,121	2,281,712	2,304,529
500 Supplies and Materials	388,943	316,075	284,547	299,500	302,495	305,520	308,575	311,661
600 Capital Outlay - New	213,697	227,170	237,969	465,000	25,000	25,500	26,010	26,530
700 Capital Outlay - Replacement	-	-	-	-	-	-	-	-
800 Other	218,397	203,712	242,418	242,285	244,708	247,155	249,626	252,123
819 Other Debt	-	-	-	-	-	-	-	-
Total Operating Disbursements	\$ 6,597,645	\$ 6,934,417	\$ 7,448,599	\$ 7,841,990	\$ 7,521,966	\$ 7,644,565	\$ 7,769,339	\$ 7,896,326
Excess of Operating Receipts Over (Under)								
Operating Disbursements	\$ (1,035,226)	\$ (1,156,798)	\$ (1,311,991)	\$ (1,584,490)	\$ (1,166,326)	\$ (1,160,026)	\$ (1,238,633)	\$ (1,319,180)
Nonoperating Receipts/(Disbursements)								
Federal Grants (all 4000 except fund 532)	\$ 1,011,166	\$ 1,062,642	\$ 1,152,606	\$ 1,158,452	\$ 1,181,621	\$ 1,205,253	\$ 1,229,359	\$ 1,253,946
State Grants (3200, except 3211)	6,998	6,789	-	-	-	-	-	-
Restricted Grants (3219, Community School Facilities Grant)	-	-	-	-	-	-	-	-
Donations (1820)	185,129	260,498	161,809	237,310	150,000	125,000	100,000	100,000
Interest Income (1400)	-	-	1,172	-	-	-	-	-
Debt Proceeds (1900)	-	-	-	-	-	-	-	-
Debt Principal Retirement	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	-
Transfers - In	-	-	-	-	-	-	-	-
Transfers - Out	-	-	-	-	-	-	-	-
Total Nonoperating Revenues/(Expenses)	\$ 1,203,293	\$ 1,329,929	\$ 1,315,587	\$ 1,395,762	\$ 1,331,621	\$ 1,330,253	\$ 1,329,359	\$ 1,353,946
Excess of Operating and Nonoperating Receipts								
Over/(Under) Operating and Nonoperating Disbursements	\$ 168,067	\$ 173,131	\$ 3,596	\$ (188,727)	\$ 165,295	\$ 170,227	\$ 90,725	\$ 34,766
Fund Cash Balance Beginning of Fiscal Year	\$ 137,471	\$ 305,538	\$ 478,669	\$ 482,266	\$ 293,538	\$ 458,834	\$ 629,061	\$ 719,786
Fund Cash Balance End of Fiscal Year	\$ 305,538	\$ 478,669	\$ 482,266	\$ 293,538	\$ 458,834	\$ 629,061	\$ 719,786	\$ 754,552

Assumptions

	Actual			Forecasted				
	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Staffing/Enrollment								
Total Student FTE	617	669	714	725	730	740	740	740
Instructional Staff	61	67	70	71	71	72	72	72
Administrative Staff	5	5	5	5	5	6	6	6
Other Staff	10	10	9	9	9	10	10	10
Purchased Services								
Rent	\$ 428,126	\$ 437,793	\$ 606,459	\$ 555,822	\$ 572,497	\$ 589,672	\$ 607,362	\$ 625,583
Utilities	\$ 116,970	\$ 122,796	\$ 129,267	\$ 130,000	\$ 132,600	\$ 135,252	\$ 137,957	\$ 140,716
Other Facility Costs	\$ 283,326	\$ 230,995	\$ 227,855	\$ 195,000	\$ 198,900	\$ 177,878	\$ 156,436	\$ 134,564
Insurance								
Management Fee	\$ 645,346	\$ 685,587	\$ 730,808	\$ 741,595	\$ 756,427	\$ 771,556	\$ 786,987	\$ 802,726
Sponsor Fee								
Audit Fees								
Contingency								
Transportation								
Legal	\$ 20,838	\$ 16,784	\$ 27,658	\$ 30,000	\$ 30,600	\$ 31,212	\$ 31,836	\$ 32,473
Marketing	\$ 40,220	\$ 11,105	\$ 4,246	\$ 10,000	\$ 10,200	\$ 10,404	\$ 10,612	\$ 10,824
Consulting								
Salaries and Wages								
Employee Benefits								
Special Education Services	\$ 158,225	\$ 98,993	\$ 87,466	\$ 120,000	\$ 122,400	\$ 124,848	\$ 127,345	\$ 129,892
Technology Services	\$ 7,039	\$ 2,435	\$ 2,020	\$ 5,000	\$ 5,100	\$ 5,202	\$ 5,306	\$ 5,412
Food Services	\$ 272,520	\$ 296,825	\$ 304,370	\$ 380,000	\$ 387,600	\$ 395,352	\$ 403,259	\$ 411,324
Other	\$ 148,310	\$ 199,691	\$ 234,920	\$ 47,190	\$ 20,429	\$ 17,745	\$ 14,612	\$ 11,014
Total	\$ 2,120,922	\$ 2,103,003	\$ 2,355,069	\$ 2,214,607	\$ 2,236,753	\$ 2,259,121	\$ 2,281,712	\$ 2,304,529
Financial Metrics								
Debt Service Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service Coverage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Growth in Enrollment	0.00%	8.43%	6.73%	1.54%	0.69%	1.37%	0.00%	0.00%
Growth in New Capital Outlay	0.00%	6.30%	4.75%	95.40%	-94.62%	2.00%	2.00%	2.00%
Growth in Operating Receipts	0.00%	3.87%	6.21%	1.97%	1.57%	2.03%	0.71%	0.71%
Growth in Non-Operating Receipts/Expenses	0.00%	10.52%	-1.08%	6.09%	-4.60%	-0.10%	-0.07%	1.85%
Days of Cash	0.02	0.04	0.06	0.06	0.04	0.06	0.08	0.09

Assumptions Narrative Summary

Horizon Science Academy Lorain sponsored by Buckeye Community Hope Foundation that served children grades K-12. The School has a management agreement with Concept Schools Inc. which effective until the expiration of the School's charter agreement. The management fees are 10% of total annual revenues. The 10% rate shall remain the same until the new mutual agreement takes place.

Total projected enrollment is 725 students in 2020, and end of the school year 2024, the School wants to reach their target number of 740.

The number of staff will increase with the increase in the enrollment and addition of new classrooms and grade levels in the following years. Historically, employee salaries on average have grown between 2%-3% year over year. Due to this, we will be utilizing a 2% growth factor for Salaries and Wages.

The school has a building lease agreement with NOG-OHIO LLC (the non-profit organization) till June 30, 2021, and that rent expense increases by 3% every year. The school will be paid \$55,822 in the fiscal year 2020.

Fiscal Year 2020-2024 Projected Debt					
Description	Beginning	Principle	Interest	Ending	Debtor/
FTE Review	\$ -	\$ -	\$ -	\$ -	
Loan A					
Loan B				\$ -	
Line of Credit	\$ -	\$ -	\$ -	\$ -	
Notes, Bonds				\$ -	
Capital Leases					
Payables (Past)		\$ -	\$ -	\$ -	
Total	\$ -	\$ -	\$ -	\$ -	

***HSA Lorain 800-Other Object expenses of Sponsor fees, Audit Fees and Liability and Property Insurance expenses are as follows:

	Actual	
	2016 2017	2018 2019
Sponsor Fees	163,624	164,919
Insurance	28,890	18,943
Audit Fee	8,936	8,626

Exhibit 5
Plan of Action for Financial Difficulties or Closure

Community School: School Suspension and/or School Closing Procedures

Effective date: July 1, 2010

Updated: May 2018

Community school sponsors primarily are responsible for ensuring an orderly process is followed when a school closes or operations are suspended.

Closure Statute

Under state law ([Ohio Revised Code 3314.023](#)), community school sponsors must monitor and oversee their schools' compliance with law, administrative rules and contract provisions, including requirements related to school closure. Specifically, ORC 3314.023 requires:

- *A sponsor shall provide monitoring, oversight, and technical assistance to each school that it sponsors. In order to provide monitoring, oversight, and technical assistance . . .*
- *[Sponsors] Having in place a plan of action to be undertaken in the event the community school experiences financial difficulties or closes prior to the end of a school year.*

Suspension Statute

[ORC 3314.072](#) establishes the conditions under which a school may be suspended, along with a school's procedural rights. Provisions include:

- *For any of the reasons prescribed in division (B)(1)(a) to (d) of section 3314.07 of the Revised Code, the sponsor of a community school established under this chapter may suspend the operation of the school only if it first issues to the governing authority notice of the sponsor's intent to suspend the operation of the contract. Such notice shall explain the reasons for the sponsor's intent to suspend operation of the contract and shall provide the school's governing authority with five business days to submit to the sponsor a proposal to remedy the conditions cited as reasons for the suspension.*
- *The sponsor shall promptly review any proposed remedy timely submitted by the governing authority and either approve or disapprove the remedy. If the sponsor disapproves the remedy proposed by the governing authority, if the governing authority fails to submit a proposed remedy in the manner prescribed by the sponsor, or if the governing authority fails to implement the remedy as approved by the sponsor, the sponsor may suspend operation of the school pursuant to procedures set forth in division (D) of this section.*
- *If division (B) of this section applies or if the sponsor of a community school established under this chapter decides to suspend the operation of a school as permitted in division (C)(2) of this section, the sponsor shall promptly send written notice to the governing authority stating that the operation of the school is immediately suspended, and explaining the specific reasons for the suspension. The notice shall state that the governing authority has five business days to submit a proposed remedy to the conditions cited as reasons for the suspension or face potential contract termination.*
- *Upon receipt of the notice of suspension prescribed under division (D)(1) of this section, the governing authority shall immediately notify the employees of the school and the parents of the students enrolled in the school of the suspension and the reasons therefore, and shall cease all school operations on the next business day.*

Overview

Sponsors provide and execute a plan for an orderly conclusion of a community school's affairs when a community school is closed or suspended for any reasons permitted by law and/or the contract between the sponsor and the school. A school is considered closed or suspended when instruction has ceased and the governing authority or sponsor has issued an official notice that includes the reason for and date of the school's closure or suspension. A community school also is considered closed if the Department issued a notice to a school under the state's automatic closure law, [ORC 3314.35](#). In the case of both suspension and closure, the sponsor and an authorized representative of the governing authority complete and sign the Suspension and Closing Assurance Template. Community school sponsors make sure a community school's governing authority takes all reasonable and required actions to fully address suspension or closing issues. If a school's governing authority is no longer able or willing to fulfill obligations with respect to orderly closure, the school's sponsor assumes responsibility for all closure activities. A plan for school closure is a required part of the school's contract with the sponsor. Final preparations, as outlined in the plan, should be in place prior to the last day students are in attendance.

Note:

- Closing procedures detailed in this guidance or the accompanying template are not applicable to school mergers.
- Procedures for school closures that are the result of settlement agreements may differ based on the provisions of the settlement. Schools and sponsors are advised to consult their legal counsel.

Sponsors must submit a Suspension and Closing Assurance Template for each closed community school. By completing this assurance, sponsors attest that all necessary notifications and actions are completed.

When possible, the final FTE review should be completed within seven business days of the school ceasing operations or within seven business days of the area coordinator's notification of the school's suspension or closing by the Department. Final FTE reviews should be completed prior to transfer of original student records to the district(s). Sponsors must monitor the school's actions to assure both the FTE review and fiscal audit are scheduled in a timely fashion. If the school fails to schedule these activities, the sponsor must step in and make the necessary arrangements.

Sponsors should begin completing the Suspension and Closing Assurance Template as soon as possible after the suspension/closure of the school.

For mid-year closure or suspension, an estimated timeline for closure activities must be submitted to the Office of Community Schools within 10 days of notification. In the case of closure at the end of the school year, sponsors shall submit an estimated timeline for closure activities to the Office of Community Schools, via Epicenter, no later than May 31. Sponsors shall use the Suspension and Closing Assurance Template for the estimated timeline.

The updated Suspension and Closing Assurance Template shall be submitted to the Office of Community Schools, via Epicenter, quarterly (July 1, Oct. 1, Jan. 1 and April 1), noting which activities are complete and which are not yet complete until the process is finished and closing assurances are submitted. The quarterly submissions shall include a narrative explaining any delays and the sponsor's target date for submitting the final closing assurances.

If refunds are generated at a later date, the sponsor shall follow the instructions in the Preparation of Itemized Financials section of the template and complete the Final Payments and Adjustments section.

The Suspension and Closing Assurance Template provides step-by-step guidance to assist sponsors in meeting their responsibilities when one of their schools suspends operations or closes.

Additional Resource

Additional information regarding best practices from The National Association of Charter School Authorizers is available [here](#).

Submission Instructions

Sponsors must submit the Suspension and Closing Assurance Template for each closed community school. By completing this assurance, sponsors attest that all necessary notifications and actions are completed.

Submit the Suspension and Closing Assurance Template by uploading the completed template, including certification, to Epicenter following the process below:

1. Log in to Epicenter at <http://epicenternow.org/>.
2. Click the Sign In link at the top of the page.
3. Enter your username and password.
4. Click Document Center.
5. On the Document Center page, click the Submission Upload button.
6. For Entity Type, select school.
7. For Submission Type, select Suspension and Closing Assurance Template.
8. For Entities, select the appropriate school by checking the box next to the school name.
9. Enter required information.
10. Click Upload New File button to upload your document.
11. (Optional) Type a brief message to the reviewer.
12. Click Submit.

The Certification/Signature tab must include electronic signatures or original handwritten signatures. If printed and original signatures are obtained, the certification page must be uploaded to Epicenter along with this completed spreadsheet.

The Office of Community Schools and your consultant use Epicenter to access your submissions. Please contact your lead consultant if you have additional questions or if you are unable to view any of the information described above.

Records

Sponsors assure that all school records needed by the Ohio Department of Education, Ohio Auditor of State, U.S. Department of Education and other interested entities are secured and available as needed during the closeout process. Records generally describe an account in permanent form, preserving knowledge or information about facts, transactions or events maintained and kept for the proper administration of the school, including student, staff and administrative/financial information. Please note, the following categories and types of records should not be considered as the entire list of documents that might be examined during a closing

procedure. Additional records may be requested during an FTE review or final audit. (Additional information is available in the Department's FTE Review Manual.)

Student Records

Student records include all educational, special education and other documents in the school's possession that relate to a particular student. Student records include, but are not limited to: documents normally found in permanent record folders that are necessary for reviews and audits; attendance records that detail enrollment and attendance history; grades and grade levels achieved; transcripts, courses completed and grades for each course, particularly for students enrolled in grades 9-12 and for graduates of the school; proof of residency documents that identify a student's home district; FTE Detail reports, with names and SSID numbers that can be used to match names to the FTE Detail report with randomly selected SSIDs obtained by the area coordinator; special education information and folders; and other such information that may be maintained and kept in a student permanent record folder.

Schools must retain copies of all student records necessary to complete the final FTE review and financial audit.

Staff Records

Staff records include, but are not limited to: employment agreements or contracts; salary and benefits information; attendance and leave information; employee licenses; Local Professional Development Committee (LPDC) status and record of continuing education; payroll and withholding documents; and other such information that may be maintained in an employee record folder.

Administrative/Financial Records

Administrative/financial records include, but are not limited to: lease or rental agreement; deed if property is owned; inventories of furniture and equipment, including purchase price, source of funds for payment, date purchased and property tag number; bank and financial reports, including all financial statements created by the fiscal officer; bank statements and checks; schedule of unpaid debt detailing amount, vendor and date of obligation; invoices, receipts, vouchers and purchase orders that detail expenditures; grant records, including detail of federal and state grant awards and final expenditure reports and contracts; and other such information that may be maintained to serve as the administrative/financial records for the school.

Record Retention

Sponsors shall secure all school records (student, personnel, fiscal, etc.) prior to closing. All such records shall be maintained according to applicable records retention schedules. Records retention is governed by state and federal law and governing authority policy. Additional information regarding state requirements is available [here](#). Federal records retention schedules are available [here](#). Additional information is available in the Student Records section of the Suspension and Closing Assurance Template.

Community school sponsors are responsible for securing all records prior to closing and maintaining records in accordance with all applicable retention schedules.

Should you have any questions, please contact the Office of Community Schools at Community.Schools@education.ohio.gov or your lead consultant.

School Closure Quick List

School Responsibilities (Board/Director/Staff/Mgt company)

- Board resolution for closure of school
- Board resolution for disposition of assets
- Notification to parents of closure – Letter must include the following
 - Reason for closure
 - Options for enrolling in other schools
 - Location of student records
 - Contact info for Sponsor
- Notify Teachers of closure – Letter must include the following
 - Clarification of COBRA or other benefits
 - Information on the location of LPDC documents
 - Reminder to faculty of obligation to teach until last day
 - Sponsor contact info
- Organization of all student records
 - Make copies of all CURRENT student records including SPED (if possible scan to jump drive we will provide)
 - Create list of all current students including address, grade, and resident district
 - A copy of the list must be provided to each resident district (broken out)
 - Organize student files by grade and in alphabetical order
 - Name and SSID should be clearly visible
 - Create list of all graduates with date of graduation and transcripts
 - Keep all SPED files separate for delivery directly to SPED office at resident district
 - Deliver ORIGINAL and WITHDRAWN files to resident districts within 7 days of school closure
 - Must obtain signature from each receiving district
- Schedule FTE review with area coordinator
- Confirm all assets are accounted for once Treasurer provides the asset listing
- Notify the Secretary of State of dissolution
- Notify IRS of dissolution

Documents School must provide to Sponsor

1. Copy of parent letter
2. Copy of staff letter
3. Copy of Board closure resolution
4. Copy of Board resolution for Disposition of assets
5. Copy of Board resolution naming individual with authority to process payments moving forward
6. Copy of any notices to ODE or Media for auction
7. Current student list including address, grade, and resident district
8. Jump drive with scanned records for current students
9. List of any graduates (digital transcripts if available)
10. Copy of email requesting FTE review
11. Copy of final FTE report
12. Copy of Delivery Receipts to resident districts (for both Cumulative and Sped files)

Treasurer Responsibilities

- Notify STRS/SERS of closure
 - Ensure STRS/SERS contributions are current
- Update and confirm the Fixed Asset list
 - Must include the funding source and Fair Market value
 - Create bill of sale for any assets sold
- Notify Auditor of State of school closure and schedule final audit
- Identify any PCSP purchased assets
- Identify any School Facilities guarantees
- Identify any National School Lunch Program equipment purchases
- Create June 30 financials to include
 - Bank reconciliation
 - List of investments
 - List of Payables
 - Creation of priority list if not enough funds to pay everyone
 - List of unused checks
 - List of petty cash
 - List of bank accounts
 - Closing bank accounts when all transactions complete
 - Payroll reports
 - List of Accounts receivable
- Return all unused funds to ODE

Documents Treasurer must provide to Sponsor

1. All June 30 financials
2. Copy of email to STRS/SERS for closure
3. Copy of email to AOS requesting final audit
4. Proof of Hinkle system submission
5. Asset list with all required elements
6. Any Bills of Sale for assets
7. Copy of email to SFC (if app)
8. Copy of offer letter to local district if selling items back
9. Accounts payable listing with priority payoff schedule
10. Copy of remission check to ODE for unused funds
11. Proof of bank account closure
12. Copy of Final audit

Sponsor Responsibilities

- Collect all documents to be submitted to ODE and Auditor of State
- Serve as backup in the event school is unable to complete any of its obligations for closure
- Submit Quarterly and Final Assurances to ODE as needed
- Submit estimated Timeline to ODE for closure process

Sponsor Representative

School Representative

BCHF STANDARD OPERATING PROCEDURE: FINANCIAL DIFFICULTY OR CLOSURE PRIOR TO END OF SCHOOL YEAR

By authority of the community school contract executed between Buckeye Community Hope Foundation ("BCHF" or "Sponsor") and the Governing Authority ("School") as amended (the "Contract"), and provisions of Chapter 3314 of the Ohio Revised Code, including but not limited to, ORC 3314.03(D)(6) and 3314.015(E), and OAC 3301.102-05(A)(7), Buckeye Community Hope Foundation's plan of action for responding to critical financial difficulties or closure experienced by the School prior to the end of the school year is as follows:

1. Pursuant to the community school contract, the School must cooperate fully with the Sponsor in all activities as required by Ohio Department of Education (ODE) regulations for oversight of the School, including but not limited to:

- Annual file updates as requested by BCHF;
- Annual Review of Auditor reports;
- Timely submission of both the October and May 5-year forecasts;
- Timely submission of the board approved annual School Budget;
- Monthly reviews of the school's financial position; and
- Other appropriate requests for information from BCHF or ODE.

Further, pursuant to the community school Contract, the School shall comply with all reasonable requests of the Sponsor. Failure to do so may constitute grounds for Sponsor to place the School on probation, suspension, and/or termination of the Contract. In Article VIII. of the Contract, the School specifically recognizes BCHF's authority to intervene in, correct, declare probationary status of, suspend, terminate, or non-renew the school's Contract and correct problems in school performance.

In the event the School experiences financial difficulties, BCHF will utilize its authority under Ohio Revised Code, Ohio Administrative Code, and Article VIII. of the Contract to obtain necessary information from the School to identify causes, develop potential remedies, and prepare contingency plans, if necessary.

The Sponsor shall require the School to develop and implement a remedial plan to address the school's financial difficulties in a timely manner. Such remedial plan may include, but is not limited to:

- School providing more frequent or enhanced financial reporting to Sponsor; arrangements for on-site financial inspections and/or audits of the School by Sponsor or sponsor's representatives.
- Providing supplemental reports to the Sponsor confirming the implementation of remedial steps in accordance with an agreed upon timetable.
- School's attainment of specified financial benchmarks according to an agreed upon timetable. Sponsor may compel the School to provide such a remedial plan through the use of probation or notice of intent to suspend.

In the event the School fails to provide an acceptable remedial plan, or fails to implement a remedial plan approved by the Sponsor, the Sponsor reserves the authority to require changes to the management of the School, to the extent permitted by Ohio Revised Code Chapter 1702, or other applicable law. Pursuant to the community school Contract, as permitted by law, the School grants

BCHF power of attorney to carry out provisions of applicable law and the Contract on behalf of the School, should it become necessary to do so by the sponsor's sole discretion, and to appoint a new Board of Directors for the School for cause or breach of the Contract.

If the School is not able to remedy its financial difficulties in a manner satisfactory to BCHF, then BCHF reserves the right to terminate the school's Contract in accordance with provisions of Ohio Revised Code 3314.07.

2. BCHF's plan of action in the event the School is suspended, terminated, or otherwise closes such that the School ceases operation prior to the end of the school year, is as follows:

BCHF will take every possible reasonable step to avoid a mid-year closure. Prior to any decision to suspend or close school operations mid-year, BCHF may take steps including but not limited to:

- At the BCHF Board's discretion, waive school sponsorship fees for a specified period of time.
- BCHF staff may assist in the renegotiation of Contracts to gain more favorable terms for the school.
- BCHF staff may meet directly with the school Treasurer and Director to evaluate spending in all areas and develop a plan to reduce expenses while maintaining required minimum staffing levels.
- BCHF may provide direct support to the school in identified areas to reduce costs.

In the event every possible step towards a solution has been taken and the school must be closed, BCHF shall comply with the provisions of ORC 3314.07, 3314.072, and 3314.073 regarding the procedures and notices for placing the School on probationary status, suspension, and/or termination.

In the event it becomes necessary for the Sponsor to suspend or terminate the school's Contract, BCHF will adhere to the **Community School Suspension and Closing Procedures** and forms prescribed by the Ohio Department of Education.

The following steps are strong areas of focus for BCHF to ensure the best possible transition for students and staff affected by the closure.

- Immediate communication of closure with ODE, parents, and school staff.
- Direct communication with the local public school district to arrange delivery of records and to ensure parents receive support as they transition to a new school.
- Coordination with the closure school to host an enrollment fair for all school options available in the area so parents are fully aware of choices and can be assisted in the transition to a new school.
- Coordination with the closure school to ensure both student records and staff files are completely organized and ready for delivery to prevent any delays during the transition.

Revised March 15, 2017