

MASTER CONTRACT

**The Community School Contract entered into by the
Governing Authority of Sciotoville Elementary Academy
and the Thomas B. Fordham Foundation**

Dated as of June 15, 2015

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COMMUNITY SCHOOL CONTRACT
For
Sciotoville Elementary Academy

This Community School Contract (the "Contract") is entered into pursuant to the provisions of Chapter 3314 of the Ohio Revised Code effective July 1, 2015, by and between the Thomas B. Fordham Foundation (hereinafter the "SPONSOR") and the Governing Authority (hereinafter the "GOVERNING AUTHORITY") of Sciotoville Elementary Academy, located at 5540 Third Street, Portsmouth, Ohio 45662 (hereinafter the "Community School").

The names and business addresses of the individuals who currently make up the GOVERNING AUTHORITY of the Community School, which is responsible for carrying out the provisions of this Contract, are attached hereto as Exhibit 7.

Article I. Purpose

The purpose of this Contract is to ensure that the Community School provides a high-quality education to its students and contributes significantly to Ohio's effort to provide high-quality education options to needy children via a strong community-school program.

This Contract authorizes the continued operation of the Community School pursuant to Chapter 3314 of the Ohio Revised Code (the "Code"). Such school shall be a public school, independent of the Portsmouth City School District, and is part of the state education program. Pursuant to Code Section 3314.01, the Community School may sue and be sued, acquire facilities as needed, and contract for services necessary for the operation of the school. The GOVERNING AUTHORITY of the Community School may carry out any act and ensure the performance of any function that is in compliance with the Ohio Constitution, Chapter 3314 of the Code, other statutes applicable to community schools, and the terms of this Contract. The Community School is educating children in grade- or age-equivalent levels K-4.

In approving this Contract, the SPONSOR voluntarily exercises powers given to it to sponsor community schools. Nothing in this Contract shall be deemed to be any waiver of the SPONSOR's autonomy or powers.

The Community School may not use the name of the SPONSOR or any assumed name, trademark, division, or affiliation of the SPONSOR in any of the Community School's or the GOVERNING AUTHORITY's promotional advertising, contracts, or other materials without the SPONSOR'S prior written consent, except that the Community School or the GOVERNING AUTHORITY may include the following statement in such materials, "Sciotoville Elementary Academy is sponsored by the Thomas B. Fordham Foundation."

Article II. Term

The term of this Contract shall be for a period of one year commencing July 1, 2015 and ending June 30, 2016 (the "Term"), with an automatic two-year renewal, effective July 1, 2016–June 30, 2018; provided, however, that the SPONSOR or GOVERNING AUTHORITY may terminate this Contract prior to its term, pursuant to Article X of this Contract. This Contract may be renewed by the parties hereto in accordance with the requirements of Section 3314.03(E) of the Code. This Contract is not valid and binding until executed by both parties.

No later than November 30 in the calendar year prior to expiration of this Contract, unless such date is waived by the SPONSOR at its sole discretion, the GOVERNING AUTHORITY shall provide to the SPONSOR the application to renew this Contract (the "Renewal Application"). The Renewal Application shall contain:

1. a report of the progress of the Community School in achieving the educational objectives set forth in the charter;
2. a detailed financial statement disclosing the cost of administration, instruction, and other spending categories for the Community School that will allow a comparison of such costs to other schools, both public and private;
3. copies of each of the Annual Reports of the Community School, including the Ohio Department of Education report cards for the Community School and the certified financial statements;
4. evidence of parent and student satisfaction; and
5. such other material and information as is required by the SPONSOR.

When considering Contract renewal, the SPONSOR will examine the Community School's performance during the term of this Contract. The SPONSOR will examine with particularity the Community School's fidelity to Exhibit 1 (Education Plan) and the school's performance against the requirements of Exhibit 4 (Academic Performance Plan).

The renewal or non-renewal of this Contract between the SPONSOR and GOVERNING AUTHORITY shall be subject to Code Section 3314.07. In the event of non-renewal of this Contract, and in accordance with Code Section 3314.07, the SPONSOR shall provide to the GOVERNING AUTHORITY a decision on the Renewal Application by February 1 in the year in which the Sponsor intends to take action not to renew the Contract. In the event that renewal is not approved, then the parties to this Contract shall fulfill their respective obligations hereunder to the end of the term pursuant to Articles II and XI of this Contract. Notwithstanding any obligations pursuant to Article X, once the GOVERNING AUTHORITY has received notice of a non-renewal decision, the GOVERNING AUTHORITY is free to contact other sponsors within the state. In the event that the Renewal Application is granted, the SPONSOR may enter into a proposed Contract with the GOVERNING AUTHORITY. Nothing herein shall obligate the SPONSOR to approve a Renewal Application.

If the GOVERNING AUTHORITY of the Community School does not intend to renew the Contract with the SPONSOR, the GOVERNING AUTHORITY of the Community School shall notify the SPONSOR in writing of that fact at least one hundred eighty (180) days prior to the expiration of the Contract pursuant to Article X of this Contract. The GOVERNING AUTHORITY of the Community School may enter into a Contract with a new SPONSOR in accordance with Code Section 3314.03 upon the expiration of this Contract.

Article III. Responsibilities of the GOVERNING AUTHORITY

The GOVERNING AUTHORITY agrees to comply with provisions established under Chapter 3314 of the Code applicable to community schools. Pursuant to Section 3314.02 of the Code, all members of the GOVERNING AUTHORITY must be eligible to serve in such capacity. In accordance with Section 3314.03 of the Code, the Community School agrees that it will remain in good standing as a non-profit, public benefit corporation pursuant to Chapter 1702 of the Code for the entire term of this Contract.

The Community School shall be located within the Portsmouth City School District.

In accordance with Section 3314.05(B)(5) of the Code, the GOVERNING AUTHORITY agrees that any facility used for a community school shall meet all health and safety standards established by law for school buildings and agrees to remain compliant with all health and safety standards established by law for school buildings for the entire term of this Contract. The GOVERNING AUTHORITY agrees, in the event the Community School wishes to change locations and/or facilities, to acquire a new Letter of Approval pursuant to Article VII of this Contract.

The GOVERNING AUTHORITY agrees that it shall notify the SPONSOR immediately as to any of the following: any material change in the availability or condition of the physical plant, such as through flood, fire, or other unanticipated circumstance; any allegation that the GOVERNING AUTHORITY or the lessor has breached any lease, deed, or other land use agreement concerning the physical plant; any proposal to move the Community School from its current location specified in this Contract to another location or from its current facility to another.

The GOVERNING AUTHORITY represents that its Commercial General Liability policy expressly covers Corporal Punishment Liability and Athletic Participation Medical Liability. In addition to any existing insurance policies, the GOVERNING AUTHORITY agrees to negotiate in good faith with the SPONSOR to determine the types and amounts of other insurance policies that it shall acquire and maintain in place. At a minimum, however, the GOVERNING AUTHORITY agrees to maintain insurance policies for the following types and amounts of coverage: commercial general liability insurance with limits of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate; automobile liability insurance of one million dollars (\$1,000,000); employee dishonesty insurance with limits of five hundred thousand dollars (\$500,000); and educators legal liability insurance (which shall include coverage of trustees and officers of the Community School) with limits of one million dollars (\$1,000,000) per claim and two million dollars (\$2,000,000) aggregate. The GOVERNING AUTHORITY

agrees to take all appropriate action to ensure that the SPONSOR is listed as an additional named insured on each of these insurance policies.

No later than fifteen (15) days following the date of this Contract, the GOVERNING AUTHORITY shall provide the SPONSOR with certificates of insurance or other satisfactory proof evidencing coverage in the types and amounts agreed to. All such insurance policies shall contain a provision requiring notice to the SPONSOR, at least thirty (30) days in advance, of any material change, non-renewal, or termination, to the attention of President, The Thomas B. Fordham Foundation, 1016 16th Street NW, 8th Floor, Washington, D.C. 20036 or such other address designated by the SPONSOR, with copies to Thomas B. Fordham Foundation, 15 West Fourth Street, Suite 430, Dayton, Ohio 45402, Attn: Vice President for Sponsorship and to Thomas A. Holton/Charles Y. Kidwell, Porter, Wright, Morris & Arthur LLP, Suite 1600, One South Main Street, Dayton, Ohio 45402-2028.

To the fullest extent permitted by law, the GOVERNING AUTHORITY and Community School shall indemnify, defend, and hold harmless the SPONSOR and any successor entity thereto and their respective members, officers, directors, trustees, employees, agents, affiliates, and representatives, past and present (collectively “the Sponsor Indemnitees”), from and against any and all liabilities, losses, penalties, damages, and expenses, including costs and attorney fees arising out of all claims, liens, demands, suits, liabilities, and injuries (personal or bodily) of every kind, nature, and character arising or resulting from or occasioned by or in connection with (i) the possession, occupancy, or use of the property by the Community School, GOVERNING AUTHORITY and its faculty, students, patrons, employees, guests, or agents; or (ii) any act or omission to act, whether negligent, willful, wrongful, or otherwise, by the GOVERNING AUTHORITY, Community School, its faculty, officers, students, patrons, employees, guests, or agents; or (iii) a violation of any law, statute, code, ordinance, or regulation by the GOVERNING AUTHORITY, Community School, its faculty, officers, students, patrons, employees, subcontractors, guests or agents and/or any breach, default, violation, or non-performance by the GOVERNING AUTHORITY or Community School of any term, covenant, condition, duty, or obligation provided in this Contract.

These indemnification, defense, and hold-harmless obligations shall survive the termination of this agreement. Notwithstanding the expiration, termination or nonrenewal of this Contract, the GOVERNING AUTHORITY and Community School agree that the insurance coverage requirements under this Article and the duty to indemnify described herein shall continue in force and effect with respect to any claim, action, expense (including attorney fees), damage or liability arising out of, connected with, or resulting from the operation of the Community School by the GOVERNING AUTHORITY until such claim, action, expense (including attorney fees,) damage, or liability is barred by any applicable statute of limitation. Any indemnified parties shall have the right, at their own expense, to participate in the defense of any suit without relieving the indemnifying party of any of its obligations hereunder.

The GOVERNING AUTHORITY shall request a Bureau of Criminal Identification and Investigation ("BCI&I") criminal records check for each newly elected and/or appointed GOVERNING AUTHORITY member. If any member fails to pass the criminal records check, their appointment to the GOVERNING AUTHORITY shall be void. The results of each criminal records check for the GOVERNING AUTHORITY members shall be provided to the SPONSOR upon request.

In accordance with Section 3319.39 of the Code, the GOVERNING AUTHORITY shall request a BCI&I criminal records check with respect to teachers and any applicant who has applied to the Community School for employment in any position involving the care, custody, or control of a child. Any such applicants shall not be hired until the GOVERNING AUTHORITY receives a favorable criminal records check for that applicant from BCI&I.

Upon request of the SPONSOR, the GOVERNING AUTHORITY shall promptly provide proof of occupancy, fire inspection, health and safety inspection, lease or purchase verification, construction plans, liability insurance, BCI&I records checks of all staff, and valid teaching certification of staff. Proof of occupancy shall be satisfied by the GOVERNING AUTHORITY providing to the SPONSOR any permanent, interim, or temporary certificate of occupancy issued by the government agency having jurisdiction over the same. Proof of teacher certification shall be satisfied by the GOVERNING AUTHORITY providing to the SPONSOR any temporary or permanent teaching certificate/license issued by the Ohio Department of Education.

In accordance with Code Section 3314.03(A)(10), the GOVERNING AUTHORITY agrees to hire classroom teachers who are licensed in accordance with Sections 3319.22 to 3319.31 of the Code and may employ other persons as are necessary to carry out and fulfill its mission pursuant to Section 3314.01(B) of the Code. In accordance with applicable provisions of Ohio law, the GOVERNING AUTHORITY hereby represents that all individuals who teach in the Community School during the term of this Contract shall: (i) hold a license to teach in a public school in Ohio under Sections 3319.22 to 3319.31 of the Code; or (ii) be in the process of obtaining a license to teach in a public school in Ohio under the conditional or alternative path to licensure set forth under Ohio law. The GOVERNING AUTHORITY represents that any individual teaching at the Community School under this option shall complete the conditional or alternative path to licensure not later than two (2) years after beginning to teach at the Community School. The Community School may engage non-certified persons to teach up to twelve (12) hours per week pursuant to Section 3319.301 of the Code. The requirement of certification or licensure may be fulfilled by obtaining either a teaching certificate/license or temporary teaching certificate/license issued by the Ohio Department of Education.

In accordance with applicable provisions of Ohio law, the GOVERNING AUTHORITY represents that any individual who provides a service other than teaching to students at the Community School, and for which a license is required under Ohio law, shall have the appropriate license to provide the service in Ohio.

In accordance with Code Section 3314.03(A)(6), the GOVERNING AUTHORITY agrees to adopt an attendance policy that includes a procedure for automatically withdrawing a student from the school if the student fails to participate in one hundred five (105) consecutive hours of the learning opportunities offered to the student. Such policy shall provide for withdrawing the student by the end of the thirtieth (30th) day after the student has failed to participate. In accordance with Code Section 3314.03(A)(11)(a), the Community School shall provide learning opportunities to a minimum of twenty-five (25) students for a minimum of nine hundred twenty (920) hours per school year.

In accordance with Code Section 3314.03(A)(11)(c), the Community School shall be nonsectarian in its programs, admission policies, employment practices, and all other operations, and will not be operated by a sectarian school or religious institution.

In accordance with Code Section 3314.03(A)(11)(d), the GOVERNING AUTHORITY shall comply with Sections 9.90, 9.91, 109.65, 121.22, 149.43, 2151.357, 2151.421, 2313.19, 3301.0710, 3301.0711, 3301.0712, 3301.0715, 3301.948, 3313.472, 3313.50, 3313.536, 3313.539, 3313.608, 3313.609, 3313.6012, 3313.6013, 3313.6014, 3313.6015, 3313.6020, 3313.643, 3313.6411, 3313.648, 3313.66, 3313.661, 3313.662, 3313.666, 3313.667, 3313.67, 3313.671, 3313.672, 3313.673, 3313.69, 3313.71, 3313.7112, 3313.716, 3313.718, 3313.719, 3313.80, 3313.814, 3313.816, 3313.817, 3313.86, 3313.89, 3313.96, 3319.073, 3319.321, 3319.39, 3319.391, 3319.41, 3319.46, 3321.01, 3321.041, 3321.13, 3321.14, 3321.17, 3321.18, 3321.19, 3321.191, 3327.10, 4111.17, 4113.52, and 5705.391 and Chapters 117, 1347, 2744, 3365, 3742, 4112, 4123, 4141, and 4167 of the Code as if it were a school district and comply with Section 3301.0714 of the Code in the manner specified in Section 3314.17 of the Code.

In accordance with Code Section 3314.03(A)(11)(e), the GOVERNING AUTHORITY shall comply with Chapter 102 and Section 2921.42 of the Code.

In accordance with Code Section 3314.03(A)(11)(h), the GOVERNING AUTHORITY shall comply with Section 3313.801 as if it were a school district.

In accordance with Code Section 3365.03, the GOVERNING AUTHORITY shall ensure that academically qualified students be permitted to participate in the College Credit Plus program.

In accordance with Code Section 3314.03(A)(25), the Community School will open for operation not later than September 30. The Community School will comply with Code Section 3314.50 prior to opening for operation as applicable.

The GOVERNING AUTHORITY represents that the school director, principal, or superintendent of the Community School, if a member of the GOVERNING AUTHORITY, is a non-voting member of the GOVERNING AUTHORITY.

The GOVERNING AUTHORITY represents that the GOVERNING AUTHORITY will disclose any actual or potential conflict between any member of the GOVERNING AUTHORITY in his/her individual capacity and the Community School. To permit analysis of the existence of any actual or potential conflicts by the SPONSOR, the GOVERNING AUTHORITY shall submit to the SPONSOR, on a quarterly basis, the completed Related Parties Disclosure Form attached hereto as Exhibit 8.

The GOVERNING AUTHORITY further represents that the GOVERNING AUTHORITY will disclose any actual or potential conflicts, including, but not limited to, disclosure of any legal obligations such as employment or professional services contracts, between any individual employed by or retained as a consultant by the GOVERNING AUTHORITY and the Community School.

The Community School and GOVERNING AUTHORITY will comply with Section 3302.04 of the Code to the extent possible, except any action required to be taken by a school district pursuant thereto shall be taken by the SPONSOR, provided, however, that the SPONSOR is not required to take action under Section 3302.04(F) of the Code.

The Community School represents that its name does not violate or infringe upon the intellectual property rights of any third party and that it has taken appropriate measures to secure the intellectual property rights with respect to its name.

As consideration for the sponsorship of the Community School by the SPONSOR, the GOVERNING AUTHORITY or, as directed, the Community School will pay a 2% sponsorship fee (the "Sponsorship Fee") to the SPONSOR, calculated on the total state support, based upon student enrollment, received by the Community School. The Sponsorship Fee will increase to 2.5% for the remainder of the school year should any of the following events occur:

1. Two consecutive audits that have the same audit finding/s, or the same issue/s raised in two consecutive management letters;
2. Site visit records compliance or EPICENTER compliance (accurate/complete and on-time) falls below 79% for the year in any one category of records reviewed;
3. The Community School, as of its second year of operations, has less than two months of cash reserve available to cover normal operating expenses during any consecutive three-month period;
4. The Community School receives an overall rating of "D" or lower; or
5. The Community School is delinquent on any payments due to the Ohio Department of Education, the State Teachers Retirement System, the School Employees Retirement System, or any other state agency.

Sponsorship Fees that remain unpaid for more than 30 days after they become due will accrue interest as follows. 30–60 days: 4% on any outstanding principal balance; 61–90 days: 6% on any outstanding principal balance; 90+ days: 8% on any outstanding principal balance. The total state foundation payment is defined under the applicable regulations promulgated by the office of Community Schools of the Ohio Department of Education in accordance with applicable provisions of Ohio law. For purposes of this Contract and calculation of the

sponsorship fee payable by the GOVERNING AUTHORITY to the SPONSOR pursuant to this article of the Contract, the components of total state foundation payment are the state formula amount, disadvantaged pupil impact aid (DPIA), parity aid, and special education.

The Community School and the GOVERNING AUTHORITY agree to cooperate with and assist the SPONSOR or its designee in providing the access, information, and data the SPONSOR requires at the SPONSOR'S sole discretion. This expressly includes the SPONSOR'S right to access all computer systems and websites hosted by the Ohio Department of Education to the extent that such access is necessary to fulfill the SPONSOR'S monitoring obligations as set forth in Code Section 3314.03(D), as well as providing all necessary information and documentation to enable the SPONSOR to submit the assurances pursuant to Code Section 3314.19 in a timely manner. The Community School and the GOVERNING AUTHORITY understand and agree that the SPONSOR may contract with a third party, who will be a third party beneficiary of this Contract, to perform the SPONSOR'S oversight functions pursuant to this Contract.

The Community School may solicit and receive contributions and donations as permitted by law. No solicitation shall indicate that a contribution to the Community School is for the benefit of the SPONSOR.

A. Educational Plan:

The GOVERNING AUTHORITY agrees to comply with the policies and provisions described in the educational plan ("Educational Plan") of the Community School, including but not limited to the school's mission; the ages and grades of students; the characteristics of the students the Community School expects to attract; and the focus of the curriculum and academic calendar and instructional schedule for a typical school day.

In accordance with Section 3314.03(A)(23) of the Code, the GOVERNING AUTHORITY agrees to set forth in Exhibit 1 a description of both classroom-based and non-classroom-based learning opportunities in compliance with the criteria set forth in Section 3314.08(H)(2) of the Code. The GOVERNING AUTHORITY represents that the Educational Plan attached hereto as Exhibit 1, and incorporated by reference as if fully written herein, will lead to attainment of the state and federal law requirements for school performance and the achievement and academic requirements specified in Exhibit 4.

In accordance with Code Section 3314.03(A)(11)(f), the GOVERNING AUTHORITY shall comply with Sections 3313.61, 3313.611, and 3313.614 of the Code, except that, for students who entered the ninth grade before July 1, 2010, if any, the requirement in Sections 3313.61 and 3313.611 of the Code, that a person must successfully complete the curriculum in any high school prior to receiving a high school diploma, may be met by completing the curriculum adopted by the GOVERNING AUTHORITY of the Community School rather than the curriculum specified in Title XXXIII of the Ohio Revised Code, or any rules of the State Board of Education; and further provided that, for students who enter the ninth grade for the first time on or after July 1, 2010, if any, Sections 3313.61 and 3313.611 of the Code shall be met, which require a student to successfully complete the requirements prescribed in Section 3313.603(C) of the Code prior to

receiving a high school diploma, unless said student qualifies under division (D) or (F) of that section. The GOVERNING AUTHORITY, if applicable, shall implement the plan for awarding high school credit based on a student's ability to demonstrate subject area competency, as such competency standards are adopted and published pursuant to Section 3313.603(J) of the Code.

B. Financial Plan:

In accordance with Section 3314.03(A)(15), the GOVERNING AUTHORITY agrees to comply with the financial plan ("Financial Plan") of the Community School, which details an estimated school budget for each year of the period of this Contract, specifies the total estimated per-pupil expenditure amount for each such year, and describes the financial policies, procedures and internal financial controls of the Community School. Said Financial Plan is attached hereto as Exhibit 2 and incorporated by reference as if fully written herein. In accordance with Section 3314.042, the GOVERNING AUTHORITY further agrees to comply with the standards for financial reporting adopted under Section 3301.07(B)(2) of the Code. The GOVERNING AUTHORITY shall (i) confirm to the SPONSOR that the projected student enrollment reported to the Department of Education is accurate and (ii) calculate and report student enrollment thereafter, all in accordance with Section 3314.08, and expend funds received as required therein.

In accordance with Section 3314.03(A)(8), the GOVERNING AUTHORITY shall require financial records of the Community School to be maintained in the same manner as are financial records of school districts, pursuant to rules of the Auditor of State, and the audits shall be conducted in accordance with Section 117.10 of the Code. The GOVERNING AUTHORITY agrees to comply with the requirements for financial audits by the Auditor of State.

In accordance with Section 3314.011 of the Code, the GOVERNING AUTHORITY shall have a designated fiscal officer for the Community School who meets all of the requirements set forth in Section 3314.011. The GOVERNING AUTHORITY shall provide prompt assurances to the SPONSOR that the Community School's fiscal officer is in compliance with Code Section 3314.011.

The GOVERNING AUTHORITY shall provide the SPONSOR with financial reports and a reconciliation report for budgeted and actual costs and revenues every month. Financial reports will be submitted in the form and format requested by the SPONSOR and, at a minimum, shall include cashflow and income statements and balance sheet information and may further include statements of revenues, expenses, and changes in net assets. The GOVERNING AUTHORITY will allow the SPONSOR to monitor the Community School's operations at the request of the SPONSOR.

The Community School will undergo an annual audit performed by the state auditor's office or a certified public accountant and provide a copy of the audit and management letter to the SPONSOR within ten (10) days of receipt of the audit by the school. The GOVERNING AUTHORITY will provide copies of any audits and management letters, upon request, to any other state agency or office that requests a copy of the audit. The GOVERNING AUTHORITY will submit copies of all state-issued audits and management letters to the SPONSOR within two (2) business days of receipt of the same by the GOVERNING AUTHORITY.

The GOVERNING AUTHORITY will annually conduct an inventory of all school assets and their value, as of the date the inventory was conducted, and submit a copy of the inventory to the SPONSOR by September 30.

The GOVERNING AUTHORITY will submit an annual IRS form 990 and provide a copy to the SPONSOR.

The GOVERNING AUTHORITY will submit to the SPONSOR, by the dates set forth in Ohio Administrative Code Section 3301-92-04, the same Five Year Budget Forecasts that are required to be submitted to the Board of Education pursuant to that Section.

C. Governance Plan:

The GOVERNING AUTHORITY agrees to comply with the policies and procedures for the management and administration of the Community School as set forth in the governance and administrative plan ("Governance Plan"), which is attached hereto as Exhibit 3 and incorporated by reference as if fully written herein.

The GOVERNING AUTHORITY agrees that it will be comprised of at least five (5) voting members, and that a quorum of the board will consist of the requisite number of members specified by the GOVERNING AUTHORITY's Code of Regulations, Bylaws, or the Ohio Revised Code. The GOVERNING AUTHORITY agrees that it will not have less than ten (10) regularly scheduled and periodic monthly meetings per year, absent extenuating or extraordinary circumstances, and that voting members will attend scheduled meetings, participate, and be engaged as a member of the Governing Authority each year. Additionally, the GOVERNING AUTHORITY agrees to comply with the procedures by which the members of the GOVERNING AUTHORITY of the Community School will be selected in the future as set forth in the Governance Plan, which is attached hereto as Exhibit 3 and incorporated by reference as if fully written herein. Failure to maintain at least five (5) voting members on a regular basis may result in the SPONSOR taking action under Section D (Accountability) of Article III (Responsibilities of the Governing Authority), Article VIII (Probationary Status), Article IX (Suspension of Operation), or Article X (Expiration/Termination of Contract) of this Contract.

The GOVERNING AUTHORITY agrees that any voting member of the GOVERNING AUTHORITY will recuse him/herself and not participate in any decisions or deliberations involving any spouse, blood relative, or business associate who is an employee of the school, any employee of a management organization, or a vendor that services the school, or any independent contractor servicing the school. Servicing the school is defined as any work that relates to the educational mission, operations, or governance of the school. The approved minutes of the GOVERNING AUTHORITY will specifically evidence these recusals and reason therefore.

The GOVERNING AUTHORITY agrees to provide notices to students, parents, employees and the general public indicating that all of the Community School's educational programs are available to its students without regard to race, creed, color, national origin, sex, or disability. Further, the Community School shall provide a non-discrimination notice in all

newsletters, annual reports, admissions materials, handbooks, application forms, and promotional materials other than radio advertisements.

In accordance with Section 3314.03(A)(12), the GOVERNING AUTHORITY agrees to make arrangements for providing health and other benefits to employees as set forth in the Governance Plan, which is attached hereto as Exhibit 3 and incorporated by reference as if fully written herein.

The GOVERNING AUTHORITY agrees to comply with the admission procedures as set forth in Section 3314.06 of the Code. In accordance with Section 3314.03(A)(19) of the Code, the GOVERNING AUTHORITY agrees to adopt an enrollment policy regarding the admission of students who reside outside the district and/or the state in which the Community School is located. The policy shall comply with the admissions procedures as specified in Section 3314.06 of the Code. Pursuant to Section 3314.08(F) the Community School may charge tuition for the enrollment of any student who is not a resident of Ohio.

In accordance with Section 3314.03(A)(7) of the Code, the GOVERNING AUTHORITY agrees to comply with the portion of its Governance Plan, attached hereto as Exhibit 3 and incorporated by reference as if fully written herein, which sets forth the ways by which the community School will achieve racial and ethnic balance reflective of the community it serves.

In accordance with Section 3314.03(A)(6) of the Code, the GOVERNING AUTHORITY agrees to comply with the dismissal procedures as set forth in the Governance Plan, which is attached hereto as Exhibit 3 and incorporated by reference as if fully written herein.

In accordance with Section 3314.03(A)(16) of the Code, the GOVERNING AUTHORITY agrees to comply with the requirements and procedures regarding the disposition of employees of the Community School in the event that this Contract is terminated or not renewed pursuant to Section 3314.07 of the Code, as set forth in the Governance Plan, which is attached hereto as Exhibit 3 and incorporated by reference as if fully written herein.

In accordance with Section 3314.10 of the Code, the GOVERNING AUTHORITY agrees that the employment of teachers and non-teaching personnel by the Community School shall be as set forth in the Governance Plan, which is attached hereto as Exhibit 3, and incorporated by reference as if fully written herein, and said employment shall be subject to either Chapter 3307 or Chapter 3309 of the Code, whichever is applicable, and the Community School shall carry out all of the duties of an employer specified therein.

The GOVERNING AUTHORITY agrees to participate in the sponsorship information management system (Epicenter) developed by the SPONSOR, including but not limited to: (i) the participation of Community School staff in all required training, and(ii) the timely response to all information requests related to the sponsorship information management system.

The GOVERNING AUTHORITY agrees to report to the SPONSOR by August 1 any updates to the composition of the board. This report shall include the names, addresses (including

electronic mail), and phone numbers of the GOVERNING AUTHORITY members, as well as the identified officers and meeting schedule of the GOVERNING AUTHORITY.

The GOVERNING AUTHORITY agrees to notify the SPONSOR in writing within seven (7) business days of an existing GOVERNING AUTHORITY member's resignation or a new GOVERNING AUTHORITY member's appointment.

D. Accountability Plan:

The GOVERNING AUTHORITY agrees to assess student achievement of academic goals using the methods of measurement identified in the Academic Performance Plan ("Academic Performance Plan"), which is attached hereto as Exhibit 4 and incorporated by reference as if fully written herein. Such methods shall include the administration of Ohio's proficiency tests, achievement tests, diagnostic assessments, or any other statutory testing established for Ohio's students. The SPONSOR and GOVERNING AUTHORITY further agree to comply with any and all statutory amendments regarding student achievement and testing governing Community School students as if such amendments were specifically set forth in this Contract.

The GOVERNING AUTHORITY agrees to comply with all requirements of the federal No Child Left Behind Act ("NCLB"), and any amendments or reauthorization thereof, including but not limited to highly qualified teacher, public school choice, and supplemental education services requirements, and corrective action and restructuring mandates. The GOVERNING AUTHORITY will provide the SPONSOR with a written description of all actions it has taken to comply with applicable NCLB requirements by October 31.

In accordance with Section 3314.03(A)(11)(g) of the Code, the GOVERNING AUTHORITY shall submit to the SPONSOR and to the parents of all students enrolled in the Community School, within four months after the end of each school year, an annual report.

The GOVERNING AUTHORITY acknowledges that timely reporting of data and timely response to requests from oversight bodies, including but not limited to the SPONSOR, Ohio Auditor of State, and Ohio Department of Education are of paramount importance.

Article IV. Responsibilities of the SPONSOR

The SPONSOR shall perform its obligations under this Contract pursuant to Section 3314.015(B) of the Code and consistent with its obligations under its written agreement with the Ohio Department of Education as well as Section 3314.03(D) of the Code; specifically, the SPONSOR shall: (1) monitor the Community School's compliance with all applicable laws and with the terms of the Contract; (2) monitor and evaluate the academic and fiscal performance and the organization and operation of the Community School at least once during the Contract term; (3) report, by November 30, the results of the evaluation conducted under division (D)(2) of this section to the department of education and to the parents of students enrolled in the Community School; (4) provide technical assistance to the Community School in complying with all applicable laws and terms of the Contract; (5) take steps to intervene in the Community School's operation,

to the extent reasonable and within available resources, to correct problems in the Community School's overall performance, declare the Community School to be on probationary status pursuant to Section 3314.073 of the Code, suspend the operation of the school pursuant to Section 3314.072 of the Code, or terminate the Contract of the Community School pursuant to Section 3314.07 of the Code as determined necessary by the SPONSOR; and, (6) have in place a plan of action to be undertaken in the event that the Community School experiences financial difficulties or closes prior to the end of a school year.

The SPONSOR agrees to comply with the standards by which the success of the Community School will be evaluated as set forth in Exhibit 4, which is attached hereto and incorporated by reference as if fully written herein. The duties of the SPONSOR shall be in accordance with the written agreement between the SPONSOR and the Ohio Department of Education.

The SPONSOR will not require the GOVERNING AUTHORITY and/or Community School to purchase, contract to purchase, or use any supplemental services (treasury services, financial management services, etc.) offered by the SPONSOR or any affiliate of the SPONSOR.

**Article V. Compliance with the Americans with Disabilities Act
and Section 504 of the Rehabilitation Act of 1973
and the Individuals with Disabilities Education Improvement Act of 2004**

The GOVERNING AUTHORITY shall comply with all the provisions set forth in the Americans with Disabilities Act and shall not exclude a qualified individual with a disability, by reason of such disability, from participation in any programs or activities of the Community School, or subject such qualified individual to discrimination by the Community School.

The GOVERNING AUTHORITY shall ensure that all facilities meet the requirements of the Americans with Disabilities Act and that all education programs are accessible to individuals with disabilities.

The GOVERNING AUTHORITY shall comply with all of the provisions set forth in Section 504 of the Rehabilitation Act of 1973 and shall not exclude a qualified handicapped person, on the basis of such handicap, from participation in any programs or activities of the Community School, and shall provide free appropriate public education to such qualified handicapped person.

The GOVERNING AUTHORITY shall comply with all of the provisions set forth in the Individuals with Disabilities Education Improvement Act of 2004 (IDEA), and failure to so comply may result in probation, suspension, or termination under this Contract.

Notwithstanding the foregoing, nothing in this Article is, or shall be construed to be, a waiver of any exceptions, exclusions, or other rights that the GOVERNING AUTHORITY may have or may avail itself of under the Americans with Disabilities Act, the Rehabilitation Act of 1973, or any other applicable state or federal law.

Article VI. Site Visits

The GOVERNING AUTHORITY agrees to permit the SPONSOR to conduct site visits as determined necessary by the SPONSOR.

Article VII. Letter of Approval to Operate

Should the GOVERNING AUTHORITY elect to move the Community School to a new location, the GOVERNING AUTHORITY shall neither commence school operations nor in the new location begin classes for students until it has received a letter of approval to operate ("Letter of Approval") issued by the SPONSOR, the requirements of which are attached hereto as Exhibit 5 and incorporated by reference as if fully written herein, and any other health and safety certificates or documentation required by the appropriate governmental agency. The SPONSOR shall issue to the GOVERNING AUTHORITY a Letter of Approval within seven (7) business days after receipt of the required documentation. If the GOVERNING AUTHORITY receives no response from the SPONSOR within fourteen (14) business days after receipt of all the required documentation, the GOVERNING AUTHORITY shall be authorized to begin classes.

Once classes begin, the Community School may continue to hold classes for students until such time that its Certificate of Occupancy or Temporary Certificate of Occupancy and/or any other required health and safety certificate is revoked by a governmental agency due to violations of health and safety standards, or until such time as school operations are suspended pursuant to this Contract and Ohio law, or this Contract otherwise terminates or expires pursuant to the provisions herein.

The parties to this Contract understand and agree that the provisions of Article VII of this Contract do not restrict or alter the SPONSOR'S authority to suspend the operation of the Community School in accordance with Article IX of this Contract and Ohio law.

Article VIII. Probationary Status

In lieu of termination of the Contract or suspension of the operation of a Community School, the SPONSOR may declare in written notice to the GOVERNING AUTHORITY that the Community School is in a probationary status for the following reasons:

1. The GOVERNING AUTHORITY's failure to ensure that the Community School delivers the Education Plan specified pursuant to Exhibit 1 of this Contract to all students enrolled in the Community School;
2. The GOVERNING AUTHORITY's failure to ensure that the Community School meets the performance requirements specified in Exhibit 4 of the Contract;
3. The GOVERNING AUTHORITY's failure to meet generally accepted standards of fiscal management;

4. The GOVERNING AUTHORITY has violated any provisions of this Contract or applicable state or federal law; or
5. Other good cause.

The notice shall specify the conditions that warrant probationary status. Upon receipt of this notice, the GOVERNING AUTHORITY shall submit in writing reasonable assurances to the satisfaction of the SPONSOR, within ten (10) business days of receipt of the SPONSOR's notice of the Community School being placed on probation, that the GOVERNING AUTHORITY can and will take actions necessary to remedy the conditions that have warranted such probationary status pursuant to this Article of the Contract. Upon review by the SPONSOR of the assurances, if the assurances provided by the GOVERNING AUTHORITY are not sufficient, the Contract may be terminated or operations of the school may be suspended pursuant to Article IX of this Contract.

If the SPONSOR approves the written proposed remedy submitted by the GOVERNING AUTHORITY, then the Community School shall remain on probationary status and the SPONSOR shall monitor the actions taken by the GOVERNING AUTHORITY to remedy the conditions that have warranted probationary status as specified by the SPONSOR and, if the SPONSOR at any time finds that the GOVERNING AUTHORITY is no longer able or willing to remedy those conditions to the satisfaction of the SPONSOR, the SPONSOR may take further action under Section 3314.073, including taking over the operation of the Community School or suspending the operation of the Community School.

Except in cases determined by the Sponsor, in its discretion, to be of such an extreme nature so as to require immediate remedy (e.g., financial insolvency or severe education programmatic inadequacy of the Community School) a Community School placed on probation pursuant to Article VIII of this Contract may remain in operation on probation for the remainder of the school year in which the notice of probation was received by the GOVERNING AUTHORITY, unless or until the Community School closes and ceases to operate for ten (10) consecutive business days during the period of probation for reasons other than closures scheduled on the academic calendar or force majeure events.

If such status is declared, the probationary status shall not extend beyond the end of the current school year. The probationary status under this Article VIII and the suspension of operation of the Community School under Article IX are separate and distinct actions available to the SPONSOR under this Contract. Nothing herein shall preclude the SPONSOR from taking action under Article IX for suspension of operation of the Community School during the pendency of any probationary status or period for such imposed on the Community School under Article VIII.

Notwithstanding the foregoing, before taking action under Articles VIII or IX, the SPONSOR shall endeavor through reasonable efforts to inform, in the form of a warning, the GOVERNING AUTHORITY and Community School of areas of noncompliance that may warrant probationary status. The SPONSOR shall not have an affirmative legal obligation to provide a warning in lieu of action under Articles VIII or IX but does hereby agree to provide such as an

additional form of corrective action where, in the SPONSOR'S sole discretion, circumstances so warrant.

Article IX. Suspension of Operation

If the SPONSOR suspends the operation of the Community School pursuant to the procedures set forth in this Article IX, the GOVERNING AUTHORITY shall not operate the Community School while the suspension is in effect.

Upon the GOVERNING AUTHORITY'S receipt of the notice of suspension, the GOVERNING AUTHORITY shall immediately notify the employees of the Community School and the parents of the students enrolled in the Community School of the suspension and the reasons for the suspension, and shall cease all school operations on the next business day. Any such suspension shall remain in effect until the SPONSOR notifies the GOVERNING AUTHORITY that it is no longer in effect.

A. Health and Safety

1. If at any time the conditions at the Community School do not comply with health and safety standards established by law for school buildings, the SPONSOR may immediately suspend the operation of the Community School by sending a written notice of suspension to the GOVERNING AUTHORITY. If the SPONSOR fails to take such action, the Ohio Department of Education may take such action.
2. If at any time public health and safety officials inspect the facilities of the Community School, such officials have the authority to order the facilities closed for noncompliance.
3. If at any time the SPONSOR determines that conditions at the Community School do not comply with health and safety standards established by law for school buildings and pose an imminent danger to the health and safety of the school's students and employees, the SPONSOR shall immediately suspend the operation of the Community School by sending a written notice of suspension to the GOVERNING AUTHORITY.
4. If the SPONSOR determines to suspend the operation of the Community School pursuant to the terms of this Contract and the provisions of Ohio law, the SPONSOR shall send written notice to the GOVERNING AUTHORITY stating that the operation of the Community School is immediately suspended, and explaining the specific reasons for the suspension. The notice shall state that the GOVERNING AUTHORITY has five (5) business days to submit to the SPONSOR a written proposed remedy to the conditions cited as reasons for the suspension or face potential contract termination.
5. If the SPONSOR approves and accepts the written proposed remedy submitted by the GOVERNING AUTHORITY, then the Community School may reopen following notification by the SPONSOR that such suspension is no longer in effect.

B. Other

The SPONSOR may also suspend the operation of the Community School for the following reasons:

1. The GOVERNING AUTHORITY'S failure to ensure that the Community School delivers the Education Plan specified pursuant to Exhibit 1 of this Contract to all students enrolled in the Community School;
2. The GOVERNING AUTHORITY'S failure to ensure that the Community School meets the performance requirements specified in Exhibit 4 of the Contract;
3. The GOVERNING AUTHORITY'S failure to meet generally accepted standards of fiscal management;
4. The GOVERNING AUTHORITY has violated any provisions of this Contract or applicable state or federal law; or
5. Other good cause.

Prior to suspension for one or more of the five reasons set forth in paragraphs (B)(1) through (B)(5) above, the SPONSOR must first issue to the GOVERNING AUTHORITY written 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 GOVERNING AUTHORITY with five (5) business days to submit to the SPONSOR a written 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 proposed remedy.

If the SPONSOR disapproves the remedy proposed by the GOVERNING AUTHORITY, or if the GOVERNING AUTHORITY fails to submit a proposed written 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 the operation of the Community School.

If the SPONSOR determines to suspend the operation of the Community School pursuant to the terms of this Contract and the provisions of Ohio law, the SPONSOR shall send written notice to the GOVERNING AUTHORITY stating that the operation of the Community School is immediately suspended and explaining the specific reasons for the suspension. The notice shall state that the GOVERNING AUTHORITY has five (5) business days to submit to the SPONSOR a written proposed remedy to the conditions cited as reasons for the suspension or face potential Contract termination.

Upon the GOVERNING AUTHORITY's receipt of the notice of suspension, the GOVERNING AUTHORITY shall (i) designate a representative of the GOVERNING AUTHORITY who shall retain responsibility for the security of and access to all Community

School records, including student records, during the suspension; (ii) provide the means and capability to access Community School records, including student records, to the SPONSOR'S representative, as designated in writing, and (iii) fully cooperate with the SPONSOR'S designated representative, who shall have unrestricted and equal access to Community School records, including student records during the suspension period. During the suspension period, the SPONSOR'S designated representative shall have access to and may remove Community School records, including student records, if, in the sole discretion of the SPONSOR, the representative of the Governing Authority fails to timely provide such records, following a legitimate request, or for any reason if the Community School remains under suspension and is not fully operational for a period of ten (10) weekdays.

C. Termination Resulting from the Suspension of School Operations

In accordance with Article X of this Contract and Ohio law, the SPONSOR may choose to terminate this Contract prior to its expiration if the SPONSOR has suspended the operation of the Community School. However, pursuant to Section 3314.072(E), the Contract shall become void if the GOVERNING AUTHORITY fails to provide a proposal to remedy the conditions cited by the SPONSOR as reasons for the suspension, to the satisfaction of the SPONSOR, by September 30 of the school year in which the operation of the Community School was suspended.

Article X. Expiration/Termination of Contract

The expiration of the Contract between the SPONSOR and the GOVERNING AUTHORITY shall be the date provided in the Contract, provided, however, the GOVERNING AUTHORITY may terminate this Contract upon one hundred eighty (180) days written notice to the Sponsor of its intent to enter into a Community School Contract with a successor sponsor approved to be a sponsor of community schools by the Ohio Department of Education. If the SPONSOR decides to terminate the Contract prior to its expiration, then not later than the first day of February in the year in which SPONSOR intends to terminate this Contract, the SPONSOR shall notify the GOVERNING AUTHORITY in writing of its intent to terminate the Contract pursuant to Code Section 3314.07. The SPONSOR may choose to terminate this Contract prior to its expiration for any of the following reasons:

1. The GOVERNING AUTHORITY's failure to ensure that the Community School delivers the Education Plan specified pursuant to Exhibit 1 of this Contract to all students enrolled in the Community School;
2. The GOVERNING AUTHORITY's failure to ensure that the Community School meets the performance requirements specified in Exhibit 4 of the Contract;
3. The GOVERNING AUTHORITY's failure to meet generally accepted standards of fiscal management;
4. The GOVERNING AUTHORITY has violated any provisions of this Contract or applicable state or federal law;

5. The Community School is insolvent or is bankrupt;
6. The Community School has insufficient enrollment to successfully operate a community school, or the Community School has lost more than fifty percent (50%) of its student enrollment from the previous school year;
7. The Community School defaults in any of the terms, conditions, promises, or representations contained in or incorporated into this Contract or any other agreement entered into between the SPONSOR and the Community School or GOVERNING AUTHORITY;
8. The Community School's applicant(s), directors, officers or employees have provided false or misleading information or documentation to the SPONSOR in connection with the SPONSOR'S issuance of this Contract, Preliminary Agreement, or other legally binding document executed by the parties to this Contract, or the Community School's reporting requirements under this Contract or applicable law;
9. The SPONSOR discovers grossly negligent, fraudulent, or criminal conduct by the Community School's applicant(s), directors, officers, employees or agents in relation to their performance under this Contract; or
10. Other good cause.

The notice shall include the reason for the proposed termination of the Community School in detail, the effective date of the termination or nonrenewal, and a statement that the GOVERNING AUTHORITY may, within fourteen (14) days of receiving the notice, request an informal hearing before the SPONSOR. Such request shall 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 the Contract. The expiration, termination, or non-renewal of this Contract between the SPONSOR and GOVERNING AUTHORITY shall be subject to Code Section 3314.07.

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

1. The date the SPONSOR notifies the GOVERNING AUTHORITY of its decision to terminate the Contract;
2. If an informal hearing is requested, and as a result of the informal hearing the SPONSOR affirms its decision to terminate this Contract, the effective date of the termination specified in the notice of termination, or if the SPONSOR'S decision is appealed to the State Board of Education (the "State Board"), and the State Board affirms that decision, the date established in the resolution of the State Board affirming the Sponsor's decision.

If the SPONSOR learns that the Community School may receive a designation of “unauditable” from the Ohio Auditor of State, the Community School shall be subject to probationary status, suspension of operations, termination or nonrenewal of the Contract. In the event that the Ohio Auditor of State declares the Community School to be “unauditable,” the GOVERNING AUTHORITY shall comply with its obligations under Code Section 3314.51

Article XI. Contract Termination Contingencies

If the Community School (i) permanently closes and ceases its operation or (ii) closes and ceases to operate, the Community School shall comply with Section 3314.074 of the Code and proceed according to the Contract termination contingencies set forth in the Governance and Administration Plan, Exhibit 3, which is attached hereto and incorporated by reference as if fully written herein.

The GOVERNING AUTHORITY represents that its governing documents provide that, upon dissolution, (i) all remaining assets, except funds received from the Ohio Department of Education, shall be used for nonprofit educational purposes, and (ii) remaining funds received from the Ohio Department of Education shall be returned to the Ohio Department of Education.

All property personally and/or individually owned by the trained and licensed teachers or staff employed by the Community School shall be exempt from distribution of property and shall remain the property of the individual teachers and staff. Such property includes, but is not limited to, albums, curriculum manuals, personal mementos, and other materials or apparatus that have been personally financed by teachers or staff.

Upon the GOVERNING AUTHORITY’s receipt of written notice of termination, and throughout the period of Community School operation between the notice of termination and school closure, if any, the GOVERNING AUTHORITY shall (i) comply with school closing procedures required by law imposed by or upon the Ohio Department of Education and SPONSOR and perform all obligations necessary thereto; (ii) designate a representative of the GOVERNING AUTHORITY who shall retain responsibility for the security of and access to all Community School records, including student records; (iii) provide the means and capability to access Community School records, including student records, to the SPONSOR’s representative, as designated in writing; and (iv) fully cooperate with the SPONSOR’s designated representative, who shall have unrestricted and equal access to Community School records, including student records during the period prior to the closure of the Community School. Upon termination and closure, the GOVERNING AUTHORITY shall secure all Community School records, including student records, in the possession of the Community School and shall grant to the SPONSOR access to records requested by the SPONSOR. The SPONSOR may take possession of such records, and upon taking possession of such records shall thereafter fulfill any and all statutory and contractual duties concerning the Community School records, including the student records which are within the SPONSOR’s possession; provided that in performing the Governing Authority’s statutory or contractual duties, the SPONSOR shall comply with Section 3314.015(E), and any procedural guidances published by the Ohio Department of Education, which correspond thereto. In accordance with Section 3314.44, the GOVERNING AUTHORITY shall take all reasonable steps necessary to collect and assemble in an orderly manner the educational records

of each student who is or has been enrolled in the school so that those records may be transmitted within seven (7) business days of the school closing to the student's school district of residence.

The GOVERNING AUTHORITY further recognizes the authority of the Ohio Department of Education to take over sponsorship of the Community School in accordance with Section 3314.015(C) of the Code.

Article XII. Governing Law

This Contract shall be governed and interpreted according to the laws of the State of Ohio. This Contract is subject to any and all future changes, amendments or additions to the statutes, rules and procedures applicable to community schools. The SPONSOR and the GOVERNING AUTHORITY hereby agree to comply with any such change as if it were specifically set forth herein. Any such change shall supersede any term within this Contract that conflicts with the statutory change.

Article XIII. Limitation on Liability/Disclaimer of Liability/Covenant Against Suit

The SPONSOR of the Community School and the officers, directors, or employees of the SPONSOR shall be afforded the protections against liability under Code Section 3314.07(E) and (F) or any other statutory immunity granted to the SPONSOR, now or hereafter.

The parties expressly acknowledge that the Community School is not operating as the agent or under the direction and control of the SPONSOR except as required by law or this Contract and that the SPONSOR assumes no liability for any loss or injury from: (i) the acts and omissions of the Community School, its directors, trustees, officers, agents, subcontractors, independent contractors, representatives, or employees; (ii) the use and occupancy of the building or buildings occupied by the Community School or any matter in connection with the condition of such building or buildings; or (iii) any debt or contractual obligation incurred by the Community School. The GOVERNING AUTHORITY acknowledges that it is without authority to and will not extend the faith and credit of the SPONSOR to any third party.

The SPONSOR does not assume any liability with respect to any director, trustee, employee, agent, parent, guardian, student, subcontractor, or independent contractor of the GOVERNING AUTHORITY, and no such person shall have the right or standing to bring suit against the SPONSOR or any of its trustees, directors, employees, agents, subcontractors, or independent contractors as a result of the issuing, overseeing, suspending, terminating or revoking of this Contract. The GOVERNING AUTHORITY hereby covenants not to sue the SPONSOR'S directors, trustees, officers, employees, agents, or representatives for any matters that arise under this Contract. Furthermore, the GOVERNING AUTHORITY agrees to indemnify the SPONSOR for liabilities, causes of action, losses, and expenses (including reasonable attorney fees) for acts or omissions of the Community School, the GOVERNING AUTHORITY, and the Community School Treasurer to the fullest extent provided for and covered by insurance maintained by the Community School and GOVERNING AUTHORITY pursuant to Article III.

Article XIV. Assignment

Neither this Contract nor any rights, duties, or obligations described herein shall be assigned by either party hereto without the prior written consent of both parties, which consent shall not be unreasonably withheld, and upon such terms and conditions as the parties may agree. Any assignment without the prior written consent of both parties is void. The GOVERNING AUTHORITY shall have the authority to subcontract its obligations under this Contract to third parties for the management and daily operations of the Community School.

Article XV. Amendments or Modifications

This Contract, and all amendments hereto, constitute the entire agreement of the parties and may be modified or amended, provided that any such modification is in writing and signed by both parties. The exhibits may be modified by the GOVERNING AUTHORITY and SPONSOR in the interim, pending subsequent approval of all exhibits by the parties. All interim changes and modifications must be necessary for the effective and efficient operation of the Community School and consistent with the purposes and terms of this Contract. Any changes or modifications of this Contract other than as provided herein shall be made and agreed to in writing by the SPONSOR and the GOVERNING AUTHORITY. It is further agreed that any amendments or additions to the laws, rules, or regulations cited herein or which are applicable to the operation of a community school will result in a correlative modification of this Contract, without the necessity of a written amendment signed by the parties.

Article XVI. Severability

If any provision of this Contract, or any covenant, obligation, or agreement contained herein, is determined by a court of competent jurisdiction to be invalid, unenforceable, and/or contrary to applicable statutory or regulatory provisions under law, such determination shall not affect any other provision, covenant, obligation, or agreement, each of which shall be construed and enforced as if such invalid or unenforceable provision were not contained herein.

Article XVII. No Child Left Behind

To the extent applicable to community schools, the Community School will be subject to the federal rules and regulations for publicly funded schools, as outlined in the No Child Left Behind Act of 2001 and its associated regulations.

Article XVIII. Dispute Resolution Procedure

In accordance with the Code Section 3314.03(A)(18), disputes involving the GOVERNING AUTHORITY of the Community School and the SPONSOR regarding this Contract shall be placed in writing and resolved in the following manner:

- a. Members of the GOVERNING AUTHORITY shall meet with representatives of the SPONSOR;

- b. Members of the GOVERNING AUTHORITY and the SPONSOR will make a good faith effort to define the issues, clarify any miscommunications, and resolve contractual differences;
- c. All agreed terms shall be placed in writing and signed by both parties;
- d. The GOVERNING AUTHORITY or the SPONSOR may initiate this process by providing written notice to the other party of their intent to initiate the dispute resolution process.

In the event that the representatives are unable to resolve such disputes on their own accord, then the representatives may engage in nonbinding mediation, using a trained, experienced mediator selected by mutual agreement of the representatives of the SPONSOR and the representatives of the GOVERNING AUTHORITY. In addition to the foregoing, the parties may also engage in a process of notifications relating to noncompliance or corrective actions through the use of written notice, warnings, and other remedial action prior to the Community School being subject to probationary status, suspension of operations, termination, or nonrenewal of the Contract. Notwithstanding the foregoing, nothing herein is intended to supersede or modify the procedures set forth under Article VIII for Probationary Status, Article IX for Suspension of Operation or Article X for Expiration/Termination of Contract.

Article XIX. Discrimination Policy

In carrying out this Contract, the GOVERNING AUTHORITY shall not discriminate against any employee or any applicant for employment based upon race, color, religion, military status, national origin, sex, age, disability, or ancestry.

Article XX. Entire Agreement

The SPONSOR and the GOVERNING AUTHORITY hereby agree that this Contract, including all exhibits and attachments hereto, constitutes the entire agreement and understanding of the parties and supersedes all prior agreements and understandings, whether oral or written, with respect to the operation of Community School. No course of prior dealing between the parties shall supplement or explain any terms used in this Contract.

Article XXI. Notice

All notices required or permitted by this Contract shall be in writing and shall be either personally delivered or sent by nationally recognized overnight courier, or by registered or certified U.S. mail, postage prepaid, addressed as set forth below (except that a party may from time to time give notice changing the address for this purpose). A notice shall be effective on the date delivered.

If to GOVERNING AUTHORITY:

GOVERNING AUTHORITY
 Sciotoville Elementary Academy
 5540 Third Street
 Sciotoville, OH 45662
 Attn. Bill Shope

Copies to:

If to SPONSOR:

The Thomas B. Fordham Foundation
 1016 16th Street N.W., 8th Floor
 Washington, D.C. 20036
 Attn. Michael J. Petrilli

Copies to:

The Thomas B. Fordham Foundation
 15 West Fourth Street
 Dayton, Ohio 45402
 Attn. Vice President for Sponsorship

Porter, Wright, Morris & Arthur LLP
 Attn: Thomas A. Holton/Charles Y. Kidwell, Jr.
 One South Main Street, Suite 1600
 Dayton, Ohio 45402-2028

Article XXII. Non-Waiver

Except as provided herein, no term or provision of this Contract shall be deemed waived and no breach or default shall be deemed excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. No consent by any party to, or waiver of, a breach or default by the other, whether expressed or implied, shall constitute consent to, waiver of, or excuse for any different or subsequent breach or default.

Article XXIII. Force Majeure

If any circumstances occur which are beyond the control of the parties, which delay or render impossible the obligations of one or both of the parties, the parties' obligations to perform such services shall be postponed for an equivalent period of time or shall be canceled, if such performance has been rendered impossible by such circumstances.

Article XXIV. No Third-Party Rights

This Contract is made for the sole benefit of the GOVERNING AUTHORITY, the Community School and the SPONSOR. Except as otherwise expressly provided, nothing in this Contract shall create or be deemed to create a relationship between the parties hereto, or either of them, and any third person, including a relationship in the nature of a third party beneficiary or fiduciary.

Article XXV. Non-Agency

The Community School and GOVERNING AUTHORITY, as one party, and the SPONSOR as the second party, shall at all times hereunder be separate and independent parties whose relationship and actions are subject to the applicable provisions of this Contract and Ohio law. Nothing shall be construed or implied to create an agency, partnership, joint venture or any other relationship between the parties except one of sponsorship pursuant to this Contract in accordance with Ohio law and neither party shall (i) have any authority, right, or entitlement, express or implied, to make any commitments, obligations, or contracts, or (ii) incur any liabilities, charges, or expenses for or in the name of the other party, except as specifically permitted in this Contract.

Article XXVI. Statement of Assurances for Start-Up Schools

The Community School represents that it has completed a statement of assurances as required as a recipient of funding from the Ohio Public Charter Schools Program. A copy of the executed completed statement of assurances is included as Exhibit 6 of this Contract (Statement of Assurances for Start-up Schools).

ON BEHALF OF THE
THOMAS B. FORDHAM FOUNDATION

By: 
Michael J. Petrilli
President

DATE: June 9, 2015

THE GOVERNING AUTHORITY OF
Sciotoville Elementary Academy

BY: 
Governing Board Representative

DATE: June 26, 2015

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EXHIBIT 1: EDUCATION PLAN

A.1 Mission

Together we will learn as much as we can every day to be responsible, respectful, and successful.

A.1.1 Vision

Our vision for the Sciotoville Elementary Academy school community will empower each of our students to successfully meet the challenges of his/her future.

A.1.2 Educational Philosophy

The following are the philosophy statements for Sciotoville Elementary Academy:

1. We believe students are our number one priority, and it is our obligation to meet their ever-changing needs.
2. We believe everyone in our school community must be committed to a shared partnership of responsibility toward meeting the needs of our students.
3. We believe character, including compassion, kindness, forgiveness, and honesty, must guide us in meeting the challenge and reality of constant change.
4. We believe decisions must be fair, based on relevant data and ultimately be in the best interests of our students.
5. We believe we must model what we are teaching as parents, community members, or educators.
6. We believe the teaching and learning needs of students are constantly changing; therefore, our teaching tools, methods, and technology must also change.
7. We believe a positive atmosphere is essential, and failure is not an option.
8. We believe parent and community participation is critical to the educational and emotional development of our students.
9. We believe extracurricular activities promote self-discipline and responsibility in our students.
10. We believe staff development is essential to the development and implementation of a high-quality, research/standards-based educational program.

All components of our philosophy align with our mission statement, providing each student with the resources necessary to ensure that our mission statement becomes a reality.

A.2 Geographic Boundaries

The Sciotovalle Elementary Academy (SEA) will enroll students in its home district and adjacent districts.

A.3 Curriculum and Instruction

SEA uses purchased materials within the research-based pedagogy: Pearson Scott Foresman Reading Street, which contains a leveled reading intervention program. Reading Street prioritizes skill instruction at each grade level, so teachers can focus on the right skill, at the right time, for every student. Teachers also utilize SRA Imagine It in grades K–2. It is a comprehensive core reading and language arts curriculum.

SEA’s K–4 mathematics curriculum includes McGraw Hill’s “My Math,” built around the Common Core State Standards of Mathematics and the standards for Mathematical Practices. It engages students with the focus, coherence, and rigor required for CCSSM. The curriculum is delivered via digital and print media.

Science, social studies, visual arts, and music are taught using the Ohio’s New Learning Standards.

Sciotovalle Elementary Academy nurtures independent reading and literacy throughout all grade levels with the expansion of classroom libraries as well as the purchase of a school library for new books and a SirsiDinix book accounting system.

SEA promotes educational uses for technology that facilitate school improvement. SEA defines standards for students, integrating curriculum technology, technology support, standards for student assessment, and evaluation of technology use in cooperation with the Ohio Academic Content Standards for Technology. It is a vision that through the application of curriculum-oriented classroom technology and appropriate teaching strategies, students will be prepared for their future endeavors. Students in each classroom have access to a wide variety of technological tools including, but not limited to, Smart Boards, Smart Tables, Smart Document Cameras, Projectors, five Student and one Teacher MOBI, iPads, Flip Cameras, CPS Clickers, and two LiveScribe Pens. Kindergarten and first grade have eight desktop student computers with subscriptions to Headsprout, PBS KidsPlay, and Accelerated Reader. Students from grades two through four have individual wireless Netbooks and subscriptions to Wowzers, Accelerated Math, Dreambox, I-Ready, Accelerated Reader, Learning.com, and BrainPop Jr.

Each student has three visits (forty minutes each) to the Media Center (thirty student desktop computers) each week, including Library (where students can use the computers to find books to check out through the Library Cat Junior software), Technology (where students use programs such as the Microsoft Office 2010 suite and Google Apps for Education to complete project-based assignments or work on the aforementioned programs), and an online-based content program called Education City. Discovery Education (a streaming video/content service) is also utilized.

SEA also uses Imagine Learning (a targeted first-language support for English learners). This technology provides language support as needed, which gradually fades as the student progresses. Imagine Learning also provides reports, certificates of achievement, and letters for parents in their primary languages so that families can stay involved in their children’s progress.

Student progress is continually monitored and assessed. Imagine Learning progress reports and graphs provide real-time data for teachers and administrators. Imagine Learning has proven an effective tool in English language and literacy achievement. SEA uses Imagine Learning with all students (not just English learners) for intervention.

SEA keeps up to date with all the latest CIPA requirements by implementing Easy Tech and iSafe software. Our goal is to impart to students the skills they need to advance in the twenty-first century. Technology is an important part of the school and holds a substantial place in planning and allotment of funds in SEA's budget.

These are the skills that we strive to teach all our students:

- **Sense-making:** the ability to determine the deeper meaning or significance of what is being expressed
- **Social intelligence:** the ability to connect to others in a deep and direct way, to sense and stimulate reactions and desired interactions
- **Novel and adaptive thinking:** proficiency at thinking and coming up with solutions and responses beyond that which is rote or rule-based
- **Computational thinking:** the ability to translate vast amounts of data into abstract concepts and understand data-based reasoning
- **New media literacy:** the ability to critically assess and develop content that uses new media forms and to leverage these media for persuasive communication
- **Design mindset:** the ability to represent and develop tasks and work processes for desired outcomes
- **Cognitive load management:** the ability to discriminate and filter information for importance and to understand how to maximize cognitive functioning using a variety of tools and techniques
- **Virtual collaboration:** the ability to work productively, drive engagement, and demonstrate presence as a member of a virtual team

A.3.1 Classroom- and Non-classroom-based Learning Opportunities

Classroom-based learning opportunities are described throughout this Exhibit and may include, but are not limited to, instruction in the subjects set forth, tutoring opportunities, and student projects. Non-classroom-based learning opportunities may include, but are not limited to, field trips, programs, and/or events.

A.4 Target Population

SEA provides instructional opportunities for both Regular Education Students and Students with Disabilities.

A.5 School Calendar & Daily Schedule

The school calendar and daily schedule may be changed at the discretion of the school. SEA operates on a 162-day Instructional (student) calendar. The daily schedule begins at 8:30 a.m. and ends at 3:30 p.m. The school year typically begins in mid-August and runs through mid-May. SEA Teachers engage in two formal Parent-Teacher Conference Days during the school year.

A.6 Special Student Populations

Students with Disabilities.

Sciotoville Elementary Academy identifies students with disabilities through the following means: Parent, teacher, or physician referrals. Parent referrals may be initiated at any time during the school year and stem from parental concerns regarding the student's academic progress and/or physical well-being. Teacher referrals are a direct result of a student performing below grade level on both classroom work and standardized assessments. Physician referrals may originate at any point in the school year based upon the physician's concerns regarding the social, emotional, and/or physical development of the student. These referrals are made only after there have been multiple failed attempts at providing school-wide interventions to the student.

Once a referral has been made and parental consent has been obtained, a school psychologist is employed on a per pupil basis. In order to formally assess at-risk students to determine eligibility for school-age services, the psychologist will work in collaboration with a district representative, all grade-level teachers, Intervention Specialists, and additional support personnel based on requirements of the Evaluation Team Report (ETR). All related services (Speech, Physical, and Occupational Therapies) are contracted through outside resources.

Sciotoville Elementary Academy is a school-wide Title I entity, thus all students are provided with additional support daily within the typical classroom setting. Intervention Specialists and intervention/educational support aides work with students in an inclusion setting to meet the goals of each identified student's Individual Education Plan (IEP).

Intervention Specialists, as well as all teachers and educational support staff, are provided with ongoing professional development opportunities throughout the school year to ensure best practices and data-driven decision making.

Gifted Students

The staff of Sciotoville Elementary Academy has already been provided with professional development on differentiated instruction and response to intervention (RtI). Teachers provide differentiated instruction to all students during a forty-five-minute enrichment/intervention period based on the individual needs of each student, as indicated by the data collected through district-wide quarterly assessments and standardized testing.

Limited English Proficient Students

Students who are potentially limited English proficient will be screened by the intervention team. Staff will be provided with professional development opportunities as necessary, and translators may be available through local universities.

Homeless Students.

No student shall be denied admission to the school or to a particular course or instructional program or otherwise discriminated against for reasons of race, color, national origin, sex, homelessness, handicap or any other basis of unlawful discrimination. Sciotoville Elementary Academy believes that all school-aged students, including homeless students, have the basic

right to equal educational opportunities. A homeless student is defined as an individual who lacks fixed, regular and adequate nighttime residence. Sciotovalle Elementary Academy will, to the extent feasible, keep homeless students in the school of origin unless doing so is contrary to the wishes of the student's parent or guardian.

A.7 School Goals

SEA will utilize only the goals set forth in Exhibit 4 of this contract.

A.8 School Climate and Discipline

SEA's general behavior policy is determined by those duly constituted by law to make these rules: the Governing Board, the School Administration, and the Faculty. Students, for their understanding and input, have also reviewed this handbook. SEA attempts in every way to provide a culture of acceptance of all students. Students of very diverse backgrounds attend SEA, and all are accepted as students and individuals regardless of their background.

Student Conduct Policy

Students are expected to conduct themselves in such a way that they respect and consider the rights of others. Students must conform to school regulations and accept directions from authorized school personnel. The Governing Board has "zero tolerance" of violent, disruptive or inappropriate behavior by its students. SEA uses a wide range of Disciplinary Alternatives in dealing with misbehavior of students so as to best serve its students and keep faith with the idea of acceptance.

Star Program

SEA embraces the idea of rewarding Positive Behavior as it relates to the overall philosophy of the school. In keeping with that idea, the school has implemented its Star Program, which rewards students each grading period based on Attendance, Behavior, and Academic accomplishment.

A.9 Assessments and Intervention

The SEA Assessment Plan/Schedule is below.

Tier 1 = everyone; Tier 2 = small group, specialized instruction for at-risk students; Tier 3 = intensive, specialized instruction for students most at risk

Grade K	Tier(s)	Data Used	Frequency	Who
	I-III	ESI	Pre-registration	K Teacher
		KRA	By November 1	K Teacher
		ODE Reading Diagnostic Screener	Within 30 Days	K Teacher, Aides, Reading Specialist
		Progress Report Assessments/Report Cards	Each 9 Weeks (as taught)	K Teacher, Aides, Intervention Specialists
		Classroom Observations	Daily	K Teacher
		Spelling Inventory	Pre-year and	K Teacher
		Diagnostic Screener (new students)	Within 30 Days of Arrival	K Teacher
		STAR Early Literacy	Quarterly	Technology Teacher
		Terra Nova Language Arts and Math	Post	K Teacher
	II/III	Progress Report, Phonemic Awareness Assessment Intervention	Weekly, Biweekly	K Teacher, Intervention Specialists
	III	Multifactorial Evaluations Progress Reports	As Identified	Intervention Staff

1st Grade	I–III	Kindergarten Data	Pre (analysis only)	1 st Grade Teacher and Intervention Teacher
		Terra Nova Language Arts and Math	Post	1 st Grade Teacher
		Phonemic Awareness Assessment	Pre/Post	1 st Grade Teacher, Intervention Specialists
		Spelling Inventory	Pre/Mid/Post	1 st Grade Teacher
		Reading/Math ODE Screener Diagnostic Assessments	1x Per Year	1 st . Grade Teacher
		Progress Reports/Report Cards	Each 9 Weeks	1 st Grade Teacher, Aides, Intervention Specialists
		ODE Reading Diagnostic Screener (new students)	Within 30 Days of Arrival	1 st Grade Teacher
		Diagnostics—Writing Only (state-required)	Third 9 Weeks	1 st Grade Teacher
	II/III	Phonemic Awareness Assessment	Weekly/Biweekly (specific to student's needs)	1 st Grade Teacher/Intervention Teacher
	III	Multifactorial Evaluations Progress Reports	As Identified	Intervention Staff
	I	STAR Early Literacy STAR Testing	Quarterly	Technology Teacher

2nd Grade	I–III	1 st Grade Data	Pre (analysis only)	2nd Grade Teacher and Intervention Teacher
		Terra Nova Language Arts and Math	Post	2nd Grade Teacher
		Phonemic Awareness Assessment	Assess New Students, or At Teacher Recommendation	2nd Grade Teacher, Intervention Specialists
		Spelling Inventory	4x Per Year	2nd Grade Teacher
		ODE Reading/Math Screener Diagnostic	1x Per Year	2nd Grade Teacher
		Short-Cycle Skill-Based Reading/Math Assessments	Weekly, Teacher Discretion	2nd Grade Teachers, Intervention Teachers
		Progress Reports/Report Cards	Each 9 Weeks	2nd Grade Teacher, Aides, Intervention Specialists
		ODE Reading Diagnostic Screener (new students)	Within 30 Days of Arrival	2nd Grade Teacher
		Diagnostics—Writing Only (state-required)	Third 9 Weeks	2nd Grade Teacher
	II/III	Phonemic Awareness Assessment	Weekly/Biweekly (specific to student's needs)	2nd Grade Teacher/Intervention Teacher
	III	Multifactorial Evaluations Progress Reports	As Identified	Intervention Staff
	I	STAR Testing	Quarterly	Technology Teacher

3rd Grade	I–III	2 nd Grade Data	Pre (analysis only)	3rd Grade Teachers, Intervention Teachers
		OAA Practice (M and R)	Pre/Mid	3rd Grade Teachers, Intervention Specialists
	I	Fall OAA Reading	Pre	3rd Grade Teachers, Testing Team
		Quarterly Assessment Math and Reading with Item Analysis	Each 9 Weeks	3rd Grade Teachers, Intervention Specialists
		Spring OAA Reading (for those who scored below 394 on fall OAA)	Post	3rd Grade Teachers, Intervention Specialists, Testing Team
		Spelling Inventory	Mid/Post	3rd Grade Teacher
		Short-Cycle Skill-Based Reading/Math Assessments	Weekly, Teacher Discretion	3rd Grade Teachers, Intervention Teachers
		Progress Reports/Report Cards	Each 9 Weeks	3rd Grade Teacher, Aides, Intervention Specialists
		ODE Reading Diagnostic Screener (new students)	Within 30 Days of Arrival	3rd Grade Teacher
		Diagnostics—Writing Only (state-required)	Third 9 Weeks	3rd Grade Teacher
	I	Performance-Based Tests, English Language Arts and Mathematics <i>Computer</i>		4th Grade Teachers, Intervention Specialists, Testing Team
	II/III	Phonemic Awareness Assessment	Weekly/Biweekly (specific to student's needs)	3rd Grade Teacher/Intervention Teacher
	I	End-of-Course Tests, English Language Arts and Mathematics <i>Computer</i>		3 rd Grade Teachers, Intervention Specialists, Testing Team

	III	Multifactorial Evaluations, Progress Reports	As Identified	Intervention Staff
	I	STAR Testing	Quarterly	Technology Teacher

4th Grade	I–III	3 rd Grade Data	Pre (analysis only)	4th Grade Teachers, Intervention Teachers
		OAA Practice (Math and Reading)	Pre/Mid	4th Grade Teachers, Intervention Specialists
		Quarterly Assessment Math and Reading with Item Analysis	Each 9 Weeks	4th Grade Teachers, Intervention Specialists
	I	Performance-Based Tests English Language Arts and Mathematics <i>Computer</i>		4th Grade Teachers, Intervention Specialists, Testing Team
		Spelling Inventory	Mid/Post	4th Grade Teacher
	I	Social Studies <i>Computer</i>		4th Grade Teachers, Intervention Specialists, Testing Team
		Short-Cycle Skill-Based Reading/Math Assessments (OAA Achiever)	Weekly, Teacher Discretion	4th Grade Teachers, Intervention Teachers
	I	End-of-Course Tests English Language Arts and Mathematics <i>Computer</i>		4th Grade Teachers, Intervention Specialists, Testing Team
		Progress Reports/Report Cards	Each 9 Weeks	4th Grade Teacher, Aides, Intervention Specialists
	II/III	Imagine Learning Intervention	Weekly/Biweekly (specific to student's needs)	4th Grade Teacher/Intervention Teacher
	III	Multifaceted Evaluations Progress Reports	As Identified	Intervention Staff
	I	STAR Testing	Quarterly	Technology Teacher
	I	End-of-Course Tests Social Studies <i>Computer</i>		4th Grade Teachers, Intervention Specialists, Testing Team

EXHIBIT 2: FINANCIAL PLAN

B.1 Budget Summary

The five-year projected budget is included on the following page. Projections are subject to revision at the discretion of the Governing Authority.

FY15 October 2014 submission								
IRN No. 009964							County:	Scioto
Sciotoville Elementary Academy								
Statement of Receipt, Disbursements, and Changes in Fund Cash Balances								
For the Fiscal Years Ended June 30, 2012 through 2014, Actual and								
the Fiscal Years Ending June 30, 2015 through 2019, Forecasted								
	Actual			Forecasted				
	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
	2012	2013	2014	2015	2016	2017	2018	2019
<u>Operating Receipts</u>								
State Foundation Payments (3110, 3211)	\$932,646.00	\$1,093,857.39	\$1,069,721.49	\$1,088,917.97	\$1,088,917.97	\$1,088,917.97	\$1,088,917.97	\$1,088,917.97
Charges for Services (1500)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fees (1600, 1700)	\$292.00	\$15.75	\$2,461.20	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00
Other (1830, 1840, 1850, 1860, 1870, 1890)	\$3,023.00	\$2,918.18	\$89,338.52	\$127,240.00	\$87,786.00	\$79,277.00	\$71,619.00	\$64,728.00
Total Operating Receipts	\$935,961.00	\$1,096,791.32	\$1,161,521.21	\$1,216,357.97	\$1,176,903.97	\$1,168,394.97	\$1,160,736.97	\$1,153,845.97
<u>Operating Disbursements</u>								
100 Salaries and Wages	\$746,033.00	\$759,031.07	\$806,330.65	\$676,500.00	\$679,850.00	\$684,245.00	\$689,608.00	\$695,871.00
200 Employee Retirement and Insurance Benefits	\$242,227.00	\$212,064.86	\$291,220.14	\$251,162.00	\$293,525.00	\$302,625.00	\$311,881.00	\$331,357.00
400 Purchased Services	\$105,691.00	\$107,076.30	\$156,655.93	\$220,781.00	\$225,197.00	\$229,700.00	\$234,295.00	\$238,980.00
500 Supplies and Materials	\$26,575.00	\$64,686.57	\$68,053.80	\$48,300.00	\$49,266.00	\$50,251.00	\$51,256.00	\$52,281.00

600 Capital Outlay - New	\$12,517.00	- \$3,211.28	\$0.00	\$2,000.00	\$2,200.00	\$2,420.00	\$2,662.00	\$2,928.00
700 Capital Outlay - Replacement	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
800 Other	\$60,992.00	\$72,786.14	\$39,102.78	\$62,250.00	\$63,495.00	\$64,765.00	\$66,060.00	\$67,381.00
Total Operating Disbursements	\$1,194,035.00	\$1,212,433.66	\$1,361,363.30	\$1,260,993.00	\$1,313,533.00	\$1,334,006.00	\$1,355,762.00	\$1,388,798.00
Excess of Operating Receipts Over (Under)								
Operating Disbursements	- \$258,074.00	- \$115,642.34	- \$199,842.09	- \$44,635.03	- \$136,629.03	- \$165,611.03	- \$195,025.03	- \$234,952.03
<u>Nonoperating Receipts/(Disbursements)</u>								
Federal Grants (all 4000 except fund 532)	\$176,942.00	\$142,508.28	\$190,682.96	\$150,482.60	\$150,482.60	\$150,482.60	\$150,482.60	\$150,482.60
Federal Fiscal Stabilization Funds (SFSF)	52,073	0	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Ed Jobs	\$0.00	\$53,483.03	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
State Grants (3200, except 3211)	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00
Donations (1820)	\$225.00	\$780.69	\$1,114.48	\$700.00	\$700.00	\$700.00	\$700.00	\$700.00
Interest Income (1400)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Debt Proceeds (1900)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Debt Principal Retirement	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Interest and Fiscal Charges	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Transfers - In	\$0.00	\$0.00	\$310,838.75	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Transfers - Out	- \$52,073.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Nonoperating Revenues/(Expenses)	\$178,967.00	\$198,572.00	\$504,436.19	\$152,982.60	\$152,982.60	\$152,982.60	\$152,982.60	\$152,982.60
Excess of Operating and Nonoperating Receipts								
Over/(Under) Operating and Nonoperating								
Disbursements	- \$79,107.00	\$82,929.66	\$304,594.10	\$108,347.57	\$16,353.57	- \$12,628.43	- \$42,042.43	- \$81,969.43
Fund Cash Balance, Beginning of Fiscal Year	\$535,740.00	\$456,633.00	\$539,562.66	\$844,156.76	\$952,504.33	\$968,857.90	\$956,229.47	\$914,187.04
Fund Cash Balance, End of Fiscal Year	\$456,633.00	\$539,562.66	\$844,156.76	\$952,504.33	\$968,857.90	\$956,229.47	\$914,187.04	\$832,217.61
<u>Disclosure Items for State Fiscal Stabilization Funds</u>								
Personal Services SFSF	\$374	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx
Employees Retirement/Insurance Benefits SFSF	52,496	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx

Purchased Services SFSF	\$ -	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX
Supplies and Materials SFSF		XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX
Capital Outlay SFSF		XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX
Total Expenditures - SDFSF	\$ 52,870.00	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX	XXXXXXXX XX
Assumptions:								
State Foundation Payments: Estimates flat-lined for the balance of the projection.								
Other Receipts: Reflects receipt of grant for afterschool programs. Grant traditionally decreases each year, numbers reflect a 10% decrease in funding per year.								
Also reflects repayment of a \$30,000 loan owed to the school.								
Salaries and Wages: Assumes 2% increase per year for step increases and decreases due to gradual decrease in after-school program funding.								
Employee Retirement and Insurance Benefits: Assumes an average insurance increase of 7.5% over the forecast period.								
Purchased Services: FY15 includes fees for fiscal services, ESC contract, and instructional purchased services.								
Supplies and Materials: Assumes reduction in supply expenditures due to decrease in grant monies.								
Other Disbursements: Includes fees for sponsoring agency that were coded to p/s in previous years.								
Transfers In: Reflects corrections to errors from previous fiscal year.								

B.2 Financial Management

Sciotoville Elementary Academy utilizes the Uniform School Accounting System (USAS) and Uniform Staff Payroll System (USPS) programs and is affiliated with South Central Ohio Computer Association (SCOCA). SCOCA is the Information Technology Center (ITC) used by all public schools in this area. We also utilize the Auditor of State's office Local Government Services (LGS) for generally accepted account practice (GAAP) conversion, as well as the Financial Audit Division for our annual audits. SEA reports directly to Ohio Department of Education (ODE) regarding the five-year forecast, along with federal and state funding.

SEA contracts with the South Central Ohio Educational Service Center for fiscal/Treasurer services and, where necessary, works with a CPA and/or legal counsel on fiscal issues. Financial policies are contained in the SEA board policy manual.

Financial Controls

The staff is required to use purchase requisitions for all purchases. This system allows the staff member to enter all pertinent information, and it follows a mapping for approval. First approval comes from the Principal, then the Superintendent, then the Treasurer. Once these have been fully approved, they are converted to purchase orders. The staff is required to utilize pay-in sheets for all money that is turned in to the Treasurer's office.

The USAS and USPS programs enable SEA to account for all funds expenditures and receipts, as well as all payroll-related items. The main office secretary completes the student EMIS and SOES function for the district. The Treasurer performs the staff EMIS function. The CCIP is initiated by the Curriculum Director with the help of the Treasurer and is then approved by the Treasurer and Superintendent. Different school groups participate in fundraising activities to provide monies they need for items such as uniforms, trips, etc. These activities are led by an advisor or coach, and all monies are turned in to the Treasurer's office for accounting. Funds are maintained through the Treasurer's office. Monthly reconciliations are performed by the Treasurer's office, and an annual audit is performed by the Auditor of State's office.

B.3 Transportation, Food Service, Other Partnerships

Transportation

The majority of the students at SEA are transported to and from school by the Portsmouth City School District, as required by law. Students from adjacent school districts (with the exception of the New Boston Local and Clay Local School Districts) attending SEA are provided transportation by their home district, which is arranged by them with their resident district. SEA, in cooperation with Sciotoville Community School (SCS), provides transportation to and from school for students who reside in the New Boston Local and Clay Local School Districts.

Food Service

Breakfast and Lunch are provided to SEA students by the Food Service Staff employed by SCS. All food is prepared at the school. SEA participates in the Federal School Lunch Program and offers Free Breakfast and Free Lunch to all students. Free After-School Snacks are provided to students at SEA who participate in the Academic Enrichment Program, a 21st Century Grant Program.

B.4 Insurance

	SUMMARY OF INSURANCE COVERAGE			
	SCIOTOVILLE ELEMENTARY ACADEMY			
	Wells Fargo Insurance Services USA, Inc.			
	Provided through Wright Specialty Insurance Company			
	General Liability			
		Commercial General Liability	\$ 1,000,000.00	
	PROPERTY			
	224 Marshall Avenue			
		School	\$ 9,909,000.00	
		School Contents	\$ 1,000,000.00	
		Modulars	\$ 200,000.00	
		Modular Contents	\$ 100,000.00	
		Garage	\$ 65,000.00	
		Garage Contents	\$ 25,000.00	
	5810 Harding Avenue			
		Dairy Bar	\$ 100,000.00	
	5018 Harding Avenue			
		Storage Building	\$ 100,000.00	
		Storage Building Contents	\$ 35,000.00	
	6000 Harding Avenue			
		Allard Park–Athletic Facility	\$ 200,000.00	
		Contents	\$ 10,000.00	
	Automobile	Any Auto		
		Liability	\$ 1,000,000.00	
		Medical Payments	\$ 5,000.00	
		Uninsured Motorist	\$ 1,000,000.00	
		Underinsured Motorist	\$ 1,000,000.00	
	St. Route 140			
		Baseball/Softball Fields	\$ 25,000.00	
	TEACHER			

		Teacher Liability	\$ 1,000,000.00		
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EXHIBIT 3: GOVERNANCE PLAN

C.1 Governing Body

Description of Governing Board Entity

The Governing Board is composed of five community-elected members, one non-voting staff-elected member, and one non-voting student-elected member. The five community-elected members must be citizens of the United States, nineteen years of age or older, and a registered voter in the Sixth Ward of the City of Portsmouth or Precincts A and H of Porter Township. The elected Governing Board members serve four-year staggered terms with no term limits being enforced. The staff and student representative are elected every year by their respective peers. No member of the governing board receives any financial compensation for their service.

The responsibilities of the governing board are as follows:

- Helping to create, approve, and monitor the school's annual budget
- Developing current and future policies to guide the operation of the school
- Securing appropriate funding for the operation of the school
- Supporting the efforts of the Superintendent to administer all educational programs consistent with Board policy
- Maintaining a commitment to the vision, mission, and belief statements of the Sciotoville Elementary Academy and the children they serve.

C.2 Governing Board Composition

The board roster is included at Exhibit 7.

Governing Authority Membership, Structure, and Roles

The Governing Board will be comprised of at least five (5) members. Membership is subject to change, pursuant to the bylaws of SEA. Current members include:

Bill Shope, President

Mr. Shope graduated from East High School, now Sciotoville Elementary Academy, and then attended Shawnee State University and the Ohio State University. He has been employed as a retail consultant, a manager for the Ohio State Parks Lodges, and a representative for the Coca-Cola Bottling Company. He is currently self-employed as a security consultant. This is his fifteenth year as the Governing Board President of the Sciotoville Elementary Academy.

Bob McCann, Vice President

Mr. McCann graduated from East High School, now Sciotoville Elementary Academy, and then attended Indian River Community College in Florida and Shawnee State University. He was employed by the City of Portsmouth before obtaining his current position as an air-quality specialist for the Ohio Environmental Protection Agency. This is his thirteenth year on the Governing Board of Sciotoville Elementary Academy.

Bob Workman, Member

Mr. Workman graduated from East High School, now Sciotoville Elementary Academy, in the class of 1963. His first employment was for five years at Westinghouse Electric in Columbus,

Ohio. He then returned to the Portsmouth area to assume a position at the New Boston Coke Plant, where he worked for thirty-one years; he served as a supervisor for the last eleven years before retirement. He has also been a Pure Fish Representative since 1985. This is his thirteenth year on the Governing Board of Scioto Elementary Academy.

Wendell Skinner, Member

Mr. Skinner graduated from East High School, now Scioto Elementary Academy, in the class of 1965. He attended Ohio University for one year after graduation before enlisting in the United States Army. He served twenty-two months in the Army before being medically discharged as a result of a combat injury. He worked as a production manager of the *Portsmouth Daily Times* for thirty-three years and has operated his own printing business since 1984. He previously served eight years on the Portsmouth City School Board of Education and is currently serving in his seventh year on the Governing Board of Scioto Elementary Academy.

Lettie Johnson, Member

Mrs. Johnson was appointed to the Governing Board on June 30, 2014 to replace resigning member Matt Hammer; she is in her first year on the Governing Board. Mrs. Johnson is a graduate of Capital University and has a master's degree in social work from the Ohio State University. She has worked in a variety of roles as a Licensed Independent Social Worker in Florida, Kentucky, and Ohio, and is currently employed by the Department of Veteran's Affairs as a member of the Home Based Primary Care Team. Mrs. Johnson is a longtime member of the Scioto community, where she lives with her husband Jim and twin sons Nathan and Andrew, both members of the first kindergarten class at Scioto Elementary Academy. She is an active member of the Scioto Christian Church. She also operates a newly created small business, "My Sweet Revenge Bakery," which caters to individuals and special events.

SEA does not use a management organization. Management of SEA school is left to the Administration, Treasurer, and Governing Board.

C.3 Management and Operation

District Leadership

The district leader at SEA is the Superintendent, who oversees the Principal and both the Administrative and Instructional Staff. The Superintendent is evaluated by the board once every year. Each board member is given an evaluation form to complete, and the numbers are added together to determine an average for each individual item in a section. Then an average for that section is calculated by taking each score, adding it, and dividing to find the average. There are nine sections in the evaluation as follows: (1) Leadership Skills; (2) Decision-Making Skills; (3) Communication and Community Relations; (4) Operations, Support Services, and Facilities; (5) Personnel Management; (6) Budget and Finance; (7) Political Awareness; (8) Professional Traits; and (9) Board/Superintendent Relations. Each section is composed of forty-nine individual items. The evaluation is then presented to the Superintendent to read and make comments.

If this position became open, it would be posted first internally to allow any interested and qualified employee to apply. If an internal candidate is not deemed acceptable by the Governing

Board, the position would be advertised in newspapers and online. An applicant should have educational credentials and administrative experience in schools commensurate with the responsibilities of the position, as determined by the Governing Board. An applicant may also hold a Superintendent licensure, but it is not required.

Building Leadership

The building leader at SEA is the Principal, who oversees all operations of the building. The Principal is evaluated by the Superintendent one time each year. SEA currently participates in the Ohio Principal Evaluation System (OPES), as prescribed by Ohio Law.

District Administration

SEA has a full-time Curriculum Director who serves the district in the area of Curriculum and Instruction and oversees staff Professional Development. The Curriculum Director also oversees Title Programs in the District. The Curriculum Director is evaluated by the Superintendent one time each year, except during the year of contract renewal, when he/she is evaluated two times. SEA has a Special Education Coordinator who is issued as a Supplemental Position on a part-time basis. The Special Education Coordinator oversees compliance of Special Education law as it pertains to federal and state regulations.

C.3.1 Records

The Board of Trustees has adopted a comprehensive records retention policy that outlines the appropriate procedures for handling the wide array of documents generated within the school. Each record type is designated a retention period, storage location, and owner. Records are divided into the following categories: Board and Administrative Records, Employee Records, Student Records, Building Records, Central Department Records, Financial Records, Payroll-Related Records, Reports, and Other. The Executive Director or their designee is ultimately responsible for the annual review and proper retention or disposal of records within this plan. Current policy dictates that records are to be disposed of properly by document shredder or other approved disposal measures.

Data and Records Retention Policy

All records are the property of the School and are not to be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the School Records Commission. Such records shall be delivered by outgoing officials and employees to their successors and shall not be otherwise removed, transferred, or destroyed unlawfully.

Records include any document, device, or item, regardless of physical form or characteristic, created or received by or coming under the jurisdiction of the School, which serves to document the organization, functions, policies, decisions, procedures, operations, or other activities of the School.

The School Records Commission is composed of the Board President, the Treasurer, and the Superintendent. The Commission meets at least once every twelve months.

The functions of the Commission are to review applications for one-time records disposal and schedules of records retention and disposition submitted by any employee of the School. Records may be disposed of by the School pursuant to the procedure outlined below. The Commission may at any time review any schedule it has previously approved and may revise that schedule.

When School records have been approved for disposal, the Records Commission sends a list of such records to the Auditor of State. If he/she disapproves the action by the Commission, in whole or in part, he/she so informs the Commission within a period of sixty days, and these records are not destroyed. Before public records are disposed of, the Ohio Historical Society is informed and given the opportunity, for a period of sixty days, to select for its custody such public records as it considers to be of continuing historical value.

C.4 Staffing and Human Resources

Instructional staff are state-licensed or are working on obtaining alternative licensure. There is a mix of experienced and new staff members, which allows the new staff to draw on the experience and wisdom of the older staff. The instructional staff is evaluated by the supervising principal yearly. Other informal evaluations are conducted during the time the contract is in place. The staff members are evaluated in the following four areas: organization, creating an environment for student learning, teaching for student learning, and teaching professionalism. After completion of each formal evaluation, the principal will review the evaluation and discuss it with the teacher. SEA currently participates in the Ohio Teacher Evaluation System (OTES) to evaluate teachers, and it follows the procedures as set forth in law.

To fill teaching positions, vacancies are first posted internally, then advertised in appropriate sources where people look for employment. Resumes are collected and interview committees formed based upon the position that SEA is attempting to fill. Teachers are compensated based on experience and level of education. SEA utilizes a pay scale that shows how much compensation is to be provided.

SEA offers a range of benefits including, but not limited to, healthcare and dental coverage to full-time staff. It also participates in State Teachers Retirement System (STRS).

C.5 Professional Development

Sciotoville Elementary Academy's professional development is a purposeful, structured, and continuous process that occurs over the entire school year. Professional development begins in August with five days before school begins. There are four additional professional development days throughout the school year. Professional development is ongoing and continues until the end of the school year. At the beginning of each school year, SEA surveys the staff using the Ohio Standards for Professional Development (six standards) and the Ohio Standards for Teaching Profession (seven standards).

C.6 Student Recruitment and Enrollment

Class, section, and grade-level sizes are to be determined by the school. SEA continually works to devise ways to recruit students. Advertising via local media, operating a booth at the Scioto County Fair in August of each year and working throughout the community in youth activities are just a few of the ways SEA attempts to increase student enrollment. SEA is continually

working to improve and enhance its school facilities. This one variable may be the most significant one to affect student enrollment at SEA. SEA currently has a student population in grades K–4 of around 136 students. It is our goal, using the methods mentioned above and others that may be developed, to increase our student enrollment to 150 by the 2018–2019 school year.

Sciotovalle Elementary Academy Projected Enrollment

	2015–16	2016–17	2017–18	2018–19	2019–20
Grade					
K	30	30	30	30	30
1	25	30	30	30	30
2	30	30	30	30	30
3	30	30	30	30	30
4	30	30	30	30	30
Total	Goal is 148	Goal is 150	Goal is 150	Goal is 150	Goal is 150

C.7 Community Partnerships

SEA is continually working to develop partnerships with community groups in order to enhance opportunities for its students. SEA has a lease agreement with the Sciotovalle Christian Church for use of church property and facilities.

C.8 Parent Engagement

SEA continually works to involve and engage parents in the educational process. There are two formal Parent-Teacher Conference Days scheduled during the year. Parents are encouraged to participate in the education of their child(ren) through regular communication from staff. Information on the District's web site is updated on a regular basis to keep parents and community members informed as to what is going on at SEA. Booster groups play a major role at SEA (currently, there is a PTO group that works with SEA to serve its students). SEA provides to parents its Annual Report each year. Parents are provided with the School Calendar and a Student/Parent Handbook for information and reference during the school year. SEA utilizes School Messenger, an automated call program, to alert parents of student absences and to inform them of special events/activities or changes in the school schedule. SEA also uses Progress Book, an online data tool, to allow parents to monitor their child(ren)'s attendance and academic progress in every subject

C.9 Means for Achieving Racial and Ethnic Balance

The Community School will achieve a racial and ethnic balance reflective of the community it serves by abiding by all legal admissions policies outlined in Ohio laws. The Community School will be nonsectarian in its programs, admissions policies, employment practices, and all operations, will not charge tuition, and will not discriminate in admission or deny participation in any program or activity on the basis of a person's sex, race, religion, national origin, ancestry, pregnancy, marital or parental status, sexual orientation, or physical, mental, emotional, or learning disability. The Community School will annually review its demographic data. If a significant difference in the racial and ethnic balance of the Community School's home city

and/or district and the racial and ethnic balance of the school exists, the Governing Authority may take action to address the difference, which may include, but not be limited to, a review of enrollment and outreach policies and procedures.

C.10 Disposition of Employees

In the event the Contract is terminated or not renewed pursuant to Section 3314.07 of the Code, the Governing Authority agrees to maintain all staff records in a secure location and make records available to staff upon request; ensure that STRS and SERS contributions are current; clarify COBRA benefits; inform staff of the date medical benefits end; ensure that each faculty's Local Professional Development Committee (LPDC) is current and available to staff; and provide a clear, written timeline of the closing process to all staff.

C.11 Race to the Top

If the school is the recipient of moneys from a grant awarded under the federal Race to the Top program, Division (A), Title XIV, Sections 14005 and 14006 of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115, the school will pay teachers based upon performance in accordance with section 3317.141 and will comply with section 3319.111 of the Revised Code as if it were a school district.

C.12 Benefits

Benefits offered to employees may include, but not be limited to, health, dental, and vision coverage. The school will have worker's compensation insurance. Retirement benefits are provided via the State Teachers Retirement System of Ohio (STRS) or the School Employees Retirement System (SERS).

C.13 Dismissal Procedures

In accordance with Revised Code § 3314.03(A)(6), any student who, without a legitimate excuse, fails to participate in 105 consecutive hours of learning opportunities will be automatically withdrawn from the school in accordance with the school's withdrawal procedures.

C.14 Management

In accordance with Ohio Revised Code section 3314.191, the chief administrator of the community school actively is managing daily operations at the school.

EXHIBIT 4: ACADEMIC AND ORGANIZATIONAL ACCOUNTABILITY PLAN

Pursuant to Article III of this Contract, the Academic and Organizational Accountability Plan constitutes the agreed-upon academic, financial, and organizational and governance requirements (“Requirements”) that the GOVERNING AUTHORITY and SPONSOR will use to evaluate the performance of the Community School during the term of this contract. Each of these Requirements may be considered by the SPONSOR to gauge success throughout the term of this contract.

To be considered for contract renewal, the GOVERNING AUTHORITY is expected to have “achieved” the standard as specified herein, which is the SPONSOR’s minimum expectation for the Community School, in all primary academic indicators, all financial indicators, and all primary operations/governance indicators. Secondary indicators (for both academics and operations/governance) will be considered as well, but primary indicators will factor more heavily into decisions about renewal or nonrenewal, as well as about probation, suspension, and termination. An inability to achieve minor elements of the standards may not prevent consideration of contract renewal, based on the totality of the circumstances, which will be subject to the SPONSOR’s sole and complete discretion.

Primary Academic Indicators	Exceeds the Standard	Meets the Standard	Does Not Meet the Standard	Falls Far Below the Standard
Performance Index ¹ (PI)	90% or higher	80%–89%	70%–79%	69% and below
Value Added ²	+ 4.00 and above	0 to 3.9	–.01 to –3.9	–4.0 and below
Graduation Rate (4 yr)	93%–100%	84%–92%	79%–83%	Below 79%
Graduation Rate (5 yr)	95%–100%	85%–94%	80%–84%	80% and below
K–3 Literacy Improvement	B or better	C	D	F
Performance versus Local Market: ³ PI	Ranked in top 20% in PI score	Ranked in 70%–79% in PI score	Ranked in 69%–50% in PI score	Ranked in bottom 49% in PI score
Performance versus Local Market: Value Added	Ranked in top 20th percentile in VAM score	Ranked in 70th–79th percentile in VAM score	Ranked in 69th–50th percentile in VAM score	Ranked in bottom 49th percentile in VAM score
Performance versus Statewide Charters: PI	Ranked in top 20th percentile in PI score	Ranked in 70th–79th percentile in PI score	Ranked in 50th–69th percentile in PI score	Ranked in bottom 49th percentile in PI score
Performance versus	Ranked in top	Ranked in 70th–	Ranked in 50th–	Ranked in bottom

¹ The performance index (PI) percentage is calculated as follows: school’s PI score / 120 (the highest possible PI score).

² A value-added score is a statistical estimate intended to convey how much a school has contributed to student learning. A higher value-added score conveys greater confidence that, on average, the school has contributed more than one standard year of academic growth; a lower value-added score conveys greater confidence that the school has, on average, not contributed more than one standard year of academic growth.

³ “Local Market” includes other charter schools (excluding virtual and dropout-recovery charter schools, as designated by the Ohio Department of Education) in the county in which a school is located as well as comparable district schools in the charter school’s “serving district,” as designated by the Ohio Department of Education.

Statewide Charters: Value Added	20th percentile in VAM score	79th percentile in VAM score	69th percentile in VAM score	49th percentile in VAM score
Secondary Academic Indicators	Exceeds the Standard	Meets the Standard	Does Not Meet the Standard	Falls Far Below the Standard
Value Added: Overall Grade	A	B or above	C or below	D or below in VA and PI = Probation
PI: Overall Grade	A	B or above	C or below	D or below in VA and PI = Probation
Value Added: Gifted	A	B or above	C or below	
Value Added: Disabilities	A	B or above	C or below	
Value Added: Lowest 20%	A	B or above	C or below	
Value Added: High School	A	B or above	C or below	
AMOs (Gap Closing)	A	B or above	C or below	
College Admission Test Participation Rate	A	B or above	C or below	
College Admission Test Nonremediation Score	A	B or above	C or below	
Dual Enrollment Credits	A	B or above	C or below	
Industry Credentials	A	B or above	C or below	
Honors Diplomas Awarded	A	B or above	C or below	
AP Participation Rate	A	B or above	C or below	
AP Score	A	B or above	C or below	
IB Participation Rate	A	B or above	C or below	
IB Score	A	B or above	C or below	
College- and Career-Ready Assessment	A	B or above	C or below	
School Regularly Administers Internal Growth Assessment		Yes	No	
School Met a Majority of Its Internal Goals (Section A.7 of This Contract)		Yes	No	
Financial Measures of Success (Current Year)	Exceeds the Standard	Meets the Standard	Does Not Meet the Standard	Falls Far Below the Standard
Current Ratio of Assets to Liabilities	Ratio is greater than or equal to 1.1	Ratio is between 1.0 and 1.1; AND one-year trend is positive (current year's ratio is higher than last year's)	Ratio is between 0.9 and 1.0 or equals 1.0; OR ratio is between 1.0 and 1.1 AND one-year trend is negative	Ratio is less than or equal to 0.9
Days Cash	60 or more days cash	Between 30 and 60 days cash	Between 15 and 30 days; OR 30–60 days cash AND one-year trend is negative	Fewer than 15 days cash

Current Year Enrollment Variance ⁴	Actual enrollment equals or is within 95% of budgeted enrollment in most recent year	Actual enrollment is 90%–95% of budgeted enrollment in most recent year	Actual enrollment is 80%–90% of budgeted enrollment in most recent year	Actual enrollment is less than 80% of budgeted enrollment in most recent year
Financial Measures of Success (Prior Years)	Exceeds the Standard	Meets the Standard	Does Not Meet the Standard	Falls Far Below the Standard
Multiyear Ratio of Assets to Liabilities ⁵	Ratio is greater than or equal to 1.1 for at least the 2 most recent years	Ratio is between 1.0 and 1.1 for at least the most recent year	Ratio is below 1.0 for the most recent year; OR below 1.0 in the 2 most previous years out of 3 years	Ratio is 0.9 or less for the most recent year; OR is 0.9 or less in the 2 most previous years out of 3 years
Cash Flow	Cash flow is positive for at least the 2 most recent years	Cash flow is positive for at least 1 of the most recent 2 years	Cash flow is not positive for at least 1 of the most recent 2 years	Cash flow is negative for any 2 consecutive years
Total Margin (TM) and Aggregated Three-Year Total Margin ⁶ (ATTM)	ATTM is positive and the most recent year TM is also positive	ATTM is greater than –1.5%, the trend is positive for the last 2 years, AND the most recent year TM is positive	ATTM is greater than –1.5%, but trend does not “meet standard”	ATTM is less than or equal to –1.5%; OR the most recent year TM is less than –10%
Operations/ Governance Primary Indicators	Exceeds the Standard	Meets the Standard	Does Not Meet the Standard	Falls Far Below the Standard
Records compliance ⁷	90% or higher	79%–89%	78%–60%	59% or below
On-Time Records Submission Rate	90% or higher	79%–89%	78%–60%	59% or below
Financial Records Submitted Monthly	90% or higher	79%–89%	78%–60%	59% or below
Annual Audit	Two consecutive years of no	No findings, findings for	Audit contains less than three of the	Audit contains three or more of

⁴ The enrollment variance depicts actual enrollment divided by enrollment projection in the charter school’s board-approved budget.

⁵ This ratio depicts the relationship between a school’s annual assets and liabilities, covering the last three years.

⁶ “Total margin” measures the deficit or surplus a school yields out of its total revenues; in other words, it measures whether or not the school is living within its available resources. The total margin is important to track, as schools cannot operate at deficits for a sustained period of time without risk of closure. The aggregate three-year total margin is helpful for measuring the long-term financial stability of the school by smoothing the impact of single-year fluctuations. The performance of the school in the most recent year, however, is indicative of the sustainability of the school; thus, the school must have a positive total margin in the most recent year to meet the standard. “Total Margin” = Net income/Total Revenue. “Aggregate Total Margin” = Total Three-Year Net Income/Total Three-Year Revenues.

⁷ Represents the percentage of records reviewed that were accurate and complete during the school year.

	findings, findings for recovery, noncompliance citations, questioned costs, or material weaknesses, as set forth in the audit	recovery, noncompliance citations, questioned costs, or material weaknesses, as set forth in the audit	following: findings, noncompliance citations, questioned costs, material weaknesses, or findings for recovery (less than \$5,000 combined), as set forth in the audit.	the following: findings, noncompliance citations, questioned costs, material weaknesses, or findings for recovery (in excess of \$5,000 combined), as set forth in the audit
LEA Special Education Performance Determination (most recent annual) ⁸	Meets Requirements	Needs Assistance	Needs Intervention	Needs Substantial Intervention
Operations/Governance Secondary Indicators	Exceeds the Standard	Meets the Standard	Does Not Meet the Standard	Falls Far Below the Standard
Five-Year Forecasts Submitted to ODE by Statutory Deadlines		Yes	No	
Preopening Assurances Documentation		Completed and available 10 days before the first day of school	Not completed and available 10 days before the first day of school	
Annual Report		Submitted to parents and sponsor by the last day of October	Not submitted to parents and the sponsor by the last day of October	
Safety Plan and Blueprint Submitted within the Last 3 Years to the Ohio Attorney General		Yes	No	
Family Survey Results	90% or greater overall satisfaction with school	80%–89% overall satisfaction with school	70%–79% overall satisfaction with school	69% or less overall satisfaction with school

⁸ The Individuals with Disabilities Education Improvement Act (IDEIA) requires that state education agencies make annual determinations regarding the performance of special education programs operated by Local Education Agencies (LEAs) that receive federal IDEIA Part-B funding. In Ohio, individual charter schools are considered LEAs.

EXHIBIT 5: LETTER OF APPROVAL TO OPERATE

Pursuant to the provisions of Chapter 3314 of the Ohio Revised Code and Article VII of the Community School Contract entered into between the GOVERNING AUTHORITY and the Thomas B. Fordham Foundation (the “SPONSOR”), this letter shall serve as the Letter of Approval to Operate from the SPONSOR, for the (temporary/permanent) facility located at:
 Scioto Elementary Academy
 5540 Third Street, Scioto, Ohio 45662
 IRN number 009964 to begin operations for the 2015–16 academic year.

This Letter of Approval is issued based upon the following documentation provided to the SPONSOR on :

- ____ Certificate of Authority of Nonprofit Status
- ____ Proof of property ownership or property lease
- ____ Certification of Teaching Staff (completed or in process)
- ____ Affidavit of BCI&I/FBI for all Staff (completed or in process)
- ____ Certificate of Occupancy (permanent or temporary)
- ____ Liability Insurance
- ____ Health and Safety Inspection (permanent/final or temporary)
- ____ Fire Inspection (permanent/final or temporary)
- ____ Food Permit (if applicable)

If the Certificate of Occupancy, Health and Safety Inspection, or Fire Inspection is temporary, the GOVERNING AUTHORITY shall provide the SPONSOR with the documentation of a permanent or final permit within five (5) business days of receipt from the governmental agency.

If any teaching certificates or licenses or BCI &I/FBI checks are in progress, the GOVERNING AUTHORITY shall provide the SPONSOR with documentation of completion within five (5) business days of receipt from the governmental agency.

If the Community School opens under a temporary Certificate of Occupancy in which further repairs or modifications to the facility are needed, the school shall have a reasonable period of time to complete the repairs and obtain a permanent Certificate of Occupancy. If the repairs are not completed within a reasonable period of time, the SPONSOR may revoke this Letter of Approval, and the school shall cease operations upon the date specified by the SPONSOR.

If, after the GOVERNING AUTHORITY has received a permanent or temporary Certificate of Occupancy, the Community School is issued a health or safety violation by a governmental agency, the GOVERNING AUTHORITY shall have a reasonable period of time to remedy the circumstances that caused the citation. In the event that the GOVERNING AUTHORITY does not correct the violation to the satisfaction of the governmental agency that issued said violation within a reasonable period of time, the SPONSOR shall revoke this Letter of Approval to Operate, and the Community School shall cease operations until the violations have been satisfactorily corrected and the Letter of Approval has been reissued by the SPONSOR.

If at any time the GOVERNING AUTHORITY fails to maintain the above-mentioned documentation, the SPONSOR may revoke this Letter of Approval to Operate, and the School shall cease operations until the proper documentation has been obtained and the Letter of Approval has been reissued by the SPONSOR.

If any of the required documentation that is set forth herein and provided by GOVERNING AUTHORITY contains false or misleading information, or is in any way fraudulent, the SPONSOR may revoke this Letter of Approval to Operate at any time, and the school shall cease operations upon the date specified by the SPONSOR.

EXHIBIT 6: STATEMENT OF ASSURANCES**Office of Community Schools****2014–2015 Authorizer Opening Assurances ORC 3314.19 & OAC 3301-102-05**

Authorizers are required to submit assurances annually for each of their schools at least 10 business days prior to any of the following occurrences (please check all that apply):

First day of instruction in the current academic year:

Change of location:

Addition of a new facility:

Date of authorizer visit to school:

Please list first date of instruction for the 2014-2015 school year:

Name of Authorizing Organization:

School IRN

School Name (Note: a separate form is needed for each facility associated with this school IRN):

School's Website:

School Leader's Name:

School Leader's Phone Number:

School Leader's E-mail Address:

Treasurer's Name:

Treasurer's Phone Number:

Treasurer's E-mail Address:

OEDS-R Administrator's Name:

OEDS-R Administrator's Phone Number:

OEDS-R Administrator's E-mail Address:

Physical Street Address:

City, State

Zip Code

County

School Building Phone:

School E-mail (if applicable):

School Fax Number:

Mailing Address, if different from above:

City, State

Zip Code

County

How many facilities/locations are associated with this school IRN?

Please list all facilities/locations associated with this school IRN.

Grade levels permitted per contract:

For the facility/location listed above, list the grade levels served:

By checking "I agree" in the box you attest to the following:

The authorizer has conducted a pre-opening site visit prior to the school opening for the 2014–2015 school year and any time the school opens a new facility or changes locations;

☐ I agree.

A copy of the community school's current contract and any subsequent modifications is on file with the Office of Community Schools;

☐ I agree.

The authorizer has a copy of the school's plan for providing special education and related services to students with disabilities, and the school has demonstrated the capacity to provide those services in accordance with Chapter 3323 of the Revised Code and federal law;

☐ I agree.

The school has a plan and procedures for administering the achievement tests and diagnostic assessments as prescribed by sections 3301.0710, 3301.0712 and 3301.0715 of the Revised Code;

☐ I agree.

The school's personnel have the necessary training, knowledge, and resources to properly use and submit information to all databases maintained by the department for the collection of education data, including the Education Management Information System (EMIS) and its subsystem SOES established under section 3301.0714 of the Revised Code in accordance with methods and timelines established under section 3314.17 of the Revised Code;

☐ I agree.

All required information about the school has been entered/updated in the Ohio Education Directory System (OEDS-R) or any successor system; note: OEDS-R has fields for governing authorities' names and operator/management company identification which should be completed;

☐ I agree.

The school has enrolled at least twenty-five students for the 2014–2015 school year, the minimum number of students required by division (A)(11)(a) of section 3314.03 of the Revised Code;

☐ I agree.

All classroom teachers are licensed in accordance with sections 3319.22 to 3319.31 of the Revised Code, except for non-certificated persons engaged to teach up to twelve hours per week pursuant to section 3319.301 of the Revised Code;

☐ I agree.

The school's fiscal officer is in compliance with section 3314.011 of the Revised Code;

☐ I agree.

The school has on file both BCII and FBI criminal records checks for all licensed and unlicensed employees including private contractors providing on and offsite student services, and the school has conducted a criminal records check of each of its governing authority members;

☐ I agree.

The school holds all of the following:

- Proof of property ownership or a lease for the facilities used by the school;
☐ I agree.
- A certificate of occupancy;
☐ I agree.
- Liability insurance for the school, as required by division (A)(11)(b) of section 3314.03 of the Revised Code, that the authorizer considers sufficient to indemnify the school's facilities, staff, and governing authority against risk;
☐ I agree.
- A satisfactory health and safety inspection;
☐ I agree.
- A satisfactory fire inspection; and,
☐ I agree.
- A valid food permit, if applicable.
☐ I agree.

The school has submitted both its Safety plan and Floor plan pursuant to section 3313.536 of the Revised Code;

☐ I agree.

The school has designated a date it will open for the 2014–2015 school year that is in compliance with division (A)(25) of section 3314.03 of the Revised Code; and,

☐ I agree.

The school has met all of the authorizer's requirements for opening and any other requirements of the authorizer.

☐ I agree.

By signing, I attest that I have reviewed the above information and it is true and accurate to the best of my knowledge.

Authorizer Representative Sign, Print, Date

This form can be signed by hand or electronically by clicking "Sign" in the toolbar. On the right column of the screen options will appear, click "Place Signature," then draw a signature box where you want to sign the form. A new box will appear where you can create an new electronic signature or add an existing password protected signature.

By checking the box below, you agree to submit a revised copy of this form to the Ohio Department of Education no later than the 15th of the following calendar month with the board chair's signature.

☐ I agree

By signing, I attest that I have reviewed the information with the representative and it is true and accurate to the best of my knowledge.

Authorizer Board Chair Sign, Print, Date

This form can be signed by hand or electronically by clicking "Sign" in the toolbar. On the right column of the screen options will appear, click "Place Signature," then draw a signature box where you want to sign the form. A new box will appear where you can create an new electronic signature or add an existing password protected signature.

EXHIBIT 7: ROSTER OF GOVERNING AUTHORITY**Sciotoville Elementary Academy Governing Authority**

Name	Role	Term	Address
Bill Shope	President	To be submitted to Sponsor as set forth in EpiCenter	5540 Third Street Sciotoville, OH 45662
Bob McCann	Vice-President	To be submitted to Sponsor as set forth in EpiCenter	5540 Third Street Sciotoville, OH 45662
Bob Workman	Member	To be submitted to Sponsor as set forth in EpiCenter	5540 Third Street Sciotoville, OH 45662
Lettie Johnson	Member	To be submitted to Sponsor as set forth in EpiCenter	5540 Third Street Sciotoville, OH 45662
Wendell Skinner	Member	To be submitted to Sponsor as set forth in EpiCenter	5540 Third Street Sciotoville, OH 45662

EXHIBIT 8: RELATED PARTY DISCLOSURE FORM

The Community School agrees that it will submit this form annually to SPONSOR's Epicenter system on the date set forth by the SPONSOR.

Ohio Ethics Commission Information Sheet #1 (Restrictions on Nepotism or Hiring Family Members) states:

Ohio Ethics Law and related statutes prohibit an official from:

- Authorizing the employment of a family member; and,
- Using the authority or influence of her public position to secure authorization of the employment of a family member.

An official is prohibited from hiring a family member in any employment position, including a full-time, part-time, temporary, or permanent position, a position in the classified or unclassified civil service, or a noncivil service position. In most situations, the Ohio Ethics Law and related statutes do not prohibit family members from being employed by the same public agency, as long as no official has secured a job, or job-related benefits, for her family member.

I acknowledge that no official at Scioto Elementary Academy has authorized the employment of any family members. Family members, regardless of where they reside, are defined as the following: spouse, children (whether dependent or not), siblings, parents, grandparents, grandchildren, or any other person related by blood or by marriage and living in the same household.⁹

I disclose that the following parties, either employed by or serving on the Governing Authority of the school, are related. I further disclose their roles as employees or members of the Governing Authority of the Community School.

Related party #1	Role	Related party #2	Role

I hereby acknowledge that none of the individuals listed above were recommended for employment by a related party, and that no related party took part in the hiring process of a family member. Additionally, no related parties are involved in employment evaluations, determinations regarding compensation and benefits, or determinations regarding promotions.

School Leader

Date

Governing Authority Representative

Date

⁹ Ohio Ethics Commission Information Sheet #1: Restrictions on Nepotism or Hiring Family Members (March 2006).