
A

**CONTRACT TO CHARTER A PUBLIC SCHOOL ACADEMY
AND RELATED DOCUMENTS**

ISSUED BY

**THE GRAND VALLEY STATE UNIVERSITY BOARD OF TRUSTEES
(AUTHORIZING BODY)**

ISSUED TO

**OLD MISSION PENINSULA SCHOOL
(A PUBLIC SCHOOL ACADEMY)**

CONFIRMING THE STATUS OF

OLD MISSION PENINSULA SCHOOL

AS A

PUBLIC SCHOOL ACADEMY

**DATED:
JULY 1, 2018**

GENERAL INDEX

Contract Schedules

- Schedule 1: University Board Resolutions
 - Method of Selection Resolution, dated July 24, 2017
 - Authorization Resolution, dated July 24, 2017
- Schedule 2: Articles of Incorporation
- Schedule 3: Bylaws
- Schedule 4: Fiscal Agent Agreement
- Schedule 5: Master Calendar of Reporting Requirements (MCRR)
- Schedule 6: Information To Be Provided By Academy and Educational Management Company
- Schedule 7: Academy Specific Information & Educational Program
 - Schedule 7-1: Educational Goals and Programs
 - Schedule 7-2: Curriculum
 - Schedule 7-3: Staff Responsibilities
 - Schedule 7-4: Methods of Accountability and Pupil Assessment
 - Schedule 7-5: Academy's Admission Policies and Criteria
 - Schedule 7-6: School Calendar and School Day Schedule
 - Schedule 7-7: Age/Grade Range of Pupils Enrolled
 - Schedule 7-8: Address and Description of Proposed Physical Plant; Lease or Deed for Proposed Site; and Occupancy Certificate
- Schedule 8: Partnership Agreement

TABLE OF CONTENTS

ARTICLE I

DEFINITIONS

Section

Section 1.1	Certain Definitions.....	1
Section 1.2	Captions.....	4
Section 1.3	Gender and Number.....	4
Section 1.4	Schedules.....	4
Section 1.5	Statutory Definitions.....	4
Section 1.6	Application.....	4
Section 1.7	Conflicting Contract Provisions.....	4

ARTICLE II

**ROLE OF GRAND VALLEY STATE UNIVERSITY
BOARD OF TRUSTEES AS AUTHORIZING BODY**

Section 2.1	Independent Status of the University.....	5
Section 2.2	Independent Status of the Academy.....	5
Section 2.3	University Board Resolutions.....	5
Section 2.4	Method for Monitoring Academy’s Compliance with Applicable Law and Performance of its Targeted Educational Outcomes.....	5
Section 2.5	University Board Administrative Fee.....	7
Section 2.6	University Board as Fiscal Agent for the Academy.....	7
Section 2.7	Authorization of Employment.....	7
Section 2.8	Financial Obligations of the Academy Are Separate From the State of Michigan, University Board and the University.....	7
Section 2.9	Academy Has No Power to Obligate or Bind State of Michigan, University Board or the University.....	8
Section 2.10	Authorizing Body Contract Authorization Process.....	8
Section 2.11	University Board Approval of Condemnation.....	8
Section 2.12	Charter Schools Office Director Review of Certain Financing Transactions.....	8

ARTICLE III

**REQUIREMENT THAT ACADEMY ACT SOLELY
AS GOVERNMENTAL AGENCY OR ENTITY AND POLITICAL SUBDIVISION**

Section 3.1	Governmental Agency or Entity and Political Subdivision.....	9
-------------	--	---

Section 3.2	Other Permitted Activities.....	9
Section 3.3	Academy Board Members Serve in Their Individual Capacity.....	10

ARTICLE IV

PURPOSE

Section 4.1	Academy’s Purpose.....	10
-------------	------------------------	----

ARTICLE V

CORPORATE STRUCTURE OF THE ACADEMY

Section 5.1	Nonprofit Corporation.....	10
Section 5.2	Articles of Incorporation	10
Section 5.3	Bylaws	10
Section 5.4	Quorum.....	10

ARTICLE VI

OPERATING REQUIREMENTS

Section 6.1	Governance Structure.....	11
Section 6.2	Contributions and Fund Raising	11
Section 6.3	Educational Goals and Programs	11
Section 6.4	Curriculum.....	11
Section 6.5	Methods of Accountability and Pupil Assessment	11
Section 6.6	Staff Responsibilities	12
Section 6.7	Admission Policy	12
Section 6.8	School Calendar/School Day Schedule.....	12
Section 6.9	Age/Grade Range of Pupils Enrolled.....	12
Section 6.10	Annual Financial Audit.....	13
Section 6.11	Address and Description of Proposed Site(s); Process for Expanding Academy’s Site Operations.	13
Section 6.12	Accounting Standards	13
Section 6.13	Placement of University Student Interns.....	14
Section 6.14	Disqualified Organizational or Contractual Affiliations.....	14
Section 6.15	Matriculation Agreements.....	14
Section 6.16	Posting of Accreditation Status.....	14
Section 6.17	Academy Site is Former Site of Closed Community School District School; State School Reform/Redesign Officer Approval Required.....	14
Section 6.18	New Public School Academies Located within Boundaries of a Community District.....	14

Section 6.19	Community District Accountability Plan.....	15
Section 6.20	Collective Bargaining Agreements.....	15

ARTICLE VII

TUITION PROHIBITED

Section 7.1	Tuition Prohibited: Fees and Expenses	15
-------------	---	----

ARTICLE VIII

COMPLIANCE WITH PART 6A OF CODE AND OTHER LAWS

Section 8.1	Compliance with Part 6a of Code.....	15
Section 8.2	Compliance with State School Aid Act.....	15
Section 8.3	Open Meetings Act	16
Section 8.4	Freedom of Information Act.....	16
Section 8.5	Public Employees Relations Act.....	16
Section 8.6	Prevailing Wage on State Contracts.....	16
Section 8.7	Uniform Budgeting and Accounting Act	16
Section 8.8	Revised Municipal Finance Act of 2001.....	16
Section 8.9	Non-discrimination	16
Section 8.10	Other State Laws.....	16
Section 8.11	Federal Laws.....	17

ARTICLE IX

AMENDMENT

Section 9.1	Amendments	17
Section 9.2	Process for Amending the Contract	17
Section 9.3	Process for Amending Academy Articles of Incorporation	17
Section 9.4	Process for Amending Academy Bylaws.....	17
Section 9.5	Final Approval of Amendments	17
Section 9.6	Change in Existing Law	17
Section 9.7	Emergency Action on Behalf of University Board.....	18

ARTICLE X

TERMINATION, SUSPENSION AND REVOCATION

Section 10.1	Grounds and Procedures for Academy Termination of Contract	18
Section 10.2	Termination by University Board	19
Section 10.3	Contract Suspension.....	20

Section 10.4	Statutory Grounds for Revocation	21
Section 10.5	Other Grounds for University Board Revocation	21
Section 10.6	University Board Procedures for Revoking Contract	22
Section 10.7	Automatic Amendment of Contract; Automatic Termination of Contract if All Academy Sites Closed or Placed in State School Reform/Redesign District; Economic Hardship Termination	25
Section 10.8	Material Breach of Contract	26
Section 10.9	Venue; Jurisdiction	27
Section 10.10	Conservator; Appointment by University President	27

ARTICLE XI

PROVISIONS RELATING TO PUBLIC SCHOOL ACADEMIES

Section 11.1	Grand Valley State University Faculty Employment in the Academy	28
Section 11.2	The Academy Faculty Appointment to Grand Valley State University Faculty	28
Section 11.3	Student Conduct and Discipline	28
Section 11.4	Insurance.....	28
Section 11.5	The Academy Budget; Transmittal of Budgetary Assumptions; Budget Deficit; Enhanced Deficit Elimination Plan	29
Section 11.6	Transportation.....	31
Section 11.7	Extracurricular Activities and Interscholastic Sports.....	31
Section 11.8	Legal Liabilities and Covenants Not to Sue	31
Section 11.9	Lease or Deed for Proposed Single Site(s).....	31
Section 11.10	Occupancy and Safety Certificates	32
Section 11.11	Criminal Background and History Checks; Disclosure of Unprofessional Conduct; Compliance with School Safety Initiative.....	32
Section 11.12	Special Education.....	32
Section 11.13	Deposit of Public Funds by the Academy	32
Section 11.14	Nonessential Elective Courses.....	32
Section 11.15	Educational Service Provider Agreements.....	32
Section 11.16	Required Provisions for Educational Service Provider Agreements	33
Section 11.17	Additional Requirements for ESP Agreements	34
Section 11.18	Incompatible Public Offices and Conflicts of Interest Statutes.....	34
Section 11.19	Certain Familial Relationships Prohibited	35
Section 11.20	Academy Board Legal Counsel	35
Section 11.21	Dual Employment Positions Prohibited	35
Section 11.22	Oath of Public Office	35
Section 11.23	Information Available to the Public and University	36
Section 11.24	Administrator and Teacher Evaluation Systems.....	36
Section 11.25	Authorizing Body Invitation to Apply to Convert Academy to School of Excellence.....	36

Section 11.26	Student Privacy	36
Section 11.27	Disclosure of Information to Parents and Legal Guardians	37
Section 11.28	List of Uses for Student Directory Information; Opt-Out Form; Notice to Student’s Parent or Legal Guardian.....	38
Section 11.29	Partnership Agreement.....	38
Section 11.30	Data Breach Response Plan.....	39

ARTICLE XII

GENERAL TERMS

Section 12.1	Notices.....	39
Section 12.2	Severability	39
Section 12.3	Successors and Assigns.....	40
Section 12.4	Entire Contract.....	40
Section 12.5	Assignment	40
Section 12.6	Non-Waiver	40
Section 12.7	Indemnification.....	40
Section 12.8	Construction.....	40
Section 12.9	Force Majeure.....	40
Section 12.10	No Third Party Rights	41
Section 12.11	Non-agency	41
Section 12.12	Governing Law	41
Section 12.13	Counterparts.....	41
Section 12.14	Term of Contract.....	41
Section 12.15	Survival of Provisions	42
Section 12.16	Termination of Responsibilities.....	42
Section 12.17	Disposition of Academy Assets Upon Termination or Revocation of Contract	43
Section 12.18	University Board or CSO General Policies on Public School Academies Shall Apply	43

[INTENTIONALLY LEFT BLANK]

Contract to Charter a Public School Academy

Pursuant to Part 6a of the Revised School Code (“Code”), being Sections 380.501 to 380.507 of the Michigan Compiled Laws, the Grand Valley State University Board of Trustees (“University Board”) issues a contract to Old Mission Peninsula School (the “Academy”), to be effective July 1, 2018, confirming the Academy’s status as a public school academy in this State. The Parties agree that the issuance of this Contract is subject to the following Terms and Conditions:

ARTICLE I

DEFINITIONS

Section 1.1. Certain Definitions. For purposes of this Contract, and in addition to the terms defined throughout this Contract, each of the following words or expressions, whenever capitalized, shall have the meaning set forth in this section:

- a) **Academy** means the Michigan non-profit corporation authorized by this Contract.
- b) **Academy Board** means the Board of Directors of the Academy authorized by this Contract. **Academy Board member** or **Academy Director** means an individual who is a member of the Academy Board, whether in the past, present or future.
- c) **Accountability Plan** means a Community District accountability plan established, implemented, and administered by the State School Reform/Redesign Officer under section 390 of the Code, MCL 380.390.
- d) **Applicable Law** means all state and federal law applicable to public school academies.
- e) **Applicant** means the person or entity that submitted the public school academy application to the University for the establishment of the Academy.
- f) **Application** means the public school academy application and supporting documentation submitted to the University for the establishment of the Academy.
- g) **Authorization Resolution** means the resolution adopted by the Grand Valley State University Board of Trustees approving the issuance of a Contract.
- h) **Charter School** means public school academy.
- i) **Code** means the Revised School Code, Act No. 451 of the Public Acts of 1976, as amended, being Sections 380.1 to 380.1852 of the Michigan Compiled Laws.

- j) **Community District** means a community school district created under part 5B of the Code, MCL 380.381 et seq.
- k) **Conservator** means an individual appointed by the University President in accordance with Section 10.10 of these Terms and Conditions.
- l) **Contract** means, in addition to the definitions set forth in the Code, the Terms and Conditions and the Schedules.
- m) **Educational Service Provider or “ESP”** means an educational management organization as defined under section 503c of the Code, MCL 380.503c, that has entered into a contract or agreement with the Academy Board for operation or management of the Academy, which contract has been submitted to the University Charter Schools Office Director for review as provided in Section 11.15 and has not been disapproved by the University Charter Schools Office Director, and is consistent with the Charter Schools Office Educational Service Provider Policies, as they may be amended from time to time, and Applicable Law.
- n) **Educational Service Provider Policies or ESP Policies** means those policies adopted by the Charter Schools Office Director that apply to a Management Agreement. The Charter Schools Office Director may, at any time and at his or her sole discretion, amend the ESP Policies. Upon amendment, changes to the ESP Policies shall automatically be incorporated into this Contract and shall be exempt from the amendment procedures under Article IX of these Terms and Conditions.
- o) **Fund Balance Deficit** means the Academy has more liabilities than assets at the end of any given school fiscal year, and includes any fiscal year where the Academy would have had a budget deficit but for a financial borrowing from, or monetary contribution by an Educational Service Provider or other person or entity to the Academy. If the Academy receives a gift or grant of money or financial support from an Educational Service Provider or other person or entity that does not require repayment by the Academy, and is not conditioned upon the actions or inactions of the Academy Board, then such gift or grant shall not constitute a financial borrowing or contribution for purposes of determining a Fund Balance Deficit.
- p) **Management Agreement or ESP Agreement** means an agreement as defined under section 503c of the Code, MCL 380.503c that has been entered into between an ESP and the Academy Board for operation and/or management of the Academy, which has been submitted to the University Charter Schools Office Director for review as provided in Section 11.15 and has not been disapproved by the University Charter Schools Office Director, and is

consistent with the CSO Educational Service Provider Policies as they may be amended from time to time, and Applicable Law.

- q) **Master Calendar of Reporting Requirements (MCRR)** means the compliance certification duties required of the Academy by the University Board. The University Charter Schools Office may amend the MCRR each fiscal year or at other times as deemed appropriate by the University President. These changes shall be automatically incorporated into the Contract and shall be exempt from the Contract amendment procedures under Article IX of these Terms and Conditions.
- r) **Method of Selection Resolution** means the resolution adopted by the University Board providing for the method of selection, length of term, number of members, qualification of Board Academy members and other pertinent provisions relating to the Academy Board.
- s) **Resolution** means any resolution adopted by the Grand Valley State University Board of Trustees.
- t) **Schedules** mean the schedules incorporated into and part of the Terms and Conditions.
- u) **State Board** means the State Board of Education, established pursuant to Article 8, Section 3 of the 1963 Michigan Constitution and MCL 388.1001 et seq.
- v) **State School Reform/Redesign Office** means the office created within the Michigan Department of Technology Management and Budget by Executive Reorganization Order 2015-02, codified at MCL 18.554, and transferred from the Michigan Department of Technology Management and Budget to the Michigan Department of Education by Executive Order 2017-05 and codified at MCL 388.1282.
- w) **State School Reform/Redesign Officer** means the officer described in Section 1280c(9) of the Code, MCL 380.1280c(9), and authorized to act as the superintendent of the State School Reform/Redesign District under Section 1280c(6)(b) of the Code, MCL 380.1280c(6)(b).
- x) **Superintendent** means the Michigan Superintendent of Public Instruction.
- y) **Terms and Conditions** means this document entitled Terms and Conditions of Contract issued by the Grand Valley State University Board of Trustees.
- z) **University** means Grand Valley State University established pursuant to Article VIII, Sections 4 and 6 of the 1963 Michigan Constitution and MCL 390.841 et seq.

- aa) **University Board** means the Grand Valley State University Board of Trustees.
- bb) **University Charter Schools Hearing Panel** or **Hearing Panel** means such person(s) as designated by the University President.
- cc) **University Charter Schools Office** or **CSO** means the office the University Board, by issuance of this Contract, hereby designates as the point of contact for public school academy applicants and public school academies authorized by the University Board. The University Charter Schools Office is also responsible for managing, implementing, and overseeing the University Board's responsibilities with respect to the Contract.
- dd) **University Charter Schools Office Director** or **CSO Director** means the person designated by the University President to administer the operations of the University Charter Schools Office.
- ee) **University President** means the President of Grand Valley State University or his or her designee.

Section 1.2. Captions. The captions and headings used in this Contract are for convenience only and shall not be used in construing the provisions of this Contract.

Section 1.3. Gender and Number. The use of any gender in this Contract shall be deemed to be or include the other genders, including neuter, and the use of the singular shall be deemed to include the plural (and vice versa) wherever applicable.

Section 1.4. Schedules. All Schedules to this Contract are part of this Contract.

Section 1.5. Statutory Definitions. Statutory terms defined in the Code shall have the same meaning in this Contract.

Section 1.6. Application. The Application submitted to the University Board for the establishment of the Academy is incorporated into, and made part of, this Contract. In the event that there is an inconsistency or dispute between materials in the Application and the Contract, the language or provisions in the Contract shall control.

Section 1.7. Conflicting Contract Provisions. In the event that there is a conflict between the language contained in the provisions of this Contract, the Contract shall be interpreted as follows: (i) the Method of Selection Resolution shall control over any other conflicting language in the Contract; (ii) the Authorizing Resolution shall control over any other conflicting language in the Contract with the exception of language in the Method of Selection Resolution; (iii) the Terms and Conditions shall control over any other conflicting language in the Contract with the exception of language in the Method of Selection Resolution and the Authorizing Resolution; and (iv) the Articles of Incorporation shall control over any other conflicting language in the Contract

with the exception of language in the Method of Selection Resolution, Authorizing Resolution and these Terms and Conditions.

ARTICLE II

ROLE OF GRAND VALLEY STATE UNIVERSITY BOARD OF TRUSTEES AS AUTHORIZING BODY

Section 2.1. Independent Status of the University. The University Board is an authorizing body as defined by the Code. In approving this Contract, the University voluntarily exercises additional powers given to the University under the Code. Nothing in this Contract shall be deemed to be any waiver of the University's powers or independent status and the Academy shall not be deemed to be part of the University Board. The University Board has provided the State School Reform/Redesign Officer the accreditation notice required under Section 502.

Section 2.2. Independent Status of the Academy. The Academy is a body corporate and governmental entity authorized by the Code. The Academy is organized and shall operate as a public school academy and a nonprofit corporation. The Academy is not a division or part of the University. The relationship between the Academy and the University Board is based solely on the applicable provisions of the Code and the terms of this Contract or other agreements between the University Board and the Academy, if applicable.

Section 2.3. University Board Resolutions. For purposes of this Contract, the University Board has adopted the following resolutions:

(a) Method of Selection Resolution. The University Board has adopted the Method of Selection Resolution, which is incorporated into this Contract as part of Schedule 1. At anytime and at its sole discretion, the University Board may amend the Method of Selection Resolution. Upon University Board approval, changes to the Method of Selection Resolution shall automatically be incorporated into this Contract and shall be exempt from the amendment procedures under Article IX of the Terms and Conditions.

(b) Authorizing Resolutions. The University Board has adopted the Authorizing Resolution, which is incorporated into this Contract as part of Schedule 1.

Section 2.4. Method for Monitoring Academy's Compliance with Applicable Law and Performance of its Targeted Educational Outcomes. The University Board has the responsibility to oversee the Academy's compliance with the Contract and all Applicable Law. The Academy shall perform the compliance certification duties required by the University Board as outlined in the Contract incorporated into this Contract as Schedule 5. Additionally, the Academy shall be responsible for the following:

- a) In the event that the University President determines that the Academy's educational outcomes should be reviewed to help determine if the Academy is meeting the

- educational goals set forth in the Schedules, the University President, at his or her discretion, may require an objective evaluation of student performances by an educational consultant, acceptable to both the Academy and the University President. The Academy shall pay for the expense of the evaluation. In addition, at any time, the University President may require an evaluation of student performance to be selected by and at the expense of the University. The Academy shall cooperate with the evaluation, including any student testing required.
- b) Within ten (10) days of receipt, the Academy shall notify the University Charter Schools Office of correspondence received from the Department of Education or State Board of Education that requires a written or formal response.
 - c) Within ten (10) days of receipt, the Academy shall report to the University Charter Schools Office and the University Counsel Office any litigation or formal proceedings alleging violation of Applicable Law or contractual agreement against the Academy, its officers, employees, agents, and/or contractors.
 - d) The Academy shall permit review of the Academy's records and inspection of its premises at any time by representatives of the University. Normally, such inspections shall occur during the Academy's hours of operation and after advance notice to the Academy.
 - e) The Academy shall provide the Charter Schools Office with copies of reports and assessments concerning the educational outcomes achieved by pupils attending the Academy and shall provide necessary approvals for the Charter Schools Office to access electronic information received or stored by the State of Michigan including, but not limited to, the Department of Education or other agency authorized by the State to collect school data.
 - f) The Academy shall submit audited financial statements, including auditor's management letters and any exceptions noted by the auditors, to the University Charter Schools Office. The financial statements and auditor's management letters shall be submitted to the University Charter Schools Office within ninety (90) days after the end of the Academy's fiscal year.
 - g) The Academy shall provide the University Charter Schools Office with a copy of the approved annual budget for the upcoming fiscal year of the Academy no later than July 1st. The Academy Board is responsible for establishing, approving and amending the annual budget in accordance with the Uniform Budgeting and Accounting Act, MCL 141.421 *et seq.*, and for providing all amendments and revisions to the University Charter Schools Office following Academy Board approval.
 - h) The Academy shall provide to the University Charter Schools Office minutes of all Academy Board meetings no later than fourteen (14) days after such meeting.

Section 2.5. University Board Administrative Fee. During the term of this Contract, the Academy shall pay the University Board an administrative fee of 3% of the state school aid payments received by the Academy. For purposes of this Contract, state school aid payments received by the Academy in July and August in any given year shall be deemed to have been received by the Academy during the Contract term. This fee shall be retained by the University Board from each state school aid payment received by the University Board for forwarding to the Academy. This fee shall compensate the University Board for issuing the Contract and overseeing the Academy's compliance with the Contract and all Applicable Law. This fee may also be used to fund college readiness work and scholarships for academies that are in compliance with this Contract.

Section 2.6. University Board as Fiscal Agent for the Academy. The University Board is the fiscal agent for the Academy. The University Board shall, within three (3) business days, forward to the Academy all state school aid funds or other public or private funds received by the University Board for the benefit of the Academy. The University Board shall retain any amount owed to the University Board by the Academy pursuant to this Contract. For purposes of this section, the responsibilities of the University Board, the State of Michigan, and the Academy are set forth in the Fiscal Agent Agreement incorporated herein as Schedule 4.

Section 2.7. Authorization of Employment. The Academy may employ or contract with personnel. If the Academy contracts for personnel with an Educational Service Provider, the Academy shall submit a draft of the proposed agreement to the University Charter Schools Office for review. The University Charter Schools Office may disapprove the proposed agreement if it contains provisions in violation of this Contract or Applicable Law. No ESP agreement shall be effective unless and until the agreement complies with Section 11.16 of these Terms and Conditions. With respect to Academy employees, the Academy shall have the power and responsibility to (i) select and engage employees; (ii) pay their wages; (iii) dismiss employees; and (iv) control the employees' conduct, including the method by which the employee carries out his or her work. An employee hired by the Academy shall be an employee of the Academy for all purposes and not an employee of the University for any purpose. The Academy Board shall prohibit any individual from being employed by the Academy, an ESP, or an employee leasing company involved in the operation of the Academy, in more than one (1) full-time position and simultaneously being compensated at a full-time rate for each of these positions. The Academy shall be responsible for carrying worker's compensation insurance and unemployment insurance for its employees.

Section 2.8. Financial Obligations of the Academy are Separate from the State of Michigan, University Board and the University. Any contract, mortgage, loan or other instrument of indebtedness entered into by the Academy and a third party shall not in any way constitute an obligation, either general, special, or moral, of the State of Michigan, the University Board, or the University. Neither the full faith and credit nor the taxing power of the State of Michigan or any agency of the State, nor the full faith and credit of the University Board or the University shall ever be assigned or pledged for the payment of any Academy contract, agreement, note, mortgage, loan or other instrument of indebtedness.

Section 2.9. Academy Has No Power to Obligate or Bind State of Michigan, University Board or the University. The Academy has no authority whatsoever to enter into any contract or other agreement that would financially obligate the State of Michigan, University Board or the University, nor does the Academy have any authority whatsoever to make any representations to lenders or third parties, that the State of Michigan, University Board or the University in any way guarantee, are financially obligated, or are in any way responsible for any contract, agreement, note, mortgage, loan or other instrument of indebtedness entered into by the Academy.

Section 2.10. Authorizing Body Contract Authorization Process. Pursuant to the Code, the University Board is not required to issue a contract to the Academy. This Contract is for a fixed term and will terminate at that end of the Contract term set forth in Section 12.14 without any further action of either the Academy or the University Board. Prior to the end of the Contract term, the University Board shall provide a description of the process and standards by which the Academy may be considered for the issuance of a new contract. The timeline for consideration of whether to issue a new contract to the Academy shall be solely determined by the University Board. The standards for issuance of a new contract shall include increases in academic achievement for all groups of pupils as measured by assessments and other objective criteria established by the University Board as the most important factor of whether to issue or not issue a new contract. The University Board, at its sole discretion, may change its process and standards for issuance of a contract at any time, and any such changes shall take effect automatically without the need for any amendment to this Contract. Consistent with the Code, the University Board may elect, at its sole discretion, not to consider the issuance of a contract, consider reauthorization of the Academy and elect not to issue a contract, or consider reauthorization of the Academy and issue a contract for a fixed term.

Section 2.11. University Board Approval of Condemnation. In the event that the Academy desires to acquire property pursuant to the Uniform Condemnation Procedures Act or other applicable statutes, it shall obtain express written permission for such acquisition from the University Board. The Academy shall submit a written request to the Charter Schools Office Director describing the proposed acquisition and the purpose for which the Academy desires to acquire the property. The Charter Schools Office Director will generate a recommendation for consideration by the University Board with regard to the proposed acquisition. The request and the Charter Schools Office Director's recommendation will be submitted by the Charter Schools Office Director for the University Board's consideration in accordance with the University Board's generally applicable timelines and policies for the agendas of regularly-scheduled University Board committee meetings and formal sessions of the University Board. No acquisition may be made until the approval of the University Board is obtained by resolution adopted at a formal session of the University Board.

Section 2.12. Charter Schools Office Director Review of Certain Financing Transactions. If the Academy proposes to (i) finance the acquisition, by lease, purchase, or other means, of facilities or equipment, or renovation of facilities, in excess of \$150,000, pursuant to arrangements calling for payments over a period greater than one (1) year, and which include a pledge, assignment or direction to one or more third parties of a portion of the funds to be received by the

Academy from the State of Michigan pursuant to the State School Aid Act of 1979, as amended, being MCL 388.1601 et seq., or (ii) direct that a portion of its State School Aid Payments be forwarded by the Fiscal Agent University Board to a third party account for the payment of Academy debts and liabilities, the Academy shall submit the transaction for prior review by the Charter Schools Office Director as designee of the University Board, in the manner provided herein. The Academy shall, not later than thirty (30) days prior to the proposed closing date of the transaction, submit a written request to the Charter Schools Office Director describing the proposed transaction and the facilities or equipment to be acquired with the proceeds thereof (if any), and in the case of a transaction described in subparagraph (ii) of this Section, (a) a copy of the Academy Board's resolution authorizing the direct intercept of State School Aid Payments; (b) a copy of a State School Aid Payment Agreement and Direction document that is in a form acceptable to the University Charter Schools Office; and (c) copies of such other documentation regarding the transaction which is the subject of the proposed direct intercept as the University Charter Schools Office may request. Unless the Charter Schools Office Director extends the review period, within thirty (30) days of receiving a written request in compliance with this Section, the Charter Schools Office Director shall notify the Academy if the proposed transaction is disapproved. The Charter Schools Office Director may disapprove the proposed transaction if the proposed transaction violates this Contract or applicable law. If the proposed transaction is disapproved, such disapproval may, but shall not be required to, state one or more conditions which, if complied with by the Academy and any lender, lessor, seller or other party, would cause such disapproval to be deemed withdrawn. No transaction described in this Section may be entered into that is disapproved by the Charter Schools Office Director. By not disapproving a proposed transaction, the Charter Schools Office Director is in no way giving approval of the proposed transaction, or any of the terms or conditions thereof.

ARTICLE III

REQUIREMENT THAT ACADEMY ACT SOLELY AS GOVERNMENTAL AGENCY OR ENTITY AND POLITICAL SUBDIVISION

Section 3.1. Governmental Agency or Entity and Political Subdivision. The Academy shall act exclusively as a governmental agency or entity and political subdivision.

Section 3.2. Other Permitted Activities. Nothing in this Contract shall prohibit the Academy from engaging in other lawful activities that are not in derogation of the Academy's status as a public school or that would not jeopardize the eligibility of the Academy for state school aid funds. Subject to Section 2.7 and Section 6.15 of the Terms and Conditions, the Academy may enter into agreements with other public schools, public school academies, governmental units, businesses, community and nonprofit organizations where such agreements contribute to the effectiveness of the Academy or advance education in this state.

Section 3.3. Academy Board Members Serve in their Individual Capacity. All Directors of the Academy Board shall serve in their individual capacity, and not as a representative or designee of any other person or entity. A person who does not serve in their individual capacity, or who serves as a representative or designee of another person or entity, shall be deemed ineligible to continue to serve as a Director of the Academy Board. A Director who violates this Section shall be removed from office, in accordance with the removal provisions found in the Resolution or Schedule 2: Bylaws. As set forth in the Resolution, a Director serves at the pleasure of the University Board, and may be removed with or without cause by the University Board at any time.

ARTICLE IV

PURPOSE

Section 4.1. Academy's Purpose. The Academy Board shall identify the purpose or mission of the Academy. Any subsequent changes to the Academy's purpose or mission shall be carried out by amendment in accordance with Article IX of these Terms and Conditions. The Academy's stated purpose or mission shall be set forth in the Schedules.

ARTICLE V

CORPORATE STRUCTURE OF THE ACADEMY

Section 5.1. Nonprofit Corporation. The Academy shall be organized and operated as a public school academy corporation organized under the Michigan Nonprofit Corporation Act, as amended, Act No. 162 of the Public Acts of 1982, being Sections 450.2101 to 450.3192 of the Michigan Compiled Laws. Notwithstanding any provision of the Michigan Nonprofit Corporation Act, as amended, the Academy shall not take any action inconsistent with the provisions of Part 6A of the Code or other Applicable Law.

Section 5.2. Articles of Incorporation. Unless amended pursuant to Section 9.3 of Article IX herein, the Articles of Incorporation of the Academy, as set forth in Schedule 2, shall be the Articles of Incorporation of the Academy. The Academy Board represents to the University Board that Schedule 2 includes all amendments to the Academy's Articles of Incorporation as of the date set forth above.

Section 5.3. Bylaws. Unless amended pursuant to Section 9.4 of Article IX herein, the Bylaws of the Academy, as set forth in Schedule 3, shall be the Bylaws of the Academy. The Academy Board represents to the University Board that Schedule 3 includes all amendments to the Academy's Bylaws as of the date set forth above.

Section 5.4. Quorum. Notwithstanding any document in the Contract that is inconsistent with this Section, including the Academy's Articles of Incorporation and Bylaws, a quorum of the Academy Board that is necessary to transact business and to take action shall be a majority of the Academy Board members as set by the Authorizing Resolution.

ARTICLE VI

OPERATING REQUIREMENTS

Section 6.1. Governance Structure. The Academy shall be organized and administered under the direction of the Academy Board and pursuant to the governance structure as set forth in its Bylaws. The Academy's Board of Directors shall meet at least six times per fiscal year, unless another schedule is mutually agreed upon by the University President or Designee and the Academy.

Section 6.2. Contributions and Fund Raising. The Academy may solicit and receive contributions and donations as permitted by law. No solicitation shall indicate that a contribution to the Academy is for the benefit of the University. The University shall not be required to receive any contributions or donations for the benefit of the Academy. If the University receives contributions or donations for the benefit of the Academy, it shall forward such funds to the Academy within three (3) business days of receipt.

Section 6.3. Educational Goals and Programs. The Academy shall pursue the educational goals and programs identified and contained in the Schedules. The educational goals shall include demonstrated improved pupil academic achievement for all groups of pupils. Such goals and programs may be amended pursuant to Section 9.2 of Article IX of the Terms and Conditions. Upon request, the Academy shall provide the University Charter Schools Office with a written report, along with supporting data, assessing the Academy's progress toward achieving its goal(s).

Section 6.4. Curriculum. The Academy shall have flexibility in developing, realigning, and implementing the curriculum identified in the Schedules. Any changes to the curricula shall be administered pursuant to Section 9.2 of Article IX of the Terms and Conditions, and such proposed curricula shall be designed to achieve the Academy's overall educational goals and State's educational assessment objectives.

Section 6.5. Methods of Accountability and Pupil Assessment. In addition to those set forth in this Section 6.5, the Academy shall evaluate its pupils' work based on the assessment strategies identified in the Schedules. To the extent applicable, the pupil performance of the Academy shall be assessed using both the mathematics and reading portions of the approved Michigan state assessment. The Academy shall provide the University Charter Schools Office with copies of reports, assessments and test results concerning the following:

- a) educational outcomes achieved by pupils attending the Academy and other reports reasonably requested by the University Charter Schools Office;
- b) an assessment of the Academy's student performance at the end of each academic school year or at such other times as the University Board may reasonably request;
- c) an annual education report in accordance with the Code;
- d) an annually administered nationally recognized norm-referenced achievement test for the Academy's grade configuration or a program of testing approved by the University Charter Schools Office Director; and
- e) all tests required under Applicable Law.

The University Board may use such reports, assessments and test results in making its decision to suspend, terminate, or not issue a new contract at the end of the Contract, or revoke the Contract.

Section 6.6. Staff Responsibilities. Subject to Section 2.7 Article II of the Terms and Conditions, the University Board authorizes the Academy to employ or contract with an Educational Service Provider. A copy of the ESP agreement shall be included in the Schedules.

Section 6.7. Admission Policy. The Academy shall comply with all application, enrollment, and admissions policies and criteria required by Applicable Law. A copy of the Academy's admission policies and criteria are set forth in the Schedules. With respect to the Academy's pupil admissions process, the Academy shall provide any documentation or information requested by the University Charter Schools Office that demonstrates the following:

- a) the Academy has made a reasonable effort to advertise its enrollment efforts to all pupils; and
- b) the Academy's open enrollment period was for a duration of at least 2 weeks and permitted the enrollment of pupils by parents at times in the evening and on weekends.

Section 6.8. School Calendar/School Day Schedule. The Academy shall comply with all minimum standards governing the length of the school term, minimum number of days and hours of instruction required by Applicable Law. The Academy agrees to make available to the CSO Office a copy of the School Calendar/School Day Schedule for each academic school year no later than July 1st. A copy of the School Calendar/School Day Schedule shall be automatically incorporated into the Schedules, without the need for an amendment under Article IX of the Terms and Conditions.

Section 6.9. Age/Grade Range of Pupils Enrolled. The Academy is authorized to operate Kindergarten through Sixth grade(s). The Academy may add additional grades and

vocational programs in the future, pursuant to Section 9.2 of Article IX of the Terms and Conditions.

Section 6.10. Annual Financial Audit. The Academy shall conduct an annual financial audit prepared and reviewed by an independent certified public accountant in accordance with generally accepted governmental auditing principles. The Academy shall submit the annual financial statement audit and auditor's management letter to the Charter Schools Office in accordance with the MCRR. The Academy Board shall provide to the Charter Schools Office a copy of any responses to the auditor's management letter in accordance with the MCRR.

Section 6.11. Address and Description of Proposed Site(s); Process for Expanding Academy's Site Operations. The proposed address and physical plant description of the Academy's proposed site or sites is set forth in Schedule 7-8. Following Academy Board and University Board approval, proposed changes to the address and description of any site or sites shall be incorporated into this Contract by amendment. With the approval of the University Board, the Academy Board may operate the same configuration of age or grade levels at more than one (1) site if each configuration of age or grade levels and each site identified in Schedule 7-8 are under the direction and control of the Academy Board.

The University Board's process for evaluating and approving the same configuration of age or grade levels at more than one (1) site is as follows:

By formal resolution, the Academy Board may request the authority to operate the same configuration of age or grade levels at more than one site. The Academy Board shall submit to the University Charter Schools Office an application for site expansion, in a form or manner determined by the University Charter Schools Office. The application for site expansion shall include all information requested by the University Charter Schools Office, including detailed information about the site, revised budget, renovation and site improvement costs, the Academy's proposed operations at the site, and the information provided in Contract Schedules 7-8. Upon receipt of a complete application for site expansion, the University Charter Schools Office shall review the application for site expansion and make a recommendation to the University Board on whether the Academy's request for site expansion should be approved. A positive recommendation by the University Charter Schools Office of the application for site expansion shall include a determination by the Charter Schools Office that the Academy is operating in compliance with the Contract and is making measureable progress toward meeting the Academy's educational goals. The University Board may consider the Academy Board's site expansion request following submission by the University Charter Schools Office of a positive recommendation.

If the University Board approves the Academy Board's site expansion request, the Contract shall be amended in accordance with Article IX of these Terms and Conditions. The University Board reserves the right to modify, reject, or approve any application for site expansion in its sole and absolute discretion.

Section 6.12. Accounting Standards. The Academy shall at all times comply with generally accepted public sector accounting principles, and accounting system requirements that comply with Applicable Law.

Section 6.13. Placement of University Student Interns. The Academy may be a placement site for University students who are in education or other pre-professionals in training to serve in public schools. Such placement shall be without charge to the University and subject to other terms and conditions as the Academy and the University agree.

Section 6.14. Disqualified Organizational or Contractual Affiliations. The Academy shall comply with all state and federal law applicable to public schools concerning church-state issues. To the extent disqualified under the state or federal constitutions, the Academy shall not be organized by a church or other religious organization and shall not have any organizational or contractual affiliation with or constitute a church or other religious organization. Nothing in this Section shall be deemed to diminish or enlarge the civil and political rights, privileges and capacities of any person on account of his or her religious belief.

Section 6.15. Matriculation Agreements. Before the Academy Board approves a matriculation agreement with another public school, the Academy shall provide a draft and final copy of the agreement to the University Charter Schools Office for review and retention.

Section 6.16. Posting of Accreditation Status. The Academy shall post notice to the Academy's homepage of its website disclosing the accreditation status of each school in accordance with section 1280e of the Code, MCL 380.1280e.

Section 6.17. Academy Site is Former Site of Closed Community School District School; State School Reform/Redesign Officer Approval Required. If the Academy's proposed site is located within the geographical boundaries of a Community District and is a site that was a former site of a Community District school closed by the State School Reform/Redesign Office within the last 3 years, then the University Board shall not issue the Contract unless (a) the new Academy site has a substantially different leadership structure and curricular offering than the previous Community District school that operated at the site; and (b) the State School Reform/Redesign Officer has approved the Academy's use of the site. A copy of the State School Reform/Redesign Officer's approval shall be provided to the Charter Schools Office as part of the application process.

Section 6.18. New Public School Academies Located within the Boundaries of a Community District. If the circumstances listed below in (a) and (b) or (c) apply to the Academy's site, the Academy represents to the University Board, intending that the University Board rely on such representation as a precondition to issuing this Contract, that the Academy will have a substantially different governance, leadership, and curriculum than the public school previously operating at that site:

- a) The Academy’s proposed site is the same location as a public school that (i) is currently on the list under Section 1280c(1), MCL 380.1280c(1), of the public schools in this State that the State School Reform/Redesign Office has determined to be among the lowest achieving 5% of all public schools; or (ii) has been on the list during the immediately preceding 3 school years.
- b) If an Accountability Plan has been in effect for at least 3 full school years, the Academy’s proposed site is at the same location as a public school that has been assigned a grade of “F” under the Accountability Plan for 3 of the preceding 5 school years;
- c) The Academy’s proposed site is not the same location of another public school academy, urban high school academy, school of excellence or strict discipline academy whose contract was revoked or terminated by an authorizing body.

Section 6.19. Community District Accountability Plan. If any part of the Academy’s proposed school site(s) is located within the geographical boundaries of a Community District, then the Academy shall comply with the Accountability Plan. This provision shall not apply if a statewide accountability system is enacted into law replacing the Accountability Plan.

Section 6.20. Collective Bargaining Agreements. Collective bargaining agreements, if any, with employees of the Academy shall be the responsibility of the Academy.

ARTICLE VII

TUITION PROHIBITED

Section 7.1. Tuition Prohibited: Fees and Expenses. The Academy shall not charge tuition. The Academy may impose fees and require payment of expenses for activities of the Academy where such fees and payments are not prohibited by law.

ARTICLE VIII

COMPLIANCE WITH PART 6A OF THE CODE AND OTHER LAWS

Section 8.1. Compliance with Part 6a of the Code. The Academy shall comply with Part 6a of the Code.

Section 8.2. Compliance with State School Aid Act. In order to assure that funds are available for the education of pupils, the Academy shall comply with all applicable provisions of the State School Aid Act of 1979, as amended from time to time. The Academy may expend funds from the State School Aid Act for any purpose permitted by the State School Aid Act of 1979 and

may enter into contracts and agreements determined by the Academy as consistent with the purposes for which the funds were appropriated.

Section 8.3. Open Meetings Act. Pursuant to Section 503(6)(a) of the Code, the Academy Board shall conduct all of its meetings in accordance with the Michigan Open Meetings Act, Act No. 267 of the Public Acts of 1976, as amended, being Sections 15.261 to 15.275 of the Michigan Compiled Laws.

Section 8.4. Freedom of Information Act. Pursuant to Section 503(6)(b) of the Code, the records of the Academy shall be records subject to the provisions of the Michigan Freedom of Information Act (“FOIA”), Act No. 442 of the Public Acts of 1976, as amended, being Sections 15.231 to 15.246 of the Michigan Compiled Laws. The Academy Board shall designate a freedom of information coordinator to assure compliance with FOIA and other applicable law providing for public disclosure or for protection of privacy.

Section 8.5. Public Employees Relation Act. Pursuant to Section 503(6)(c) of the Code, the Academy shall comply with Act No. 336 of the Public Acts of 1947, being Sections 423.201 to 423.217 of the Michigan Compiled Laws. Organizational efforts and collective bargaining agreements, if any, with employees of the Academy shall be the responsibility of the Academy.

Section 8.6. Prevailing Wage on State Contracts. The Academy shall comply with the Prevailing Wage on State Contracts statute, Act No. 166 of the Public Acts of 1965, being Sections 408.551 to 408.558 of the Michigan Compiled Laws.

Section 8.7. Uniform Budgeting and Accounting Act. The Academy shall comply with the Uniform Budgeting and Accounting Act, Act No. 2 of the Public Acts of 1968, being MCL 141.421 to 141.440a.

Section 8.8. Revised Municipal Finance Act of 2001. With respect to the Academy’s borrowing money and issuance of bonds, the Academy shall comply with section 1351a of the Code and Part VI of the Revised Municipal Finance Act of 2001, Act No. 34 of the Public Acts of 2001, being MCL 141.2601 to 141.2613 of the Michigan Compiled Laws, except that the borrowing of money and issuance of bonds by the Academy is not subject to section 1351a(4) or section 1351(2) to (4) of the Code. Bonds issued by the Academy are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

Section 8.9. Non-discrimination. The Academy shall be separately responsible for compliance with applicable laws pertaining to equal opportunity and anti-discrimination laws such as the Elliott-Larsen Civil Rights Act, Act No. 453 of the Public Acts of 1976, as amended, being MCL 37.2101 to 37.2804, the Michigan Handicappers’ Civil Rights Act, Act No. 22 of the Public Acts of 1976, as amended, being MCL 37.1101 to 37.1607, and Subtitle A of Title II of the Americans with Disabilities Act of 1990, Public Law 101-336, 42 USC & 12101 *et seq.* or any successor law.

Section 8.10. Other State Laws. The Academy shall comply with other state laws which are applicable to public school academies. Nothing in this Contract shall be deemed to apply any other state law to the Academy.

Section 8.11. Federal Laws. The Academy shall comply with federal laws which are applicable to public school academies. Nothing in this Contract shall be deemed to apply any other federal law to the Academy.

ARTICLE IX

AMENDMENT

Section 9.1. Amendments. The University Board and the Academy acknowledge that the operation and administration of a public school academy and the improvement of educational outcomes over time will require amendment of this Contract. In order to assure a proper balance between the need for independent development of the Academy and the statutory responsibilities of the University Board as an authorizing body, the parties have established a flexible process for amending this Contract.

Section 9.2. Process for Amending the Contract. Either party may propose changes in this Contract or may propose a meeting to discuss potential revision of this Contract. Except as provided in Sections 2.3, 5.2 and 6.11, the University Board delegates to its University President the review and approval of changes or amendments to this Contract. The Academy Board may delegate the same authority to the Academy Board President. The Contract shall be amended upon agreement and approval of the respective authorized designees.

Section 9.3. Process for Amending Academy Articles of Incorporation. The Academy Board, or any authorized designee of the Academy Board, may propose changes to the Academy's Articles of Incorporation. The Academy shall be authorized to make such changes to its Articles upon approval by the University President or Designee after review and recommendation by the University's Legal Counsel. Upon University approval, the Academy Board's authorized designee is authorized to file the amendment to the Academy's Articles of Incorporation with the appropriate state agency. Upon receipt of the filed amendment, the Academy shall forward the filed amendment to the University Charter Schools Office. The filed amendment shall be automatically incorporated into Schedule 2 of this Contract upon receipt of the amendment by the University Charter Schools Office. If the University identifies a provision in the Articles of Incorporation that violates or conflicts with this Contract, due to a change in law or other reason, after approval has been given, it shall notify the Academy Board in writing and the Academy Board shall amend the Articles of Incorporation to make them consistent with the Contract. If the change is requested by the University, the University shall reimburse the Academy for the filing fees payable to the Michigan Department of Licensing and Regulatory Affairs, Corporate Division.

Section 9.4. Process for Amending Academy Bylaws. The Academy Board shall submit proposed Bylaw changes to the Charter Schools Office, for review and comment, at least thirty

(30) days prior to Academy Board adoption. The Academy's Bylaws, and any subsequent or proposed changes to the Academy's Bylaws, shall not violate or conflict with the Contract. If at any time the University identifies a provision in the Academy Board's Bylaws that violates or conflicts with Applicable Law or this Contract, the Academy Board's Bylaws shall be automatically void and the Academy Board shall amend the identified provision to be consistent with Applicable Law and the Contract. The amendment shall be automatically incorporated into Schedule 3 of the Contract upon receipt by the University Charter Schools Office of a duly authorized Academy Board Bylaw change made in accordance with this Section 9.4.

Section 9.5. Final Approval of Amendments. Amendments to this Contract take effect only after they have been approved by the Academy Board and by the University Board or the Charter Schools Office Director. If the proposed amendment conflicts with any of the University Board's general policies on public school academies, the proposed amendment shall take effect only after approval by the Academy and the University Board.

Section 9.6. Change in Existing Law. If, after the effective date of this Contract, there is a change in Applicable Law, which alters or amends the responsibilities and obligations of either the Academy or the University Board, this Contract shall be altered or amended to reflect the change in existing laws as of the effective date of such change. To the extent possible, the responsibilities and obligations of the Academy and the University Board shall conform to and be carried out in accordance with the change in Applicable Law.

Section 9.7. Emergency Action on Behalf of University Board. Notwithstanding any other provision of this Contract to the contrary, the contents of this Section shall govern in the event of an emergency situation that arises between meetings of the University Board. An emergency situation shall be deemed to occur if the University President, in his or her sole discretion, determines that the facts and circumstances warrant that emergency action take place before the next meeting of the University Board. Upon the determination that an emergency situation exists, the University President may temporarily take action on behalf of the University Board with regard to the Academy or the Contract, so long as such action is in the best interest of the University Board and the University President consults with the University Board Chairperson prior to taking the intended actions. When acting during an emergency situation, the University President shall have the authority to act on behalf of the University Board, and such emergency action shall only be effective in the interim before the earlier of (a) rejection of the emergency action by the Chairperson of the University Board; or (b) the next meeting of the University Board. The University President shall immediately report such action to the University Board Chairperson for confirmation at the next meeting so that the emergency action continues or, upon confirmation by the University Board, becomes permanent.

ARTICLE X

TERMINATION, SUSPENSION AND REVOCATION

Section 10.1. Grounds and Procedures for Academy Termination of Contract. At anytime and for any reason, the Academy Board may terminate this Contract. The Academy Board shall notify the CSO Director in writing of the request for the termination of the Contract not less than six (6) calendar months in advance of the effective date of termination. The University Board, in its sole discretion, may waive the six (6) month requirement. A copy of the Academy Board's resolution approving the Contract termination, including a summary of the reasons for terminating the Contract, shall be included with the written termination request.

Section 10.2. Termination by University Board. The University Board may terminate this Contract before the end of the Contract Term as follows:

(a) Termination Without Cause. Except as otherwise provided in subsections (b), (c) or (d), the University Board, in its sole discretion, reserves the right to terminate this Contract before the end of the Contract Term for any reason provided that such termination shall not take place less than six (6) calendar months from the date of the University Board's resolution approving such termination. The Charter Schools Office shall provide notice of the termination to the Academy. If during the period between the University Board's action to terminate and the effective date of termination, the Academy has violated the Contract or Applicable Law, the University Board may elect to initiate suspension or revocation of the Contract as set forth in this Article X.

(b) Termination Caused by Change in Applicable Law. Following issuance of this Contract, if there is a change in Applicable Law that the University Board, in its sole discretion, determines impairs its rights and obligations under the Contract or requires the University Board to make changes in the Contract that are not in the best interest of the University Board or the University, then the University Board may terminate the Contract at the end of the Academy's school fiscal year in which the University Board's decision to terminate is adopted. For purposes of this section, a change in Applicable Law includes without limitation the following:

(i) the issuance of an order by the State School Reform/Redesign Officer, pursuant to Section 1280c of the Code, placing the Academy under the supervision of the State School Reform/Redesign Officer or appointing a Chief Executive Officer to take control of the Academy site(s);

(ii) the development of, or changes to, a redesign plan by the Academy pursuant to Section 1280c of the Code; or

(iii) the imposition of a school improvement plan by the State School Reform/Redesign Officer following the rescission of the State's Automatic Closure Notice, as defined in Section 10.7.

(c) Automatic Termination Caused by Placement of Academy in State School Reform/Redesign School District. If the Academy is notified by the State that the Academy will be placed in the State School Reform/Redesign School District or that a Chief Executive Officer will be appointed to take control of an Academy school building pursuant to Section 1280c of the Code, then the University Board may terminate this Contract at the end of the current school year.

(d) Automatic Termination for Failure to Satisfy Requirements During the Initial Term of Contract. If the Academy fails to satisfy the requirements set forth in Section 12.14 during the initial term of Contract, then this Contract shall automatically terminate on the date set forth in Section 12.14.

The revocation procedures in Section 10.6 shall not apply to a termination of this Contract under this section.

Section 10.3. Contract Suspension. The University Board's process for suspending the Contract is as follows:

- a) University President Action. If the University President determines, in his or her sole discretion, that conditions or circumstances exist that the Academy Board (i) has placed the health or safety of the staff and/or students at risk; (ii) is not properly exercising its fiduciary obligations to protect and preserve the Academy's public funds and property; (iii) has lost its right to occupancy of the physical facilities described in Section 6.11, and cannot find another suitable physical facility for the Academy prior to the expiration or termination of its right to occupy its existing physical facilities; (iv) has failed to secure or has lost the necessary fire, health, and safety approvals as required by Schedule 6; or (v) has willfully or intentionally violated this Contract or Applicable Law, the University President may immediately suspend the Contract. If the conditions or circumstances involve an alleged violation of Sections 10.5(e) or (f), the University President is authorized to suspend the Contract immediately pending completion of the procedures set forth in Section 10.6. Unless otherwise specified in the suspension notice, the Academy shall cease operations on the date on which the suspension notice is issued. A copy of the suspension notice, setting forth the grounds for suspension, shall be sent to the Academy Board and to the Hearing Panel if applicable. If this subsection is implemented, the notice and hearing procedures set forth in Section 10.6 shall be expedited as much as possible.
- b) Disposition of State School Aid Funds. Notwithstanding any other provision of the Contract, any state school aid funds received by the University Board after a decision by the University President to suspend the Contract may be retained by the University

Board for the Academy until the Contract is reinstated, or shall be returned to the Michigan Department of Treasury.

- c) Immediate Revocation Proceeding. If the Academy Board, after receiving a Suspension Notice from the University President continues to engage in conduct or activities that are covered by the suspension notice, the Hearing Panel may immediately convene a Revocation Hearing in accordance with the procedures set forth in Section 10.6(e) of the Terms and Conditions. The Hearing Panel has the authority to accelerate the time line for revoking the Contract, provided that notice of the revocation hearing shall be provided to the University Charter Schools Office and the Academy Board at least five (5) days before the hearing. If the Hearing Panel determines that the Academy Board has continued to engage in conduct or activities that are covered by the suspension notice, the Hearing Panel may recommend revocation of the Contract. The University Board shall proceed to consider the Hearing Panel's recommendation in accordance with Section 10.6(f) through (i).

Section 10.4. Statutory Grounds for Revocation. In addition to the grounds for an automatic revocation of the Contract as set forth in Section 10.7, this Contract may also be revoked by the University Board upon a determination by the University Board, pursuant to the procedures set forth in Section 10.6, that one or more of the following has occurred:

- a) Failure of the Academy to demonstrate improved pupil academic achievement for all groups of pupils or meet the educational goals set forth in this Contract;
- b) Failure of the Academy to comply with all Applicable Law;
- c) Failure of the Academy to meet generally accepted public sector accounting principles and demonstrate sound fiscal stewardship; or
- d) The existence of one or more other grounds for revocation as specified in this Contract.

Section 10.5. Other Grounds for University Board Revocation. In addition to the statutory grounds for revocation set forth in Section 10.4 and the grounds for an automatic revocation of the Contract set forth in Section 10.7, the University Board may revoke this Contract, pursuant to the procedures set forth in Section 10.6, upon a determination that one or more of the following has occurred:

- a) The Academy is insolvent, has been adjudged bankrupt, or has operated for one or more school fiscal year(s) with a Fund Balance Deficit;
- b) The Academy has insufficient enrollment to successfully operate the Academy, or the Academy has lost more than twenty-five percent (25%) of its student enrollment from the previous school year;

- c) The Academy defaults in any of the terms, conditions, promises or representations contained in or incorporated into this Contract;
- d) The Academy files amendments to its Articles of Incorporation with the Michigan Department of Licensing and Regulatory Affairs, Corporate Division, without first obtaining University President or Designee approval;
- e) The University Board discovers grossly negligent, fraudulent or criminal conduct by the Applicant, the Academy's directors, officers, employees or agents in relation to their performance under this Contract;
- f) The Applicant, the Academy's directors, officers or employees have provided false or misleading information or documentation to the University Board in connection with the University Board's approval of the Application, the issuance of this Contract, or the Academy's reporting requirements under this Contract or Applicable Law;
- g) The Academy violates the site restrictions set forth in the Contract or the Academy operates at a site or sites without the prior written authorization of the University Board; or
- h) The University Board, its trustees, officers, employees, agents or representatives are not included as third party beneficiaries under any educational management agreement entered into by the Academy for purposes of indemnifying such parties in accordance with Section 11.16 of the Terms and Conditions.

Section 10.6. University Board Procedures for Revoking Contract. Except for the automatic revocation process set forth in Section 10.7 or the termination of Contract by the University Board in Section 10.2, the University Board's process for revoking the Contract is as follows:

- a) Notice of Intent to Revoke. The CSO Director, upon reasonable belief that such grounds for revocation of the Contract exist, shall notify the Academy Board of such grounds by issuing the Academy Board a Notice of Intent to Revoke for non-compliance with the Contract or Applicable Law. The Notice of Intent to Revoke shall be in writing and shall set forth in sufficient detail the alleged grounds for revocation.
- b) Academy Board's Response. Within thirty (30) days of receipt of the Notice of Intent to Revoke, the Academy Board shall respond in writing to the alleged grounds for revocation. The Academy Board's response shall be addressed to the CSO Director, and shall either admit or deny the allegations of non-compliance. If the Academy's response includes admissions of non-compliance with the Contract or Applicable Law, the Academy Board's response must also contain a description of the Academy Board's plan and time line for correcting the non-compliance with the Contract or Applicable Law. If the Academy's response includes a denial of non-compliance with the Contract

or Applicable Law, the Academy's response shall include sufficient documentation or other evidence to support a denial of non-compliance with the Contract or Applicable Law. A response not in compliance with this section shall be deemed to be non-responsive. As part of its response, the Academy Board may request that a meeting be scheduled with the CSO Director prior to a review of the Academy Board's response.

- c) Plan of Correction. Within fifteen (15) days of receipt of the Academy Board's response or after a meeting with Academy Board representatives, whichever is sooner, the CSO Director shall review the Academy Board's response and determine whether a reasonable plan for correcting the deficiencies can be formulated. If the CSO Director determines that a reasonable plan for correcting the deficiencies set forth in the Notice of Intent to Revoke can be formulated, the CSO Director shall develop a plan for correcting the non-compliance ("Plan of Correction"). In developing a Plan of Correction, the CSO Director is permitted to adopt, modify or reject some or all of the Academy Board's response for correcting the deficiencies outlined in the Notice of Intent to Revoke. The Notice of Intent to Revoke shall be withdrawn if the CSO Director determines any of the following: (i) the Academy Board's denial of non-compliance is persuasive; (ii) the non-compliance set forth in the Notice of Intent to Revoke has been corrected by the Academy Board; or (iii) the Academy Board has successfully completed the Plan of Correction. In the event the Notice of Intent to Revoke is withdrawn, the CSO Director shall notify the Academy Board, in writing, of such withdrawal.
- d) Plan of Correction May Include Conditions to Satisfy University Board's Contract Reconstitution Authority. As part of the Plan of Correction, the CSO Director may reconstitute the Academy in an effort to improve student educational performance and to avoid interruption of the educational process. An attempt to improve student educational performance may include, but is not limited to, one of the following actions: (i) removal of 1 or more members of the Academy Board members; (ii) termination of at-will board appointments of 1 or more Academy Board members; (iii) withdrawal of the Academy's authorization to contract with an ESP; or (iv) the appointment of a new Academy Board of directors or a conservator/trustee to take over operations of the Academy.

Reconstitution of the Academy does not prohibit the State School Reform/Redesign Officer from issuing an order under section 507 of the Code, MCL 380.507, directing the automatic closure of the Academy's site(s). If, however, the Academy is located within the boundaries of the Community District and an Accountability Plan is in place, the CSO shall notify the State School Reform/Redesign Officer of the Plan of Correction that includes a reconstitution of the Academy to ensure that the Academy is not subject to automatic closure by the State School Reform/Redesign Officer under the Accountability Plan.

- e) Request for Revocation Hearing. The CSO Director may initiate a revocation hearing before the University Charter Schools Hearing Panel if the CSO Director determines that any of the following has occurred:
- i) the Academy Board has failed to timely respond to the Notice of Intent to Revoke as set forth in Section 10.6(b);
 - ii) the Academy Board's response to the Notice of Intent to Revoke is non-responsive;
 - iii) the Academy Board's response admits violations of the Contract or Applicable Law which the CSO Director deems cannot be remedied or cannot be remedied in an appropriate period of time, or for which the CSO Director determines that a Plan of Correction cannot be formulated;
 - iv) the Academy Board's response contains denials that are not supported by sufficient documentation or other evidence showing compliance with the Contract or Applicable Law;
 - v) the Academy Board has not complied with part or all of a Plan of Correction established in Section 10.6(c);
 - vi) the Academy Board has engaged in actions that jeopardize the financial or educational integrity of the Academy; or
 - vii) the Academy Board has been issued multiple or repeated Notices of Intent to Revoke.

The CSO Director shall send a copy of the Request for Revocation Hearing to the Academy Board at the same time the request is sent to the Hearing Panel. The Request for Revocation Hearing shall identify the reasons for revoking the Contract.

- f) Hearing before University Charter Schools Hearing Panel. Within thirty (30) days of the date of a Request for Revocation Hearing, the Hearing Panel shall convene a revocation hearing. The Hearing Panel shall provide a copy of the Notice of Hearing to the University Charter Schools Office and the Academy Board at least ten (10) days before the hearing. The purpose of the Hearing Panel is to gather facts surrounding the CSO Director's request for Contract revocation, and to make a recommendation to the University Board on whether the Contract should be revoked. The revocation hearing shall be held at a location, date and time as determined by the CSO Director. The hearing shall be transcribed by a court reporter and the cost of the court reporter shall be divided equally between the University and the Academy. The CSO Director or his or her designee, and the Academy Board or its designee, shall each have equal time to make their presentation to the Hearing Panel. Although each party is permitted to submit affidavits and exhibits in support of their positions, the Hearing Panel will not hear testimony from any witnesses for either side. The Hearing Panel, may, however, question the CSO Director and one or more members of the Academy Board. Within thirty (30) days of the Revocation Hearing, the Hearing Panel shall make a recommendation to the University Board concerning the revocation of the Contract. In its discretion, the Hearing Panel may extend any time deadline set forth in this

subsection. A copy of the Hearing Panel's recommendation shall be provided to the University Charter Schools Office and the Academy Board at the same time that the recommendation is sent to the University Board.

- g) University Board Decision. If the Hearing Panel's recommendation is submitted to the University Board at least fourteen (14) days before the University Board's next regular meeting, the University Board shall consider the Hearing Panel's recommendation at its next regular meeting and vote on whether to revoke the Contract. The University Board reserves the right to modify, reject or approve all or any part of the Hearing Panel's recommendation. The University Board shall have available copies of the Hearing Panel's recommendation and the transcript of the hearing. The University Board may waive the fourteen (14) day submission requirement or hold a special board meeting to consider the Hearing Panel's recommendation. A copy of the University Board's decision shall be provided to the University Charter Schools Office, the Academy Board and the Michigan Department of Education.
- h) Effective Date of Revocation. If the University Board votes to revoke the Contract, the revocation shall be effective on the date of the University Board's act of revocation, or at a later date as determined by the University Board.
- i) Disposition of State School Aid Funds. Notwithstanding any other provision of the Contract, any state school aid funds received by the University Board after a recommendation is made by the Hearing Panel to revoke the Contract, or a decision by the University Board to revoke the Contract, may be held by the University Board and returned to the Michigan Department of Treasury.
- j) Disposition of District Code Number. Notwithstanding any other provision of the Contract, after a recommendation is made by the Hearing Panel to revoke the Contract, or a decision by the University Board to revoke the Contract, the district code number shall remain under the direction and control of the State Board of Education and/or its designated representative.

Section 10.7. Automatic Amendment of Contract; Automatic Termination of Contract if All Academy Sites Closed or Placed in State School Reform/Redesign District; Economic Hardship Termination. Except as otherwise noted in this Section, if the University Board is notified by the State School Reform/Redesign Officer that either (i) an Academy is subject to closure under section 507 of the Code, MCL 380.507 ("State's Automatic Closure Notice"), or (ii) an Academy site is being placed in the State School Reform/Redesign District ("State's Reform District Notice") pursuant to section 1280c(6) of the Code, MCL 380.1280c(6), then this Contract shall automatically be amended to eliminate the Academy's authority to operate certain age and grade levels at the site or sites identified in the State's Automatic Closure Notice or the State's Reform District Notice. If the State's Automatic Closure Notice or State's Reform District Notice includes all of the Academy's existing sites, then this Contract shall automatically be revoked at the end of the current school year in which either the State's Automatic Closure Notice or the

State's Reform District Notice is received without any further action of the University Board or the Academy. The University Board's revocation procedures set forth in Section 10.6 do not apply to an automatic revocation initiated by the State.

If the Charter Schools Office Director determines, in his or her discretion, that either the closure of one or more sites, or the placement of one or more sites in the State School Reform/Redesign District, creates a significant economic hardship for the Academy as a going concern, then the Charter Schools Office Director may recommend to the University Board that the Contract be terminated at the end of the current school year (hereinafter "Economic Hardship Termination"). If the University Board approves the Economic Hardship Termination recommendation, then this Contract shall terminate at the end of the current school year without any further action of the parties. The University Board's revocation procedures set forth in Section 10.6 do not apply to an automatic termination initiated by the State's Automatic Closure Notice, the State's Reform District Notice, or an Economic Hardship Termination under this Section 10.7.

Following receipt of the State's Automatic Closure Notice or State's Reform District Notice, the University Charter Schools Office Director shall forward a copy of the notice to the Academy Board and request a meeting with Academy Board representatives to discuss the Academy's plans and procedures for the elimination of certain age or grade levels at the identified site or sites, or if all of the Academy's existing sites are included in the notice, then wind-up and dissolution of the Academy corporation at the end of the current school year. All Academy inquiries and requests for reconsideration of the State's Automatic Revocation Notice or the State's Reform District Notice, including the granting of any hardship exemption rescinding the State's Automatic Closure Notice, shall be directed to the State School Reform/Redesign Officer, in a form and manner determined by that State School Reform/Redesign Office or the Michigan Department of Education.

If the State School Reform/Redesign Officer rescinds the State's Automatic Closure Notice for an Academy site or sites, the Academy is not required to close the identified site(s), but shall present to the CSO the proposed Contract amendments incorporating the State School Reform/Redesign Officer's school improvement plan for the identified site(s).

Section 10.8. Material Breach of Contract. If the University Board receives notice that (i) an order has been issued by the State School Reform/Redesign Officer under Section 1280c(2) of the Code, MCL 380.1280c(2), placing an Academy site or sites under the supervision of the State School Reform/Redesign Officer; or (ii) an order is issued by the State School Reform/Redesign Officer appointing a Chief Executive Officer to take control of an Academy site or sites pursuant to Section 1280c(7) of the Code, MCL 380.1280c(7), the Charter Schools Office Director may, at his or her discretion, deem such actions a material breach of this Contract. If the Charter Schools Office Director determines that the issuance of such an order constitutes a material breach of this Contract, the Charter Schools Officer Director shall notify the Academy of the material breach and request a meeting with Academy Board representatives to discuss the matter. To remedy the material breach, the Academy shall work toward the development of a corrective

action plan within thirty (30) days that is acceptable to the Charter Schools Office Director. In addition to other matters, the corrective action plan shall include the Academy's redesign plan, if applicable, prepared pursuant to section 1280c of the Code, MCL 380.1280c.

The development of a corrective action plan under this Section 10.8 shall not in any way limit the rights of the University Board to revoke, terminate, or suspend this Contract. If the Charter Schools Office Director determines that the Academy is unable to develop a corrective action plan that can remedy the material breach and that is acceptable to the University, the Charter Schools Office Director shall recommend that the University Board terminate the Contract at the end of the current school year. If the University Board approves to terminate the Contract under this Section 10.8, the Contract shall be terminated at the end of the current school year without any further action of either party. If this Contract is terminated pursuant to this Section 10.8, the termination and revocation procedures in Section 10.2 and Section 10.6 shall not apply.

Section 10.9. Venue; Jurisdiction. The parties agree that all actions or proceedings arising in connection with this Contract will be tried and litigated only in the Circuit Court of Ottawa County, Michigan, the Michigan Court of Claims or the Federal District Court for the Western District of Michigan. The parties hereby irrevocably accept for themselves and in respect of their property, generally and unconditionally, the jurisdiction of such courts. The parties irrevocably consent to the service of process out of any such courts in any such action or proceedings by the mailing of copies thereof by registered or certified mail, postage prepaid, to each such party, at its address set forth for notices in this Contract, such service to become effective ten (10) days after such mailing. The parties irrevocably waive any right they may have to assert the doctrine of forum non conveniens or to object to venue to the extent any proceedings is brought in accordance with this Section 10.9. This Section 10.9 shall not in any way be interpreted as an exception to the Academy's covenant not to sue contained in Section 11.8 of these Terms and Conditions.

Section 10.10. Conservator; Appointment by University President. Notwithstanding any other provision of the Contract, in the event that the health, safety, and welfare of the Academy students, property, or funds are at risk, the University President, after consulting with the University Board Chairperson, may appoint a person to serve as the Conservator of the Academy. Upon appointment, the Conservator shall have all the powers of a Board of Directors of a Public School Academy and act in the place and stead of the Academy Board. The University President shall appoint the conservator for a definite term which may be extended in writing. During the appointment, the Academy Board members are suspended and all powers of the Academy Board are suspended. All appointments made under this provision must be presented to the University Board for final determination at its next regularly scheduled meeting. During their appointment, the Conservator shall have the following powers:

- a) take into his or her possession all Academy property and records, including financial, board, employment and student records;
- b) institute and defend board actions by or on behalf of the Academy;

- c) continue the business of the Academy including entering into contracts, borrowing money, and pledging, mortgaging, or otherwise encumbering the property of the Academy as security for the repayment of loans. However, the power shall be subject to any provisions and restrictions in any existing credit documents;
- d) hire, fire, and discipline employees of the Academy;
- e) settle or compromise with any debtor or creditor of the Academy, including any taxing authority;
- f) review all outstanding agreements to which the Academy is a party and to take those actions which the Academy Board may have exercised to pay, extend, rescind, renegotiate, or settle such agreements as needed; and
- g) perform all acts necessary and appropriate to fulfill the Academy's purposes as set forth under the Code or this Contract.

ARTICLE XI

PROVISIONS RELATING TO PUBLIC SCHOOL ACADEMIES

Section 11.1. Grand Valley State University Faculty Employment in the Academy. Subject to the ability of the Academy to reach separate agreement on the terms, the Academy is permitted to use University faculty as classroom teachers in any grade.

Section 11.2. The Academy Faculty Appointment to Grand Valley State University Faculty. Nothing in this Contract shall prohibit a member of the Academy faculty from being appointed to or serving as a member of the University faculty.

Section 11.3. Student Conduct and Discipline. The Academy Board shall adopt, abide by and enforce its own set of written policies concerning student conduct and student discipline.

Section 11.4. Insurance. The Academy shall secure and maintain in its own name as the "first named insured" at all times the following insurance coverage:

- a) Property insurance covering all of the Academy's real and personal property, whether owned or leased;
- b) General/Public Liability with a minimum of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate (Occurrence Form);

- c) Auto Liability (Owned and Non-Owned) with a minimum of one million dollars (\$1,000,000) (Occurrence Form);
- d) Workers' Compensation or Worker' Compensation without employees (this is considered minimum premium, "if any" insurance) (statutory limits) and Employers' Liability insurance with a minimum of one million dollars (\$1,000,000);
- e) Errors & Omissions insurance including Directors & Officers and School Leaders Errors & Omissions Liability insurance with a minimum of one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) aggregate (Claims Made or Occurrence Form);
- f) Crime including employee dishonesty insurance with a minimum of five hundred thousand dollars (\$500,000); and
- g) Employment Practices Liability insurance with a minimum of one million dollars (\$1,000,000) per claim/aggregate (Claims Made or Occurrence Form).
- h) Umbrella with a minimum \$4,000,000 limit and aggregate. Also, an Umbrella policy with an unlimited aggregate is acceptable at a \$2,000,000 limit.

The insurance must be obtained from a licensed mutual, stock, or other responsible company licensed to do business in the State of Michigan. The insurance carrier(s) must be an "A" best rating or better. The Academy may join with other public school academies to obtain insurance if the Academy finds that such an association provides economic advantages to the Academy, provided that each Academy maintains its identity as first named insured with its own limits, i.e. no sharing of limits.

The Academy shall list the University Board and the University on the insurance policies as an additional insured with primary coverage on insurance coverage listed in (b), (c), (e), and (g) above. The Academy shall have a provision included in all policies requiring notice to the University, at least thirty (30) days in advance, upon termination or non-renewal of the policy or of changes in insurance carrier or policy limit changes. In addition, the Academy shall provide the University President copies of all insurance certificates and endorsements required by this Contract. The Academy shall also provide to the University Charter Schools Office an entire copy of the insurance policies. The Academy may expend funds for payment of the cost of participation in an accident or medical insurance program to insure protection for pupils while attending school or participating in a school program or activity. Other insurance policies and higher minimum may be required depending upon academic offerings and program requirements.

The Academy understands that the University's insurance carrier periodically reviews the types and amounts of insurance coverage that the Academy must secure in order for the University to maintain insurance coverage for authorization and oversight of the Academy. In the event that the University's insurance carrier requests additional changes in coverage identified in this Section 11.4, the Academy agrees to comply with any additional changes in the types and amounts of

coverage requested by the University's insurance carrier within thirty (30) days after notice of the insurance coverage change.

Section 11.5. The Academy Budget; Transmittal of Budgetary Assumptions; Budget Deficit; Enhanced Deficit Elimination Plan. The Academy agrees to comply with all of the following:

- a) The Academy Board is responsible for establishing, approving, and amending an annual budget in accordance with the Uniform Budgeting and Accounting Act, MCL 141.421 et seq.
- b) Within ten (10) days after adoption by the Academy Board (but not later than July 1st) each year, the Academy Board shall submit to the Charter Schools Office a copy of its annual budget for the upcoming fiscal year. The budget must detail budgeted expenditures at the object level as described in the Michigan Department of Education's Michigan School Accounting Manual. In addition, the Academy Board is responsible for approving all revisions and amendments to the annual budget. Within 10 days after Academy Board approval, revisions or amendments to the Academy's budget shall be submitted to the Charter Schools Office.
- c) Unless exempted from transmitting under section 1219 of the Code, MCL 380.1219, the Academy, on or before July 7th of each school fiscal year, shall transmit to the Center for Educational Performance and Information ("CEPI") the budgetary assumptions used when adopting its annual budget pursuant to the Uniform Budgeting and Accounting Act, MCL 141.421 et seq.
- d) The Academy shall not adopt or operate under a deficit budget, or incur an operating deficit in a fund during any fiscal year. At any time during the term of this Contract, the Academy shall not have an existing deficit fund balance, incur a deficit fund balance, or adopt a current year budget that projects a deficit fund balance. If the Academy has an existing deficit fund balance, incurs a deficit fund balance in the most recently completed school fiscal year, or adopts a current year budget that projects a deficit fund balance, all of the following apply:
 - (i) The Academy shall notify the Superintendent and the State Treasurer immediately upon the occurrence of the circumstance, and provide a copy of the notice to the Charter Schools Office.
 - (ii) Within 30 days after making notification under subdivision (d)(i), the Academy shall submit to the Superintendent in the form and manner prescribed by the Department an amended budget for the current school fiscal year and a deficit elimination plan approved by the Academy Board, with a copy to the State Treasurer. The

Academy shall transmit a copy of the amended budget and the deficit elimination plan to the Charter Schools Office.

(iii) After the Superintendent approves Academy's deficit elimination plan, the Academy shall post the deficit elimination plan on the Academy's website.

(e) If the Academy is required by the State Treasurer to submit an enhanced deficit elimination plan under section 1220 of the Code, MCL 380.1220, the Academy shall do all of the following:

(i) The enhanced deficit elimination plan shall be approved by the Academy Board before submission.

(ii) After the State Treasurer approves an enhanced deficit elimination plan for the Academy, the Academy shall post the enhanced deficit elimination plan on the Academy's website.

(iii) As required, submit to the Superintendent and State Treasurer an enhanced monthly monitoring reports in a form and manner prescribed by the State Treasurer and post such monthly reports on the Academy's website.

Section 11.6. Transportation. The Academy Board may enter into contract with other school districts or other persons, including municipal and county governments, for the transportation of the Academy students to and from school and for field trips. In addition, the Academy Board may use funds received from state school aid payments to pay for student transportation. In the event that the Academy Board contracts for transportation services, the Academy Board shall ensure that the company providing the transportation services is properly licensed in accordance with Applicable Law, and that the company conducts criminal background and history checks on its drivers and other personnel who have direct contact with pupils in accordance with the Code.

Section 11.7. Extracurricular Activities and Interscholastic Sports. The Academy is authorized to join any organization, association, or league, which has as its objective the promotion and regulation of sport and athletic, oratorical, musical, dramatic, creative arts, or other contests by or between pupils.

Section 11.8. Legal Liabilities and Covenants Not to Sue. The Academy and Academy Board members acknowledge and agree that they have no authority to extend the faith and credit of the University or to enter into a contract that would bind the University. The Academy also is limited in its authority to contract by the amount of funds obtained from the state school aid fund, as provided hereunder, or from other independent sources. The Academy and Academy Board members hereby covenant not to sue the University Board, the University or any of its trustees,

officers, employees, agents or representatives for any matters that arise under this Contract or otherwise. The University does not assume any obligation with respect to any Academy Director, employee, agent, parent, guardian, or independent contractor of the Academy, and no such person shall have the right or standing to bring suit against the University Board, the University or any of its Trustees, employees, agents, or independent contractors as a result of the issuing, termination or revocation of this Contract.

Section 11.9. Lease or Deed for Proposed Single Site(s). The Academy shall provide to the designee of the University Board copies of its lease or deed for the premises in which the Academy shall operate. A copy of the Academy's lease or deed and site information shall be incorporated into the Schedules.

Section 11.10. Occupancy and Safety Certificates. The Academy Board shall: (i) ensure that all physical facilities comply with all fire, health and safety standards applicable to schools; and (ii) possess the necessary occupancy and safety certificates. The Academy Board shall not conduct classes at any site until the Academy has complied with this Section 11.10. Copies of these certificates shall be incorporated into the Schedules.

Section 11.11. Criminal Background and History Checks; Disclosure of Unprofessional Conduct; Compliance with School Safety Initiative. The Academy shall comply with the Code concerning criminal background and criminal history checks for its teachers, school administrator(s), and for any other position requiring State Board approval. In addition, the Academy shall comply with the Code concerning the disclosure of unprofessional conduct by persons applying for Academy employment. This Section 11.10 shall apply to such persons irrespective of whether they are employed by the Academy or employed by an educational service provider contracting with the Academy.

Section 11.12. Special Education. Pursuant to Section 1701a of the Code, the Academy shall comply with Article III, Part 29 of the Code, MCL 380.1701 et seq., concerning the provision of special education programs and services at the Academy. Upon receipt, the Academy shall notify the Charter Schools Office of any due process or state complaint filed against the Academy.

Section 11.13. Deposit of Public Funds by the Academy. The Academy Board agrees to comply with Section 1221 of the Revised School Code, being MCL 380.1221, regarding the deposit of all public or private funds received by the Academy. Such deposit shall be made within three (3) business days after receipt of the funds by the Academy.

Section 11.14. Nonessential Elective Courses. If the Academy Board elects to provide nonessential elective courses to part-time pupils at a nonpublic school building, the Academy shall comply with Section 1766b of the State School Aid Act of 1979, as amended, MCL 388.1766b. Prior to providing instruction, the Academy Board shall ensure that the Academy has sufficient documentation to qualify for part-time pupil funding under the State School Aid Act. The provision of nonessential elective courses by the Academy shall be

incorporated into this Contract as an amendment pursuant to Article IX of these Terms and Conditions.

Section 11.15. Educational Service Provider Agreements. The Academy may enter into an ESP Agreement with an ESP to contract out its administrative and/or educational functions and personnel. For the purposes of this Contract, an employee leasing agreement shall be considered an ESP Agreement, and an employee leasing company shall be considered an ESP. The Academy board must retain independent legal counsel to review and advise on the negotiation of the ESP agreement. Legal counsel for the Academy shall not represent the ESP or an ESP owner, director, officer, or employee. The ESP agreement must be an arms-length, negotiated agreement between an informed Academy Board and the ESP.

Prior to entering any ESP Agreement with an ESP, the Academy shall submit a copy of the final draft ESP Agreement to the University Charter Schools Office in a form or manner consistent with the ESP policies of the University Charter Schools Office, which are incorporated into and be deemed part of this Contract. The Charter Schools Office may, from time to time during the term of this Contract, amend the ESP policies and the amended policies shall automatically apply to the Academy without any amendment under Article IX of this Contract. The University Charter Schools Office may disapprove the proposed ESP Agreement submitted by the Academy if the ESP Agreement is contrary to this Contract or Applicable Law. Any subsequent amendment to an ESP Agreement shall be submitted for review by the University Charter Schools Office in the same form and manner as a new ESP Agreement.

Section 11.16. Required Provisions for Educational Service Provider Agreements. Any ESP agreement entered into by the Academy must contain the following provisions:

“Indemnification of Grand Valley State University. The parties acknowledge and agree that the Grand Valley State University Board of Trustees, Grand Valley State University and its members, officers, employees, agents or representatives are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, the parties hereby promise to indemnify and hold harmless Grand Valley State University Board of Trustees, Grand Valley State University and its members, officers, employees, agents or representatives from all claims, demands, or liability, including attorney fees, and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of Grand Valley State University, which arise out of or are in any manner connected with Grand Valley State University Board’s approval of the Application, the University Board’s consideration of or issuance of a Contract, the Academy’s preparation for and operation of a public school, or which are incurred as a result of the reliance by Grand Valley State University and its Board of Trustees members, officers, employees, agents or representatives upon information supplied by the Academy or the ESP, or which arise out of the failure of the Academy to perform its obligations under the Contract issued to the Academy by Grand Valley State University Board of Trustees. The parties expressly acknowledge and agree that Grand Valley

State University and its Board of Trustee members, officers, employees, agents or representatives may commence legal action against either party to enforce its rights as set forth in this Agreement.”

“Revocation or Termination of Contract. If the Academy’s Contract issued by the Grand Valley State University Board of Trustees is suspended, revoked, or terminated, or a new charter contract is not issued to the Academy after expiration of the Contract, this Agreement shall automatically be suspended or terminate on the same date as the Academy’s Contract is suspended, revoked, or termination without further action of the parties.”

“Compliance with Academy’s Contract. The ESP agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the Academy’s obligations under the Academy’s Contract issued by Grand Valley State University Board of Trustees. The provisions of the Academy’s Contract shall supersede any competing or conflicting provisions contained in this Agreement.”

“Amendment Caused By Academy Site Closure or Reconstitution. In the event that the Academy is required (i) to close an Academy site pursuant to a notice issued by the State School Reform/Redesign Officer under Section 507 of the Code, MCL 380.507; or (ii) to undergo a reconstitution pursuant to Section 507 of the Code, MCL 380.507, and of the Contract Terms and Conditions, and such closure of an Academy site or reconstitution causes an amendment to or termination of this ESP Agreement, the parties agree that this ESP Agreement shall be amended or terminated to implement the Academy site closure or reconstitution, with no cost or penalty to the Academy, and the ESP shall have no recourse against the Academy or the University Board for implementing such site closure or reconstitution.”

“Compliance with Section 503c. On an annual basis, the ESP agrees to provide the Academy Board with the same information that a school district is required to disclose under section 18(2) of the State School Aid Act of 1979, MCL 388.1618, for the most recent school fiscal year for which the information is available. Within thirty (30) days of receipt of this information, the Academy Board shall make the information available on the Academy’s website home page, in a form and manner prescribed by the Michigan Department of Education. The defined terms in section 503c of the Code, MCL 380.503c, shall have the same meaning in this Agreement.”

“Compliance with Section 11.23 of Contract Terms and Conditions. The ESP shall make information concerning the operation and management of the Academy, including without limitation the information described in Schedule 6 of the Contract, available to the Academy as deemed necessary by the Academy Board in order to enable the Academy to fully satisfy its obligations under Section 11.23(a) of the Contract Terms and Conditions.”

Section 11.17. Additional Required Provisions for Educational Service Provider Agreements. ESP agreements must include provisions that define the following, according to the standards set forth in Contract Schedule 6:

1. Roles and responsibilities of the parties
2. Services and resources provided by the ESP

3. Fee or expense payment structure
4. Financial control, oversight, and disclosure
5. Renewal and termination of the agreement

Section 11.18. Incompatible Public Offices and Conflicts of Interest Statutes. The Academy shall comply with the Incompatible Public Offices statute, Act No. 566 of the Public Acts of 1978, being MCL 15.181 to 15.185 of the Michigan Compiled Laws, and the Contracts of Public Servants with Public Entities statute, Act No. 317 of the Public Acts of 1968, being MCL 15.321 to 15.330 of the Michigan Compiled Laws. The Academy Board shall ensure compliance with Applicable Law relating to conflicts of interest. Notwithstanding any other provision of this Contract, the following shall be deemed a prohibited conflict of interest for purposes of this Contract:

(a) An individual simultaneously serving as an Academy Board member and an owner, officer, director, employee or consultant of an educational service provider or an employee leasing company that has an ESP agreement with the Academy;

(b) An individual simultaneously serving as an Academy Board member and an Academy employee;

(c) An individual simultaneously serving as an Academy Board member and an independent contractor to the Academy;

(d) An individual simultaneously serving as an Academy Board member and as a member of the governing board of another public school; and

(e) An individual simultaneously serving as an Academy Board member and a University employee, official, or consultant, to the University.

Section 11.19. Certain Familial Relationships Prohibited. The Academy Board shall prohibit specifically identified family relationships pursuant to applicable law and the Terms and Conditions of this contract. Notwithstanding any other provision of this Contract, the following shall be deemed prohibited familial relationships for the purposes of this Contract:

(a) No person shall be appointed or reappointed to serve as an Academy Board member if the person's mother, mother-in-law, father, father-in-law, son, son-in-law, daughter, daughter-in-law, sister, sister-in-law, brother, brother-in-law, spouse or same-sex domestic partner:

- (i) Is employed by the Academy;
- (ii) Works at or is assigned to the Academy
- (iii) Has an ownership, officer, policy making, managerial, administrative, non-clerical or other significant role with the Academy's ESP or employee leasing company.

Section 11.20. Academy Board Legal Counsel. If the Academy Board obtains Legal Counsel, Legal Counsel must be independent of and not representing the ESP, or ESP owner, director, officer, or employee.

Section 11.21. Dual Employment Positions Prohibited. Any person working at the Academy is prohibited by law from being employed at the Academy in more than one full-time position and simultaneously being compensated for each position.

Section 11.22. Oath of Public Office. Academy Board members are public officials. Before entering upon the duties of a public school board member, each Academy Board member shall take, sign, and file the constitutional oath of office with the Charter Schools Office.

Section 11.23. Information Available to the Public and University.

(a) Information to be provided by the Academy. In accordance with Applicable Law, the Academy shall make information concerning its operation and management, including without limitation information in Schedule 6, available to the public and University in the same manner and to the same extent as is required for public schools and school districts.

(b) Information to be provided by Educational Service Providers. The agreement between the Academy and the ESP shall contain a provision requiring the ESP to make information concerning the operation and management of the Academy, including the information in Schedule 6, available to the Academy as deemed necessary by the Academy Board in order to enable the Academy to fully satisfy its obligations under subparagraph (a).

Section 11.24. Administrator and Teacher Evaluation Systems. The Academy Board shall adopt and implement for all individuals employed by or contracted for the Academy as teachers or school administrators a rigorous, transparent, and fair performance evaluation system that complies with Applicable Law. If the Academy enters into an agreement with an Educational Service Provider, the Academy Board shall ensure that the Educational Service Provider complies with this section.

Section 11.25. University Board Invitation to Apply to Convert Academy to School of Excellence. If the University Board is interested in accepting applications to issue contracts to charter Schools of Excellence under Part 6e of the Code, MCL 380.551 et seq. (“Part 6e”), and the University Board determines that the Academy meets the University Board’s and the Code’s eligibility criteria for applying to convert the Academy to a School of Excellence, then the University Board may invite the Academy to submit an application to apply for a contract to convert the Academy to a School of Excellence. In accordance with the Code, the University Board shall establish its own competitive application process and provide the necessary forms and procedures to eligible public school academies.

Section 11.26. Student Privacy. In order to protect the privacy of students enrolled at the Academy, the Academy board shall not:

- a) Sell or otherwise provide to a for-profit business entity any personally identifiable information that is part of a pupil's education records. This does not prohibit the Academy Board from:
 - i. for students enrolled in the Academy, providing such information to an educational management organization that has a contract with the Academy and whose contract has not been disapproved by the University;
 - ii. providing the information to a person or entity as necessary for standardized testing that measures a student's academic progress and achievement; or
 - iii. providing the information as necessary to a person that is providing educational support services to the student under a contract with either the Academy or an educational management organization that has a contract with the Academy and whose contract has not been disapproved by the University.
- b) The terms "education records" and "personally identifiable information" shall have the same meaning as defined in 34 CFR 99.3.

Section 11.27. Disclosure of Information to Parents and Legal Guardians.

- a) Within thirty (30) days after receiving a written request from a student's parent or legal guardian, the Academy shall disclose without charge to the student's parent or legal guardian any personally identifiable information concerning the student that is collected or created by the Academy as part of the student's education records.
- b) Except as otherwise provided in this subsection (b) and within thirty (30) days after receiving a written request from a student's parent or legal guardian, the Academy shall disclose to a student's parent or legal guardian without charge any personally identifiable information provided to any person, agency, or organization. The Academy's disclosure shall include the specific information that was disclosed, the name and contact information of each person, agency, or organization to which the information has been disclosed; and the legitimate reason that the person, agency, or organization had in obtaining the information. The parental disclosure requirement does not apply to information that is provided:
 - i. to the Department or CEPI;
 - ii. to the student's parent or legal guardian;
 - iii. by the Academy to the University or to the educational management organization that has an educational service provider agreement that has not been disapproved by the University;

- iv. by the Academy to the Academy’s intermediate school district or another intermediate school district providing services to the Academy or the Academy’s students pursuant to a written agreement;
 - v. to the Academy by the Academy’s intermediate school district or another intermediate school district providing services to pupils enrolled in the Academy pursuant to a written agreement;
 - vi. to the Academy by the University;
 - vii. to a person, agency, or organization with written consent from the student’s, parent or legal guardian, or from the student if the student is at least 18 years of age;
 - viii. to a person, agency, or organization seeking or receiving records in accordance with an order, subpoena, or ex parte order issued by a court of competent jurisdiction;
 - ix. as necessary for standardized testing that measures a student’s academic progress and achievement; or
 - x. in the absence of, or in compliance with, a properly executed opt-out form, as adopted by the Academy in compliance with section 1136(6) of the Code, pertaining to uses for which the Academy commonly would disclose a pupil’s “directory information.”
- c) If the Academy considers it necessary to make redacted copies of all or part of a student’s education records in order to protect personally identifiable information of another student, the Academy shall not charge the parent or legal guardian for the cost of those redacted copies.
- d) The terms “education records,” “personally identifiable information,” and “directory information” shall have the same meaning as defined in MCL 380.1136(8)(g) and 34 CFR 99.3.

Section 11.28. List of Uses for Student Directory Information; Opt-Out Form; Notice to Student’s Parent or Legal Guardian.

- a) the Academy shall do all of the following:
- i. Develop a list of uses (the “Uses”) for which the Academy commonly would disclose a student’s directory information.
 - ii. Develop an opt-out form that lists all of the Uses and allows a student’s parent or guardian to elect not to have the student’s directory information disclosed for 1 or more of the Uses.
 - iii. Present the opt-out form to each student’s parent or guardian within the first thirty (30) days of the school year and at other times upon request.
 - iv. If an opt-out form is signed and submitted to the Academy by a student’s parent or guardian, then the Academy shall not include the student’s

directory information in any of the Uses that have been opted out of in the opt-out form.

- b) The terms “directory information” shall have the same meaning as defined in 34 CFR 99.3.

Section 11.29. Partnership Agreement. If an Academy site is listed as a Priority School on the list of lowest performing schools prepared by the Michigan Department of Education, and the Superintendent proposes a Partnership Agreement with the Academy, the Academy shall work with the Charter Schools Office to finalize an agreement that is acceptable to the Michigan Department of Education, the Academy, and the Charter Schools Office. The Partnership Agreement shall be incorporated into this Contract by amendment pursuant to Article IX of these Terms and Conditions and shall be included as Schedule 8. The Contract amendment shall also include any other amendments to this Contract that are required to ensure the Partnership Agreement is consistent with this Contract.

Section 11.30. Data Breach Response Plan. Within one year after the effective date of this Contract, the Academy Board shall design and implement a comprehensive data breach response plan. The data breach response plan should be made available to Academy personnel and any Educational Service Provider contracting with the Academy. The data breach response plan should be updated periodically by the Academy Board to address changes in data threat assessments and changes in applicable state and federal privacy laws.

ARTICLE XII

GENERAL TERMS

Section 12.1. Notices. Any and all notices permitted or required to be given hereunder shall be deemed duly given; (i) upon actual delivery, if delivery by hand; or (ii) upon delivery into United States mail if delivery is by postage paid first class mail. Each such notice shall be sent to the respective party at the address indicated below or to any other person or address as the respective party may designate by notice delivered pursuant hereto:

If to Grand Valley State University Board of Trustees:

Charter Schools Office Director
Grand Valley State University
201 Front Avenue, SW., Suite 310
Grand Rapids, Michigan 49504

If to Academy:

Old Mission Peninsula School
Attn: Board President
2699 Island View Road
Traverse City, MI 49686

Section 12.2. Severability. If any provision in this Contract is held to be invalid or unenforceable, it shall be ineffective only to the extent of the invalidity, without affecting or impairing the validity and enforceability of the remainder of the provision or the remaining provisions of this Contract. If any provision of this Contract shall be or become in violation of Applicable Law, such provision shall be considered null and void, and all other provisions shall remain in full force and effect.

Section 12.3. Successors and Assigns. The terms and provisions of this Contract are binding on and shall inure to the benefit of the parties and their respective successors and permitted assigns.

Section 12.4. Entire Contract. This Contract sets forth the entire agreement between the University Board and the Academy with respect to the subject matter of this Contract. All prior application materials, contracts, representations, statements, negotiations, understandings, and undertakings, are superseded by this Contract.

Section 12.5. Assignment. This Contract is not assignable by either party.

Section 12.6. 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 a consent to, waiver of, or excuse for any different or subsequent breach or default.

Section 12.7. Indemnification. As a condition to receiving a grant of authority from the University Board to operate a public school pursuant to the terms and conditions of this Contract, the Academy agrees to indemnify and hold the University Board, the University and its Board of Trustees members, officers, employees, agents or representatives harmless from all claims, demands, or liability, including attorney fees, and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of the University, which arise out of or are in any manner connected with the University Board's receipt, consideration or approval of the Application, the University Board's approval of the Method of Selection Resolution or the Authorizing Resolution, legal challenges to the validity of Part 6a of the Code or actions taken by the University Board as an authorizing body under Part 6a of the Code, the University Board's consideration of or issuance of a Contract, the Academy's preparation for and operation of a public school, or which are

incurred as a result of the reliance of the University Board, the University and its Board of Trustees members, officers, employees, agents or representatives upon information supplied by the Academy, or which arise out of the failure of the Academy to perform its obligations under this Contract. The foregoing provision shall not be deemed a relinquishment or waiver of any kind of Section 7 of the Governmental Liability for Negligence Act, being Act No. 170, Public Acts of Michigan, 1964.

Section 12.8. Construction. This Contract shall be construed fairly as to both parties and not in favor of or against either party, regardless of which party prepared the Contract.

Section 12.9. 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.

Section 12.10. No Third Party Rights. This Contract is made for the sole benefit of the Academy and the University Board and no other person or entity, including without limitation, the ESP. Except as otherwise 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.

Section 12.11. Non-agency. It is understood that the Academy is not the agent of the University.

Section 12.12. Governing Law. This Contract shall be governed and controlled by the laws of the State of Michigan as to interpretation, enforcement, validity, construction, and effect, and in all other respects.

Section 12.13. Counterparts. This Contract may be executed in any number of counterparts. Each counterpart so executed shall be deemed an original, but all such counterparts shall together constitute one and the same instrument.

Section 12.14. Term of Contract.

(a) Initial Term of Contract. Except as otherwise provided in Section 12.14 (b) and (c) set forth below, this Contract shall commence on July 1, 2018, and shall remain in full force and effect for seven (7) years until June 30, 2025, unless sooner terminated according to the terms hereof.

(b) Termination of Contract During Initial Term of Contract. Consistent with the procedures set forth in this Section 12.14(b), this Contract will terminate on June 30, 2019, if the Academy fails to satisfy all of the following conditions:

- (i) The Academy shall provide to the Charter Schools Office Director a copy of the Academy's agreements with any Educational Service Provider. The

terms and conditions of the agreements must be acceptable to the University President.

- (ii) The Academy shall provide to the Charter Schools Office Director a copy of the Academy's real property leases, sublease or other agreements set forth in the Schedules.
- (iii) The Academy, through legal counsel, shall provide a legal opinion to the Charter Schools Office Director confirming that the Academy Board's approval and execution of any real property lease or other agreement with Educational Service Providers complies with the Contracts of Public Servants with Public Entities statute, MCL 15.321 et seq.
- (iv) The Academy shall provide to the Charter Schools Office Director, if applicable, a copy of an AHERA asbestos plan and lead based paint survey for the site or sites set forth in the Schedules.
- (v) The Academy shall provide to the Charter Schools Office Director, if applicable, a copy of a current boiler inspection/ approval for the site or sites set forth in the Schedules.
- (vi) The Academy shall provide documentation to the Charter Schools Office Director confirming that the Academy has received occupancy approval from the Michigan Department of Consumer and Industry Services' Office of Fire Safety for the site or sites set forth in the Schedules.
- (vii) The Academy shall provide documentation to the Charter Schools Office Director that it has obtained a short-term cash flow loan to cover the initial cost of operations for the initial academic year. The Academy shall comply with section 1225 of the Revised School Code and the Revised Municipal Finance Act with respect to approving and obtain such funds.
- (viii) Any additional financial information or documentation requested by the University President.

The Academy shall notify the Charter Schools Office in writing following completion of the conditions set forth in this Section 12.14(b). For good cause, the Charter Schools Office Director may extend the deadlines set forth above. If the Charter Schools Office Director determines that the Academy has not satisfied the conditions set forth in this Section 12.14(b), the Charter Schools Office Director shall issue a Contract termination letter to the Academy for failing to meet certain conditions set forth in this Section 12.14(b). The issuance of the termination letter by the Charter Schools Office Director shall automatically terminate this Contract without any further action by either the University Board or the Academy Board. Upon issuance of the termination letter, the Charter Schools Office Director shall notify the Superintendent of Public Instruction and the Michigan Department of Education that the Contract has been terminated.

(c) Inability to Enroll Students for Classes. If the Academy, for any reason, is unable to enroll students and conduct classes by October 1, 2018, then this Contract is automatically terminated without further action of the parties.

Section 12.15. Survival of Provisions. The terms, provisions, and representations contained in Section 11.4, Section 11.8, Section 12.7, and Section 12.10, and any other provision of this Contract that by their sense and context are intended to survive termination of this Contract shall survive.

Section 12.16. Termination of Responsibilities. Upon termination or revocation of this Contract, the University Board and its designees shall have no further obligations or responsibilities under this Contract to the Academy or any other person or persons in connection with this Contract.

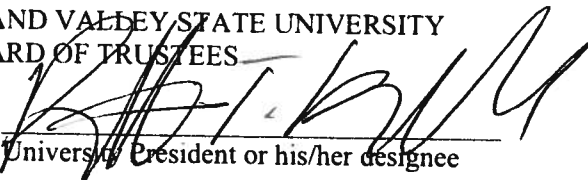
Section 12.17. Disposition of Academy Assets Upon Termination or Revocation of Contract. Following termination or revocation of the Contract, the Academy shall follow the applicable wind-up and dissolution provisions set forth in the Academy's articles of incorporation and in accordance with Applicable Law.

Section 12.18. University Board or CSO General Policies on Public School Academies Shall Apply. Notwithstanding any provision of this Contract to the contrary, and with the exception of existing University Board or CSO policies regarding public school academies which shall apply immediately, University Board or CSO general policies clarifying procedure and requirements applicable to public school academies under this Contract, as from time to time adopted or amended, will automatically apply to the Academy, provided they are not inconsistent with provisions of this Contract. Before issuing general policies under this Section, the University Board or the CSO shall provide a draft of the proposed policies to the Academy Board. The Academy Board shall have at least thirty (30) days to provide comment to the CSO on the proposed policies before such policies shall become effective.

[INTENTIONALLY LEFT BLANK]

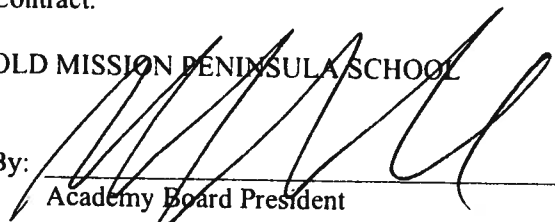
As the designated representative of the Grand Valley State University Board of Trustees, I hereby issue this Contract to the Academy on the date set forth above.

GRAND VALLEY STATE UNIVERSITY
BOARD OF TRUSTEES

By: 
University President or his/her designee

As the authorized representative of the Academy, I hereby certify that the Academy is able to comply with the Contract and all Applicable Law, and that the Academy, through its governing board, has approved and agreed to comply with and be bound by the terms and conditions of this Contract.

OLD MISSION PENINSULA SCHOOL

By: 
Academy Board President

SCHEDULE 1

**METHOD OF SELECTION RESOLUTION
AUTHORIZING RESOLUTION**



CERTIFIED COPY OF RESOLUTION ADOPTED BY THE BOARD OF TRUSTEES OF
GRAND VALLEY STATE UNIVERSITY ON JULY 14, 2017:

Authorization of Old Mission Peninsula Community School 6a Contract

WHEREAS, the Michigan Legislature has provided for the establishment of public school academies as part of the Michigan public school system by enacting Act No. 362 of the Public Acts of 1993; and

WHEREAS, according to this legislation, the Grand Valley State University Board of Trustees (the "Board of Trustees"), as the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate public school academies; and

WHEREAS, the Michigan Legislature has mandated that public school academy contracts be issued on a competitive basis taking into consideration the resources available for the proposed public school academy, the population to be served by the proposed public school academy, and the educational goals to be achieved by the proposed public school academy; and

WHEREAS, the Grand Valley State University Board of Trustees, having requested applications for organizing public school academies and having reviewed the applications according to the provisions set forth by the Michigan Legislature;

NOW, THEREFORE, BE IT RESOLVED:

1. That the application for Old Mission Peninsula Community School ("Academy"), located at 2699 Island View Road, Traverse City, Michigan 49686, submitted under Section 502 of the Revised School Code, meets the Board of Trustees' requirements and the requirements of applicable law, is therefore approved;
2. That the Board of Trustees establishes the method of selection, length of term and number of members of the Academy's Board of Directors as follows:

Method of Selection and Appointment of Academy Board Members:

- a. Initial Academy Board Member Nominations and Appointments: As part of the public school academy application, the public school academy applicant shall propose to the Director of the University Charter Schools Office (“Director”), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Board of Trustees, he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for appointment, the nominees must have completed the required board member candidate application materials, including at least (i) the Academy Board Member Questionnaire prescribed by the University Charter Schools Office; and (ii) the Criminal Background Check Report prescribed by the University Charter Schools Office.

- b. Subsequent Academy Board Member Nominations and Appointments: Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The Director may or may not recommend the proposed nominee submitted by the Academy Board. If the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The Board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.

- c. Exigent Appointments: When the Director determines an “exigent condition” exists which requires him/her to make an appointment to a public school academy’s board of directors, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting held by the Board of Trustees when a regular appointment may be made by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy’s board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when a Academy Board cannot

reach a quorum, when the Board of Trustees determines that an Academy Board member's service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.

3. Qualifications of Academy Board Members: To be qualified to serve on the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.
4. Oath / Acceptance of Office / Voting Rights: Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.
5. Length of Term; Removal: An appointed Academy Board member is an "at will" board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

If the Board of Trustees determines that an Academy Board member's service in office is no longer required, then the Board of Trustees may remove an Academy board member with or without cause and shall specify the date when the Academy Board member's service ends. An Academy Board member may be removed from office by a two-thirds (2/3) vote of the Academy's Board for cause.

6. Resignations: A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director

shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.

7. Vacancy: An Academy Board position shall be considered vacant when an Academy Board member:

- a. Resigns
- b. Dies
- c. Is removed from Office
- d. Is convicted of a felony
- e. Ceases to be qualified
- f. Is incapacitated

8. Filling a Vacancy: The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the “Subsequent Appointments” and “Exigent Appointments” procedures in this resolution.

9. Number of Academy Board Member Positions: The number of member positions of the Academy Board of Directors shall be five (5), seven (7) or nine (9), as determined from time to time by the Academy Board.

10. Quorum: In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A “quorum” shall be defined as follows:

# of Academy Board positions	# required for Quorum
Five (5)	Three (3)
Seven (7)	Four (4)
Nine (9)	Five (5)

11. Manner of Acting: The Academy Board shall be considered to have “acted,” when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

# of Academy Board positions	# for Quorum	# required to act
Five (5)	Three (3)	Three (3)
Seven (7)	Four (4)	Four (4)
Nine (9)	Five (5)	Five (5)

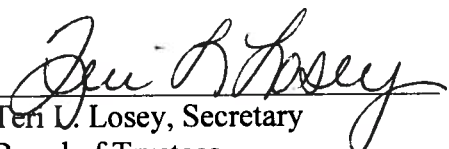
12. Initial Members of the Board of Directors: The Grand Valley State University Board of Trustees appoints the following persons to serve as the initial members of the Academy’s Board of Directors for the designated term of office set forth below:

Amanda L. Igra	1 year term expiring June 30, 2018
Rebecca S. Seah	2 year term expiring June 30, 2019
Michael Smiley	2 year term expiring June 30, 2029
Erica C. Walsh	3 year term expiring June 30, 2020
Isaiah S. Wunsch	3 year term expiring June 30, 2020

13. The Board of Trustees approves and authorizes the execution of a contract to charter a public school academy to the Academy and authorizes the University President or designee to issue a contract to charter a public school academy and related documents (“Contract”) to the Academy, provided that, before execution of the Contract, the University President or designee affirms that all terms of the contract have been agreed upon and the Academy is able to comply with all terms and conditions of the Contract and Applicable Law. This resolution shall be incorporated in and made part of the Contract.

14. Within ten days after the Board of Trustees issues the Contract, the Director will submit the Contract to the Michigan Department of Education. Pursuant to the State School Aid Act of 1979, the Michigan Department of Education shall, within thirty days after the Contract is submitted to the Michigan Department of Education, issue a district code number to each public school academy that is authorized under the Revised School Code and is eligible to receive funding under the State School Aid Act. By approving and issuing the Contract, the Board of Trustees is not responsible for the Michigan Department of Education’s issuance or non-issuance of a district code number. As a condition precedent to the Board of Trustees’ issuance of the Contract, the Applicant, the Academy and the Academy’s Board of Directors shall acknowledge and agree that the Board of Trustees, Grand Valley State University, its officers, employees and agents are not responsible for any action taken by the Academy in reliance upon the Michigan Department of Education’s issuance of a district code number to the Academy, or for any Michigan Department of Education’s decision resulting in the non-issuance of a district code number to the Academy.

IN WITNESS WHEREOF, I have hereunto signed my name as Secretary and have caused the seal of said body corporate to be hereto affixed this 24th day of July 2017.


 Teri L. Losey, Secretary
 Board of Trustees
 Grand Valley State University

SCHEDULE 2

ARTICLES OF INCORPORATION

**MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU**

Sw

Date Received	AC1	(FOR BUREAU USE ONLY)
NOV 22 2017	This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.	

TransInfo:1 22479905-1 11/20/17
 Chk#: 1593 Amt: \$10.00
 ID: 802116095

FILED

DEC 09 2017

Name Candace L. Sorensen		
Address 125 Ottawa Ave. NW Suite 245		
City Grand Rapids, MI 49424	State	ZIP Code

EXPIRATION DATE:
DECEMBER 31, 2017

ADMINISTRATOR
CORPORATIONS DIVISION

Document will be returned to the name and address you enter above.
 If left blank, document will be returned to the registered office.

CERTIFICATE OF ASSUMED NAME
 For use by Corporations, Limited Partnerships and Limited Liability Companies
 (Please read information and instructions on the last page)

Pursuant to the provisions of Act 284, Public Acts of 1972 (profit corporations), or Act 162, Public Acts of 1982 (nonprofit corporations), Act 213, Public Acts of 1982 (limited partnerships), or Act 23, Public Acts of 1993 (limited liability companies), the undersigned execute the following Certificate:

1. The name of the corporation, limited partnership, or limited liability company is:
Old Mission Peninsula School

2. The identification number assigned by the Bureau is: 802116095

3. The assumed name under which business is to be transacted is:
Old Mission Peninsula Community School

4. This document is hereby signed as required by the Act.

COMPLETE ITEM 5 ON PAGE 3 IF THIS NAME IS ASSUMED BY MORE THAN ONE ENTITY.

Signed this 2nd day of November, 2017

By Candace L. Sorensen
Digitally signed by Candace L. Sorensen
 DN: cn=Candace L. Sorensen, o=CS3 Law PLLC, ou,
 email=csorensen@cs3law.com, c=US
 Date: 2017.11.02 11:46:37 -0400'
 (Signature)

Candace L. Sorensen, Incorporator
 (Type or Print Name) (Type or Print Title or Capacity)

(Limited Partnerships Only - Indicate Name of General Partner, if the General Partner is a corporation or other entity)



MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
FILING ENDORSEMENT

This is to Certify that the ARTICLES OF INCORPORATION - NONPROFIT

for

OLD MISSION PENINSULA SCHOOL

ID NUMBER: 72169T

received by facsimile transmission on October 25, 2017 is hereby endorsed.

Filed on October 26, 2017 by the Administrator.

This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.



Sent by Facsimile Transmission

In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 26th day of October, 2017.

Julia Dale

***Julia Dale, Director
Corporations, Securities & Commercial Licensing Bureau***

BCS/CD-502 (Rev.10/08)

MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH BUREAU OF COMMERCIAL SERVICES			
Date Received		(FOR BUREAU USE ONLY)	
		This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.	
Name Candace L. Sorensen			
Address 125 Ottawa Ave. NW Suite 245			
City	State		
Grand Rapids	MI	49503	EFFECTIVE DATE:

Document will be returned to the name and address you enter above.
If left blank document will be mailed to the registered office.

**OLD MISSION PENINSULA SCHOOL
ARTICLES OF INCORPORATION
For use by Domestic Nonprofit Corporations**

Pursuant to the provisions of the Michigan Nonprofit Corporation Act of 1982, as amended (the "Act"), being MCL 450.2101 et seq. and Part 6A of the Revised School Code (the "Code"), as amended, being Sections 380.501 to 380.507 of the Michigan Compiled Laws, the undersigned corporation executes the following Articles:

ARTICLE I

The name of the corporation is: Old Mission Peninsula School.

The authorizing body for the corporation is: Grand Valley State University ("GVSU") Board of Trustees, ("Board of Trustees"), 1 Campus Drive, Allendale, Michigan 49401.

ARTICLE II

The purposes for which the corporation is organized are:

1. Specifically, the corporation is organized for the purposes of operating as a public school academy in the State of Michigan pursuant to Part 6A of the Code, being Sections 380.501 to 380.507 of the Michigan Compiled Laws.
2. The corporation, including all activities incident to its purposes, shall at all times be conducted so as to be a governmental entity pursuant to Section 115 of the United States Internal Revenue Code ("IRC") or any successor law. Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activity not permitted to be carried on by a governmental instrumentality exempt from federal income tax under Section 115 of the IRC or by a nonprofit corporation organized under the laws of the State of Michigan and subject to a Contract authorized under the Code.

ARTICLE III

1. The corporation is organized upon a Nonstock basis.
2. a. If organized on a nonstock basis, the description and value of its real property assets are: (if none, insert "none")

Real Property: none

- b. The description and value of its personal property assets are: (if none, insert "none")

Personal Property: none

- c. The corporation is to be financed under the following general plan:
 - a. State school aid payments received pursuant to the State School Aid Act of 1979 or any successor law.
 - b. Federal funds.
 - c. Donations
 - d. Fees and charges permitted to be charged by public school academies.
 - e. Other funds lawfully received.
- d. The corporation is organized on a Directorship basis.

ARTICLE IV

The name of the resident agent at the registered office is Candace L. Sorensen.

The address of its registered office in Michigan is: CS3 Law PLLC, 125 Ottawa Ave., NW, Suite 245, Grand Rapids, MI 49503. The mailing address of the registered office in Michigan is the same.

ARTICLE V

The name and address of the incorporator is as follows:

Candace L. Sorensen
125 Ottawa Ave. NW
Suite 245
Grand Rapids, MI 49503

ARTICLE VI

The corporation is a governmental entity.

ARTICLE VII

Before execution of a contract to charter a public school academy between the Academy Board and the Board of Trustees, the method of selection, length of term, and the number of members of the Academy Board shall be approved by a resolution of the Board of Trustees as required by the Code.

The members of the Academy Board shall be selected by the following method:

1. **Method of Selection and Appointment of Academy Board Members:**
 - a. **Initial Academy Board Member Nominations and Appointments:** As part of the public school academy application, the public school academy applicant shall propose to the Director of the University Charter Schools Office (“Director”), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Board of Trustees, he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for appointment, the nominees must have completed the required board member candidate application materials, including at least (i) the Academy Board Member Questionnaire prescribed by the

University Charter Schools Office; and (ii) the Criminal Background Check Report prescribed by the University Charter Schools Office.

b. **Subsequent Academy Board Member Nominations and Appointments:**

Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The Director may or may not recommend the proposed nominee submitted by the Academy Board. If the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The Board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.

c. **Exigent Appointments:** When the Director determines an “exigent condition”

exists which requires him/her to make an appointment to a public school academy’s board of directors, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting held by the Board of Trustees when a regular appointment may be made by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy’s board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when a Academy Board cannot reach a quorum, when the Board of Trustees determines that an Academy Board member’s service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.

2. **Qualifications of Academy Board Members:** To be qualified to serve on the Academy

Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.

3. **Oath /Acceptance of Office / Voting Rights:** Following appointment by the Board of

Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.

- 4. **Length of Term; Removal:** An appointed Academy Board member is an “at will” board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member’s term.

If the Board of Trustees determines that an Academy Board member’s service in office is no longer required, then the Board of Trustees may remove an Academy board member with or without cause and shall specify the date when the Academy Board member’s service ends. An Academy Board member may be removed from office by a two-thirds (2/3) vote of the Academy’s Board for cause.

- 5. **Resignations:** A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.

- 6. **Vacancy:** An Academy Board position shall be considered vacant when an Academy Board member:

- a. Resigns
- b. Dies
- c. Is removed from Office
- d. Is convicted of a felony
- e. Ceases to be qualified
- f. Is incapacitated

- 7. **Filling a Vacancy:** The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the “Subsequent Appointments” and “Exigent Appointments” procedures in this resolution.

- 8. **Number of Academy Board Member Positions:** The number of member positions of the Academy Board of Directors shall be five (5), seven (7) or nine (9), as determined from time to time by the Academy Board.

- 9. **Quorum:** In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A “quorum” shall be defined as follows:

# of Academy Board positions	# required for Quorum
Five (5)	Three (3)

Seven (7)
Nine (9)

Four (4)
Five (5)

10. **Manner of Acting:** The Academy Board shall be considered to have “acted,” when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

# of Academy Board positions	# for Quorum	# required to act
Five (5)	Three (3)	Three (3)
Seven (7)	Four (4)	Four (4)
Nine (9)	Five (5)	Five (5)

ARTICLE VIII

No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its directors, board, officers or other private persons, or organization organized and operated for a profit (except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in the furtherance of the purposes set forth in Article II hereof). Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on by a governmental entity exempt from Federal Income Tax under Section 115 of the IRC, or comparable provisions of any successor law.

To the extent permitted by law, upon the dissolution of the corporation, the board shall after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation to the Board of Trustees for forwarding to the State School Aid Fund established under Article IX, Section 11 of the Constitution of the State of Michigan of 1963, as amended.

ARTICLE IX

The corporation and its incorporators, board members, officers, employees, and volunteers have governmental immunity as provided in Section 7 of Act No. 170 of the Public Acts of 1964, being Sections 691.1407 of the Michigan Compiled Laws.

ARTICLE X

These Articles of Incorporation shall not be amended except by the process provided in the contract executed by the Academy Board and the Board of Trustees.

ARTICLE XI

The Academy Board shall have all the powers and duties permitted by law to manage the business, property and affairs of the corporation.

ARTICLE XII

A volunteer director is not personally liable to the corporation or its members for money damages for any action taken or any failure to take any action as a volunteer officer, except liability for any of the following:

- (i) The amount of a financial benefit received by a director or volunteer officer to which he or she is not entitled.
- (ii) Intentional infliction of harm on the corporation, its shareholders, or members.
- (iii) A violation of Section 551 of the Michigan Nonprofit Corporation Act;
- (iv) An intentional criminal act.
- (v) A liability imposed under section 497(a).

If the corporation obtains tax exempt status under section 501(c)(3) of the internal revenue code, the corporation assumes all liability to any person other than the corporation for all acts or omissions of a volunteer director occurring on or after the filing of the Articles incurred in the good faith performance of the volunteer director's duties.

This article shall not be deemed a relinquishment or waiver of any kind of Section 7 of the Government Liability for Negligence Act, being Act No. 170, Public Acts of Michigan, 1964.

ARTICLE XIII

The corporation assumes the liability for all acts or omissions of a volunteer director, volunteer officer, or other volunteer if all of the following are met:

- (i) The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority;
- (ii) The volunteer was acting in good faith;
- (iii) The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct;
- (iv) The volunteer's conduct was not an intentional tort; and
- (v) The volunteer's conduct was not a tort arising out of the ownership, maintenance or use of a motor vehicle for which tort liability may be imposed under section 3135 of the insurance code of 1956, 1956 PA 218, MCL 500.3135.

This article shall not be deemed a relinquishment or waiver of any kind of Section 7 of

the Governmental Liability for Negligence Act, being Act No. 170, Public Acts of Michigan, 1964.

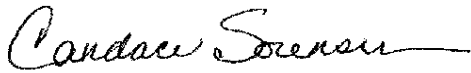
ARTICLE XIV

The officers of the Academy Board shall be a President, Vice-President, Secretary and a Treasurer, each of whom shall be selected by the Board of Directors. The Academy Board may select one or more Assistants to the officers, and may also appoint such other officers and agents as they may deem necessary for the transaction of the business of the corporation.

ARTICLE XV

The Articles of Incorporation shall become effective upon filing. However, the corporation shall not carry out the purposes set forth in Article II unless/or until the Board of Trustees issues to the Academy Board a contract to operate as a public school academy, and the contract is executed by both the Academy Board and the Board of Trustees.

I, the incorporator, sign my name this 20th day of October, 2017.



Candace L. Sorensen

SCHEDULE 3

BYLAWS

TABLE OF CONTENTS

BY LAWS

	<u>Page</u>
Article I. Name of PSA	1
Article II. Form of Academy	1
Article III. Offices.....	1
1. Principal Office	1
2. Registered Office.....	1
Article IV. Board of Directors	1
1. General Powers	1
2. Method of Selction and Appointment	2
3. Compensation.....	4
Article V. Meetings	4
1. Regular Meetings	4
2. Special Meetings	5
3. Notice; Waiver	5
4. Open Meetings Act.....	5
5. Presumption of Assent	5
Article VI. Committees	5
1. Committees.....	5
Article VII. Officers of the Board	6
1. Number.....	6
2. Election and Term of Office.....	6
3. Removal	6
4. Vacancies	6
5. President.....	6
6. Vice-President	6
7. Secretary.....	6
8. Treasurer.....	7
9. Assistants and Acting Officers	7
10. Salaries	7
11. Filling More than One Office.....	7

Article VIII.	Contracts, Loans, Checks, and Deposits; Special Corporate Acts	7
1.	Contracts.....	7
2.	Loans	8
3.	Checks, Drafts, etc.	8
4.	Deposits.....	8
5.	Voting of Securities Owned by this Corporation	8
6.	Contracts between Corporation and Related Persons	8
Article IX.	Indemnification.....	9
Article X.	Fiscal Year, Budget and Uniform Budgeting and Accounting.....	9
Article XI.	Seal	9
Article XII.	Amendments.....	10
Certification	10

BYLAWS
OF
OLD MISSION PENINSULA SCHOOL

ARTICLE I

NAME

This organization shall be called Old Mission Peninsula School (The “Academy” or the “corporation”). The organization also operates under the assumed name of Old Mission Peninsula Community School.

ARTICLE II

FORM OF ACADEMY

The Academy is organized as a non-profit, non-stock, directorship corporation.

ARTICLE III

OFFICES

Section 1. Principal Office. The principal office of the Academy shall be located in the State of Michigan.

Section 2. Registered Office. The registered office of the Academy shall be 125 Ottawa Ave. NW, Suite 245, Grand Rapids, Michigan 49503. The registered agent is Candace L. Sorensen It must be located in the state of Michigan, and be the business office of the registered agent, as required by the Michigan Nonprofit Corporation Act.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. General Powers. The business, property and affairs of the Academy shall be managed by the Academy Board of Directors (“Academy Board”). The Academy Board may exercise any and all of the powers granted to it under the Michigan Nonprofit Corporation Act or pursuant to Part 6A of the Revised School code (“Code”). The Academy Board may delegate said powers to the officers and committees of the Academy Board as it deems appropriate or necessary, as long as such delegation is consistent with the Articles, these Bylaws, the Contract and Applicable Law.

Section 2. Method of Selection and Appointment. Nomination and appointment to the Academy Board shall be handled in the following manner:

1. Method of Selection and Appointment of Academy Board Members:
 - a. Initial Academy Board Member Nominations and Appointments: As part of the public school academy application, the public school academy applicant shall propose to the Director of the University Charter Schools Office (“Director”), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Grand Valley State University Board of Trustees (“Board of Trustees”), he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for the appointment, the nominees must have completed the required board member Questionnaire prescribed by the University Charter Schools office; and (ii) the criminal Background Check Report prescribed by the University Charter Schools Office.
 - b. Subsequent Academy Board Member Nominations and Appointments: Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The Director may or may not recommend a nominee submitted by the Academy Board. If the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.
 - c. Exigent Appointments: When the Director determines an “exigent condition” exists which requires him/her to make an appointment to a public school academy’s board of director, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting made by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy’s board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, determines that an Academy Board member’s service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.

2. Qualifications of Academy Board Members: To be qualified to serve of the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.
3. Oath / Acceptance of Office / Voting Rights: Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.
4. Length of Term; Removal: An appointed Academy Board member is an “at will” board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member’s term.

If the Board of Trustees determines that an Academy Board member’s service in office is no longer required, then the Board of Trustees may remove an Academy Board member with or without cause and shall specify the date when the Academy Board member’s service ends. An Academy Board member may be removed from the office by a two-thirds (2/3) vote of the Academy’s Board for cause.

5. Resignations: A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.
6. Vacancy: An Academy Board position shall be considered vacant when an Academy Board member:
 - a. Resigns
 - b. Dies
 - c. Is removed from Office
 - d. Is convicted of a felony
 - e. Ceases to be qualified
 - f. Is incapacitated

7. Filling a Vacancy: The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the “Subsequent Appointments” and “Exigent Appointments” procedures in this resolution.
8. Number of Academy Board Member Positions: The number of member positions of the Academy Board of Directors shall be five (5), seven (7), or nine (9), as determined from time to time by the Academy Board.
9. Quorum: In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A “quorum” shall be defined as follows:

# of Academy Board positions	# required for Quorum
Five (5)	Three (3)
Seven (7)	Four (4)
Nine (9)	Five (5)

10. Manner of Acting: The Academy Board shall be considered to have “acted,” when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

# of Academy Board positions	# for Quorum	# required to act
Five (5)	Three (3)	Three (3)
Seven (7)	Four (4)	Four (4)
Nine (9)	Five (5)	Five (5)

Section 3. Compensation. By resolution of the Academy Board, Directors may be paid their expenses, if any, of attendance at each meeting of the Academy Board, subject to the statutes regarding Contracts of Public Servants with Public Entities, Act No. 317 of the Public Acts of 1968, being Sections 15.321 to 15.330 of the Michigan Compiled Laws and the Standards of Conduct for Public Officers and Employees, Act No. 196 of the Public Acts of 1973, being Sections 15.341 to 15.348 of the Michigan Compiled Laws, and the statute concerning Incompatible Public Offices, Act No. 566 of the Public Acts of 1978, being Sections 15.181 to 15.185 of the Michigan Compiled Laws.

ARTICLE V

MEETINGS

Section 1. Annual and Regular Meetings. The Academy Board shall hold an annual meeting each year. The meeting shall be held at such time and place as the Academy Board of Directors shall from time to time determine. The Academy Board may also provide, by resolution, the time and

place, within the state of Michigan, for the holding of additional regular meetings. The Academy shall provide notice of all regular meetings as required by the Open Meetings Act.

Section 2. Special Meetings. Special meetings of the Academy Board may be called by or at the request of the President or any Academy Board Director. The person or persons authorized to call special meetings of the Academy Board may fix the place within the state of Michigan for holding any special meeting of the Academy Board called by them, and, if no other place is fixed, the place of meeting shall be the principal business office of the corporation in the state of Michigan. The corporation shall provide notice of all special meetings as required by the Open Meetings Act.

Section 3. Notice; Waiver. The Academy Board must comply with the notice provisions of the Open Meetings Act. In addition, notice of any meeting shall be given to each Director stating the time and place of the meeting, delivered personally or mailed or sent by facsimile to each Director at the Director's business address. Any Director may waive notice of any meeting by written statement, or telecopy sent by the Director, signed before or after the holding of the meeting. The attendance of a Director at a meeting constitutes a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 4. Open Meetings Act. All meetings of the Academy Board, shall at all times be in compliance with the Open Meetings Act.

Section 5. Presumption of Assent. A director of the Academy Board who is present at a meeting of the Academy Board at which action on any corporate matters is taken shall be presumed to have assented to the action taken unless that Director's dissent shall be entered in the minutes of the meeting or unless that Director shall file a written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. This right to dissent shall not apply to a Director who voted in favor of such action.

ARTICLE VI

COMMITTEES

Section 1. Committees. The Academy Board, by resolution, may designate one or more committees, each committee to consist of one or more Directors selected by the Academy Board. As provided in the resolution as initially adopted, and as thereafter supplemented or amended by further resolution, the committees shall have such powers as delegated by the Academy Board, except (i) filling of the vacancies in the officers of the Academy Board or committees created pursuant to this Section; (ii) amending the Articles of Incorporation or Bylaws; or (iii) any action the Academy Board cannot lawfully delegate under the Articles, Bylaws or Applicable Law. All committee meetings shall at all times be in compliance with the Open Meetings Act. Each committee shall fix its own rules governing the conduct of

its activities and shall make such reports the Academy Board of its activities as the Academy Board may request.

ARTICLE VII

OFFICERS OF THE BOARD

Section 1. Number. The officers of the Academy shall be a President, Vice-President, Secretary, Treasurer, and such Assistant officers as may be selected by the Academy Board.

Section 2. Election and Term of Office. The Academy Board shall elect the initial officers at its first duly noticed meeting. Thereafter, the Academy Board shall elect the officers annually as terms expire at the annual meeting of the Academy Board. If the election of officers is not held at that meeting, the election shall be held as soon thereafter as may be convenient. Each officer shall hold office while qualified or until the officers resigns or is removed in the manner provided in Article IV, Section 2.

Section 3. Removal. If the Grand Valley State University Board of Trustees determines that an Academy Board member's service in office is no longer required, then the Board of Trustees may remove an Academy board member with or without cause and shall specify the date when the Academy Board member's service ends. An Academy Board member may be removed from office by a two-thirds (2/3) vote of the Academy's Board for cause.

Section 4. Vacancies. A vacancy in any office shall be filled in accordance with Article IV, Section 2.

Section 5. President. The President of the Academy shall be a member of the Academy Board. The President of the corporation shall preside at all meetings of the Academy Board. If there is not a President, or if the President is absent, then the Vice-President shall preside. If the Vice-President is absent, then a temporary chair, chosen by the members of the Academy Board attending the meeting shall preside. The president shall be an ex-officio member of all standing committees and may be designated Chairperson of those committees by the Academy Board. The President shall, in general, perform all duties incident to the office of President of the Board as may be prescribed by the Board from time to time.

Section 6. Vice-President. The Vice-President of the Academy shall be a member of the Academy Board. In the absence of the President or in the event of the President's death, inability or refusal to act, the Vice-President shall perform the duties of President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned to the Vice-President by the President or the Academy Board.

Section 7. Secretary. The Secretary of the Academy shall be a member of the Academy Board. The Secretary shall perform, or cause to be performed, the following duties: (a) keep the minutes of the Academy Board meetings in one or more books provided that purpose; (b) see that all notices,

including those notices required under the Open Meetings Act, are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all authorized documents; (d) keep a register of the post office address of each Director; and (e) perform all duties incident to the office of Secretary and other duties assigned by the President or by the Academy Board.

Section 8. Treasurer. The Treasurer of the Academy shall be a member of the Academy Board. The Treasurer shall perform, or cause to be performed, the following duties: (a) keep charge and custody of and be responsible for all funds and securities of the corporation; (b) keep accurate books and records of corporate receipts and disbursements; (c) deposit all moneys and securities received by the corporation in such banks, trust companies or other depositories as shall be selected by the Board; (d) complete all required corporate filings; (e) assure that the responsibilities of the fiscal agent of the corporation are properly carried out; and (f) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the Academy Board.

Section 9. Assistants and Acting Officers. The Assistants to the officers, if any, selected by the Academy Board, shall perform such duties and have such authority as shall from time to time be delegated or assigned to them by the Secretary or Treasurer or by the Academy Board. The Academy Directors shall have the power to appoint any person to perform the duties of an officer whenever for any reason it is impractical for such officer to act personally. Such acting officer so appointed shall have the powers of and be subject to all restrictions upon the officer to whose office the acting officer is so appointed except as the Academy Board may by resolution otherwise determine.

Section 10. Salaries. Officers shall not receive a salary unless the salary has been specifically approved by the Academy Board, subject to the statute concerning Incompatible Public Offices, Act No. 566 of the Public Acts of 1978, being sections 15.181 to 15.185 of the Michigan Compiled Laws. Officers of the corporation who are Directors of the corporation may not be compensated for their services. They may, however, receive traveling and other expenses.

Section 11. Filling More Than One Office. Subject to the statute concerning Incompatible Public Offices, Act No. 566 of the Public Acts of 1978, being Sections 15.181 to 15.185 of the Michigan Compiled Laws, any two offices of the corporation except those of President and Vice-President may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one capacity.

ARTICLE VIII

CONTRACTS, LOANS, CHECKS AND DEPOSITS; SPECIAL CORPORATE ACTS

Section 1. Contracts. The Academy Board may authorize any officer or officers, agent or agents, to enter into any contract, to execute and deliver any instrument, or to acknowledge any

instrument required by law to be acknowledged in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances, but the appointment of any person other than an officer to acknowledge an instrument required by law to be acknowledged should be made by instrument in writing. When the Academy Board authorizes the execution of a contract or of any other instrument in the name of and on behalf of the corporation, without specifying the executing officers, the President or Vice-President, and the Secretary or Treasurer may execute the same and may affix the corporate seal there to. No contract into, by or on behalf of the Academy Board, shall in any way bind the University or impose any liability on the University, its trustees, officers, employees or agents.

Section 2. Loans. No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Academy Board. Such authority may be general or confined to specific instances. No loan or advance to, or overdraft of funds by an officer or member of the Academy Board otherwise than in the ordinary and usual course of the business of the corporation, and on the ordinary and usual course of the business or security, shall be made or permitted. No loan entered into, by or on behalf of the Academy Board, shall in any way be considered a debt or obligation of Grand Valley State University or impose any liability on Grand Valley State University, its trustees, officers, employees, or agents.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by resolution of the Academy Board.

Section 4. Deposits. All funds of the corporation not otherwise employed shall be deposited within three (3) business days after the receipt of the funds by the corporation in such banks, trust companies or other depositories as the Academy Board may select, provided that such financial institution is eligible to be a depository of surplus funds under section 1221 of the Revised School Code, being Section 380.1221 of the Michigan Compiled Laws.

Section 5. Voting of Securities Owned by this Corporation. Subject always to the specific directions of the Academy Board, any shares or other securities issued by another corporation and owned or controlled by this corporation may be voted at any meeting of security holders of such other corporation by the President of this corporation or by proxy appointed by Treasurer of this corporation or by proxy appointed by the Secretary or Treasurer. Such proxy or consent in respect to any shares or other securities issued by any other corporation and owned by this corporation shall be executed in the name of this corporation by the President, the Secretary or the Treasurer of this corporation without necessity of any authorization by the Academy Board, affixation of corporate seal or countersignature or attestation by another officer. Any person or persons designated in the manner above stated as the proxy or proxies of this corporation shall have full right, power, and authority to vote the shares or other securities issued by such other corporation and owned by this corporation the same as such shares or other securities might be voted by this corporation.

Section 6. Contracts Between Corporation and Related Persons. As required by Applicable Law, any Director, officer or employee of the Academy, who enters into a contract with the

Academy, that meets the definition of contract under the statute on Contracts of Public Servants with Public Entities, Act No. 317 of the Public Acts of 1968, being sections 15.321 to 15.330 of the Michigan Compiled Laws, shall comply with the public disclosure requirement set forth in Section 3 of the statute.

ARTICLE IX

INDEMNIFICATION

Each person who is or was a member of the Academy Board, or a trustee, director, officer or member of a committee of the Academy and each person who serves or has served at the request of the Academy as a trustee, director, officer, partner, employee or agent of any other corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the corporation to the fullest extent permitted by the corporation laws of the State of Michigan as they may be in effect from time to time. The corporation may purchase and maintain insurance on behalf of any such person against any liability asserted against and incurred by such person in any such capacity or arising out of his status as such, whether or not the corporation would have power to indemnify such person against such liability under the preceding sentence. The corporation may, to the extent authorized from time to time by the Board, grant rights to indemnification to any employee or agent of the corporation to the fullest extent provided under the laws of the State of Michigan as they may be in effect from time to time.

ARTICLE X

FISCAL YEAR, BUDGET AND UNIFORM BUDGETING AND ACCOUNTING

Section 1. Fiscal Year, Budget and Uniform Budgeting and Accounting. The fiscal year of the corporation shall begin on the first day of July in each year. The Board of Directors, subject to the oversight responsibilities of the University Board, shall have exclusive control of the budget. The board shall prepare and publish an annual budget in accordance with the Uniform Budgeting and Accounting Act, being Act 2 of the public laws of Michigan of 1968, as amended.

ARTICLE XI

SEAL

The Academy Board may provide a corporate seal, which shall be circular in form and shall have inscribed thereon the name of the corporation, the State of Michigan and the words “Corporate Seal” and “Public School Academy.”

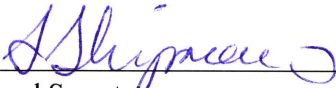
ARTICLE XII

AMENDMENTS

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by obtaining the affirmative vote of a majority of the Academy Board at any regular or special meeting of the Academy Board, if a notice setting forth the terms of the proposal has been given in accordance with the notice requirements for the special meetings. Upon arrival, the Academy Board shall forward the amendment to the University Charter Schools Office. The amendment shall be automatically incorporated into Schedule 3 of the Contract upon receipt of the amendment by the University Charter Schools Office. The Academy Board is encouraged to submit proposed Bylaw changes to the Charter Schools Office, for review and comment, prior to adoption. If at any time the University identifies a provision in the Academy Board's Bylaws that violates or conflicts with applicable law or the Contract, it shall notify the Academy Board in writing and the Academy Board shall remedy the identified provision to be in concert with applicable law and the Contract.

CERTIFICATION

The Board certifies that these Bylaws were adopted as and for the Bylaws of a Michigan corporation in an open and public meeting, by the Academy Board on the 7th day of December, 2017.



Board Secretary

SCHEDULE 4

FISCAL AGENT AGREEMENT

SCHEDULE 4

FISCAL AGENT AGREEMENT

This Agreement is part of the Contract issued by the Grand Valley State University Board of Trustees ("University Board"), an authorizing body as defined by the Revised School Code, as amended (the "Code"), to Old Mission Peninsula Community School ("Academy"), a public school academy.

Preliminary Recitals

WHEREAS, pursuant to the Code and the Contract, the University Board, as authorizing body, is the fiscal agent for the Academy, and

WHEREAS, the University Board is required by law to forward any State School Aid Payments received from the State of Michigan ("State") on behalf of the Academy to the Academy,

NOW, THEREFORE, in consideration of the premises set forth below, the parties agree to the following:

ARTICLE I

DEFINITIONS AND INTERPRETATIONS

Section 1.01. Definitions. Unless otherwise provided, or unless the context requires otherwise, the following terms shall have the following definitions:

"Account" means an account established by the Academy for the receipt of State School Aid Payments at a bank, savings and loan association, or credit union which has not been deemed ineligible to be a depository of surplus funds under Section 6 of Act No. 105 of the Public Acts of 1855, being Section 21.146 of the Michigan Compiled Laws.

"Agreement" means this Fiscal Agent Agreement.

"Fiscal Agent" means the University Board or an officer or employee of Grand Valley State University as designated by the University Board.

"Other Funds" means any other public or private funds which the Academy receives and for which the University Board voluntarily agrees to receive and transfer to the Academy.

"State School Aid Payment" means any payment of money the Academy receives from the State School Aid Fund established pursuant to Article IX, Section 11 of the Michigan Constitution of 1963 or under the State School Aid Act of 1979, as amended.

"State" means the State of Michigan.

"State Treasurer" means the office responsible for issuing funds to urban high school academies for State School Aid Payments pursuant to the School Aid Act of 1979, as amended.

Section 1.02. Fiscal Agent Agreement Incorporated into Contract; Use of Contract Definitions. This Fiscal Agent Agreement shall be incorporated into and is part of the Contract issued by the University Board to the Academy. Terms defined in the Contract shall have the same meaning in this Agreement.

ARTICLE II

FISCAL AGENT DUTIES

Section 2.01. Receipt of State School Aid Payments and Other Funds. The University Board is the Fiscal Agent for the Academy for the limited purpose of receiving State School Aid Payments. By separate agreement, the University Board and the Academy may also agree that the University Board will receive Other Funds for transfer to the Academy. The Fiscal Agent will receive State School Aid Payments from the State, as provided in Section 3.02.

Section 2.02. Transfer to Academy. Except as provided in the Contract, the Fiscal Agent shall transfer all State School Aid Payments and all Other Funds received on behalf of the Academy to the Academy within three (3) business days of receipt or as otherwise required by the provisions of the State School Aid Act of 1979 or applicable State Board rules. The State School Aid Payments and all Other Funds shall be transferred into the Account designated by a resolution of the Board of Directors of the Academy and by a method of transfer acceptable to the Fiscal Agent.

Section 2.03. Limitation of Duties. The Fiscal Agent has no responsibilities or duties to verify the Academy's pupil membership count, as defined in the State School Aid Act of 1979, as amended, or to authorize, to approve or to determine the accuracy of the State Aid School Payments received on behalf of the Academy from the State Treasurer. The duties of the Fiscal Agent are limited to the receipt and transfer to the Academy of State School Aid Payments and Other Funds received by the Academy. The Fiscal Agent shall have no duty to monitor or approve expenditures made by the Academy Board.

Section 2.04. Academy Board Requests for Direct Intercept of State School Aid Payments. If the Academy Board directs that a portion of its State School Aid Payments be forwarded by the Fiscal Agent to a third party account for the payment of Academy debts and liabilities, the Academy shall submit to the University Charter Schools Office: (i) a copy of the Academy Board's resolution authorizing the direct intercept of State School Aid Payments; and (ii) a copy of a State School Aid Payment Agreement and Direction document that is in a form and manner acceptable

to the Fiscal Agent. No State Aid Payment Agreement and Direction document shall be effective until it is acknowledged by the University President.

ARTICLE III

STATE DUTIES

Section 3.01 Eligibility for State School Aid Payments. The State, through its Department of Education, has sole responsibility for determining the eligibility of the Academy to receive State School Aid Payments. The State, through its Department of Education, has sole responsibility for determining the amount of State School Aid Payments, if any, the Academy shall be entitled to receive.

Section 3.02. Method of Payment. Each State School Aid Payment for the Academy will be made to the Fiscal Agent by the State Treasurer by issuing a warrant and delivering the warrant to the Fiscal Agent by electronic funds transfer into an account specified by the Fiscal Agent, or by such other means deemed acceptable to the Fiscal Agent. The State shall make State School Aid Payments at the times specified in the State School Aid Act of 1979, as amended.

ARTICLE IV

ACADEMY DUTIES

Section 4.01. Compliance with State School Aid Act. In order to assure that funds are available for the education of pupils, an Academy shall comply with all applicable provisions of the State School Aid Act of 1979, as amended.

Section 4.02. Expenditure of Funds. The Academy may expend funds that it receives from the State School Aid Fund for any purpose permitted by the State School Aid Act of 1979 and may enter into contracts and agreements determined by the Academy as consistent with the purposes for which the funds were appropriated.

Section 4.03. Mid-Year Transfers. Funding for students transferring into or out of the Academy during the school year shall be in accordance with the State School Aid Act of 1979 or applicable State Board rules.

Section 4.04. Repayment of Overpayment. The Academy shall be directly responsible for reimbursing the State for any overpayments of State School Aid Payments. At its option, the State may reduce subsequent State School Aid Payments by the amount of the overpayment or may seek collection of the overpayment from the Academy.

Section 4.05. Deposit of Academy Funds. The Academy Board agrees to comply with Section 1221 of the Revised School Code, being MCL 380.1221, regarding the deposit of State School Aid Payments and Other Funds received by the Academy.

ARTICLE V

RECORDS AND REPORTS

Section 5.01. Records. The Fiscal Agent shall keep books of record and account of all transactions relating to the receipts, disbursements, allocations and application of the State School Aid Payments and Other Funds received, deposited or transferred for the benefit of the Academy, and these books shall be available for inspection at reasonable hours and under reasonable conditions by the Academy and the State.

Section 5.02. Reports. The Fiscal Agent shall prepare and send to the Academy within thirty (30) days of September 1, and annually thereafter, a written report dated as of August 31 summarizing all receipts, deposits and transfers made on behalf or for the benefit of the Academy during the period beginning on the latter of the date hereof or the date of the last such written report and ending on the date of the report, including without limitation, State School Aid Payments received on behalf of the Academy from the State Treasurer and any Other Funds which the University Board receives under this Agreement.

ARTICLE VI

CONCERNING THE FISCAL AGENT

Section 6.01. Representations. The Fiscal Agent represents that it has all necessary power and authority to enter into this Agreement and undertake the obligations and responsibilities imposed upon it in this Agreement and that it will carry out all of its obligations under this Agreement.

Section 6.02. Limitation of Liability. The liability of the Fiscal Agent to transfer funds to the Academy shall be limited to the amount of State School Aid Payments as are from time to time delivered by the State and the amount of Other Funds as delivered by the source of those funds.

The Fiscal Agent shall not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, nor shall the Fiscal Agent be responsible for the consequences of any error of judgment; and the Fiscal Agent shall not be answerable except for its own action, neglect or default, nor for any loss unless the same shall have been through its gross negligence or willful default.

The Fiscal Agent shall not be liable for any deficiency in the State School Aid Payments received from the State Treasurer to which the Academy was properly entitled. The Fiscal Agent shall not be liable for any State School Aid overpayments made by the State Treasurer to the Academy for which the State subsequently seeks reimbursement.

Acknowledgment of Receipt

The undersigned, on behalf of the State of Michigan, Department of Treasury, acknowledges receipt of the foregoing Fiscal Agent Agreement that is part of the Contract issued by the University Board to the Academy.

BY: Mary G. Martin

Mary G. Martin, Director
Bureau of State and Authority Finance
Michigan Department of Treasury

Date: 12-13, 2017

LAN01\148342.1
IDLCW

SCHEDULE 5

MASTER CALENDAR OF REPORTING REQUIREMENTS

**Public School Academy / School of Excellence
Master Calendar of Reporting Requirements
July 1, 2018 – June 30, 2019**

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
July 2	Board Adopted 2018-2019 School Calendar/School Day Schedule.	CSO
July 2	Board Adopted Annual Operating Budget for the General Fund and School Service Fund for 2018-2019.	CSO
July 2	Copy of Notice of Public Hearing for Annual Operating Budget for 2018-2019.	CSO
July 2	Copy of Parent Satisfaction Survey and Results from 2017-2018, if applicable.	CSO
July 25	DS-4168 Report of Days and Clock Hours of Pupil Instruction for 2016-2017 academic year, if applicable (See MDE website, www.michigan.gov/mde , for MDE due date and form).	CSO
August 3	Annual Organizational Meeting Minutes for 2018-2019.	CSO
August 3	Board Resolution appointing Chief Administrative Officer for 2018-2019. Must be a board member.	CSO
August 3	Board Resolution appointing Freedom of Information Act Coordinator for 2018-2019.	CSO
August 3	Board Designated Legal Counsel for 2018-2019.	CSO
August 3	Board adopted Annual Calendar of Regularly Scheduled Meetings for 2018-2019.	CSO
August 29	4 th Quarter Financial Statements – quarter ending 06/30.	CSO
September 6	Organizational Chart for 2018-2019.	CSO
September 6	Board approved Student Handbook 2018-2019.	CSO
September 6	Board approved Employee Handbook 2018-2019.	CSO
September 6	Copy of School Improvement Plan covering 2018-2019 academic year.	CSO
September 6	School Information Update- See Epicenter Task for template	CSO
October 3	Completed PSA Insurance Questionnaires. Required forms available at www.gvsu.edu/cso	CSO
October 3	Staff Roster (GVSU Format)	CSO
October 3	Annual Nonprofit Corporation Information Update for 2017.	CSO
October 11	Unaudited Count Day Submission.	CSO
October 11	Criminal History Record Registration- New Schools	CSO
October 11	DS-4898 PSA Preliminary Pupil Membership Count for September 2018 Enrollment and Attendance for 1 st & 2 nd Year PSAs and Academies who added grade levels. (See MDE website, www.michigan.gov/mde for MDE due date).	CSO
October 30	Audited Financial Statements for fiscal year ending June 30, 2018. (See MDE Website, www.michigan.gov/mde , for MDE due date.	CSO

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
October 30	Management Letter (comments and recommendations from independent financial auditor) for fiscal year ending June 30, 2018, if issued. If a management letter is not issued, a letter from the Academy stating a management letter was not issued is required to be submitted.	CSO
October 30	Annual A-133 Single Audit for year ending June 30, 2018, is required if over \$500K in federal funds have been expended. If a single audit is not necessary, a letter from the Academy stating as such is required to be submitted.	CSO
October 30	1 st Quarter Financial Statements – quarter ending 09/30.	CSO
January 7	Special Education Population Data request sheet.	CSO
January 7	Staff Roster (GVSU Format)	CSO
January 30	2 nd Quarter Financial Statements – quarter ending 12/31.	CSO
January 30	Michigan Highly Qualified Teacher Verification Report. Required Form Available at www.gvsu.edu/cso .	CSO
January 30	Board Member Annual Conflict of Interest	CSO
February 21	Winter Count Day Submission.	CSO
March (TBD)	Anti-Bullying Policy, in accordance with Matt’s Safe School Law (new schools).	CSO
April 26	3 rd Quarter Financial Statements – quarter ending 03/31.	CSO
May 15	Notice of Open Enrollment & Lottery Process or Open Enrollment & Lottery Process Board Policy for 2019-2020.	CSO
June 3	Certificate of Boiler Inspection covering years 2019-2020.	CSO
June 27	Board Approved Amended Budget for 2018-2019 fiscal year (or statement that budget has been reviewed and no amendment was needed).	CSO
June 27	2018-2019 Log of emergency drills, including date, time and results. Sample form available at www.gvsu.edu/cso .	CSO
June 27	Board adopted Letter of Engagement for year ending June 30, 2019, independent financial audit.	CSO
June 27	Food service license expiring 04/30/2020.	CSO

**Ongoing Reporting Requirements
July 1, 2018 – June 30, 2019**

The following documents do not have a set calendar date; however, they require submission within a certain number of days from board action or other occurrence.

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
Date notice is posted	Academy Board Meeting Record of Postings – cancellations, changes, special meetings, emergency etc. Must include time and date of actual posting.	CSO
14 days after Board meeting	Draft Academy Board Meeting Minutes and Resolutions of regular, special & emergency board meetings.	CSO
14 days after Board approval	Approved Academy Board Meeting Minutes and Resolutions of regular, special & emergency board meetings.	CSO
30 business days after board approval	Board Adopted Annual Operating Budget for 2011-2012 including Salary/Compensation Transparency Reporting to be available on school website per the State School Aid Act as amended	No submission needed.
14 days after Board approval	Oath of Office and written acceptance for each Board Member.	CSO
10 business days after Board approval	Board adopted <i>Amended</i> Budget and General Appropriations Resolution.	CSO
10 days of receipt	Correspondence received from the Michigan Department /State Board of Education requiring a formal response.	CSO
10 days of receipt	Correspondence received from the Health Department requiring a formal response.	CSO
10 days of receipt	Written notice of litigation or formal proceedings involving the Academy.	CSO
30 days prior to board execution	Board proposed draft Educational Management Company Agreements or Amendments thereto.	CSO
5 business days of receipt	Request and Responses to Freedom of Information Requests.	CSO

**Original/Subsequent Board Policy Reporting Requirements
July 1, 2018 – June 30, 2019**

The following documents do not have a set calendar date; however, they require an original submission and subsequent submission if Board action is taken making amendments/changes.

REPORT DESCRIPTION	SUBMIT TO:
Articles of Incorporation. Must have GVSU Board approval before modifying.	CSO
Board of Director Bylaws.	CSO
Educational Service Provider Agreements/Amendments	CSO
Academy’s Educational Goals.	CSO
Office of Fire Safety (OFS-40) – original occupancy permit and permits for renovations/additions, etc.	CSO
Lease, Deed of Premises or Rental Agreement and subsequent amendments (includes modular units).	CSO
Curriculum including any additions/deletions.	CSO
Asbestos Hazardous Emergency Response Act (AHERA) Management Plan. Visit www.michigan.gov/asbestos for Michigan’s model management plan. A copy of the “acceptance” letter sent by MIOSHA is also required.	CSO
Communicable Disease Curriculum (including minutes of board approval).	CSO
Job Descriptions for all employee groups	CSO
REQUIRED BOARD POLICIES	
Board adopted Purchasing Policy (date of approval). Reference: MCL 380.1267, MCL 380.1274	CSO
Use of Medications Policy (date of approval). Reference: MCL 380.1178, 380.1178a, 380.1179	CSO
Harassment of Staff or Applicant Policy (date of approval). Harassment of Students Policy (date of approval) Reference: MCL 380.1300a	CSO
Search and Seizure Policy (date of approval). Reference: MCL 380.1306	CSO
Emergency Removal, Suspension and Expulsion of Students Policy (date of approval). Reference: MCL 380.1309; MCL 380.1312(8)&(9); MCL 37.1402	CSO
Parent/Guardian Review of Instructional Materials & Observation of Instructional Activity Policy Reference: MCL 380.1137	CSO
Board Member Reimbursement of Expenses Policy (date of approval). Reference: MCL 380.1254; MCL 388.1764b	CSO
Equal Access for Non-School Sponsored Student Clubs and Activities Policy (date of approval). Reference: MCL 380.1299	CSO
Electronic or Wireless Communication Devices Policy (date of approval).	CSO

Preparedness for Toxic Hazard and Asbestos Hazard Policy (date of approval). Reference: MCL 324.8316, 380.1256	CSO
Nondiscrimination and Access to Equal Educational Opportunity Policy (date of approval) Including, but not limited to, Michigan Constitution, Article I, §26, Elliott-Larsen Civil Rights Act, Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975.	CSO
Academy Deposit Policy (date of approval). PA 105 of 1855, being MCL 21.146, Section 11.10 of the Charter Contract	CSO
Parental Involvement Policy (date of approval). Reference: MCL 380.1294	CSO
Wellness Policy (date of approval). Reference: 42 USC §§ 1751, 1758, 1766; 42 USC § 1773	CSO
Corporal Punishment Policy (date of approval). Reference: MCL 380.1312(8)&(9);	CSO
Anti-Bullying Policy (Matt's Safe School Law) (date of approval). Reference: MCL 380.1310b	CSO
Cardiac Emergency Response Plan (date of approval). Reference: MCL 29.19	CSO

**Calendar of Additional Reporting Requirements and Critical Dates
July 1, 2018 – June 30, 2019**

The following reports Academies must submit to the local ISD, MDE, CEPI and other organizations throughout the year.

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
TBD	Student Count Day for State Aid F.T.E.	No submission required.
September	SE-4096 Special Education Actual Cost Report (Contact ISD for due date).	ISD
October	Eye Protection Certificate (#4527 Certification of Eye Protective Devices Electronic Grant System [MEGS] if applicable).	CEPI
October	Certification of Constitutionally Protected Prayer.	MDE
October	SE-4094 Transportation Expenditure Report (Contact ISD for due date).	ISD
October 1 – October 31 (as scheduled)	Teacher Certification/Criminal Background Check/Unprofessional Conduct. This is an onsite review scheduled and conducted by Quality Performance Resource Group. No submission required.	No submission needed.
Oct/Nov	Deadline for MEIS/Single Record Student Database (“SRSD”) electronic file (Contact the local ISD for due date.)	CEPI
November	Deadline for Immunization Records Report – IP100. (Contact Health Dept. for due date).	Local Health Dept.
November 14	Deadline for electronic submission to the Financial Information Database (FID, formerly known as the Form B). State aid will be withheld if the submission is not successful.	CEPI
Nov/Dec	Special Education Count on MI-CIS. Special education data must be current and updated in the Michigan Compliance and Information System (MI-CIS). This information is used to determine funding for next year (Contact local ISD for due date).	ISD
December 1 - December 31 (as scheduled)	Teacher Certification/Criminal Background Check/Unprofessional Conduct. This is an onsite review scheduled and conducted by Quality Performance Resource Group. No submission required.	No submission required.
Nov/Dec	Registry of Educational Personnel (REP) Submission.	CEPI
December 30	Municipal Finance Qualifying Statement, if applicable (online submission).	MI Dept of Treasury
Feb 1	Deadline for Immunization Record Report – IP100 (Contact Health Dept. for due date). A financial penalty of 5% of a school’s state aid allocation can be assessed if the immunization rate is not at 90% or above.	Local Health Dept.
TBD	Supplemental Student Count for State Aid F.T.E.	No submission required.

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
March	FS-4731-C – Count of Membership Pupils eligible for free/reduced breakfast, lunch or milk (official date TBD).	MDE
March	MEIS/Single Record Student Database (“SRSD”) electronic file (Contact local ISD for due date.)	ISD, CEPI
May 1 – May 31 (as scheduled)	Teacher Certification/ Criminal Background Check/Unprofessional Conduct. This is an onsite review scheduled and conducted by Quality Performance Resource Group. No submission required.	No submission required.
June	MEIS/ Single Record Student Database (“SRSD”) electronic file (Contact local ISD for due date).	ISD, CEPI
June	Registry of Educational Personnel (REP).	CEPI
June	School Infrastructure Database (SID).	CEPI

SCHEDULE 6

**INFORMATION TO BE PROVIDED BY ACADEMY AND EDUCATIONAL
MANAGEMENT COMPANY**

SCHEDULE 6

INFORMATION TO BE PROVIDED BY ACADEMY AND EDUCATIONAL MANAGEMENT COMPANY

A. The following described categories of information are specifically included within those to be made available to the public and the University Charter Schools Office by the Academy in accordance with Section 11.17(a). Information to be Provided by the Academy, of the Terms and Conditions:

1. Copy of the Contract
2. Copies of the executed Constitutional Oath of public office form for each serving Director
3. List of currently serving Directors with name, address, and term of office
4. Copy of the Academy Board 's meeting calendar
5. Copy of public notice for all Academy Board meetings
6. Copy of Academy Board meeting agendas
7. Copy of Academy Board meeting minutes
8. Copy of Academy Board approved budget and amendments to the budget
9. List of bills paid for amounts of \$10,000.00 or more as submitted to the Academy Board
10. Copy of the quarterly financial reports submitted to the University Charter Schools Office
11. Copy of curriculum and other educational materials given to the University Charter Schools Office
12. Copy of School improvement plan (if required)
13. Copies of facility leases, mortgages, modular leases and/or deeds
14. Copies of equipment leases
15. Proof of ownership for Academy owned vehicles and portable buildings
16. Copy of Academy Board approved management contract with Educational Service Provider
17. Copy of Academy Board approved services contract(s)
18. Office of Fire Safety certificate of occupancy for all Academy facilities
19. MDE letter of continuous use (if required)
20. Local County Health Department food service permit (if required)

21. Asbestos inspection report and asbestos management plan (if required)
22. Boiler inspection certificate and lead based paint survey (if required)
23. Phase 1 environmental report (if required)
24. List of current Academy teachers and school administrators with their individual salaries as submitted to the Registry of Educational Personnel
25. Copies of administrator and teacher certificates or permits for all current administrative and teaching staff
26. Evidence of fingerprinting, criminal back-ground and record checks and unprofessional conduct check required by the Code for all Academy teachers and administrators
27. Academy Board approved policies
28. Copy of the annual financial audit and any management letters issued to the Academy Board as part of the audit
29. Proof of insurance as required by the Contract
30. Any other information specifically required under Public Act 277 of 2011

B. The following information is specifically included within the types of information available to the Academy by the Educational Management Organization (if any) in accordance with Section 11.17(b). Information to be provided by Educational Management Company, of the Terms and Conditions:

1. Any information needed by the Academy in order to comply with its obligations to disclose the information listed under (a) above.

C. In accordance with Section 11.13. Additional Required Provisions for Educational Service Provider Agreements, of the Terms and Conditions, the following categories must be clearly defined within each ESP agreement that the Academy is a party to:

1. Roles and responsibilities of the parties
2. Services and resources provided by the ESP
3. Fee or expense payment structure
4. Financial control, oversight, and disclosure
5. Renewal and termination of the agreement”

CLIENT SERVICES AGREEMENT

This AGREEMENT is effective March 1, 2018 by and between OLD MISSION PENINSULA SCHOOL, (hereinafter "OMPS" or "School") whose address is 2699 Island View Road, Traverse City, MI 49686, and BLACK PEARL EDUCATIONAL SERVICES, LLC a Michigan limited liability company located at 2464 Byron Station Drive SW, Byron Center, MI 49315 (hereinafter "BPES").

RECITALS

- A. OMPS is a public school academy organized to provide public school instruction as a charter school located at 2699 Island View Road, Traverse City, MI 49686, pursuant to a contract ("Charter Contract") issued by the Grand Valley State University Board of Trustees ("GVSU"). OMPS is authorized to carry out the educational program set forth in the Charter Contract. OMPS is authorized by law to contract with a private entity to provide employee administration and management services.
- B. OMPS is a Michigan nonprofit corporation that operates a public school academy under the direction of the OMPS Board of Directors ("Board").
- C. BPES is a Michigan Limited Liability Company with its offices at 2464 Byron Station Drive SW, Byron Center, MI 49315.
- D. BPES is an employee management company and offers to Michigan public school academies employee administration and personnel services including, but not limited to, staff employment, payroll, business management and other similar services.
- E. OMPS desires to engage BPES to perform certain services upon the terms and conditions set forth in this Agreement ("Agreement "). Pursuant to its authority, OMPS hereby contracts with BPES, to the extent permitted by law for specified functions relating to administrative and personnel services.
- F. The parties acknowledge that all Covered Employees assigned to work at OMPS are BPES employees. As such, all references in this Agreement to BPES shall include services provided by Covered Employees.
- G. OMPS designates the employees of BPES assigned to OMPS as agents of OMPS having a legitimate educational interest such that they are entitled access to educational records under 20 U.S.C. Section 1232g, the Family Educational Rights and Privacy Act ("FERPA").

THEREFORE, the parties agree as follows:

MS (M)

1. Services Provided by BPES. BPES shall provide contract personnel services as outlined in this Agreement.

a) Selection of Employees. All workforce positions of OMPS shall be covered under this Agreement ("Covered Employees") except for substitute teachers that may be provided from an alternative employment entity. BPES shall employ and assign to OMPS as Covered Employees all such qualified and certified classroom teachers, instructors, administrators, and support staff as may be requested and designated by OMPS as necessary to accomplish the educational mission of OMPS in accordance with the Board approved Budget. OMPS's most recently Board approved Budget will be forwarded to BPES. BPES shall comply with all Federal and State statutes and administrative requirements including, but not limited to, the Immigration Reform and Control Act.

b) Employee Agreements and Compensation. Compensation for all Covered Employees including, but not limited to, health care, disability and retirement benefits shall be established and implemented by BPES in accordance with OMPS' Budget. The terms and conditions of such employment shall be set forth in an employment agreement between BPES and each employee or other written document as determined by BPES. Information regarding all costs, including the employment costs, annual salary and benefit costs of Covered Employees by individual and category totals (e.g. wages, fringe benefit costs by benefit, etc), will be provided to the Board by BPES at least annually.

c) Health Care Insurance. BPES shall provide all eligible Covered Employees assigned to OMPS who are not covered by a spouse's plan, comprehensive medical care insurance. In addition, BPES shall be responsible for COBRA compliance and continuation of health benefit plans to terminated employees and qualified dependents in accordance with the law, subject to the continuation of this Agreement. If this Agreement terminates, all of BPES's responsibilities with regard to continuation of health insurance cease consistent with Federal and State statutes.

d) Retirement Plan. BPES shall make available to all eligible Covered Employees assigned to OMPS an acceptable retirement plan pursuant to IRC Section 401(k).

e) Payroll Taxes. BPES shall report and pay all applicable federal, state and local employee and employer payroll taxes from BPES's own accounts from the funds provided by OMPS. BPES is the W-2 employer of all Covered Employees and shall perform all record keeping responsibilities.

f) Payroll Records. BPES shall maintain and verify all required payroll and benefit records.

g) Policies and Procedures. All payroll, benefit and personnel policies and procedures shall be established by BPES consistent with the most recent OMPS Board approved Budget.

h) Worker's Compensation Insurance. BPES shall maintain statutory and Charter Contract required Worker's Compensation insurance during the term of this Agreement on all Covered Employees under this Agreement. Upon written request, BPES shall provide a Certificate of Insurance verifying coverage of Worker's Compensation insurance.

i) At-Will Employment Relationship. BPES retains the right not to hire any candidate for employment and to terminate and/or reassign with or without cause any employee assigned to OMPS. BPES shall provide written notice to the OMPS Board President of said terminations

j) Implementation and Supervision of Policies and Procedures.

During the term of this Agreement, BPES shall have the right and authority to implement and supervise personnel policies and procedures relating to the Covered Employees. BPES shall make good faith reasonable efforts to act in the best interest of OMPS with regard to its policy and procedure in exercising control over Covered Employees. No such policy or procedure shall contravene the terms of the OMPS Charter Contract. OMPS shall not adopt any policies that impede BPES' rights under this section.

k) Hiring, Evaluating, Supervising, Disciplining and Firing. BPES, through the Director of Academics, shall have the ultimate authority and control over hiring Covered Employees and/or elimination of positions due to budgetary constraints consistent with the OMPS approved Budget. BPES shall hire, employ, and evaluate the Director of Academics of OMPS in consultation with the Board. BPES shall consult with and work through the Director of Academics assigned to OMPS concerning any hiring, evaluating, supervising, disciplining, and firing of Covered Employees before formal action is taken. OMPS may recommend termination of the assignment of a Covered Employee to OMPS, it being understood that BPES retains full control over all personnel decisions involving Covered Employees and has the ultimate authority to resolve and address employee issues and/or concerns.

l) On-site Supervision. BPES shall be responsible for on-site Covered Employee

supervision directly and through the Director of Academics assigned to OMPS. The Director of Academics will serve as BPES's liaison to the Board on personnel matters. The Director of Academics will administer the overall operation of OMPS, report to the Board on all other operational matters, and keep the Board informed of personnel related matters. The Director of Academics shall assist BPES with its administrative and personnel responsibilities on OMPS's premises. As to all administrative and personnel matters, the Director of Academics shall coordinate with and report to designated BPES managers and officers at BPES's home office. BPES, after consulting with the Director of Academics, shall determine the procedures to be followed by Covered Employees in the day-to-day performance of their job responsibilities. BPES shall make certain that all appropriate guidelines concerning BPES's oversight of Covered Employees are followed by the Director of Academics.

2. BPES Requirements.

- a) Compliance with Applicable Criteria. BPES has responsibility for services under Paragraph 1, and assumes sole responsibility that those services set forth in Paragraph 1 provided by BPES are provided in compliance with and conform to:
- (i) all applicable federal, state and local government laws, rules and regulations, including, but not limited to all civil rights laws, Bullard-Plawecki Employee Right to Know Act, Whistleblower's Protection Act, Fair Labor Standards Act, and Fair Credit Reporting Act;
 - (ii) all pertinent policies of those accrediting agencies from which OMPS has secured or is seeking accreditation, including but not limited to GVSU and the Michigan Department of Education; and
 - (iii) all other applicable written policies of OMPS as communicated to BPES through the Director of Academics, the Board President or Board minutes. Within twenty-four hours of receipt, BPES shall promptly provide to OMPS all notices, reports or correspondence from individuals or governmental agencies that assert claims, deficiencies or charges against OMPS or BPES, that otherwise threaten the suspension, revocation, or any other action adverse to any approval, authorization, certificate, determination, finances, license or permit required or necessary to own or operate OMPS.
- b) Employment Laws. BPES shall comply with all applicable federal, state and local employment laws. BPES shall comply with the Fair Labor Standards Act and keep overtime limited to OMPS' budgetary constraints.
- c) Records. BPES shall maintain accurate time records and verify the accuracy of all wage hour information provided to BPES at the end of each pay period. BPES

MS (M)

shall verify the accuracy of all wage and salary reports which BPES shall supply to OMPS at the end of each pay period.

d) Confidential Information. BPES shall be responsible for instituting and maintaining safeguards and procedures for Covered Employees handling confidential OMPS information, money or other valuables.

e) Compliance with Section 503c. On an annual basis, the BPES agrees to provide the OMPS Board with the same information that a school district is required to disclose under section 18(2) of the State School Aid Act of 1979, MCL 388.1618, for the most recent school fiscal year for which the information is available. Within thirty (30) days of receipt of this information, the OMPS Board shall make the information available on the School's website home page, in a form and manner prescribed by the Michigan Department of Education. The defined terms in section 503c of the Code, MCL 380.503c, shall have the same meaning in this Agreement.

f) Compliance with Section 11.23 of Charter Contract. BPES shall make information concerning the operation and management of the School, including without limitation the information described in Schedule 6 of the Contract, available to the School as deemed necessary by the OMPS Board in order to enable the School to fully satisfy its obligations under Section 11.23(a) of the Charter Contract.

g) Applicant/Employee Background Checks. BPES, its designated subcontractor or other legally approved and/or required entity, shall be responsible for performing all pre-employment and any employment-related background, license and eligibility review and other screening and investigation required by federal, state or local law, including the Michigan Revised School Code (the "Code"), of all Covered Employees as required by statute or administrative regulation. The results of the screening and investigation will be maintained and reported as permitted by statute or the Michigan State Police. The entity legally permitted to receive results and designated by the OMPS Board, will notify the Board President should there be any action proposed or necessitated by the Board according to applicable statute, or if there is a conviction that could result in an issue, including a public relations issue, within the OMPS community. All costs or fees incurred by BPES in connection with the screening and investigation shall be billed to and paid by OMPS. The results of the screening and investigation of pre-employment records must be made available for review by the GVSU Charter Schools Office.

3. OMPS Requirements. OMPS shall provide the following:

- a) Staffing Needs. OMPS, through the Director of Academics, shall advise BPES of staff that is necessary to accomplish OMPS 's mission, in accordance with its' Budget.

- b) Insurance. OMPS shall maintain casualty and premises liability insurance on all school buildings and premises and shall maintain professional liability insurance pertaining to the staff that could result in a claim against OMPS and name BPES as an additional insured. OMPS shall provide BPES with a copy of the certificate of insurance and at least thirty (30) days' prior written notice of cancellation of or change in the policy, if feasible.

- c) Financial Reports. OMPS shall prepare annual budgets and periodic financial reports as required by GVSU, the School Code, and/or statute or as reasonably desired by the Board.

- d) Employee Benefits. OMPS shall provide to BPES a written statement with regard to all policies concerning employee benefits, if any. These policies shall comply with all federal, state and local governmental laws and regulations.

- e) Safety Requirements. OMPS and BPES shall comply with all safety, health and work laws, regulations and rules relating to Covered Employees and the operation of the premises at OMPS' expense. OMPS and BPES shall also comply with all safe work practices and use of protective equipment required by federal, state or local law. All accidents involving staff assigned to OMPS shall be reported immediately to BPES by the Director of Academics. OMPS shall cooperate with BPES' Worker's Compensation carrier and liability insurance carrier who shall have the right to inspect OMPS' property.

- f) Personnel Issues. In the event OMPS becomes dissatisfied with the performance of any Covered Employee(s,) OMPS, through the Director of Academics, shall notify BPES, in writing, setting forth the nature of the dissatisfaction and requesting remedial action.

- g) Discipline, Layoff, or Termination of Employees. OMPS agrees to comply with all BPES personnel directives, both general and specific, regarding the discipline, layoff, or termination of Covered Employees. OMPS further agrees to immediately notify BPES of any material change in the current business operations

of OMPS.

4. Term of Agreement.

a) Initial Term. The initial term of this Agreement shall commence on March 1, 2018 and shall terminate effective June 30, 2019 (the "Initial Term Expiration"), unless sooner terminated as set forth hereinafter. Either party may cancel this Agreement, with or without cause, at any time with 60 calendar days' prior written notice. The parties acknowledge that as part of any contract reauthorization with GVSU, GVSU may require OMPS and BPES to submit a new Agreement for review by GVSU.

b) Renewal of Term. Unless a Notice of Non-Renewal is sent at least sixty calendar days before the Initial Term Expiration (and each anniversary thereof, during the Term of this Agreement), this Agreement shall be automatically renewed for successive one (1) year terms, upon the same terms and conditions as contained herein, provided that the Charter Contract is still in full force and effect.

5. Fees. OMPS shall pay BPES the following fees for the services rendered under this Agreement:

a) Service Fee. A Service Fee shall be charged to OMPS consistent with the service-fee rate schedule attached (the Service Fee rate). If a new Service Fee is agreed to in writing by both BPES and the OMPS Board, that schedule shall be attached and incorporated herein. The Service Fee is calculated without regard to individual limitations on wages for purposes of determining the amount of unemployment taxes. The Service Fee shall be billed once per pay period and due upon receipt with said billing including an itemized, detailed breakdown of all costs, fees and expense (i.e. salary and payroll; FUTA; SUTA; Workers Compensation; FICA, a breakdown of fringe benefits, by benefit; etc.) The Service Fee shall be adjusted upon the effective date of any increase or decrease in employee wage rates.

b) Payroll Costs. Payroll costs will be charged to OMPS, in addition to the Service Fee, equal to Gross Payroll and associated payroll costs including FICA, FUTA, SUTA, Workers Compensation and any additional taxes passed by the State and/or Federal government during the term of this Agreement. All benefits provided per 1.) c. and 1) d. will be billed to OMPS on a pay period basis. BPES will provide written notice within 5 business days of receiving notice of an increase to any of the costs other than the Service Fee costs and include said increase as of the effective date of the increase, however, this provision shall not apply to a change in payroll costs which may vary because of a change in hours worked by employees. OMPS, at its election, may respond to the written notice of cost increase by issuing notice to cancel this Agreement effective 60 days after the notice date of the cost increase.

6. Additional Costs, Fees and Expenses. OMPS shall pay all additional costs or expenses incurred by BPES that are incidental to the performance of this Agreement and that have prior approval of the Board President or his/her designee. These additional costs, fees or expenses may include, but are not limited to, employee replacement costs, applicant/employee background checks, hiring temporary personnel, substitute teachers, fidelity bonding, and OMPS approved training programs.

7. Payment of Costs, Fees and Expenses. BPES shall debit OMPS' account through an Automatic Clearing House Transfer (ACHT) withdrawal no earlier than 72 hours, (96 hours if there is a bank holiday during the pay period) and no later than 48 hours prior to each payroll date, from the designated OMPS account in an amount equal to the Services Fees, Payroll costs described in Paragraph 5 and Costs, Fees and Expenses described in Paragraph 6 of this Agreement, upon receipt of a detailed billing and authorization from the OMPS designee. If there is any disputed amount to an invoice, the non-disputed amount shall be ratified and paid. If there is a disputed amount, whether ratified by the Board or not, the parties shall meet within fourteen (14) days to discuss and attempt to resolve the disputed amount prior to submitting the matter to arbitration as addressed in Paragraph 11. Any errors in payment of costs, fees and expenses will be promptly corrected with the parties acting in good faith and with reasonable efforts.

8. M.U.S.I.C. Insurance Requirements. OMPS shall maintain insurance coverage in compliance with the required M.U.S.I.C. insurance coverage requirements for a Public School Academy, and in accordance with the limits required by GVSU. OMPS will be the first named insured and GVSU and BPES will also be named as additional insureds.

a) Vehicle Insurance. OMPS shall provide liability insurance for any Covered Employee driving any vehicle during the time of day or work year he/she is assigned to OMPS by BPES. The policy shall insure against bodily injury and property damage with a minimum combined single limit (CSL) of \$1,000,000. OMPS shall also provide personal injury protection coverage of \$1,000,000. OMPS shall name BPES as additional insureds on these policies and shall provide thirty (30) days' prior written notice of cancellation or material change in such policies, if feasible.

b) General Liability Insurance. OMPS shall maintain a comprehensive general liability insurance policy in the amount of \$1,000,000 (CSL) insuring OMPS against bodily injury and property damage liability caused by OMPS's premises operations or activities conducted off premises related to operation of OMPS. The policy shall include blanket contractual liability and personal injury coverage. OMPS shall name BPES as an additional insured on this policy and shall provide thirty (30) days' prior written notice of cancellation or material change in the policies, if feasible.

2/5
②

c) Professional Liability Insurance. OMPS shall provide professional liability insurance, including sexual abuse coverage, in the amount of \$1,000,000 naming BPES as an additional insured. OMPS shall maintain a Worker's Compensation policy with an "if only" provision. OMPS shall provide BPES thirty (30) days' prior written notice of cancellation or material change in the policies, if feasible.

d) BPES M.U.S.I.C. Insurance Coverage. BPES shall maintain insurance coverage in compliance with the required M.U.S.I.C. insurance coverage requirements for an Educational Service Provider/Management Firm. The policy shall include blanket contractual liability, crime, and personal injury coverage. BPES shall name OMPS and GVSU as additional insureds on this policy, and BPES shall provide thirty (30) days' prior written notice of cancellation or material change of such policies, if feasible.

9. Amendment Caused By School Site Closure or Reconstitution. In the event that OMPS is required (i) to close a school site pursuant to a notice issued by the State School Reform/Redesign Officer under Section 507 of the Code, MCL 380.507; or (ii) to undergo a reconstitution pursuant to Section 507 of the Code, MCL 380.507, and of the Charter Contract, and such closure of a school site or reconstitution causes an amendment to or termination of this Agreement, the parties agree that this Agreement shall be amended or terminated to implement the school site closure or reconstitution, with no cost or penalty to OMPS, and BPES shall have no recourse against OMPS or the University Board for implementing such site closure or reconstitution.

10. Termination of Agreement.

a) Termination with 60 Days' Notice: Either party may terminate this Agreement with or without cause at any time after providing sixty (60) days' prior written notice to the other party. Termination of this Agreement shall not affect the continuation of the statutory obligations of either party incurred during the term of this Agreement. BPES shall be relieved of all responsibility under this Agreement, except as provided in Paragraph 10 (e), as of the ending date of the last payroll period immediately preceding termination. OMPS shall pay all ratified charges due under this Agreement through the last date of service provided by BPES.

b) This Agreement shall terminate, with 60 days' notice provided OMPS pays requisite reimbursements, or as agreed otherwise in writing between the parties, for any of the following events:

i) OMPS files for bankruptcy or becomes insolvent;

ii) The facility where employees are engaged in work for OMPS is

- closed or otherwise not available for use;
- iii) OMPS and its successors and assigns discontinue operation;
 - iv) OMPS meets the definition of a financially distressed business as set forth in the Worker Assistance and Retraining Notification Act;
 - v) OMPS's Charter Contract is discontinued or not renewed;
 - vi) OMPS's failure to make timely payments as required by this Agreement.

c) In the event OMPS terminates this Agreement, OMPS shall pay all charges due under this Agreement through the last date of services provided by BPES.

d) **Revocation or Termination of Contract.** If the School's Contract issued by the Grand Valley State University Board of Trustees is revoked or terminated, this Agreement shall automatically terminate on the same date as the School's Contract is revoked or termination without further action of the parties.

e) In the event the Charter Contract or this Agreement is terminated for any reason, BPES agrees that it will continue to work with OMPS to provide a smooth transition to an alternative employee management company or through completion of the transition for a reasonable period of time and without bearing undue costs. Covered Employees shall be entitled to continue with OMPS through the successor employee management company, if so desired by the successor employee management company and/or the individual involved, and communication between OMPS and those individuals may continue without interruption or claim that OMPS or the successor employee management company is interfering in the contractual relations between BPES and the Covered Employee. This provision is a waiver by BPES of any and all claims of contractual and/or tortious interference for attempting to provide continuation of staff between BPES and the successor employee management company for OMPS.

11. **Indemnification.**

a) **BPES.** BPES shall indemnify and hold GVSU and OMPS, including its officers, directors, and agents, harmless from any and all claims, including employment related claims by BPES employees or applicants, administrative determinations, judgments, damages, reimbursements, back pay, penalties, fines, costs or loss, demands, suits, including reasonable attorney's fees or other forms of liability that may arise out of, or by reason of, any noncompliance with any agreements, covenants, warranties, or undertakings of BPES contained in or made pursuant to this Agreement and any misrepresentation or breach of representations and warranties of BPES contained in or made pursuant to this Agreement or for wrongful or negligent acts. This indemnification shall include any failure on the part of BPES that results

in violations of federal, state and local laws and regulations. BPES shall not be responsible to indemnify OMPS for the acts or omissions of an unlicensed individual that occur when that individual is not under the supervision of a Covered Employee. The indemnification requirements of this paragraph may be met by the purchase of insurance in a form and amounts acceptable to OMPS and shall be not less than \$1,000,000 per occurrence.

b) OMPS. OMPS shall indemnify and hold GVSU and BPES, including its officers, directors and agents harmless from any and all claims, administrative determinations, judgments, damages, reimbursements, back pay, penalties, fines, costs or loss, demands, suits, including reasonable attorney's fees or other forms of liability that may arise out of, or by reason of, any noncompliance with any agreements, covenants, warranties, or undertakings of OMPS contained in or made pursuant to this Agreement and any misrepresentation or breach of representations and warranties of OMPS contained in or made pursuant to this Agreement or for wrongful or negligent acts. This indemnification shall include any failure on the part of OMPS for violations of federal, state and local laws and regulations. The indemnification requirements of this paragraph may be met by the purchase of insurance in a form and amounts acceptable to BPES and shall be not less than \$1,000,000 per occurrence.

c) Indemnification of Grand Valley State University. The parties acknowledge and agree that the Grand Valley State University Board of Trustees, Grand Valley State University and its members, officers, employees, agents or representatives are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, the parties hereby promise to indemnify and hold harmless Grand Valley State University Board of Trustees, Grand Valley State University and its members, officers, employees, agents or representatives from all claims, demands, or liability, including attorney fees, and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of Grand Valley State University, which arise out of or are in any manner connected with Grand Valley State University Board's approval of the Application, the University Board's consideration of or issuance of a Contract, the School's preparation for and operation of a public school, or which are incurred as a result of the reliance by Grand Valley State University and its Board of Trustees members, officers, employees, agents or representatives upon information supplied by the School or BPES, or which arise out of the failure of the School to perform its obligations under the Contract issued to the School by Grand Valley State University Board of Trustees. The parties expressly acknowledge and agree that Grand Valley State University and its Board of Trustee members, officers, employees, agents or representatives may commence legal action against either party to

⑤ MAF

enforce its rights as set forth in this Agreement.

12. Arbitration. In the event of a dispute regarding a breach, alleged breach, validity or interpretation of any provision of this Agreement, both OMPS and BPES agree to submit such disputes, except as either party may be seeking injunctive relief, to final and binding arbitration as the sole and exclusive remedy for such disputes. Said disputes shall be submitted to the Michigan Mediation and Arbitration Services ("MMAS") and governed by the Michigan Court Rules and Michigan Arbitration Act.

The arbitration hearing will be held in Kent County and will be the exclusive remedy for resolving the disagreement. Either party may file for arbitration but must do so with MMAS within one hundred twenty (120) calendar days of the event precipitating the disagreement, or within the applicable statute of limitations, whichever is sooner.

If arbitration is requested by either OMPS or BPES, the parties shall be entitled to be represented by attorneys and/or counsel of their choice. The parties shall equally split the filing fee, and any administrative fees or costs assessed by MMAS, regardless of who requests the arbitration. The parties will split the arbitrator's fee, and each party will pay its own costs and attorney fees in connection with the arbitration, except as those costs and fees may be reallocated by the arbitrator in the award of damages in accordance with this Agreement or the relevant state or federal statute.

If arbitration is requested, the arbitrator shall allow both parties the right to conduct limited and reasonable discovery, which may include depositions, and for a period of time necessary for the parties to reasonably prepare for the arbitration hearing. The arbitrator is authorized to issue subpoenas to summon witnesses.

The arbitrator may award any and all remedies allowable by the cause of action pled in the request for arbitration, including but not limited to equitable relief and money damages. The arbitrator shall issue a written decision, containing his/her findings of fact and conclusions of law. The arbitrator's award will be final and binding on both parties, and may be enforced in a court of competent jurisdiction.

13. Entire Agreement. This document including its attachments, being executed in multiple and identical counterparts all of which shall constitute part of this Agreement, contains the entire Agreement between the parties with regard to the subject matter of this Agreement. All previous negotiations, statements and preliminary instruments of the parties and their respective representatives are merged into this Agreement. No modification of this Agreement shall be valid or binding unless such modification is in writing, dated and signed by the authorized representative of each party. The conditions of this Agreement extend to and bind the subsidiaries, successors and assigns of each party.

14. Notices. All notices required or permitted by this Agreement shall be in writing and delivered personally or by first class mail, postage prepaid to the address of each party as follows:

OLD MISSION PENINSULA SCHOOL
Attn: Board President
299 Island View Road
Traverse City, MI 49686

BLACK PEARL EDUCATIONAL SERVICES LLC
Attn: Casey Young
2464 Byron Station Dr. SW
Byron Center, MI 49315

With a copy to:
Candace Sorensen
CS3 Law PLLC
250 Monroe Ave. NW
Suite 400
Grand Rapids, MI 49503

With a copy to:
Susan Hague
Hague Law Group PLC
4460 Oak River Drive
Grand Rapids, MI 49525

If one of the parties to this Agreement changes his/her or its address, they shall within thirty (30) days notify the other party, in writing, of the new address. Notice shall be deemed received on the date it is delivered or mailed.

15. Responsibility for Performance of Agreement. Each party, its' successors and assigns shall be responsible for the performance of its' obligations under this Agreement.

16. Severability and Validity. The invalidity or unenforceability of any provision or part of this Agreement shall not affect the validity or enforceability of any other provision or part of this Agreement.

17. Contract Interpretation. The Parties acknowledge that this Agreement and the language contained in this Agreement are the result of negotiations between the parties and no part of this Agreement shall be construed against either party by virtue of authorship.

18. No Third-Party Rights. This Agreement is intended solely for the benefit of BPES and OMPS, and it shall not be construed to create any benefits for or rights in any other person or entity, including employees, students, or their representatives, except as provided in 10.(c).

19. Waiver of Breach. The waiver by one party to this Agreement of a breach of this Agreement by the other party shall not operate as or be construed as a waiver of any subsequent breach or breaches by the other party.

20. Caption Headings. The captions headings for each provision of this Agreement are not part of this Agreement nor shall they be used to construe the provision more broadly or narrowly than the text would indicate.

21. Necessary Documents. The parties shall execute all necessary documents required to carry out the terms and intent of this Agreement.
22. Governing Law. This Agreement shall be construed under the law of the State of Michigan.
23. Counterparts. This Agreement may be executed in identical counterparts, each of which shall be deemed an original.
24. Assignment. This Agreement may not be assigned by either party without the written consent of the other party, and prior approval of the Board.
25. OMPS Board's Constitutional Duty. No provision of this Agreement shall or is intended to interfere with the Board's duty to exercise its statutory, contractual and fiduciary responsibilities governing the operation of OMPS as provided under Michigan law. This Agreement does not prohibit the Board from acting as an independent, self-governing public body, or allow public decisions to be made other than in compliance with the Open Meetings Act.
26. Governmental Immunity. Except as provided in this section, no provision of this Agreement is intended to restrict the Board from waiving or requiring it to assert its governmental immunity. Nothing in this paragraph shall prohibit BPES from asserting any defense that may be available to it under this Agreement or under Michigan law. OMPS shall not waive or assert any rights to the sole detriment of BPES related to OMPS's obligations to BPES under this agreement unless said actions are the result of an alleged breach of this Agreement by BPES.
27. Financial, Educational, and Student Records. Financial, educational, and student records pertaining to OMPS are OMPS property, and such records may be subject to the provisions of the Michigan Freedom of Information Act. All OMPS records shall be physically or electronically available, upon request, at OMPS's physical facilities and shall be kept in accordance with applicable state and federal requirements. Except as expressly permitted under applicable law, BPES shall not restrict the authorizer's, the public's, or the independent auditor's access to OMPS's records consistent with applicable statutes.
28. Independent Auditor. BPES shall not select or designate the independent auditor, accounting firm or legal counsel for OMPS. All finance and other records of BPES relating to OMPS will be made available to OMPS's independent auditor at the request of OMPS or the auditor.
29. Procurement of Equipment, Materials, and Supplies. If BPES procures equipment, materials, and supplies at the request of or on behalf of OMPS, BPES shall not include any added fees or charges with the cost of the equipment, materials, and supplies purchased from third parties. Any

equipment, materials, or supplies purchased by BPES and paid for by OMPS on behalf of or as the agent of OMPS are the property of OMPS. When making a purchase on behalf of or as agent of OMPS, BPES shall comply with Section 1274 of the Code as if OMPS were making a purchase directly from a third party.

30. OMPS Proprietary Rights. OMPS owns all proprietary rights to curriculum or educational materials that:

- a) are directly developed and/or paid for by OMPS; or
- b) were developed by BPES at the direction of the Board with OMPS funds dedicated for the specific purpose of developing such curriculum or educational materials.

All educational materials and teaching techniques used by OMPS may be subject to disclosure under the Revised School Code and the Freedom of Information Act.

31. BPES Proprietary Rights. BPES owns all proprietary rights over management materials:

- a) previously developed or copyrighted by BPES or
- b) developed by BPES for OMPS; or
- c) materials that are not otherwise dedicated for the specific purpose of developing OMPS management materials.

All educational materials and teaching techniques used by OMPS are subject to disclosure under the Code and the Freedom of Information Act.

32. Employment Liability. BPES is the employer of record for employee compensation, collection of payroll taxes and withholdings, worker's compensation and unemployment liability and payment of benefits, all of which are set forth in this Agreement.


33. Marketing and Development. Should BPES provide marketing and development services to OMPS, the cost paid by or charged to OMPS shall be limited to those costs specific to the OMPS program and shall not include any costs for the marketing and development of BPES.

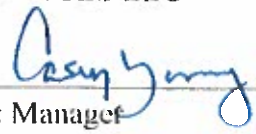
34. Compliance with Charter Contract. BPES agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with OMPS's obligations under the Charter Contract issued by Grand Valley State University Board of Trustees. The provisions of the Charter Contract shall supersede any competing or conflicting provisions contained in this Agreement. Any additional costs of compliance because of changes mandated by GVSU will be borne by OMPS and subject to BPES's ability to perform. If the additional costs are deemed excessive by the either party, and the matter cannot be resolved, either party may opt out of this Agreement by giving 60 days' written notice.

This Agreement is effective as of March 1, 2018 provided GVSU does not disapprove the Agreement.

OLD MISSION PENINSULA SCHOOL

BLACK PEARL EDUCATIONAL SERVICES LLC

By: 
Its: Board President

By:  - MONOGA
Its: Manager

Date: 2/21, 2018

Date: 2/17, 2018

ATTACHMENT
SERVICE FEE RATE SCHEDULE

In accordance with Paragraph 5(a) of the Client Services Agreement dated March 1, 2018 between OMPS and BPES, the service fee charged to OMPS by BPES shall be the greater of 3.25% of the total gross payroll or \$750 per pay period as delineated in the correlating Service Fees provision 5(a).

The parties agree that the above service fee will be reduced to \$100 per pay period from March 1, 2018, until May 31, 2018, so long as payroll does not exceed two Covered Employees.

MS @

SCHEDULE 7

ACADEMY SPECIFIC INFORMATION & EDUCATIONAL PROGRAM

SCHEDULE 7-1

EDUCATIONAL GOALS AND PROGRAMS

SCHEDULE 7-1

EDUCATIONAL GOALS

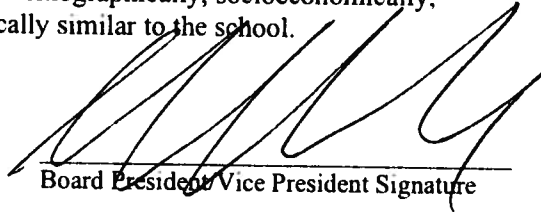
Academic Achievement

As measured by the state assessment, the school's percentage of total tested students in all tested grades identified as proficient in all tested subjects or identified as college ready as reported by the Michigan Department of Education will meet or exceed the select peer schools' mean reported percentage of total tested students in all tested grades identified as proficient in all tested subjects or identified as college ready. Select peer schools are the set of school buildings determined annually by GVSU to be the most demographically, socioeconomically, programmatically, and geographically similar to the school.

Academic Growth

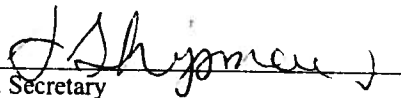
As measured by the state assessment, the school's mean student growth percentile rank in English language arts and math will meet or exceed the select peer schools' mean student growth percentile rank. Select peer schools are the set of school buildings determined annually by GVSU to be the most demographically, socioeconomically, programmatically, and geographically similar to the school.

Date: 3.15.18


Board President/Vice President Signature

Secretary's Certification:

I certify that the foregoing resolution was duly adopted by the OMPS Board of Directors at a properly noticed open meeting held on the 15th day of March, 2018, at which a quorum was present.


Board Secretary

SCHEDULE 7-2

CURRICULUM

The Academy will comply with the requirements of MCL 380.552(20). The Academy will submit a report to the MDE, in a form or manner prescribed by the MDE, that reports the number of pupils enrolled in an online or distance learning program during the immediately preceding month.

Please see separate folder on Contract CD for full Curriculum

SCHEDULE 7-3

STAFF RESPONSIBILITIES

Except as otherwise provided by law, the Academy shall use certificated teachers according to state board rule. The Academy may use noncertified individuals to teach as follows:

(a) A classroom teacher in any grade a faculty member who is employed full-time by the state public university and who has been granted institutional tenure, or has been designated as being on tenure track, by the state public university, and

(b) In any other situation in which a school district is permitted under this act to use noncertificated teachers.

All administrators or other person whose primary responsibility is administering instructional programs or as a chief business official shall meet the certification and continuing education requirements as described in MCL 380.1246.

STAFF RESPONSIBILITIES

Certification. Except as otherwise provided by law, the School shall use certificated teachers according to state board rule. All administrators whose primary responsibility is administering instructional programs or as a chief business official shall meet the certification and continuing education requirements as described in MCL 380.1246. All individuals working at the School must possess the personal characteristics, knowledge base and successful experiences in the responsibilities and qualifications identified in the posted job description

Administrator and Teacher Evaluation Systems. The School Board shall adopt and implement for all teachers and school administrators a rigorous, transparent, and fair performance evaluation system that complies with sections 1249 and 1250 of the Code. If the School enters into an agreement with an Educational Service Provider, then the School Board shall ensure that the Educational Service Provider adopts a performance evaluation system that complies with this section.

Parent Notification of Right to Know: The School will provide parents with notification at the beginning of the school year that they may request information regarding the professional qualifications of their student's classroom teachers, including whether the student's teacher:

- 1) has met State qualification and licensing criteria for the grade levels and subject areas in which the teacher provides instruction;
- 2) is teaching under emergency or other provisional status through which State qualification or licensing criteria have been waived; and
- 3) is teaching in the field of discipline of certification of the teacher.

Teacher and Administrator Job Performance Criteria. The School Board shall implement and maintain a method of compensation for its teachers and school administrators that includes job performance and job accomplishments as a significant factor in determining compensation and additional compensation earned and paid in accordance with Applicable Law. The assessment of job performance shall incorporate a rigorous, transparent, and fair evaluation system that evaluates a teacher's or school administrator's performance at least in part based upon data on student growth as measured by assessments and other objective criteria. If the School enters into an agreement with an Educational Service Provider, then the School Board shall ensure that the Educational Service Provider complies with this section.

Job Title: Director of Operations**Employed by: Contracted Management Company****POSITION OVERVIEW**

The ideal applicant must enjoy children and create a school climate where staff and students are excited to show up and put their best foot forward, socially and academically. The founding Old Mission Peninsula School (OMPS) Director of Operations (DoO) will partner with the Director of Academics (DoA) to fully utilize the unique campus, and the strength of the community to foster a comprehensive learning experience for all learners. If you have a history of building relationships and driving results, this is the job for you! The DoO leads implementation and maintenance of clear operational systems that allow the DoA and teachers to focus on teaching and learning, and enables a supportive school environment. The DoO therefore, will be an individual who embraces structure, innovation, and continuous improvement, and relishes the challenge of finding ways to work smarter and in a cost-efficient manner. The DoO will oversee the school's office and building operations. She/he will work closely and collaboratively with the Director of Academics, teachers, Old Mission Peninsula Education Foundation, Grand Valley State University, (the Charter Authorizing Agent) the community and other valuable stakeholders.

RESPONSIBILITIES

Leadership: The DoO is a critical member of our school leadership team, along with the DoA, ensuring that the school achieves ambitious academic outcomes. The DoO will supervise members of the Operations team; provide coaching and professional development to all direct reports, and develop leadership talent from within. The DoO will report on all areas of operations to the Board of Directors.

School Development: Maintain a welcoming environment that engages families and communities. Lead school's annual effort to enroll new students and meet annual enrollment goals – including strategic planning, developing school-based marketing and messaging materials, canvassing, waitlist management, and registrations, and re-register current students each spring/summer.

Finance & Purchasing: Ensure that OMPS is supported by high quality, cost-effective operational support in the areas of facilities, to include food service, janitorial, and other non-instructional areas. Oversee school finances: create discretionary budget, manage purchasing, monitor spending, and ensure strict adherence to the school's fiscal procedures. Manage relationships and negotiate services and contracts as it relates to all vendors. Aggressively monitor and maintain usage and cost data for operations related activities and make recommendations for improvement. Evaluate resource allocation related to all areas of oversight, particularly in the review and projection of facilities and personnel expenditures.

Human Resources: Responsible for payroll and benefits administration. Secure substitute teachers.

Facilities: Keep the school's physical plant –both inside and out – in good repair and supervise engineer and custodians. Ensure the highest standard of safety for students and staff.

Compliance: Responsible for all areas of compliance including: health and safety laws, Asbestos awareness coordinator, teacher licensure and fingerprinting, city and state education mandates, and all federal and state workplace regulations.

Technology: Oversee purchasing and maintenance of student and teacher computing devices and other hardware & software. Ensure that technology infrastructure supports the operational and academic function.

Student Information and Reporting: Manage student information system, generate progress reports & report cards, and coordinate with stakeholders on data analysis and reporting.

Logistics: Plan and coordinate logistics for school calendar/schedule, parent meetings, special events, and field lessons.

REQUIREMENTS/QUALIFICATIONS

- Positive attitude with an interest in education or the non-profit sector
- Bachelor's degree from an accredited institution
- 4 years of work experience, with 2 years of management experience in a school or fast-paced entrepreneurial environment, preferred
- Strong project management skills
- Meet or be working toward state requirements for the School Administrator Certificate
- Manage multiple priorities, and to prioritize tasks appropriately
- Excellent oral and written communication skills
- Evidence of strong interpersonal skills
- Able to solve problems in a complex, at times ambiguous, and fast-moving environment
- Comfort with giving and receiving constructive feedback
- Lifelong learner
- Meticulous attention to detail
- Proven ability to meet deadlines
- High level of comfort with financial oversight and budgeting
- Strong technology skills: proficient with Microsoft Office (Word, Excel, PowerPoint) & Google Drive (Docs, Sheets, Slides), and able to quickly learn how to use new programs/systems
- Demonstrated passion for, and commitment to, the OMPS mission
- Occasional evening and weekend availability

STATEMENT OF NON-DISCRIMINATION

OMPS is committed to a policy of equal treatments for all individuals applying for employment. OMPS does not discriminate on the basis of race, color, gender, sexual orientation, national or ethnic background.

Job Title: Director of Academics**Employed by: Contracted Management Company**

The role of the Director of Academics is to provide a specific leadership role dedicated to facilitating academic performance for all students at Old Mission Peninsula School. With undivided attention to academics the DA's primary responsibilities include observing, coaching, and providing feedback to the teaching staff.

Primary Responsibilities:

- Develop and implement an innovative, high-quality, creative educational program, that sets high expectations for every student
- Serve on the recruitment committee for the school providing key input focused on academic achievement
- Set ambitious school goals for student achievement and performance and hold staff members accountable for achieving results
- Oversee all state testing and any other school-wide testing
- Complete all state required School Improvement reporting through the ASSIST platform
- Build and foster relationships with all OMPS stakeholders including students, staff, faculty, families, funders, board members, and the community
- Foster a welcoming school climate that supports both student and staff success
- Work as part of school leadership team to manage student behavior and oversee disciplinary actions
- Promote a culture of continuously improving teaching practice through professional development and collaborative planning amongst the faculty and staff
- Coach, develop and grow leaders from within the organization, giving opportunities for staff to develop new skills in leadership and improve their craft
- Use data to inform practice and drive decision-making and instruction at the school
- Oversee and monitor that Expeditionary Learning-inspired curriculum is integrated into lesson design and delivery
- Schedule and deliver professional development
- Provide training for effective classroom management
- Monitor Special Education students in various settings and provide feedback
- Monitor lesson plans to prescribed template
- Facilitate wing and grade level meetings as assigned
- Coach and support a consistent student discipline program

What it means to work at Old Mission Peninsula School:

- Being an active leader as we develop our school culture and environment
- Having extraordinarily high expectations for all students, staff, and faculty
- Working diligently to provide results for our students
- Working with a diverse student body
- Welcoming all who are interested our school
- Being challenged to examine your work in order to increase student achievement
- Engaging in a deep and meaningful way with the parents/guardians of all students
- Being supported by your peers, school leadership, School Board and the community

Qualifications:

- Passionate about success for all OMPS students
- Aligned with OMPS vision and mission statements
- Background in, and/or familiar with EL Education
- Meet or be working toward state requirements for the School Administrator Certificate
- Master's degree (M.A.) or equivalent; or four to ten years related experience and/or training; or equivalent combination of education and experience
- Two to three years of teaching experience/or related work within a Michigan public school
- Ability to establish and maintain effective working relationships with students, peers, parents and community
- Responsible in completing tasks and problem solving
- Demonstrates organizational skills
- Demonstrates vision for continuous improvement in school academics and learning

Job Title: Office Manager**Employed by: Contracted Management Company**

The Office Manager position is critical to the operation of the school and the duties are many and varied. The Office Manager will often be the first impression of the school so it is imperative that he/she ensures that visitors and callers are made to feel welcome. We envision our school as a caring learning community and we want visitors and callers to feel this when they enter or call our school. The Office Manager will staff the office/welcome center, providing friendly, positive, prompt, assistance to students, parents, staff and visitors. He/she will play an integral role in creating a positive environment. The Office Manager must respect the confidentiality of students, student records and staff at all times. The Office Manager will assist teachers with monitoring of students as needed. This might include helping to walk students to the playground, calling the parents of a sick child, or covering a classroom temporarily in the event of an unexpected staffing gap. The following is a general list of the responsibilities of the position. The Office Manager reports to the Director of Operations.

Primary Responsibilities:

- Support the vision and mission of Old Mission Peninsula School
- Maintain and update record-keeping at the school
- Maintain student counts, student database and student master schedule
- Maintain emergency contacts
- Maintain job applications, marketing materials, event calendars, including community events held at the school
- Support building security policies and procedures
- Assist with and conduct school/building tours
- Assist with marketing and promotion of the school including providing information about the school to new and prospective students
- Perform receptionist duties
- Answer phones, transfers calls, respond to inquiries and take messages
- Maintain and update student/staff directories
- Assist with scheduling meetings for staff, students and parents
- Assist in scheduling and preparing materials for school board meetings and PTO meetings
- Assist with copying, faxing, data entry supporting office operations including monitoring use and supplies for equipment
- Responsible to ensure strong communication to students and families
- Point of contact and coordinator for Old Mission Peninsula Education Foundation (OMPEF) services (IT services and building related services such as heating, cooling, plumbing vendors, etc.)
- Provide support for Director of Operations (analytical, administrative, presentation preparation, scheduling, etc.)

- Maintain building calendar to be coordinated with OMPEF activities that are held at the school building
- Assist with staff appreciation activities
- Support Expeditionary Learning-inspired curriculum
- Support open, growth-minded environment

What it means to work at Old Mission Peninsula School:

- Being an active participant as we develop our school culture and environment
- Working diligently to provide results for our students
- Working with a diverse student body
- Welcoming all who are interested in our school
- Engaging in a deep and meaningful way with the parents/guardians of all students
- Being supported by your peers, school leadership, School Board and the Community

Qualifications:

- Genuinely enjoy students
- Ability to adapt to constantly changing needs and appropriately prioritize work
- Demonstrated ability to adapt to differences and changes in characteristics of students, programs, leadership, staff, and community
- Proficient in Microsoft office products including Word, Excel and PowerPoint
- Ability to word process and utilize a database accurately
- Ability to perform math including fractions, percentages, weighted averages and/or ratios
- Demonstrated ability to communicate and work effectively with staff, students and parents
- Demonstrated ability to work well in teams
- Ability to provide website maintenance and updates, preferred
- Associate Degree or higher preferred

Job Title: Teacher**Employed by: Contracted Management Company**

A founding teacher at Old Mission Peninsula School (OMPS) is responsible for the education of each student assigned to his or her class, and is responsible for working with students, parents, other teachers and staff, and the school leadership toward achieving the mission and goals of OMPS. A Classroom Teacher is responsible for teaching all core academic disciplines including EL Language Arts curriculum, social studies, science and mathematics with enthusiasm and passion. Teachers must embrace, and are responsible to fully implement the EL inspired curriculum, maintain current achievement level information and use data to implement research based strategies that provide an optimal learning experience for each student. Teachers should embrace a growth mindset, a culture of collaboration and lifelong learning. Classroom teachers report to the Director.

Primary Responsibilities:

- Support the vision and mission of Old Mission Peninsula School.
- Model enthusiasm for learning.
- Implement the principles and components inspired by the Expeditionary Learning curriculum. Teachers in their first year at OMPS are expected to commit to learning these models by attending various professional development meetings and conferences (which may be held throughout the summer) and during the school year.
- Strategically plan the year's learning objectives.
- Work with Special Education staff to plan for and meet the needs of students with Individual Education Plans (IEPs) and English Language Learners (ELLs). Differentiate instruction and provide accommodations and supports as needed. Actively seek to improve knowledge and skills to better address the needs of special education students and ELLs.
- Develop and revise clear criteria and standards for quality work and regularly examine student work to ensure that it meets increasingly higher standards of quality.
- Conduct ongoing assessment of student work using multiple assessment tools including anecdotal records, performance assessments with rubrics, exams, and individualized assessments as appropriate. Use assessment data to plan for instruction and to set short and long-range goals. Ensure collection and submission of data.
- Regularly analyze student data to improve instruction and make program recommendations and improvements.
- Uphold and support the school-wide discipline policies.
- Structure an EL inspired classroom environment that is developmentally appropriate, student centered, print-rich and well organized.
- Meet/plan regularly to ensure consistency of program and curriculum implementation.
- Actively participate in Professional Development meetings and contribute to sessions by sharing ideas, student work, offering and accepting feedback, and facilitating some sessions or discussions.

- Conduct conferences with parents for the purpose of sharing results and making recommendations.
- Support parents in understanding the instructional approach at OMPS through regular communication.
- Record grades, report attendance, complete report cards, and access online educational materials as directed.
- Assist the School Leadership in other duties as requested.

Our ideal candidate:

- Believes that great teaching can transform the world and that perseverance pays off
- Believes that all students can achieve at the highest levels
- Is a strategic thinker and proactive, creative, problem-solver
- Effectively balances the larger vision and plan for the school with ensuring the day-to-day operations
- Thrives in a forward-thinking, changing, and continually growing environment
- Is a team player
- Is able to take risks to do what is best for students
- Has excellent communication and interpersonal skills
- Is willing to grow professionally through further academic studies

What it means to work at Old Mission Peninsula School:

- Being an active participant as we develop our school culture and environment
- Engaging in significant curriculum development work
- Working hard to provide results for our students
- Working with a diverse student body
- Welcoming all who are interested our school
- Being challenged to examine your work in order to increase student achievement
- Engaging in a deep and meaningful way with the parents/guardians of all students
- Having extraordinarily high expectations for all students, staff, and faculty
- Being supported by your peers, school leadership, School Board and the community

Qualifications:

- Bachelor's Degree and appropriate Teaching Certificate/Licensure
- Demonstrated ability to communicate and work effectively with parents
- Demonstrated ability to adapt to individual's specific needs
- Demonstrated ability to adapt to differences and changes in characteristics of students, programs, leadership, staff and community
- Demonstrated ability to utilize varied teaching methodologies to accommodate students' unique learning styles
- Demonstrated ability to evaluate tests and measurements of achievement
- Demonstrated ability to work effectively as a team member
- Background in EL Education preferred

Job Title: Special Education Teacher
Employed by: Contracted Management Company

The Special Education Teacher at Old Mission Peninsula School is a versatile individual who specializes in working with students with disabilities and their families to maximize their potential. He/she is responsible for working with students, parents, other teachers and staff, and the school leadership toward achieving the mission and goals of OMPS. A Special Education Teacher must embrace, and are responsible to fully support the EL inspired curriculum, maintain current achievement level information and use data to implement research based strategies that provide an optimal learning experience for each student. Special Education Teachers should embrace a growth mindset, a culture of collaboration and lifelong learning. Special Education Teachers report to the Director.

Primary Responsibilities:

- Model enthusiasm for learning
- Provide direct and indirect instruction
- Provide long and short-term planning that addresses individual needs of students
- Evaluate students' progress
- Teach a multi-model approach
- Prepare written documentation accurately and submit in a timely manner
- Effectively communicate with regular education teachers, parents and administrators to facilitate the IEPC procedure
- Effectively consult with parents, students, teachers and administration
- Support the vision and mission of Old Mission Peninsula School
- Support the principles and components inspired by the Expeditionary Learning curriculum. Teachers in their first year at OMPS are expected to commit to learning these models by attending various professional development meetings and conferences (which may be held throughout the summer) and during the school year.
- Work with General Education staff to plan for and meet the needs of students with Individual Education Plans (IEPs)
- Assist staff in differentiating instruction and providing accommodations and supports as needed
- Actively seek to improve knowledge and skills to better address the needs of special education students
- Work with General Education staff to develop and revise clear criteria and standards for quality work and regularly examine student work to ensure that it meets increasingly higher standards of quality for students with IEPs
- Work with the General Education staff to plan/conduct ongoing assessment of student work using multiple assessment tools including anecdotal records, performance assessments with rubrics, exams, and individualized assessments as appropriate
- Use assessment data to plan for instruction and to set short and long-range goals
- Regularly analyze student data to improve instruction and make program recommendations and improvements
- Uphold and support the school-wide discipline policies

- Meet/plan regularly to ensure consistency of program and curriculum implementation
- Actively participate in Professional Development meetings and contribute to sessions by sharing ideas, student work, offering and accepting feedback, and facilitating some sessions or discussions
- Maintain privacy of student records and information
- Assist the School Leadership in other duties as requested

Our ideal candidate:

- Believes that great teaching can transform the world and that perseverance pays off
- Believes that all students can achieve at the highest levels
- Is a strategic thinker and proactive, creative, problem-solver
- Effectively balances the larger vision and plan for the school with ensuring the day-to-day operations
- Thrives in a forward-thinking, changing, and continually growing environment
- Is a team player
- Is able to take risks to do what is best for students
- Has excellent communication and interpersonal skills
- Is willing to grow professionally through further academic studies

What it means to work at Old Mission Peninsula School:

- Being an active participant as we develop our school culture and environment
- Engaging in significant curriculum development work
- Working hard to provide results for our students
- Working with a diverse student body
- Welcoming all who are interested our school
- Being challenged to examine your work in order to increase student achievement
- Engaging in a deep and meaningful way with the parents/guardians of all students
- Having extraordinarily high expectations for all students, staff, and faculty
- Being supported by your peers, school leadership, School Board and the community

Qualifications:

- Bachelor's Degree and appropriate Teaching Certificate/Licensure
- Michigan Special Education Certification
- Demonstrated ability to communicate and work effectively with parents
- Demonstrated ability to adapt to individual's specific needs
- Demonstrated ability to adapt to differences and changes in characteristics of students, programs, leadership, staff and community
- Demonstrated ability to utilize varied teaching methodologies to accommodate students' unique learning styles
- Demonstrated ability to evaluate tests and measurements of achievement
- Demonstrated ability to work effectively as a team member
- Background in EL Education preferred

Job Title: Instructional Aide

Employed by: Contracted Management Company

The Instructional Aide will provide assistance and support under the direct supervision of a certified or licensed teacher, as needed.

The Instructional Aide's responsibilities include but are not limited to:

- Assist with oversight and technical operations of computer laboratories
- Assist with physical care tasks and health-related activities as appropriate
- Assist students with behavioral/management needs
- Assist with technical preparation and production of media programs
- Conduct parental involvement activities
- Read to and play audio-visual materials for children
- Assist with proctoring examinations and other related tasks
- Assist with correcting test papers, recording grades, maintaining files, and preparing statistical reports
- Manage records, materials, and equipment
- Supervise students
- Assist the School Leadership in other duties as requested

Our ideal candidate:

- Believes that great teaching can transform the world and that perseverance pays off.
- Is a proactive and strategic thinker, creative problem-solver
- Believes that all students can achieve at the highest levels.
- Can effectively balance the larger vision and plan for the school with ensuring the day-to-day operations are sound
- Thrives in a forward-thinking, changing, and continually growing environment
- Is a team player
- Is not afraid to take risks to do what is best for students
- Has excellent communication and interpersonal skills
- Willing to grow professionally through further academic studies

What it means to work at Old Mission Peninsula School:

- Being an active participant as we develop our school culture and environment
- Engaging in significant curriculum development work
- Working hard to provide results for our students
- Working with a diverse student body
- Welcoming all who are interested our school
- Being challenged to examine your work in order to increase student achievement
- Engaging in a deep and meaningful way with the parents/guardians of all students.
- Having extraordinarily high expectations for all students, staff, and faculty.
- Being supported by your peers, school leadership, School Board and the community.

Qualifications

- Complete at least two years of study at an institution of higher education (equal to 60 semester hours); or
- Obtain an associate's degree (or higher); or
- Meet a rigorous standard of quality and demonstrate, through passage of an approved formal state academic assessment in the following areas:
 - Knowledge of, and the ability to assist in, instructing reading, writing, and mathematics; or
 - Knowledge of, and the ability to assist in, instructing reading readiness, writing readiness, and mathematics readiness, as appropriate.
- Demonstrated ability to communicate and work effectively with parents
- Demonstrated ability to adapt to individuals specific needs
- Demonstrated ability to adapt to differences and changes in characteristics of students, programs, leadership, staff and community
- Demonstrated ability to work effectively as a team member

SCHEDULE 7-4

METHODS OF ACCOUNTABILITY AND PUPIL ASSESSMENT

SCHEDULE 7-4

Grand Valley State University shall evaluate the success of the Academy by considering multiple areas of performance. A Comprehensive Performance Review (CPR) system will be established by Grand Valley State University Charter Schools Office and shall include, but not be limited to, the performance of the Academy in the areas of student performance, board governance, organizational performance, compliance reporting, facility conditions, fiscal strength and reporting and other pertinent performance data, as required by federal and state law, the authorizing contract, or desired by the authorizer for review.

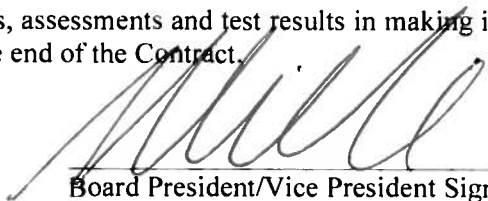
Included in the Comprehensive Performance Review shall be the requirements of Article VI Section 6.5 of the authorizing agreement, which states:

Section 6.5. Methods of Accountability. In addition to those set forth in this Section 6.5, the Academy shall evaluate its pupils' work based on the assessment strategies identified in the Schedules. To the extent applicable, the pupil performance of the Academy shall be assessed using at least the approved state standardized assessment designated under the Code. The Academy shall provide the University Charter Schools Office with copies of reports, assessments and test results concerning the following:

- a) educational outcomes achieved by pupils attending the Academy and other reports reasonably requested by the University Charter Schools Office;
- b) an assessment of the Academy's student performance at the end of each academic school year or at such other times as the University Board may reasonably request;
- c) an annual education report in accordance with the Code;
- d) an annually administered nationally recognized norm-referenced achievement test for the Academy's grade configuration, or a program of testing approved by the University Charter Schools Office Director; and
- e) all tests required under Applicable Law.

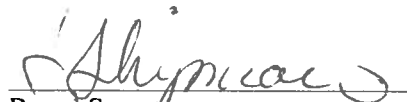
The University Board may use such reports, assessments and test results in making its decision to revoke, terminate, or not issue a new contract at the end of the Contract.

Date: Dec 7/2017


Board President/Vice President Signature

Secretary's Certification:

I certify that the foregoing resolution was duly adopted by the Old Mission Peninsula School Board of Directors at a properly noticed open meeting held on the 7th day of December, 2017, at which a quorum was present.


Board Secretary

SCHEDULE 7-5

ACADEMY'S ADMISSION POLICIES AND CRITERIA

**Schedule 7-5:
Admission and Enrollment Policy and Procedures**

Admission and Enrollment Policy

Admission to the School shall be open to all age-appropriate children for grade levels offered in accordance with the School's charter contract without charge for tuition and without discrimination on the basis of intellectual or athletic abilities, measures of achievement or aptitude, disability, status as a handicapped person, homeless status, English proficiency, religion, creed, race, sex, color, national origin or any other basis that would be illegal for an existing school district. Admission shall comply with all applicable federal and state laws. Admission shall be limited to those students who are residents of the state, except a foreign exchange student.

The School will remove barriers to the enrollment and retention in school of children and youth experiencing homelessness by developing and implementing practices and procedures consistent with the McKinney-Vento Homeless Education Assistance Act and applicable state law. The school will ensure that all identified homeless children and unaccompanied youth receive a free and appropriate education and are given meaningful opportunities to succeed in the school.

It is the policy of the School Board that its educational service provider develop and implement practices and procedures that control the admission and enrollment of students, including public notice, lottery and random selection drawing to be used when the number of applicants exceed the number of available spaces for grades offered. Detailed application, lottery and admission practices and procedures shall be available to parents and the general public at the school office. The School Board will annually approve offered seats and maximum class size of the School.

References:

US Constitution, Fourteenth Amendment

Title IX of Education Amendments Act (20 USC 1681 et. seq.) The Civil Rights Act of 1964

The McKinney-Vento Homeless Education Assistance Act (42 USC §11434a[2]) Rehabilitation Act of 1973 (29 USC 791 et. seq.)

Equal Educational Opportunity Act of 1974 (20 USC 1703 et. seq.) The Americans with Disabilities Act of 1990 (42 USC 12101 et. seq.) Michigan Constitution

MCL 37.1101 et. seq.; 37.1402; 37.2402; 380.503 et. seq.; 380.504 et. seq.; 380.1146; 380.1704

Admissions and Enrollment Procedures

Homeless Child Procedures

Effective Date: December 7, 2017

**OLD MISSION PENINSULA SCHOOL
ADMISSIONS AND ENROLLMENT PROCEDURES**

The school will comply with all applicable federal and state laws related to admissions and enrollment.

Non-Discrimination

The school will not discriminate on the basis of intellectual or athletic abilities, measures of achievement or aptitude, disability, status as a handicapped person, homeless status, English proficiency, religion, creed, race, sex, color, national origin or any other basis that would be illegal for an existing school district.

Open Enrollment Period and Notice – 2018-2019 School Year Only

The “Open Enrollment Period” for the 2018-2019 school year shall begin on the date the School receives a school code from the State of Michigan. It shall continue for two (2) weeks thereafter and shall close at 5:00 p.m. of the 10th business day after the code is assigned. Notice of the Open Enrollment Period and application process will be designed to inform the persons most likely to be interested in the school. Parents will be able to enroll their students on some nights and weekends.

The school will provide notice of open enrollment by (a) printing a legal notice of the enrollment period in a local newspaper of general circulation; (b) mailing a written notice of the open enrollment period and an application to all families who inquire about school enrollment; (c) posting a written notice of the open enrollment period on the door of the Peninsula Township Hall and the Grand Traverse County Clerk’s office. As soon as the School has a website, the notice of the open enrollment period will be posted on the website as well.

As part of the enrollment process, the school staff will seek to meet with families, parents and students prior to the first day of school via parent and student orientation meetings. In this way, applicants and their parents will have the opportunity to become fully informed as to the nature and scope of the school, its curriculum, and requirements.

Open Enrollment Period and Notice – Subsequent years

The “Open Enrollment Period” shall be from the first day of school of the current school year until 5:00 p.m. on the last day of business in February of the current school year. Notice of the Open Enrollment Period and application process will be designed to inform the persons most likely to be interested in the school.

The school will provide notice of open enrollment by (a) printing a legal notice of the enrollment period in a local newspaper of general circulation; (b) mailing a written notice of the open enrollment period and an application to all families who inquire about school enrollment; (c) posting a written notice of the open enrollment period at the school; and (d) posting the application on the school’s website.

As part of the enrollment process, the school staff will seek to meet with families, parents and students prior to the first day of school via parent and student orientation meetings. In this way, applicants and their parents will have the opportunity to become fully informed as to the nature and scope of the school, its curriculum, and requirements.

Application Procedures – 2018-2019 School Year Only

Applications for the 2018-2019 school year may be obtained at Peninsula Township Hall, 13235 Center Rd, Traverse City, MI 49686.

The Academy Board will identify annually prior to the Open Enrollment Period the number of offered seats available by grade level. If applications received exceed offered seats in any grade level (“over-subscribed grades”) prior to the close of Open Enrollment, a random selection process will take place for the oversubscribed grades only.

All applications received after the Open Enrollment Period will not be eligible to participate in the random selection process, and will be added to the end of the accepted list if offered seats are still available after the random selection process, or to the resulting waiting list created at the time of the random selection process.

Accepted applicants must confirm their intent to attend the school within ten (10) business days of acceptance by returning the forms included in the acceptance packet. The school will attempt to contact parents reminding them of this obligation in order to enroll their child. After multiple unsuccessful attempts to reach accepted applicants, the student’s seat will be forfeited and the student must re-apply.

If a newly-enrolled student does not attend the first day of school or call in to request an excused absence on the first day of school, the student will forfeit his/her registered status in the school and will no longer be enrolled. The school will attempt to contact all such students before de-enrolling.

Once students are enrolled and remain enrolled, they will remain eligible to be re-enrolled at the school for successive years without having to re-enter the random selection process. However, they will be required to complete a re-enrollment form by the end of the Open Enrollment Period showing intent to re-enroll for the subsequent school year.

All applicants on a waiting list must resubmit an application for the following school year during the next Open Enrollment Period.

Application Procedures – Subsequent years

Interested parties may obtain applications at:

- The school website
- The school office (phone, email, or in-person)

Applications will be emailed, mailed or faxed to anyone requesting an application by telephone.

For the current school year, applications for available seats will be filled in the order received, or added to the wait list in the order received and according to enrollment priority.

Applications for the subsequent school year are received during the Open Enrollment Period. If applications received exceed offered seats in any grade level (“over-subscribed grades”), the school will conduct a random selection process for the undersubscribed grades only.

All applications received after the Open Enrollment Period will not be eligible to participate in the random selection process, and will be added to the end of the accepted list if offered seats are still available after the random selection process, or to the resulting waiting list created at the time of the random selection process.

Accepted applicants must confirm their intent to attend the school within ten (10) business days of acceptance by returning the forms included in the acceptance packet. The school will attempt to contact parents reminding them of this obligation in order to enroll their child. After multiple unsuccessful attempts to reach accepted applicants, the student’s seat will be forfeited and the student must re-apply.

If a newly-enrolled student does not attend the first day of school or call in to request an excused absence on the first day of school, the student will forfeit his/her registered status in the school and will no longer be enrolled. The school will attempt to contact all such students before de-enrolling.

Once students are enrolled and remain enrolled, they will remain eligible to be re-enrolled at the school for successive years without having to re-enter the random selection process. However, they will be required to complete a re-enrollment form by the end of the Open Enrollment Period showing intent to re-enroll for the subsequent school year.

All applicants on a waiting list must resubmit an application for the following school year during the next Open Enrollment Period.

Random Selection Process

The random selection process shall be open to the public, and the school will notify all applicants of the time and place. A neutral third party will conduct the random selection process. This party will not be related to any student, staff member, or anyone applying to the school. Based on established enrollment priorities, names will be randomly selected until all offered seats have been filled. Any remaining names will be randomly selected to establish waiting list priority used to fill offered seats prior to and during the school year for which the student applied. After all eligible names have been randomly selected, the school will add the names of applicants who submitted applications after the Open Enrollment Period in the order in which they were received, subject to established enrollment priorities. The neutral third party will address any discrepancy that arises in the placement of students.

Class Size and Offered Seats

The school board of directors will approve class size and offered seats annually, prior to the end of Open Enrollment each year. In order to make provision for re-enrolling students who indicate that they are coming back but do not return on the first day of school (attrition), and new students who have been accepted for offered seats but are absent without excuse on the first day of school (erosion), the school may over-subscribe grades. The number of students to be over-subscribed will be determined based on historical and forecasted attrition and erosion and must be approved by the school board of directors. In no event will over-subscription result in a violation of any provision or limit contained within the school's charter or applicable law.

Enrollment Priorities

Enrollment priorities are in effect at all times of the application cycle. Priority is given to the following ordered priority categories of applicants:

Priority 1:

Students enrolled for the current school year are automatically re-enrolled provided they have submitted the re-enrollment form.

Priority 2:

- Siblings of currently enrolled students. For the purposes of enrollment priority, a parent or legal guardian's children, step-children, adopted children, foster children, and same household children, in which a parent or guardian resides, are all considered to be each other's siblings. Please note: If a student is selected for a grade level that still has offered seats available and the student has a sibling applying for a grade that no longer has offered seats available, the student will be accepted for his/her grade level and the student's sibling will be placed on the waiting list for his/her grade level with sibling priority. Therefore, siblings in over-subscribed grades are not guaranteed a seat but are given priority on the wait list.
- Child(ren) of staff members working at the School. "Child of staff member" is defined as children where at least one parent or legal guardian meets the requirements as outlined by the employee handbook. If the staff member is hired after the close of the Open Enrollment Period, his/her child(ren) shall be enrolled if there is an open position in the grade level(s) or placed on the waiting list behind other priority 2 names already on the list but ahead of all other wait list names.
- Child(ren) of Old Mission Peninsula School Board members serving any part of their term during the current school year. If the Board member joins the school board after the close of the Open Enrollment Period, his/her child(ren) shall be enrolled if there is an open position in the grade level(s) or placed on the waiting list behind other priority 2 names already on the list but ahead of all other wait list names.
- If space is not available in the relevant grade level for Priority 2 students at the close of the Open Enrollment Period, a lottery will be performed to determine the order of the priority 2 wait list.

Priority 3:

Newly enrolled students accepted at the close of the Open Enrollment Period but prior to the lottery. If the number of applicants for a grade is less than or equal to the number of spaces available for that grade, all new applicants for that grade are accepted and are enrolled prior to the lottery drawing for admissions.

Priority 4:

Siblings of newly-enrolled students. When, at the close of open enrollment, one sibling is validly accepted into a grade that is not oversubscribed, or is accepted by lottery, any of that child's siblings who have timely applied, may enroll if space is available in their respective grades. If space is not available, they advance to the sibling wait list. This priority is not available to applications received after open enrollment has closed.

Priority 5:

All remaining applicants. If there are more applicants than space available in certain grade levels, a random selection lottery will be used to determine both the order of the lottery for the oversubscribed grades and the order of those enrolled and wait listed in each such grade.

Priority 6:

Applications received after the close of open enrollment. For grades that are not oversubscribed at the end of open enrollment, applicants will be accepted on a first-come, first-served basis until the grade is full, at which time further applicants are placed on a wait list. For each grade with a wait list at the close of open enrollment, all applications received thereafter will be placed on the wait list in the order in which they are received. Applications for siblings and children of OMPS Employees and Board members that are received after the close of open enrollment will be placed on the wait list below all Priority 2 names already on the list but above all other waitlisted names.

Admission is Conditional

Applicants are required to complete all required enrollment materials and provide all necessary information. This includes but is not limited to, the enrollment application form, copy of birth certificate, immunization information, and proof of current grade level via grade report or transcript (not applicable for kindergarten applicants). Making an omission of a material fact or a false statement in enrollment application materials may be sufficient cause for denying an applicant consideration for enrollment or for expulsion after enrollment.

Enrollment age for kindergarten students shall follow the current Michigan Law.

Procedural Steps

Step 1: Setup

A list with the name of each student who submitted an application during the Open Enrollment Period will be created. The list will include the information provided on the application form, including the student's name, grade level to which the student is applying, street address, and the names and grade levels of any siblings who are also applying for admission to the school or who currently attend the school. The list will also include information about students with an enrollment

priority as the child of a board member or staff member

Step 2: Admission of Applicants Applying for Under-Subscribed Grades

Applicants will be accepted in all under-subscribed grades. If the accepted student has siblings who are also applying for admission in an over-subscribed grade, a list will be formed of siblings applying for over-subscribed grade(s). These students will have first priority in the admission of over-subscribed grades.

Step 3: Admission of Applicants Applying for Over-Subscribed Grades

Applicants will be accepted in over-subscribed grades according to enrollment priority. If the number of applicants in a priority group exceeds the number of available seats, the applicants in this priority group will be randomly selected for admission and ranking on the wait list for the over-subscribed grade. Thereafter, remaining applicants will continue to be drawn randomly (following remaining enrollment priority) until the wait list is complete.

Step 4: Applications Received After the Close of Open Enrollment

Applications received after the Open Enrollment Period will be added to the end of the waiting list for the appropriate grade in the order in which they were received with the exception of new Priority 2 applicants, which will be inserted on the waiting list ahead of all other non-priority 2 names.

When a seat becomes available in a particular grade with a waiting list at any point in the application cycle, the available seat will be offered to the first student on the waiting list for that particular grade. The school will make multiple attempts to contact the parent/guardian at the telephone and email address provided in the application. After notification, the student on the wait list will have three (3) business days to complete the enrollment process before the seat is forfeited and offered to the next student on the wait list.

Appeals

Any parent or guardian who wishes to contest or appeal any aspect of the random selection process may do so in writing to the school's board of directors sent to the school's address. Following receipt of the parent's written appeal, a representative of the school board of directors will contact the parent to discuss the nature of the concern or objection. Final decisions will be made by the school board of directors or its designee.

SCHEDULE 7-6

SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE

OLD MISSION PENINSULA SCHOOL 2018-2019

JULY 2018

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

AUGUST 2018

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

SEPTEMBER 2018

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

OCTOBER 2018

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

NOVEMBER 2018

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

DECEMBER 2018

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

- 7/4 4th of July holiday
- 8/27 Professional Development
- 8/28 Professional Development
- 8/29 Professional Development
- 8/30 Professional Development

- 9/3 No school, *Labor Day holiday*
- 9/4 First day of school for students
- 10/3 Count day
- 11/2 Half day for students, full day for staff, (*parent-teacher conferences*)
- 11/20 **End of first trimester**
- 11/21 No school, full day for staff (*parent-teacher conferences*)
- 11/22-23 No school, *Thanksgiving recess*
- 12/21 Holiday recess for students begins after the day
- 1/7 School resumes
- 1/14 No school, *Martin Luther King, Jr. holiday*
- 1/18* Half day for students, full day for staff (*records day p.m. staff*)
- 2/13 Count day
- 2/18 No school, full day for staff (*parent-teacher conferences*)
- Mar.-June State Testing, grades 3-6 (Dates TBD)
- 3/1 **End of second trimester**
- 3/21 Spring recess begins for students after the day
- 3/22 No school, full day for staff (*parent-teacher conferences*)
- 4/1 School resumes
- 4/19 No school, holiday
- 5/27 No school, *Memorial Day holiday*
- 6/13 Last half day for students, **end of third trimester** (*records half day p.m. for staff*)

- 6/14 No school (*records day for staff*)
- 6/17-21 Make up days for inclement weather

SYMBOLS:

- Holiday/vacation days
- Teacher work days (5)
- ◇ Professional development days
- △ Make up days for inclement weather
- / Half days for all students
- ☆ Count days

Instruction days (180)

*If school is closed due to inclement weather, half days will occur on the following school day(s).

JANUARY 2019

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

FEBRUARY 2019

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28		

MARCH 2019

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

APRIL 2019

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

MAY 2019

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

JUNE 2019

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

OMPS Kindergarten - Grade 2 Schedule

TIME	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
8:15-8:30	Morning Routine	Morning Routine	Morning Routine	Morning Routine	Morning Routine
8:30-9:30	EL Education Module Lessons	EL Education Module Lessons	EL Education Module Lessons	EL Education Module Lessons	EL Education Module Lessons
9:30-9:45	Bathroom	Bathroom	Bathroom	Bathroom	Bathroom
9:45-10:45	Specials	Specials	Specials	Specials	Specials
10:45-11:45	EL Education Skills Block	EL Education Skills Block	EL Education Skills Block	EL Education Skills Block	EL Education Skills Block
11:45-12:05 12:05-12:30	Lunch Read Aloud / Recess	Lunch Read Aloud / Recess	Lunch Read Aloud / Recess	Lunch Read Aloud / Recess	Lunch Read Aloud / Recess
12:30-1:30	Math	Math	Math	Math	Math
1:30-2:05	Science/Social Studies OR More Read-Aloud	Science/Social Studies OR More Read-Aloud	Science/Social Studies OR More Read-Aloud	Science/Social Studies OR More Read-Aloud	Science/Social Studies OR More Read-Aloud
2:05-3:05	EL Education Labs	EL Education Labs	EL Education Labs	EL Education Labs	EL Education Labs
3:05-3:15	End of Day	End of Day	End of Day	End of Day	End of Day

OMPS Grade 3 - Grade 6 Schedule

Time	Monday	Tuesday	Wednesday	Thursday	Friday
8:15-8:25	Morning Routine	Morning Routine	Morning Routine	Morning Routine	Morning Routine
8:25-9:25	EL Education Module Lessons	EL Education Module Lessons	EL Education Module Lessons	EL Education Module Lessons	EL Education Module Lessons
9:25-10:25	EL Education Additional Language & Literacy Block	EL Education Additional Language & Literacy Block	EL Education Additional Language & Literacy Block	EL Education Additional Language & Literacy Block	EL Education Additional Language & Literacy Block
10:25-11:25	Specials	Specials	Specials	Specials	Specials
11:25-11:45	Lunch	Lunch	Lunch	Lunch	Lunch
11:45-12:25	Read Aloud/Recess	Read Aloud/Recess	Read Aloud/Recess	Read Aloud/Recess	Read Aloud/Recess
12:25-1:55	Math	Math	Math	Math	Math
1:55-2:25	Intervention	Intervention	Intervention	Intervention	Intervention
2:25-3:05	Science/ Social Studies	Science/ Social Studies	Science/ Social Studies	Science/ Social Studies	Science/ Social Studies
3:05-3:15	End of Day	End of Day	End of Day	End of Day	End of Day

SCHEDULE 7-7

AGE/GRADE RANGE OF PUPILS ENROLLED

Schedule 7-7: Age or Grade Range of Pupils

The Academy may enroll age-appropriate students in Kindergarten through Sixth Grade.

SCHEDULE 7-8

**ADDRESS AND DESCRIPTION OF PROPOSED PHYSICAL PLANT; LEASE
OR DEED FOR PROPOSED SITE; OCCUPANCY CERTIFICATE**

Address and Description of Proposed Physical Plant

Old Mission Peninsula School

Address: 2699 Island View Road, Traverse City, Michigan 49686

Description:

Old Mission Peninsula School is leasing a 38,355 sq. foot School Building from the Old Mission Peninsula Education Foundation. The facility is a brick 1 story building with 16 classrooms, administrative office space, a library, a cafeteria, and a gymnasium. The campus has outdoor facilities including 2 playgrounds, a track, a soccer field, a baseball field, frog pond with amphitheater, hardwood forest and parking lot. The overall property is approximately 15.5 acres.

The building is currently in operation as a school, and inspections have found the facility to be in very good condition. Some renovations may be recommended to accommodate various school operations, and the School and Foundation are partnering on this process.

The School Building is located on the Old Mission Peninsula, a narrow landmass projecting approximately 16 miles into Grand Traverse Bay. The township varies from 1 to 3 miles in width and contains approximately 42 miles of Great Lakes shoreline. The Township is a largely a rural and agricultural community that extends northwards from the urban area of Traverse City within Grand Traverse County.

LEASE
Old Mission Peninsula School

THIS LEASE is entered into the 7th day of April, 2018 with an effective date of July 1, 2018, by and between OLD MISSION PENINSULA EDUCATION FOUNDATION, a Michigan nonprofit corporation (“**Lessee**”), and OLD MISSION PENINSULA SCHOOL, a Michigan Public School Academy (“**Lessor**”).

RECITALS

Lessee desires to lease the Premises from Lessor on the terms set forth in this Lease, and use the Premises for its charter school program.

Basic Lease Definitions. The following defined terms will be used throughout this Lease:

1. **Lease Date** means July 1, 2018.
2. **Lessor** means Old Mission Peninsula Education Foundation or its successors in interest.
3. **Lessor Notice Address** means 4007 Swaney Road, P.O. Box 171, Traverse City, MI 49673.
4. **Lessee** means Old Mission Peninsula School.
5. **Lessee Notice Address** means 2699 Island View Rd, Traverse City, MI 49686.
6. **Premises** means the real estate located in the Traverse City, Grand Traverse County, Michigan, described on Exhibit “A” attached hereto, and all improvements located thereon.
7. **Term** means Three (3) Lease Years.
8. **Lease Year** means the period beginning on July 1st and ending on June 30th of the following calendar year.
9. **Commencement Date** means July 1, 2018.
10. **Expiration Date** means June 30, 2021, unless automatically renewed pursuant to the terms herein.
11. **Annual Rent** means Eighty Thousand Dollars (\$80,000.00).
12. **Monthly Installment of Annual Rent** means Eight Thousand Dollars (\$8,000.00) for ten (10) months with the first payment due on November 1, 2018 (and starting on November 1 for each following Lease Year).

13. **Security Deposit** means Twelve Thousand Dollars (\$12,000.00) paid by Lessee to secure performance of Lease.
14. **Real Estate Taxes** means: (i) real estate taxes; (ii) ad valorem taxes; (iii) general, special, ordinary, or extraordinary assessments; (iv) water and sewer charges; (v) taxes based on the receipt of rent, other than federal, state, and local income taxes; and (vi) any other federal, state, or local charge that may now or later be imposed, levied, or assessed against the Premises.
15. **Insurance** means all insurance expenses paid or incurred in connection with the Premises, including commercial general liability, property, fire, casualty, extended coverage, worker's compensation, elevator, boiler and machinery, war risk, or any other insurance carried in good faith by Lessor or required by Lessor's mortgagee.
16. **Utilities** means all utility expenses paid or incurred in connection with the Premises, including charges for electricity, gas, steam, water, and sewer.
17. **Designated Use** means use of Premises for a public school and related activities.
18. **Applicable Laws** means all statutes, codes, ordinances, administrative rules, regulations, and orders or directives of any governmental authority.

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Lease, Lessor and Lessee agree as follows:

ARTICLE 1

Premises

- 1.1 Lessor leases the Premises to Lessee. Lessee has inspected the Premises and is satisfied with their condition. Lessor must make reasonable efforts to deliver possession of the Premises on the Commencement Date. Lessor is not liable for damages for failure to deliver possession on the Commencement Date, and the validity of the Lease will not be impaired by such failure.
- 1.2 Lessee acknowledges and agrees to the sublease between Lessor and the Peninsula Community Library ("Library"), which remains in effect until June 30, 2019. Lessee shall do nothing to interrupt the Library's use of the subleased space during the term of the current sublease. Lessor shall not renew the sublease with the Library without the prior written consent of Lessee.

ARTICLE 2

Term

- 2.1 The Term means Three (3) Lease Years. The term commences on the Commencement Date and expires on the Expiration Date unless otherwise terminated or extended as provided in this Lease.

2.2 The Term shall automatically renew for an additional Term of Three (3) Years unless either party provides written notice of termination to the other party at least twelve months prior to the Expiration Date.

ARTICLE 3

Rent

3.1 Beginning on the Commencement Date, Lessee will pay Lessor the Annual Rent, which will be paid by Monthly Installments to the order of Lessor, in advance, on the first day of each calendar month, at Lessor's office or any other place that Lessor designates in writing. Any Rent that is not received within five (5) days after its due date will bear interest at One Percent (1%) per month. If the Commencement Date is other than the first day of a calendar month, the Monthly Installment of Annual Rent for the partial first calendar month of the Term will be prorated on a daily basis and paid on the Commencement Date.

3.2 In the event Lessee requires capital improvements to the Premises for its use, the Lessor and Lessee shall agree in writing to a lease amendment prior to making any capital improvements.

3.3 Within thirty (30) days of the Lease Date, Lessee must deposit the Security Deposit with Lessor. The Security Deposit will be used to secure Lessee's performance of this Lease. Lessor may commingle the Security Deposit with its own funds. If Lessee fails to pay Rent or otherwise commits a Breach, Lessor may apply all or part of the Security Deposit to make the payment or cure the Breach. Lessor's rights under this section are in addition to any other rights or remedies Lessor may have under the terms of this Lease or under Michigan law. If Lessor uses all or part of the Security Deposit, within thirty (30) days after demand by Lessor, Lessee must pay Lessor sufficient funds to restore the Security Deposit to its original amount. Any unused portion of the Security Deposit must be returned to Lessee, without interest, within thirty (30) days of the later of (a) the termination of the Lease, (b) Lessee's surrender of the Premises, or (c) the return of the keys to Lessor.

3.4 In the event of any failure by Lessee to pay the Annual Rent or any additional charge payable upon the date due hereunder, Lessee shall also pay to Lessor, on demand, a late charge of five percent (5%) of such payment.

ARTICLE 4

Use and Occupancy

4.1 Lessee shall use the Premises solely for operating a public school and uses incidental thereto. Lessee shall not use or allow the use of the Premises for any unlawful purpose, nor shall Lessee allow the Premises to be used in violation of any public ordinance, rule or regulation, or in violation of any certificate of occupancy or certificate of compliance covering or affecting the Premises, or any part thereof. Lessee shall not suffer any act to be done or any condition to exist

on the Premises or any part thereof which may in law constitute a nuisance, public or private, or which may make void or voidable any insurance with respect thereto.

4.2 Lessee shall not commit any waste, damage, or injury of or to the Premises or the fixtures or any part thereof and shall take all reasonable precautions and actions to prevent others from committing any of the foregoing.

4.3 Unless this Lease is terminated or Lessee is evicted in accord with Michigan law, Lessor will not disturb Lessee's quiet enjoyment of the Premises or unreasonably interfere with Lessee's Designated Use of the Premises.

4.4 The parties agree that Lessor, upon written approval from Lessee, may make use of certain space on the Premises to provide for daycare, before and after school programs, summer camp, foundation and school fundraising, and educational and community benefit purposes. Lessor may use the Premises for such purposes if there is adequate space, appropriate background checks, fire and safety requirements have been met, insurance coverage for such use in the amounts set forth in Article 7 are in place, costs of cleanup and maintenance will be paid by Lessor. Such use may not interfere with the normal educational environment for students or the Lessee's ability to provide the educational services and programs to its students. If such use by Lessor shall exceed one week, the parties shall execute a separate sublease to govern the use.

ARTICLE 5

Utilities/Services

5.1 Charges for utilities, including without limitation gas, electricity, light, heat, water, sewage and telephone or other communication services, are the responsibility of the Lessee.

5.2 Lessee shall have the right to use the utility services which are presently existing on the Premises. Lessor shall not be required to furnish any service to the Premises, including but not limited to heat, water and power. The Lessor shall not be liable for any failure of water supply or electric current or any service by any utility, for injury to persons, including death, or damage to property resulting from steam, gas, electricity, water, rain or snow which may flow or leak from any part of the Premises or from any pipes, appliances or plumbing works from the street or subsurface or from any other place, or for interference with light or other easements, however caused, except if due to the affirmative negligence of the Lessor.

5.3 If the existing services are required to be modified or replaced for any reason by any utility company or authorized agency, governmental or otherwise, then Lessee shall comply with the same at its own cost and shall save Lessor harmless therefrom.

5.4 Except as otherwise expressly provided in this Lease, Lessor shall have no obligation to provide any services to Lessee with respect to the Premises.

ARTICLE 6

Taxes

6.1 The Lessee agrees to pay prior to the penalty date all taxes and special assessments and other similar charges which shall be levied on or assessed against the Premises during the term, and to save the Lessor harmless from the payment thereof. Taxes for the first and last year of the term or any extension or renewal thereof shall be prorated on the basis of the fiscal period for which such tax is assessed. Lessee may in good faith and at its own expense contest the imposition and collection of any tax or assessment, in the Lessor's name, if necessary, and during the period of such contest Lessee shall not be deemed to be in default hereunder for failure to pay such contested amount.

6.2 If at any time after any tax, assessment or similar charge so charged or assessed against said Premises shall become due or payable and Lessee shall neglect or fail to pay the same, Lessor may pay the same at any time thereafter, and the amount of any and all such payments so made by Lessor shall be and is hereby declared to be so much additional and further rent for Premises due from and payable by Lessee, with the next installment of rent due thereunder.

6.3 At the termination of this Lease by lapse of time or otherwise, all taxes due and payable by Lessee under the provisions of this Article 6 shall be paid by Lessee including any unpaid installments of special assessments levied during the term of this Lease.

6.4 Upon demand of Lessor within ninety (90) days after the date any tax, charge, assessment or imposition referred to in this Article 6 is payable by Lessee, Lessee shall provide to Lessor official receipts of the appropriate taxing authority or other proof satisfactory to Lessor of the payment of such tax, charge, assessment, or imposition.

ARTICLE 7

Insurance

7.1 Lessee must maintain in effect a commercial general liability insurance policy providing coverage for the Premises, including without limitation all common areas, with policy limits of the greater of (a) \$1 Million per occurrence and \$2 Million aggregate, with a \$4 Million umbrella aggregate, exclusive of defense costs and without any provision for a deductible or self-insured retention or (b) limits as required by Grand Valley State University as the School's authorizer.

7.2 Lessee must maintain in effect a property insurance policy on a special cause of loss form covering Lessee's personal property, trade fixtures, and improvements to their full replacement cost, without deduction for depreciation. The insurance must include reimbursement for extra expenses incurred as the result of damage or destruction to all or a part of the Premises.

7.3 All insurance policies that Lessee is required to maintain must be written by carriers who are authorized to write insurance in Michigan and have an AM Best Company rating of not less

than A-. Any commercial general liability policy that Lessee is required to maintain will (a) name Lessor as an additional insured using ISO form CG 20 26 11 85 or its equivalent without modification; (b) be endorsed to provide that it will not be canceled or materially changed for any reason except on 30 days' prior written notice to Lessor; (c) provide coverage to Lessor whether or not the event giving rise to the claim is alleged to have been caused in whole or in part by the acts, omissions, or negligence of Lessor; (d) all policies must be primary, with the policies of Lessor being excess, secondary, and noncontributing; and (e) Lessee shall reinstate any aggregate limit that is reduced because of losses paid to below 75 percent of the limit required by this Lease. Lessor and Lessee will require their property insurance policies to include a clause or an endorsement allowing Lessor and Lessee to release each other from any liability to each other or anyone claiming through or under them by way of subrogation or otherwise, for any loss resulting from risks insured against. If any policy that Lessee is required to maintain is written on a claims-made insurance form, each policy must have a retroactive date that is not later than the Commencement Date. Furthermore, if insurance coverage is written on a claims-made basis, Lessee's obligation to provide insurance will be extended for an additional period equal to the statute of limitations for such claims on the Expiration Date, plus one year. Insurance may be provided in the form of blanket insurance policies covering properties in addition to the Premises or entities in addition to Lessee. All blanket policies must provide that the overall aggregate limit of liability that applies to Lessor or the Premises is independent from any overall or annual aggregate that applies to other entities or properties.

7.4 At Lessor's option, Lessee must deliver either certificates of insurance or the original policies to Lessor before the Commencement Date, together with receipts evidencing payment of the premiums. Lessee must deliver certificates of renewal for the policies to Lessor not less than thirty (30) days before their expiration dates.

7.5 This Lease requires Lessee to obtain insurance to cover any claim for loss resulting from fire or other casualty. Lessor and Lessee will each look to its own insurance for the recovery of insured claims. Lessor and Lessee release one another from insured claims. Lessor and Lessee waive any right of recovery of insured claims by anyone claiming through them, by way of subrogation or otherwise, including their respective insurers. This release and waiver remains effective despite either party's failure to obtain insurance in accord with this Lease. If either party fails to obtain insurance, it bears the full risk of its own loss.

ARTICLE 8

Fire or Other Casualty

8.1 Lessee must give Lessor notice of fire or other casualty on the Premises. In addition to the written notice, Lessee must immediately and with all diligence attempt to contact Lessor by all means available, including telephone, pager, fax, and e-mail, to inform Lessor of the casualty. If the Premises are damaged or destroyed by fire or other casualty, Lessor may terminate this Lease by notice to Lessee. The notice of termination must be given within thirty (30) days after the occurrence of the casualty. If the notice of termination is not given within that period, this termination option will lapse and no longer be effective. Within thirty (30) after the notice of

termination has been given, Lessee must surrender the Premises to Lessor. After the surrender, each party is released from any further obligations under this Lease, with the following exceptions: (a) all Rent accruing through the surrender date must be paid in full, and (b) the Security Deposit will be retained or returned as provided in this Lease. Lessee has no obligation to pay any Rent accruing after the surrender date. If Lessor does not exercise this option within the designated period, Lessor must diligently proceed to repair and restore the Premises to its condition before the casualty.

ARTICLE 9

Care of Premises

9.1 The Lessee will keep the Premises and all other property leased hereunder in good condition and repair, and will yield and deliver up the same at the expiration of the term in as good a condition as when taken, reasonable use and wear thereof excepted. Lessee shall also maintain all portions of the Premises and adjoining areas in a clean and orderly condition, free of dirt, rubbish, snow, ice and unlawful obstructions. The Lessee may not make any repairs, alterations, additions, changes or improvements to the Premises without the prior consent of Lessor. All such repairs, alterations, changes or improvements shall be completed and maintained in good workmanlike condition, free and clear of all liens and encumbrances arising out of such work.

9.2 Lessor shall have the right to enter upon the Premises for the purpose of making any repairs thereto and performing any work thereon which may be necessary by reason of Lessee's failure to make any such repairs or perform any such maintenance work as provided herein. Except in case of emergency, the privilege and right of entry shall be exercised at reasonable times and at reasonable hours. Lessee shall pay the cost of any such repairs and maintenance work to Lessor, upon demand therefor and upon submission of satisfactory evidence of Lessor's payment of such costs which sums shall be deemed additional rent hereunder.

ARTICLE 10

Indemnification

10.1 Lessee will indemnify and defend Lessor against all claims for bodily injury or property damage relating to the Premises. The claims covered by this indemnification include all claims for bodily injury or property damage relating to (a) the condition of the Premises; (b) the use or misuse of the Premises by Lessee or its agents, contractors, or invitees; or (c) any event on the Premises, whatever the cause. Lessee's indemnification does not extend to liability for damages resulting from the sole or gross negligence of Lessor or from Lessor's intentional misconduct.

10.2 Each party hereto, for itself and its respective successors and assigns (including any person, firm or corporation which may become subrogated to any of its rights), waives any and all rights and claims for recovery against the other party, and its officers, employees, agents, and assigns, or any of them, on account of any loss or damage to any of its property insured under any valid and collectible insurance policy or policies, to the extent of any recovery collectible under such insurance. Notwithstanding the foregoing, this waiver shall not be applicable if it has the effect of invalidating any insurance coverage of Lessor or Lessee.

ARTICLE 11

Compliance With Statutes

11.1 Lessee agrees that it will comply with all statutes, police, sanitary, building, and fire rules, regulations, and instructions, and municipal ordinances, relating to or affecting the use of the Premises; and agrees to reimburse Lessor for any damages or penalties suffered because of Lessee's noncompliance with any such rules, regulations, instructions, ordinances, or statutes.

11.2 Lessee agrees that it will comply with and keep the Premises in compliance with the Fair Housing Amendments Act of 1988, the Americans with Disabilities Act of 1990, and any other Federal, State or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct relating to barrier-free access or access of the handicapped or disabled to the Premises (collectively, "**Access Laws**"). The Lessee hereby indemnifies the Lessor and agrees to hold the Lessor harmless from and against all losses, liabilities, damages, injuries, costs, expenses and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against, the Lessor for violations or alleged violations of the Access Laws relating the Premises.

ARTICLE 12

Assignment And Sub-Letting

12.1 Lessee shall not assign, transfer or sub-let the Premises or any part thereof or any interest hereunder without first obtaining the written consent of the Lessor.

ARTICLE 13

Default

13.1 Lessee shall be in default upon occurrence of any of the following events:

- A. Failure by Lessee in the payment of any rent or other charge provided for herein

on the day it becomes due and payable.

B. Failure by Lessee or suffered by Lessee of any of the other covenants or conditions of this Lease required to be kept or performed by Lessee (other than payment of rent or other charges required by the terms of the Lease).

C. Lessee's becoming insolvent, as that term is defined by any federal or state law or regulation (the "**Insolvency Laws**"); the appointment of a receiver or custodian for all or a substantial portion of Lessee's property or assets; the institution of a foreclosure action upon all or a substantial portion of Lessee's real or personal property; the filing of a voluntary petition under the provisions of the Bankruptcy Code or Insolvency Laws; the filing of an involuntary petition against Lessee as the subject debtor under the Bankruptcy Code or Insolvency Laws, which is either not dismissed within sixty (60) days of filing, or results in the issuance of an order for relief against the debtor, whichever is later; or Lessee's making or consenting to an assignment for the benefit of creditors or a common law composition of creditors, or if the Lessee's leasehold interest herein shall be levied on execution (collectively an "**Event of Bankruptcy**").

D. Expiration or discontinuance for any reason of the Charter Contract granted to Lessee by its authorizer (the "**Charter**").

13.2 In the event of default, Lessor may in addition to any other remedy, re-enter into and repossess the Premises and all other property leased hereunder and remove the Lessee and every other occupant, and may relet the Premises or any part thereof for any term, either shorter, longer, or the same, at a higher, lower, or the same rental, making such alterations as may be necessary, without working a termination of this lease, provided, however, that Lessor at its option may in any of such events, terminate this lease effective on the date specified in written notice from Lessor to Lessee.

13.3 If the Lessor shall, on any such default by the Lessee, obtain possession of the Premises by re-entry, summary proceedings, or otherwise, the Lessee shall pay to Lessor all expenses incurred in obtaining possession of the Premises, all expenses and commissions which may be paid in and about the letting of the same, and all other damages resulting from Lessee's default.

13.4 No termination of this Lease pursuant to this section or repossession of the Premises or any part thereof or of any other property leased hereunder shall relieve Lessee of its liabilities and obligations under this Lease, all of which shall survive any such termination or repossession and, if the Premises or any part thereof shall not have been relet, Lessee shall pay to Lessor as and for liquidated and agreed current damages the then present value of the rent and other sums and charges to be paid by Lessee until what would have been the end of the term in the absence of such termination or repossession. If the Premises shall have been relet, Lessee shall pay the Lessor, as and for liquidated and agreed current damages for Lessee's default, the present value of the equivalent of the amount of the rent and such other sums and other charges as would be payable under this Lease by Lessee if this Lease were still in effect, less the present value of the net proceeds, if any, of the reletting effected pursuant to the provisions hereof, after deducting all of Lessor's expenses in connection with such reletting, including, without limitation, all

repossession costs, brokerage and management commissions, operating expenses, legal expenses, reasonable attorneys' fees, alteration costs and expenses of preparation of such reletting. Exercise of any remedy hereunder by Lessor shall not exclude the right to exercise any other remedy hereunder.

13.5 The Lessor, as defined in this Lease, includes successors in interest. The term is intended to refer to the owner of the Premises at the time in question. If the Premises are sold, the new owner will automatically be substituted as the Lessor.

13.6 If Lessor fails to perform this Lease and as a result Lessee recovers a money judgment against Lessor, the judgment will be satisfied out of the execution and sale of Lessor's interest in the Premises or by garnishment against the rents or other income from the Premises. Lessor is not liable for any deficiency. This section constitutes Lessee's sole and exclusive remedy for breach.

13.7 Conditioned solely on the sale of the Premises, Lessee agrees to the following release in favor of its then former lessor. Effective on the first anniversary of the date on which Lessee is given notice of the sale, Lessee releases its former lessor from all claims except those expressly preserved in this section. This release is intended to be broadly construed for the benefit of the former lessor and includes (a) all claims regarding the performance of this Lease; (b) all claims for bodily injury or property damage relating to the Premises; and (c) all claims in any other way relating to the Lease, the Premises, or the lessor-lessee relationship. However, this release does not extend to any claim filed in a court of appropriate jurisdiction within one year of the date of sale or to any claim for bodily injury or property damage resulting from the former lessor's gross negligence.

13.8 No waiver by either party hereto of any breach of any of the terms of this Lease shall be deemed to be a waiver of any other or subsequent breach.

ARTICLE 14

Curing Of Lessee's Defaults

14.1 If Lessee shall at any time fail to make any payment or perform any act on its part to be made or performed hereunder, then Lessor without notice to Lessee, except when other notice is expressly provided for in this Lease and without waiving or releasing Lessee from the obligations of Lessee contained in this Lease, may (but shall be under no obligation to) make such payment or perform such act, and may enter upon the Premises for any such purpose, and take all such actions thereon as may be necessary therefor.

14.2 All sums to be paid by Lessor and all costs and expenses incurred by Lessor in connection with the performance of any such act, together with any consequential damages Lessor may suffer by reason of the failure of Lessee to make such payment or perform such act, and counsel fees incurred by Lessor in connection therewith or in enforcing its rights hereunder, shall be paid by Lessee to Lessor on demand as additional rent hereunder.

14.3 Lessee agrees to hold Lessor harmless from any inconvenience or interference with Lessee's operation of its business as a result of Lessor having to cure a default of Lessee hereunder.

ARTICLE 15

Remedies Not Exclusive; Waiver

15.1 Each of the rights, remedies and benefits provided by this Lease are cumulative, and are not exclusive of any other of said rights, remedies and benefits, or of any other rights, remedies and benefits allowed by law.

15.2 One or more waivers of any covenant or condition by Lessor will not be construed as a waiver of a further or subsequent breach of the same covenant or condition, and the consent or approval by Lessor to or of any act by Lessee requiring Lessor's consent or approval will not be deemed to waive or render unnecessary Lessor's consent to or approval of any subsequent similar act by Lessee.

ARTICLE 16

Surrender

16.1 Upon the termination of this Lease, Lessee shall quit and surrender the Premises and all property leased hereunder, broom clean, to Lessor without delay and in good order, condition and repair, ordinary wear and tear excepted, free and clear of all lettings and occupancies, (except those previously approved by Lessor), and free and clear of all liens and encumbrances, except that part of the Premises which have been taken through eminent domain, if any, after the delivery hereof, without any payment therefor by Lessor. Any personal property owned by Lessee or other occupant of the property which shall remain on the Premises after the termination of this Lease, and the removal of Lessee or such other occupant from the Premises, may at the option of Lessor, be deemed to have been abandoned and may be disposed of without accountability, as Lessor may see fit, without prejudice to the rights of any such other occupant as against the Lessee.

16.2 If Lessee remains in possession of the Premises after the Expiration Date with the consent of Lessor, it will occupy the Premises as a holdover Lessee on a month-to-month basis. Lessor may withhold its consent to holdover in its sole discretion. If Lessor consents to the holdover, Lessee is subject to all the provisions of this Lease to the extent that they can be applicable to a month-to-month tenancy, except that the Monthly Installment of Annual Rent will be 125% the Monthly Installment of Annual Rent payable during the last month of the Term. This covenant does not preclude Lessor from recovering damages if Lessee fails to timely deliver possession of the Premises after termination of the holdover, nor does it establish any right to extend or renew the Term. If Lessee holds over after the expiration of the Term without Lessor's consent, Lessee is liable for all damages resulting from the holdover. It is expressly within the contemplation of

the parties that such damages may include (a) the reasonable rental value of the Premises; (b) any damages arising from the loss of any sale, lease, or refinancing of the Premises; (c) and any lost profits incurred by Lessor.

ARTICLE 17

Eminent Domain

17.1 If all or any part of the Premises shall be taken by any governmental authority under power of eminent domain, or by private purchase in lieu thereof, all damages awarded for such taking shall belong to and be the property of the Lessor, whether such damages shall be awarded as compensation for the taking of or diminution in value to the leasehold or the fee of the Premises and Lessee hereby irrevocably assigns to Lessor any award or payment to which Lessee may become entitled as a result thereof, provided, however, that the Lessee shall be entitled to receive from such governmental authority compensation for its fixtures and personal property so taken.

17.2 In the event that only a part of the Premises are so taken, and the part not so taken cannot be completed as an architectural unit for the use described in paragraph 4.1 hereof, Lessee shall have the option to terminate this lease by serving written notice of termination on the Lessor within sixty (60) days after the taking.

ARTICLE 18

Notices

18.1 All notices and communications required under this lease shall be served personally or by registered or certified mail on the Lessor and on Lessee at the address indicated on page 1 hereof, or at such other address as may be designated in writing to the other party hereto by notice in accordance with this paragraph.

ARTICLE 19

Construction Liens

19.1 Lessee will not create nor permit to be created, or to remain and will promptly discharge, at its sole cost and expense, any lien, encumbrance or charge upon the Premises or any part thereof, or upon Lessee's leasehold interest therein, except such as are created by Lessor or the first mortgagee.

ARTICLE 20

Environmental Matters

20.1 Lessee shall not use or store any Hazardous Materials (as defined in Paragraph 20.2) on the Premises, except in compliance with all applicable federal, state and local laws and ordinances.

20.2 To the extent directly related to the conduct of Lessee, Lessee's use of the Premises, or the operation of its business thereon, Lessee shall defend, indemnify and hold harmless Lessor, its employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way related to, (1) the presence, disposal or release of any Hazardous Materials on, over, under, from or affecting the Premises or the soil, water, vegetation, buildings, personal property, persons or animals on the Premises; (2) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials existing on the Premises; (3) any lawsuit brought or threatened, settlement reached or government order relating to such Hazardous Materials existing on the Premises; and/or (4) any violation of laws, orders, regulations, requirements or demands of government authorities which are based upon or in any way related to such Hazardous Materials existing on the Premises including, without limitation, reasonable attorney's and consultant's fees, investigation and laboratory fees, court costs and litigation expenses. For purposes of this Lease, "**Hazardous Materials**" includes, without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601, et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Section 1801, et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901, et seq.), the Leaking Underground Storage Tank Act (MCLA Section 299.831 et seq.); and in the regulations adopted and publications promulgated pursuant to those Acts, or any other federal, state or local governmental law, ordinance, rule, or regulation.

20.3 Lessee shall promptly notify Lessor as soon as it knows of or suspects that any Hazardous Material has been released or that there is a threatened release on the Premises and it shall take such action at its sole expense and with due diligence, as is necessary to insure timely compliance with all legislative requirements. Lessor shall promptly notify Lessee as soon as it knows or suspects any Hazardous Material has been released or that there is a threatened release on or in the Building and Lessor shall take such action at its sole expense and with due diligence, as is necessary to ensure timely compliance with all legislative requirements.

20.4 The provisions of this Article 20 shall be in addition to any and all obligations and liabilities of Lessee and Lessor may have to each other at common law, and shall survive the expiration and termination of the Lease for any reason.

ARTICLE 21

Subordination; Estoppel Certificates

21.1 Lessee agrees that Lessor may choose to make this Lease subordinate or paramount to

any mortgages, trust deeds and ground or underlying leases now or hereafter affecting the Premises and to any and all advances to be made thereunder or to be secured thereby, and to the interest and charges thereon, and all renewals, replacements and extensions thereof, provided the mortgagee, Lessor or trustee named in any such mortgages, trust deeds or leases agrees to recognize the lease of Lessee in the event of foreclosure if Lessee is not in default. Lessee will execute promptly any instrument or certificate that Lessor may request to confirm such subordination, and hereby irrevocably appoints Lessor as Lessee's attorney-in-fact to execute such instrument or certificate on its behalf. Notwithstanding the foregoing, Lessee's possession of the Premises under this Lease shall not be disturbed by the mortgagee or other party unless Lessee breaches any of the provisions of this Lease and Lessee's right to possession is lawfully terminated.

21.2 Lessee, within ten (10) days after request (at any time or times) by Lessor, will execute and deliver to Lessor an estoppel certificate proposed by Lessor identifying the Commencement Date and expiration date of this Lease and state that this Lease is unmodified and in full force and effect, or is in full force and effect as modified, stating the modifications, and stating that Lessee does not claim that Lessor is in default in any way, or listing any such claimed defaults. The certificate also will confirm the amount of monthly installments of net rent payable hereunder and additional rent, if any, as of the date of the certificate, the date to which the rent has been paid in advance, and the amount of any security deposit or pre-paid rent. If Lessee fails to deliver the executed certificate to Lessor within the ten (10) day period, the occurrence of the proposed certificate will be deemed conclusively confirmed.

21.3 Upon the receipt of a notice from the Lessor, the Lessee agrees to pay all such sums owing under this Agreement directly to the account or party specified in such notice.

ARTICLE 22

Right of First Refusal

22.1 Lessor agrees to give Lessee the right of first refusal on any purchase of the Premises during the Lease term. If Lessor receives a bona fide written offer from any party to purchase all or part of the Premises, Lessor shall send Lessee a copy of the offer and notify Lessee of its intent to accept it. Lessee shall have the right for sixty (60) days to match the terms of the offer, in writing. If Lessee does not elect to match the offer in writing within sixty (60) days, Lessor may then sell the Premises to the first offeror, provided the sale is on the conditions specified in the contract sent to Lessee.

ARTICLE 23

Brokers

23.1 Lessor and Lessee each represent and warrant to the other that neither of them has

contacted a broker, finder or similar person in connection with this Lease, and each party shall defend, indemnify and hold the other harmless from and against all liability, cost and expense, including reasonable attorneys' fees, incurred as a consequence of any claim asserted by a person alleging to have dealt with one of the parties hereto in connection with this lease.

ARTICLE 24

General

24.1 References in this Lease to persons, entities and items have been generalized for ease of reading. Therefore, references to a single person, entity or item will also mean more than one person, entity or thing whenever such usage is appropriate (for example, "Lessee" may include, if appropriate, a group of persons acting as a single entity, or as Lessees-in-common). Similarly, pronouns of any gender should be considered inter-changeable with pronouns of other genders.

24.2 All agreements and obligations of Lessee under this Lease are joint and several in nature. Any waiver or waivers by Lessor of any of the provisions of this Lease will not constitute a waiver of any later breach of that provision, and any consent or approval given by Lessor with respect to any act, neglect or default by Lessee will not waive or make unnecessary Lessor's consent or approval with respect to any later similar act, neglect or default by Lessee.

24.3 Topical headings appearing in this Lease are for convenience only. They do not define, limit or construe the contents of any paragraphs or clauses.

24.4 This Lease can be modified or amended only by a written agreement signed by Lessor and Lessee. This Lease is binding on successors and assigns.

24.5 All provisions of this Lease are and will be binding on the heirs, executors, administrators, personal representatives, successors and assigns of Lessor and Lessee.

24.6 The laws of the State of Michigan will control in the construction and enforcement of this Lease.

24.7 Lessee's obligations, and right to possession, under the terms of this Lease are contingent upon Lessor's delivery of the Premises in condition suitable for occupancy as a public charter school (including fire marshal approval), and execution of the Charter contract between the Lessee and its authorizer.

ARTICLE 25

Authority of Parties

25.1 Lessee and each person executing this Lease on its behalf warrant and represent to Lessor that (a) Lessee is validly organized, existing, and authorized to do business under Michigan law;

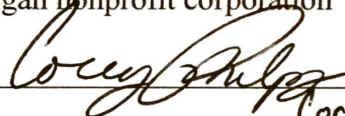
(b) Lessee has full power and lawful authority to enter into this Lease; and (c) the execution of this Lease by the individual who has signed below is legally binding on Lessee in accordance with its terms.

25.2 Lessor and each person executing this Lease on its behalf warrant and represent to Lessor that (a) Lessor is validly organized, existing, and authorized to do business under Michigan law; (b) Lessor has full power and lawful authority to enter into this Lease; and (c) the execution of this Lease by the individual who has signed below is legally binding on Lessor in accordance with its terms.

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

LESSOR:

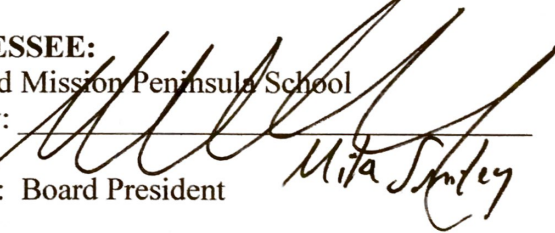
Old Mission Peninsula Education Foundation
a Michigan nonprofit corporation

By: 
Corey Phelps

Its: Vice-President

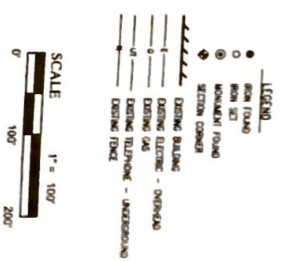
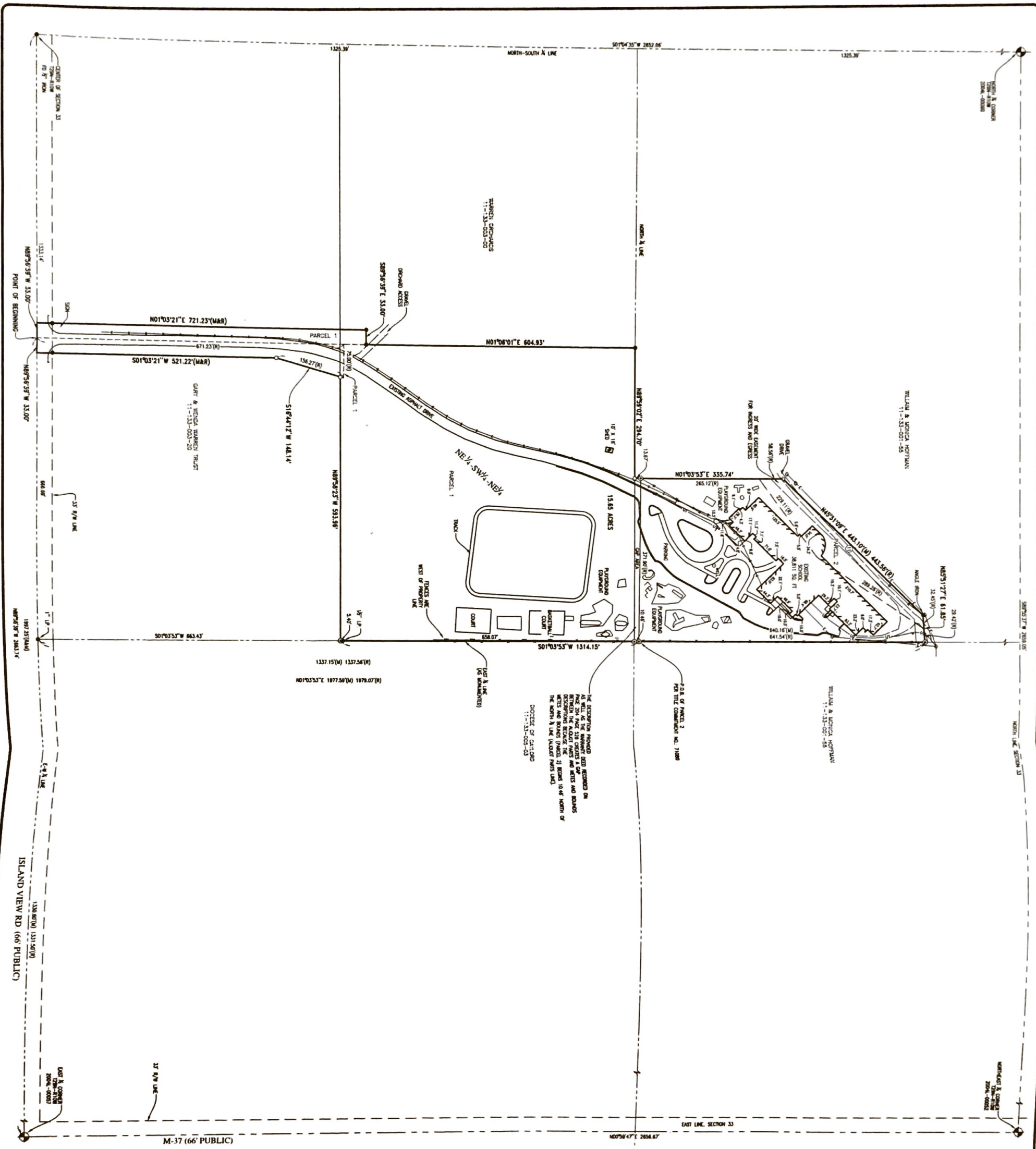
LESSEE:

Old Mission Peninsula School

By: 
Mita Smiley

Its: Board President

EXHIBIT A
LEASE DESCRIPTION



LEGAL DESCRIPTION (As Proposed for Title Commitment No. 11800)

PARCEL 1, THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 33, TOWNSHIP 29 NORTH, RANGE 18 WEST, COUNTY OF PENNSICOLA, GRAND TRAVERSE COUNTY, MICHIGAN.

AND PART OF SECTION 33, TOWNSHIP 29 NORTH, RANGE 18 WEST, COUNTY OF PENNSICOLA, GRAND TRAVERSE COUNTY, MICHIGAN, AS FOLLOWS: COMMENCING AT THE EAST 1/4 CORNER OF SAID SECTION 33, THENCE WEST 315.12 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 89°59'58\"/>

THE ABOVE DESCRIBED PARCEL IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST CORNER OF SECTION 33, TOWNSHIP 29 NORTH, RANGE 18 WEST, COUNTY OF PENNSICOLA, GRAND TRAVERSE COUNTY, MICHIGAN, AS FOLLOWS: THENCE WEST 315.12 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 89°59'58\"/>

SECTION 33 EXISTENCES

1. 1-1/2\"/>



GENERAL:

THIS OLD MISSION PENNSICOLA EXISTENCE FOUNDATION A NON-PROFIT CORPORATION AND TRUST, KNOWING THE NEED TO CARRY OUT THE PURPOSES OF SAID FOUNDATION, HAS CAUSED THIS SURVEY TO BE MADE AND HAS CAUSED THE SURVEYOR TO BE EMPLOYED FOR SAID PURPOSES AND HAS CAUSED THE SURVEYOR TO BE EMPLOYED FOR SAID PURPOSES AND HAS CAUSED THE SURVEYOR TO BE EMPLOYED FOR SAID PURPOSES.

Project No. 2017-001-01	ALTA / NSPS SURVEY OLD MISSION PENNSICOLA SCHOOL TRAVERSE CITY AREA PUBLIC SCHOOLS	Location: PART OF THE N 1/2 OF THE NE 1/4, SECTION 33, T29N-R18W, PENNSICOLA TWP., GRAND TRAVERSE CO., MICHIGAN	Date: 3/3/2017 Scale: AS NOTED	Drawn By: MPS Checked By: CJP	No. Date: _____ Revisions: _____ By: _____	Gosling Czubak ENGINEERING CONSULTANTS, INC. 5000 Business Park Drive Traverse City, MI 49786-2607 231-946-9151 • 800-946-1002 Fax: 231-946-1003	• Engineers • Surveyors • Environmental • Sanitary • Landscape • Architecture
----------------------------	---	---	---	--	--	--	--

CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

Michigan Department of Labor & Economic Growth
Bureau of Construction Codes & Fire Safety/Building Division
P. O. Box 30254
Lansing, MI 48909
(517) 241-9317

Building Permit No. LB022258
Old Mission Peninsula School
2735 Island View Road
Traverse City, Michigan
Grand Traverse County

The above named building of Use Group E and Construction Type 2B is approved for use and occupancy.

THIS APPROVAL IS GRANTED UNDER THE AUTHORITY OF SECTIONS 13 OF ACT 230 OF THE PUBLIC ACTS OF 1972, AS AMENDED, BEING §125.1513 OF THE MICHIGAN COMPILED LAWS, AND, IN ACCORDANCE WITH SECTION 110.0 OF THE STATE BUILDING CODE. THIS SHALL SUPERSEDE AND VOID ANY PREVIOUS APPROVAL OF USE AND OCCUPANCY.



Larry Lehman, Chief
Charles E. Curtis, Assistant Chief
Building Division

August 15, 2006