

BAY MILLS COMMUNITY COLLEGE

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

ISSUED BY

**BAY MILLS COMMUNITY COLLEGE
BOARD OF REGENTS
(AUTHORIZING BODY)**

TO

**INTERNATIONAL ACADEMY OF SAGINAW
(A PUBLIC SCHOOL ACADEMY)**

July 1, 2023

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RESOLUTIONS

**BAY MILLS COMMUNITY COLLEGE BOARD OF REGENTS
PUBLIC SCHOOL ACADEMY AUTHORIZING BODY**

RESOLUTION NO. 22-62

Contract Reauthorization

WHEREAS, the Bay Mills Community College Board of Regents (the “College Board”), as the governing body of a federal tribally-controlled community college, is an authorizing body empowered to authorize and issue contracts to operate public school academies, and to establish the method of selection, length of term, and number of members of a public school academy’s Board of Directors; and

WHEREAS, on July 1, 2019, the College Board issued to **International Academy of Saginaw** (the “Academy”) a Contract to Charter a Public School Academy (the “Charter Contract”); and

WHEREAS, the Charter Contract will expire on June 30, 2023 and the Academy has asked the College Board to issue a new contract to charter a public school academy for a term of eight (8) years; and

WHEREAS, the College Charter Schools Office has completed its evaluation and assessment of the Academy’s operation and performance related to the Charter Contract, and the College Charter Schools Office recommends that the College Board issue a new contract to charter a public school academy to the Academy for a term not to exceed four (4) years, beginning July 1, 2023;

WHEREAS, in addition to other Revised School Code requirements, the College Board’s reauthorization process included consideration of increases in academic achievement for all groups of pupils as measured by assessments and other objective criteria, as the most important factor in the decision of whether or not to issue a new contract to charter a public school academy to the Academy;

NOW, THEREFORE, BE IT RESOLVED:

5. The College Board takes the following action related to issuing a Contract to Charter a Public School Academy and Related Documents (“Contract”) to the Academy:
 - g. The College Board approves the form of the Contract and related documents as submitted to and reviewed by the College Board;
 - h. The College Board approves and authorizes the issuance of the Contract and related documents and authorizes Mariah Wanic, College Board Designee, to execute the Contract and related documents issued by the College Board to the Academy, provided, that, before execution of the Contract, the College Chairperson affirms the following:

- (5) 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
- (6) that the Contract is substantially similar to the Contract approved by the College Board, with the only changes being those made by the College Board's Designee in consultation with legal counsel for the College Board that are in the best interests of the College Board.
- i. The College Board Designee may agree to a term of Contract not to exceed eight (8) academic years and not to extend beyond June 30, 2027.
- 6. That the current Academy Board members shall continue to serve in their current positions until the end of their term in office. All subsequent Academy Board appointments shall be made in accordance with the College Board's method of selection resolution.

I, the undersigned, as Secretary of the Bay Mills Community College Board of Regents, do hereby certify the foregoing resolution was adopted by the Bay Mills Community College Board of Regents at a public meeting held on the 16th day of September 2022, with a vote of 6 for, 0 opposed, 1 abstaining, and 2 absent.

By: Beverly Carrick
Beverly Carrick, Secretary

BAY MILLS COMMUNITY COLLEGE BOARD OF REGENTS
PUBLIC SCHOOL ACADEMY AUTHORIZING BODY

RESOLUTION NO. 12-01

**Public School Academy, School of Excellence and Strict Discipline
Academy Board of Director Method of Selection Resolution**

WHEREAS, MCL 380.503 of the Revised School Code ("Code"), MCL 380.553, and MCL 380.1311e provide that an authorizing body "shall adopt a resolution establishing the method of selection, length of term, and number of members of the board of directors" of each public school academy, school of excellence, and strict discipline academy, respectively, subject to the authorizing body's jurisdiction; and

WHEREAS, the Bay Mills Community College Board of Regents (the "College Board") desires to establish a standard method of selection resolution related to appointments and service of the directors of the governing board of its authorized public school academies, schools of excellence, and strict discipline academies, and

WHEREAS, the College Board has determined that changes to the method of selection process are in the best interest of the College and that such changes be incorporated into all charter contracts issued by the College Board;

NOW, THEREFORE, BE IT RESOLVED, that the policy titled Public School Academy Board of Director Method of Selection dated January 20, 2012, is adopted; and

BE IT FURTHER RESOLVED, that these provisions shall be implemented with new charter contracts and shall be phased in for existing schools as new charter contracts are issued. As of this date, the College Board has not issued any charter contracts for schools of excellence and strict discipline academies, but the method of selection process established by this resolution shall apply to any future school that is authorized. The College's Director of Charter Schools is authorized to implement changes in the terms and conditions of charter contracts to fully execute these provisions.

I, the undersigned, as Secretary of the Bay Mills Community College Board of Regents, do hereby certify the foregoing resolution was adopted by the Bay Mills Community College Board of Regents at a public meeting held on the 20th day of January, 2012, with a vote of 10 for, 0 opposed, and 1 abstaining.

By: 

John Paul Lufkins, Secretary

Dated: January 20, 2012

Public School Academy Board of Director Method of Selection

The Bay Mills Board of Regents ("College Board") declares that the method of selection, length of term, number of board members and other criteria shall be as follows:

Method of Selection and Appointment

The College Board shall prescribe the methods of appointment for members of the Academy Board. The College's Director of Charter Schools is authorized to develop and administer an Academy Board selection and appointment process that includes a *Public School Academy Board Member Appointment Questionnaire* and is in accord with these provisions:

1. Except as provided in paragraph 4 below, the College Board shall appoint the initial and subsequent Academy Board of Directors by formal resolution. The College's Director of Charter Schools shall recommend nominees to the College Board based upon a review of the nominees' *Public School Academy Board Member Appointment Questionnaire* and resume. Each nominee shall be available for interview by the College Board or its designee. The College Board may reject any and all Academy Board nominees proposed for appointment.
2. The Academy Board, by resolution and majority vote, shall nominate its subsequent members, except as provided herein. The Academy Board shall recommend to the Director of Charter Schools at least one nominee for each vacancy. Nominees shall submit the *Public School Academy Board Member Appointment Questionnaire* for review by the College's Charter Schools Office. The Director of Charter Schools may or may not recommend appointment of a nominee submitted by the Academy Board. If the Director of Charter Schools does not recommend the appointment of a nominee submitted by the Academy Board, he/she may select and recommend another nominee or may request the Academy Board submit a new nominee for consideration.
3. An individual appointed to fill a vacancy created other than by expiration of the term shall be appointed for the unexpired term of that vacant position.
4. Under exigent conditions, and with the approval of the College Board's Chair, the College's Director of Charter Schools may appoint a qualified individual to serve as a member of the Academy Board. All appointments made under this provision must be presented to the College Board for final determination at its next regularly scheduled meeting. The College Board reserves the right to review, rescind, modify, ratify, or approve any appointments made under the exigent conditions provision.

Dated: January 20, 2012

Length of Term

The director of an Academy Board shall serve at the pleasure of the College Board. Terms of the initial position of an Academy's Board of Directors shall be staggered in accordance with *The Academy Board of Director Table of Staggered Terms and Appointments* established and administered by the College's Charter Schools Office. Subsequent appointments shall be for a term of office not to exceed three (3) years, except as prescribed by *The Academy Board of Director Table of Staggered Terms and Appointments*.

Number of Directors

The number of board member positions shall never be fewer than five (5) nor more than nine (9), as determined from time to time by the College Board. If the Academy Board fails to attain or maintain its full membership by making appropriate and timely nominations, the College Board or the College's Director of Charter Schools may deem that failure an exigent condition.

A vacancy may be left on the initial Academy Board for a parent or guardian representative to allow sufficient time for the Academy Board to interview and identify potential nominees.

Qualifications of Members

To be qualified to serve on an Academy's Board of Directors, a person shall, among other things: (a) be a citizen of the United States; (b) be a resident of the State of Michigan; (c) submit all materials requested by the College's Charter Schools Office including, but not limited to, the *Public School Academy Board Member Appointment Questionnaire* which must include authorization to process a criminal background check of the nominee; and (d) submit annually a conflicts of interest disclosure as prescribed by the College's Charter Schools Office.

The member of the Academy Board of Directors shall include (1) at least one parent or guardian of a child attending the school; and (2) one professional educator, preferably a person with school administrative experience. The Academy's Board of Directors shall include representation from the local community in which the Academy serves.

The members of the Academy's Board of Directors shall not include (1) any member appointed or controlled by another profit or non-profit corporation; (2) Academy employees or independent contractors performing services for the Academy; (3) any current or former director, officer, or employee of a management company that contracts with the Academy; and (4) College officials or employees.

Oath of Public Office

Before beginning their service, all members of the Academy's Board of Directors shall take and sign the constitutional oath of office before a justice, judge, or clerk of a court, or before a notary public. The Academy shall cause a copy of such oath of office to be

Dated: January 20, 2012

filed with the College's Charter Schools Office. No appointment shall be effective prior to the taking, signing and filing of the oath of public office.

Removal and Suspension

If at anytime the College Board determines that an Academy Board member's service is no longer necessary, then the College Board may remove an Academy Board member with or without cause by notifying the affected Academy Board member. The notice shall specify the date when the Academy Board member's service ends. Any Academy Board member may also be removed by a two-thirds (2/3) vote of the Academy Board for cause.

With the approval of the College Board Chair, the College's Director of Charter Schools may suspend an Academy Board member's service, if in his/her judgment the member's continued presence would constitute a risk to persons or property, or would seriously impair the operations of the Academy. Any suspension made under this provision must be presented to the College Board for final determination at its next regularly scheduled meeting. The College Board reserves the right to review, rescind, modify, ratify, or approve any suspension made under this provision.

Tenure

Each Academy Board member shall hold office until the member's replacement, death, resignation, removal or until the expiration of the term, whichever occurs first.

Resignation

Any Academy Board member may resign at any time by providing written notice to the Academy or the College's Charter Schools Office. Notice of resignation will be effective upon receipt or at a subsequent time designated in the notice. Any Academy Board member who fails to attend three (3) consecutive Academy Board meetings without prior notification to the Academy Board President, may, at the option of the Academy Board, the College Board, or the College's Director of Charter Schools, be deemed to have resigned, effective at a time designated in a written notice sent to the resigning Academy Board member. A successor shall be appointed as provided by the method of selection adopted by the College Board.

Board Vacancies

An Academy Board vacancy shall occur because of death, resignation, replacement, removal, failure to maintain United States citizenship or residency in the State of Michigan, disqualification, enlargement of the Academy Board, or as specified in the Code.

Compensation

Academy Board members shall serve as volunteer directors and without compensation for their respective services. By resolution of the Academy Board, the Academy Board

Dated: January 20, 2012

members may be reimbursed for their reasonable expenses incidental to their duties as Academy Board members.

Dated: January 20, 2012

**CONTRACT TERMS
AND CONDITIONS**

**TERMS AND CONDITIONS
OF CONTRACT**

DATED: JULY 1, 2023

ISSUED BY

THE BAY MILLS COMMUNITY COLLEGE BOARD OF REGENTS

TO

INTERNATIONAL ACADEMY OF SAGINAW (A PUBLIC SCHOOL ACADEMY)

CONFIRMING THE STATUS OF

INTERNATIONAL ACADEMY OF SAGINAW AS A

PUBLIC SCHOOL ACADEMY

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Exhibit A - Resolutions

WHEREAS, the People of Michigan through their Constitution have provided that schools and the means of education shall forever be encouraged and have authorized the Legislature to maintain and support a system of free public elementary and secondary schools; and

WHEREAS, all public schools are subject to the leadership and general supervision of the State Board of Education; and

WHEREAS, the Michigan Legislature has authorized an alternative form of public school designated a “public school academy” to be created to serve the educational needs of pupils and has provided that pupils attending these schools shall be eligible for support from the State School Aid Fund; and

WHEREAS, the Michigan Legislature has delegated to the governing boards of state public universities, community college boards, including tribally controlled community college boards, intermediate school district boards and local school district boards, the responsibility for authorizing the establishment of public school academies; and

WHEREAS, the Bay Mills Community College Board of Regents has considered the authorization of the Academy and has approved the issuance of a contract to the Academy;

NOW, THEREFORE, pursuant to the Revised School Code, the College Board grants a contract conferring certain rights, franchises, privileges, and obligations of a public school academy and confirms the status of a public school academy in this state to the Academy. In addition, the parties agree that the granting 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 initially capitalized, shall have the meaning set forth in this section:

- (a) “Academy” means the Michigan nonprofit corporation named International Academy of Saginaw which is established as a public school academy pursuant to this Contract.
- (b) “Academy Board” means the Board of Directors of the Academy.
- (c) “Applicable Law” means all state and federal law applicable to public school academies, including all rules, regulations, and orders promulgated thereunder.
- (d) “Application” means the public school academy application and supporting documentation submitted to the College Board for the

establishment of the Academy and supplemented by material submitted pursuant to the College Board's requirements for reauthorization.

- (e) "Authorizing Resolution" means Resolution No. 22-62 adopted by the College Board on September 16, 2022.
- (f) "Charter Schools Office Director" or "CSO Director" means the person designated by the College Board to administer the operations of the Charter Schools Office.
- (g) "Charter Schools Office" or "CSO" means the office designated by the College Board as the initial point of contact for public school academy applicants and public school academies authorized by the College Board. The Charter Schools Office is also responsible for administering the College Board's responsibilities with respect to the Contract.
- (h) "Code" means the Revised School Code, Act No. 451 of the Public Acts of 1976, as amended, being Sections 380.1 to 380.1853 of the Michigan Compiled Laws.
- (i) "College" means Bay Mills Community College, a federally tribally controlled community college that is recognized under the tribally controlled colleges and universities assistance act of 1978, 25 USC 1801 et seq., and which has been determined by the Michigan Department of Education to meet the requirements for accreditation by a recognized regional accreditation body.
- (j) "College Board" means the Bay Mills Community College Board of Regents, an authorizing body as designated under Section 501 of the Code, MCL 380.501 et seq.
- (k) "College Board Chairperson" means the Chairperson of the Bay Mills Community College Board of Regents or his or her designee. In Section 1.1(l) below, "College Board Chairperson" means the Board Chairperson of the Bay Mills Community College Board of Regents.
- (l) "College Charter Schools Hearing Panel" or "Hearing Panel" means such person(s) as designated by the College Board Chairperson.
- (m) "Community District" means a community school district created under part 5B of the Code, MCL 380.381 et seq.
- (n) "Conservator" means the individual appointed by the College President in accordance with Section 10.9 of these Terms and Conditions.
- (o) "Contract" means, in addition to the definition set forth in the Code, these Terms and Conditions, Exhibit A containing the Authorizing Resolution

and the Resolution, the Master Calendar, the ESP Policies, the Lease Policies, the Schedules, and the Application.

- (p) “Director” means a person who is a member of the Academy Board of Directors.
- (q) “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 CSO Director for review as provided in Section 11.11 and has not been disapproved by the CSO Director, and is consistent with the CSO Educational Service Provider Policies, as they may be amended from time to time, and Applicable Law.
- (r) “Educational Service Provider Policies” or “ESP Policies” means those policies adopted by the Charter Schools Office 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. The ESP Policies in effect as of this date are incorporated into and part of this Contract. 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.
- (s) “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 by the Academy or a 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.
- (t) “Lease Policies” means those policies adopted by the Charter Schools Office that apply to real property lease agreements entered into by the Academy. The Charter Schools Office Director may, at any time and at his or her sole discretion, amend the Lease Policies. The Lease Policies in effect as of this date are incorporated into and part of this Contract. Upon amendment, changes to the Lease Policies shall automatically be incorporated into this Contract and shall be exempt from the amendment procedures under Article IX of these Terms and Conditions.

- (u) “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 the operation and/or management of the Academy, which has been submitted to the CSO Director for review as provided in Section 11.11, and has not been disapproved by the CSO Director.
- (v) “Master Calendar” or “MCRR” means the Master Calendar of Reporting Requirements developed and administered by the Charter Schools Office setting forth a reporting time line for certain governance, financial, administrative, facility and educational information relating to the Academy. The Charter Schools Office Director may, at any time and at his or her sole discretion, amend the Master Calendar. Upon amendment, changes to the Master Calendar shall automatically be incorporated into this Contract and shall be exempt from the amendment procedures under Article IX of these Terms and Conditions.
- (w) “President” means the President of Bay Mills Community College or his or her designee.
- (x) “Resolution” means Resolution No. 12-01 adopted by the College Board on January 20, 2012, establishing the standard method of selection, length of term and number of members format for public school academies issued a Contract by the College Board, as amended from time to time.
- (y) “Schedules” means the following Contract documents of the Academy: Schedule 1: Articles of Incorporation, Schedule 2: Bylaws, Schedule 3: Fiscal Agent Agreement, Schedule 4: Oversight Agreement, Schedule 5: Description of Staff Responsibilities, Schedule 6: Physical Plant Description, and Schedule 7: Required Information for Public School Academies.
- (z) “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.
- (aa) “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 18.445, and transferred from the Michigan Department of Technology Management and Budget to the Michigan Department of Education by Executive Reorganization Order 2017-02, codified at MCL 388.1282.
- (bb) “Superintendent” means the Michigan Superintendent of Public Instruction.
- (cc) “Terms and Conditions” means this document entitled “Terms and Conditions of Contract, Dated July 1, 2023, Issued by the Bay Mills

Community College Board of Regents to International Academy of Saginaw Confirming the Status of International Academy of Saginaw as a Michigan Public School Academy.”

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. Statutory Definitions. Statutory terms defined in Part 6A of the Code shall have the same meaning in this Contract.

Section 1.5. Schedules. All Schedules to this Contract are incorporated into, and made part of, this Contract.

Section 1.6. Application. The Application submitted to the College Board for the establishment of the Academy is incorporated into, and made part of, this Contract. Portions of the Applicant’s Application have been incorporated into 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 language contained in the provisions of this Contract, the Contract shall be interpreted as follows: (i) the 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 Resolution; (iii) the Terms and Conditions shall control over any other conflicting language in the Contract with the exception of language in the 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 Resolution, Authorizing Resolution and these Terms and Conditions.

ARTICLE II

RELATIONSHIP BETWEEN THE ACADEMY AND THE COLLEGE BOARD

Section 2.1. Independent Status of Bay Mills Community College. The College Board is an authorizing body as defined by the Code. In approving this Contract, the College Board voluntarily exercises additional powers given to the College Board under the Code. Nothing in this Contract shall be deemed to be any waiver of the College Board’s autonomy or powers and the Academy shall not be deemed to be a part of the College Board or the College. If applicable, the College Board has provided to the Department the accreditation notice required under Section 502 of the Code, MCL 380.502.

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 College Board or the College. The relationship between the Academy and the College Board is based solely on the applicable provisions of the Code and the terms of this Contract or other agreements between the College Board and the Academy, if applicable.

Section 2.3. Financial Obligations of the Academy Are Separate From the State of Michigan, College Board and the College. Any contract, agreement, note, 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 College Board, or the College. 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 College Board or the College shall ever be assigned or pledged for the payment of any Academy contract, agreement, note, mortgage, loan or other instrument of indebtedness.

Section 2.4. Academy Has No Power To Obligate or Bind State of Michigan, the College Board or the College. The Academy has no authority whatsoever to enter into any contract or other agreement that would financially obligate the State of Michigan, College Board or the College, nor does the Academy have any authority whatsoever to make any representations to lenders or third parties, that the State of Michigan, College Board or the College 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.

ARTICLE III

ROLE OF THE COLLEGE BOARD AS AUTHORIZING BODY

Section 3.1. College Board Resolutions. The College Board has adopted the Resolution providing for the method of selection, length of term, number of Directors and the qualification of Directors. The College Board has adopted the Authorizing Resolution which approves the issuance of this Contract. The Resolution and the Authorizing Resolution are hereby incorporated into this Contract as Exhibit A. At any time and at its sole discretion, the College Board may amend the Resolution. Upon College Board approval, changes to the Resolution shall automatically be incorporated into this Contract and shall be exempt from the amendment procedures under Article IX of these Terms and Conditions.

Section 3.2. College Board as Fiscal Agent for the Academy. The College Board is the fiscal agent for the Academy. As fiscal agent, the College Board assumes no responsibility for the financial condition of the Academy. The College Board is not liable for any debt or liability incurred by or on behalf of the Academy, or for any expenditure approved by or on behalf of the Academy Board. Except as provided in the Oversight Agreement and Article X of these Terms and Conditions, the College Board shall promptly, within five (5) business days of receipt, forward to the Academy all state school aid funds or other public or private funds received by the College Board for the benefit of the Academy. The responsibilities of the College Board, the State of Michigan, and the Academy are set forth in the Fiscal Agent Agreement incorporated herein as Schedule 3.

Section 3.3. Oversight Responsibilities of the College Board. The College Board has the responsibility to oversee the Academy's compliance with the Contract and all Applicable Law. The responsibilities of the Academy and the College Board are set forth in the Oversight Agreement executed by the parties and incorporated herein as Schedule 4.

Section 3.4. Reimbursement of College Board Expenses. The Academy shall pay the College Board an administrative fee to reimburse the College Board for the expenses associated with the execution of its authorizing body and oversight responsibilities. The terms and conditions of the administrative fee are set forth in Schedule 4.

Section 3.5. College 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 College Board. The Academy shall submit a written request to the College Board describing the proposed acquisition and the purpose for which the Academy desires to acquire the property. Provided the Academy Board submits the written request at least sixty (60) days before the College Board's next regular meeting, the College Board shall vote on whether to give express written permission for the acquisition at its next regular meeting.

Section 3.6. Authorization of Employment. The College Board authorizes the Academy to employ or contract directly with personnel according to the position information outlined in Schedule 5. However, the Academy Board shall prohibit any individual from being employed by the Academy, an Educational Service Provider 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. Additionally, the Academy Board shall require each individual who works at the Academy to disclose to the Academy Board any other public school or educational service provider at which that individual works or to which that individual provides services. An employee hired by the Academy shall be an employee of the Academy for all purposes and not an employee of the College for any purpose. With respect to Academy employees, the Academy shall have the power and responsibility to (i) recruit, select and engage employees; (ii) pay their wages; (iii) evaluate performance; (iv) discipline and dismiss employees; and (v) control the employees' conduct, including the method by which the employee carries out his or her work. The Academy Board shall be responsible for carrying workers' compensation insurance and unemployment insurance for its employees. The Academy shall ensure that the term or length of any employment contract or consultant agreement does not extend beyond the term of this Contract and shall terminate in the event this Contract is revoked or terminated. In no event may an Academy employee's employment contract term, inclusive of automatic renewals, extend beyond the term of this Contract.

Section 3.7. Code Requirements for College Board to Act as Authorizing Body. The College Board has complied with the requirements of Section 1475 of the Code, MCL 380.1475, and will continue to comply with the Code during the term of this Contract.

Section 3.8. College Board Subject to Open Meetings Act. As required by Section 1475 of the Code, MCL 380.1475, College Board meetings conducted for the purpose of

carrying out or administering any authorizing body function shall be administered in accordance with the Open Meetings Act, MCL 15.261 et seq.

Section 3.9. College Board Authorizing Body Activities Subject to Freedom of Information Act. As required by Section 1475 of the Code, MCL 380.1475, all authorizing body functions performed by the College Board shall be subject to public disclosure in accordance with the Freedom of Information Act, MCL 15.231 et seq.

Section 3.10. College Board Review of Certain Financing Transactions. In the event that the Academy desires to finance the acquisition, by lease, purchase, or other means, of facilities or equipment, 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., then Academy shall obtain prior review for such financing from the College Board. The Academy shall submit a written request to the College Board describing the proposed financing transaction, and the facilities or equipment to be acquired with the proceeds thereof. Provided the Academy submits the written request at least sixty (60) days before the College Board's next regular meeting, the College Board shall vote on whether to disapprove the proposed financing transaction at the next meeting. If the proposed transaction is not disapproved, the College Board may still condition the decision not to disapprove on compliance by the Academy and any lender, lessor, seller or other party with such terms as the College Board deems appropriate under the circumstances. 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 by the Academy if the proposed transaction is disapproved by the College Board. By not disapproving a proposed transaction, the College Board is in no way giving approval of the proposed transaction, or representing that the Academy has the ability to meet or satisfy any of the terms or conditions thereof.

Section 3.11. Authorizing Body Contract Authorization Process. Pursuant to the Code, the College 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 12.9 without any further action of either the Academy or the College Board. The Academy shall seek a new contract by making a formal request to the College Board in writing at least two years prior to the end of the Contract term. The College Board shall provide to the Academy a description of the timeline and process by which the Academy may be considered for issuance of a new contract. The timeline and process for consideration of whether to issue a new contract to the Academy shall be solely determined by the College Board. The standards for the 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 College Board as the most important factor of whether to issue or not issue a new contract. The College Board, at its own discretion, may change its timeline and process for issuance of a new contract at any time, and any such changes shall take effect automatically without the need for any amendment to the Contract. Consistent with the Code, the College 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 3.12. College Board's Invitation to Academy to Apply For Conversion to Schools of Excellence. If the College Board is interested in accepting applications to issue contracts to charter Schools of Excellence under Part 6E of the Code, and the College Board determines that the Academy meets the College Board's and the Code's eligibility criteria for applying to convert the Academy to a School of Excellence, then the College 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 College Board shall establish its own competitive application process and provide the necessary forms and procedures to eligible public school academies.

ARTICLE IV

REQUIREMENT THAT THE ACADEMY ACT SOLELY AS GOVERNMENTAL ENTITY

Section 4.1. Limitation on Actions in Performance of Governmental Functions. The Academy shall act exclusively as a governmental entity and shall not undertake any action inconsistent with its status as a governmental entity authorized to receive state school aid funds pursuant to Section 11 of Article IX of the State Constitution of 1963.

Section 4.2. Other Permitted Activities. Consistent with the provisions of this Contract, the Academy is permitted to engage in lawful activities that are not in derogation of the Academy's mission and status of operating a public school academy or that would not jeopardize the eligibility of the Academy for state school aid funds.

Section 4.3. 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 College Board, and may be removed with or without cause at any time.

Section 4.4. Incompatible Public Offices and Conflicts of Interest Statutes. The Academy shall comply with the Incompatible Public Offices statute, being MCL 15.181 et seq. of the Michigan Compiled Laws, and the Contracts of Public Servants with Public Entities statute, being MCL 15.321 et seq. 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 prohibited conflicts of interest for purposes of this Contract:

- (a) An individual simultaneously serving as an Academy Board member and as an owner, officer, director, employee or consultant of or independent contractor to an Educational Service Provider or an employee leasing company, or a subcontractor to 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 a member of the governing board of another public school;
- (e) An individual simultaneously serving as an Academy Board member and a College official, employee, or paid consultant, as a representative of the College; and
- (f) An individual simultaneously serving as an Academy Board member and having an ownership or financial interest in any real or personal property leased or subleased to the Academy.

Section 4.5. Prohibition of Identified Family Relationships. 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 work at the Academy;
 - (iii) Has an ownership, officer, policymaking, managerial, administrative non-clerical, or other significant role with the Academy's ESP or employee leasing company; or
 - (iv) Has an ownership or financial interest in any school building lease or sublease agreement with the Academy.
- (b) The Academy Board shall require each individual who works at the Academy to annually disclose any familial relationship with any other individual who works at, or provides services to, the Academy. For purposes of this subsection, familial relationship means a 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.

Section 4.6. 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 4.7. 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 4.8. Academy Counsel. The Academy Board shall select, retain and pay legal counsel to represent the Academy. The Academy shall not retain any attorney to represent the Academy if the attorney or the attorney's law firm also represents the Academy's Educational Service Provider or any person or entity leasing real property to the Academy, if any.

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. The Articles of Incorporation of the Academy, as set forth in Schedule 1, shall be the Articles of Incorporation of the Academy. Any subsequent amendments to the Academy's Articles of Incorporation shall only be incorporated into this Contract pursuant to Article IX of these Terms and Conditions.

Section 5.3. Bylaws. The Bylaws of the Academy, as set forth in Schedule 2, shall be the Bylaws of the Academy. Any subsequent amendments to the Academy's Bylaws shall only be incorporated into this Contract pursuant to Article IX of these Terms and Conditions.

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 member positions 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 Schedule 7a. The Academy shall have four officers: President, Vice-President, Secretary and Treasurer. The officer positions shall be filled by persons who are members of the Academy Board. A description of their duties is included in Schedule 2.

Section 6.2. Educational Goals. The Academy shall pursue the educational goals identified in Schedule 7b. The educational goals shall include demonstrated improved pupil academic achievement for all groups of pupils.

Section 6.3. Educational Programs. The Academy shall deliver the educational programs identified in Schedule 7c.

Section 6.4. Curriculum. The Academy shall implement and follow the curriculum identified in Schedule 7d.

Section 6.5. Method of Pupil Assessment. The Academy shall evaluate pupils' work based on the assessment strategies identified in Schedule 7e. The Academy also shall assess pupil performance using all applicable testing that the Code or the Contract require. The Academy shall provide the 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 Charter Schools Office;
- (b) an assessment of student performances at the end of each academic school year or at such other times as the College 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 Charter Schools Office; and
- (e) all tests required under Applicable Law.

Section 6.6. Application and Enrollment of Students. The Academy shall comply with the application and enrollment policies identified in Schedule 7f. With respect to the Academy's pupil admissions process, the Academy shall provide any documentation or information requested by the 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 at times in the evening and on weekends.

Section 6.7. School Calendar and School Day Schedule. The Academy shall comply with the school calendar and school day schedule guidelines as set forth in Schedule 7g.

Section 6.8. Age or Grade Range of Pupils. The Academy shall comply with the age and grade ranges as stated in Schedule 7h.

Section 6.9. Collective Bargaining Agreements. Collective bargaining agreements, if any, with employees of the Academy shall be the responsibility of the Academy.

Section 6.10. Accounting Standards. The Academy shall at all times comply with generally accepted public sector accounting principles and accounting system requirements that comply with the Code, this Contract, the State School Aid Act of 1979, as amended, and applicable State Board of Education and Department of Education rules.

Section 6.11. Annual Financial Statement Audit. The Academy shall conduct an annual financial statement audit prepared and reviewed by an independent certified public accountant. The Academy Board shall select, retain, and pay the Academy's independent auditor. The Academy Board shall not approve the retention of any independent auditor if that independent auditor or the auditor's firm is also performing accounting and/or auditing services for the Academy's Educational Service Provider, if any. In accordance with timeframes set forth in the Master Calendar, the Academy shall submit one (1) copy of the annual financial statement audit, auditor's management letters and any responses to auditor's management letters to the Charter Schools Office.

Section 6.12. Address and Description of Physical Plant; Process for Expanding Academy's Site Operations. The address and description of the physical plant for the Academy is set forth in Schedule 6. With the approval of the College 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 6 are under the direction and control of the Academy Board.

The College 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 CSO a contract amendment, in a form and manner determined by the CSO. The contract amendment shall include all information requested by the CSO, including detailed information about the site, the Academy's proposed operations at the site and the information provided in Contract Schedules 4, 5, 6 and 7. Upon receipt of a complete contract amendment, the CSO Director shall review the contract amendment and make a recommendation to the College Board on whether the Academy's request for site expansion should be approved. A positive recommendation by the CSO Director of the contract amendment shall include a determination by the CSO Director that the Academy is operating in compliance with the Contract and is making measureable progress toward meeting the Academy's educational goals. The College Board may consider the Academy Board's site expansion request contract amendment following submission by the CSO Director of a positive recommendation. If the College Board approves the Academy Board's site expansion request contract amendment, the Contract shall be amended in accordance with Article IX of these Terms and Conditions. The College Board reserves the

right to modify, reject or approve any site expansion request contract amendment in its sole and absolute discretion.

Section 6.13. 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 College or the College Board.

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. Method for Monitoring Academy's Compliance with Applicable Law and Performance of its Targeted Educational Outcomes. The Academy shall perform the compliance certification duties required by the College Board and outlined in the Oversight Agreement set forth as Schedule 4. In addition to the College Board's oversight responsibilities and other reporting requirements set forth in this Contract, the Academy's compliance certification duties shall serve as the method for monitoring the Academy's compliance with Applicable Law and its performance in meeting its educational goals.

Section 6.16. Matriculation Agreements. Before the Academy Board approves a matriculation agreement with another public school, the Academy shall provide a draft copy of the agreement to the Charter Schools Office for review. Any matriculation agreement entered into by the Academy shall be incorporated into Schedule 7f by contract amendment pursuant to Article IX of these Terms and Conditions. Postings of Accreditation Status. The Academy shall post notices to the Academy's homepage of its website disclosing the accreditation status of each school as required by the Code.

Section 6.17. New Public School Academies Located Within The Boundaries of A Community District. If the Academy is a new public school academy and either of the circumstances listed below in (a) or (b) apply to the Academy's proposed site(s), the Academy represents to the College Board, intending that the College Board rely on such representation as a precondition to issuing this Contract, that the Academy has a substantially different governance, leadership and curriculum than the public school previously operating at the 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) or Section 1280g(3), MCL 380.1280g(3), as applicable; or (ii) has been on the list during the immediately preceding 3 school years.

(b) The Academy's proposed site is 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 under the applicable part or section of the Code.

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 Applicable Law.

ARTICLE VIII

COMPLIANCE WITH APPLICABLE LAWS

Section 8.1. Compliance with Applicable Law. The Academy shall comply with all applicable state and federal laws, including, but not limited to, to the extent applicable, the Code, the State School Aid Act of 1979, the Open Meetings Act, the Freedom of Information Act ("FOIA"), the Public Employment Relations Act, the Uniform Budgeting and Accounting Act, the Revised Municipal Finance Act of 2001, the Elliott-Larsen Civil Rights Act, the Persons with Disabilities Civil Rights Act, 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. The Academy agrees to participate in state assessments, data collection systems, state level student growth models, state accountability and accreditation systems, and other public comparative data collection required for public schools. Additionally, the Academy shall comply with other state and federal laws which are applicable to public school academies. Nothing in this Contract shall be deemed to apply any other state or federal law to the Academy.

ARTICLE IX

AMENDMENT

Section 9.1. Amendments. The College 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 College Board as an authorizing body, the parties have established a flexible process for amending this Contract.

Section 9.2. Process for Amendment Initiated by the Academy. The Academy, by a majority vote of its Board of Directors, may, at any time, propose specific changes in this Contract or may propose a meeting to discuss potential revision of this Contract. The proposal will be made to the College Board through its designee. Except as provided in Section 6.12 of these Terms and Conditions, the College Board delegates to the CSO Director the review and approval of changes or amendments to this Contract. In the event that a proposed change is not accepted by the CSO Director, the College Board may consider and vote upon a change proposed by the Academy following an opportunity for a presentation to the College Board by the Academy.

Section 9.3. Process for Amendment Initiated by the College Board. The College Board, or an authorized designee, may, at any time, propose specific changes in this Contract or may propose a meeting to discuss potential revision of this Contract. The College Board delegates to the CSO Director the review and approval of changes or amendments to this Contract. The Academy Board may delegate to an officer of the Academy the review and negotiation of changes or amendments to this Contract. The Contract shall be amended as requested by the College Board upon a majority vote of the Academy Board.

Section 9.4. Final Approval of Amendments. Amendments to this Contract take effect only after they have been approved by the Academy Board and by the College Board or the CSO Director. If the proposed amendment conflicts with any of the College Board's general policies on public school academies, the proposed amendment shall take effect only after approval by the Academy and the College Board.

Section 9.5. Change in Existing Law. If, after the effective date of this Contract, there is a change in Applicable Law which alters or amends rights, the responsibilities or obligations of either the Academy or the College Board, this Contract shall be altered or amended to reflect the change in existing law as of the effective date of such change. To the extent possible, the responsibilities and obligations of the Academy and the College Board shall conform to and be carried out in accordance with the change in Applicable Law.

Section 9.6. Emergency Action on Behalf of College 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 College Board. An emergency situation shall be deemed to occur if the Charter Schools Office Director, in his or her sole discretion, determines that the facts and circumstances warrant that emergency action take place before the next meeting of the College Board. Upon the determination that an emergency situation exists, the Charter Schools Office Director may temporarily take action on behalf of the College Board with regard to the Academy or the Contract, so long as such action is in the best interest of the College Board and the Charter Schools Office Director consults with the College Board Chairperson or the College President prior to taking the intended actions. When acting during an emergency situation, the Charter Schools Office Director shall have the authority to act in place of the College 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 College Board; or (b) the next meeting of the College Board. The Charter Schools Office Director shall immediately report such action to the College Board for confirmation at the next meeting so that the emergency action continues or, upon confirmation by the College Board, becomes permanent.

ARTICLE X

CONTRACT TERMINATION, SUSPENSION, AND REVOCATION

Section 10.1. Statutory Grounds for Revocation. In addition to the other grounds for revocation in Section 10.2 and the automatic revocation in Section 10.3 of these Terms and Conditions, the College 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) Failure of the Academy to demonstrate improved pupil academic achievement for all groups of pupils or meet the educational goals and related measures 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 10.2. Other Grounds for Revocation. In addition to the statutory grounds for revocation set forth in Section 10.1 and the grounds for an automatic revocation set forth in Section 10.3, the College 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 fails to achieve or demonstrate measurable progress toward achieving the educational goals and related measures identified in this Contract;
- (b) The Academy fails to properly implement, consistently deliver, and support the educational programs or curriculum identified in this Contract;
- (c) The Academy is insolvent, has been adjudged bankrupt, or has operated for two or more school fiscal years with a fund balance deficit;
- (d) The Academy has insufficient enrollment to successfully operate a public school academy, or the Academy has lost more than fifty percent (50%) of its student enrollment from the previous school year;
- (e) The Academy fails to fulfill the compliance and reporting requirements or defaults in any of the terms, conditions, promises or representations contained in or incorporated into this Contract or, during the term of this Contract, it is discovered by the Charter Schools Office that the Academy failed to fulfill the compliance and reporting requirements or there was a violation of a prior Contract issued by the College Board;
- (f) The Academy files amendments to its Articles of Incorporation with the Michigan Department of Licensing and Regulatory Affairs, Bureau of Commercial Services without first obtaining the Charter Schools Office's approval;

(g) The Charter Schools Office discovers grossly negligent, fraudulent or criminal conduct by the Academy's applicant(s), directors, officers, employees or agents in relation to their performance under this Contract; or

(h) The Academy's applicant(s), directors, officers, employees or agents have provided false or misleading information or documentation to the Charter Schools Office in connection with the College Board's approval of the Application, the issuance of this Contract, or the Academy's reporting requirements under this Contract or Applicable Law.

Section 10.3. Automatic Amendment Of Contract; Automatic Termination of Contract If All Academy Sites Closed; Economic Hardship Termination.

Except as otherwise provided in this Section 10.3, if the College Board is notified by the Department that an Academy site is subject to closure under section 507 of the Code, MCL 380.507 ("State's Automatic Closure Notice"), 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. If the State's Automatic Closure Notice includes all of the Academy's existing sites, then this Contract shall automatically be terminated at the end of the current school year in which either the State's Automatic Closure Notice is received without any further action of the College Board or the Academy.

Following receipt of the State's Automatic Closure Notice, the Charter Schools Office shall forward a copy of the notice to the Academy Board and may request a meeting with the 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 that 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 Closure Notice, including the granting of any hardship exemption by the Department rescinding the State's Automatic Closure Notice ("Pupil Hardship Exemption"), shall be directed to the Department, in a form and manner determined by the Department.

If the Department rescinds the State's Automatic Closure Notice for an Academy site or sites by granting a Pupil Hardship Exemption, the Academy is not required to close the identified site(s), but shall present to the Charter Schools Office a proposed Contract amendment incorporating the Department's school improvement plan, if applicable, for the identified site(s).

If the Department elects not to issue a Pupil Hardship Exemption and the Charter Schools Officer determines, in his or her discretion, that the closure of one or more sites as directed by the Department creates a significant economic hardship for the Academy as a going concern or the possibility of a mid-year school closure, then the Charter Schools Officer may recommend to the College Board that the Contract be terminated at the end of the current school year (hereinafter "Economic Hardship Termination"). If the College 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 College Board's revocation procedures set forth in Section 10.6(c) do not apply to an automatic termination initiated by the State's Automatic Closure Notice or an Economic Hardship Termination under this Section 10.3.

Section 10.4. Grounds and Procedures for Academy Termination of Contract. The Academy Board, by majority vote of its Directors, may, at any time and for any reason, request termination of this Contract. The Academy Board's request for termination shall be made to the Charter Schools Office Director not less than six (6) calendar months in advance of the Academy's proposed effective date of termination. Upon receipt of an Academy request for termination, the Charter Schools Office Director shall present the Academy Board's request for termination to the College Board. A copy of the Academy Board's resolution approving of the Contract termination, including a summary of the reasons for terminating the Contract, shall be included with the Academy Board's request for termination. Upon receipt of the Academy Board's request for termination, the College Board shall consider and vote on the proposed termination request. The College Board may, in its sole discretion, waive the six (6) month advance notice requirement for terminating this Contract.

Section 10.5. Grounds and Procedures for College Termination of Contract. The College Board, in its sole discretion, reserves the right to terminate the Contract (i) for any reason or for no reason provided that such termination shall not take place less than six (6) months from the date of the College Board's action; or (ii) if there is a change in Applicable Law that the College Board, in its sole discretion, determines impairs its rights and obligations under the Contract or requires the College Board to make changes in the Contract that are not in the best interest of the College Board or the College, then such termination shall take effect at the end of the current Academy fiscal year. Following College Board approval, the Charter Schools Office Director shall provide notice of the termination to the Academy. If during the period between the College Board action to terminate and the effective date of termination, the Academy has violated the Contract or Applicable Law, the Contract may be revoked or suspended sooner pursuant to this Article X. If this Contract is terminated pursuant to this Section 10.5, the revocation procedures in Section 10.6 shall not apply.

Section 10.6. College Board Procedures for Revoking Contract. The College Board's process for revoking the Contract is as follows:

(a) Notice of Intent to Revoke. The Charter Schools Office Director, upon reasonable belief that 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 Charter Schools Office 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 Charter Schools Office 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, the Charter Schools Office Director shall review the Academy Board's response and determine whether a reasonable plan for correcting the deficiencies can be formulated. If the Charter Schools Office Director determines that a reasonable plan for correcting the deficiencies set forth in the Notice of Intent to Revoke can be formulated, the Charter Schools Office Director shall develop a plan for correcting the non-compliance ("Plan of Correction") which may include reconstitution pursuant to 10.6(d) of these Terms and Conditions. In developing a Plan of Correction, the Charter Schools Office 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 closed if the Charter Schools Office 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.

(d) College Board's Contract Reconstitution Provision. The Charter Schools Office Director may reconstitute the Academy in an effort to improve student educational performance or to avoid interruption of the educational process. Reconstitution may include, but is not limited to, one of the following actions: (i) removal of 1 or more members of the Academy Board; (ii) termination of at-will board appointments of 1 or more Academy Board members in accordance with the Resolution; (iii) withdrawing approval of a contract under Section 506 of the Code; (iv) the appointment of a new Academy Board of Directors or a Conservator to take over operations of the Academy; or (v) closure of an Academy site(s).

Reconstitution of the Academy does not restrict the Department from issuing an order under section 507 of the Code, MCL 380.507, directing the automatic closure of the Academy's site(s).

(e) Request for Revocation Hearing. The Charter Schools Office Director may initiate a revocation hearing before the College Charter Schools Hearing Panel if the Charter Schools Office Director determines that any of the following has occurred:

- (i) the Academy Board has failed to 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 Charter Schools Office Director deems cannot be remedied or cannot be remedied in an appropriate period of time, or for which the Charter Schools Office 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 Charter Schools Office 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 shall identify the reasons for revoking the Contract.

(f) Hearing before the College Charter Schools Hearing Panel. Within thirty (30) days of receipt 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 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 Charter Schools Office Director's request for Contract revocation, and to make a recommendation to the College Board on whether the Contract should be revoked. The revocation hearing shall be held at a location, date and time as determined by the Charter Schools Office Director and shall not last more than three hours. The hearing shall be transcribed and the cost shall be divided equally between the College and the Academy. The Charter Schools Office 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 Charter Schools Office Director and the Academy Board. Within thirty (30) days of the revocation hearing, the Hearing Panel shall make a recommendation to the College Board concerning the revocation of the Contract. For good cause, 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 Charter Schools Office and the Academy Board at the same time that the recommendation is sent to the College Board.

(g) College Board Decision. If the Hearing Panel's recommendation is submitted to the College Board at least fourteen (14) days before the College Board's next regular meeting, the College Board shall consider the Hearing Panel's recommendation at its next regular meeting and vote on whether to revoke the Contract. The College Board reserves the right to modify, reject or approve all or any part of the Hearing Panel's recommendation. The College Board

shall have available to it copies of the Hearing Panel's recommendation and the transcript from the hearing. The College 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 College Board's decision shall be provided to the Charter Schools Office, the Academy Board and the Department.

(h) Effective Date of Revocation. If the College Board votes to revoke the Contract, the revocation shall be effective on the date of the College Board's act of revocation, or at a later date as determined by the College Board.

(i) Disposition of State School Aid Funds. Notwithstanding any other provision of the Contract, any state school aid funds received by the College Board after a recommendation is made by the Hearing Panel to revoke the Contract, or a decision by the College Board to revoke the Contract, may be withheld by the College Board or returned to the Michigan Department of Treasury upon request. The College Board may also direct that a portion of the Academy's state school aid funds be directed to fund the Academy's dissolution account established under Section 10.10 of these Terms and Conditions.

Section 10.7. Contract Suspension. The College Board's process for suspending the Contract is as follows:

(a) The Charter Schools Office Director Action. If the Charter Schools Office Director determines, in his or her sole discretion, that certain conditions or circumstances exist such that the Academy Board:

- (i) has placed staff 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 Schedule 6, 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;
- (v) has willfully or intentionally violated this Contract or Applicable Law; or
- (vi) has violated Section 10.2(g) or (h), then the Charter Schools Office Director may immediately suspend the Contract, pending completion of the procedures set forth in Section 10.6. 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 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 College Board after a decision by the Charter Schools Office Director to suspend the Contract, may be retained by the College Board

for the Academy until the Contract is reinstated, or may be returned to the Michigan Department of Treasury upon the State's request.

(c) Immediate Revocation Proceeding. If the Academy Board, after receiving a notice of Contract suspension from the Charter Schools Office Director, 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 this Contract. 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 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 College Board shall proceed to consider the Hearing Panel's recommendation in accordance with Sections 10.6(f) through (h).

Section 10.8. 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 Chippewa 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 10.8. This Section 10.8 shall not in any way be interpreted as an exception to the Academy's covenant not to sue contained in Section 11.3 of these Terms and Conditions.

Section 10.9. Appointment of Conservator/Trustee. Notwithstanding any other provision of the Contract, in the event that the College President, in his or her sole discretion, determines that the health, safety and welfare of Academy students, property or funds are at risk, the College President, after consulting with the College 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 College President shall appoint the Conservator for a definite term which may be extended in writing at his or her discretion. During the appointment, the Academy Board members and their terms in office are suspended and all powers of the Academy Board are suspended. All appointments made under this section must be presented to the College 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, Academy Board, employment and student records;
- (b) institute and defend 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, evaluate and discipline employees of the Academy;

(e) settle or compromise with any debtor or creditor of the Academy, including any governmental or 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 this Contract or Applicable Law.

Section 10.10. Academy Dissolution Account. If the College Board terminates, revokes or fails to issue a new Contract to the Academy, the CSO Director shall notify the Academy that, beginning thirty (30) days after notification of the College Board's decision, the College Board may direct up to \$10,000 from each subsequent state school aid fund payment, not to exceed a combined total of \$30,000, to a separate Academy account ("Academy Dissolution Account") to be used exclusively by the Academy to pay the costs associated with the wind up and dissolution responsibilities of the Academy. Within five (5) business days of the CSO Director's notice, the Academy Board Treasurer shall provide the CSO Director, in a form and manner determined by the CSO, with account detail information and authorization to direct such funds to the Academy Dissolution Account. The Academy Dissolution Account shall be under the sole care, custody and control of the Academy Board, and such funds shall not be used by the Academy to pay any other Academy debt or obligation until such time as all the wind-up and dissolution expenses have been satisfied. An intercept agreement entered into by the Academy and a third party lender or trustee shall include language that the third party lender or trustee acknowledges and consents to the funding of the Academy's dissolution account in accordance with this Contract. Any unspent funds remaining in the Academy's dissolution account after payment of all wind up and dissolution expenses shall be returned to the Academy.

ARTICLE XI

PROVISIONS RELATING TO PUBLIC SCHOOL ACADEMIES

Section 11.1. 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. 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.

- (b) 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.
- (c) 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 (c)(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 the Academy's deficit elimination plan, the Academy shall post the deficit elimination plan on the Academy's website.
- (d) 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) 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 11.2. Insurance. The Academy Board shall secure and maintain in its own name as the "first named insured" at all times the following insurance coverages required by the Michigan Universities Self-Insurance Corporation ("M.U.S.I.C.") for public school academies authorized by university board authorizing bodies:

M.U.S.I.C. INSURANCE COVERAGE REQUIREMENTS

for Public School Academies (PSA), Strict Discipline Academies (SDA) Urban High Schools (UHS) & Schools of Excellence (SOE)

NOTE: Insurance carriers must have an AM Best Rating of "A - VII" or better

EFFECTIVE DATE: 07/01/12 -- MUSIC Board Approval Date: 12/15/2011

COVERAGE	REQUIREMENTS
General or Public Liability (GL)	<p>Must be Occurrence form</p> <p>Must include Sexual Abuse & Molestation coverage which can be Occurrence or Claims Made. If this coverage is Claims Made the Retroactive Date must be the same or before date of original College PSA/SDA/UHS/SOE contract. If this coverage is Claims Made, and the PSA/SDA/UHS/SOE goes out of business, the PSA/SDA/UHS/SOE needs to purchase the longest-available tail coverage. This requirement could be stated in the exit language of the Charter Contract with the PSA/SDA/UHS/SOE.</p> <p>Must include Corporal Punishment coverage.</p> <p>\$1,000,000 per occurrence & \$2,000,000 aggregate.</p> <p>In the event of name changes, mergers, etc., every past and present PSA/SDA/UHS/SOE name must be listed on the policy with the new entity as the First Named Insured.</p> <p>College must be included as an Additional Insured with Primary and Non-Contributory Coverage.</p> <p>NOTE: SDA must also have Security/Police Professional Liability coverage with MINIMUM of \$1,000,000 limit which can be Occurrence or Claims Made. If this coverage is Claims Made, and the SDA goes out of business, the SDA needs to purchase the longest-available tail coverage. This requirement could be stated in the exit language of the Charter Contract with the SDA.</p>
COVERAGE	REQUIREMENTS
Errors & Omissions (E&O)	Must include Employment Practices Liability.

Must include Corporal Punishment coverage.
Must include Sexual Abuse & Molestation coverage.
Must include Directors' & Officers' coverage.
Must include School Leaders' E&O.
Can be Claims Made or Occurrence form.
If Claims Made, retroactive date must be the same or before date of original College - PSA/SDA/UHS/SOE Charter Contract. If this coverage is Claims Made, and the PSA/SDA/UHS/SOE goes out of business, the PSA/SDA/UHS/SOE needs to purchase the longest-available tail coverage. This requirement could be stated in the exit language of the Charter Contract with the PSA/SDA/UHS/SOE.
\$1,000,000 per occurrence & \$3,000,000 aggregate.
In the event of name changes, mergers, etc., every past and present PSA/SDA/UHS/SOE name must be listed on the policy with the new entity as the First Named Insured.
College must be included as an Additional Insured with Primary and Non-Contributory Coverage.

M.U.S.I.C. INSURANCE COVERAGE REQUIREMENTS

for Public School Academies (PSA), Strict Discipline Academies (SDA) Urban High Schools (UHS) & Schools of Excellence (SOE)

NOTE: Insurance carriers must have an AM Best Rating of "A - VII" or better

COVERAGE	REQUIREMENTS
Automobile Liability (AL) for Owned and Non-Owned Autos	<p>\$1,000,000 per accident.</p> <p>In the event of name changes, mergers, etc., every past and present PSA/SDA/UHS/SOE name must be listed on the policy with the new entity as the First Named Insured.</p> <p>College must be included as Additional Insured with Primary and Non-Contributory Coverage.</p>
See Umbrella section for higher limit	Higher limits are required if PSA/SDA/UHS/SOE has its own buses.
COVERAGE	REQUIREMENTS
Workers' Compensation	<p>Must be Occurrence form.</p> <p>Statutory Limits with \$1,000,000 Employers Liability Limits.</p>
Requirement for PSA/SDA/UHS/SOE when leasing employees from Educational Service Provider (ESP) or Management Firm (MF)	NOTE: Must have Alternate Employer Endorsement from ESP/MF. Schedule PSA/SDA/UHS/SOE location on the ESP/MF Contract.
	NOTE: If PSA/SDA/UHS/SOE is leasing employees from ESP/MF and the PSA/SDA/UHS/SOE name does not have payroll, PSA/SDA/UHS/SOE still must carry Workers' Compensation coverage including Employers' Liability
COVERAGE	REQUIREMENTS
Crime	<p>Must include Employee Dishonesty coverage.</p> <p>Must include third party coverage.</p> <p>\$500,000 limit.</p>

COVERAGE	REQUIREMENTS
Umbrella	<p>Can be Claims Made or Occurrence form. If this coverage is Claims Made, and the PSA/SDA/UHS/SOE goes out of business, the PSA/SDA/UHS/SOE needs to purchase the longest-available tail coverage. This requirement could be stated in the exit language of the Charter Contract with the PSA/SDA/UHS/SOE.</p> <p>Umbrella is acceptable with a \$4,000,000 limit and aggregate. Also, an Umbrella policy with an unlimited aggregate is acceptable at a \$2,000,000</p> <p>If PSA/SDA/UHS/SOE has its own buses AND/OR has more than 1,000 students, must have MINIMUM \$5,000,000 per occurrence.</p> <p>If PSA/SDA/UHS/SOE purchases additional Umbrella limits to meet the \$1,000,000/\$3,000,000 for E&O then they must be in addition to the required Umbrella limit.</p> <p>In the event of name changes, mergers, etc., every past and present PSA/SDA/UHS/SOE name must be listed on the policy with the new entity as the First Named Insured.</p> <p>College must be included as Additional Insured with Primary and Non-Contributory Coverage.</p> <p>All coverages have to be included in the Umbrella that are in General Liability, Automobile and E&O.</p>

M.U.S.I.C. INSURANCE COVERAGE REQUIREMENTS

for Public School Academies (PSA), Strict Discipline Academies (SDA) Urban High Schools (UHS) & Schools of Excellence (SOE)

NOTE: Insurance carriers must have an AM Best Rating of "A - VII" or better

ADDITIONAL RECOMMENDATIONS

COVERAGE	RECOMMENDATION
Property	Limits to cover replacement for PSA/SDA/UHS/SOE's property exposures, including real and personal, owned or leased.
Cyber Risk Coverage	Cyber Liability addresses the first- and third-party risks regarding Internet business, the Internet, networks and other assets. Cyber Liability Insurance coverage offers protection for exposures from Internet hacking and notification requirements.
Automobile Physical Damage	Coverage for damage to the owned or used vehicle.

DISCLAIMER:

By requiring such minimum insurance, the College shall not be deemed or construed to have assessed the risks that may be applicable to every PSA/SDA/UHS/SOE's operation and related activities. Each PSA/SDA/UHS/SOE should assess its own risks and if it deems appropriate and/or prudent, maintain higher limits and/or broader coverage.

The insurance must be obtained from a licensed mutual, stock, or other responsible company licensed to do business in the State of Michigan. The Academy may join with other public school academies to obtain insurance if the Academy Board finds that such an association provides economic advantages to the Academy, provided that each Academy maintains its identity as first named insured. The Academy shall list the College and the College Board on the

insurance policies as an additional insured on insurance coverages listed in (b), (c) and (e) above. The Academy shall have a provision included in all policies requiring notice to the College Board, at least thirty (30) days in advance, upon termination or non-renewal of the policy. In addition, the Academy shall provide copies of all insurance policies required by this Contract on site for inspection by the College Board or its designee.

All insurance certificates must accurately reflect the coverage provided under the Academy's policy. Certificate must expressly list or state the coverage for each item specified in the Contract. Policy and corresponding certificates, should reflect an annual expiration date of June 30th to correspond with the Contract, unless a different date provides an economic advantage to the Academy, so long as such date does not create a gap in coverage at any time during the term of the Contract.

When changing insurance programs or carriers, the Academy must provide copies of the proposed policies to the College Board, or its designee, at least thirty (30) days prior to the proposed change. The Academy shall not cancel its existing coverage without the prior approval of the Charter Schools Office. In the event the Academy fails to purchase the insurance coverage required by this Section 11.2, the College Board may purchase on the Academy's behalf the insurance required under this Section 11.2 and subtract the total cost for placed insurance from the next state school aid payment received by the College Board for forwarding to the Academy.

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 minimums may be required depending upon academic offerings and program requirements.

If the Academy utilizes an Educational Service Provider, the following insurance requirements apply to the Educational Service Provider and such coverages must be secured prior to providing any services or personnel to the Academy:

COVERAGE	REQUIREMENTS
General or Public Liability (GL)	Must be Occurrence form
	Must include Sexual Abuse & Molestation coverage
	Must include Corporal Punishment coverage
	\$1,000,000 per occurrence & \$2,000,000 aggregate
	PSA must be included as First Named Insured
	College must be included as Additional Insured with Primary Coverage
	NOTE: Strict Disciplinary Academies must also have Security/Police Professional Liability coverage with MINIMUM of \$1,000,000 per occurrence
COVERAGE	REQUIREMENTS
Errors & Omissions (E&O)	Must include Employment Practices Liability
	Must include Directors' and Officers' coverage
	Must include School Leaders' E&O

	Can be Claims Made or Occurrence form
	If Claims Made, Retroactive Date must be the same or before date of original College-PSA contract
	\$1,000,000 per occurrence & \$3,000,000 aggregate
	PSA must be included as First Named Insured
	College must be included as Additional Insured with Primary Coverage
COVERAGE	REQUIREMENTS
Automobile Liability (AL) for Owned and Non-Owned Autos	\$1,000,000 per accident
	PSA must be included as First Named Insured
	College must be included as Additional Insured with Primary Coverage
	Higher limits may be required if PSA has its own buses
COVERAGE	REQUIREMENTS
Workers' Compensation	Must be Occurrence Form
	Statutory Limits
	NOTE: If PSA is leasing employees from ESP, ESP must have Employers' Liability with \$1,000,000 per occurrence AND Alternate Employer Endorsement naming PSA.
	PSA must be included as First Named Insured
COVERAGE	REQUIREMENTS
Crime	Must include Employee Dishonesty coverage
	Must be Occurrence form
	\$500,000 per occurrence
	PSA must be included as First Named Insured
COVERAGE	REQUIREMENTS
Umbrella	Can be Claims Made or Occurrence form
	\$2,000,000 per occurrence & \$4,000,000 aggregate
	If PSA has its own buses AND/OR has more than 1,000 students, must have MINIMUM \$5,000,000 per occurrence
	PSA must be included as First Named Insured
	College must be included as Additional Insured with Primary Coverage
ADDITIONAL RECOMMENDATIONS	
COVERAGE	REQUIREMENTS
Property	Limits to cover replacement for PSA's property exposures, including real and personal, owned or leased
COVERAGE	REQUIREMENTS
Performance Bond (or Letter of Credit with Indemnification)	\$1,000,000 per claim/aggregate

Insurance carrier(s) must have an AM Best Rating of "A - VII" or better.

The College's insurance carrier periodically reviews the types and amounts of insurance coverages that the Academy must secure in order for the College to maintain insurance coverage for the authorization and oversight of the Academy. In the event that the College's insurance carrier requests additional changes in coverage identified in this Section 11.2, or M.U.S.I.C. requires changes in coverage and amounts for public school academies authorized by university board public school academy authorizing bodies, the Academy agrees to comply with any additional changes in the types and amounts of coverage requested by the College's insurance carrier or adopted by M.U.S.I.C. within thirty (30) days after notice of the insurance coverage change.

Section 11.3. Legal Liabilities and Covenant Against Suit. The Academy acknowledges and agrees that it has no authority to extend the full faith and credit of the College Board, the College or any other authorizing body, or to enter into a contract that would bind the College Board or the College. The Academy is also 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 hereby agrees and covenants not to sue the College Board, the College, or any of its Regents, officers, employees, agents or representatives for any matters that arise under this Contract. The College Board and the College do not assume any obligation with respect to any Director, employee, agent, parent, guardian, student, or independent contractor of the Academy, and no such person shall have the right or standing to bring suit against the College Board or the College, or any of its Regents, employees, agents, or independent contractors as a result of the issuing, overseeing, suspending, terminating or revoking of this Contract, or as a result of not issuing a new Contract at the end of the term of this Contract.

Section 11.4. Lease or Deed for Proposed Single Site. Prior to entering into any lease agreement for real property, the Academy shall provide to the Charter Schools Office copies of its lease or deed for the premises in which the Academy shall operate in a form and manner consistent with the Lease Policies, which are incorporated into and be deemed part of this Contract. A copy of the final executed lease agreement shall be included in this Contract under Schedule 6. The Charter Schools Office may, from time to time during the term of this Contract, amend the Lease Policies and such amended Lease Policies shall automatically apply to the Academy without the need for a Contract amendment under article IX of these Terms and Conditions. The Charter Schools Office may disapprove the proposed lease agreement submitted by the Academy if the lease agreement is contrary to this Contract, the Lease Policies, or Applicable Law. Any subsequent amendment to a lease agreement shall be submitted for review by the Charter Schools Office in the same form and manner as a new lease agreement.

Any lease agreement entered into by the Academy shall include a termination provision permitting the Academy to terminate the lease, without cost or penalty to the Academy, in the event that the Academy is required to close an Academy site covered by the lease (i) pursuant to a notice issued by the Department under Section 507 of the Code, MCL 380.507; or (ii) pursuant to a reconstitution by the College pursuant to Section 507 of the Code, MCL 380.507 and these Contract Terms and Conditions. The provision shall also provide that the lessor/ landlord shall have no recourse against the Academy or the College Board for implementing the site closure or reconstitution. Nothing in this paragraph shall prevent the lessor/ landlord from receiving lease

payments owed prior to site closure or reconstitution, or relieve the Academy from paying any costs or expenses owed under the lease prior to site closure or reconstitution.

A copy of the Academy's amended lease or deed shall be incorporated into this Contract under Schedule 6. Any subsequent amendments to any Academy lease agreement shall only be incorporated into this Contract pursuant to Article IX of these Terms and Conditions.

Section 11.5. Occupancy and Safety Certificates. The Academy Board shall: (i) ensure that the Academy's physical facilities comply with all fire, health and safety standards applicable to schools; and (ii) possess the necessary occupancy and safety certificates for the Academy's physical facilities. The Academy Board shall not conduct classes until the Academy has complied with this Section 11.5. Copies of these certificates shall be incorporated into this Contract under Schedule 6.

Section 11.6. Criminal Background and History Checks; Disclosure of Unprofessional Conduct. 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 11.6 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 11.7. 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 11.8. 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. Only Academy Board members or designated Academy employees may be a signatory on any Academy bank account.

Section 11.9. 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 166b 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 Schedule 7c of this Contract by amendment pursuant to Article IX of these Terms and Conditions.

Section 11.10. Required Provisions for ESP Agreements. Any Management Agreement with an ESP entered into by the Academy must contain the following provisions:

“Indemnification of Bay Mills Community College. The parties acknowledge and agree that the Bay Mills Community College Board of Regents, Bay Mills Community College and its respective members, officers, employees, agents or representatives (all collectively referred to as “Bay Mills Community College”) are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, [insert name of Educational Service Provider] hereby promises to indemnify, defend, and hold harmless Bay Mills Community College against all claims, demands, actions, suits, causes of action, losses, judgments, damages, fines, penalties, forfeitures, or any other liabilities or losses of any kind, including costs, attorney fees, and related expenses, imposed upon or incurred by Bay Mills Community College 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 Bay Mills Community College, which arise out of or are in any manner connected with Bay Mills Community College Board of Regents’ approval of the Academy’s application, Bay Mills Community College Board of Regents’ consideration of or issuance of a Contract, [insert the name of Educational Service Provider] preparation for and operation of the Academy, or which are incurred as a result of the reliance by Bay Mills Community College upon information supplied by [insert the name of Educational Service Provider], or which arise out of the failure of [insert the name of Educational Service Provider] to perform its obligations under the Contract, the Agreement or Applicable Law, as applicable. The parties expressly acknowledge and agree that Bay Mills Community College, Bay Mills Community College Board of Regents and its members, and their respective officers, employees, agents or representatives, or any of them, may commence legal action against [insert name of Educational Service Provider] to enforce its rights as set forth in this Agreement.”

“Agreement Coterminous With Academy’s Contract. If the Academy’s Contract issued by the Bay Mills Community College Board of Regents 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 terminated, as the case may be, on the same date as the Academy’s Contract is suspended, revoked, terminated or expires without further action of the parties.”

“Compliance with Academy’s Contract. The Educational Service Provider 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 the Bay Mills Community College Board of Regents. The provisions of the Academy’s Contract shall supersede any competing or conflicting provisions contained in this Agreement.”

“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 Department. The defined terms in section 503c of the Code, MCL 380.503c, shall have the same meaning 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 Department 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 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 Educational Service Provider shall have no recourse against the Academy or the College Board for implementing such site closure or reconstitution."

"Compliance with Section 12.17 of Contract Terms and Conditions. The Educational Service Provider shall make information concerning the operation and management of the Academy, including without limitation the information described in Schedule 4 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 12.17(a) of the Contract Terms and Conditions."

Section 11.11. Management Agreements. The Academy may enter into a Management Agreement with an ESP to contract out its administrative and/or educational functions and personnel. For purposes of this Contract, an employee leasing agreement shall be considered a Management Agreement, and an employee leasing company shall be considered an ESP. Any Management Agreement shall state that the ESP must acquire insurance in addition to the insurance the Academy must obtain under the Contract. The coverage must be similar to the insurance coverage required by the Contract and the Management Agreement must detail the type and amount of such required coverage. Prior to entering any Management Agreement with an ESP, the Academy shall submit a copy of the final draft Management Agreement to the Charter Schools Office in a form and manner consistent with the ESP Policies. A copy of the final executed Management Agreement shall be included in this Contract under Schedule 5. The Charter Schools Office may, from time to time during the term of this Contract, amend the ESP Policies and the amended ESP Policies shall automatically apply to the Academy without the need for a Contract amendment under article IX of these Terms and Conditions. The Charter Schools Office may disapprove the proposed Management Agreement submitted by the Academy if the Management Agreement is contrary to this Contract or Applicable Law. Any subsequent amendment to a Management Agreement shall be submitted for review by the Charter Schools Office in the same form and manner as a new Management Agreement.

Section 11.12. 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.

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 is by hand; or (ii) upon receipt by the transmitting party of confirmation or answer back if delivery is by facsimile or telegram; or (iii) 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 address or person as the respective party may designate by notice delivered pursuant hereto:

If to the College Board:

President
Bay Mills Community College
12214 West Lakeshore Drive
Brimley, Michigan 49715

If to the Tribal Office:

Tribal Attorney's Office
Bay Mills Indian Community
12140 West Lakeshore Drive
Brimley, Michigan 49715

If to Outside Counsel:

Courtney F. Kissel
Dykema Gossett PLLC
201 Townsend Street, Suite 900
Lansing, Michigan 48933

If to Academy:

Academy Board President
International Academy of Saginaw
1944 Iowa Avenue
Saginaw, MI 48601

If to Academy Counsel:

Gregory M. Meihn
Gordon & Rees
37000 Woodward Ave., Suite 225
Bloomfield Hills, MI 48304

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. Except as specifically provided in this Contract, this Contract sets forth the entire agreement between the College Board and the Academy with respect to the subject matter of this Contract. All prior contracts, representations, statements, negotiations, understandings, and undertakings are superseded by this Contract.

Section 12.5. Assignment. This Contract is not assignable by either the Academy or the College Board.

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. 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 12.8. 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 12.9. Term of Contract. This Contract shall commence on the date first set forth above and shall remain in full force and effect for 4 years until June 30, 2027, unless sooner revoked or terminated according to the terms hereof.

Section 12.10. Indemnification. As a condition to receiving a grant of authority from the College Board to operate a public school pursuant to the terms and conditions of this Contract, the Academy agrees to indemnify, defend and hold the College Board, the College and its Board of Regents 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 College, which arise out of or are in any manner connected with the College Board's receipt, consideration or approval of the Application, the College Board's approval of the Resolution or Authorizing Resolution, legal challenges to the validity of Part 6A of the Code or actions taken by the College Board as an authorizing body under Part 6A of the Code, the College 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 College Board, the College and its Board of Regents 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 governmental immunity provided under Section 7 of the Governmental Liability for Negligence Act, being MCL 691.1407 of the Michigan Compiled Laws.

Section 12.11. 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 12.12. 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 12.13. No Third Party Rights. This Contract is made for the sole benefit of the Academy and the College Board and no other person or entity, including without limitation, the Educational Service Provider. 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 12.14. Non-agency. It is understood that the Academy is not the agent of the College.

Section 12.15. College 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 College Board or CSO policies regarding public school academies which shall apply immediately, College 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 College 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.

Section 12.16. Survival of Provisions. The terms, provisions, and representations contained in Section 11.2, Section 11.3, Section 12.10, Section 12.13 and any other provisions of this Contract that by their sense and context are intended to survive termination of this Contract shall survive.

Section 12.17. Information Available to the Public.

- (a) Information to be provided by the Academy. The Academy shall make information concerning its operation and management, including without limitation the information described in Schedule 4, available to the public in the same manner and to the same extent as is required for public schools and school districts under Applicable Law.
- (b) Information to be provided by Educational Service Providers. If the Academy enters into an agreement with an Educational Service Provider for operation or management of the Academy, the Management

Agreement shall contain a provision requiring the Educational Service Provider to make information concerning the operation and management of the Academy, including without limitation the information described in Schedule 4, 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 12.18. Termination of Responsibilities. Upon termination or revocation of the Contract, the College Board or its designee shall have no further obligations or responsibilities under this Contract to the Academy or any other person or persons in connection with this Contract. Upon termination or revocation of the Contract, the Academy may amend its articles of incorporation or bylaws as necessary to allow the Academy Board to: (a) take action to appoint Academy Board members in order to have a quorum necessary to take Academy Board action; or (b) effectuate a dissolution, provided that the Academy Board may not amend any provision in the Academy's articles of incorporation or bylaws regarding the disposition of assets upon dissolution.

Section 12.19. 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, Part 6A of the Code and Applicable Law.

Section 12.20. Student Privacy. In order to protect the privacy of students enrolled at the Academy, the Academy Board, subject to Section 12.23, 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 subsection does not apply to any of the following situations:
 - (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 College;
 - (ii) providing the information 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 or 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 College.
- (b) The terms "education records" and "personally identifiable information" shall have the same meaning as defined in MCL 380.1136.

Section 12.21. Disclosure of Information to Parents and Legal Guardians. Subject to Section 12.23:

(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 College Board, College, Charter Schools Office or to the educational management organization with which the Academy has a management agreement that has not been disapproved by the College;
- (iv) by the Academy to the Academy's intermediate school district or another intermediate school district providing services to Academy or the Academy's students pursuant to a written agreement;
- (v) to the Academy by the Academy's intermediate school district or another immediate school district providing services to pupils enrolled in the Academy pursuant to a written agreement;
- (vi) to the Academy by the College Board, College, Charter Schools Office;
- (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 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) to a person, agency, or organization 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.

Section 12.22. List of Uses for Student Directory Information; Opt-Out Form; Notice to Student’s Parent or Legal Guardian.

(a) Subject to Section 12.23, 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 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 MCL 380.1136.

Section 12.23. Confidential Address Restrictions.

(a) The Academy shall not disclose the confidential address of a student if the student or the student's parent or legal guardian has obtained a participation card issued by the department of the attorney general under the address confidentiality program act and the parent or legal guardian provides notice of the issuance of the participation card, in a form and manner prescribed by the Michigan Department of Education.

(b) The term “confidential address” shall have the meaning as defined in MCL 380.1136.

Section 12.24 Partnership Agreement. If the Department and State Reform Office imposes a partnership agreement on the Academy, the Academy shall work collaboratively with the Department, the State Reform Office and other partners to implement the partnership agreement. In the event that a provision in the partnership agreement is inconsistent with a provision in this Contract, this Contract shall control.

Section 12.25. Statewide Safety Information Policy. The Academy shall adopt and adhere to the statewide school safety information policy required under section 1308 of the Code, MCL 380.1308. The statewide school safety information policy may also address Academy procedures for reporting incidents involving possession of a dangerous weapon as required under section 1313 of the Code, MCL 380.1313.

Section 12.26. Criminal Incident Reporting Obligation. Within twenty-four (24) hours after an incident occurs, the Academy shall provide a report to the Michigan State Police, in a form and manner prescribed by State Police, either of the following: (i) an incident involving a crime that must be reported under section 1310a(2) of the Code, MCL 380.1310a(2); or (ii) an incident, if known to the Academy, involving the attempted commission of a crime that must be reported under section 1310a(2) of the Code, MCL 380.1310a(2). Failure to comply may result in the Academy being ineligible to receive any school safety grants from the Michigan State Police for the fiscal year in which the noncompliance is discovered by State Police.

Section 12.27. Academy Emergency Operations Plan. (a) Beginning in the 2019-2020 school year, and at least biennially thereafter, the Academy shall, in conjunction with at least 1 law enforcement agency having jurisdiction over the Academy, conduct either (i) a review of the Academy's emergency operations plan, including a review of the vulnerability assessment; or (ii) a review of the Academy's statewide school safety information policy, as applicable.

(b) Not later than January 1, 2020, the Academy shall either (i) develop an emergency operations plan for each school building, including recreational structure or athletic field, operated by the Academy with input from the public; or (ii) adopt a statewide school safety information policy under section 1308 of the Code, MCL 380.1308. The emergency operations plan or statewide school safety information policy shall comply with section 1308b(3) of the Code, MCL 380.1308b(3). Within thirty (30) days, the Academy shall provide to the Department, in a form and manner determined by the Department, notice of the adoption of an emergency operations plan or the completion of an emergency operations plan review, as applicable.

Section 12.28. School Safety Liaison. The Academy Board shall designate a liaison to work with the School Safety Commission created under Section 5 of the Comprehensive School Safety Plan Act created under Public Act 548 of 2018, MCL 28.805 and the Office of School Safety created under MCL 28.681. The Liaison shall be an individual employed or assigned to regularly and continuously work under contract in the school operated by the Academy. The Liaison shall work with the School Safety Commission and the Office of School Safety to identify mode practices for determining school safety measures.

Section 12.29. New Building Construction or Renovations. The Academy shall not commence construction on a new school building or the major renovation of an existing school building unless the Academy consults on the plans of the construction or major renovation regarding school safety issues with the law enforcement agency that is or will be the first responder for that school building. School building includes either a building intended to be used to provide pupil instruction or a recreational or athletic structure or field used by pupils.

Section 12.30. Annual Expulsion Report and Website Report on Criminal Incidents. On an annual basis, the Academy Board shall do the following:

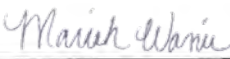
(i) prepare and submit to the Superintendent, in a form and manner prescribed by the Superintendent, a report stating the number of pupils expelled from the Academy during the immediately preceding school year, with a brief description of the incident causing each expulsion;

(ii) post on its website, in a form and manner prescribed by the Superintendent, a report on the incidents of crime occurring at schools operated by the Academy. Each school building shall collect and keep current on a weekly basis the information required for the website report, and must provide that information, within seven (7) days upon request; and

(iii) make a copy of the report on the incidents of crime, disaggregated by school building, available to the parent or legal guardian of each pupil enrolled in the Academy.

As the designated representative of the Bay Mills Community College Board of Regents, I hereby issue this Contract to the Academy on the date set forth above.

**BAY MILLS COMMUNITY COLLEGE
BOARD OF REGENTS**

By: 
Mariah Wanic, Charter Schools Office Director

Date: July 1, 2023

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 of the terms and conditions of this Contract.

INTERNATIONAL ACADEMY OF SAGINAW

By: 
Vanessa Lewis, Board President

Date: July 1, 2023

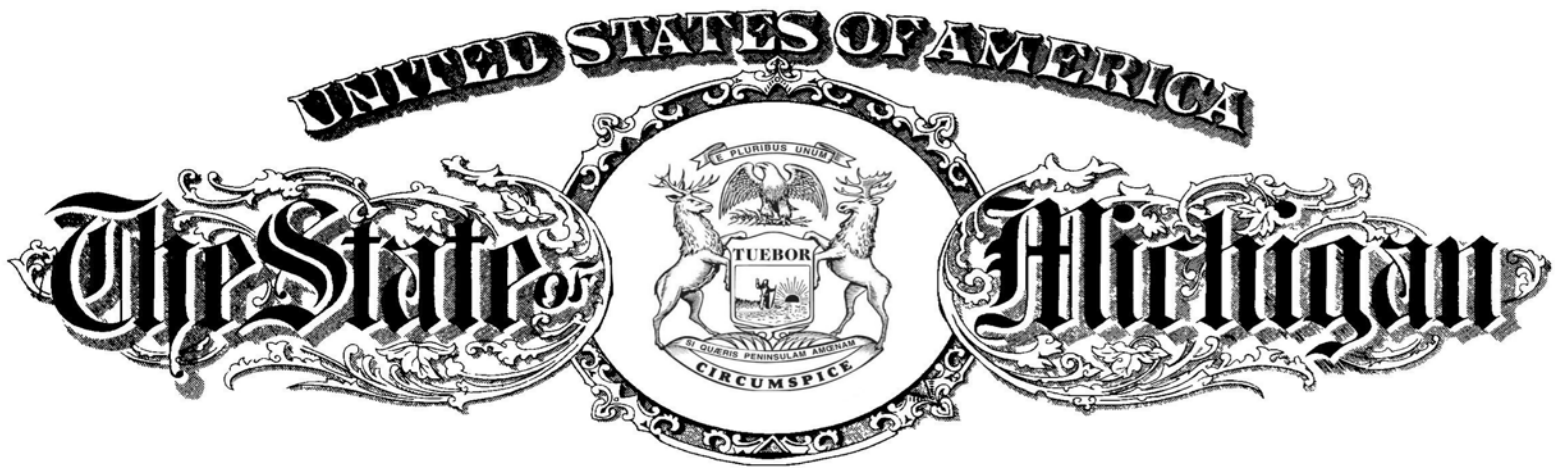
CONTRACT SCHEDULES

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CONTRACT SCHEDULE 1

ARTICLES OF INCORPORATION



Department of Licensing and Regulatory Affairs

Lansing, Michigan

This is to Certify That

INTERNATIONAL ACADEMY OF SAGINAW

was validly Incorporated on November 16 , 2006 as a Michigan nonprofit corporation, and said corporation is validly in existence under the laws of this state.

This certificate is issued pursuant to the provisions of 1982 PA 162 to attest to the fact that the corporation is in good standing in Michigan as of this date and is duly authorized to conduct affairs in Michigan and for no other purpose.

This certificate is in due form, made by me as the proper officer, and is entitled to have full faith and credit given it in every court and office within the United States.



Sent by electronic transmission

Certificate Number: 23050626901

*In testimony whereof, I have hereunto set my hand,
in the City of Lansing, this 26th day of May , 2023.*

A handwritten signature in black ink, reading "Linda Clegg".

Linda Clegg, Director

Corporations, Securities & Commercial Licensing Bureau

502

ARTICLES OF INCORPORATION
For Use By Domestic Nonprofit Corporations

FILED

NOV 16 2006

OF

Administrator
Bureau of Commercial Services

INTERNATIONAL ACADEMY OF SAGINAW

70018H

Pursuant to the provisions of the Michigan Nonprofit Corporation Act of 1982, as amended (the "Act", being MCL 450.2101 et seq, and Act 362, Public Acts of 1993, Part 6A of the Revised School Code (the "Code") as amended, being Sections 380.501 to 380.518 of the Michigan Compiled Laws, the undersigned corporation executes the following Articles of Incorporation:

ARTICLE I

Trans Infor: 12306751-1 11/08/06
Chk#: 109211 Amt: \$20.00
ID: BRAUN

The name of the corporation is: INTERNATIONAL ACADEMY OF SAGINAW.

The authorizing body for the corporation is: BAY MILLS COMMUNITY COLLEGE.

ARTICLE II

The purpose or purposes for which the academy is organized are:

1. The academy is organized for the purposes of operating as a public school academy in the state of Michigan pursuant to Part 6A of the Code.
2. The academy, 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 academy 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 academy organized under the laws of the State of Michigan and subject to a Contract authorized under the Code.
3. Additionally, the academy is organized for the purposes of 1) improving pupil achievement for all pupils, including but not limited to, educationally disadvantaged pupils, by improving the learning environment; 2) stimulating innovative teaching methods; 3) creating new

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professional opportunities for teachers in a new type of school in which the school structure and educational program can be innovatively designed by teachers at the school site level; 4) achieving school accountability outcomes by placing full responsibility for performance at the school site level; and 5) providing parents and pupils with greater choices among public schools, both within and outside their existing school districts.

ARTICLE III

The academy is organized on a non-stock, directorship basis.

The value of assets which the academy possesses is:

Real Property: None.

Personal Property: None.

The academy 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.

ARTICLE IV

The address of the initial registered office is 4301 Fashion Square Boulevard, Saginaw, Michigan 48603.

The mailing address of the initial registered office is the same.

The name of the initial resident agent at the registered office is Thomas R. Luplow.

ARTICLE V

The name and address of the incorporators are as follows:

Jimmy E. Greene 4591 Spurwood Drive; Saginaw, Michigan 48603
Dianne E. Thomas 1220 Cresswell Street; Saginaw, Michigan 48601
Minerva Rosales 2404 Robinwood; Saginaw, Michigan 48601

ARTICLE VI

The academy is, or will be upon receiving its charter contract ("Contract") from Bay Mills Community College, a governmental entity.

ARTICLE VII

No part of the net earnings of the academy 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 academy 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 academy 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.

Except as otherwise provided by law, upon the dissolution of the academy, the board shall after paying or making provision for the payment of all of the liabilities of the academy, dispose of all of the assets of the academy to the Authorizing Body or to such other governmental entities who are organized for similar purposes as set forth in Article II.

ARTICLE VIII

Upon issuance of the Contract to the academy, the academy 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 IX

These Articles of Incorporation shall not be amended except by the process provided in the Contract executed by the academy and Bay Mills Community College Board of Regents ("Board of Regents"), allowing the school to operate as a public school academy. This process is as follows:

The academy, by a majority vote of its Board of Directors, may, at any time, propose specific changes to these Articles of Incorporation or may propose a meeting to discuss potential revision to these Articles of Incorporation. The proposal will be made to the Board of Regents through its designee. The Board of Regents delegates to its President, or the President's designee, the review and approval of changes or amendments to the Articles of Incorporation. In the event that a proposed change is not accepted by the Board of Regents or the Board of Regents' designee, the Board of Regents shall consider and vote upon a change proposed by the academy following an opportunity for a written and/or oral presentation to the Board of Regents by the academy.

The Board of Regents, or an authorized designee, may, at any time, propose specific changes to these Articles of Incorporation or may propose a meeting to discuss potential revision. The academy's Board of Directors may delegate to an officer of the academy the review and negotiate changes or amendments to these Articles of Incorporation. The Articles of Incorporation shall be amended as requested by the Board of Regents upon a majority vote of the academy's Board of Directors.

Amendments to these Articles of Incorporation take effect only after they have been approved by the academy's Board of Directors and the Board of Regents, and the amendments are filed with the Michigan Department of Labor and Economic Growth, Bureau of Commercial Services. In addition, the corporation shall file with the amendment a copy of the Board of Regents' approval of the amendment.

ARTICLE X

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

ARTICLE XI


The academy shall comply with all state and federal law applicable to public schools concerning church-state issues. To the extent disqualified under the federal or state constitution, 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.

These Articles of Incorporation are hereby signed by the incorporators on this 3rd day of November, 2006.

These Articles of Incorporation shall become effective upon filing. However, the academy shall not carry out the purposes set forth in Article II unless the Board of

Regents issues the Contract to operate as a public school academy, and the Contract is executed by both the academy and the Board of Regents.

INCORPORATORS:


JIMMY E. GREENE


MINERVA ROSALES


DIANNE E. THOMAS

CONTRACT SCHEDULE 2

BYLAWS

International Academy of Saginaw

Bylaws

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BYLAWS
OF
INTERNATIONAL ACADEMY OF SAGINAW

ARTICLE I

NAME

This organization shall be called International Academy of Saginaw (the "Academy").

ARTICLE II

FORM OF CORPORATION

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

ARTICLE III

OFFICES

Section 1. Principal Office. The principal office of the corporation shall be located in the County of Saginaw, State of Michigan.

Section 2. Registered Office. The registered office of the corporation may be the same as the principal office of the corporation, but in any event 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; MEETINGS; FISCAL YEAR

Section 1. General Powers. The business, property and affairs of the corporation shall be managed by its Board of Directors. The Board of Directors may exercise any and all of the powers granted to it under the Michigan Non-Profit Corporation Act or pursuant to Part 6A of the Michigan Revised School Code ("Code"), as amended, MCL380.501 et seq. The board may delegate such power to the officers of

the board as it deems necessary and to the extent permitted by applicable law.

Section 2. Method of Selection. The initial Board of Directors shall be the individuals named in the resolution approved by the Bay Mills Community College Board of Regents ("Board of Regents"). Subsequently, the Board of Directors of the corporation shall nominate a list of potential members of the Board of Directors equaling at least twice the number of vacancies on the Board. Provided the Board of Directors submits the list of nominees at least forty-five (45) days before the June or December Board of Regents meeting, the Board of Regents shall select members from the list of nominees at its June or December meeting. In the event that a vacancy causes the Board of Directors to be unable to have a quorum, the Board of Regents may accept the list of nominees and make an appointment at its next regularly scheduled meeting. When the nominations are forwarded to the Board of Regents, they shall be accompanied by the nominees' resume and each nominee shall be available for interview by the Board of Regents or its designee. A member appointed to fill a vacancy created other than by expiration of a term shall be appointed for the unexpired term of the vacating member in the same manner as the original appointment.

Section 3. Length of Term. The term of each member of the Board of Directors shall be three (3) years, except that of the members first appointed, 1/3 shall be appointed for a term of three years, 1/3 shall be appointed for a term of two years, and the remainder shall be appointed for a term of one year. At the first meeting, the Board of Directors shall designate which members of the initial Board of Directors shall serve one (1), two (2), and three (3) year terms. The length of term of the board members shall commence with the first meeting of the board of directors. The initial terms shall commence on the day of appointment and shall continue until June 30 of the respective term year. Subsequent terms shall be from July 1 through June 30 of the appropriate year.

Section 4. Number of Directors. The number of members shall never be fewer than five (5) nor more than nine (9), as determined from time to time by the Board of Regents.

Section 5. Qualifications. The Board members of the corporation may include (i) a representative of the parents of children attending the school; and (ii) at least one professional educator, preferably a person with school administrative experience. The Board shall not include (i) members appointed or controlled by another profit or non-profit corporation; (ii) employees of International Academy of Saginaw; (iii) any director, officer or employee of a management company that contracts with International Academy of Saginaw; or (iv) Bay Mills Community College officials, as representatives of Bay Mills Community College.

Section 6. Oath of Office. All members of the Board of Directors of the corporation must file an acceptance of office with the College. All members of the Board of Directors of the corporation shall take the oath of office required by Section 512a(4)(b)(vi) of the Code.

Section 7. Tenure. Each member of the Board of Directors ("Director") shall hold office until the Director's replacement, death, resignation, removal or until the expiration of the term, whichever occurs first.

Section 8. Removal. Any Director may be removed with or without cause by a two-thirds vote of the Board of Directors of the corporation or as directed by the Board of Regents.

Section 9. Resignation. Any Director may resign at any time by providing written notice to the corporation. Notice of resignation will be effective upon receipt or at a subsequent time designated in the notice. A successor shall be appointed as provided in Section 2 of this Article.

Section 10. Annual and Regular Meetings. The Board of Directors shall hold an annual meeting in July of each year. The Board of Directors may provide, by resolution, the time and place, within the state of Michigan, for the holding of regular meetings. The corporation shall provide notice of the annual and all regular meetings as required by the Open Meetings Act, MCL 15.261 et. seq.

Section 11. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any Director. The person or persons authorized to call special meetings of the Board of Directors may fix the place within the state of Michigan for holding any special meeting of the Board of Directors called by them, and, if no other place is fixed, the place of meeting shall be the principal 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 12. Notice; Waiver. In addition to the notice provision of the Open Meetings Act, notice of any special meeting shall be given at least three (3) days prior to the special meeting by written notice, 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. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice is given by facsimile, such notice shall be deemed to be delivered when the facsimile is sent. 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 of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 13. Quorum. A majority of the Directors of the Board constitutes a quorum for the transaction of business at any meeting of the Board of Directors, but if less than a majority is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time, providing such notice as is required by the Open Meeting Act.

Section 14. Manner of Acting. A majority vote of the Directors present shall be the act of the Board of Directors.

Section 15. Open Meetings Act. All meetings of the Academy Board, including committee meetings, shall at all times be in compliance with the Open Meetings Act, to the extent the Open Meetings Act is applicable.

Section 16. Board Vacancies. A vacancy shall occur as specified in the Code. Any vacancy shall be filled as provided in Section 2 of this Article.

Section 17. Compensation. A director of the corporation shall serve as a volunteer director. By resolution of the Board of Directors, the Directors may be paid their expenses, if any, of attendance at meetings of the Board of Directors.

Section 18. Presumption of Assent. A Director of the corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless that Director's dissent shall be entered in the minutes 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.

Section 19. Committees. The Board of Directors, by resolution, may designate one or more committees, each committee to consist of one or more Directors elected by the Board of Directors, which to the extent provided in the resolution as initially adopted, and as thereafter supplemented or amended by further resolution, shall have and may exercise, when the Board of Directors is not in session, the powers of the Board of Directors in the management of the business and affairs of the corporation, except action in respect to the fixing of compensation for or the filing of vacancies in the Board of Directors or committees created pursuant to this Section, or amendments to the Articles of Incorporation or Bylaws. The Board of Directors may elect one or more of its members as alternate members of any committee who may take the place of any absent member or members at any meeting of a committee, upon request by the Chair of the meeting. Subject to the Open Meetings Act, each committee shall fix its own rules governing the conduct of its activities and shall make such reports to the Board of Directors of its activities as the Board of Directors may request.

Section 20. Fiscal Year, Budget 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 Board of Regents, shall have exclusive control of the budget. The Board shall prepare and publish an annual budget in accordance with Board of Regents policy.

ARTICLE V

OFFICERS OF THE BOARD

Section 1. Number. The officers of the corporation shall be a President, Vice-President, Secretary and a Treasurer, each of whom shall be selected by the Board of Directors. The Board of Directors may select one or more Assistants to the Secretary or Treasurer, and may also appoint such other officers and agents as they may deem necessary for the transaction of the business of the corporation.

Section 2. Election and Term of Office. The Board of Directors shall elect the initial officers at a duly noticed meeting. Thereafter, the officers of the corporation shall be elected annually by the Board of Directors at the October meeting of the Board of Directors. 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 officer resigns or is removed in the manner provided in Section 3.

Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation would be served thereby.

Section 4. Vacancies. A vacancy in any office shall be filled by appointment by the Board of Directors for the unexpired portion of the term.

Section 5. President. The President shall be a member of the Board of Directors. The President of the corporation shall preside at all meetings of the Board of Directors. 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 Board of Directors attending the meeting shall preside. The President shall be an ex officio member of all standing committees and shall be President of those committees designated by the Board of Directors. 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 corporation shall be a member of the Board of Directors. 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 by the Board of Directors, including acting as the Sergeant-at-Arms at meetings of the Board

Section 7. Secretary. The Secretary of the corporation shall be a member of the Board of Directors. The Secretary shall: (a) keep the minutes of the Board of Directors meetings in one or more books provided for 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 the Bylaws of the corporation 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 the Board.

Section 8. Treasurer. The Treasurer of the corporation shall be a member of the Board of Directors. The Treasurer shall: (a) have 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 Board of Directors.

Section 9. Assistants and Acting Officers. The Assistants to the Secretary and Treasurer, if any, selected by the Board of Directors, 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 President or the Board of Directors. The Board of 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 the restrictions upon the officer to whose office the acting officer is so appointed except as the Board of Directors may by resolution otherwise determine.

Section 10. Salaries. Officers of the Board, as 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 the 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 VI

CONTRACTS, LOANS, CHECKS AND DEPOSITS: **SPECIAL CORPORATE ACTS**

Section 1. Contracts. The Board of Directors 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 an instrument in writing. When the Board of Directors 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 thereto.

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 Board of Directors. Such authority may be general or confined to specific instances. No loan, advance, overdraft or withdrawal by an officer or director of the corporation, other than in the ordinary and usual course of the business of the corporation, shall be made or permitted.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for 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 Board of Directors.

Section 4. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select, provided that such financial institution is eligible to be a depository of surplus funds under Section 5 or 6 of Act No. 105 of the Public Acts of 1855, as amended, being sections 21.145 and 21.146 of the Michigan Compiled Laws.

Section 5. Voting of Securities Owned by this Corporation. Subject always to the specific directions of the Board of Directors, any shares or other securities issued by any other corporation and owned and 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 the President, or in the absence of the President and the President's proxy, by the Secretary or 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 Board of Directors,

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 a 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 share or other securities might be voted by this corporation. This section shall in no way be interpreted to permit the corporation to invest any of its surplus funds in any shares or other securities issued by any other corporation. This section is intended to apply, however, to all gifts, bequests or other transfers of shares or other securities issued by any other corporation which are received by the corporation.

Section 6. Contracts Between Corporation and Related Persons. Any contract or other transaction between this corporation and one or more of its Directors, or between this corporation and any firm of which one or more of this corporation's Directors are members or employees, or in which one or more of this corporation's Directors are interested, shall be valid for all purposes, notwithstanding the presence of such Director or Directors at the meeting at which the Board of Directors of the corporation acts upon, or in reference to, such contract or transaction, and notwithstanding the participation of the Director or Directors in such action, if the fact of such interest shall be disclosed or known to the Board of Directors and the Board of Directors shall, nevertheless, authorize, approve and ratify such contract or transaction by a vote of a majority of the Directors present, such interested Director or Directors to be counted in determining whether a quorum is present, but not to be counted as voting upon the matter or in calculating the majority of such quorum necessary to carry such vote. This Section shall not be construed to invalidate any contract or other transaction which would otherwise be valid under the common and statutory law applicable thereto.

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 section 15.321 to 15.330 of the Michigan Compiles Laws, and is permissible under Section 3(1) of that Act, shall comply with the public disclosure requirements set forth in Section 3(2) of the Act. Public disclosure of the contract means as follows:

(i) Prompt disclosure of any pecuniary interest in a contract with the corporation. The disclosure shall be made a matter of corporate record at a regular or special meeting.

(ii) The contract is approved by a vote of not less than 2/3 of the directors of the corporation at a regular or special meeting. If applicable, the vote shall be without the vote of the director making the disclosure.

(iii) The corporation discloses the following summary information in its board minutes:

(a) The name of each party involved in the contract;

- (b) The terms of the contract, including duration, financial consideration between parties, facilities or services of the corporation included in the contract, and the nature and degree of assignment of corporation employees for fulfillment of the contract; and
- (c) The nature of any pecuniary interest.

ARTICLE VII

INDEMNIFICATION

Each person who is or was a trustee, director, officer or member of a committee of the corporation and each person who serves or has served at the request of the corporation 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 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 VIII

SEAL

The Board of Directors 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."

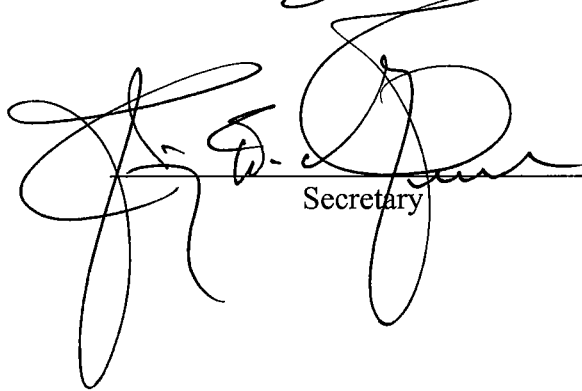
ARTICLE IX

AMENDMENTS

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by obtaining (a) the affirmative vote of a majority of the Board of Directors at any regular or special meeting of the Board of Directors, if a notice setting forth the terms of the proposal has been given in accordance with the notice requirements for special

meetings, and (b) the written approval of the changes or amendments by the College President. In the event that a proposed change is not accepted by the College President, the Board of Regents shall consider and vote upon a change proposed by the corporation following an opportunity for a written and/or oral presentation to the Board of Regents by the corporation. Amendments to these Bylaws take effect only after they have been approved by both the corporation Board and by the College President or the Board of Regents.

These Bylaws were adopted as and for the Bylaws of International Academy of Saginaw, a Michigan corporation in an open and public meeting, by unanimous consent of the Board of Directors on the 3 day of November, 2006.


Secretary

CONTRACT SCHEDULE 3
FISCAL AGENT AGREEMENT

SCHEDULE 3

FISCAL AGENT AGREEMENT

This Agreement is part of the Contract issued by the Bay Mills Community College Board of Regents ("College Board"), an authorizing body as defined by the Revised School Code, as amended (the "Code"), to International Academy of Saginaw (the "Academy"), a public school academy.

Preliminary Recitals

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

WHEREAS, the College 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 College Board or an officer or employee of Bay Mills Community College as designated by the College Board.

"Other Funds" means any other public or private funds which the Academy receives and for which the College 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 public school academies for State School Aid Payments pursuant to the School Aid Act of 1979, as amended.

ARTICLE II

FISCAL AGENT DUTIES

Section 2.01. Receipt of State School Aid Payments and Other Funds. The College Board is the Fiscal Agent for the Academy for the limited purpose of receiving State School Aid Payments. By separate agreement, the College Board and the Academy may also agree that the College 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 3.03.

Section 2.02. Transfer to Academy. Except as provided in Article X of the Terms and Conditions and in the Oversight Agreement, the Fiscal Agent shall transfer all State School Aid Payments and all Other Funds received on behalf of the Academy to the Academy within ten (10) 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 Academy Board 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 School Aid 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 the Academy's 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 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. The State School Aid Payment and Direction document shall include language that the third party lender or trustee acknowledges and consents to the transfer of State School Aid Payments into the Academy's dissolution account, as set forth in Article X of the Terms and Conditions. Any unspent funds remaining in the Academy's dissolution account after payment of all wind up and dissolution expenses shall be returned to the Academy.

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. State School Aid Payment Overpayments and Penalties. The State, through its Department of Education, has sole responsibility for determining State School Aid Payment overpayments to the Academy and the method and time period for repayment by the Academy. The State, through its Department of Education, has sole responsibility for assessing State School Aid penalties against the Academy for noncompliance with the Code and the State School Aid Act of 1979, as amended.

Section 3.03. 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 Board to be 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 and Penalties. The Academy shall be directly responsible for reimbursing the State for any overpayment of State School Aid Payments or any State School Aid penalties. At its option, the State may reduce subsequent State School Aid Payments by the amount of the overpayment or penalty or seek collection of the overpayment or penalty 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 accounts 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, 2023, and annually thereafter, a written report dated as of August 31st 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 College 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 Applicable Law or 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. The Fiscal Agent shall not be liable for any State School Aid penalties imposed by the State against the Academy.

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 Bay Mills Community College Board of Regents to International Academy of Saginaw.

BY: Alyson Hayden
Alyson Hayden, Director
Bureau of State and Authority Finance
Michigan Department of Treasury

Date: May 3, 2023

078905.000001 4862-4533-3088.1

CONTRACT SCHEDULE 4
OVERSIGHT AGREEMENT

SCHEDULE 4

OVERSIGHT AGREEMENT

This Agreement is part of the Contract issued by the Bay Mills Community College Board of Regents ("College Board"), an authorizing body as defined by the Revised School Code, as amended (the "Code"), to International Academy of Saginaw (the "Academy"), a public school academy.

Preliminary Recitals

WHEREAS, the College Board, subject to the leadership and general supervision of the State Board of Education over all public education, is responsible for overseeing the Academy's compliance with the Contract and all Applicable Law,

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:

"Agreement" means this Oversight Agreement.

"Compliance Certification Duties" means the Academy's duties set forth in Section 2.02 of this Agreement.

"Charter Schools Office" means the office designated by the College Board as the initial point of contact for public school academy applicants and public school academies authorized by the College Board. The Charter Schools Office is responsible for administering the Oversight Responsibilities with respect to the Contract.

"Oversight Responsibilities" means the College Board's oversight responsibilities set forth in Section 2.01 of this Agreement.

"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.

ARTICLE II

OVERSIGHT AND COMPLIANCE CERTIFICATION RESPONSIBILITIES

Section 2.01. Oversight Responsibilities. The Charter Schools Office, as it deems necessary to fulfill the College Board's Oversight Responsibilities, may undertake the following:

- a. Conduct a review of the Academy's audited financial reports as submitted, including the auditor's management letters, and report to the College Board any exceptions as well as any failure on the part of the Academy to meet generally accepted public sector accounting principles.
- b. Conduct a review of the records, internal controls or operations of the Academy to determine compliance with the Contract and Applicable Law.
- c. Conduct a meeting annually between the Academy Board of Directors and a designee of the College Board to determine compliance with the Contract and Applicable Law.
- d. Institute action pursuant to the terms of the Contract to suspend, terminate, reconstitute or revoke the Contract.
- e. Monitor the Academy's compliance with the Contract, the Code, and all other Applicable Law.
- f. Request periodic reports from the Academy regarding any aspect of its operation, including, without limitation, whether the Academy has met or is achieving its targeted educational goals and applicable academic performance standards set forth in the Contract.
- g. Request evidence that the Academy has obtained the necessary permits and certificates of compliance to operate as a public school from the applicable governmental agencies, including, without limitation, the Michigan Department of Licensing and Regulatory Affairs, Bureau of Construction Codes and the Bureau of Fire Services, and local health departments.
- h. Determine whether the Academy has failed to abide by or meet the educational goals or applicable academic performance standards as set forth in the Contract.
- i. Provide supportive services to the Academy as deemed necessary and/or appropriate by the College Board or its designee.
- j. Evaluate whether the Academy appropriately administers all optional or statutorily mandated assessments pursuant to the Academy's student population, goals and programs.
- k. Take other actions, as authorizing body, as permitted or required by the Code.

Section 2.02. Compliance Certification Duties. The Academy agrees to perform all of the following Compliance Certification Duties:

- a. Submit information to the Charter Schools Office in accordance with the Master Calendar of Reporting Requirements adopted by the Charter Schools Office. The Master Calendar may be amended from time to time as deemed necessary by the Charter Schools Office Director.
- b. Submit quarterly financial reports to the Charter Schools Office in a form and manner determined by the Charter Schools Office. Submit other financial reports as established by the Charter Schools Office.
- c. Permit inspection of the Academy's records and/or premises at any reasonable time by the Charter Schools Office.
- d. Report any litigation or formal proceedings alleging violation of any Applicable Law by the Academy to counsel for the College Board as designated in Article XII of the Terms and Conditions.
- e. Upon request, provide copies of information submitted to the Michigan Department of Education, the Superintendent of Public Instruction, or State Board of Education to the Charter Schools Office.
- f. Provide proposed minutes of all Academy Board of Directors' meetings to the Charter Schools Office no later than ten (10) business days after such meeting, and provide approved final minutes to the Charter Schools Office within five (5) business days after the minutes are approved.
- g. Submit to the Charter Schools Office prior to the issuance of the Contract, copies of insurance policies evidencing all insurance as required by the Contract.
- h. Submit to the Charter Schools Office a copy of the Academy's lease, deed or other purchase arrangement for its physical facilities as required by the Contract.
- i. Submit to the Charter Schools Office, copies of all fire, health and safety approvals required by Applicable Law for the operation of a school.
- j. Submit annually to the Charter Schools Office, the dates, times and a description of how the Academy will provide notice of the Academy's pupil application and enrollment process. The Academy's pupil application and enrollment admission process must be conducted in a fair and open manner in compliance with the Contract and the Code. At a minimum, the Academy shall make a reasonable effort to advertise its enrollment openings by newspaper, mail, media, internet or other acceptable communication process. All Academy notices of the open enrollment period must include language that the open enrollment period includes evening and weekend times for enrolling students in the Academy. In addition, the Academy must set forth in all public notices the date for the holding of a random selection drawing if such a drawing becomes necessary.

k. Upon receipt from the Michigan Department of Licensing and Regulatory Affairs, Bureau of Construction Codes and the Bureau of Fire Services, the Academy shall submit to the Charter Schools Office a copy of any Certificate of Occupancy approval for the Academy's school facility outlined in Schedule 6. The Academy shall not occupy or use the school facility identified in Schedule 6 until such facility has been approved for occupancy by the Bureau of Construction Codes and the Bureau of Fire Services or other local authorized building department.

l. Submit to the Charter Schools Office copies of ESP agreements, if any, in compliance with the Contract and the Code.

m. By July 1st of each year, the Academy Board shall provide a copy of the Academy Board's public meeting schedule for the upcoming school year. The Academy Board's public meeting schedule shall include the date, time and location of the public meetings for the upcoming school year. Within ten (10) business days of Academy Board approval, the Academy Board shall provide a copy to the Charter Schools Office of any changes to the Academy Board public meeting schedule.

n. Prior to December 31 of each year and whenever necessary thereafter, the Academy Board shall approve and submit a revised operating school budget that includes, without limitation, the following: (i) the total projected amount of state school aid revenues based on the Academy's October pupil membership count; (ii) revised personnel costs; (iii) any start-up expenses incurred by the Academy; and (iv) the total amount of short-term cash flow loans obtained by the Academy. The Academy shall make budget revisions in a manner prescribed by law. Within thirty (30) days of the Academy Board approving the budget (original and amended, if applicable), the Academy shall place a copy of that budget on the Academy's website within a section of the website that is accessible to the public.

o. Within 5 days of its submission to the Center for Educational Performance and Information (CEPI) of the budgetary assumptions that are required by Section 1219 of the Code, the Academy shall provide a copy of those budgetary assumptions to the Charter Schools Office, and confirm that the submitted budgetary assumptions were used in the adoption of the Academy's annual budget.

p. Submit copies to the Charter Schools Office of any periodic financial status reports required of the Academy by the Department of Treasury.

q. Provide copies of notices, reports and plans, including deficit elimination or enhanced deficit elimination plans, to the Charter Schools Office under Section 1220 of the Code.

To the extent that any dates for the submission of materials by the Academy under Section 2.02 conflict with dates set forth in the Master Calendar, the dates in the Master Calendar shall control.

Section 2.03. Waiver and Delegation of Oversight Procedures. The College Board or its designee and the Academy may agree to modify or waive any of the Oversight Duties or Compliance Certification Duties. The College Board may delegate its Oversight Duties, or any portion of its Oversight Duties, to an officer of the College or other designee.

ARTICLE III

RECORDS AND REPORTS

Section 3.01. Records. The Academy will keep records in which complete and correct entries shall be made of all Compliance Certification Duties conducted, and these records shall be available for inspection at reasonable hours and under reasonable conditions by the Charter Schools Office.

ARTICLE IV

MISCELLANEOUS

Section 4.01. Administrative Fee. The Academy agrees to pay to the College Board an administrative fee of 3% of the State School Aid Payments received by the Academy. This fee shall be retained by the College Board from each State School Aid Payment received by the College Board for forwarding to the Academy. This fee shall compensate the College Board for overseeing the Academy's compliance with the Contract and all Applicable Law and other related activities for which compensation is permissible. If the Academy elects to enter into a contract for an administrative review with the Charter Schools Office, the costs of performing an administrative review shall not be part of the administrative fee under this section but shall be an added service provided by the Charter Schools Office to the Academy on a fee for service basis, as authorized under the Code.

Section 4.02. Time of the Essence. Time shall be of the essence in the performance of obligations from time to time imposed upon the Academy and the College Board by this Agreement.

Section 4.03. Audit and Evaluation. The Academy:

a. hereby authorizes the Charter Schools Office to perform audit and evaluation studies using Academy data including, but not limited to, personally identifiable information about the Academy's students and staff submitted by the Academy to agencies including, but not limited to, Center for Educational Performance and Information ("CEPI"), Office of Educational Assessment and Accountability ("OEAA") and the Michigan Department of Education ("MDE"). Pursuant to this authorization, the Charter Schools Office shall abide by the regulations that govern the use of student data within the Family Educational Rights and Privacy Act (FERPA - 34 CFR Part 99), the Michigan Identity Theft Protection Act of 2004, and the Privacy Act of 1974.

b. shall upon request, provide the Charter Schools Office with copies or access to data, documents or information submitted to the Michigan Department of Education, the Superintendent of Public Instruction, the State Board of Education, the Center for Educational Performance and Information, the Michigan DataHub or any other state or federal agency.

Section 4.04. Fiscal Stress Notification from State Treasurer. If the State Treasurer notifies the Academy that the State Treasurer has declared the potential for Academy financial stress exists, the Academy shall provide a copy of the notice to the Charter Schools Office. Within fifteen (15) days of receipt of the notification from the Academy, the Charter Schools Office Director shall notify the Academy whether the Charter Schools Office is interested in entering into a contract to perform an administrative review for the Academy. The parties shall consult with the Department of Treasury on the development of the contract and the contract for administrative review shall comply with the Code. If the College is not interested in performing an administrative review or the parties are unable to reach agreement on an administrative review, the Academy shall consider entering into a contract for an administrative review with an intermediate school district. Nothing in this Section 4.04 shall prohibit the Academy from electing to enter into a contract for an administrative review with the College or an intermediate school district.

ARTICLE V

TRANSPARENCY PROVISION

Section 5.01. Information to Be Made Publicly Available by the Academy and ESP.

A. Information to Be Made Publicly Available by the Academy. The following described categories of information are specifically included within those to be made available to the public and the Charter Schools Office by the Academy in accordance with Section 12.17(a) 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. Copies 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 Charter Schools Office
11. Copy of curriculum and other educational materials given to the 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 ESP Agreement(s)
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 names and addresses and 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 background 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
29. Proof of insurance as required by the Contract
30. Any other information specifically required under the Code

B. Information to Be Made Publicly Available by the ESP. The following information is specifically included within the types of information available to the Academy by the Educational Service Provider (if any) in accordance with Section 12.17(b) 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 Section 5.01(A) above.

CONTRACT SCHEDULE 5

DESCRIPTION OF STAFF RESPONSIBILITIES

SCHEDULE 5
DESCRIPTION OF STAFF RESPONSIBILITIES

Principal	5-1
Teacher	5-1
Para-Professional	5-2
Administrative Assistant	5-2
Custodian	5-2
Management Agreement	5-3

International Academy of Saginaw

Staff responsibilities.

Below is a break down of the various staff responsibilities in the academy.

- Principal – Is responsible for overseeing the overall operations of the building. Responsibilities include but are not limited to:
 - Supervising staff.
 - Acts as the Academic leader for the building.
 - Filing building level reports.
 - Student discipline and safety procedures.
 - Developing a vision and the practical application of that vision in the school.
 - Ensuring that staff and students have the resources necessary.
 - Developing building schedules.
 - Developing policies and procedures for the building.
 - Ensuring that the building is properly maintained.
 - Reporting to the board and central office regarding student progress.
 - Recruitment and enrollment of students.
 - Meets with parents as needed.
 - Provides support to staff regarding student and academic issues.
 - Helps develop and implement partnership agreement.
 - Ensures that staff has adequate professional development throughout the year.
 - Oversees testing and data analysis.
 - Oversees budget and ensures that building works within the board approved budget while maximizing resources for the academy.
 - Oversees school safety and drills.
 - Acts as liaison with Saginaw ISD and coordinates support services.
 - Acts as administrator for IEP's.

- Teachers: Responsibilities include but are not limited to:
 - Provides academic instruction for students.
 - Provides classroom discipline and structure.
 - Reviews curriculum and designs lessons.
 - Reviews student data to plan appropriate instruction based on student needs.
 - Attends parent teacher conferences and meets with parents as needed.
 - Plans lessons and activities for their classroom based on student needs.
 - Supervises testing for NWEA, I-Ready and M-Step.
 - Supervises classroom para professionals in classrooms.
 - Participate in IEP's for special education students.

- Special education teacher oversees special education students and ensures compliance with IEP's and testing.

- Para Professionals. Responsibilities include but are not limited to:
 - Assist teachers in the classroom.
 - Provide academic support under the direction of a teacher.
 - Provide in school suspension supervision under title I grant.
 - Provide other support as needed.
 - Works with Special education students as needed.

- Administrative assistant Responsibilities include but are not limited to:
 - Provide administrative support to the principal and staff.
 - Oversee count day procedures.
 - Oversee enrollment.
 - Maintain Skyward student information system.
 - Maintains student and staff records.
 - Ensures all records and inspections are performed and filed appro
 - Responsible for purchasing and orders.
 - Liaison with transportation.
 - Responsible for filing various state and federal reports with the principal.
 - Oversees front office.
 - Monitors truancy and student absences.
 - Other duties as needed.

- Custodian: Responsibilities include but are not limited to:
 - Responsible for maintaining the cleanliness of the building.
 - Oversees heating and cooling of the building
 - Ensures that the building is in good repair.
 - Ensures all building inspections are performed in a timely manner.

MANAGEMENT SERVICES AGREEMENT

This Management Services Agreement (the "Agreement") is made and entered into as of the 1st day of June 2020 by and between Educational Partnerships Inc., a Michigan corporation ("EPI"), and International Academy of Saginaw (the "Academy"), a body corporate and public school academy organized under the Michigan Revised School Code (the "Code").

WHEREAS, The Academy operates a public school academy pursuant to a contract (the "Contract") issued by Bay Mills Community College Board of Trustees (University Board); and

WHEREAS, The Academy operates a public school academy under the direction of the Academy Board (the "Board"); and

WHEREAS, EPI is a limited liability company providing educational and managerial services to public school academies that has the ability to implement a comprehensive educational program and management methodologies for the Academy; and

WHEREAS, The Academy desires to engage EPI to perform certain services related to the Academy's educational program and operations.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

ARTICLE I

CONTRACTUAL RELATIONSHIP

A. **Authority.** The Academy has been granted the Contract by the University Board to organize and operate a public school academy, together with the powers necessary or desirable for carrying out the educational program set forth in the Contract. The Academy is authorized by law to contract with a private entity to provide educational management services, provided that no provision of such a contract shall be effective if it would prohibit the Board from acting as an independent, self-governing public body, allow public decisions to be made other than in compliance with the Open Meetings Act, or interfere with the Board's constitutional duty to exercise its statutory, contractual and fiduciary obligations governing the operation of the Academy.

B. **Delegated Authority.** Acting under and in the exercise of such authority, the Academy hereby delegates to EPI, to the extent permitted by law, specified functions relating to the provision of educational services and the management and operation of the Academy; provided, however, that, this Agreement is subject to all the terms and conditions of the Contract. The Contract shall be deemed incorporated herein by this reference. In the event of any inconsistency between provisions of this Agreement and provisions of the Contract, the provisions of the Contract shall prevail.

C. **Status of the Parties.** EPI is a limited liability company of Michigan, and is not a division or a part of the Academy. The Academy is a body corporate and governmental entity authorized by the Code, and is not a division or part of EPI. The relationship between EPI and the Academy is based solely on the terms of this Agreement. The parties to this Agreement acknowledge that the relationship between them created by this Agreement is that of an independent contractor, and that except as expressly set forth in this Agreement, no employee of EPI shall be deemed to be an agent or employee of the Academy. EPI will be solely responsible for its acts and the acts of its agents, employees and subcontractors.

D. **Independent Contractor/Designation of Agents.** The parties to this Agreement intend that the relationship between them is that of an independent contractor, not as an employee-employer relationship. EPI is not a division of any part of the Academy. The relationship between the parties was developed and entered into through arm's length negotiations and is based solely on the terms of this Agreement. No agent or employee of the Academy shall be determined to be an agent or employee of EPI for any reason or purpose. No agent or employee of EPI shall be determined to be an agent or employee of the Academy, except as follows:

(i) EPI, and its respective officers, directors, employees and designated agents are each hereby authorized to serve as agents of the Academy having a legitimate educational interest in the Program

and its students for purposes of the Family Educational Rights and Privacy Act, 20 U.S.C. §1232g et seq., ("FERPA"), such that they are jointly and severally entitled to access the educational records of the Program for all purposes related to FERPA.

(ii) During the term of this Agreement, the Academy may disclose confidential data and information to EPI, and its respective officers, directors, employees and designated agents to the extent permitted by applicable law, including without limitation, the Individuals with Disabilities Education Act ("IDEA"), 20 U.S.C. §1401 et seq., 34 CFR 300.610 — 300.626; Section 504 of the Rehabilitation Act of 1973, 29 USC §794a, 34 CFR 104.36; the Michigan Mandatory Special Education Act, MCL 380.1701 et seq.; the Americans with Disabilities Act, 42 U.S.C. §12101 et seq.; the Health Insurance Portability and Accountability Act ("HIPAA"), 42 USC 1320d — 13200d-8; 45 CFR 160, 162 and 164; and social security numbers, as protected by the federal Privacy Act of 1974, 5 USC §552a; and the Michigan Social Security Number Privacy Act, MCL 445.84.

(iii) As otherwise expressly designated by written agreement of the parties with consent from anyone whose consent is required by law or contract.

ARTICLE II

TERM

A. **Term.** This Agreement shall become effective July 1, 2020, (the "Effective Date"), and shall continue five academic years, commencing on July 1, 2020 and ending on June 30, 2025, Subject to a continued Contract from the University Board and continued state per capita funding. The Contract from the University Board is effective through June 30, 2025 and the parties recognize that during the reauthorization process the University Board may condition an extension of the Contract upon modifications to this Agreement or submission of a new Agreement.

B. **Revocation or Termination of Academy's Contract.** If the Academy's Contract issued by the University Board is revoked or terminated, this Agreement shall automatically terminate on the same date as the Academy's Contract is revoked or terminated without further action by the parties.

ARTICLE III

FUNCTIONS OF EPI

A. **Responsibility.** Under the policy direction and general supervision of the Board, EPI shall be responsible for the management, operation, administration, and education at the Academy. Such functions include, but are not limited to:

1. Implementation and administration of the Educational Program contained in the Contract;
2. Curriculum improvement services;
3. Student environment management and community outreach/marketing services;
4. Computer services;
5. Budget preparation and financial management services;
6. Accounting and bookkeeping services;
7. Risk management;
8. Accounts payable;
9. Acquisition of instructional and non-instructional material, equipment and supplies;
10. Selection, employment and supervision of all teachers and staff and the personnel management services (record keeping, wage and benefits administration, training and technical assistance) necessary to support those employees;

11. Food service management;
12. Transportation management;
13. Facilities maintenance;
14. Preparation of required ISD, local, state and federal reports;
15. Information and technology system development and management;
16. Preparation of applications for grants and special programs;
17. Securing funding sources for special programs and facility improvements;
18. Operation of the school building and the installation of technology integral to school design;
19. Administration of extra-curricular and co-curricular activities and programs approved by the Board;
20. Preparation of regulations governing operations of the Academy and implementation of such regulations as are approved by the Board;
21. Provide special education services to students who attend the Academy in conformity with the requirements of applicable state and federal laws, rules regulations and policies;
22. Preparation of strategic plans for the continuing educational and financial benefit of the Academy;
23. Implementation of an ongoing public relations strategy for the development of beneficial and harmonious relationships with other organizations and the community;
24. Preparation and enforcement of student codes of conduct after Board approval;
25. Any other function necessary or expedient for the administration of the Academy with approval from the Board.

B. Educational Goals and Program. EPI shall implement the educational goals and programs set forth in the Contract, and established by the Board including, but not limited to, methods of pupil assessment, admission policy and criteria, school calendar and school day schedule, age and grade classifications or pupils to be enrolled, and methods to be used to monitor performance towards targeted educational outcomes (collectively the "Educational Program"). In the event that EPI determines that it is advisable to modify the Educational Program set forth in the Contract, EPI will provide written notification to the Board specifying the changes it recommends and the reasons for the proposed changes. No changes in the Educational Program shall be implemented without the prior approval of the Board and the University Board. EPI shall provide the Board with periodic written reports specifying the level of achievement of each of the Academy's educational goals set forth in the Contract and detailing its plan for meeting any educational goals that are not being attained. These reports will be submitted to the Board immediately prior to the Board's regular meeting in January and July each year, and at such other times as specified in Board policy as the same may be changed from time to time. The Educational Program shall be in compliance with applicable state and federal laws, rules and regulations.

C. Subcontracts. It is anticipated that EPI will utilize subcontracts to provide some of the services it is required to provide to the Academy including, but not limited to, transportation and/or food service. EPI shall not subcontract the management, oversight or operation of the teaching and instructional program, without the prior approval of the Board. Board approval of other subcontracts is not required unless the cost for these subcontracted services exceeds the funds appropriated for that purpose in the Academy's approved budget. EPI shall not expend funds in excess of the Academy Board's approved budget or any Board approved amendment thereof. Every subcontract entered into without Board approval, and the appropriation(s) from which it will be paid, shall be reported to the Board at its next meeting.

D. **Place of Performance.** Instruction services other than field trips will normally be performed at the Academy facilities. EPI may perform functions other than instruction, such as purchasing, professional development, and administrative functions at off-site locations, unless prohibited by the Contract or applicable law. The Academy shall provide EPI with the necessary office space at the Academy site to perform all services described in this Agreement.

E. **Acquisitions.** All acquisitions made by EPI for the Academy including, but not limited to, instructional materials, equipment, supplies, furniture, computers and other technology, shall be owned by and remain the property of the Academy. EPI and its subcontractors will comply with all federal and state laws, rules and regulations in addition to such policies as the Board may, from time to time adopt, under Section 1267 and Section 1274 of the Code as if the Academy were making these purchases directly from a third party supplier. EPI will not include any fees or charges to the cost of the equipment, materials and supplies purchased from third parties when it seeks reimbursement for the cost of these acquisitions.

F. **Pupil Performance Standards and Evaluation.** EPI is responsible for and accountable to the Board for the performance of students who attend the Academy. EPI shall implement pupil performance evaluations which permit evaluation of the educational progress of each Academy student, using measures of student and school performance required by the Contract or applicable laws and such additional measures as shall be mutually agreed between the Board and EPI including but not limited to parent satisfaction surveys.

G. **Student Recruitment.** EPI shall be responsible for the recruitment of students subject to the provisions of the Contract or applicable laws, and the policies adopted by the Board. Students shall be selected in accordance with the procedures set forth in the Contract and in compliance with the Code and other applicable law. EPI shall follow all applicable procedures regarding student recruitment, enrollment and lottery management, and shall be responsible for publication of appropriate public notices and scheduling open houses.

H. **Student Due Process Hearings.** EPI shall provide students with procedural and substantive due process in conformity with the requirements of applicable laws, rules and regulations regarding discipline, special education, confidentiality and access to records, to and extent consistent with the Academy's own obligations. The Board shall retain the right to provide due process as required by law and to determine whether any student will be expelled.

I. **Legal Requirements.** EPI shall provide educational programs that meet the requirements under the Contract and applicable law, unless such requirements are or have been waived.

J. **Policies and Procedures.** The Board shall consider, adopt and conduct its operations in conformity with policies and procedures applicable to the Academy, and EPI is directed to enforce the policies and procedures adopted by the Board. EPI shall assist the Board in its policy making function by recommending the adoption of reasonable policies and procedures applicable to the Academy.

K. **School Year and School Day.** The school year and the school day shall be as provided in the Contract and as defined annually by the Board and defined by law.

L. **Authority.** EPI shall have authority and power necessary to undertake its responsibilities described in this Agreement except in the case(s) wherein by law such power may not be delegated.

M. **Compliance with Academy's Contract.** EPI 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 the University Board, including all schedules attached thereto and policies referenced therein, as they may be amended. The provisions of the Academy's Contract shall supersede any competing or conflicting provisions contained in this Agreement. EPI agrees to assist the Academy in complying with all of the Academy's reporting, recordkeeping, and other obligations under the Academy's Contract. EPI shall not act in a manner which will cause the Academy to be in breach of its Contract. Any action or inaction by EPI that causes the Contract to be in jeopardy of termination is a material breach of the Agreement. In addition, a failure of EPI to perform reasonably the functions set forth in Article III may be considered a material breach of this Agreement.

N. **Additional Programs.** The services provided by EPI to the Academy under this Agreement consist of the Educational Program as set forth in the Contract, as the same may change from time to time. The Academy may decide to provide additional programs, including but not limited to summer school. Any revenues collected from such programs will go directly to the Academy. The Academy may also purchase

additional services from EPI at mutually agreeable cost. Such additional services purchased by the Academy from EPI shall be documented in writing as an amendment to this Agreement.

O. Annual Budget Preparation. EPI will provide the Board with an annual budget that shall conform to the State accounting manual and the Uniform Budgeting and Accounting Act, MCL 141.421 et seq. and in a form satisfactory to the Board and in compliance with the Contract. The budget shall contain reasonable detail as requested by the Board and as necessary to comply with the General Accepted Accounting Practices (GAAP) standards. The budget shall include anticipated revenues and projected expenses and costs reasonably associated with operating the Academy and the Educational Program including, but not limited to, the projected cost of all services and Educational Programs provided to the Academy, rent and lease payments,

debt service, maintenance and repairs to Academy facilities, supplies and furnishings necessary to operate the Academy, taxes, insurance premiums, utilities, professional fees, and other costs and expenses connected to the operation of the Academy. The proposed budget shall be submitted to the Board for approval not later than thirty (30) days prior to the date when the approved budget is required to be submitted to the University Board under the Contract.

P. Compliance with Section 503c. On an annual basis, EPI agrees to provide the Board with the same information that a school district is required to disclose under section 18(2) of the State Aid Act of 1979, MCL 380.1618, for the most recent school fiscal year for which the information is available. Within thirty (30) day of receipt of this information, the 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.

Q. Compliance with Section 11.26 of Contract. EPI shall make information concerning the operation and management of the Academy, including without limitation, the information described in Schedule 8 of the Contract, available to the Academy as deemed necessary by the Board in order to enable the Academy to fully satisfy its obligations under Section 11.26(a) of the Contract Terms and Conditions.

R. Suspension and Debarments List. Federal agencies are required to award contracts only to presently responsible sources and cannot award funds to entities that have been suspended or debarred from doing business with the federal government. The Academy is a recipient of federal funding and EPI is required to refrain from any action that will result in being suspended or debarred. EPI certifies and affirms that it is not included on the federal Suspension and Debarments list of Excluded Parties List; nor is EPI affiliated with any party that is included on the federal Suspension and Debarments list of Excluded Parties List.

ARTICLE IV

OBLIGATIONS OF THE BOARD

A. Board Policy Authority. The Board is responsible for determining the fiscal and academic policies that will govern the operation of the Academy, including policies relative to the conduct of students while in attendance at the Academy or enroute to and from the Academy and regulations governing the procurement of supplies, materials and equipment. The Board shall exercise good faith in considering the recommendations of EPI on issues including, but not limited to, policies, rules, regulations, procedures, curriculum and budgets subject to the constraints of law and the requirements of the Contract. Failure of EPI and the Board to agree on educational policies is grounds for termination of the Agreement by either party.

B. Building Facility. The Board is responsible for the acquisition by either purchase or lease of a building facility that complies with all of the requirements of the Contract.

C. Educational Consultants. The Board may retain an educational consultant or consultants to review the operations of the Academy and the performance of EPI under this Agreement. EPI shall cooperate with the educational consultant or consultants and will provide those individuals with prompt access to records, facilities and information as if such requests came from the full Board. EPI shall have no authority to select, evaluate, assign, supervise or control any educational consultant employed by the Board, and agrees that it will not bring or threaten to bring any legal action against any educational consultant for the performance of the functions requested to be performed by the Board and which are consistent with this Agreement. The cost to employ an educational consultant shall be paid by the Board.

- D. **Legal Counsel.** The Board shall select and retain legal counsel to advise it regarding its rights and responsibilities under the Contract, this Agreement and applicable law.
- E. **Audit.** The Board shall select and retain an Independent auditor to perform the annual financial audit in accordance with the Contract and applicable state law.
- F. **Budget.** The Board is responsible for adopting a budget in accordance with the provisions of the Uniform Budgeting and Accounting Act, MCL 141.421 et seq, that has adequate resources to fulfill its obligations under the Contract, including but not limited to, its oversight of EPI, the organization of the Academy, negotiation of the Contract and any amendments, payment of employee costs, insurance required under the Contract and this Agreement, the annual financial audit and retention of the Board's legal counsel and consultants. EPI may not make expenditures or commitments which deviate from the amounts or purposes of appropriations contained in the approved budget without the prior approval of the Board in the form of an approved amendment of the budget in accordance with applicable law and the Contract. In addition, the Board is responsible for determining the budget reserve amount included as part of the Academy's annual budget, for implementing fiscal policies that will assist the Academy in attaining the stated budget reserve amount and for approving necessary amendments to the budget to reflect necessary deviations from the adopted budget. The budget may be amended from time to time as deemed necessary by the Board.
- G. **Academy Funds.** The Board shall determine the depository of all funds received by the Academy. All funds received by the Academy shall be initially deposited in the Academy's depository account. Signatories on the depository account shall be current Board members properly designated annually by Board resolution. All interest income or investment earnings on Academy deposits shall accrue to the Academy. The Board shall provide Academy funding on a consistent and timely basis to EPI to fulfill its obligations under this Agreement.
- H. **Governmental Immunity.** The Board shall determine when to assert, waive or not waive its governmental immunity.
- I. **Contract with University Board.** The Board will not act in a manner which will cause the Academy to be in breach of its Contract with the University Board.
- J. **Evaluation of EPI.** The Board will evaluate the performance of EPI each year to provide EPI with an understanding of the Board's view of its performance under this Agreement. A preliminary evaluation will normally occur in December of each year followed by a year-end evaluation in June. The Board will determine the format to conduct this evaluation. Special evaluations may occur at any time.

ARTICLE V

FINANCIAL ARRANGEMENT

- A. **Primary Source of Funding.** As a Michigan public school academy, the primary source of funding for the Academy is state school aid payments based upon the number of students enrolled in the Academy combined with such other payments as may be available from state, local and federal sources for specific programs and services.
- B. **Other Revenue Sources.** In order to supplement and enhance the state school aid payments and improve the quality of education at the Academy, the Board and EPI shall endeavor to obtain revenue from other sources. In this regard:
1. The Academy and/or EPI shall solicit and receive donations consistent with the mission of the Academy.
 2. The Academy and/or EPI may apply for and receive grant money, in the name of the Academy. EPI shall provide advance notification to the Board of any grant applications it intends to make and receive the approval of the Board for the application prior to filing or submitting the grant application.

3. To the extent permitted under the Code, EPI may charge fees to students for extra services such as summer programs, after school programs and athletics and charge non-Academy students who participate in such programs approved by the Board.

All funds received by EPI or the Academy from such other revenue sources shall inure to and be deemed the property of the Academy, except as otherwise agreed by the parties in writing as an amendment to this Agreement.

- C. **Compensation.** For the term of this Agreement, the Academy shall pay EPI a fee of 9.5% each year of gross revenues for the Academy.

For purposes of this Section, the term "gross revenues" means the sum of (a) the amount of all payments applicable to a school year that the Academy receives directly or indirectly under Article V, Paragraph A including amounts retained by the University Board plus (b) the amount of all grants received by the Academy under Article V, Paragraph B(2) that were initiated and administered by EPI and which are to be expended during that school year.

EPI's annual fee shall be paid in twelve (12) equal monthly installments beginning in July of each school year. The exact day of the month that each monthly installment payment is to be paid will coincide with the timing of any state aid payment from the State of Michigan to be received in that month. In months where no state school aid payments are to be received, the day of the month when that monthly installment will be due will be mutually agreed upon by the parties after taking into consideration available year-end funds and the timing of funds to be made available from state aid anticipation notes or other sources. The amount of the annual fee is subject to reduction in a mutually agreeable amount in any school year if extenuating circumstances make the entire annual fee inappropriate.

- D. **Reasonable Compensation.** EPI's compensation under this Agreement is reasonable compensation for services rendered. EPI's compensation for services under this Agreement will not be based, in whole or in part, on a share of net profits from the operation of the Academy.

E. **Payment of Educational Program Costs.** In addition to the Academy's obligation to reimburse EPI for the compensation of certain of its employees under Article VI, all costs reasonably incurred in providing the Educational Program at the Academy shall be paid by the Academy. Such costs shall include, but shall not be limited to, curriculum materials, professional textbooks, library books, computer and other equipment, software, supplies utilized at the Academy for educational purposes, building payments, maintenance, utilities, capital improvements, graphic design, special education supervision and appeals, and marketing and development. Marketing and development costs charged to the Academy shall be limited to those costs specific to the Educational Program, and shall not include any costs for the marketing and development of EPI. The Board shall pay or reimburse EPI monthly for approved fees and expenses upon properly presented documentation and approval by the Board, but reimbursements for the cost of compensation of EPI employees under Article VI shall be made not later than three (3) business days before that compensation is due to the employees. At its option, the Board may advance funds to EPI for the fees and expenses associated with the Academy's operation provided that documentation for the fees and expenses are provided for Board ratification. In paying costs on behalf of the Academy, EPI shall not charge an added fee. Any costs reimbursed to EPI that are determined by the independent audit not to be reasonably incurred on behalf of the Educational Program of the Academy shall be promptly returned to the Academy by EPI.

F. **EPI Costs.** The annual fee to be paid to EPI set forth in Article V, Section C is intended to compensate EPI for all expenses it incurs for administrative and financial services it is required to provide, including but not limited to all expenses, including earnings, taxes and benefits associated with all individuals providing professional and curriculum development services, accounting services, clerical services, legal services for EPI related issues, management and budgeting services, and administrative services. EPI will provide sufficient professional and non-professional staff in these areas, who shall be compensated by EPI. In addition, the annual fee is intended to compensate EPI for all costs incurred by EPI to provide these services. The annual fee does not include payments for EPI personnel provided pursuant to Article VI (B), (C), and (D), the cost of which will be reimbursed in accordance with Article VI (A), nor does it include legal services related to special education appeals or Academy related matters.

G. **Other Public School Academies.** The Academy acknowledges that EPI has entered, or will enter into management agreements with other public school academies. EPI shall separately account and provide written detail for reimbursable expenses incurred on behalf of the Academy and other public school academies, and only charge the Academy for expenses incurred on behalf of the Academy.

H. **Financial Reporting.** On not less than a monthly basis, EPI shall provide the Board with a balance sheet, a written report detailing the status of the budget to actual revenues and a detailed schedule of expenditures at an object level detail for review and approval by the Board. This report shall explain any variances from the approved budget, changes in fund balance and shall contain recommendations for necessary budget corrections. The foregoing presentation shall be in a form and format acceptable to the Board and shall be provided to Board members not less than three (3) business days prior to the Board meeting at which the information will be considered in the Board packets sent to Board members in preparation for Board meetings. EPI shall provide special reports as necessary to keep the Board informed of changing conditions.

I. **Operational Reporting.** At least four (4) times per year EPI will provide the Board with comprehensive written reports detailing Academy operations, finances and student performance. In order to enable the Board to monitor EPI's educational performance and the efficiency of its operation of the Academy, upon the request of the Board, EPI will provide written reports to the Board on any topic of Academy activity or operations which are consistent with this Agreement. These special reports will be provided in a timely fashion, but not less than the next regular meeting of the board of directors occurring after the request for the report is received by EPI unless the Board and EPI mutually agree upon an extended timetable.

J. **Audit Report Information.** EPI will make all of its financial and other records related to the Academy available to the independent auditor selected by the Board.

K. **Other Financial Relationships.** Any lease, promissory notes or other negotiable instruments, lease-purchase agreements or other financing agreements between the Academy and EPI shall be contained in a document separate from this Agreement, and shall be separately approved by the University Board, and shall comply with all applicable law, the Contract issued by the University Board, and any applicable policies created by the University Board and/or the University Charter Schools Office.

L. **Access to Records.** EPI shall keep accurate financial records pertaining to its operation of the Academy, together with all Academy financial records prepared by or in the possession of EPI, and retain all of these records for a period as required by Bulletin 1022 of Michigan's Record Retention Schedule or applicable law, whichever period is the longest, from the close of the fiscal year to which such books, accounts and records relate. EPI shall further make information concerning the operation and management of the Academy, including but not limited to, information required to be kept by the Contract with the University Board, including all exhibits, schedules, and the like, available to the Academy as deemed necessary by the Board in order to enable the Academy to fully satisfy its obligations under the Contract with the University Board. Financial, educational, operational and student records that are now or may in the future come into the possession of EPI remain Academy records and are required to be returned by EPI to the Academy upon demand. EPI and the Academy shall maintain the proper confidentiality of personnel, student and other records as required by law. All Academy records shall be physically or electronically available, upon request, at the Academy's physical facilities. The financial, educational, operational and student records pertaining to the Academy are Academy property, and are public records subject to disclosure in accordance with the provisions of the Michigan Freedom of Information Act. This Agreement shall not be construed to restrict the University Board's or the public's access to these records under the Freedom of Information Act or the Contract except to the extent permitted by law.

ARTICLE VI

PERSONNEL AND TRAINING

A. **Personnel Responsibility.** EPI is responsible for providing the Academy with a School Administrator and qualified teaching, food service, secretarial, custodial, maintenance and transportation staff to operate the Academy within the staffing levels approved by the Board in its annual budget. EPI shall have the authority to select, evaluate, assign, discipline, transfer and terminate the employment of all

individuals working at or for the Academy with the exception of the Board employees, if any, consistent with state and federal law and the provisions of this Agreement. With the exception of Board employees, if any, EPI shall be the employer of all individuals working at or for the Academy and will be responsible for the payment of all costs attributable to these employees, including wages, salaries, fringe benefits, unemployment costs, workers' disability compensation costs, and liability insurance costs. Unless required by applicable statute, court or administrative decision, or Attorney General's opinion, EPI shall not make payments to the Michigan Public School Employees' Retirement System or any other public retirement system on behalf of its employees. EPI will provide the Board with a detailed listing of the actual compensation and fringe benefit costs for all employees of EPI who will be assigned to provide services at or on behalf of the Academy. The Board will reimburse EPI for the cost of the salaries, fringe benefits, and social security withholdings of employees assigned to the Academy, provided that these costs are not higher than anticipated and approved in the annual budget. At its option, the Board may advance funds to EPI for the cost of the salaries, fringe benefits and social security of employees assigned to the Academy provided that documentation for the fees and expenses are provided for Board review at its next regularly scheduled Board meeting and are consistent with budget allocations. At the request of the Board, EPI will provide payroll services for employees of the Board. EPI will not assign any employee to work at the Academy who has not successfully completed a pre-employment background check (including criminal history, criminal background and unprofessional conduct checks), credential verification, and a pre-employment physical if appropriate. EPI will not place in the employment contracts with any of its employees assigned to work at the Academy any restrictions that would prevent the Academy from employing those individuals at the Academy or would prevent those individuals from working for the Academy or for any other entity providing educational services to the Academy. EPI agrees that any provision of an employment agreement with any of its employees that would be in violation of this provision is void and shall not be enforceable in any forum. EPI will comply with the requirements of applicable law regarding the evaluation of its employees based in part upon data on student growth and the establishment of employee compensation levels that include job performance and job accomplishments as a significant factor.

B. School Administrators. EPI shall provide the Academy with School Administrators who shall be responsible for the daily operational control of the Academy and to make recommendations to EPI regarding employees to be assigned to the Academy. EPI will have the authority, consistent with state law, to select and supervise the School Administrators and to hold that individual accountable for the success of the Academy. The School Administrators will be EPI employees, but the individuals selected by EPI must be acceptable to the Board. EPI will consult with the Board prior to hiring the School Administrators and will consult with the Board prior to taking any action that would alter the employment status of the School Administrators. At the request of the Board, EPI will review the performance of the School Administrators with the Board. Upon receipt of written notification indicating that the Board is not satisfied with the performance of a School Administrator, EPI will provide a replacement School Administrator if the performance problems are not resolved. The employment contract with the School Administrators, and the duties and compensation of the School Administrators shall be determined by EPI, but that individual must be assigned on a full time basis to the Academy and may not be providing services to any other school or Academy without the prior approval of the Board. If EPI chooses to execute a contract with a School

Administrator that has a term longer than one (1) year, the Board reserves the right to have the School Administrator placed elsewhere by EPI if the Board is dissatisfied with that individual's performance at the end of any school year.

C. Teachers. As part of the annual budgeting process, EPI shall make a recommendation to the Board regarding the number of teachers required for the operation of the Academy pursuant to the Contract and applicable law. EPI shall provide the Academy with such teachers, qualified in the grade levels and subjects, as are required by the Academy. The curriculum taught by such teachers shall be the curriculum prescribed in the Contract. Such teachers may, in the discretion of EPI, work at the Academy on a full or part time basis. If assigned to the Academy on a part time basis, such teachers may also work at other schools operated by EPI. Each teacher assigned to or retained by the Academy shall be a highly qualified teacher with a valid teaching certificate issued by the State Board of Education under the Code, to the extent required under the Code and the Every Student Succeeds Act of 2015 or other applicable law. If EPI chooses to execute contracts with teaching staff that have a term of longer than one year, the Board reserves the right to have teachers placed elsewhere by EPI if the Board is dissatisfied with their performance at the end of any school year. Teachers employed by EPI shall not be considered teachers for purposes of continuing tenure under MCL Section

38.71 et seq.

D. **Support Staff.** As part of the annual budgeting process, EPI shall make a recommendation to the Board regarding the number of support staff required for the operation of the Academy pursuant to the Contract. EPI shall provide the Academy with such support staff, qualified in the areas required, as are required by the Board. Such support staff may, in the discretion of EPI, work at the Academy on a full or part time basis. If assigned to the Academy on a part time basis, such support staff may also work at other schools operated by the EPI. Each support staff employee assigned to or retained by the Academy shall have received the training and hold the certificates, degrees or licenses legally required for the position to which they are assigned under the Code and the Every Student Succeeds Act of 2015 or other applicable law. EPI will provide annual performance reviews of the performance of support staff to the Board. If EPI chooses to execute contracts with support staff that have a term of longer than one (1) year, the Board reserves the right to have support staff placed elsewhere by EPI if the Board is dissatisfied with their performance at the end of any school year.

E. **Training.** EPI shall provide training to the School Administrators, teachers and paraprofessionals on a regular and continuing basis and shall insure that they receive all training required by law. The School Administrators, teachers, paraprofessionals and other support staff employees shall receive such other training as EPI determines as reasonable and necessary under the circumstances. EPI'S costs associated with training staff, including but not limited to curriculum training and any costs associated with hiring outside trainers or curriculum specialists, shall be reimbursed by the Academy, provided such costs have been approved by the Board in advance and provided such costs are reimbursed from grant funds in support of such training in advance of being invoiced by EPI.

ARTICLE VII

TERMINATION OF AGREEMENT

A. **Termination by the Academy for Cause.** This Agreement may be terminated by the Academy for cause prior to the end of the term specified in Article II in the event that EPI should fail to remedy a material breach within a period reasonable under the circumstances, which in no event shall be longer than sixty (60) days after notice from the Academy. A material breach may include, but is not limited to, (1) failure to account for its expenditures or to pay operating costs (providing funds are available to do so), (2) failure to follow policies or procedures duly adopted by the Board, (3) failure to follow the Educational Program, (4) a violation of the Contract or of applicable law, or (5) any action or inaction by EPI that places the Contract in jeopardy. In order to terminate this Agreement for cause, the Board is required to provide EPI with written notification of the facts it considers to constitute material breach and the period of time within which EPI has to remedy this breach not to exceed sixty (60) days. After the period to remedy the material breach has expired, the Board may terminate this Agreement by providing EPI with written notification of termination.

B. **Termination by EPI for Cause.** This Agreement may be terminated by EPI for cause prior to the end of the term specified in Article II in the event the Academy fails to remedy a material breach within a period reasonable under the circumstances, which in no event shall be longer than sixty (60) days after notice from EPI. Material breach may include, but is not limited to, a failure by the Academy to carry out its responsibilities under this Agreement (such as a failure to make payments to EPI as required by this Agreement or a failure to give consideration to the recommendations of EPI regarding the operation of the Academy); a violation of the Contract or applicable law. In order to terminate this Agreement for cause, EPI is required to provide the Board with written notification of the facts it considers to constitute material breach and the period of time within which the Academy has to remedy this breach not to exceed sixty (60) days. After the period to remedy the material breach has expired, EPI may terminate this Agreement by providing the Board with written notification of termination.

C. **Termination by Either Party Without Cause.** If EPI and the Board are unable to agree on Educational Programs, curriculum or other educational policies that affect the Academy in a significant way, either party may elect to terminate this Agreement at the end of a school year, provided that the terminating party gives the other party written notification of termination at least thirty (30) calendar days prior to the termination date.

D. **Change in Law.** If any federal, state or local laws, rules or regulations, or court decision(s) have a material adverse impact on the ability of either party to carry out its obligations under this

Agreement, then either party, upon written notice, may request renegotiation of the Agreement; and if the parties are unable or unwilling to renegotiate the terms within ninety (90) calendar days after the notice, the party requesting the renegotiation may terminate this Agreement on thirty (30) calendar days further written notice.

E. **Rights to Property Upon Termination.** Upon termination of this Agreement all equipment, whether purchased by the Academy or by EPI with state school aid funds or other funds secured by or for the Academy, shall remain the exclusive property of the Academy. EPI shall have the right to reclaim any usable property or equipment (e.g., including, but not limited to, desks, computers, copying machines, fax machines, telephones) that was purchased by EPI with funds other than those turned over under Article V(C). Fixtures and building alterations shall become the property of the Academy.

F. **Transition.** In the event of termination of this Agreement for any reason by either party prior to the end of the Agreement's term, EPI shall provide the Academy reasonable assistance for up to ninety (90) calendar days after the effective date of termination to allow a transition back to a regular school program or to another education service provider.

ARTICLE VIII

PROPRIETARY INFORMATION

A. **Proprietary Information.** The Academy shall own all copyright and other proprietary rights to all instructional materials, training materials, curriculum and lesson plans, and any other materials developed by EPI, its employees, agents or subcontractors, or by any individual working for or supervised by EPI that (i) were directly developed and paid for by the Academy; or (ii) were developed by EPI at the direction of the Board with Academy funds dedicated for the specific purpose of developing such curriculum or materials.

B. **Required Disclosure.** The Academy shall be permitted to report any new teaching techniques or methods of significant revisions to known teaching techniques or methods to Ferris State University, the ISD in which the Academy is located and to the State Board of Education, which teaching techniques or methods may thereafter be made available to the public, as provided in Section 505(3) of the Code, notwithstanding anything contained in this Article VIII to the contrary. Any educational materials and teaching techniques developed by EPI and/or used by the Academy are subject to disclosure under the Code and the Freedom of Information Act.

ARTICLE IX

INDEMNIFICATION

A. **Indemnification of EPI.** To the extent permitted by law, the Academy shall indemnify and hold EPI (which term for purposes of this Paragraph A, includes EPI's officers, directors, and employees) harmless against any and all claims, demands, suits, or other forms of liability that may arise out of, or by reason of, any noncompliance by the Academy with any agreements, covenants, warranties, or undertakings of the Academy contained in or made pursuant to this Agreement; and any misrepresentation or breach of the representations and warranties of the Board contained in or made pursuant to this Agreement. In addition, the Academy shall reimburse EPI for any and all legal expenses and costs associated with the defense of any such claim, demand, or suit. The indemnification requirements of this paragraph may be met by the purchase of insurance in a form and amounts reasonably acceptable to EPI.

B. **Limitations of Liabilities.** The Academy may assert or not assert, waive or not waive, all immunities and statutory limitations of liability in connection with any claims arising under this Agreement.

C. **Indemnification of the Academy.** To the extent permitted by law, EPI shall indemnify and hold the Academy (which term for purposes of this Paragraph C, includes the Academy's officers, directors, and employees) harmless against any and all claims, demands, suits, or other forms of liability that may arise out of, or by reason of, any noncompliance by EPI with any agreements, covenants, warranties, or undertakings of EPI contained in or made pursuant to this Agreement; and any misrepresentation or breach of the representations and warranties of EPI contained in or made pursuant

to this Agreement. In addition, EPI shall reimburse the Academy for any and all legal expenses and costs associated with the defense of any such claim, demand, or suit.

D. **Indemnification for Negligence.** To the extent permitted by law, the Academy shall indemnify and hold harmless EPI, and EPI's Board of Directors, partners, officers, employees, agents and representatives, from any and all claims and liabilities which EPI may incur and which arise out of the negligence of the Academy's directors, officers, employees, agents or representatives. To the extent permitted by law, EPI shall indemnify and hold harmless the Academy, and the Board, directors, officers, employees, agents or representatives, from any and all claims and liabilities which the Academy may incur and which arise out of the negligence of EPI's directors, officers, employees, agents or representatives. Nothing contained herein shall be deemed to be a waiver by the Academy of its right to assert the privilege of governmental immunity or any other affirmative defenses provided by law.

E. **Indemnification of Bay Mills Community College.** The parties acknowledge and agree that the Bay Mills Community College Board of Trustees, Bay Mills Community College 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, defend and hold harmless the Bay Mills Community College Board of Trustees, Bay Mills Community College 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 Ferris State University, which arise out of or are in any manner connected with the Bay Mills Community College Board of Trustees' 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 Bay Mills Community College and its Board of Trustees members, officers, employees, agents or representatives upon information supplied by the Academy or EPI, or which arise out of the failure of the Academy to perform its obligations under the Contract issued to the Academy by the Bay Mills Community College Board of Trustees. The parties expressly acknowledge and agree that Bay Mills Community College 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 section of the Agreement.

ARTICLE X

INSURANCE

A. **Insurance of the Academy.** The Academy shall secure and maintain in its own name as the "first named insured" such insurance in an amount and on such terms as are required by the provisions of the Contract, including the indemnification of EPI required by this Agreement. In the event that the University Board's insurance carrier requests changes in the coverage identified in the Contract, the Academy agrees to comply with the change in the type and amount as requested by the University Board within thirty (30) days after notice of the insurance coverage change. The Academy shall, upon request, present evidence to EPI that it maintains the requisite insurance in compliance with the provisions of this paragraph. EPI shall comply with any information or reporting requirements applicable to the Academy under the Academy's policy with its insurer(s), to the extent practicable.

B. **Insurance of EPI.** EPI shall secure and maintain general liability insurance with the Academy listed as an additional insured at the academy's expense. EPI shall maintain such insurance in an amount and on such terms as are reasonably acceptable to the Academy and as required by the provisions of the Contract including the indemnification of the Academy and Bay Mills Community College required by this Agreement. EPI shall upon request present evidence to the Academy that it maintains the requisite insurance in compliance with the provisions of this paragraph. The Academy shall comply with any information or reporting requirements applicable to EPI under EPI's policy, with its insurer(s) to the extent practicable.

C. **Workers' Disability Compensation Insurance.** Each party shall maintain workers' disability compensation insurance when and as required by law, covering their respective employees.

ARTICLE XI
MISCELLANEOUS

A. **Sole Agreement.** This Agreement supersedes and replaces any and all prior agreements and understandings between the Academy and EPI on the subject matter hereof.

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

C. **Notices.** All notices, request, consents demands and other communications from one party to the other that are given pursuant to the terms of this Agreement shall be in writing and shall be delivered (including delivery by commercial delivery service), or sent by United States mail, certified or registered, postage prepaid, or sent by nationally recognized overnight courier. Notices shall be deemed given (i) on the date of delivery, if delivered via commercial delivery service (unless such date is a weekend or holiday in which event such notice shall be deemed given on the next succeeding Business Day), (ii) three (3) Business Days following deposit in the United States Mail, if sent via certified mail or registered mail or (iii) on the Business Day next succeeding the date upon which such notice is given to any nationally recognized overnight courier. All notices, request, consents, demands and other communications shall be addressed as follows:

If to EPI:	Educational Partnerships, Inc. 30233 Southfield Road, Suite 209 Southfield, MI 48076 Attn: Dr. Jefferson Hamlin
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If to Academy:	International Academy of Saginaw 1944 Iowa Ave, Saginaw MI 48601 Attn: Board President
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D. **Severability.** The invalidity of any of the covenants, phrases or clauses in this Agreement shall not affect the remaining portions of this Agreement, and this Agreement shall be construed as if such invalid covenant, phrase or clause had not been contained in this Agreement.

E. **Successors and Assigns.** This Agreement shall be binding upon, and inure to the benefit of, the parties and their respective successors and assigns.

F. **Entire Agreement.** This Agreement is the entire agreement between the parties relating to the services provided, and the compensation for such services, by the parties. Any modification to this Agreement must be made in writing, approved by the Board and EPI, and signed by a duly authorized officer. In addition, the Board must also secure the approval of the University Board before any modification to this Agreement can become effective.

G. **Non-Waiver.** No failure of a party in exercising any right, power or privilege under this Agreement shall affect such right, power or privilege, nor shall any single or partial exercise thereof preclude any further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies of the parties under this Agreement are cumulative and not exclusive of any rights or remedies which any of them may otherwise have.

H. **Assignment.** EPI may assign this Agreement only with the prior written approval of the Board.

I. **Governing Law.** Except as specifically provided in Section M, below, this Agreement shall be governed by and enforced in accordance with the laws of the state of Michigan in the circuit court of Monroe County, Michigan.

J. **Delegation of Authority.** Nothing in this Agreement shall be construed as delegating to EPI any of the powers or authority of the Board that are not subject to delegation by the Board under Michigan law or the Contract.

K. **Compliance with Law.** The parties agree to comply with all applicable laws, rules and regulations.

L. **Warranties and Representations.** Both the Academy and EPI represent that each has the authority under law to execute, deliver and perform this Agreement and to incur the obligations provided for under this Agreement, that its actions have been duly and validly authorized, and that it will adopt any and all resolutions or expenditure approvals required for execution of this Agreement. The individuals signing this Agreement represent that they have authority to do so on behalf of EPI and the Academy.


M. **Dispute Resolution Procedure.** Any and all disputes between the parties concerning any alleged breach of this Agreement or arising out of or relating to the interpretation of this Agreement or the parties' performance of their respective obligations under this Agreement that are unable to be resolved through discussion and negotiation shall be resolved by arbitration, and such an arbitration procedure shall be the sole and exclusive remedy for such matters. The arbitrator shall be selected from a panel provided by and in accordance with the rules of the American Arbitration Association. The arbitration shall be conducted in accordance with the rules of the American Arbitration Association, with such variations as the parties and the arbitrator unanimously accept. Any arbitration hearing shall be conducted in Michigan. The arbitrator shall be required to issue a cause opinion with a written explanation as to the final decision. This cause opinion shall be made available to the Bay Mills Community College Charter Schools Office upon request. A judgment on the award rendered by the arbitrators may be entered in any court having appropriate jurisdiction to ensure compliance with the applicable law and this Agreement. The cost of arbitration, not including attorney fees, shall be paid by the losing party. It shall be in the discretion of the arbitration panel to award reasonable attorney fees to the prevailing party, to be paid if awarded by the losing party.

N. **Modification to Conform to Changed University Board Policies.** The parties intend that this Agreement shall comply with Bay Mills Community College and Educational Service Provider Policies, as the same may be changed from time to time. In the event that changes in Bay Mills Community College Educational Service Provider Policies implemented after the date of execution of this Agreement cause any provision of this Agreement to be in conflict with the revised Policies, the parties agree to amend this Agreement to eliminate the conflict within thirty (30) days after being advised of such conflict.

The parties have executed this Agreement as of the day and year first above written.

EDUCATIONAL PARTNERSHIPS INC, INTERNATIONAL ACADEMY OF SAGINAW:

By 
Dr. Jefferson Hamlin, President EPI.

By 
Vanessa Lewis President, Board of Directors

FIRST AMENDMENT TO THE MANAGEMENT SERVICES AGREEMENT

THIS FIRST AMENDMENT TO THE MANAGEMENT SERVICES AGREEMENT ("First Amendment") is effective as of July 1, 2023, by and between Educational Partnerships Inc., a Michigan ("EPI"), and International Academy of Saginaw, a Michigan public school academy ("Academy").

WHEREAS, the Academy operates a public school academy pursuant to a contract dated July 1, 2023 (the "Contract") issued by Bay Mills Community College Board of Regents ("University Board");

WHEREAS, on June 1, 2020, the Academy and EPI entered into a certain Management Services Agreement (the "Agreement") in connection with the operation of the Academy; and

WHEREAS, the parties desire to amend certain terms of the Agreement to ensure compliance with the Contract and all applicable educational service provider policies;

THEREFORE, in consideration of the promises contained in this First Amendment and for other good and valuable consideration, the receipt of sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Article II(A) shall be amended to delete the second sentence of the paragraph and replace it with the following language: "The Agreement cannot exceed the term of the Contract."

2. Article II (B) shall be deleted in its entirety and replaced with the following language: "**Agreement Coterminous With Academy's Contract.** If the Academy's Contract issued by the Bay Mills Community College Board of Regents 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 terminated, as the case may be, on the same date as the Academy's Contract is suspended, revoked, terminated or expires without further action of the parties."

3. Article III(P) shall be deleted in its entirety and replaced with the following language: "**Compliance with Section 503c.** On an annual basis, EPI agrees to provide the Academy Board of Directors ("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 ("Department"). The defined terms in section 503c of the Revised School Code ("Code"), MCL 380.503c, shall have the same meaning in this Agreement."

4. Article III (Q) shall be deleted in its entirety and replaced with the following language: "**Compliance with Section 12.17 of Contract.** EPI shall make information concerning the operation and management of the Academy, including without limitation the information described in Schedule 4 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 12.17(a) of the Contract.”

5. Article IV(A) shall be amended to delete the last sentence of the paragraph and replace it with the following language: “Subject to the provisions of Article VII of this Agreement, failure of EPI and the Board to agree on educational policies is grounds for termination of the Agreement by either party.”

6. Article IV(E) shall be amended to include the following language at the end of the paragraph: “EPI shall not select, retain, evaluate or replace the independent auditor for the Academy.”

7. Article IV(K) shall be added to the Agreement to include the following language: “**Chief Administrative Officer.** Pursuant to the Uniform Budget and Accounting Act, MCL 141.422b, the Academy Board is responsible for designating the Chief Administrative Officer for the Academy. Neither EPI nor any owner, officer, director, employee or agent of EPI shall be designated as the Chief Administrative Officer of the Academy, but an EPI employee may assist an Academy Board member who is the Chief Administrative Officer in carrying out their responsibilities.”

8. Article V(C) shall be amended to replace “9.5%” in the first sentence of the Section with “15.5%”. The remainder of Article V(C) shall remain as written in the Agreement.

9. Article V(F) shall be amended to include the following language at the end of the paragraph: “No corporate costs or ‘central office’ personnel costs of EPI shall be charged to, or reimbursed by, the Academy.”

10. Article IV(H) shall be deleted in its entirety and replaced with the following language: “**Governmental Immunity.** This Agreement shall not be interpreted to restrict the Academy Board from waiving its governmental immunity or to require the Academy Board to assert, waive or not waive its governmental immunity.”

11. Article V(J) shall be deleted in its entirety and replaced with the following language: “**Finance and Other Records.** EPI shall make all finance and other records of EPI related to the Academy available to the Academy, to the Academy’s independent auditor or the CSO upon request.”

12. Article VI(A) shall be amended to include the following language at the end of the paragraph: “EPI is responsible for paying employees leased to the Academy or working on Academy operations irrespective of whether EPI receives an advancement of its costs or the payment of services from the Academy.”

13. Article VII(G) shall be added to the Agreement with the following language: “**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 Department 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 the Contract, and such closure of an Academy 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 Academy site closure or reconstitution, with no cost or penalty to the Academy, and EPI shall have no recourse against the Academy or the University Board for implementing such site closure or reconstitution.”

14. Article VII(H) shall be added to the Agreement with the following language: **“Effective Date of Termination.** Any termination of the Agreement for cause or without cause shall not take effect until the earlier of (i) an approved agreement by the Academy with another Educational Service Provider (“ESP”) (or self-management) is in effect; or (ii) the end of the current school year in which the termination is invoked. A change in ESP (or a decision to self-manage) in mid school year is strongly discouraged and will be disapproved by the University Board Charter Schools Office absent compelling circumstances and a clear demonstration that the new ESP (or transition to self-management) can seamlessly assume management and operations of the school without disrupting the school’s operations.”

15. Article VII(I) shall be added to the Agreement with the following language: **“Transition Responsibilities.** Upon termination or expiration of the Agreement, or when the Agreement is terminated due to a Contract revocation, reconstitution, termination or non-renewal, EPI shall, without charge: (i) close the books on the then-current school fiscal year; (ii) organize and prepare the Academy’s records for transition to the new ESP, self-management or dissolution; (iii) provide the Academy with an updated fixed asset schedule showing all property owned by the Academy; (iv) provide an updated list of outstanding vendor invoices with total amount owed (including the total outstanding owed by the Academy to EPI, if any; (v) the amount owed by EPI to the Academy, if any; (vi) organize and prepare student records for transition to the new ESP, self-management or in the case of a school closure, transfer to a student’s new school as designated by the student’s parent / legal guardian or to a person or entity authorized to hold such records; (vii) ensure the closeout of existing grants and the transfer of grant funded property to Academy, if applicable; and (viii) provide for the orderly transition of employee compensation and benefits to the new ESP or self-management without disruption to staffing, or in the case of school closure, final payment of all employee compensation, benefit and tax obligations related to services provided by EPI to the Academy.”

16. Article IX(E) shall be deleted in its entirety and replaced with the following language: **“Indemnification of Bay Mills Community College.** The parties acknowledge and agree that the Bay Mills Community College Board of Regents, Bay Mills Community College and its respective members, officers, employees, agents or representatives (for purposes of this paragraph, all collectively referred to as “Bay Mills Community College”) are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, EPI hereby promises to indemnify, defend, and hold harmless Bay Mills Community College against all claims, demands, actions, suits, causes of action, losses, judgments, damages, fines, penalties, forfeitures, or any other liabilities or losses of any kind, including costs, attorney fees, and related expenses, imposed upon or incurred by Bay Mills Community College 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 Bay Mills Community College, which arise out of or are in any manner connected with Bay Mills Community College Board of Regents’ approval of the Academy’s application, Bay Mills Community College Board of Regents’ consideration of or issuance of a Contract, EPI’s preparation for and operation of the Academy, or which are incurred as a result of the reliance by Bay Mills Community College upon information supplied by EPI or which arise out of the failure of EPI perform its obligations under the Contract, the Agreement

or Applicable Law, as applicable. The parties expressly acknowledge and agree that Bay Mills Community College, Bay Mills Community College Board of Regents and its members, and their respective officers, employees, agents or representatives, or any of them, may commence legal action against EPI to enforce its rights as set forth in this Agreement.”

17. Article X(B) shall be amended to add the following language to the end of the paragraph: “EPI’s insurance is separate from and in addition to the insurance the Academy Board is required to obtain under the Contract. EPI’s cost of procuring insurance coverage under the Agreement is a corporate cost to be paid by EPI.”

18. Article XI(O) shall be added to the Agreement with the following language: “**Data Breach Response Plan.** The parties agree that in the event either party becomes aware of a data breach of personally identifiable information or education records as defined in Section 1136 of the Code, MCL 380.1136 (“PII”) with respect to information not suitable for public release, the other party shall be immediately notified in writing. The parties then shall mutually meet and confer with respective legal counsel to determine appropriate steps to be taken as required by state law, federal law, or Board policy.”

19. Article XI(P) shall be added to the Agreement with the following language: “**Bankruptcy Notification.** EPI shall notify the Academy Board if any principal or officer of EPI, or EPI (including any related organizations or organizations in which a principal or officer of EPI served as a principal or officer) as a corporate entity, files for bankruptcy protection or, at the time the Agreement is executed, has filed for bankruptcy protection within the last five (5) years.”

20. All other terms and conditions of the Management Services Agreement, as amended by this First Amendment, shall remain in full force and effect. To the extent there is a conflict between any provision in the Management Services Agreement and this First Amendment, this First Amendment shall control.

21. The terms of this First Amendment shall be defined as provided for in Management Services Agreement.

22. This First Amendment may be executed in counterparts each of which counterparts shall be deemed an original and all of which counterparts together shall be deemed one and the same documents. Counterparts executed by facsimile shall have the same effect as originals.

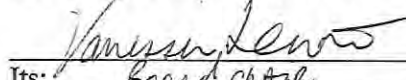
This First Amendment shall be deemed effective and binding upon execution and delivery by all parties.

THE PARTIES AFFIRM THAT THEY HAVE READ AND UNDERSTAND AND AGREE WITH THE TERMS OF THE AGREEMENT AND THIS FIRST AMENDMENT.

EDUCATIONAL PARTNERSHIPS INC.

INTERNATIONAL ACADEMY OF SAGINAW


Its: CEO
Date: 7/10/2023


Its: Board Chair
Date: 7/12/23

CONTRACT SCHEDULE 6

PHYSICAL PLANT DESCRIPTION

SCHEDULE 6

Physical Plant Description	6-1
Certificate of Use and Occupancy	6-3
Floor Plan and Site Plan	6-4
Purchase Agreement	6-6

SCHEDULE 6

PHYSICAL PLANT DESCRIPTION

1. Applicable Law requires that a public school academy application and contract must contain a description of and the address for the proposed physical plant in which the public school academy will be located. See, MCL 380.502(3)(j); 380.503(5)(d).

2. The address and a description of the proposed physical plant (the “Proposed Site”) of International Academy of Saginaw (“Academy”) is as follows:

Address: 1944 Iowa Avenue
Saginaw, MI 48601

Description: The facility is a multi-story building that has a strong brick shell with a concrete skeleton. The building has sufficient classroom to enroll up to 200 Kindergarten through Eighth Grade students. The building was purchased by the Academy in 2021.

Term of Use: Term of Contract.

Configuration of Grade Levels: Kindergarten through eighth grade.

Name of School District and Intermediate School District:

Local: Bridgeport Spaulding
ISD: Saginaw ISD

3. It is acknowledged and agreed that the following information about this Proposed Site is provided on the following pages, or must be provided to the satisfaction of the College Board, before the Academy may operate as a public school in this state.

- A. Size of building
- B. Floor Plan
- C. Description of Rooms
- D. Copy of lease or purchase agreement

4. In addition, the Academy and the College Board hereby acknowledge and agree that this Contract is being issued to the Academy with the understanding that the Academy cannot conduct classes as a public school academy in this state until it has obtained the necessary fire, health and safety approvals for the above-described proposed physical facility. These approvals must be provided and be acceptable to the College Board or its designee prior to the Academy operating as a public school. In cases of disagreement, the Academy may not begin operations without the consent of the College Board.

5. If the Proposed Site described above is not used as the physical facilities for the Academy, then Schedule 6 of this Contract between the Academy and the College Board must be amended pursuant to Article IX of the Terms and Conditions of Contract, to designate, describe,

and agree upon the Academy's physical facilities. The Academy must submit to the College Board or its designee complete information about the new site to be actually used. This information includes that described in paragraphs 2, 3 and 4 of this Schedule 6. It is acknowledged and agreed that the public school academy cannot conduct classes as a public school in this state until it has submitted all the information described above, to the satisfaction of the College, and the amendment regarding the new site has been executed.

6. The Academy agrees to comply with the single site restrictions contained in this Schedule 6 for the configuration of grade levels identified at the site. Any change in the configuration of grade levels at the site requires an amendment to this Schedule 6 pursuant to Article IX of the Terms and Conditions of Contract set forth above.

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CERTIFICATE OF USE AND OCCUPANCY

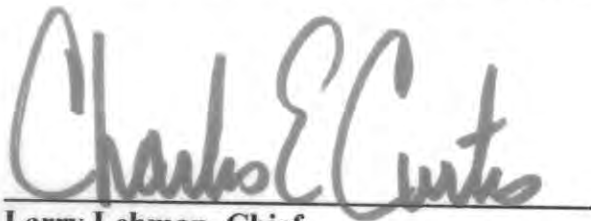
PERMANENT

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

**Building Permit: B030265
International Academy of Saginaw
1944 Iowa Avenue
Saginaw, Michigan
Saginaw County**

The above named building of Use Group E and Construction Type 5B 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**

November 9, 2010

EVACUATION PLAN

Teachers should immediately do the following:

Direct the students to line up at the classroom door. (They may not bring any belongings with them.)

Take the class list which is posted at the exit door of the classroom.

Close the windows and assign a student to be the last student who will use the classroom door. (KG-Assistants should be responsible for the windows and doors.)

Lead your line out of the classroom. Proceed quickly and quietly to your designated emergency exit (marked on the evacuation map inside each classroom).

Once you are outside, go immediately to the sidewalk in the front of the building.

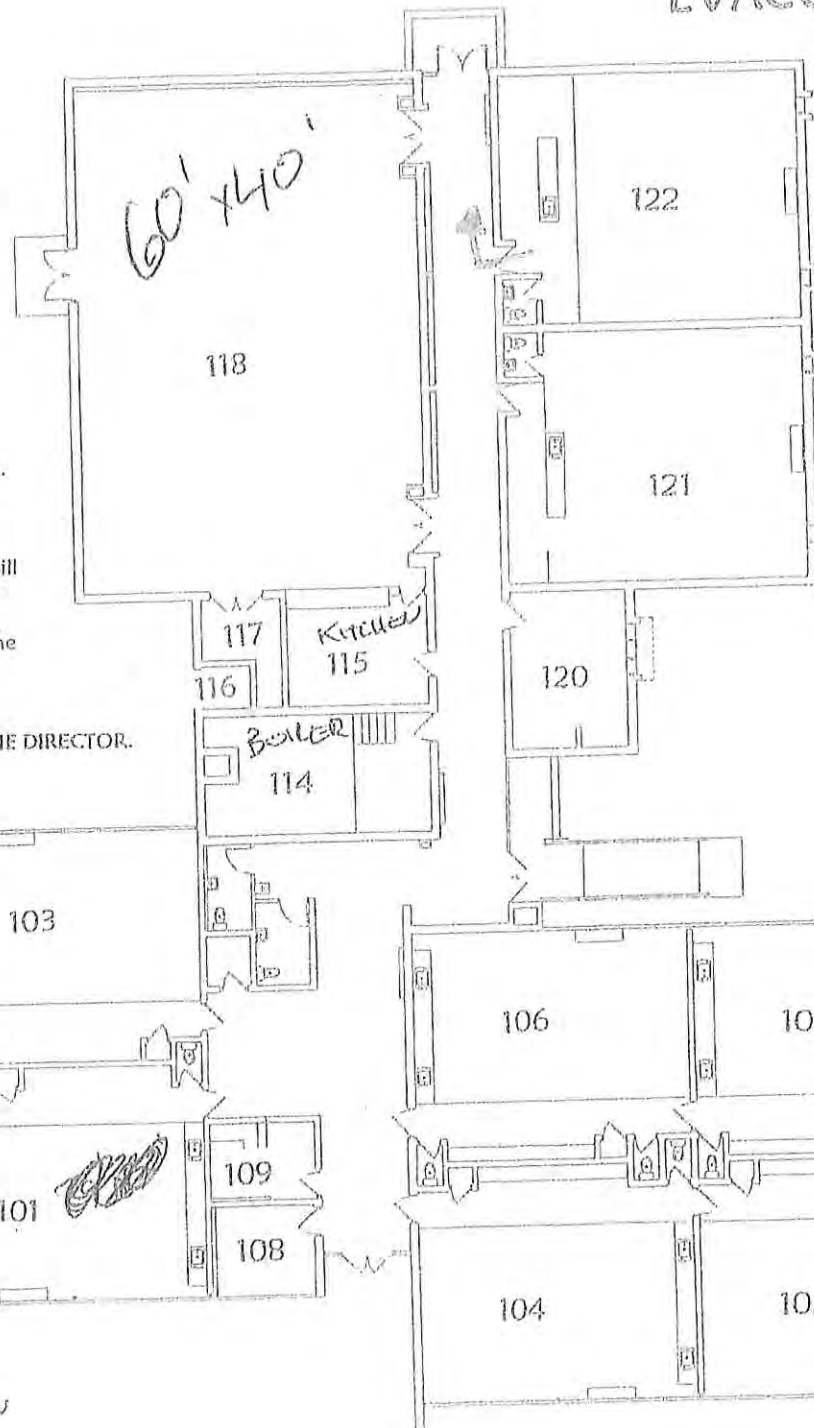
Take the class to the designated location. Line-up is by Grade and Section.

Using the class list, the Teacher should take attendance.

While still outside, the Director, Office Manager and Business Manager will sit each class to determine that all students are present and accounted for.

When the "all clear" sign is given, teachers will lead the class back into the building the same route in which they exited.

YOU BELIEVE SOMEONE IS MISSING IMMEDIATELY REPORT IT TO THE DIRECTOR.



Rm. 122

ORIGINAL BUILDING

28' x 32'

→

ACM Locations
HA #11 - 28' x 4' DCT w/ small holes & large fissures



International Academy of Saginaw

PURCHASE AGREEMENT

This purchase agreement is entered into between Flint Property Management, LLC, a Delaware limited liability company whose address is 6385 Beach Road, Eden Prairie, Minnesota, 55344 ("Seller"), and International Academy of Saginaw, Inc., a Michigan public school academy whose address is 1944 Iowa Avenue, Saginaw, Michigan 48601 ("Purchaser"), for the transfer of certain real property and improvements located at 1944 Iowa Avenue, Saginaw, Michigan, 48601 (the "Premises"), tax numbers: 09-11-5-06- 4041-000 and 09-11-5-06-4022-000, as further described in Exhibit A.

The parties enter into this Agreement subject to the terms and conditions set forth below.

1. **Property to be Transferred.** For the purposes of this Agreement, "Property" shall mean the Premises, together with all the rights and appurtenances pertaining to the Premises, including any right, title, and interest of Seller in and to adjacent streets, alleys, or rights-of-way (collectively, the "Land"), the buildings and the other improvements on the Land (collectively, the "Improvements"), the fixtures owned by Seller upon the Land or within the Improvements, and all furniture, fixtures, equipment and other personal property as set forth in Exhibit B. Seller and Purchaser acknowledge and agree that the Purchaser leases and is in possession of the Property pursuant to a Lease dated August 24, 2007, between Seller as Landlord and Purchaser as Tenant, as amended.
2. **Consideration.** Purchaser shall pay Seller six hundred twenty-thousand dollars (\$620,000) ("Purchase Price").
3. **Title Conveyed.** Title to the Premises shall be conveyed upon full payment of the Purchase Price by a warranty deed. To the extent applicable, Seller shall pay the transfer tax on the deed.
4. **Earnest Money.** Within two (2) days after the Effective Date of this Agreement, Purchaser shall deposit with Diversified National Title Agency, Saginaw, Michigan ("Title Company") an earnest money deposit of \$1,000 to be held by the Title Company in an interest-bearing account. All interest accruing on the Earnest Money shall become part of the Earnest Money and shall be distributed in accordance with the terms of this Agreement.
5. **Payment of Purchase Price.** Payment of the purchase price shall be made in installments in accordance with a promissory note to be entered into upon closing between Seller and Purchaser (the "Note"). Purchaser agrees to execute and record a mortgage upon Closing (as hereinafter defined) in favor of Seller to secure payment upon the Note. The Note shall contain a fair and reasonable prepayment premium in a structure to be mutually agreed upon by Purchaser and Seller.
6. **Possession.** Purchaser is currently the Tenant at this property. As such, the Purchaser may continue to occupy the property while this Purchase Agreement is in effect so long as

Purchaser continues to abide by the terms of the Lease Agreement, including the payment of rent.

7. **Survey.** Purchaser reserves the right to obtain a survey, at Purchaser's expense, as soon as feasible after the Effective Date.
8. **Property Taxes and Assessments.** All real property taxes and assessments on the Premises which have become a lien upon the land, whether recorded or not recorded, at the date of this Agreement shall be paid by the Purchaser. All real estate taxes levied after the date of closing are to be paid by Purchaser.
9. **Title Insurance.** At Seller's expense, Seller shall furnish Purchaser with an owner's policy of title insurance in the standard American Land Title Association form, without standard exceptions, certified to the date of the closing, in the amount of the purchase price. Within 30 days after the effective date of this Agreement, Seller shall provide Purchaser with a commitment for the title insurance that shows that Seller has good and marketable title to the Premises. Seller shall discharge at or before Closing (as hereinafter defined) any mortgages or monetary liens created by or arising out of the acts or omissions of Seller and may use proceeds of the Purchase Price to discharge the same at Closing.
10. **Condition of the Property to be Transferred.** Purchaser acknowledges and agrees that it is purchasing the Property, and will accept the Property, in its "as-is" condition as of the date of Closing, including but not limited to the environmental condition of the Property, with all faults and defects, patent, latent or otherwise, and, subject to the Closing occurring, Purchaser hereby unconditionally and irrevocably releases any and all claims of any kind, nature, type or description, whether known or unknown, disputed or undisputed, accrued or unaccrued, liquidated or contingent, foreseen or unforeseen, in contract, tort, at law or in equity which Purchaser has at the time of Closing or may thereafter have against Seller regarding or that arise out of or in connection with or are related in any manner whatsoever to the condition of the Property (including the environmental condition thereof), including but not limited to any claim for contribution under any federal, state or local law. Purchaser further acknowledges that, except for any representations or warranties of Seller expressly set forth in this Agreement, neither Seller nor any of its agents, employees or representatives has made any, and Purchaser is not relying on any, representation or warranty regarding the Property or the condition thereof or the suitability of the Property for Purchaser's intended development or use thereof. The terms and provisions of this Paragraph 10 shall survive the Closing.
11. **Warranties by Seller:** The Property is bought and sold "as is, where is", subject only to the following representations and warranties by Seller:
 - a. Seller is duly organized and validly operating in the State of Michigan and has the full right, power, and authority to sell and convey the Property as provided in this Agreement in accordance with its conditions, without breaching or defaulting on any obligation or commitment that Seller has to any partners or third-parties;

- b. Seller's interest in the Premises shall be transferred to Purchaser on the closing date, free from liens, encumbrances and claims of others;
- c. The performance of the obligations of Seller under this Agreement will not violate any contract, indenture, statute, ordinance, judicial or administrative order or judgment applicable to Seller or the Premises; and
- d. There is no litigation or proceeding pending, nor to the Seller's knowledge threatened, against or involving the Seller or Premises, and the Seller does not know or have reason to know of any ground for any such litigation or proceeding, which could have an adverse impact on Purchaser or Purchaser's title to and use of the Premises, either before or after closing.

12. Warranties by Purchaser. Purchaser warrants to Seller and shall certify to Seller at the closing as follows:

- a. Purchaser has full authority to enter into and perform this Agreement in accordance with its conditions, without breaching or defaulting on any obligation of Purchaser to its Charter Authorizer or third parties;
- b. Except as disclosed in this Agreement, Purchaser is not a party to any agreement or otherwise bound under any obligation with or in favor of any other party who has any interest in the Premises or the personal property or the right to purchase or lease the Premises or the personal property; and
- c. Pursuant to the terms of the applicable lease agreement, Purchaser shall continue to maintain the Premises in a state of good condition and repair during the interim between the signing of this Agreement and the closing date.

13. Seller's Contingency. After the signing of this Agreement, Purchaser must within 10 days after execution of this agreement by Purchaser provide seller with a three year financial forecast detailing revenues and expenses and projected enrollment numbers for 2020-2021 (year-to-date actual and forecast), 2021-2022 (forecast), and (2022-2023 (forecast).

Prior to or at Closing, Purchaser shall reimburse Seller for the real property insurance premiums Seller advanced on behalf of Purchaser.

Purchaser is obligated to pay rent due from and after July 1, 2020 at a discounted rate of \$120,000 per year and through the closing date pursuant to the Lease Agreement between Seller and Purchaser. Purchaser agrees that this discounted rental rate only applies if the purchase contemplated in this Agreement is consummated. Should the purchase contemplated herein not be consummated, Purchaser acknowledges that it is liable for the full rental amount owed as set forth in the Lease Agreement.

If Purchaser fails to complete the above items in the time period specified or if the items provided in part (b) above are not satisfactory to Seller, Seller may terminate this Agreement without penalty.

14. Purchaser's Contingency. Purchaser's obligation to close the transaction contemplated by this Agreement shall be contingent upon satisfaction of each of the following contingencies within 30 days after the date of this Agreement (the "Due Diligence Period"):

- a. Purchaser determines, based on the results of a phase one environmental assessment of the Property and any other environmental assessments or investigations conducted by Purchaser at its sole expense, that the environmental condition of the Property either permits, or can be reasonably remediated to permit, Purchaser's continued use of the Property as a Michigan public school academy.
- b. The Title Commitment described in Section 9 demonstrates the ability of Seller to convey marketable title to the Property.
- c. The Survey does not reveal any matters that would render title to the Property unmarketable.

Prior to Closing, Purchaser must obtain all necessary approvals from Bay Mills Community College for (a) the purchase of the Property by Purchaser and (b) the terms and conditions of the sale and financing contemplated for the Purchase of the Property.

Purchaser shall use diligent efforts to satisfy the foregoing contingencies. If Purchaser, despite diligent efforts, fails to satisfy any of the foregoing contingencies, Purchaser may terminate this Agreement by giving written notice thereof to Seller prior to the expiration of the Due Diligence Period and upon such termination, neither party shall have any further obligations or liabilities under this Agreement except for those which expressly survive the termination of this Agreement. If Purchaser fails to give notice of termination based upon the failure to satisfy any of the foregoing contingencies prior to the expiration of the Due Diligence Period, regardless of whether or not any such contingencies have actually been satisfied, such contingencies shall be deemed satisfied for purposes of this Agreement and Purchaser shall have no further right to terminate this Agreement with respect to any such contingencies.

15. Right of Termination. In the event Purchaser determines that it does not wish to proceed with the Purchase, Purchaser shall have the right, prior to June 14, 2021, to terminate this Agreement by delivery of a written notice to Seller (the "Notice of Termination"). Upon timely delivery by Purchaser of the Notice of Termination, this Agreement shall terminate and the Earnest Money shall be returned to Purchaser. Purchaser agrees that if it terminates this Agreement as described in the previous sentence, it shall, promptly upon delivering the Notice of Termination, deliver to Seller any documentary correspondence, and similar materials obtained by it in connection with its inspection of the Property (including, without limiting the generality of the foregoing, environmental reports, mechanical and structural engineering reports, aerial maps, lien and litigation searches and marketing studies). In the

absence of timely delivery of any such Notice of Termination, this Agreement shall continue in force and effect.

16. Conditions precedent for performance by Purchaser. The obligation of Purchaser to consummate the sale contemplated by this Agreement is subject to the fulfillment of the following conditions before the closing. Purchaser may waive these conditions in writing.

- a. Each of Seller's warranties shall be true as though made again on the closing date, and no warranty shall be breached before the closing.
- b. Seller shall perform and comply with all its obligations under this Agreement before the closing.
- c. Except for the actions, errors, or omissions of Purchaser, there shall be no material adverse change in the Premises or the personal property and no encumbrance on the title to the Premises or the personal property from the date of this Agreement to the date of the closing.
- d. No action or proceeding to restrain, prohibit, or declare illegal the transaction contemplated by this Agreement shall be pending or threatened. No order restraining or prohibiting the transaction contemplated by this Agreement shall be issued by any public authority, governmental agency, or court. No attachments, garnishments, levies, or liens (except for those filed or in effect as a result of the actions, errors, or omissions of Purchaser) shall be filed or in effect regarding the transaction contemplated by this Agreement, the Premises, or the personal property.

17. Conditions precedent to performance by Seller. The obligation of Seller to consummate the sale contemplated by this Agreement shall be subject to the fulfillment of the following conditions before the closing. Seller may waive these conditions in writing.

- a. Each of Purchaser's warranties shall be true as though made again on the closing date, and no warranty shall be breached before the closing.
- b. Purchaser shall perform and comply with all its obligations under this Agreement before the date of or at the closing.

18. Termination. If either Purchaser or Seller is not obligated to complete this Agreement because a condition precedent is not met, that party may terminate this Agreement by notifying the other party of the intention to terminate this Agreement and the reason. Purchaser or Seller may waive any obligations of the other party without prejudicing the right to subsequently assert other conditions or to make a claim against the other party for the breach of a condition or warranty.

19. Closing Time and Place. The closing of the sale shall take place at the local office of the Title Company no later than June 30, 2021 ("Closing Date"). If Closing does not take place by the Closing Date, the Seller may, at its option, deem this Agreement terminated and retain the Earnest Money.

- 20. Closing Costs.** At Closing, Seller shall pay (a) the fees of any counsel or other financial advisors representing it in connection with such transaction, (b) Seller's side commission that Seller may be responsible for pursuant to any agreement Seller may have with a Broker, (c) the cost of the Title Policy, (d) any transfer tax, documentary stamp tax, or similar tax which becomes payable by reason of the transfer of the Property, (e) one-half of any escrow fees charged by Title Company, and (f) all recording and filing fees for the removal of any clouds upon or encumbrances to title which are required and which Seller has agreed to so remove. Purchaser shall pay (1) all recording and filing fees for transfer of the Property, (2) the fees of any counsel, financial adviser, or broker representing Purchaser in connection with the Purchase, (3) the fees for all third party consulting or due diligence work contracted for by Purchaser, including, but not limited to, any engineering reports, surveys, inspections, and environmental site assessments, (4) any additional costs incurred for endorsements to the Title Policy (other than as provided in section 10 hereof) or any additional title insurance coverage requested by Purchaser, and (5) one-half of any escrow fees charged by Title Company. All other costs and expenses incident to the Purchase and the Closing shall be paid by the party incurring them. The obligations of the parties to pay the amounts stated above shall survive the Closing such that if any amounts to be paid become known following the Closing, the responsible party shall pay the required amounts promptly upon being informed of the amount owing.
- 21. Whole Agreement.** This Agreement constitutes the entire agreement between the parties and supersedes and cancels any other negotiations or agreement between the parties relating to the transaction contemplated by this Agreement. None of the prior or contemporaneous negotiations, preliminary drafts, or prior versions of this Agreement shall be used by any of the parties to construe or affect the validity of this Agreement. Each party acknowledges that it has not made or relied on any representations, inducements, or conditions not specified in this Agreement.
- 22. Time Is of the Essence.** Purchaser and Seller understand that no extension of time limits contained here are expected or agreed to unless specified in writing and signed by both Purchase and Seller. Time is of the essence.
- 23. Default by Purchaser.** In the event that Purchaser fails to consummate the Closing for any reason not permitted by this Agreement, except Seller's default, Seller shall be entitled, as Seller's sole remedy, to terminate this Agreement and receive the Earnest Money as liquidated damages for the breach of this Agreement; it being agreed between the parties that the actual damages to Seller in the event of such breach are impractical to ascertain and the amount of the Earnest Money is a reasonable estimate; it being understood and agreed that the receipt of the liquidated damages shall be the sole amount received by Seller for damages and in no event shall Seller be entitled to any other damages in respect of Purchaser's default.
- 24. Default by Seller.** In the event that Seller shall fail to consummate this Agreement for any reason, except Purchaser's default or as otherwise described herein, Purchaser shall be entitled to receive the return of the Earnest Money together with accrued interest, which return shall operate to terminate this Agreement as to the property and release Seller from any and all

liability under this Agreement, and the attorney fees and any other costs of enforcing the collection of those amounts.

- 25. Notice of Default.** In the event either party shall claim that the other party is in default under this Agreement, it shall give notice to the other party and to Title Company of such claimed default upon the earlier of ten (10) business days after learning of such default or ten (10) days prior to the Closing. The non-defaulting party shall have ten (10) days after receipt of notice of the claimed default to cure same or, by notice to the other party and Title Company, dispute the claimed default.
- 26. Amendments.** This Agreement may be amended only by a written document signed by each of the parties to this Agreement.
- 27. Successors and assigns.** This Agreement binds and benefits the parties and their successors and assigns.
- 28. Assignability.** Neither party may assign its interest in this Agreement without the written approval of the other party.
- 29. Governing law and venue.** This Agreement shall be construed in accordance with and governed by Michigan laws. Any actions concerning this Agreement must be brought in Saginaw County, Michigan.
- 30. Notices.** Any notices required by this Agreement shall be served personally or by registered mail, certified receipt requested, to the party for whom it is intended at the address listed at the beginning of this Agreement.
- 31. Effective date.** This Agreement shall be effective (the "Effective Date") on the date when the last of the parties listed below have signed this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

Seller:

Name:

Title:

Date

Purchaser:

Vernon H. Lewis

Name:

Title: Board President

Date

Signature Page

Exhibit A

Parcel A

A parcel of land in the North part of the Southeast 1/4 of Section 6, Township 11 North, Range 5 East, Bridgeport Township, Saginaw County, Michigan, described as follows: Commencing on the East line of said Section 6, 50.01 feet South along said line from its intersection with the centerline of Iowa Street as established in the recorded plat of Genesee Gardens; thence West parallel to the centerline of said Street .extended 198.02 feet to the point of beginning for this description; thence West parallel to said centerline 872.17 feet; thence Southerly parallel to the East line of said Section 452.22 feet, more or less, to a line which is parallel to, and 1,460.60 feet North of the South line of said Section 6; thence Easterly parallel to, and 1,460.60 feet North of the South line of said Section 6; thence Easterly parallel to said South Section line, 788.68 feet; thence Northerly parallel to the East line of said Section, 206.07 feet; thence Easterly parallel to the centerline of Iowa Street, 84.00 feet; thence Northerly parallel to the East line of said Section 6, 265.80 feet to the Point of Beginning.

Parcel B

Commencing 1,460.60 feet North of Southeast corner of Section 6, thence West 1,070.76 feet thence North 554.22 foot thence East 1,070.19 feet thence South 578.19 feet to the Place of Beginning, except East 132 feet also except Westerly 872.17 feet of South 265.80 feet of North 554.25 feet thereof also except the Westerly 788.68 feet of Southerly 206.07 feet thereof, Section 6, Town 11 North, Range 5 East, Bridgeport Township, Saginaw County, Michigan.

Parcel A and B, now known as:

SURVEYED LEGAL DESCRIPTION

Part of the Southeast 1/4 of Section 6, Town 11 North, Range 5 East, Bridgeport Township, Saginaw County, Michigan being further described as: COMMENCING at the Southeast corner of said Section; thence North 02 degrees 24 minutes 30 seconds West, 1,460.19 feet along the East section line; thence North 80 degrees 66 minutes 56 seconds West, 132.12 feet; thence North 59 degrees 56 minutes 55 seconds West, 038.42 feet; thence North 02 degrees 28 minutes 23 seconds West, 441.45 feet to the South Right of Way line of Iowa Street, thence North 50 degrees 29 minutes 42 seconds East, 930.17 feet along said Right of Way line; thence South 02 degrees 24 minutes 30 seconds East, 466.94 feet parallel with the East Section line to the Point of Beginning.

COMMONLY KNOWN AS:

1900 Iowa & 1900 Kansas, Bridgeport, Michigan 48722

CONTRACT SCHEDULE 7

REQUIRED INFORMATION FOR
PUBLIC SCHOOL ACADEMY

SCHEDULE 7

REQUIRED INFORMATION FOR PUBLIC SCHOOL ACADEMY

Required Information for Public School Academy. This Schedule contains information required by Part 6A of the Revised School Code (“Code”). The required information for the Academy is contained in this Schedule 7.

- Section a. Governance Structure. The governance structure of the Academy is set forth in Section a of this Schedule.
- Section b. Educational Goals. The educational goals of the Academy are set forth in Section b of this Schedule.
- Section c. Educational Programs. The educational programs of the Academy are set forth in Section c of this Schedule.
- Section d. Curriculum. The curriculum of the Academy is set forth in Section d of this Schedule.
- Section e. Methods of Pupil Assessment. The methods of pupil assessment of the Academy are set forth in Section e of this Schedule.
- Section f. Application and Enrollment of Students. The application and enrollment of students criteria of the Academy are set forth in Section f of this Schedule.
- Section g. School Calendar and School Day Schedule. The school calendar and school day schedule procedures are set forth in Section g of this Schedule.
- Section h. Age or Grade Range of Pupils. The age or grade range of pupils to be enrolled by the Academy are set forth in Section h of this Schedule.

SECTION A
GOVERNANCE STRUCTURE

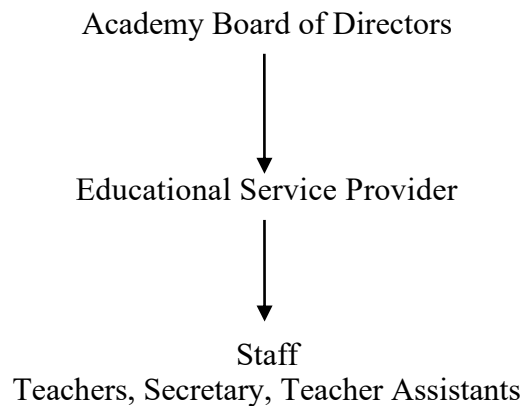
Schedule 7a

Governance Structure

The College Board shall appoint the Board of Directors of the Academy ("Academy Board"). The Academy Board has all the powers and duties permitted by law to manage the business, property and affairs of the Academy. The Academy Board is responsible for assuring that the Academy operates according to the terms and conditions of its contract and the applicable laws. The Bylaws further describe the Academy Board's governance structure.

The Academy is incorporated as a non-stock, directorship nonprofit corporation. The College Board establishes the initial number of board members to be five (5). The Academy Board shall have at least five, but no more than 9 members, as determined by the College Board. The College Board shall select the members of the Academy Board according to the terms and conditions set forth by the College Board. The names of the initial Academy Board members and their terms of office are contained in the Resolution. The selection of subsequent Academy Board members will be administered according to the Bylaws.

The Academy Board shall manage the business, property and affairs of the Academy. The Academy Board shall set all educational, fiscal, and administrative policies for the Academy. A copy of the Academy's organizational chart is set forth below.



The International Academy of Saginaw Board of Directors currently consists of three (3) members. The Bay Mills Community College Board of Regents appointed each of the following individuals as Academy Board members. The term of office for each individual was decided by resolution of the Academy Board.

Nominations and appointments of subsequent Academy Board members shall be made in accordance with this Contract. Vacancies in office shall be determined and filled pursuant to the provisions set forth in the Bylaws. The current Academy Board members are as follows:

Name	Term Expiration
Vanessa R. Lewis	6/30/2024
Roy A. Sims	6/30/2024
John T. Turner	6/30/2025

SECTION B

EDUCATIONAL GOALS

Pursuant to Applicable Law and Terms and Conditions Article VI, Section 6.2, the Academy shall achieve or demonstrate measurable progress for all groups of pupils toward the achievement of the educational goal identified in this Schedule 7b. Upon request, the Academy shall provide the Charter Schools Office with a written report, along with supporting data, assessing the Academy's progress toward achieving this goal. In addition, the College Board expects the Academy will meet the State of Michigan's accreditation standards pursuant to state and federal law.

Educational Goal to be Achieved:

Prepare students academically for success in college, work, and life.

To determine whether the Academy is achieving or demonstrating measurable progress toward the achievement of this goal, CSO will annually assess the Academy's performance using the following measures:

Measure 1: Student Achievement

The academic achievement of all students grades 2-8 will be assessed using the following metrics and achievement targets.

GRADES	METRICS	ACHIEVEMENT TARGETS
Grades 2-8 NWEA	The average grade-level scores in reading and math as measured by the Measure of Academic Progress (MAP) by NWEA	Students enrolled for three* or more years will on average achieve scores equal to or greater than the grade-level reading and math college readiness achievement targets identified in this schedule.
Grade 3-8 State Accountability Test (M-STEP and PSAT at Contract start date)	Percentage of students proficient on State Accountability Test	Students enrolled for three* or more years will on average achieve scores equal to or greater than proficiency score identified by the State.

*If the cohort of students enrolled for three or more years is not sufficient in size to conduct a valid analysis, the cohort of students enrolled for two or more years will be used.

Measure 2: Student Growth

The academic growth of all students in grades 2 through 8 at the Academy will be assessed using the following metrics and growth targets:

Grades	Metrics	Growth Targets
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Grades 2-8 (NWEA Test must be administered in fall and in spring)	Growth made by students from fall-to-spring in reading and math as measured by growth targets set for each student on the Measure of Academic Progress by NWEA	Students will on average achieve fall-to-spring academic growth targets for reading and math as set for each student on the Measure of Academic Progress by NWEA.
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*The measure of student growth is the most important, but not the only factor the College Board considers when determining whether the Academy is “demonstrating measurable progress” toward the contractual goal of preparing students academically for success in college, work, and life. Some of the other factors considered are: the Academy’s comparative position within state accountability reports, required state test proficiency rates compared to surrounding district’s state test proficiency rates, the trend in the number of students reaching growth targets and achievement targets over the Contract term.

NWEA Achievement Targets

Grade	NWEA Reading End-of-Year Target	NWEA Math End-of-Year Target
K	157.7	159.1
1	176.9	179.0
2	189.6	191.3
3	199.2	203.1
4	206.7	212.5
5	212.3	221.0
6	216.4	225.6
7	219.7	230.5
8	222.4	234.5

SECTION C

EDUCATIONAL PROGRAMS

Description of Educational Program

Our mission is to ensure that all students will be college ready by graduation. We do this by providing an engaging and rigorous academic curriculum that provides extended instructional time in the core subjects, NWEA Assessment three time a year, Classroom assessment through our I-Ready and Freckle Curriculum. These assessments are used to provide extra support and instruction for students, individual educational plans that map out the requirements and goals a student needs to achieve each year to be college ready. Our Curriculum is aligned to the Michigan Common Core standards and the NWEA college readiness standards. Our instructional model Utilizes I-ready for Math and reading as well as Freckle and Stem for science.

IAS's instructional model also incorporates the following to improve student academic performance.

- Looping - where some of the teachers progress through the grades with the students.
- Team teaching so that teachers have the opportunity to work together to design and plan lessons, work out strategies to assist struggling students and share resources.
- Para professional support to provide classroom assistance to the teacher and allow for more individualized instruction.
- Individualized Development Plans.
- Intake assessment, with placement and interventions based on academic appropriate levels.
- Cross curricular and thematic teaching so that skills are reinforced in all subjects.
- Differentiated instruction techniques because students have different learning styles based on their developmental and academic levels and experiences.
- Computer based instruction that adapts to the individual students needs and provides interventions specific to that students needs and level.
- After school and summer school programs for academics.
- Full special education programs.
- Title I support and compliance. Including academic specialists who provide one-on-one student support.
- Social workers that provide the student with individualized help and work in conjunction with the character education model.
- School and individualized instruction is reviewed throughout the year and modified based on student assessments and needs.
- Inclusion of technology in all classrooms with the purchase of smart boards for every classroom and Chromebooks for every student.
- Purchase of additional instructional and support materials for classrooms.

- **Integration of services with Saginaw ISD.**
 - Saginaw ISD offers a plethora of services for schools, staff and students. Previously there was little to no use of Intermediate School District (ISD) resources in the academy. This year, the academy is working in conjunction with the ISD to provide services to the academy, providing more support to students and staff at the academy. These services include:
 - Special education resources.
 - Social work and psychological services.
 - Academic support services and training.
 - Teacher support services.
 - Occupational Therapist.
 - State compliance.

In January of 2023 International Academy was identified as a Partnership District by the state of Michigan to receive additional support and funding from the state and local ISD to improve the school. Three areas of focus were identified to receive assistance, with academics being one of those focus areas. At this time the academy is in the process of writing a plan to increase student academics. This plan should be completed by July of 2023.

SECTION D
CURRICULUM

**CURRICULUM
TO BE UPLOADED SEPARATELY**

SECTION E

METHODS OF PUPIL ASSESSMENT

Methods of Pupil Assessment

International Academy of Saginaw Utilizes several assessment methodologies and tools to measure students' needs and progress throughout the year. These include both standardized and non-standardized tests as well as project-based assessment and summative and formative testing in the classroom.

Assessments include:

- NWEA testing administered three times a year to measure student progress and growth throughout the year. This test also acts as a diagnostic tool showing student strength and weaknesses allowing the teacher and MTSS team to develop individual strategies based on the student's needs.
- M-Step – Administered at the end of the year shows the student's growth and whether they are at grade level. It also has a diagnostic component that shows the student's areas of strength and weaknesses allowing the teacher to design instruction based on the student's needs.
- I-ready provides both summative and formative assessments so the teacher can evaluate the effectiveness of both individual lessons and units.
- Freckle provides formative data so that the teacher can evaluate the effectiveness of a lesson and adjust instruction accordingly.
- Formative testing via quizzes and classroom assignments allow the teacher to evaluate effectiveness of instruction.
- Formative assessments via teacher-made tests as well and project-based testing allows students to demonstrate mastery of subject material.
- ACT test for eight graders.
- Edgenuity grades assignments and provides immediate feedback to students and teachers about lessons using the program.

SECTION F

APPLICATION AND ENROLLMENT OF STUDENTS

Application and Enrollment Requirements

International Academy of Saginaw

Enrollment Limits

The Academy will offer Kindergarten through Eighth grade. The maximum enrollment shall be 200 students. The Academy will annually adopt maximum enrollment figures prior to its application and enrollment period.

Requirements

Section 504 of the Revised School Code states that public school academies shall neither charge tuition nor discriminate in pupil admissions policies or practices on the basis of intellectual or athletic ability, measures of achievement or aptitude, status as a handicapped person, or any other basis that would be illegal if used by a Michigan public school district.

- Academy enrollment shall be open to all individuals who reside in Michigan. Except for a foreign exchange student who is not a United States citizen, a public school academy shall not enroll a pupil who is not a Michigan resident.
- Academy admissions may be limited to pupils within a particular age range/grade level or on any other basis that would be legal if used by a Michigan public school district.
- The Academy Board may establish a policy providing enrollment priority to siblings of currently enrolled pupils. However, the Academy may not provide a preference to children of Board members or Academy employees.
- The Academy shall allow any pupil who was enrolled in the immediately preceding academic year to re-enroll in the appropriate age range/grade level unless that grade is not offered.
- No student may be denied participation in the application process due to lack of student records.
- If the Academy receives more applications for enrollment than there are spaces available, pupils shall be selected for enrollment through a random selection drawing.

Application Process

- The application period shall be a minimum of two weeks in duration, with evening and/or weekend times available.
- The Academy shall accept applications all year. If openings occur during the academic year, students shall be enrolled. If openings do not exist, applicants shall be placed on the official waiting list. The waiting list shall cease to exist at the beginning of the next application period.
- In the event there are openings in the class for which students have applied, students shall be admitted according to the official waiting list. The position on the waiting list shall be determined by the random selection drawing. If there is no waiting list, students shall be admitted on a first-come, first-served basis.
- The Academy may neither close the application period nor hold a random selection drawing for unauthorized grades prior to receipt of approval from the Charter Schools Office.

Legal Notice

- The Academy shall provide legal notice of the application and enrollment process in a local newspaper of general circulation. A copy of the legal notice must be forwarded to the Charter Schools Office.
- At a minimum, the legal notice must include:
 - A. The process and/or location(s) for requesting and submitting applications.
 - B. The beginning date and the ending date of the application period.
 - C. The date, time, and place the random selection drawing(s) will be held, if needed.
- The legal notice of the application period shall be designed to inform individuals that are most likely to be interested in attending the Academy.
- The Academy, being an equal opportunity educational institution, shall be committed to good-faith affirmative action efforts to seek out, create and serve a diverse student body.

Re-enrolling Students

- The Academy shall notify parents or guardians of all enrolled students of the deadline for notifying the Academy that they wish to re-enroll their child.
- If the Academy Board has a sibling preference policy, the re-enrollment notice must also request that the parent or guardian indicate whether a sibling(s) seeks to enroll for the upcoming academic year.
- An enrolled student who does not re-enroll by the specified date can only apply to the Academy during the application period for new students.
- An applicant on the waiting list at the time a new application period begins must reapply as a new student.
- After collecting the parent or guardian responses, the Academy must determine the following:
 - A. The number of students who have re-enrolled per grade or grouping level.
 - B. The number of siblings seeking admission for the upcoming academic year per grade.
 - C. If space is unavailable, the Academy must develop a waiting list for siblings of re-enrolled students.
 - D. The number of spaces remaining, per grade, after enrollment of current students and siblings.

Random Selection Drawing

A random selection drawing is required if the number of applications exceeds the number of available spaces.

Prior to the application period, the Academy shall:

- Establish written procedures for conducting a random selection drawing.
- Establish the maximum number of spaces available per grade or grouping level.
- Establish the date, time, place and person to conduct the random selection drawing.
- Notify the Charter Schools Office of both the application period and the date of the random selection drawing, if needed. The Charter Schools Office may have a representative on-site to monitor the random selection drawing process.

The Academy shall use a credible, neutral “third party” such as a CPA firm, government official, ISD official or civic leader to conduct the random selection drawing. Further, the Academy shall:

- Conduct the random selection drawing at a public meeting where parents, community members and the public may observe the process.
- Use numbers, letters, or another system that guarantees fairness and does not give an advantage to any applicant.

The Academy shall notify applicants not chosen in the random selection drawing that they were not selected and that their name has been placed on the Academy’s official waiting list for openings that may occur during the academic year. Students shall appear on the official waiting list in the order they were selected in the random selection drawing.

SECTION G

SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE

SECTION 7g: SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE

School Calendar

The Academy's school calendar shall comply with the Code and the School Aid Act of 1979. The Academy Board must submit a copy of the Academy's school calendar to the College Board.

School Day Schedule

The Academy Board must structure the Academy's school day schedule to meet the required number of instructional days and hours as set forth in the Code and the Act. The Academy Board must submit the school day schedule to the College Board prior to the commencement of each academic year.

SECTION H

AGE OR GRADE RANGE OF PUPILS

SECTION 7h: AGE OR GRADE RANGE OF PUPILS

The Academy will enroll students in kindergarten through eighth grade. The Academy may add grades with the prior written approval of the Charter Schools Office Director or the University Board.

Students of the Academy will be children who have reached the age of five (5) as set forth in MCL 380.1147. A child may enroll in kindergarten if the child is at least 5 years of age on September 1 of a school year. If a child is not 5 years of age on the specified enrollment eligibility date but will be 5 years of age not later than December 1 of a school year, the parent or legal guardian of that child may enroll the child in kindergarten for that school year if the parent or legal guardian notifies the school in a timely manner.