

# *LAKE SUPERIOR STATE UNIVERSITY BOARD OF TRUSTEES*

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

ISSUED BY

**LAKE SUPERIOR STATE UNIVERSITY BOARD OF TRUSTEES**  
(AUTHORIZING BODY)

TO

**CONCORD ACADEMY - PETOSKEY**  
(A SCHOOL OF EXCELLENCE)

July 1, 2021

## **TABLE OF CONTENTS**

<u>Contract Documents</u>	<u>Tab</u>
Resolutions Authorizing the Academy and Establishing the Method of Selection, Length of Term, and Number of Members of Board of Directors .....	A
Terms and Conditions of Contract.....	B
Contract Schedules.....	C
Schedule 1: Articles of Incorporation .....	1
Schedule 2: Bylaws.....	2
Schedule 3: Fiscal Agent Agreement.....	3
Schedule 4: Oversight Agreement .....	4
Schedule 5: Description of Staff Responsibilities .....	5
Schedule 6: Physical Plant Description .....	6
Schedule 7: Required Information for Public School Academy .....	7
• Section a: Governance Structure .....	a
• Section b: Educational Goals .....	b
• Section c: Educational Programs.....	c
• Section d: Curriculum.....	d
• Section e: Methods of Pupil Assessment .....	e

**TABLE OF CONTENTS**  
**(cont.)**

Schedule 7: Required Information for Public School Academy .....7

- Section f:  
Application and Enrollment  
of Students .....f
- Section g:  
School Calendar and  
School Day Schedule.....g
- Section h:  
Age or Grade Range  
of Pupils.....h

## **CONTRACT SCHEDULES**

### Schedules

Articles of Incorporation .....	1
Bylaws .....	2
Fiscal Agent Agreement .....	3
Oversight Agreement .....	4
Description of Staff Responsibilities .....	5
Physical Plant Description .....	6
Required Information for Public School Academy .....	7



**AUTHORIZING RESOLUTION  
AND  
RESOLUTION**



# LAKE SUPERIOR STATE UNIVERSITY

## RESOLUTION ADOPTED BY LAKE SUPERIOR STATE UNIVERSITY BOARD OF TRUSTEES ON JANUARY 22, 2021

On motion by Dr. Mark Mercer and second by Ms. Sandi Frost Stearns, the following resolution was adopted unanimously:

**WHEREAS**, the Michigan Legislature has provided for the establishment of public school academies as part of the Michigan public school system; and

**WHEREAS**, under the Revised School Code, the Lake Superior State University Board of Trustees ("University Board"), as the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate public school academies; and

**WHEREAS**, on April 29, 2011, the University Board issued to **Concord Academy of Petoskey** (the "Academy") a Contract to Charter a Public School Academy (the "Current Contract") with a term of ten (10) years; and

**WHEREAS**, the Current Contract will expire on June 30, 2021 and the Academy has asked the University Board to issue a new contract to charter a public school academy; and

**WHEREAS**, in addition to other Revised School Code requirements, the University 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 to the Academy a new contract to charter a public school academy; and

**WHEREAS**, the University Charter Schools Office (the "CSO"): (1) has evaluated and assessed the Academy's operation and performance related to the Current Contract, (2) determined that the Academy has satisfied the conditions that the University Board and the CSO have established; (3) determined that the Academy's academic achievement for all groups of pupils as measured by assessments and other objective criteria is satisfactory; and (4) recommends that the University Board issue a new contract to charter a public school academy to the Academy.

### **NOW, THEREFORE, BE IT RESOLVED:**

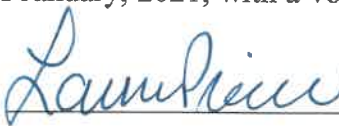
1. The University Board takes the following action related to issuing a Contract to Charter a Public School Academy and Related Documents ("Contract") to the Academy:
  - a. The University Board approves the form of the Contract and related documents as submitted to and reviewed by the University Board;

- b. The University Board approves and authorizes the issuance of the Contract and related documents and authorizes the Lake Superior State University President (the "President") to execute the Contract and related documents issued by the University Board to the Academy, provided that, before execution of the Contract, the University President or his designee affirms the following:
- i. all terms of the Contract have been agreed upon and the Academy is able to comply with all terms and conditions of the Contract and applicable law;
  - ii. the Academy has submitted all due diligence and other information required by the CSO Officer and the University Board's legal counsel and the CSO Officer is satisfied that the Academy will be able to operate successfully;
  - iii. the Contract term does not exceed seven (7) years and ends not later than June 30, 2028; and
  - iv. the Contract for the Academy is substantially similar to the charter contract reviewed and approved by the University Board on this date, with the only changes being those made by the CSO, in consultation with the University Board's legal counsel, that are in the University Board's best interest.

2. This resolution shall be incorporated in and made part of the Academy's Contract.

I, the undersigned, as Secretary of the Lake Superior State University Board of Trustees, do hereby certify the foregoing resolution was adopted by the Lake Superior State University Board of Trustees at a public meeting held on the 22nd day of January, 2021, with a vote of 8 for, 0 opposed, and 0 abstaining.

Signature: \_\_\_\_\_





**PUBLIC SCHOOL ACADEMY AND SCHOOL OF EXCELLENCE BOARDS OF DIRECTORS:  
METHOD OF SELECTION AND APPOINTMENT**

The Lake Superior State University Board of Trustees declares that the method of selection, length of term, and number of board members of a public school academy (PSA) or school of excellence (SOE) shall be as follows.

**Method of Selection and Appointment**

The Lake Superior State University Board of Trustees ("Board") shall prescribe the methods of appointment for members of an academy's board of directors. The director of the charter school office is authorized to develop and administer an academy board selection and appointment process that includes a *Public School Academy Board Application* and is in accord with these policies:

1. The Board shall appoint the initial and subsequent academy board of directors. The director of the charter school office shall recommend nominees to the Board based upon a review of the *Public School Academy Board Application* and interview of candidates.
2. The academy board of directors, by majority vote, shall nominate its subsequent members. The academy board of directors shall recommend to the Board at least one nominee for each vacancy. Nominees shall submit the *Public School Academy Board Application* for review by the charter school office. The charter school office shall interview all new applicants.
3. An individual appointed to fill a vacancy created other than by the expiration of a term shall be appointed for the unexpired term of that vacant position.
4. Under exigent conditions, and with approval of the Board's chair, the director of the charter school office may appoint a qualified individual to an academy's board of directors. All appointments made under this provision must be presented to the Board for final determination at its next regularly scheduled meeting. The Board reserves the right to review, rescind, ratify or approve any appointments made under this provision.

**Length of Term**

The term of each position of the academy board of directors shall be for a period of three (3) years, except the terms of the initial positions of the academy board of directors which shall be staggered one (1), two (2), and three (3) year terms. All appointments shall be for a period of three years, except appointments made to fill the positions of the initial academy board of directors, an appointment made to complete the unexpired term of a vacant position or appointments made to give effect to the requirement for staggered terms.

### Number of Directors

The number of members of the academy board of directors shall not be less than five (5) nor more than nine (9).

### Prerequisite Qualifications of Members

Before individuals become members of an academy's board of directors, the nominee must: (a) be recommended by a majority vote of the academy board; (b) submit the *Public School Academy Board Application* which must include authorization to process a criminal background check; (c) be recommended for appointment by the charter school office; (d) be appointed by the Board or its designee; (e) take the oath of office; (f) sign the *Oath of Public Office*.

The members of the academy board of directors shall not include: (a) employees of the academy; (b) any director, officer, or employee of a service provider or management company that contracts with the academy; (c) a Lake Superior State University official or employee, as a representative of Lake Superior State University. At least one member of the academy board must reside in the local community. Academy board members must be citizens of the United States of America.

### Oath of Public Office

All members of the academy board of directors must take the constitutional oath of office and sign the Oath of Public Office. The oath and acceptance of office must be on file with the University Charter Schools Office within ten (10) days of signing.

### Board Training

The Board of Trustees notifies the PSA and SOE boards that participation by Board Members in board training annually is a criterion for renewal of charters by the LSSU Board of Trustees.

Note: These provisions shall be implemented with new charter contracts and shall be phased in as existing charter contracts are reissued. The charter school office is authorized to negotiate changes in the terms and conditions of charter contracts to fully implement these provisions.

### LSSU Board Approval:

Signed: Jenny Kronk  
Jenny Kronk, Chair, Board of Trustees

Date April 27, 2012  
April 27, 2012

**CONTRACT TERMS  
AND CONDITIONS**

**TERMS AND CONDITIONS  
OF CONTRACT**

**DATED: JULY 1, 2021**

**ISSUED BY**

**THE LAKE SUPERIOR STATE UNIVERSITY BOARD OF TRUSTEES**

**TO**

**CONCORD ACADEMY - PETOSKEY  
(A SCHOOL OF EXCELLENCE)**

**CONFIRMING THE STATUS OF  
CONCORD ACADEMY - PETOSKEY**

**AS A**

**SCHOOL OF EXCELLENCE**

## **TABLE OF CONTENTS**

### **ARTICLE I DEFINITIONS**

Section 1.1.	Certain Definitions .....	1
Section 1.2.	Captions .....	5
Section 1.3.	Gender and Number .....	5
Section 1.4.	Statutory Definitions .....	5
Section 1.5.	Schedules .....	5
Section 1.6.	Application.....	5
Section 1.7.	Conflicting Contract Provisions.....	5

### **ARTICLE II RELATIONSHIP BETWEEN THE ACADEMY AND THE UNIVERSITY BOARD**

Section 2.1.	Constitutional Status of Lake Superior State University .....	5
Section 2.2.	Independent Status of the Academy .....	5
Section 2.3.	Financial Obligations of the Academy Are Separate From the State of Michigan, University Board and the University .....	6
Section 2.4.	Academy Has No Power To Obligate or Bind State of Michigan, University Board or the University.....	6

### **ARTICLE III ROLE OF THE UNIVERSITY BOARD AS AUTHORIZING BODY**

Section 3.1.	University Board Resolutions .....	6
Section 3.2.	University Board as Fiscal Agent for the Academy .....	6
Section 3.3.	Oversight Responsibilities of the University Board .....	7
Section 3.4.	Reimbursement of University Board Expenses .....	7
Section 3.5.	University Board Approval of Condemnation .....	7
Section 3.6.	Authorization of Employment .....	7
Section 3.7.	Charter Schools Office Review of Certain Financing Transactions .....	7
Section 3.8.	Authorizing Body Contract Authorization Process .....	8

### **ARTICLE IV REQUIREMENT THAT THE ACADEMY ACT SOLELY AS GOVERNMENTAL ENTITY**

Section 4.1.	Limitation on Actions in Performance of Governmental Functions.....	9
Section 4.2.	Other Permitted Activities .....	9
Section 4.3.	Academy Board Members Serve In Their Individual Capacity.....	9
Section 4.4.	Incompatible Public Offices and Conflicts of Interest Statutes .....	9
Section 4.5.	Prohibition of Identified Family Relationships.....	10



Section 4.6.	Dual Employment Positions Prohibited.....	11
Section 4.7.	Oath of Public Office .....	11
Section 4.8.	Academy Counsel .....	11

## ARTICLE V CORPORATE STRUCTURE OF THE ACADEMY

Section 5.1.	Nonprofit Corporation .....	11
Section 5.2.	Articles of Incorporation.....	11
Section 5.3.	Bylaws.....	11
Section 5.4.	Quorum .....	11

## ARTICLE VI OPERATING REQUIREMENTS

Section 6.1.	Governance Structure.....	11
Section 6.2.	Educational Goals .....	12
Section 6.3.	Educational Programs .....	12
Section 6.4.	Curriculum .....	12
Section 6.5.	Method of Pupil Assessment .....	12
Section 6.6.	Application and Enrollment of Students.....	12
Section 6.7.	School Calendar and School Day Schedule.....	12
Section 6.8.	Age or Grade Range of Pupils .....	13
Section 6.9.	Collective Bargaining Agreements .....	13
Section 6.10.	Accounting Standards .....	13
Section 6.11.	Annual Financial Statement Audit.....	13
Section 6.12.	Address and Description of Physical Plant; Process for Expanding Academy's Site Operations.....	13
Section 6.13.	Contributions and Fund Raising .....	14
Section 6.14.	Disqualified Organizational or Contractual Affiliations.....	14
Section 6.15.	Method for Monitoring Academy's Compliance with Applicable Law and Performance of its Targeted Educational Outcomes .....	14
Section 6.16.	Matriculation Agreements .....	14
Section 6.17.	Postings of Accreditation Status .....	14
Section 6.18.	New Public School Academies Located Within The Boundaries of A Community District. ....	14

## ARTICLE VII TUITION PROHIBITED

Section 7.1.	Tuition Prohibited; Fees and Expenses.....	15
--------------	--	----

## ARTICLE VIII COMPLIANCE WITH APPLICABLE LAW

Section 8.1.	Compliance with Applicable Law .....	15
--------------	--------------------------------------	----

## ARTICLE IX AMENDMENT

Section 9.1.	Amendments .....	15
Section 9.2.	Process for Amendment Initiated by the Academy .....	15
Section 9.3.	Process for Amendment Initiated by the University Board .....	16
Section 9.4.	Final Approval of Amendments.....	16
Section 9.5.	Change in Existing Law .....	16
Section 9.6.	Emergency Action on Behalf of University Board.....	16

## ARTICLE X CONTRACT TERMINATION, SUSPENSION, AND REVOCATION

Section 10.1.	Statutory Grounds for Revocation .....	17
Section 10.2.	Other Grounds for Revocation.....	17
Section 10.3.	Automatic Amendment Of Contract; Automatic Termination of Contract If All Academy Sites Closed; Economic Hardship Termination.....	18
Section 10.4.	Grounds and Procedures for Academy Termination of Contract .....	19
Section 10.5.	Grounds and Procedures for University Termination of Contract.....	19
Section 10.6.	University Board Procedures for Revoking Contract .....	19
Section 10.7.	Contract Suspension.....	22
Section 10.8.	Venue; Jurisdiction .....	23
Section 10.9.	Conservator; Appointment By University President .....	23
Section 10.10.	Academy Dissolution Account .....	24

## ARTICLE XI PROVISIONS RELATING TO PUBLIC SCHOOL ACADEMIES

Section 11.1.	The Academy Budget; Transmittal of Budgetary Assumptions; Budget Deficit; Enhanced Deficit Elimination Plan.....	25
Section 11.2.	Insurance .....	26
Section 11.3.	Legal Liabilities and Covenant Against Suit .....	31
Section 11.4.	Lease or Deed for Proposed Single Site .....	31
Section 11.5.	Occupancy and Safety Certificates .....	32
Section 11.6.	Criminal Background and History Checks; Disclosure of Unprofessional Conduct.....	32
Section 11.7.	Special Education.....	32
Section 11.8.	Deposit of Public Funds by the Academy.....	32
Section 11.9.	Nonessential Elective Courses .....	32
Section 11.10.	Required Provisions for ESP Agreements .....	33
Section 11.11.	Management Agreements .....	34
Section 11.12.	Administrator and Teacher Evaluation Systems.....	35
Section 11.13.	K to 3 Reading .....	35

ARTICLE XII  
GENERAL TERMS

Section 12.1.	Notices .....	35
Section 12.2.	Severability .....	36
Section 12.3.	Successors and Assigns.....	36
Section 12.4.	Entire Contract.....	36
Section 12.5.	Assignment .....	36
Section 12.6.	Non Waiver.....	36
Section 12.7.	Governing Law .....	36
Section 12.8.	Counterparts .....	36
Section 12.9.	Term of Contract.....	36
Section 12.10.	Indemnification .....	36
Section 12.11.	Construction.....	37
Section 12.12.	Force Majeure .....	37
Section 12.13.	No Third Party Rights.....	37
Section 12.14.	Non-agency .....	37
Section 12.15.	University Board or CSO General Policies on Public School Academies Shall Apply.....	37
Section 12.16.	Survival of Provisions.....	37
Section 12.17.	Information Available to the Public.....	37
Section 12.18.	Termination of Responsibilities .....	38
Section 12.19.	Disposition of Academy Assets Upon Termination or Revocation of Contract.....	38
Section 12.20.	Student Privacy .....	38
Section 12.21.	Disclosure of Information to Parents and Legal Guardians.....	39
Section 12.22.	List of Uses for Student Directory Information; Opt Out Form; Notice to Student's Parent or Legal Guardian .....	40
Section 12.23.	Confidential Address Restrictions .....	40
Section 12.24.	Partnership Agreement.....	40
Section 12.25.	Statewide Safety Information Policy .....	41
Section 12.26.	Criminal Incident Reporting Obligation .....	41
Section 12.27.	Academy Emergency Operations Plan .....	41
Section 12.28.	School Safety Liaison .....	41
Section 12.29.	New Building Construction or Renovations .....	41
Section 12.30.	Annual Expulsion Report and Website Report on Criminal Incidents .....	42
Exhibit A		
Schedules		

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 Lake Superior State University Board of Trustees 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 University Board grants a contract conferring certain rights, franchises, privileges, and obligations of a school of excellence and confirms the status of a school of excellence 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 school of excellence corporation named Concord Academy - Petoskey which is established as a school of excellence 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 school of excellence application and supporting documentation submitted to the University Board for the establishment of the Academy and supplemented by material submitted pursuant to the University Board’s requirements for reauthorization.

- (e) “Authorizing Resolution” means the Resolutions adopted by the University Board on January 22, 2021.
- (f) “Charter Schools Director” means the person designated by the University Board to administer the operations of the Charter Schools Office.
- (g) “Charter Schools Office” or “CSO” means the office designated by the University Board as the initial point of contact for public school academy applicants and public school academies (including schools of excellence) authorized by the University Board. The Charter Schools Office is also responsible for administering the University 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) “Community District” means a community school district created under part 5B of the Code, MCL 380.381 et seq.
- (j) “Conservator” means an individual appointed by the University President in accordance with Section 10.9 of these Terms and Conditions.
- (k) “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.
- (l) “Director” means a person who is a member of the Academy Board of Directors.
- (m) “Educational Service Provider” or “ESP” means an educational management organization as defined under section 503c of the Code, MCL 380.503c, that has entered into a contract or agreement with the Academy Board for operation or management of the Academy, which contract has been submitted to the Charter Schools Director for review as provided in Section 11.11 and has not been disapproved by the Charter Schools Director, and is consistent with the CSO Educational Service Provider Policies, as they may be amended from time to time, and Applicable Law.
- (n) “Educational Service Provider Policies” or “ESP Policies” means those policies adopted by the Charter Schools Office that apply to a Management Agreement. The Charter Schools 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.

- (o) “Fund Balance Deficit” means the Academy has more liabilities than assets at the end of any given school fiscal year, and includes any fiscal year where the Academy would have had a budget deficit but for a financial borrowing 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 or the Academy Board, then such gift or grant shall not constitute a financial borrowing or contribution for purposes of determining a Fund Balance Deficit.
- (p) “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 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.
- (q) “Management Agreement” or “ESP Agreement” means an agreement as defined under section 553c of the Code, MCL 380.553c, 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 Charter Schools Office for review as provided in Section 11.11 and has not been disapproved by the Charter Schools Director.
- (r) “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 financial, administrative, facility, Academy Board and educational information relating to the Academy. The Charter Schools 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.
- (s) “President” means the President of Lake Superior State University or his or her designee.
- (t) “Resolution” means the resolution adopted by the University Board on April 27, 2012, establishing the standard method of selection, length of term and number of members format for schools of excellence issued a Contract by the University Board, as amended from time to time.

- (u) “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.
- (v) “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.
- (w) “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.
- (x) “Superintendent” means the Michigan Superintendent of Public Instruction.
- (y) “Terms and Conditions” means this document entitled “Terms and Conditions of Contract, Dated July 1, 2021, Issued by the Lake Superior State University Board of Trustees to Concord Academy - Petoskey Confirming the Status of Concord Academy - Petoskey as a school of excellence.”
- (z) “University” means Lake Superior State University, a state public university, established pursuant to Article VIII, Sections 4 and 6 of the Michigan Constitution of 1963 and MCL 380.501.
- (aa) “University Board” means the Lake Superior State University Board of Trustees, an authorizing body as designated under Section 501 of the Code, MCL 380.501.
- (bb) “University Board Chairperson” means the Chairperson of the Lake Superior State University Board of Trustees or his or her designee. In Section 1.1(cc) below, “University Board Chairperson” means the Board Chairperson of the Lake Superior State University Board of Trustees.
- (cc) “University Charter Schools Hearing Panel” or “Hearing Panel” means such person(s) as designated by the University Board Chairperson.

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 or 6E 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 University 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 UNIVERSITY BOARD**

Section 2.1. Constitutional Status of Lake Superior State University. The University is a constitutionally established body corporate operating as a state public university. In approving this Contract, the University Board voluntarily exercises additional powers given to the University Board under the Code. Nothing in this Contract shall be deemed to be any waiver of the University Board's constitutional autonomy and powers and the Academy shall not be deemed to be a part of the University. If applicable, the University 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 school of excellence corporation. The Academy is not a division or part of the University. The relationship between the Academy and the University Board is based solely on the applicable provisions of the Code and the terms of this Contract or other agreements between the University Board and the Academy, if applicable.

Section 2.3. Financial Obligations of the Academy Are Separate From the State of Michigan, University Board and the University. 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 University Board, or the University. Neither the full faith and credit nor the taxing power of the



State of Michigan or any agency of the State, nor the full faith and credit of the University Board or the University shall ever be assigned or pledged for the payment of any Academy contract, agreement, note, mortgage, loan or other instrument of indebtedness.

Section 2.4. Academy Has No Power To Obligate or Bind State of Michigan, University Board or the University. The Academy has no authority whatsoever to enter into any contract or other agreement that would financially obligate the State of Michigan, University Board or the University, nor does the Academy have any authority whatsoever to make any representations to lenders or third parties, that the State of Michigan, University Board or the University in any way guarantee, are financially obligated, or are in any way responsible for any contract, agreement, note, mortgage, loan or other instrument of indebtedness entered into by the Academy.

### **ARTICLE III**

#### **ROLE OF THE UNIVERSITY BOARD AS AUTHORIZING BODY**

Section 3.1. University Board Resolutions. The University Board has adopted the Resolution providing for the method of selection, length of term, number of Directors and the qualification of Directors. The University 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 anytime and at its sole discretion, the University Board may amend the Resolution. Upon University 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. University Board as Fiscal Agent for the Academy. The University Board is the fiscal agent for the Academy. As fiscal agent, the University Board assumes no responsibility for the financial condition of the Academy. The University 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 University 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 University Board for the benefit of the Academy. The responsibilities of the University Board, the State of Michigan, and the Academy are set forth in the Fiscal Agent Agreement incorporated herein as Schedule 3.

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

Section 3.4. Reimbursement of University Board Expenses. The Academy shall pay the University Board an administrative fee to reimburse the University 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. University Board Approval of Condemnation. In the event that the Academy desires to acquire property pursuant to the Uniform Condemnation Procedures Act or other applicable statutes, it shall obtain express written permission for such acquisition from the University Board. The Academy shall submit a written request to the Charter Schools Office describing the proposed acquisition and the purpose for which the Academy desires to acquire the property. The Charter Schools Director will generate a recommendation for consideration by the University Board with regard to the proposed acquisition. The request and the Charter Schools Director's recommendation will be submitted by the Charter Schools Director for the University Board's consideration in accordance with the University Board's generally applicable timelines and policies for the agendas of regularly-scheduled University Board committee meetings and formal sessions of the University Board. No acquisition may be made until the approval of the University Board is obtained by resolution adopted at a formal session of the University Board.

Section 3.6. Authorization of Employment. The University 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 University 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. Charter Schools Office Review of Certain Financing Transactions. If the Academy proposes to (i) finance the acquisition, by lease, purchase, or other means, of facilities or equipment, or renovation of facilities, in excess of \$150,000, pursuant to arrangements calling for payments over a period greater than one (1) year, and which include a pledge, assignment or direction to one or more third parties of a portion of the funds to be received by the Academy from the State of Michigan pursuant to the State School Aid Act of 1979, as amended, being MCL 388.1601 et seq., or (ii) direct that a portion of its State School Aid Payments be forwarded by the University Board to a third party account for the payment of Academy debts and liabilities, the Academy shall submit the transaction to the Charter Schools Office for prior review by the Charter Schools Director, as designee of the University Board, in the manner provided herein. The Academy shall, not later than thirty (30) days prior to the proposed closing date of the transaction, submit a written request to the Charter Schools Office describing the proposed transaction and the facilities or equipment to be acquired with the proceeds thereof (if any), and in

the case of a transaction described in subparagraph (ii) of this Section, (a) a copy of the Academy Board's resolution authorizing the direct intercept of State School Aid Payments; (b) a copy of a State School Aid Payment Agreement and Direction document that is in a form acceptable to the Charter Schools Office; and (c) copies of such other documentation regarding the transaction which is the subject of the proposed direct intercept as the Charter Schools Office may request. Unless the Charter Schools Director extends the review period, within thirty (30) days of receiving a written request in compliance with this Section, the Charter Schools Director shall notify the Academy if the proposed transaction is disapproved. The Charter Schools Director may disapprove the proposed transaction if, in his or her judgment, the proposed transaction violates this Contract or Applicable Law. If the proposed transaction is disapproved, such disapproval may, but shall not be required to, state one or more conditions which, if complied with by the Academy and any lender, lessor, seller or other party, would cause such disapproval to be deemed withdrawn. No transaction described in this Section may be entered into that is disapproved by the Charter Schools Director. By not disapproving a proposed transaction, the Charter Schools Director is in no way giving approval of the proposed transaction, or any of the terms or conditions thereof.

Section 3.8. Authorizing Body Contract Authorization Process. Pursuant to the Code, the University Board is not required to issue a contract to the Academy. This Contract is for a fixed term and will terminate at that end of the Contract Term set forth in Section 12.9 without any further action of either the Academy or the University Board. The Academy shall seek a new contract by making a formal request to the University Board in writing at least two years prior to the end of the current Contract Term. The University 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 University 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 University Board as the most important factor of whether to issue or not issue a new contract. The University 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 University Board may elect, at its sole discretion, not to consider the issuance of a contract, consider reauthorization of the Academy and elect not to issue a contract, or consider reauthorization of the Academy and issue a contract for a fixed term.

## **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 school of excellence 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 University 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 University official, employee, or paid consultant, as a representative of the University; 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 school of excellence 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 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 Restated 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 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 the student performances at the end of each academic school year or at such other times as the University Board may reasonably request;

- (c) an annual education report in accordance with the Code;
- (d) an annually administered nationally recognized norm-referenced achievement test for the Academy's grade configuration, or a program of testing approved by the 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 applicable. 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 University Board, the Academy Board may operate the same configuration of age or grade levels at more than one (1) site if each

configuration of age or grade levels and each site identified in Schedule 6 are under the direction and control of the Academy Board.

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

By formal resolution, the Academy Board may request the authority to operate the same configuration of age or grade levels at more than one site. The Academy Board shall submit to the 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 Charter Schools Director shall review the contract amendment and make a recommendation to the University Board on whether the Academy's request for site expansion should be approved. A positive recommendation by the Charter Schools Director of the contract amendment shall include a determination by the Charter Schools Director that the Academy is operating in compliance with the Contract and is making measureable progress toward meeting the Academy's educational goals. The University Board may consider the Academy Board's site expansion request contract amendment following submission by the Charter Schools Director of a positive recommendation. If the University 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 University 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 University or the University 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 University Board and outlined in the Oversight Agreement set forth as Schedule 4. In addition to the University 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.

Section 6.17. 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 6.18. 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 University Board, intending that the University 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(s):

- (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 under Section 1280c(1), MCL 380.1280c(1) or Section 1280g(3), MCL 380.1280g(3), as applicable, 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 LAW**

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

Section 9.2. Process for 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 University Board through its designee. Except as provided in Section 6.12 of these Terms and Conditions, the University Board delegates to the Charter Schools Director the review and approval of changes or amendments to this Contract. In the event that a proposed change is not accepted by the Charter Schools Director, the University Board may consider and vote upon a change proposed by the Academy following an opportunity for a presentation to the University Board by the Academy.

Section 9.3. Process for Amendment Initiated by the University Board. The University 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 University Board delegates to the Charter Schools 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 University 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 University Board or the Charter Schools Director. If the proposed amendment conflicts with any of the University Board's general policies on schools of excellence, the proposed amendment shall take effect only after approval by the Academy and the University 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 University 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 University Board shall conform to and be carried out in accordance with the change in Applicable Law.

Section 9.6. Emergency Action on Behalf of University Board. Notwithstanding any other provision of this Contract to the contrary, the contents of this Section shall govern in the event of an emergency situation that arises between meetings of the University Board. An emergency situation shall be deemed to occur if the University President, in his or her sole discretion, determines that the facts and circumstances warrant that emergency action take place before the next meeting of the University Board. Upon the determination that an emergency situation exists, the University President may temporarily take action on behalf of the University Board with regard to the Academy or the Contract, so long as such action is in the best interest of the University Board and the University President consults with the University Board Chairperson prior to taking the intended actions. When acting during an emergency situation, the University President shall have the authority to act on behalf of the University Board, and such emergency action shall only be effective in the interim before the earlier of (a) rejection of the emergency action by the Chairperson of the University Board; or (b) the next meeting of the University Board. The University President shall immediately report such action to the University Board Chairperson for confirmation at the next meeting so that the emergency action continues or, upon confirmation by the University Board, becomes permanent.

## **ARTICLE X**

### **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 University Board may revoke this Contract, pursuant to the procedures set forth in Section 10.6, upon a determination that one or more of the following has occurred:

- (a) 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 University Board may revoke this Contract, pursuant to the procedures set forth in Section 10.6, upon a determination that one or more of the following has occurred:

- (a) The Academy 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 school of excellence, 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 University 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 University 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 University Board is notified by the Department that an Academy site is subject to closure under section 557 of the Code, MCL 380.557 ("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 University Board or the Academy.

Following receipt of the State's Automatic Closure Notice, the Charter Schools Director 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 Director 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 Director may recommend to the University Board that the Contract be terminated at the end of the current school year (hereinafter "Economic Hardship Termination"). If the University Board approves the Economic Hardship Termination recommendation, then this Contract shall terminate at the end of the current school year without any further action of the parties.

The University Board's revocation procedures set forth in Section 10.6(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 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 Director shall present the Academy Board's request for termination to the University 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 University Board shall consider and vote on the proposed termination request. The University 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 University Termination of Contract. The University 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 University Board's action; or (ii) if there is a change in Applicable Law that the University Board, in its sole discretion, determines impairs its rights and obligations under the Contract or requires the University Board to make changes in the Contract that are not in the best interest of the University Board or the University, then such termination shall take

effect at the end of the current Academy fiscal year. Following University Board approval, the Charter Schools Director shall provide notice of the termination to the Academy. If during the period between the University 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. University Board Procedures for Revoking Contract. The University Board's process for revoking the Contract is as follows:

(a) Notice of Intent to Revoke. The Charter Schools 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 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 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 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 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 Director shall develop a plan for correcting the non-compliance ("Plan of Correction") which may include reconstitution pursuant to Section 10.6(d) of these Terms and Conditions. In developing a Plan of Correction, the Charter Schools 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 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) University Board's Contract Reconstitution Provision. The Charter Schools 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 prohibit 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 Director may initiate a revocation hearing before the University Charter Schools Hearing Panel if the Charter Schools 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 Director deems cannot be remedied or cannot be remedied in an appropriate period of time, or for which the Charter Schools 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 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 University 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 Director's request for Contract revocation, and to make a recommendation to the University Board on whether the Contract should be revoked. The revocation hearing shall be held at a location, date and time as

determined by the Charter Schools Director and shall not last more than three hours. The hearing shall be transcribed and the cost shall be divided equally between the University and the Academy. The Charter Schools 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 Director and the Academy Board. Within thirty (30) days of the revocation hearing, the Hearing Panel shall make a recommendation to the University Board concerning the revocation of the Contract. 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 University Board.

(g) University Board Decision. If the Hearing Panel's recommendation is submitted to the University Board at least fourteen (14) days before the University Board's next regular meeting, the University Board shall consider the Hearing Panel's recommendation at its next regular meeting and vote on whether to revoke the Contract. The University Board reserves the right to modify, reject or approve all or any part of the Hearing Panel's recommendation. The University Board shall have available to it copies of the Hearing Panel's recommendation and the transcript from the hearing. The University Board may waive the fourteen (14) day submission requirement or hold a special board meeting to consider the Hearing Panel's recommendation. A copy of the University Board's decision shall be provided to the Charter Schools Office, the Academy Board and the Department.

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

(i) Disposition of State School Aid Funds. Notwithstanding any other provision of the Contract, any state school aid funds received by the University Board after a recommendation is made by the Hearing Panel to revoke the Contract, or a decision by the University Board to revoke the Contract, may be withheld by the University Board or returned to the Michigan Department of Treasury upon request. The University 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 University Board's process for suspending the Contract is as follows:

(a) The Charter Schools Director Action. If the Charter Schools 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 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 University Board after a decision by the Charter Schools Director to suspend the Contract, may be retained by the University 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 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 University 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. Conservator; Appointment By University President. Notwithstanding any other provision of the Contract, in the event that the University President, in his or her sole discretion, determines that the health, safety and welfare of Academy students, property or funds are at risk, the University President, after consulting with the University Board Chairperson, may appoint a person to serve as the Conservator of the Academy. Upon appointment, the Conservator shall have all the powers of a Board of Directors of a Public School Academy and act in the place and stead of the Academy Board. The University President shall appoint the Conservator for a definite term which may be extended in writing at his or her sole 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 provision must be presented to the University Board for final determination at its next regularly scheduled meeting. During their appointment, the Conservator shall have the following powers:

- (a) take into his or her possession all Academy property and records, including financial, board, employment and student records;
- (b) institute and defend 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 University Board terminates, revokes or fails to issue a new Contract to the Academy, the Charter Schools Director shall notify the Academy that, beginning thirty (30) days after notification of the University Board's decision, the University 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 Charter Schools Director's notice, the Academy Board Treasurer shall provide the Charter Schools 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.
- (b) Within ten (10) days after adoption by the Academy Board (but not later than July 1st) each year, the Academy Board shall submit to the Charter Schools Office a copy of its annual budget for the upcoming fiscal year. The budget must detail budgeted expenditures at the object level as described in the Michigan Department of Education's Michigan School Accounting Manual. In addition, the Academy Board is responsible for approving all revisions and amendments to the annual budget. Within 10 days after Academy Board approval, revisions or amendments to the Academy's budget shall be submitted to the Charter Schools Office.
- (c) Unless exempted from transmitting under section 1219 of the Code, MCL 380.1219, the Academy, on or before July 7<sup>th</sup> of each school fiscal year, shall transmit to the Center for Educational Performance and Information ("CEPI") the budgetary assumptions used when adopting its annual budget pursuant to the Uniform Budgeting and Accounting Act, MCL 141.421 et seq.
- (d) The Academy shall not adopt or operate under a deficit budget, or incur an operating deficit in a fund during any fiscal year. At any time during the term of this Contract, the Academy shall not have an existing deficit fund balance, incur a deficit fund balance, or adopt a current year budget that projects a deficit fund balance. If the Academy has an existing deficit fund balance, incurs a deficit fund balance in the most recently completed school fiscal year, or adopts a current year budget that projects a deficit fund balance, all of the following apply:

- (i) The Academy shall notify the Superintendent and the State Treasurer immediately upon the occurrence of the circumstance, and provide a copy of the notice to the Charter Schools Office.
  - (ii) Within 30 days after making notification under subdivision (d)(i), the Academy shall submit to the Superintendent in the form and manner prescribed by the Department an amended budget for the current school fiscal year and a deficit elimination plan approved by the Academy Board, with a copy to the State Treasurer. The Academy shall transmit a copy of the amended budget and the deficit elimination plan to the Charter Schools Office.
  - (iii) After the Superintendent approves the Academy's deficit elimination plan, the Academy shall post the deficit elimination plan on the Academy's website.
- (e) If the Academy is required by the State Treasurer to submit an enhanced deficit elimination plan under section 1220 of the Code, MCL 380.1220, the Academy shall do all of the following:
- (i) The enhanced deficit elimination plan shall be approved by the Academy Board before submission.
  - (ii) After the State Treasurer approves an enhanced deficit elimination plan for the Academy, the Academy shall post the enhanced deficit elimination plan on the Academy's website.
  - (iii) 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:

<b>M.U.S.I.C. INSURANCE COVERAGE REQUIREMENTS</b> <b>for Public School Academies (PSA), Strict Discipline Academies (SDA)</b> <b>Urban High Schools (UHS) &amp; Schools of Excellence (SOE)</b> <small>NOTE: Insurance carriers must have an AM Best Rating of "A - VII" or better</small> <b>EFFECTIVE DATE: 07/01/12 -- MUSIC Board Approval Date: 12/15/2011</b>	
<b>COVERAGE</b>	<b>REQUIREMENTS</b>
<b>General or Public Liability (GL)</b>	Must be Occurrence form

	<p>Must include Sexual Abuse &amp; 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 University 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 &amp; \$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>University 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)	<p>Must include Employment Practices Liability.</p> <p>Must include Corporal Punishment coverage.</p> <p>Must include Sexual Abuse &amp; Molestation coverage.</p> <p>Must include Directors' &amp; Officers' coverage.</p> <p>Must include School Leaders' E&amp;O.</p> <p>Can be Claims Made or Occurrence form.</p> <p>If Claims Made, retroactive date must be the same or before date of original University-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.</p> <p>\$1,000,000 per occurrence &amp; \$3,000,000 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>University must be included as an Additional Insured with Primary and Non-Contributory Coverage.</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

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

COVERAGE	REQUIREMENTS
Automobile Liability (AL) for Owned and	\$1,000,000 per accident.

<b>Non-Owned Autos</b>	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.
	University must be included as Additional Insured with Primary and Non-Contributory Coverage.
See Umbrella section for higher limit requirements.	Higher limits are required if PSA/SDA/UHS/SOE has its own buses.
<b>COVERAGE</b>	<b>REQUIREMENTS</b>
<b>Workers' Compensation</b>	Must be Occurrence form.
	Statutory Limits with \$1,000,000 Employers Liability Limits.
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
<b>COVERAGE</b>	<b>REQUIREMENTS</b>
<b>Crime</b>	Must include Employee Dishonesty coverage.
	Must include third party coverage.
	\$500,000 limit.
<b>COVERAGE</b>	<b>REQUIREMENTS</b>
<b>Umbrella</b>	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.
	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
	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.
	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.
	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.
	University must be included as Additional Insured with Primary and Non-Contributory Coverage.
	All coverages have to be included in the Umbrella that are in General Liability, Automobile and E&O.
<p align="center"><b>M.U.S.I.C. INSURANCE COVERAGE REQUIREMENTS</b>  <b>for Public School Academies (PSA), Strict Discipline Academies (SDA)</b>  <b>Urban High Schools (UHS) &amp; Schools of Excellence (SOE)</b></p> <p align="center">NOTE: Insurance carriers must have an AM Best Rating of "A - VII" or better</p> <p align="center"><b>EFFECTIVE DATE: 07/01/12 -- MUSIC Board Approval Date: 12/15/2011</b></p>	

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.
<b>DISCLAIMER:</b>	
<i>By requiring such minimum insurance, the University and M.U.S.I.C. 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.</i>	

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

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 have a provision included in all policies requiring notice to the University Board, at least thirty (30) days in advance, upon termination or non-renewal of the policy. In addition, the Academy shall submit within ten (10) days of insurance renewal “Acord” copies of the insurance certificate of liability insurance and public school academy insurance verification document to the Charter Schools Director, or upon request, submit copies of insurance policies binder sheets evidencing all insurance required by the Contract, and proof of naming University as additionally insured. The Academy shall properly maintain the necessary insurance certificates evidencing the insurance required by the Contract.

When changing insurance programs or carriers, the Academy must provide copies of the proposed policies to the University 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.

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
<b>General or Public Liability (GL)</b>	Must be Occurrence form
	<b>Must include Sexual Abuse &amp; Molestation coverage</b>
	<b>Must include Corporal Punishment coverage</b>
	\$1,000,000 per occurrence & \$2,000,000 aggregate
	PSA must be included as First Named Insured
	University must be included as Additional Insured with Primary Coverage
	<b>NOTE: Strict Disciplinary Academies must also have Security/Police Professional Liability coverage with MINIMUM of \$1,000,000 per occurrence</b>
COVERAGE	REQUIREMENTS
<b>Errors &amp; Omissions (E&amp;O)</b>	Must include Employment Practices Liability
	Must include Directors' and Officers' coverage
	Must include School Leaders' E&O
	Can be Claims Made or Occurrence form
	<b>If Claims Made, Retroactive Date must be the same or before date of original University-PSA contract</b>
	\$1,000,000 per occurrence & \$3,000,000 aggregate
	PSA must be included as First Named Insured
	University must be included as Additional Insured with Primary Coverage
COVERAGE	REQUIREMENTS
<b>Automobile Liability (AL) for Owned and Non-Owned Autos</b>	\$1,000,000 per accident
	PSA must be included as First Named Insured
	University must be included as Additional Insured with Primary Coverage
	<b>Higher limits may be required if PSA has its own buses</b>
COVERAGE	REQUIREMENTS
<b>Workers' Compensation</b>	Must be Occurrence Form
	Statutory Limits
	<b>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.</b>
	PSA must be included as First Named Insured
COVERAGE	REQUIREMENTS
<b>Crime</b>	Must include Employee Dishonesty coverage
	Must be Occurrence form
	\$500,000 per occurrence
	PSA must be included as First Named Insured
COVERAGE	REQUIREMENTS
<b>Umbrella</b>	<b>Can be Claims Made or Occurrence form</b>
	<b>\$2,000,000 per occurrence &amp; \$4,000,000 aggregate</b>



	If PSA has its own buses AND/OR has more than 1,000 students, must have <b>MINIMUM \$5,000,000 per occurrence</b>
	<b>PSA must be included as First Named Insured</b>
	<b>University must be included as Additional Insured with Primary Coverage</b>
<b>ADDITIONAL RECOMMENDATIONS</b>	
<b>COVERAGE</b>	<b>REQUIREMENTS</b>
<b>Property</b>	Limits to cover replacement for PSA's property exposures, including real and personal, owned or leased
<b>COVERAGE</b>	<b>REQUIREMENTS</b>
<b>Performance Bond (or Letter of Credit with Indemnification)</b>	\$1,000,000 per claim/aggregate

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

The University’s insurance carrier periodically reviews the types and amounts of insurance coverages that the Academy must secure in order for the University to maintain insurance coverage for the authorization and oversight of the Academy. In the event that the University’s insurance carrier requests additional changes in coverage identified in this Section 11.2, the Academy agrees to comply with any additional changes in the types and amounts of coverage requested by the University’s insurance carrier within thirty (30) days after notice of the insurance coverage change.

Section 11.3. 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 University Board, the University or any other authorizing body, or to enter into a contract that would bind the University Board or the University. The Academy also is limited in its authority to contract by the amount of funds obtained from the state school aid fund, as provided hereunder, or from other independent sources. The Academy hereby agrees and covenants not to sue the University Board, the University, or any of its Trustees, officers, employees, agents or representatives for any matters that arise under this Contract. The University Board and the University 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 University Board or the University, or any of its Trustees, 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 557 of the Code, MCL 380.557; or (ii) pursuant to a reconstitution by the University pursuant to Section 557 of the Code, MCL 380.557 and these Contract Terms and Conditions. The provision shall also provide that the lessor/ landlord shall have no recourse against the Academy or the University 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 real estate leasing 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 Lake Superior State University. The parties acknowledge and agree that the Lake Superior State University Board of Trustees, Lake Superior State University and its members, officers, employees, agents or representatives (collectively referred to as “the University”) are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, the [insert name of Educational Service Provider] hereby promises to indemnify, defend, and hold harmless the University from and 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 the University, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of the University, which arise out of or are in any manner connected with the Lake Superior State University Board of Trustees’ approval of the Academy’s application, Lake Superior State University Board of Trustees’ consideration of or issuance of a Contract, the [insert name of Educational Service Provider’s] preparation for and operation of the Academy, or which are incurred as a result of the reliance by the University upon information supplied by the [insert name of Educational Service Provider], or which arise out of the failure of the [insert 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 the University, Lake Superior State University Board of Trustees 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 Lake Superior State University Board of Trustees is suspended, revoked or terminated, or a new charter contract is not issued to the Academy after expiration of the Contract, this Agreement shall automatically be suspended or 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. [Insert name of 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 Lake Superior State University Board of Trustees. 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 [insert name of 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 557 of the Code, MCL 380.557; or (ii) to undergo a reconstitution pursuant to Section 557 of the Code, MCL 380.557 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 [insert name of Educational Service Provider] shall have no recourse against the Academy or the University Board for implementing such site closure or reconstitution.”

“Compliance with Section 12.17 of Contract Terms and Conditions. [Insert name of 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 for 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.

Section 11.13. K to 3 Reading. If the Academy offers kindergarten through third grade, the Academy Board shall comply with section 1280f of the Code, MCL 380.1280f. The Academy shall ensure that all required actions, notices and filings required under section 1280f, MCL 380.1280f, are timely completed. The Master Calendar shall be updated to include the requirements set forth in section 1280f, MCL 380.1280f.

## **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 University Board:

Charter Schools Office Director  
Lake Superior State University  
650 W. Easterday Avenue  
Sault Ste. Marie, MI 49783

If to Outside Counsel:

Jason T. Hanselman  
Dykema Gossett PLLC  
201 Townsend Street, Suite 900  
Lansing, Michigan 48933

If to Academy:

Board President  
Concord Academy - Petoskey  
2468 Atkins Road  
Petoskey, MI 49770  
TIME SENSITIVE NOTICE

If to Academy Counsel:

Margaret M. Hackett  
Thrun Law Firm, P.C.  
3260 Eagle Park Drive, N.E., Suite 121  
Grand Rapids, MI 49525  
TIME SENSITIVE NOTICE

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 University 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 University 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 7 years until June 30, 2028, 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 University Board to operate a public school pursuant to the terms and conditions of this Contract, the Academy agrees to indemnify, defend and hold the University Board, the University and its Board of Trustees members, officers, employees, agents or representatives harmless from all claims, demands, or liability, including attorney fees, and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of the University, which arise out of or are in any manner connected with the University Board's receipt, consideration or approval of the Application, the University Board's approval of the Resolution or Authorizing Resolution, legal challenges to the validity of Parts 6A or 6E of the Code or actions taken by the University Board as an authorizing body under Parts 6A or 6E of the Code, the University Board's consideration of or issuance of a Contract, the Academy's preparation for and operation of a public school, or which are incurred as a result of the reliance of the University Board, the University and its Board of Trustees members, officers, employees, agents or representatives upon information supplied by the Academy, or which arise out of the failure of the Academy to perform its obligations under this Contract. The foregoing provision shall not be deemed a relinquishment or waiver of any kind of 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 University 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 University.

Section 12.15. University Board or CSO General Policies on Public School Academies Shall Apply. Notwithstanding any provision of this Contract to the contrary, and with the exception of existing University Board or CSO policies regarding schools of excellence which shall apply immediately, University Board or CSO general policies clarifying procedure and requirements applicable to schools of excellence under this Contract, as from time to time adopted or amended, will automatically apply to the Academy, provided they are not inconsistent with provisions of this Contract. Before issuing general policies under this Section, the University Board or the CSO shall provide a draft of the proposed policies to the Academy Board. The Academy Board shall have at least thirty (30) days to provide comment to the CSO on the proposed policies before such policies shall become effective.

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 University 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, 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 University;



- (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 University.

(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 University Board, University, Charter Schools Office or to the educational management organization with which the Academy has a management agreement that has not been disapproved by the University;
- (iv) by the Academy to the Academy's intermediate school district or another intermediate school district providing services to 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 University Board, University, 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 impose 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 model 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:

(a) 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;

(b) 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

(c) 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 Lake Superior State University Board Trustees, I hereby issue this Contract to the Academy on the date set forth above.

**LAKE SUPERIOR STATE UNIVERSITY  
BOARD OF TRUSTEES**

By:  \_\_\_\_\_

Date: July 1, 2021

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.

**CONCORD ACADEMY - PETOSKEY**

By: \_\_\_\_\_,  
\_\_\_\_\_, Academy Board Designee

Date:

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:

(a) 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;

(b) 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

(c) 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 Lake Superior State University Board Trustees, I hereby issue this Contract to the Academy on the date set forth above.

**LAKE SUPERIOR STATE UNIVERSITY  
BOARD OF TRUSTEES**

By: \_\_\_\_\_

Date: July 1, 2021

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.

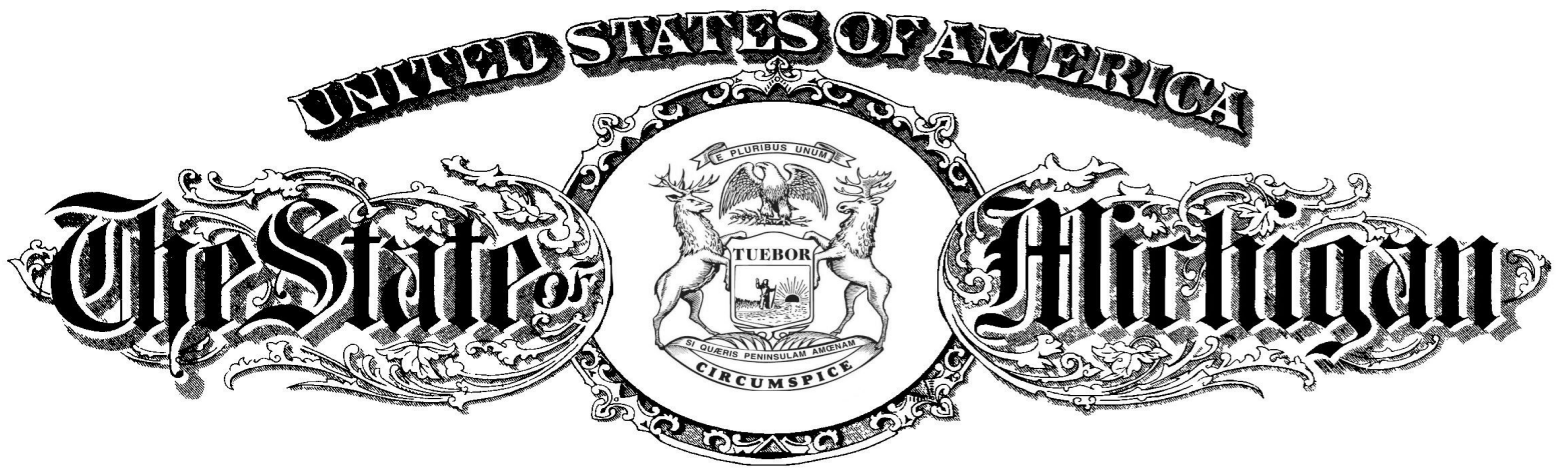
**CONCORD ACADEMY - PETOSKEY**

By: Jessica McGuinness  
President, Academy Board Designee

Date: 06/17/2021

**CONTRACT SCHEDULE 1**

**ARTICLES OF INCORPORATION**



Department of Licensing and Regulatory Affairs

Lansing, Michigan

*This is to Certify That*

**CONCORD ACADEMY - PETOSKEY**

*was validly Incorporated on April 3 , 1995 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: 21040262308

*In testimony whereof, I have hereunto set my hand,  
in the City of Lansing, this 9th day of April , 2021.*

*Linda Clegg*

Linda Clegg, Director

Corporations, Securities & Commercial Licensing Bureau

MICHIGAN DEPARTMENT OF LICENSING AND REGULATION BUREAU OF COMMERCIAL SERVICES		
Date Received		(FOR BUREAU USE ONLY)
		This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.
Name <u>MargaretM. Hackett</u> Address 3260 Eagle Park Drive, NE Suite #121 City                      State                      Zip Code <u>Grand Rapids</u> <u>MI</u> <u>49525</u>		EFFECTIVE DATE:

Document will be returned to the name and address you enter above.

If left blank document will be mailed to the registered office.

7	3	3	-	3	9	0
---	---	---	---	---	---	---

**RESTATED ARTICLES OF INCORPORATION**  
**For Use by Domestic Nonprofit Corporations**

**OF**

**CONCORD ACADEMY - PETOSKEY**

Pursuant to the provisions of the Michigan Nonprofit Corporation Act of 1982, as amended (the "Act"), being MCL 450.2101 et seq. and Part 6E of the Revised School Code (the "Code") as amended, being Sections 380.551 to 380.561 of the Michigan Compiled Laws, the undersigned school of excellence corporation (corporation) executes the following Restated Articles:

1. The present name of the corporation is: Concord Academy - Petoskey
2. The corporation identification number (CID) assigned by the Bureau is: 733-390
3. All former names of the corporation are: Concord Academy.
4. The date of filing for the original Articles of Incorporation was: April 3, 1995



--

The following Restated Articles of Incorporation supersede the Articles of Incorporation and shall be the Articles of Incorporation for the corporation:

## **ARTICLE I**

The name of the corporation is: Concord Academy - Petoskey.

The authorizing body for the corporation is: Lake Superior State University Board of Trustees.

## **ARTICLE II**

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

1. The corporation is organized for the purpose of operating as a school of excellence in the state of Michigan pursuant to Part 6E of the Code, being Sections 380.551 to 380.561 of the Michigan Compiled Laws.

2. The corporation, including all activities incident to its purposes, shall at all times be conducted so as to be a governmental entity pursuant to Section 115 of the United States Internal Revenue Code ("IRC") or any successor law. Notwithstanding any other provision of these Restated Articles, the corporation shall not carry on any other activity not permitted to be carried on by a governmental instrumentality exempt from federal income tax under Section 115 of the IRC or by a nonprofit corporation organized under the laws of the State of Michigan and subject to a Contract authorized under the Code.

3. To educate all students with high levels of expectation in academic performance and thinking skills while fostering growth in social and emotional behaviors and attitudes by establishment of a non-restrictive environment that allows each student to explore their ancestral tradition and examine their self-spirituality.

4. To prepare students to respect and participate in both Native and non-Native culture.

## **ARTICLE III**

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

The value of assets which the corporation possesses is:

Real Property: \$3,813,718

Personal Property: \$652,942 (furniture and equipment)

The corporation is to be financed under the following general plan:

- a. State school aid payments received pursuant to the State School Aid Act of 1979 or any successor law.
- b. Federal funds.
- c. Donations.
- d. Fees and charges permitted to be charged by public school academies.
- e. Other funds lawfully received.

#### **ARTICLE IV**

The address of the registered office is: 2468 Atkins Road, Petoskey, MI 49770

The mailing address of the registered office is the same.

The name of the resident agent at the registered office is Kali McNamara.

#### **ARTICLE V**

The corporation is a governmental entity.

#### **ARTICLE VI**

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

#### **ARTICLE VII**

Before issuance of a contract to charter a public school academy to the corporation by the Lake Superior State University Board of Trustees (the "University Board"), the method of selection, length of term, and the number of members of the Board of Directors of the corporation shall be approved by a resolution of the University Board as required by the Code.

#### **ARTICLE VIII**

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

## **ARTICLE IX**

The officers of the corporation shall be a President, Vice-President, Secretary and a Treasurer, each of whom shall be a member of the Board of Directors and 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 agents as it may deem necessary for the transaction of the business of the corporation.

## **ARTICLE X**

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

To the extent permitted by law, upon the dissolution of the corporation, the board shall after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation to the University Board for forwarding to the state school aid fund established under article IX, section 11 of the Constitution of the State of Michigan of 1963, as amended.

## **ARTICLE XI**

These Restated Articles of Incorporation shall not be amended except by the process provided in Article IX of the Terms and Conditions incorporated as part of the Contract. This process is as follows:

The corporation, by a majority vote of its Board of Directors, may, at any time, propose specific changes to these Restated Articles of Incorporation or may propose a meeting to discuss potential revision to these Restated Articles of Incorporation. The proposal will be made to the University Board through its designee. The University Board delegates to the University Charter Schools Officer the review and approval of changes or amendments to these Restated Articles of Incorporation. In the event that a proposed change is not accepted by the University Charter Schools Officer, the University Board shall consider and vote upon a change proposed by the corporation following an opportunity for a presentation to the University Board by the corporation.



**CONTRACT SCHEDULE 2**

**BYLAWS**

**RESTATED BYLAWS**  
**OF**  
**CONCORD ACADEMY - PETOSKEY, SCHOOL OF EXCELLENCE**

**ARTICLE I**

**NAME**

This organization shall be called Concord Academy – Petoskey, a School of Excellence (the “Academy”), formed and operating under Part 6E of the Revised School Code (the “Code”) .

**ARTICLE II**

**FORM OF CORPORATION**

The Academy is a governmental entity, organized as a non-profit, non-stock, directorship school of excellence corporation (the “Corporation”).

**ARTICLE III**

**OFFICES**

Section 1. Principal Office. The principal office of the Corporation shall be located in the City of Petoskey, County of Emmet, 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 resident agent, as required by the Michigan Nonprofit Corporation Act. Changes in the resident agent and registered address of the Academy must be filed with the Michigan Department of Licensing and Regulatory Affairs, Commercial Services and reported to the Charter Schools Office.

**ARTICLE IV**

**BOARD OF DIRECTORS**

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

Section 2. University Board Resolution Establishing Method of Selection, Length of Term and Number of Academy Board Members. The method of selection and appointment,

length of term, number of directors, oath of public office requirements, tenure, removal, resignation, compensation and prerequisite qualifications for members of the Academy Board shall comply with the resolution adopted by the Lake Superior State University Board of Trustees (the "University Board").

## ARTICLE V

### MEETINGS

Section 1. Annual and Regular Meetings. The Academy Board shall hold an annual meeting each year, as well as monthly meetings thereafter. The Academy Board shall provide, by resolution, the time and place, within the State of Michigan, for the holding of regular monthly meetings. The Academy Board shall provide notice of the annual and all regular monthly and special meetings to the Charter Schools Office and as required by the Open Meetings Act.

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

Section 3. Quorum. In order to legally transact business, the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

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

Section 4. Manner of Acting. The Academy Board shall be considered to have "acted," when a duly called meeting of the Academy Board has a quorum present and the number of Academy Board members voting in favor of an action is as follows:

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

Section 5. Open Meetings Act. All meetings and committee meetings of the Academy Board shall at all times be in compliance with the Open Meetings Act.

Section 6. Notice to Directors. The Academy Board shall provide notice of any meeting to each Director stating the time and place of the meeting, with the delivery of such

notice personally, by mail, facsimile or electronic mail to each Director at the Director's personal address or electronic mail address. Any Director may waive notice of any meeting by written statement sent by the Director to the Academy Board Secretary before or after the holding of the meeting. A Director's attendance at a meeting constitutes a waiver of the notice of the meeting required under this Section.

Section 7. Votes By Directors. The Academy Board meeting minutes shall reflect the vote, whether in favor, in opposition or in abstention, of each Director present at the meeting.

## **ARTICLE VI**

### **COMMITTEES**

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

## **ARTICLE VII**

### **OFFICERS OF THE BOARD**

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

Section 2. Election and Term of Office. The Academy Board shall elect its initial officers at its first duly noticed meeting. Thereafter, officers shall be elected annually by the Academy Board at the Corporation's annual meeting. 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 Academy Board may be removed by a majority vote by the Academy Board 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 Academy Board for the unexpired portion of the term of the vacating officer.



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

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

Section 7. Secretary. The Secretary of the Corporation shall be a member of the Academy Board. The Secretary shall: (a) keep the minutes of the Academy Board 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 these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all authorized documents; (d) keep a register of the post office address of each Director; and (e) perform all duties incident to the office of Secretary and other duties assigned by the President or the Academy Board.

Section 8. Treasurer. The Treasurer of the Corporation shall be a member of the Academy Board. 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 Academy Board; (d) complete all required corporate filings; (e) assure that the responsibilities of the fiscal agent of the Corporation are properly carried out; and (f) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the Academy Board.

Section 9. Assistants and Acting Officers. The Assistants to the officers, if any, selected by the Academy Board, shall perform such duties and have such authority as shall from time to time be delegated or assigned to them by the Secretary or Treasurer or by the Academy Board. The Academy Board 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 Academy Board may by resolution otherwise determine.

Section 10. Salaries. Officers of the Academy Board, as Directors of the Corporation, shall not be compensated for their services. By resolution of the Academy Board, Directors and officers of the Corporation may be reimbursed for reasonable expenses incident to their duties.

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 VIII

### CONTRACTS, LOANS, CHECKS AND DEPOSITS; SPECIAL CORPORATE ACTS

Section 1. Contracts. The Academy Board may authorize any officer(s), assistant(s) or acting officer(s), to enter into any contract, to execute and deliver any instrument, or to acknowledge any instrument required by law to be acknowledged in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances, but the appointment of any person other than an officer to acknowledge an instrument required by law to be acknowledged should be made by instrument in writing. When the Academy Board authorizes the execution of a contract or of any other instrument in the name of and on behalf of the Corporation, without specifying the executing officers, the President or Vice-President, and the Secretary or Treasurer may execute the same and may affix the corporate seal thereto. No contract entered into, by or on behalf of the Academy Board, shall in any way bind Lake Superior State University or impose any liability Lake Superior State University, the University Board, its trustees, officers, employees or agents.

Section 2. Loans. No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Academy Board. Such authority may be general or confined to specific instances. No loan, 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. No loan entered into, by or on behalf of the Academy Board, shall in any way be considered a debt or obligation of Lake Superior State University or impose any liability on Lake Superior State University, the University Board, its trustees, officers, employees or agents. To avoid creating or perpetuating circumstances in which the possibility of favoritism, conflicts of interest, or impairment of efficient operations may occur, the Corporation will not issue a debt instrument (e.g. loan agreement, promissory note, mortgage, line of credit, etc.) to any person employed by the Corporation or any person who serves on the Academy Board. This prohibition also applies to the issuance of a debt instrument to an entity owned or closely related to any Corporation employee or Academy Board member.

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

Section 4. Deposits. Consistent with section 1221 of the Code, the Treasurer of the Academy shall deposit the funds of the Academy in a financial institution or in a joint investment authorized by the Code. All additional 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 Academy Board may select, provided that such financial institution is eligible to be a depository of surplus funds under Section 6 of Act No. 105 of the Public Acts of 1855, as amended, being MCL 21.146 of the Michigan Compiled Laws.

Section 5. Voting of Securities Owned by this Corporation. Subject always to the specific directions of the Academy Board, any shares or other securities issued by any other Corporation and owned or controlled by this Corporation may be voted at any meeting of security holders of such other Corporation by the President of this Corporation or by proxy appointed by 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 with respect to any shares or other securities issued by any other corporation and owned by this corporation shall be executed in the name of this Corporation by the President, the Secretary or the Treasurer of this Corporation without necessity of any authorization by the Academy Board, affixation of corporate seal or countersignature or attestation by another officer. Any person or persons designated in the manner above stated as the proxy or proxies of this Corporation shall have full right, power and authority to vote the shares or other securities issued by such other corporation and owned by this Corporation the same as such shares or other securities might be voted by this Corporation. 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; Persons Ineligible to Serve as Directors. Pursuant to the Code, each Director, officer or employee of the Academy shall comply with the Incompatible Public Office statute, Act No. 566 of the Public Acts of 1978, being sections 15.181 to 15.185 of the Michigan Compiled Laws, and the Contracts of Public Servants with Public Entities, Act No. 317 of the Public Acts of 1968, being sections 15.321 to 15.330 of the Michigan Compiled Laws. The Academy Board shall ensure compliance with the Contract and Applicable Law relating to conflicts of interest.

## ARTICLE IX

### INDEMNIFICATION

Each person who is or was a 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 Director, officer, employee or agent of any other corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation to the fullest extent permitted by the corporation laws of the State of Michigan as they may be in effect from time to time. The Corporation may purchase and maintain insurance on behalf of any such person against any liability asserted against and incurred by such person in any such capacity or arising out of his status as such, whether or not the Corporation would have power to indemnify such person

against such liability under the preceding sentence. The Corporation may, to the extent authorized from time to time by the Academy Board, grant rights to indemnification to any employee or agent of the Corporation to the fullest extent provided under the laws of the State of Michigan as they may be in effect from time to time.

## **ARTICLE X**

### **FISCAL YEAR**

The fiscal year of the Corporation shall begin on the first day of July in each year.

## **ARTICLE XI**

### **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 Academy Board at any regular or special meeting of the Academy Board, if a notice setting forth the terms of the proposal has been given in accordance with the notice requirements for such meetings, and (b) the written approval of the changes or amendments by the University President or his designee. In the event that a proposed change is not accepted by the University President or his designee, the University Board shall consider and vote upon a change proposed by the Corporation following an opportunity for a written and oral presentation to the University Board by the Corporation. Amendments to these Bylaws take effect only after they have been approved by both the Corporation's Academy Board and by the University Board or its designee.

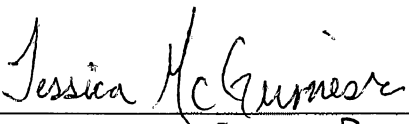
## **ARTICLE XI**

### **CONTRACT DEFINITIONS**

The definitions set forth in the Terms and Conditions incorporated as part of the Contract shall have the same meaning in these Bylaws.

## **CERTIFICATION**

The Academy Board Secretary certifies that these Restated Bylaws were adopted as and for the Bylaws of a Michigan school of excellence corporation in an open and public meeting, by consent of the Academy Board on the 17th day of June, 2021.

  
Secretary President

**CONTRACT SCHEDULE 3**  
**FISCAL AGENT AGREEMENT**

## **SCHEDULE 3**

### **FISCAL AGENT AGREEMENT**

This Agreement is part of the Contract issued by the Lake Superior State University Board of Trustees ("University Board"), an authorizing body as defined by the Revised School Code, as amended (the "Code"), to Concord Academy - Petoskey (the "Academy"), a school of excellence.

#### **Preliminary Recitals**

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

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

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

### **ARTICLE I**

#### **DEFINITIONS AND INTERPRETATIONS**

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

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

"Agreement" means this Fiscal Agent Agreement.

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

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

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

“State” means the State of Michigan.

“State Treasurer” means the office responsible for issuing funds to public school academies and schools of excellence 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 University Board is the Fiscal Agent for the Academy for the limited purpose of receiving State School Aid Payments. By separate agreement, the University Board and the Academy may also agree that the University Board will receive Other Funds for transfer to the Academy. The Fiscal Agent will receive State School Aid Payments from the State, as provided in Section 3.02.

Section 2.02. Transfer to Academy. Except as provided in 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 Aid School Payments received on behalf of the Academy from the State Treasurer. The duties of the Fiscal Agent are limited to the receipt and transfer to the Academy of State School Aid Payments and Other Funds received by the Academy. The Fiscal Agent shall have no duty to monitor or approve expenditures made by the Academy Board.

Section 2.04. Academy Board Requests for Direct Intercept of State School Aid Payments. If the Academy Board directs that a portion of 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.

## ARTICLE III

### STATE DUTIES

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

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

## ARTICLE IV

### ACADEMY DUTIES

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

Section 4.02. Expenditure of Funds. The Academy may expend funds that it receives from the State School Aid Fund for any purpose permitted by the State School Aid Act of 1979 and may enter into contracts and agreements determined by the Academy 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. The Academy shall be directly responsible for reimbursing the State for any overpayments of State School Aid Payments. At its option, the State may reduce subsequent State School Aid Payments by the amount of the overpayment or may seek collection of the overpayment from the Academy.

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



## ARTICLE V

### RECORDS AND REPORTS

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

Section 5.02. Reports. The Fiscal Agent shall prepare and send to the Academy within thirty (30) days of September 1, 2021, and annually thereafter, a written report dated as of August 31 summarizing all receipts, deposits and transfers made on behalf or for the benefit of the Academy during the period beginning on the latter of the date hereof or the date of the last such written report and ending on the date of the report, including without limitation, State School Aid Payments received on behalf of the Academy from the State Treasurer and any Other Funds which the University Board receives under this Agreement.

## ARTICLE VI

### CONCERNING THE FISCAL AGENT

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


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

The Fiscal Agent shall not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by 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.

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 Lake Superior State University Board of Trustees to Concord Academy - Petoskey.

BY:   
Deborah M. Roberts, Director  
Bureau of State and Authority Finance  
Michigan Department of Treasury  
Date: April 13, 2021

076439.000036 4838-8039-8047.1

**CONTRACT SCHEDULE 4**  
**OVERSIGHT AGREEMENT**

## **SCHEDULE 4**

### **OVERSIGHT AGREEMENT**

This Agreement is part of the Contract issued by the Lake Superior State University Board of Trustees ("University Board"), an authorizing body as defined by the Revised School Code, as amended (the "Code"), to Concord Academy - Petoskey (the "Academy"), a public school academy.

#### **Preliminary Recitals**

WHEREAS, the University 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 University Board as the initial point of contact for public school academy applicants and public school academies authorized by the University Board. The Charter Schools Office is responsible for administering the Oversight Responsibilities with respect to the Contract.

"Oversight Responsibilities" means the University 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 University 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 University 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 University Board to determine compliance with the Contract and Applicable Law.
- d. Institute action pursuant to the terms of the Contract to suspend, revoke or reform 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 University 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 University 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 September 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 will 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. Unless the Charter Schools Office submits, within 5 days of submission, a copy of the budgetary assumptions submitted by the Academy to the Center for Educational Performance and Information (CEPI) 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 University Board or its designee and the Academy may agree to modify or waive any of the Oversight Duties or Compliance Certification Duties. The University Board may delegate its Oversight Duties, or any portion of its Oversight Duties, to an officer of the University 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 University Board an administrative fee of 3% of the State School Aid Payments received by the Academy. This fee shall be retained by the University Board from each State School Aid Payment received by the University Board for forwarding to the Academy. This fee shall compensate the University Board for 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 University 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 view 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 University 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 shall prohibit the Academy from electing to enter into a contract for an administrative review with an intermediate school district. Nothing in this section shall require the Academy from electing to enter or not enter into a contract for an administrative review with the University 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**

Administration .....	5-1
Administrative Support.....	5-3
Arts Teacher.....	5-4
Attendance Clerk/Receptionist .....	5-6
Business Manager .....	5-8
Elementary Teacher .....	5-11
High School Teacher.....	5-13
Middle School Teacher .....	5-15
Music Teacher.....	5-17
Management Agreement.....	5-19



## **ADMINISTRATION JOB DESCRIPTIONS**

### *Accountability*

- Responsible for school oversight reporting including CEPI to the State of Michigan and Charlevoix-Emmet Intermediate School District
- Responsible for school's Annual Education Report
- Oversee Special Education and ensures compliance with IDEA
- Responsible for School Improvement Plan and its submission
- Supervise and interpret MSTEP, MME, PSAT, SAT as well as other assessments
- LSSU Liaison - responsible for school accountability and oversight reporting including AOIS to school authorizer and the school's Board of Directors

### *Business*

- Responsible for fiscal oversight
- Oversee the development and management of the school's annual budget, monthly payroll, staff benefits, purchasing, and annual financial reporting including year-end financial audit (FID)
- Develop and manages annual fundraising efforts including school endowment and capital campaign for school facilities
- Manage finances of the school building projects
- Oversee the acquisition of grants as available (Consolidated Application, Titles, 31a At-Risk, etc.) and ensures compliance

### *Philosophy*

- Promote multi-age grouping, multiple intelligences, and differentiated instruction
- Promote The Concord Creed as the core of the school culture and discipline plan
- Promote the Mission and the Vision in all decision-making

### *Personnel*

- Develop and implement tools to evaluate the school's staff
- Supervise and evaluates staff
- Supervise Highly Qualified criteria, including REP report
- Facilitate staff meetings, professional development, and in-service
- Communicate with staff
- Maintain and update Staff Handbooks
- Develop and supervise the Mentor program.

### *Operations*

- Manage daily operations of the school including student discipline
- Oversee facility operations and maintenance
- Inspections, Notifications, Reviews
- Manage school enrollment/re-enrollment



#### *Communication*

- Communicate with parents through monthly newsletters, the school website, and other pertinent communication means
- Communicate with the local community about charter schools and promotes Concord Academy Petoskey
- Responsible for ensuring communication with staff regarding meetings, professional development, and curriculum

#### *Curriculum*

- Oversee the implementation of the school's instructional plan and communicating the plan with staff
- Oversee Special Education and ensures compliance with IDEA
- Support Team Leads with curricular resources and instructional materials

#### *Scheduling*

- Develop and manages the creation and implementation of the master schedule and student schedules
- Oversee student data-base system, SDS
- Oversee the creation of the School Calendar and Arts Event Calendar

#### *College Counselor*

Ensure all students receive college or career counseling  
Promote and ensure students receive information for pursuing higher education  
Provide Financial Aid information to students and families



## **ADMINISTRATIVE SUPPORT JOB DESCRIPTIONS**

### *Accountability*

- Assist with school oversight reporting including CEPI to the State of Michigan and Charlevoix-Emmet Intermediate School District
- Assist with the supervision of Special Education and ensures compliance with IDEA
- Assist with the School Improvement Plan and its submission
- Assist with the supervision and interpretation of the MSTEP, MME, PSAT, SAT as well as other evaluations.

### *Business*

- Assist with the development and management of the school's annual budget, staff benefits, purchasing, and annual financial reporting including year-end financial audit (FID)
- Assist with the development and management of annual fundraising efforts including school endowment and capital campaign for school facilities
- Assist with the management of finances for school building projects
- Assist with the acquisition of grants as available (Consolidated Application, Titles, 31a At-Risk, etc.) and ensuring compliance

### *Philosophy*

- Promote multi-age grouping, multiple intelligences, and differentiated instruction
- Promote The Concord Creed as the core of the school culture and discipline plan
- Promote the Mission and the Vision in all decision-making

### *Personnel*

- Assist with the supervision and evaluation of staff
- Assist with the facilitation of staff meetings, professional development, and in-service
- Communicates with staff

### *Operations*

- Assist with facility operations and maintenance
- Assist with supervising building projects
- Assist with managing school enrollment/re-enrollment

### *Communication*

- Communicate with parents through the school website, Facebook, Instagram, and other pertinent communication means
- Communicate with the local community about charter schools and promote Concord Academy Petoskey

### *Curriculum*

- Assist with the implementation of the school's instructional plan and communicating the plan with staff
- Support Team Leads with curricular resources and instructional materials





### *Planning & Preparation*

- Preparation
  - Write weekly lesson plans to align with the curriculum
  - Align curriculum with Michigan's K-12 Standards and Course Credit Requirements
  - Coordinate classroom curriculum with building-level teammates, subject area colleagues, fine arts staff, Special Education Department, Title 1, and Char-Em ISD
  - Utilize the seven learning styles to reach all children
  - Collect and utilize resources for planning and teaching academic units
  - Order classroom materials using the Purchase Order process
- Assessment
  - Assess and provide instructional feedback regularly
  - Provide a variety of assessments in all subjects
  - Provide performance or exhibition opportunities for all students to demonstrate growth and skills developed

### *Environmental*

- Relationships
  - Learn your students' names the first day/week of school
  - Model the learning process including time management, perseverance, responsibility, and work ethics
  - Provide emotional support as needed or seek help from other staff and administration
  - Praise and encourage **ALL** students for a job well done
- Teach appropriate social skills and conflict resolution using the values taught in the Concord Creed
- Set up and organize classroom space to be a welcoming and safe learning environment
- Teach teamwork skills and community contribution through preparation and performance
- Demonstrate respect for all members of the Concord Academy Petoskey Community

### *Instructional*

- Instruct students in all assigned curricular disciplines
- Demonstrate methods, procedures, and skills of discipline
- Teach creative process
- Teach critical thinking skills in relation to participation and performance
- Engage **ALL** students through differentiated instruction, making accommodations for students with special needs as well as accelerated learners
- Motivate students to be actively involved in the artistic process



- Facilitate individual and group critique of subject area work
- Teach proper handling of equipment and materials, including cleanup procedures

#### *Professional Responsibilities*

- Credentials
  - o Continue to update teaching credentials through professional development conferences and workshops, and/or university classes
  - o Keep informed on current research for best educational practices
  - o Maintain current CPR and First Aid certification
- Organizational
  - o Take daily attendance and submit to the office
  - o Maintain grades and records (grade books or SDS) for all classes taught
  - o Prepare report cards at the quarters and/or semesters
  - o Attend IEP meetings
  - o Maintain a readily accessible, up-to-date substitute folder
  - o Collect money and take pizza orders once/week
  - o Inventory classroom materials and equipment at the end of each year
- Student Wellbeing
  - o Arrive promptly and be in your classroom for students who arrive early
  - o Remain with students after extracurricular activities until they have been picked up or have been turned over to another staff or administrator
  - o Coordinate field trips following school policy with prior approval and permission slips
  - o Facilitate school policies such as fire drills, tornado drills, and lockdown drills
  - o Wear the hat of teacher, mother/father, nurse, counselor, referee, and friend depending on the week, day, or minute
- Communication
  - o Share information regarding classroom activities with families
  - o Inform parents/guardians of student progress through conferences, emails, and phone calls as needed
  - o Communicate classroom needs with the administration and custodial staff as necessary
  - o Communicate with other staff to ensure spiraling of curriculum
  - o Attend staff meetings, team meetings, and committee meetings
  - o Communicate with administration, fellow staff members, students, and parents

#### *Philosophical*

- Use multi-age grouping, multiple intelligences, and differentiated instruction
- Support the fine arts staff during rehearsals and performances
- Live The Concord Creed as the core of the school culture and discipline plan
- Promote the Mission and the Vision
- Appreciate student and staff differences



### **Attendance Clerk/Receptionist**

- Daily Preparation
  - Arrival-lights, ac/heat, coffee
  - Check for staff absences/substitute teachers
    - Attendance lists for any subs
  - Check phone messages
- Coordination
  - Communication between school and home
    - Answer phone calls/questions
      - Attendance
      - Student Schedules
      - Homework Requests
      - Field Trips
      - Concerts and Performances
    - Mailings from school to families
      - Back to School Teacher Letters/Supply Lists
      - Report Cards
  - Communication between school office and staff/teachers
    - Student/parent info as requested by teachers
  - Assist teachers/students/parents with copy equipment
    - refill paper, troubleshooting, arrange for repairs, etc.
  - Health Department
    - vision/hearing screening
  - Lifetouch Student Photos
- Students
  - Student Arrival
    - Direct late-arriving students to sign in
  - Student Dismissal
    - Call parents of elementary students not picked up on time
  - Student Attendance
    - Enter for call-ins/pre-scheduled/vacations
    - Reconcile classroom attendance lists
      - Make appropriate phone calls
    - Count Day Report



- o Student Lunch Period
  - Available to assist with playground injuries/student illness
    - Call parent to inform of head injury
    - Request early pick-up of the student if necessary
- o Student Medication
  - prescription medication forms
  - distribute medication
  - daily logs
- o Student Records
  - Beginning of the Year forms (computer usage, student driver, volunteer, etc.)
  - Locker Assignments
  - ICHAT Background Checks
  - PowerSchool
    - enter new students information
    - student profiles
  - MCIR
    - enter new students information
  - CA-60
    - Print and file transcripts for grades 9-12
    - Send and receive transcripts as needed
  - Report Cards
    - store, proof grades/comments, prepare for mailing, file 5-12
  - Enrollment/Re-Enrollment
    - collect and collate forms
    - support process



## **BUSINESS MANAGER'S JOB DESCRIPTION**

### *General Office*

- Assist office personnel when needed
- Assist administrator with any/all needs
- Assisting with fire-tornado-lock down drills
- Helping to facilitate field trips/fundraisers for teachers
- Arranging of busing
- Getting/processing mail daily
  - Making arrangements over vacation breaks
  - Purchasing postage, mailing packages, etc
- Supply Runs- Walmart, Office Max, KSS, etc
- Assisting with preparing new school calendar
- Arranging food/setting up for various events
- Ordering of teacher supplies/janitorial supplies/office supplies
- Playground Duty
- Vendors- gas, supplies, snowplowing, PEI(sewer), AT&T, etc
- Get Certificates of Liability from vendors
- Send out W-9's in November
- Report copy counts monthly to Vans Business Machines

### *Personnel*

- Obtain/track staff's professional development
- Update/create personnel files for staff
- Employee verifications
- Assist staff with insurance, retirement, payroll issues
  - Appointments for staff retirement
- Insurance carriers/plans/paperwork
- Track personal/sick days of staff
- Assist in classrooms if needed and/or driving/chaperoning for field trips
- Process sub-requests
  - Acquiring subs for teachers- make sure that classes are covered
  - Acquiring unprofessional paperwork, fingerprints for subs
  - Acquiring sub-permits-MOEC
  - Reconciling sub-jobs
- Arrange fingerprint appointments
- CHRISS authorized representative
- Contracts for staff
- Prepare Medicare creditable coverage notices and disperse them to staff
- Prepare cobra paperwork for terminated staff





### *Accounting*

- Process payroll and submit to ESP
  - Track/report subcontracted labor
  - Deposit check for ESP to Huntington bank for payroll
- Processing of special payroll- Summer school, Summer camp
- Track, process, and pay all bills
- Track credit card transactions and pay
- Renew compliance on dial-up credit card service
- Billing of facility rentals or Char-EM sub reimbursements
- Process HRA draws- health insurance
- Get monthly financial file ready
  - Balance/Reconcile all accounts
  - Copy all deposit receipts
  - Pull state aid report/post
  - Make monthly mortgage transactions/adjustments- US Bank
- Get 1099's ready for the accountant to process
- Track individual accounts
  - Teacher supply accounts
  - Field trip accounts
  - Specific projects accounts
  - Fine Arts accounts
- Tracking all grants-processing periodic draws on grants (cash management, g5)
- Updating signature card of all accounts upon annual meeting or director/board changes
- Tracking/dispersing petty cash account
- Preparing cash boxes for fundraising events
- Pulling financial data from FID or Quickbooks for Website
- Counting of all monies, making deposits, and going to the bank
- Prepare budgets and revisions for the entire school
- Meet with Financial auditor 2x per year to make semi-annual adjustments

### *Audits*

- (3) QRPG audits throughout the year
  - Preparing documents/meeting with the auditor
- (1) Financial Audit-August
  - Preparing documents/meeting with the auditor
- Title I
- MDE
- Workers Comp
- Michigan State Police-fingerprinting, CHRISS



### *Board*

- Posting of all meetings, documents, etc in the front lobby
- Prepare agenda
- Prepare board packet to be sent out a week in advance of mtg
  - Prepare financial documents
- Copy, prepare board folders for meeting for each board member
- Take minutes at all board meetings
- Send board documents to be placed on the website
- Setting up/tearing down board room for meeting

### *Reporting*

- REP report – 2x per year
- MIAOP reporting
- Compliance with US Bank- preparing documents and submitting reports
- Epicenter- compliance with LSSU
- Day/Clock hour report- 2x per year
- Catamaran- Actual Cost report- SE 4096, SE 4094

### *Grants*

- Applying for Title VI, SRSA grants
- Helping with the prep of Consolidated App, amendments
- Helping with the completion of FER's for grants
- Tracking grants
- Helping to determine what items go on each grant
- Complete Semi-Annual Federal Payroll Cert for Title 1A each semester

### *Maintenance*

- Tracking H2O testing- quarterly
- Tracking quarterly checks of the sewer- PEI
- Arranging for contractors to come in for leaks, faulty furnaces, etc
- Arranging yearly facility inspections:
  - Fire Alarm
  - Fire Extinguisher
  - Flow Test-Sprinkler System
  - Furnace Maintenance-Filter Changes
- Assist with other yearly inspections
  - EMC
  - ReCONN



## **ELEMENTARY TEACHER'S JOB DESCRIPTION**

### *Planning & Preparation*

- Preparation
  - Write weekly lesson plans to align with the curriculum
  - Align curriculum with Michigan's K-12 Standards
  - Coordinate classroom curriculum with building-level teammates, subject area colleagues, fine arts staff, Special Education Department, Title 1, and Char-Em ISD
  - Utilize the seven learning styles to reach all children
  - Collect and utilize resources for planning and teaching academic units
  - Order classroom materials using the Purchase Order process
- Assessment
  - Assess and provide instructional feedback regularly
  - Provide a variety of assessments in all subjects
  - Familiarize students with test styles and terminology for the MSTEP testing, NWEA, or other assessments

### *Environmental*

- Relationships
  - Learn your students' names the first day/week of school
  - Model the learning process including time management, organizational skills, perseverance, responsibility, and work ethics
  - Provide emotional support as needed or seek help from other staff and administration
  - Eat lunch with your students modeling good manners
  - Praise and encourage **ALL** students for a job well done
- Teach appropriate social skills and conflict resolution using the values taught in the Concord Creed
- Set up and organize classroom space to be a welcoming and safe learning environment
- Demonstrate respect for all members of the Concord Academy Petoskey Community

### *Instructional*

- Instruct students in all assigned curricular disciplines
- Correct and return students' daily work and assessments in a timely manner
- Engage **ALL** students through differentiated instruction, making accommodations for students with special needs as well as accelerated learners
- Motivate students to be actively involved in the learning process
- Challenge students to do their best





### *Professional Responsibilities*

- Credentials
  - Continue to update teaching credentials through professional development conferences and workshops, and/or university classes
  - Keep informed on current research for best educational practices
  - Maintain current CPR and First Aid certification
- Organizational
  - Take daily attendance and submit to the office
  - Maintain grades and record books (grade books or SDS) for all subjects taught
  - Prepare report cards quarterly
  - Attend IEP meetings
  - Maintain a readily accessible, up-to-date substitute folder
  - Collect money and take pizza orders once/week
  - Inventory classroom materials at the end of each year
- Student Well-being
  - Arrive promptly and be in your classroom for students who arrive early
  - Remain with students after school until they have been picked up or have been turned over to another staff member or administrator
  - Coordinate field trips following school policy with prior approval and permission slips
  - Facilitate school policies such as fire drills, tornado drills, and lockdown drills
  - Wear the hat of teacher, mother/father, nurse, counselor, referee, and friend depending on the week, day, or minute
- Communication
  - Share information regarding classroom activities with families through weekly newsletters
  - Provide weekly feedback to parents via Monday folders
  - Inform parents/guardians of student progress through conferences, emails, and phone calls as needed
  - Communicate classroom needs with the administration and custodial staff as necessary
  - Communicate with other staff to ensure spiraling of curriculum
  - Attend staff meetings, team meetings, and committee meetings
  - Communicate with administration, fellow staff members, students, and parents

### *Philosophical*

- Use multi-age grouping, multiple intelligences, and differentiated instruction
- Support the fine arts staff during rehearsals and performances
- Live The Concord Creed as the core of the school culture and discipline plan
- Promote the Mission and the Vision
- Appreciate student and staff differences



## HIGH SCHOOL TEACHER'S JOB DESCRIPTION

### *Planning & Preparation*

- Preparation
  - Write weekly lesson plans to align with the curriculum
  - Align curriculum with Michigan's K-12 Standards and Course Credit Requirements
  - Coordinate classroom curriculum with building-level teammates, subject area colleagues, fine arts staff, Special Education Department, Title 1, and Char-Em ISD
  - Utilize the seven learning styles to reach all children
  - Collect and utilize resources for planning and teaching academic units
  - Order classroom materials using the Purchase Order process
- Assessment
  - Assess and provide instructional feedback regularly
  - Provide a variety of assessments in all subjects
  - Familiarize students with test styles and terminology for the MSTEP testing, MME testing, NWEA, or other assessments

### *Environmental*

- Relationships
  - Learn your students' names the first day/week of school
  - Model the learning process including time management, organizational skills, perseverance, responsibility, and work ethics
  - Provide emotional support as needed or seek help from other staff and administration
  - Eat lunch with your students modeling good manners
  - Praise and encourage **ALL** students for a job well done
- Teach appropriate social skills and conflict resolution using the values taught in the Concord Creed
- Set up and organize classroom space to be a welcoming and safe learning environment
- Demonstrate respect for all members of the Concord Academy Petoskey Community

### *Instructional*

- Instruct students in all assigned curricular disciplines
- Correct and return students' work and assessments in a timely manner
- Engage **ALL** students through differentiated instruction, making accommodations for students with special needs as well as accelerated learners
- Motivate students to be actively involved in the learning process
- Challenge students to do their best



### *Professional Responsibilities*

- Credentials
  - Continue to update teaching credentials through professional development conferences and workshops, and/or university classes
  - Keep informed on current research for best educational practices
  - Maintain current CPR and First Aid certification
- Organizational
  - Take daily attendance and submit to the office
  - Maintain grades and records (grade books or SDS) for all classes taught
  - Prepare report cards at the quarters and/or semesters
  - Attend IEP meetings
  - Maintain a readily accessible, up-to-date substitute folder
  - Collect money and take pizza orders once/week
  - Inventory classroom materials and equipment at the end of each year
- Student Wellbeing
  - Arrive promptly and be in your classroom for students who arrive early
  - Remain with students after extracurricular activities until they have been picked up or have been turned over to another staff or administrator
  - Coordinate field trips following school policy with prior approval and permission slips
  - Facilitate school policies such as fire drills, tornado drills, and lockdown drills
  - Wear the hat of teacher, mother/father, nurse, counselor, referee, and friend depending on the week, day, or minute
- Communication
  - Share information regarding classroom activities with families
  - Inform parents/guardians of student progress through conferences, emails, and phone calls as needed
  - Communicate classroom needs with the administration and custodial staff as necessary
  - Communicate with other staff to ensure spiraling of curriculum
  - Attend staff meetings, team meetings, and committee meetings
  - Communicate with administration, fellow staff members, students, and parents

### *Philosophical*

- Use multi-age grouping, multiple intelligences, and differentiated instruction
- Support the fine arts staff during rehearsals and performances
- Live The Concord Creed as the core of the school culture and discipline plan
- Promote the Mission and the Vision
- Appreciate student and staff differences



## **MIDDLE SCHOOL TEACHER'S JOB DESCRIPTION**

### *Planning & Preparation*

- Preparation
  - Write weekly lesson plans to align with the curriculum
  - Align curriculum with Michigan's K-12 Standards
  - Coordinate classroom curriculum with building-level teammates, subject area colleagues, fine arts staff, Special Education Department, Title 1, and Char-Em ISD
  - Utilize the seven learning styles to reach all children
  - Collect and utilize resources for planning and teaching academic units
  - Order classroom materials using the Purchase Order process
- Assessment
  - Assess and provide instructional feedback regularly
  - Provide a variety of assessments in all subjects
  - Familiarize students with test styles and terminology for the MSTEP testing, NWEA, or other assessments

### *Environmental*

- Relationships
  - Learn your students' names the first day/week of school
  - Model the learning process including time management, organizational skills, perseverance, responsibility, and work ethics
  - Provide emotional support as needed or seek help from other staff and administration
  - Eat lunch with your students modeling good manners
  - Praise and encourage **ALL** students for a job well done
- Teach appropriate social skills and conflict resolution using the values taught in the Concord Creed
- Set up and organize classroom space to be a welcoming and safe learning environment
- Demonstrate respect for all members of the Concord Academy Petoskey Community

### *Instructional*

- Instruct students in all assigned curricular disciplines
- Correct and return students' daily work and assessments in a timely manner
- Engage **ALL** students through differentiated instruction, making accommodations for students with special needs as well as accelerated learners
- Motivate students to be actively involved in the learning process
- Challenge students to do their best






### *Professional Responsibilities*

- Credentials
  - Continue to update teaching credentials through professional development conferences and workshops, and/or university classes
  - Keep informed on current research for best educational practices
  - Maintain current CPR and First Aid certification
- Organizational
  - Take daily attendance and submit to the office
  - Maintain grades and records (grade books or SDS) for all subjects taught
  - Prepare report cards quarterly
  - Attend IEP meetings
  - Maintain a readily accessible, up-to-date substitute folder
  - Collect money and take pizza orders once/week
  - Inventory classroom materials and equipment at the end of each year
- Student Wellbeing
  - Arrive promptly and be in your classroom for students who arrive early
  - Remain with students after school until they have been picked up or have been turned over to another staff or administrator
  - Coordinate field trips following school policy with prior approval and permission slips
  - Facilitate school policies such as fire drills, tornado drills, and lockdown drills
  - Wear the hat of teacher, mother/father, nurse, counselor, referee, and friend depending on the week, day, or minute
- Communication
  - Share information regarding classroom activities with families
  - Inform parents/guardians of student progress through conferences, emails, and phone calls as needed
  - Communicate classroom needs with the administration and custodial staff as necessary
  - Communicate with other staff to ensure spiraling of curriculum
  - Attend staff meetings, team meetings, and committee meetings
  - Communicate with administration, fellow staff members, students, and parents

### *Philosophical*

- Use multi-age grouping, multiple intelligences, and differentiated instruction
- Support the fine arts staff during rehearsals and performances
- Live The Concord Creed as the core of the school culture and discipline plan
- Promote the Mission and the Vision
- Appreciate student and staff differences



# Concord

ACADEMY of PETOSKEY

## MUSIC TEACHER'S JOB DESCRIPTION

### *Planning & Preparation*

- Preparation
  - Write weekly lesson plans to align with the curriculum
  - Align curriculum with Michigan's K-12 Standards and Course Credit Requirements
  - Coordinate classroom curriculum with building-level teammates, subject area colleagues, fine arts staff, Special Education Department, Title 1, and Char-Em ISD
  - Utilize the seven learning styles to reach all children
  - Collect and utilize resources for planning and teaching academic units
  - Order classroom materials using the Purchase Order process
- Assessment
  - Assess and provide instructional feedback regularly
  - Provide a variety of assessments in all subjects
  - Provide performance or exhibition opportunities for all students to demonstrate growth and skills developed

### *Environmental*

- Relationships
  - Learn your students' names the first day/week of school
  - Model the learning process including time management, perseverance, responsibility, and work ethics
  - Provide emotional support as needed or seek help from other staff and administration
  - Praise and encourage **ALL** students for a job well done
- Teach appropriate social skills and conflict resolution using the values taught in the Concord Creed
- Set up and organize classroom space to be a welcoming and safe learning environment
- Teach teamwork skills and community contribution through preparation and performance
- Demonstrate respect for all members of the Concord Academy Petoskey Community

### *Instructional*

- Instruct students in all assigned curricular disciplines
- Demonstrate methods, procedures, and skills of discipline
- Teach creative process
- Teach critical thinking skills in relation to participation and performance
- Engage **ALL** students through differentiated instruction, making accommodations for students with special needs as well as accelerated learners
- Motivate students to be actively involved in the artistic process



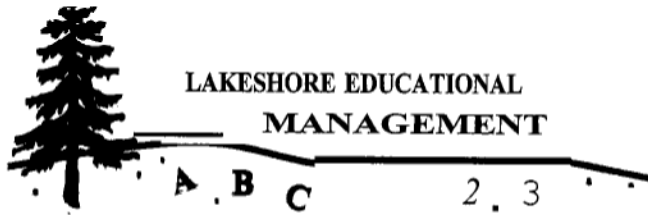
- Facilitate individual and group critique of subject area work
- Teach proper handling of equipment and materials, including cleanup procedures

### *Professional Responsibilities*

- Credentials
  - Continue to update teaching credentials through professional development conferences and workshops, and/or university classes
  - Keep informed on current research for best educational practices
  - Maintain current CPR and First Aid certification
- Organizational
  - Take daily attendance and submit to the office
  - Maintain grades and records (grade books or SDS) for all classes taught
  - Prepare report cards at the quarters and/or semesters
  - Attend IEP meetings
  - Maintain a readily accessible, up-to-date substitute folder
  - Collect money and take pizza orders once/week
  - Inventory classroom materials and equipment at the end of each year
- Student Wellbeing
  - Arrive promptly and be in your classroom for students who arrive early
  - Remain with students after extracurricular activities until they have been picked up or have been turned over to another staff or administrator
  - Coordinate field trips following school policy with prior approval and permission slips
  - Facilitate school policies such as fire drills, tornado drills, and lockdown drills
  - Wear the hat of teacher, mother/father, nurse, counselor, referee, and friend depending on the week, day, or minute
- Communication
  - Share information regarding classroom activities with families
  - Inform parents/guardians of student progress through conferences, emails, and phone calls as needed
  - Communicate classroom needs with the administration and custodial staff as necessary
  - Communicate with other staff to ensure spiraling of curriculum
  - Attend staff meetings, team meetings, and committee meetings
  - Communicate with administration, fellow staff members, students, and parents

### *Philosophical*

- Use multi-age grouping, multiple intelligences, and differentiated instruction
- Support the fine arts staff during rehearsals and performances
- Live The Concord Creed as the core of the school culture and discipline plan
- Promote the Mission and the Vision
- Appreciate student and staff differences



09025 N. Pointe Woods Dr., CHARLEVOIX, MI 49720 PHONE/FAX 231-547-4264

### **MANAGEMENT AGREEMENT**

**THIS MANAGEMENT AGREEMENT** is made effective as of this 1st day of July, 2021 (the "Effective Date"), by and between Concord Academy Petoskey, a Michigan School of Excellence, whose address is 2468 Atkins Road, Petoskey, Michigan, 49770 (hereinafter, the "Academy"), and Lakeshore Educational Management, Inc., a Michigan corporation, whose address is 12955 Robins Ridge Road, Charlevoix, MI 49720 (hereinafter, "Lakeshore").

#### **RECITALS:**

1. The Academy is organized and operated under Part 6E of the Michigan Revised School Code ("Code") and pursuant to a charter contract ("Contract") issued by the Board of Trustees ("University Board" or "Authorizer") of Lake Superior State University ("LSSU" or "University") in response to an application ("Application") submitted to the Authorizing Body on behalf of the Academy. The Application, the Contract, and all amendments to those documents, are collectively referred to in this Agreement as the "Charter." This Agreement shall be subject to, and comply with, the terms and conditions of the Charter, all of which are incorporated by reference into this Agreement.
2. The Academy is organized and administered under the direction of a board of directors ("Academy Board") and has the power, authority, and duties established in the Code and the Charter, specifically including the authority: (1) to enter into binding legal agreements with persons or entities as necessary for the operation, management, financing, and maintenance of the Academy (MCL 380.504a(d) and MCL 380.557(d); and (2) to employ or contract with personnel as necessary for the operation of the Academy (MCL 380.506 and MCL 380.560).
3. Lakeshore is in the business of providing comprehensive educational, administrative, management and instructional services to Michigan public school academies and schools of excellence.
4. Lakeshore has the expertise, training, capacity, and qualifications to perform the services contemplated under this Agreement.
5. The Academy desires to utilize, and Lakeshore desires to provide, such services upon



the terms and conditions herein set forth. In consideration of the mutual promises and obligations contained herein, the parties agree as follows:

**AGREEMENT:**

1. **Services.** Subject to the terms and conditions of this Agreement, the Academy contracts with Lakeshore, to the extent permitted by law, for all labor, materials, equipment, supplies, and supervision necessary for the provision of educational services to students enrolled in the Academy, and for the operation, management, and maintenance of the Academy as a going concern ("Services"); provided, however, that Lakeshore shall not be responsible to provide custodial and grounds maintenance services except as may be provided by separate agreement or amendment to this Agreement. The Services shall be provided in accordance with the educational goals (see Educational Goals addendum), curriculum, methods of pupil assessment, methods to be used to monitor compliance with performance of targeted educational outcomes, admission policy and criteria, school calendar and school day schedule, and age and grade range of pupils to be enrolled, as adopted by the Academy Board and included in the Charter issued by the Authorizer to the Academy. The respective responsibilities of Lakeshore and the Academy under this Agreement are set forth with greater specificity in Sections 5 and 6 (inclusive of sub-parts), respectively, of this Agreement.

- 1.1 **Status of the Parties.** Lakeshore is a for-profit corporation formed under the Michigan Business Corporation Act (Act 284 of 1972, as amended) and is not a division or a part of the Academy. The Academy is a body corporate and a governmental agency authorized by the Code and is not a division or part of Lakeshore. Except as expressly provided in this Agreement, no agent or employee of Lakeshore shall be deemed to be the agent or employee of the Academy. Each party shall be solely responsible for its acts and omissions, and for the acts and omissions of its agents, employees and non-party contractors. The relationship between Lakeshore and the Academy is based solely on the terms of this Agreement, and the terms of any other written agreements between Lakeshore and the Academy.

In the performance of services under this Agreement, Lakeshore (its employees, agents, and contractors) shall be regarded at all times as performing services as independent contractors of the Academy. Consistent with this status, Lakeshore reserves to itself the right to designate the means and methods of accomplishing the objectives and purposes of this Agreement and the Academy shall not exercise (or have the right to exercise) control or direction over the means and methods utilized by Lakeshore in providing Services under this Agreement.

- 1.2 **No Related Parties.** Lakeshore will not have any role or relationship with the Academy that, in effect, substantially limits the Academy's ability to exercise its

rights, including cancellation rights, under this Agreement. Nothing in this Agreement shall interfere with the Academy Board's exercise of its statutory, contractual and fiduciary responsibilities governing the operation of the Academy. No provision of this Agreement shall prohibit the Academy Board from acting as an independent, self-governing public body or allow public decisions to be made other than in compliance with the Michigan Open Meetings Act. The Academy Board

Shall not include individuals having a prohibited family relationship, as specifically identified in the Charter and applicable law, with individuals who have an ownership interest in, or who are officers or employees of, Lakeshore. None of the voting power of the Academy Board will be vested in Lakeshore or its directors, members, managers, officers, or employees, and none of the voting power of Lakeshore will be vested in the Academy or its directors, members, officers or employees (if any). The Academy and Lakeshore shall not be members of the same "Controlled Group" as defined in Section 1.150-1(1) of the Treasury Regulations, 26 CFR 1.150-1(1), or be related persons as defined in Section 144(a)(3) of the Internal Revenue Code of 1986, as amended, 26 USC 144(a)(3).

- 1.3 **No Power to Obligate or Bind State of Michigan, University Board, or the University.** The Academy has no authority whatsoever to enter into any contract or other agreement that would financially obligate the State of Michigan, the University Board, or the University, nor does the Academy have any authority whatsoever to make any representations to lenders or third parties that the State of Michigan, University Board or LSSU in any way guarantee, are financially obligated for, or are in any way responsible for, any contract, mortgage, loan or other instrument of indebtedness entered into by the Academy.
- 1.4 **Personnel Qualifications.** Personnel assigned by Lakeshore to perform services under this Agreement shall be fully certificated, licensed, approved and otherwise qualified to perform the functions assigned pursuant to and in conformance with the provisions of the Code, and other applicable statutes or regulations, pertinent to the work performed under this Agreement. Lakeshore will not assign any personnel to perform services under this Agreement who would be ineligible for employment by the Academy if such person(s) were instead employed directly by the Academy. Lakeshore shall maintain proof of certification, licensure or approval for each individual assigned to perform Services under this Agreement. No person assigned to the Academy by Lakeshore shall be deemed jointly employed by the parties. To enable the Academy to comply with its reporting obligations under the Michigan Public School Employees Retirement Act (the "MPSER Act"), 1980 PA 300, as amended, Lakeshore: (1) shall promptly notify the Academy in writing of the identity of any individual employed or assigned by Lakeshore to perform services under this Agreement who is a retiree from the Michigan Public School

Employees Retirement System ("MPERS"); (2) shall provide information on a pay period basis regarding any such individual's wages or amounts paid and hours of service under this Agreement, as necessary for the Academy to report on a schedule and in such manner as may be determined from time to time by the Office of Retirement Services (ORS), MCL 38.1342(6); and (3) shall report such information on behalf of the Academy on a schedule and in such manner as may be determined from time to time by the ORS. The Academy has no contractual or legal obligation to pay make MPERS contributions to ORS for any Lakeshore employee assigned to the Academy.

- 1.5 **Criminal History Record and Unprofessional Conduct Checks.** Pursuant to Sections 1230 and 1230a of the Code, the Academy is required to request, receive, use to evaluate qualification for assignment under Sections 1230 and 1230a, retain, and where appropriate report to the Michigan Department of Education regarding, a criminal history check through the Michigan State Police, as well as a criminal records check through the Federal Bureau of Investigation, with regard to all persons assigned by Lakeshore under this Agreement to regularly and continuously work in any of the Academy's facilities or at program sites where the Academy delivers educational programs and services, MCL 380.1230 and 380.1230a.

The Academy shall request the required criminal history record and unprofessional conduct check with regard to all persons assigned by, or sought to be assigned by, Lakeshore under this Agreement to regularly and continuously work in any of the Academy's facilities or at a program site where the Academy delivers educational programs and services, and shall provide Lakeshore with a Determination of Assignment indicating whether the Academy accepts or does not accept the person for assignment. Lakeshore shall not assign a person to regularly and continuously work in any of the Academy's facilities or at a program site where the Academy delivers educational programs and services unless accepted by the Academy through a Determination for Assignment. Lakeshore shall obtain from each of its employees, agents or contractors assigned to, or proposed to be assigned to, regularly and continuously work in the Academy's facilities or at a program site where educational programs and services are delivered under this Agreement, written consent as necessary for the Academy to request the criminal history record and unprofessional conduct check pertaining to the consenting employee, agent, or contractor, pursuant to the authorization set forth in Sections 1230(10) and 1230a(8) of the Code. Lakeshore also shall require any subcontractor it engages to provide services under this Agreement to consent to a criminal history record and unprofessional conduct check regarding the subcontractor's employees that are assigned under contract to regularly and continuously work in the Academy's facilities or at sites where the Academy delivers educational programs or services.

The Academy reserves the right to refuse Lakeshore's assignment of any individual, agent, contractor, or employee of Lakeshore to render Services under this Agreement where the criminal record history of that individual (including any pending criminal charges) indicate, in the judgment of the Academy Board, unfitness to perform Services under this Agreement. In the event that, after assigning an individual, agent, contractor, or employee to perform Services under this Agreement, Lakeshore discovers previously unknown criminal record history or subsequently arising criminal charges or convictions regarding that individual, Lakeshore shall immediately disclose this criminal record history or development to the Academy Board to permit the Academy Board to determine, in its judgment, the continuing fitness of the individual to perform Services under this Agreement.

The parties agree that the Academy shall be responsible for the costs associated with the criminal history checks and criminal records checks required pursuant to the terms of this Agreement and which are accomplished in order to comply with Sections 1230 and 1230a of the Code with respect to Lakeshore's employees, agents, and contractors. The evidence of background and unprofessional conduct checks will be stored on site, in physical form, at the Academy or directly accessible at the Academy facility.

2 **Term.**

- A. This Agreement shall become effective as of the date set forth above and shall terminate June 30, 2022, unless terminated earlier by not less than sixty (60) days' written notice by either party or as provided in the Charter Contract including, without limitation, any suspension, non-renewal, termination, or reconstitution provisions of the Charter Contract.
- B. Any termination of this Agreement for cause or without cause shall not take effect until the earlier of (i) an approved agreement by the Academy with another ESP (or self-management) is in effect; or (ii) the end of the current school year in which the termination is invoked.
- C. The parties understand that a change in ESP (or a decision to self-manage) in mid-school-year is strongly discouraged by LSSU and will be disapproved by the LSSU 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 Academy without disrupting the Academy's operations.
- D. Upon termination or expiration of this Agreement, or if this Agreement is terminated due to a Contract revocation, reconstitution, termination, or non-renewal, Lakeshore 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 to each (including the total outstanding owed by the Academy to Lakeshore, if any); (v) the amount owed by Lakeshore 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; (vi) 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, if applicable, to a new ESP or self-management without disruption to staffing, or in the case of school closure, final payment of all employee compensation, benefits, and tax obligations related to services provided by Lakeshore to the Academy.

- 3 **Fees.** In consideration of the services to be provided, the Academy shall pay to Lakeshore the following fees: An annual management fee of \$54,750, to be paid in installments of \$2281.25 with each semi-monthly payroll.
- 4 **Expenses.** The Academy shall reimburse Lakeshore the actual cost of expenses upon properly presented documentation and approval by the Academy Board. Such reimbursements shall be made to Lakeshore within fifteen (15) days of receipt by the Academy of such documentation. No corporate costs of Lakeshore shall be charged to or reimbursed by the Academy; such costs, if any, shall be paid out of the annual management fee identified in Section 3.
- 5 **Lakeshore's Duties.** Lakeshore agrees:
  - A. To employ and assign to the Academy, in accordance with the Charter, school calendar adopted by the Academy Board and in conformance with the State Board of Education and School State Aid Act requirements, such duly qualified and certified classroom teachers, instructors, support staff, and administrators (hereinafter, "Lakeshore Employee(s)") as necessary to provide the Services under this Agreement. Provided, however, that all decisions made by Lakeshore, and any discretion exercised by Lakeshore in its selection and assignment of personnel to perform Services under this Agreement shall be consistent with the parameters adopted and included in the annual budget approved by the Academy Board (Section 6.A.) and the Educational Goals and Programs detailed in the Charter. The final selection and assignment of Lakeshore Employees to the Academy shall be made by Lakeshore.
  - B. To provide direct administrative services to the Academy, which may include, without limitation: assisting with accountability reporting to the Michigan Department of Education and the Authorizer, project work, communications with stakeholders, assistance to the executive director, and

other duties as may be requested by the executive director, with such services not exceeding 24 hours per week averaged over the term of this Agreement.

- C. To conduct a performance evaluation, at least annually, of Lakeshore Employees assigned to the Academy in an administrative or teaching capacity in compliance with a system of performance evaluation that Lakeshore develops, implements and maintains as necessary for the Academy to be in compliance with Sections 1249 and 1249b of the Code. Lakeshore will require the employee assigned to the Academy as the executive director to perform such evaluations in a manner that conforms with the requirements set forth in the Code and other applicable laws. The executive director's evaluation shall be performed by Lakeshore as designee of the Academy Board pursuant to Section 1249b of the Code. Lakeshore agrees that it will not assign an individual to teach at the Academy if that individual has been rated as ineffective on his or her two most recent annual year-end evaluations under Section 1249.
- D. To develop, implement and maintain a method of performance-based compensation as necessary for the Academy to be in compliance with Section 1250 of the Code and to pay Lakeshore Employees, on a semi-weekly basis (24 pays per contract year), a corresponding hourly or annual wage or salary and to provide such additional benefits and compensation, including, but not limited to, health care benefits and retirement benefits, as Lakeshore may deem appropriate; provided, however, that the Academy's obligation to reimburse Lakeshore for the costs incurred by Lakeshore in providing the Services under this Agreement shall not exceed the parameters adopted and included in the annual budget approved by the Academy Board (Section 6.A.). The terms and conditions of such employment shall be set forth in an employment contract between Lakeshore and each Lakeshore Employee in the form of an Employment Agreement, to be agreed upon by Lakeshore and the Employee. Lakeshore's employees, contractors, or agents are not entitled to receive any compensation, benefits or other amenities in any form from the Academy, and the Academy shall not be liable for the payment of salaries, wages, benefits, payroll or taxes *for or on behalf of any Lakeshore employee*; rather, the Academy's obligation is to reimburse Lakeshore for the approved costs incurred by Lakeshore in providing the Services under this Agreement. Lakeshore accepts full liability and is responsible for paying all salaries, wages, benefits, worker's compensation, unemployment compensation, payroll and other taxes to or on account of its employees, and liability insurance for its employees leased to the Academy or working on Academy operations.
- E. To deliver payroll checks by courier prior to the date of planned distribution or by direct deposit, with actual shipping costs and/or electronic transfer fees billed to the Academy. Lakeshore acknowledges and agrees that it is the sole and exclusive responsibility of Lakeshore to make the requisite tax filings, deductions, and payments to the appropriate federal, state and local tax

authorities for and on behalf of all persons employed or engaged by Lakeshore to provide Services under this Agreement. No part of Lakeshore's fee (nor the fees of any subcontractors) shall be subject to withholding by the Academy for payment of social security, unemployment or disability insurance or any other similar state or federal tax obligations. Lakeshore (its agents or subcontractors) shall be solely and exclusively responsible for any taxation consequences to it or its employees as a result of Lakeshore's engagement under this Agreement.

- F. To provide a retirement plan for Lakeshore Employees pursuant to IRC Section 401(K), 403(8), Simple IRA or SEP.
- G. To provide worker compensation insurance coverage of all Lakeshore Employees assigned to the Academy, and to hold the Academy harmless from liability and/or damages arising from issues of workers compensation.
- H. To provide, upon request of the Academy Board or its Authorizer, access to employee records and financial records of Lakeshore as they pertain to the Academy, including financial records requested by accountants and/or auditors employed or engaged by the Academy in the course of their financial audit of the Academy. All financial and educational records pertaining to the Academy are Academy property. This obligation includes the obligations: (1) to provide to the Academy Board and to the Academy's Authorizer all information required by law and/or the Charter Contract; (2) to provide to the Academy Board at least annually all 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 that information is available; and (3) to require that the individual assigned by Lakeshore to serve as the Academy's Executive Director make all of the information described in this Section H(2) available through a link on the Academy's website homepage, in a form and manner prescribed by the MDE. Notwithstanding the foregoing, Lakeshore shall have no authority to select, retain, evaluate, or replace the Academy's independent auditor.
- I. To be responsible for answering, defending and/or resolving any and all claims arising from the assignment and performance of its employees or agents to carry out the Services under this Agreement. However, nothing in this Section is intended, nor shall be construed or implemented, to prohibit Lakeshore from including provisions in any subcontracted services agreement that it may execute with a subcontractor assigning responsibility to the subcontractor to answer, defend and/or resolve any and all claims arising from the assignment and performance of the subcontractor (or its employees or agents) to carry out Services for the Academy.

These claims shall include, but shall not be limited to: proceedings before the

Michigan Employment Relations Commission; the National Labor Relations Board; proceedings for unemployment compensation benefits; claims for workers' compensation disability benefits; claims of unlawful discrimination brought before any state or federal agency or court; claims or grievances for breach of contract; and any other claims of whatsoever kind or character arising from or which are attributable to the performance of Services by employees or agents of Lakeshore in connection with this Agreement.

All costs (including legal fees) incurred in connection with the defense of the foregoing matters and any resulting judgments shall be the sole and exclusive responsibility of Lakeshore.

- J. To indemnify, defend, and save and hold harmless the Academy and all of its employees (if any), officers, directors, subcontractors and agents, from and against any and all claims, demands, suits, causes of action, losses, judgments, liabilities, damages, fines, penalties, forfeitures, or any other forms of liability or loss, including costs and expenses (not limited to reasonable attorney fees, expert and other professional fees), settlement and prosecution (collectively, "Damages") that may arise out of, or by reason of: (1) any noncompliance by Lakeshore (or by any of its employees or others for whom Lakeshore is responsible) with any agreements, covenants, warranties or undertakings of Lakeshore contained in or made pursuant to this Agreement; (2) any misrepresentation or breach of the representations and warranties of Lakeshore (or any of its employees or others for whom Lakeshore is responsible) contained in or made pursuant to this Agreement; and (3) any negligent or intentional tortious act or omission of Lakeshore (or any of its employees or others for whom Lakeshore is responsible). Lakeshore agrees to acquire and maintain insurance coverages that comply with the Michigan Universities Self-Insurance Corporation (M.U.S.I.C.) Insurance Coverage Requirements for Public School Academy, as detailed in Appendix A to this Agreement, as may be amended from time to time, and further agrees that the employment practices liability insurance shall include specific coverage for acts of sexual molestation and abuse by its employees or agents (Compliant Insurance). The indemnification requirements of this paragraph may be met by the purchase and maintenance of Compliant Insurance. In addition, Lakeshore agrees that such policy shall provide an endorsement stating that such insurance shall be primary and that insurance carried by the Academy shall be excess and non-contributory. Not later than ten (10) days from the date both parties have executed this Agreement, Lakeshore shall provide the Academy with certificates of insurance evidencing all coverages and endorsements required hereunder. Lakeshore agrees to name the Academy, and its board of directors, board members, officers, agents and employees, as additional insureds under said policy and the policy will include an agreement by the insurer not to cancel, or materially change, such insurance without at least fifteen (15) days' prior written notice to the Academy. Lakeshore's insurance under this Agreement is separate from and in addition to insurance the Academy Board is required to obtain under the Charter. To obtain



indemnification, the Academy must promptly notify Lakeshore in the event of a claim not otherwise known by Lakeshore and cooperate in resolving the claim. In the event the Authorizer or M.U.S.I.C. requests any change in coverage by education service providers, Lakeshore will comply with any change in the type of or amount of coverage, as requested, within thirty (30) days of notice of the insurance coverage change.

- K. To provide for all covered Lakeshore Employees a comprehensive medical care insurance plan.
- L. To provide the Academy Board monthly financial statements that (at a minimum) include: a balance sheet, an object-level detailed statement of revenues, expenditures and changes in fund balance, that includes a comparison of budget-to-actual information and an explanation of variances. The foregoing presentations shall be in a form and format acceptable to the Academy Board and are to be provided to all Academy Board members not less than five (5) working days prior to the Academy Board meeting at which the information will be presented and discussed.
- M. To purchase equipment, materials and supplies on behalf of or as the agent of the Academy; to comply with Code Section 1274 as if the Academy were making the purchases directly from a third party supplier; to ensure that no added fees or charges are included with the cost of equipment, materials and supplies purchased from third parties; and to ensure that all such equipment, materials and supplies shall be and remain the property of the Academy.
- N. To notify the Academy Board if any principal or officer of Lakeshore, or Lakeshore (including any related organizations or organizations in which a principal or officer of Lakeshore served as a principal or officer) as a corporate entity, files for bankruptcy protection or, at the time this Agreement is executed, has filed for bankruptcy protection within the last five (5) years.
- O. To ensure that its employment agreement with any Lakeshore employee assigned to the Academy does not include a non-compete, no-hire, or any similar provision prohibiting or restricting the Academy from hiring instructional staff that perform work at the Academy.

6 **The Academy Board's Duties.** The Academy agrees:

- A. To advise Lakeshore of the budgetary parameters approved by the Academy Board, as may be amended, specifically including the budget reserve amount, revenue allocated for the personnel costs of the Services to be provided under this Agreement, including the costs of teachers, instructors, staff and administrators. In addition, the Academy Board is responsible for implementing fiscal policies that will assist the Academy in attaining the stated budget reserve amount.

- B. To provide information to Lakeshore relative to the performance of Services under this Agreement (including information pertinent to Lakeshore's compliance with Code Sections 1249 and 1249b and Section 5.C of this Agreement), student achievement data to the extent permitted by law, and such other information as Lakeshore may deem necessary or useful in completing the performance evaluations of its employees.
- C. To pay to Lakeshore, by electronic fund transfer, an amount equal to the gross amount of approved Service costs for each pay period, not less than forty-eight (48) hours in advance of each Lakeshore pay day, and to provide a faxed fund transfer acknowledgment prior to the actual Lakeshore pay date. For purposes of this section, the term "gross amount" shall include: (1) an amount equal to the gross salary or wages paid by Lakeshore to the individuals assigned by Lakeshore to provide Services under this Agreement for the current Lakeshore pay period; plus (2) an amount equal to the FICA and Medicare contributions required to be paid by Lakeshore as employer of the individuals assigned by Lakeshore to provide Services under this Agreement; plus (3) an amount equal to the contributions required to be paid by Lakeshore to the respective retirement plan of each individual assigned to perform Services under this Agreement; plus (4) such other approved sums as Lakeshore shall be obligated to pay or disburse to or on behalf of the Lakeshore Employees during the current Lakeshore pay period.
- D. To promptly reimburse and to pay to Lakeshore an amount equal to the approved fees for Services and approved costs and expenses as set forth herein.
- E. To include Lakeshore as an additional insured on the general and professional liability insurance policies maintained by the Academy and to provide Lakeshore with a certification from the insurance provider to that effect.
- F. To conduct criminal background checks in compliance with controlling law and Section 1.5 of this Agreement.
- G. To select, retain, evaluate or replace the independent auditor for the Academy.
- H. To the extent permitted by applicable law, to indemnify, defend, save and hold harmless Lakeshore and all of its employees, officers, directors, subcontractors and agents from and against any and all claims, demands, suits, causes of action, losses, judgments, liabilities, damages, fines, penalties, forfeitures, or any other forms of liability or loss, including costs and expenses (not limited to reasonable attorney fees, expert and other professional fees), settlement and prosecution (collectively, "Damages") that may arise out of or by reason of: (1) any noncompliance by the Academy Board with any agreements, covenants, warranties or undertakings of the Academy contained in or made pursuant to

this Agreement; and (2) any grossly negligent or intentional tortious act or omission of the Academy. Provided, however, that nothing in this Agreement is intended, nor shall be construed, as a waiver of immunity from tort liability granted to the Academy (its officers, employees, volunteers and board members) under Michigan's Governmental Tort Liability Act, MCL 691.1401, *et seq.* The indemnification requirements of this paragraph are only binding upon the Academy to the extent (if any) permitted by law and shall be fully satisfied by the purchase of Compliant Insurance. Not later than ten (10) days from the date both parties have executed this Agreement, the Academy shall provide Lakeshore with certificates of insurance evidencing all coverages and endorsements required hereunder. The Academy agrees to name Lakeshore, its officers, agents and employees, as additional insureds under said policy and the policy will include an agreement by the insurer not to cancel, or materially change, such insurance without at least fifteen (15) days' prior written notice to Lakeshore. To obtain indemnification, Lakeshore must promptly notify the Academy in the event of a claim and cooperation resolving the claim.

- I. To provide Board Policy revisions to Lakeshore; new revisions, amended or revised policies will be effective upon adoption by the Academy Board or as otherwise designated by the Academy Board.
- J. To designate an Academy Board member as the Chief Administrative Officer (CAO) of the Academy pursuant to the Uniform Budgeting and Accounting Act, MCL 141.422b. The Academy Board will designate the CAO at its annual organizational meeting, or at such other time(s) as the Board deems appropriate. No employee, owner, director, or agent of Lakeshore shall be designated as the Chief Administrative Officer of the Academy, although a Lakeshore employee may assist any Academy Board member who is the Chief Administrative Officer in carrying out their responsibilities.

7 **Mutual Covenants.** The parties mutually agree:

- A. In the event that the Academy Board shall become dissatisfied with the performance of Services under this Agreement, the Academy Board shall notify Lakeshore in writing, setting forth the nature of dissatisfaction and the proposed remedial actions sought by the Academy.
- B. Lakeshore shall exercise exclusive supervision, management, and discipline of its Employees assigned to the Academy, subject to the rights of the Academy as set forth herein.
- C. Substitute teachers and any additional instructional services outside the normal curriculum, such as driver's education instructors or contracted personnel, shall be paid by the Academy within Budget parameters approved by the Academy Board.

- D. Any other provision notwithstanding, the Authorizer must review and may disapprove this Agreement, and any amendments to this Agreement, before it is final and valid.
- E. Lakeshore represents and warrants, as of the date of execution of this Agreement, that there are no known, asserted or unasserted, liabilities, damages, fines, penalties, demands, forfeitures, claims, suits, causes of action or any other liabilities or losses, including any costs of defense, settlement and prosecution along with attorney, expert and other professional fees, arising out of or related to any negligence, wrongful act or breach of this Agreement or the obligation of Lakeshore or any of its employees or others for whom it is responsible in connection with the performance of the Agreement from July 1, 2012 through the date of execution.

8

**Confidentiality and Data Security/Breach.**

- A. **Designation as Agents.** The Academy designates the employees of Lakeshore as agents of the Academy having legitimate educational interests, consistent with their respective assignments pursuant to this Agreement, such that they are entitled to access to education records as permitted by the Family Educational Rights and Privacy Act (FERPA), 20 USC §1232(g) ("FERPA").
- B. **Commitment to Preserve.** Lakeshore agrees that it shall observe the policies and directives of the Academy to preserve the confidentiality of Covered Data and Information (defined in Subsection 8.C. below) to the extent that Lakeshore (its employees or agents) are permitted to access Covered Data and Information in the course of performing Services under this Agreement.
- C. **Covered Data and Information (CDI)** includes paper and electronic student education and/or medical record information supplied by the Academy and/or its students or parents/guardians to Lakeshore and includes, without limitation, "education records" and "education record information" as defined under FERPA, 20 USC §1232(g), 34 CFR Part 99, Code Section 1136 (Pupil Privacy), the Individuals with Disabilities Education Act (IDEA), 20 USC §1401 et seq, 34 CFR 300.610 - 300.626, and the Michigan Mandatory Special Education Act, MCL 380.1701 et seq; "relevant records" as defined under Section 504 of the Rehabilitation Act of 1973, 29 USC §794a, 34 CFR 104.36, and the Americans with Disabilities Act, 42 USC §12101 et seq; medical record information as defined under the Health Insurance Portability and Accountability Act (HIPAA), 42 USC 1320d - 1329d-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. CDI also includes any new records created and maintained by Lakeshore under this Agreement using CDI.

- D. **Acknowledgment of Access to CDI.** Lakeshore acknowledges that this Agreement allows Lakeshore (its employees and agents) access to CDI, which the Academy may have the ultimate legal responsibility to maintain in a confidential and secure fashion. Accordingly, Lakeshore (its employees and agents) shall provide the Academy with control over the CDI sufficient to satisfy all applicable legal and regulatory standards. In any event, Lakeshore (its employees and agents) shall at all times make CDI available to the Academy within a reasonable time of receiving a request for same.
- E. **Prohibition on Unauthorized Use or Disclosure of CDI.** Lakeshore (its employees and agents) agrees to hold CDI in strict confidence. Lakeshore (its employees, agents) shall not use or disclose CDI received from or on behalf of the Academy except as permitted or required by this Agreement, as required or authorized by law, or as otherwise authorized in writing by the Academy, a parent/guardian, or eligible student. Lakeshore agrees that it will protect the CDI it receives from or on behalf of the Academy according to commercially acceptable standards and no less rigorously than it protects its own confidential information. Lakeshore shall ensure that any employee or agent, including a subcontractor or Business Associate (as defined in HIPAA), to whom it provides CDI under this Agreement, understands and agrees to the same restrictions and conditions pertaining to use and disclosure of CDI that apply to Lakeshore under this Agreement.
- F. **Return or Destruction of CDI.** Upon termination or other conclusion of this Agreement (or as otherwise required by applicable law), Lakeshore (its employees and agents) shall return all CDI to the Academy.
- G. **Maintenance of the Security of Electronic Information.** Lakeshore (its employees and agents) shall develop, implement, maintain and use appropriate administrative, technical and physical security measures to preserve the confidentiality, integrity and availability of all CDI received from, or on behalf of, the Academy or its students. These measures will be extended by Lakeshore to include subcontractors or Business Associates used by Lakeshore.
- H. **Reporting of Unauthorized Disclosures or Misuse of Covered Data and Information.** Lakeshore, within two business days of discovery, shall report to the Academy any use or disclosure of CDI not authorized by this Agreement or in writing by the Academy. Lakeshore's report shall identify: (i) the nature of the unauthorized use or disclosure, (ii) the CDI used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, (iv) what Lakeshore has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure, and (v) what corrective action Lakeshore has taken or shall take to prevent future similar unauthorized use or disclosure. Lakeshore shall provide such other information, including a written report, as reasonably requested by the Academy.

I. **Remedies.**

1. **Notice and Opportunity to Cure.** If the Academy reasonably determines in good faith that Lakeshore has materially breached any of its obligations under the data security provisions of this Agreement, the Academy, in its sole discretion, shall have the right to require Lakeshore to submit to a plan of monitoring and reporting; provide Lakeshore with a fifteen (15) day period to cure the breach; or terminate the Agreement immediately if cure is not possible. Before exercising any of these options, the Academy shall provide written notice to Lakeshore describing the violation and the action it intends to take.
2. **Statutory/Regulatory Penalties.** In addition, the Parties understand and agree that Lakeshore is subject to any penalties for unauthorized disclosures or misuse of CDI that are or may be imposed, from time to time, under applicable law including, without limitation, that Lakeshore may be prohibited by law from accessing CDI for defined periods of time following any unauthorized disclosure or misuse of CDI, which shall constitute a material breach of this Agreement.

J. **Amendment for Compliance.** If the Academy believes in good faith that any data security provision of this Agreement fails to comply with applicable laws or regulations, the Academy shall notify Lakeshore in writing. Within thirty (30) business days of receipt of such notice by Lakeshore, the Parties shall address in good faith the expressed concern(s) and shall amend the terms of this Agreement, if the Academy deems an amendment necessary to bring the Agreement into compliance with applicable laws and regulations. If after such thirty (30) business-day period this Agreement remains non-compliant with applicable laws or regulations with respect to the concern(s) raised under this Section, the Academy shall have the right to immediately terminate this Agreement upon written notice to Lakeshore.

K. **Certain Prohibitive Conduct Regarding Personally Identifiable Information.** Except as permitted under the Code, Lakeshore shall not sell or otherwise provide to a for-profit business entity any personally identifiable information that is part of an Academy Student's education records.

L. **Certain Prohibitive Conduct Regarding Academy Student Records.** If Lakeshore receives information that is part of an Academy Student's education records, Lakeshore shall not sell or otherwise provide the information to any other person except as permitted under the Code.

For purposes of Paragraphs K and L above, the terms "education records" and "personally identifiable information" shall have the same meaning as those

terms in section 1136 of the Code, MCL 380.1136.

- 9     **Financial, Educational, and Student Records.** Notwithstanding any other provision of this Agreement, the financial, educational, and student records of the Academy are the property of the Academy and subject to the provisions of the Freedom of Information Act. All Academy records shall be physically or electronically available, upon request, at the Academy's physical facilities. Except as permitted under the Charter and Applicable Law, no ESP Agreement shall restrict the University's or the public's access to the Academy's records. All finance and other records of Lakeshore related to the Academy will be made available to the Academy, to the Academy's independent auditor, or the Charter School Office of the Authorizer upon request.

10    **General.**

- A.     **Choice of Law.** This Agreement is made and entered into in the State of Michigan and shall be interpreted according to the laws of Michigan.
- B.     **Entire Agreement.** This Agreement (including Appendices) constitutes the entire agreement between the Parties regarding its subject matter and supersedes any prior or contemporaneous understandings or agreements with respect to the services contemplated.
- C.     **Section Headings.** The section headings are used in this Agreement for reference and convenience only and shall not enter into the interpretation of this Agreement.
- D.     **Severability.** If any provision of this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected, impaired or prejudiced, unless the deletion of such provision(s) would result in such a material change as to preclude the rendering of the Services contemplated by this Agreement.
- E.     **Amendment.** None of the terms and provisions of this Agreement may be modified or amended in any way except by an instrument in writing executed by authorized representatives of the Academy and Lakeshore, in compliance with the LSSU Charter Schools Office ESP Guidelines.
- F.     **Waiver.** Failure by either Party at any time to require performance by the other Party or to claim breach of any provision of this Agreement shall not be construed as a waiver of any subsequent breach nor affect the validity and operation of this Agreement, nor prejudice either Party with regard to any subsequent action to enforce the terms of this Agreement. Provided, however, that, as a matter of law, course of dealing may be relied upon to resolve any contract ambiguity by evidencing the intent and understanding of the Parties.

- G. **Assignment.** Neither Party shall assign this Agreement nor its rights and duties hereunder nor any interest herein without prior written consent from the other Party, which consent shall not be unreasonably withheld and LSSU review and non-disapproval.
- H. **No Third Party Rights.** Unless otherwise provided in this Agreement, nothing in this Agreement is intended nor shall be construed to confer third Party beneficiary status or rights, pursuant to MCL 600.1405 or under the common law, to any person or entity that is not a Party to this Agreement.
- I. **Time of Essence.** The Parties understand and agree that time is of the essence in performing their respective responsibilities under this Agreement.
- J. **Force Majeure.** Any delay or failure of any Party (the "affected Party") in the performance of its required obligations under this Agreement shall be excused if and to the extent caused by war, rebellion or insurrection; an act of God; fire; government statute, order or regulation prohibiting the performance of this Agreement; riots; strikes, labor stoppages, lockouts or labor disputes to the extent such occurrences are not caused by the actions of the Party seeking relief under this Section, provided that: (i) written notice of such delay or suspension is given by the affected Party to the other Party within 72 hours of such event, which notice shall set forth in detail the nature of each delay; (ii) the affected Party shall use all commercially reasonable efforts to minimize the extent of such *force majeure* delay; and (iii) additional expense or other adverse financial conditions shall not be deemed *force majeure*. Upon receipt of a notice of *force majeure*, the time for the affected Party's performance shall be extended for a period of time reasonably necessary to overcome the effect of such delays and the other Party's sole remedy shall be reimbursement for the additional cost of such delays; provided, however, that either Party may terminate this Agreement under Section 2 of this Agreement if sufficient grounds for termination exist.
- K. **Delegation of Authority.** Nothing in this Agreement shall be construed as delegating to Lakeshore powers or authority of the Academy Board which are not subject to delegation by the Academy Board under the Charter or applicable law.
- L. **Compliance with Law.** The Parties to this Agreement agree to comply with all applicable laws and regulations.
- M. No provision of this Agreement shall be construed to restrict the Academy Board from waiving its governmental immunity or require the Academy Board to assert, waive, or not waive its governmental immunity.
- N. **Notice.** Any and all notices permitted or required to be given under this Agreement 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 electronic mail; 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 Lakeshore: Denise A. Sandison  
President  
Lakeshore Educational Management, Inc.  
9025 North Pointe Woods Dr.  
Charlevoix, Michigan 49820  
TIME-SENSITIVE NOTICE

If to Outside Counsel: Christopher T. Turkelson  
Turkelson Law Firm, PLLC  
213 Nettleton Street, Suite A  
Charlevoix, Michigan 49720  
TIME-SENSITIVE NOTICE

If to Academy: Board President  
Concord Academy – Petoskey  
2468 Atkins Road  
Petoskey, Michigan 49770  
TIME-SENSITIVE NOTICE

If to Academy Counsel: Margaret M. Hackett  
Thrun Law Firm, P.C.  
3260 Eagle Park Drive, NE, Suite 121  
Grand Rapids, Michigan 49525  
TIME-SENSITIVE NOTICE

**11 Non-Discrimination.**

- A. The parties to this Agreement agree not to discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or a matter directly or indirectly related to employment, due to race, color, religion, sex, national origin, genetic information, pregnancy, age, height, weight, disability, marital status or veteran status.
- B. The parties further agree not to discriminate against any student or other recipient of services under this Agreement due to race, color, religion, sex, national origin, or disability in the delivery of programs and services rendered under this Agreement.
- C. Breach of covenants recited in this Section shall be regarded as a material breach of this Agreement.

**12 Provisions Required by Authorize.**

- A. **Indemnification of Lake Superior State University.** The parties acknowledge and agree that the Lake Superior State University Board of Trustees, Lake Superior State University and its members, officers, employees, agents or representatives

(collectively referred to as "the University") are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, Lakeshore hereby promises to indemnify, defend, and hold harmless the University from and 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 the University, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of the University, which arise out of or are in any manner connected with the Lake Superior State University Board of Trustees' approval of the Academy's application, Lake Superior State University Board of Trustees' consideration of or issuance of a Contract, Lakeshore's preparation for and operation of the Academy, or which are incurred as a result of the reliance by the University upon information supplied by Lakeshore, or which arise out of the failure of Lakeshore to perform its obligations under the Contract, the Agreement or Applicable Law, as applicable. The parties expressly acknowledge and agree that the University, Lake Superior State University Board of Trustees and its members, and their respective officers, employees, agents or representatives, or any of them, may commence legal action against Lakeshore to enforce its rights as set forth in this Agreement.

- B. **Agreement Coterminous with Academy's Contract.** If the Academy's Contract issued by the Lake Superior State University Board of Trustees is suspended, revoked or terminated, or a new charter contract is not issued to the Academy after expiration of the Contract, this Agreement shall automatically be suspended or terminated on the same date as the Academy's Contract is suspended, revoked, terminated, or expires without further action of the parties.
- C. **Compliance with Academy's Contract.** Lakeshore 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 Charter issued by the Authorizer. The provisions of the Academy's Charter shall supersede any competing or conflicting provisions contained in this Agreement.
- D. **Compliance with Section 553c.** On an annual basis, Lakeshore 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 380.1618, for the most recent school fiscal year for which information is available. Within thirty (30) days of receipt of this information, the Academy Board shall make the information available on the Academy's website home page, in a form and manner prescribed by the Michigan Department of Education. The defined terms of section 553c of the Code, MCL 380.553c, shall have the same meaning in this Agreement.

- E. **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 [insert name of Educational Service Provider] shall have no recourse against the Academy or the University Board for implementing such site closure or reconstitution.
- F. **Compliance with Section 12.17 of Contract Terms and Conditions.** Lakeshore shall make information concerning the operation and management of the Academy, including without limitation the information in the Contract, including all exhibits, schedules, and the like, available to the Academy as deemed necessary by the Academy Board in order to enable the Academy to fully satisfy its obligations under the Contract, including Section 12.17(a) of the Contract Terms and Conditions.
- G. **Independent, Self-Governance.** No provision of this Agreement is intended nor shall be construed to interfere with the Academy Board's exercise of its statutory, contractual and fiduciary responsibilities governing the operation of the Academy. No provision of this Agreement shall prohibit the Academy Board from acting as an independent, self-governing public body, or allow public decisions to be made other than in compliance with the Open Meetings Act.
- H. **Bank Deposits and Signatories.** No provision of this Agreement is intended nor shall be construed to alter the Academy Board Treasurer's legal obligation to direct that the deposit of all funds received by the Academy be placed in the Academy's depository account as required by applicable law. The signatories on the depository account shall only be Academy Board members properly designated annually by Academy Board resolution. Interest income earned on Academy Depository Accounts shall accrue to the Academy records.
- I. **Marketing and Development Costs.** Marketing and development costs paid by or charged to the Academy shall be limited to those costs specific to the Academy program, and shall not include any costs for the marketing and development of Lakeshore.
- J. **Incompatible Public Offices and Conflicts of interest Statutes.** No individual shall serve simultaneously as an Academy Board member and as owner, officer, director, employee, paid consultant or independent contractor of Lakeshore during the term of this Agreement. Academy Board members have a duty to affirmatively notify the Lake Superior State University Charter School Office of the existence of any possible conflict of

interest and no Academy Board member shall hold an incompatible office. As defined in MCL 15.181, "incompatible offices" means public offices held by a public official which, when the official is performing the duties of any of the public offices held by the official, results in any of the following with respect to those offices held:

- (i) The subordination of 1 public office to another.
- (ii) The supervision of 1 public office by another.
- (iii) A breach of duty of public office.

K. **Curriculum and Educational Materials.** The Academy owns all proprietary rights to curriculum or educational materials that (a) are directly developed and paid for by the Academy; or (b) were developed by the Lakeshore at the direction of the Academy Board with Academy funds. Any educational materials and teaching techniques of Lakeshore used by the Academy are subject to disclosure under the Revised School Code and the Freedom of Information Act.

**IN WITNESS WHEREOF**, this Agreement is signed by the parties on the date first set forth above.

**"ACADEMY"**

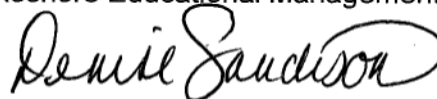
Concord Academy  
Petoskey



By: Jessica McGuinness  
Its: Board President

**"LAKESHORE"**

Lakeshore Educational Management, Inc.



By: Denise A.  
Sandison Its: President

**CONTRACT SCHEDULE 6**

**PHYSICAL PLANT DESCRIPTION**

Physical Plant Description .....	6-1
Floor Plan.....	6-3
Mortgage Agreement .....	6-4
Policy of Title Insurance .....	6-20
Certificate of Occupancy .....	6-25

## **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 Concord Academy Petoskey ("Academy") is as follows:

Address: 2468 Atkins Road, Petoskey, MI 49770

Description: The Academy's school building is a one level 27,412 square foot building that includes offices, 15 regular classrooms, an open concept library, plus a spacious band room, elementary music room and a dance room used for dance and theater. In 2017 we transformed a multi-purpose space into a Performing Arts Center which seats 185 people. There is an outdoor playground with equipment, space for kickball, soccer, a basketball court and two four-square courts and an outdoor amphitheater with a stage and terraced grassy seating.

Term of Use: Term of Contract.

Configuration of Grade Levels: Kingdergarten through twelfth grade.

Name of School District and Intermediate School District:

Local: Public Schools of Petoskey

ISD: Char-Em

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 University 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 University 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 University 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 University 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 University 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 University 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 University, and the amendment regarding the new site has been executed.

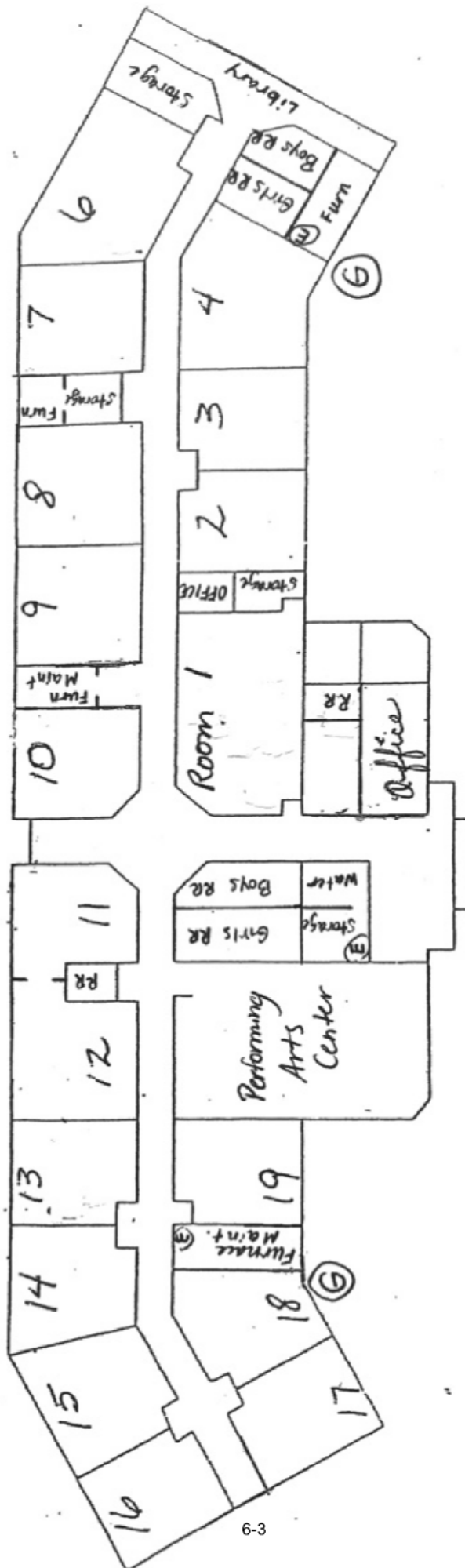
6. The Academy agrees to comply with the single site restrictions contained in this Schedule 6 for the configuration of grade levels identified at the site. Any change in the configuration of grade levels at the site requires an amendment to this Schedule 6 pursuant to Article IX of the Terms and Conditions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





# Concord

ACADEMY OF PETOSKEY



Ⓒ = Gas Emergency Shutoff

Ⓔ = Electric Panel

Execution

---

MORTGAGE AGREEMENT

from

CONCORD ACADEMY, PETOSKEY, AS MORTGAGOR

to

MJK CAPITAL CORPORATION, AS MORTGAGEE

---

Dated as of December 1, 2000

---

---

This Mortgage contains after-acquired property provisions.

Tax Statement for the real property described  
in this instrument should be sent to:

Concord Academy  
2230 East Mitchell  
Petoskey, Michigan 49770

Inquiries directed to:

Dennis G. Cross  
Attorney at Law  
438 East Lake Street  
Petoskey, Michigan 49770

This instrument was drafted by:

Dorsey & Whitney LLP  
220 South Sixth Street  
Minneapolis, MN 55402

THIS MORTGAGE AGREEMENT, dated as of December 1, 2000, from Concord Academy (being herein called the "Mortgagor"), a public school academy operating under the laws of the State of Michigan, to MJK Capital Corporation, a corporation duly organized and existing under the laws of the State of Minnesota (together with any successor to its interest hereunder being herein called the "Mortgagee");

#### WITNESSETH

WHEREAS, the Mortgagor is the owner of certain real property located in the County of Emmet, State of Michigan, legally described in Exhibit A attached hereto and made a part hereof (the "Land"), and Mortgagee has financed certain buildings, structures and improvements located thereon for the Mortgagor by a Financing Agreement dated as of the date hereof (the "Agreement") providing for monthly payments (the "Purchase Payment Deposits") and semi-annual payments (the "Purchase Payments"); and

WHEREAS, each Purchase Payment is allocated as between a payment of principal and a payment of interest (the aggregate of unpaid principal payments being the "Unpaid Principal Component" and the accrued and unpaid interest thereon being the "Unpaid Interest Component") and the Unpaid Principal Component is initially equal to \$3,690,000; and

WHEREAS, this Mortgage is being entered into to provide Mortgagee with a lien on the Land to secure the payment of the Unpaid Principal Component and the Unpaid Interest Component under the Agreement; and

WHEREAS, the Mortgagee has required, as a condition to the issuance of the Agreement, that the Agreement be secured by this Mortgage;

NOW, THEREFORE, THIS MORTGAGE WITNESSETH:

#### SECTION 1

#### GRANTING CLAUSES

In consideration of the funds to be made available to the Mortgagor by the Mortgagee, and to secure the payment of the Unpaid Principal Component and the Unpaid Interest Component (which amounts shall remain secured hereby even upon a termination of the Agreement for any reason) and the performance and observance by the Mortgagor of all covenants, agreements and conditions on the Mortgagor's part to be performed and observed herein and in the Agreement, the Mortgagor does hereby mortgage, grant a security interest in,

warrant and pledge unto the Mortgagee and the Mortgagee's successors and assigns all of the right, title and interest of the Mortgagor in and to the following described premises and property (hereinafter collectively referred to as the "Mortgaged Property"):

(a) the Land and all buildings, structures and improvements now on or that may hereafter be placed hereafter on the Land (the "Facilities");

(b) any and all items of fixtures owned by the Mortgagor now or hereafter attached to or installed within or used in connection with the Land and the Facilities, including, but not limited to, any and all partitions, screens, awnings, motors, engines, boilers, furnaces, pipes, plumbing, elevators, cleaning, call and sprinkler systems, fire extinguishing apparatus and equipment, water tanks, gasoline pumps and related equipment, heating, ventilating, air conditioning and air cooling equipment, refrigeration equipment, and gas and electric machinery, appurtenances and equipment, whether or not permanently affixed to the real estate (all such items being referred to herein as the "Fixtures");

(c) all additions, accessions, increases, parts, fittings, accessories, renewals, replacements, substitutions, betterments, repairs and proceeds (including insurance proceeds and condemnation awards) of all and any of the foregoing;

(d) all rents, issues, income and profits from any and all of the foregoing and the right to collection thereof.

TO HAVE AND TO HOLD the Mortgaged Property together with the privileges, hereditaments and appurtenances thereunto belonging or appertaining unto the Mortgagee and the Mortgagee's successors and assigns forever;

SUBJECT TO Permitted Encumbrances (as defined in the Agreement);

PROVIDED, NEVERTHELESS, that these presents are upon the express condition that if the Mortgagor shall pay or cause to be paid the Unpaid Principal Component and the Unpaid Interest Component, and all other amounts due or to become due under the Agreement or the Trust Agreement, at the times and in the manner specified therein according to the true intent and meaning thereof, and the Mortgagor shall well and truly keep, perform and observe all of the covenants and conditions on its part to be kept, performed and observed under this Mortgage and the Agreement, then this Mortgage and the rights hereby granted shall cease, terminate and be void; otherwise, this Mortgage shall be and remain in full force and effect.

THE MORTGAGOR and THE MORTGAGEE further agree as follows:

## SECTION 2

### DEFINITIONS AND GENERAL PROVISIONS

2.1 Definitions. Unless the context hereof clearly requires otherwise, the terms defined in the Agreement shall, when used with initial capital letters herein, have the meanings ascribed to them in the Agreement.

2.2 Exhibit. Attached to and by reference made a part of this Mortgage is Exhibit A, a legal description of the Land and a list of Permitted Encumbrances.

2.3 Rules of Interpretation.

(a) This instrument shall be interpreted in accordance with and governed by the laws of the State of Michigan.

(b) The words "herein" and "hereof" and words of similar import, without reference to any particular section or subdivision, refer to this instrument as a whole rather than to any particular section or subdivision hereof.

(c) References herein to any particular section or subdivision hereof are to the section or subdivision of this instrument as originally executed.

(d) The headings of sections herein are for convenience only and are not a part of this instrument.

(e) Unless the context hereof clearly requires otherwise, the singular shall include the plural and vice versa, and the masculine shall include the feminine and vice-versa.

### SECTION 3

#### REPRESENTATIONS OF THE MORTGAGOR

The Mortgagor represents and warrants that the Mortgagor is the lawful owner of and has good and marketable title to the Mortgaged Property, free of all liens and encumbrances, other than Permitted Encumbrances, and has good right and lawful authority to grant, bargain, sell, convey, mortgage, grant a security interest in, assign and pledge the same as provided herein.

### SECTION 4

#### COVENANTS OF THE MORTGAGOR

The Mortgagor covenants and agrees as follows:

4.1 Further Instruments of Assurance. The Mortgagor shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such mortgages or instruments supplemental hereto and such further acts, instruments and transfers as the Mortgagee may reasonably require for the better assuring, transferring, assigning and confirming unto the Mortgagee an of the Mortgaged Property; and the Mortgagor shall not make, do, execute or suffer any act or thing whereby the Mortgagor's estate or interest in or title to the Mortgaged Property or any part thereof shall or may be impaired or charged or encumbered in any manner whatsoever without the written consent of the Mortgagee, except as permitted by the Agreement and except by Permitted Encumbrances.

4.2 Compliance with Laws. The Mortgagor shall comply with all laws, ordinances, rules and regulations of any governmental authority affecting the Mortgaged Property to which the Mortgagor or the Mortgaged Property is subject.

4.3 Payment of Purchase Payments and Purchase Payment Deposits. The Mortgagor shall promptly pay or cause to be paid the Purchase Payments and Purchase Payment Deposits due under the Agreement in accordance with the terms and provisions of the Agreement.

4.4 Governmental Reports. The Mortgagor shall file or cause to be filed or furnished all reports, returns or other information that may from time to time be required to be filed or furnished with respect to the Project or the Mortgaged Property by a governmental authority.

## SECTION 5

### RELEASE OF AND ADDITIONS TO MORTGAGED PROPERTY

5.1 Release of Mortgaged Property. The Mortgagee shall have the right at any time, and from time to time, at its discretion, to release from the lien of this Mortgage all or any part of the Mortgaged Property without in any way prejudicing its rights with respect to all of the Mortgaged Property not so released.

5.2 Additions to Mortgaged Property. In the event any additional improvements or fixtures owned by the Mortgagor, or not herein specifically identified shall be or in the future become a part of the Mortgaged Property by location or installation on the Land or otherwise, then this Mortgage shall immediately attach and to and constitute a lien or security interest against such additional items without further act or deed of the Mortgagor.

## SECTION 6

### INSURANCE PROCEEDS AND CONDEMNATION AWARDS

6.1 Application of Insurance Proceeds. Should any of the Mortgaged Property be damaged or destroyed, all proceeds of insurance maintained pursuant to the Agreement and payable with respect to the Mortgaged Property so damaged or destroyed shall be collected and applied in accordance with the Agreement.

6.2 Application of Condemnation Awards. Should any of the Mortgaged Property be taken by exercise of the power of eminent domain, any award or consideration for the property so taken shall be collected and applied in accordance with the Agreement.

## SECTION 7

### DEFAULTS AND REMEDIES

7.1 Events of Default. If any of the following events occurs, it is hereby defined as and declared to be and to constitute an Event of Default:

- (a) an Event of Default shall occur under the Agreement;

(b) the Mortgagor shall fail to pay, when due, any other indebtedness imposed by this Mortgage and such failure to pay continues for thirty (30) days after written notice of such failure to pay given by the Mortgagee to the Mortgagor,

(c) the Mortgagor shall fail to perform any other covenant to be performed by the Mortgagor under this Mortgage or the Agreement and such failure to perform continues for thirty days after written notice thereof given by the Mortgagee to the Mortgagor, unless such default is incapable of being cured within 30 days, in which case Mortgagor shall be allowed such additional time as is reasonably necessary to cure the default with diligence;

(d) any warranty of title made by the Mortgagor in this Mortgage shall be breached;

(e) any representation or warranty made by the Mortgagor in any financial statements or reports submitted to the Mortgagee by or on behalf of the Mortgagor shall prove false or materially misleading;

(f) any representations made by or on behalf of the Mortgagor under the Agreement, this Mortgage or in any document or certificate furnished to the Mortgagee in connection herewith or pursuant hereto shall prove at any time to be incorrect or misleading in any material respect as of the date made;

(g) the Mortgagor shall abandon the Mortgaged Property: or

(h) the Mortgagor shall sell, transfer, convey or dispose of all or any part of or interest in the Mortgaged Property, or shall grant or permit any lien or encumbrance upon all or any part thereof or interest therein (except as permitted under the Agreement and the Trust Agreement).

7.2 Acceleration. Upon the occurrence of an Event of Default, the Mortgagee may declare the Unpaid Principal Component and the Unpaid Interest Component under the Agreement, together with all sums advanced hereunder with interest thereon, to be forthwith due and payable, and thereupon the indebtedness under the Agreement, including the Unpaid Principal Component and the Unpaid Interest Component, and together with all sums advanced hereunder and interest thereon, shall be and become immediately due and payable without presentment, demand or notice of any kind.



**7.3 Remedies of Mortgagee.** Upon the occurrence and continuance of an Event of Default entitling the Mortgagee to accelerate the maturity of the Agreement, or in case the indebtedness under the Agreement shall have become due and payable, whether by lapse of time or by acceleration, then and in every such case the Mortgagee may (a) proceed to protect and enforce the Mortgagee's rights by a suit or suits in equity or at law, either for the specific performance of any covenant or agreement contained herein, or in the Agreement or in aid of the execution of any power herein or therein granted, or for the foreclosure of this Mortgage, or for the enforcement of any other appropriate legal or equitable remedy, or (b) sell the Mortgaged Property as one parcel at public auction and convey the same to the purchaser in fee simple in the manner provided by law.

In case of any sale of the Mortgaged Property pursuant to any judgment or decree of any court or otherwise in connection with the enforcement of any of the terms of this Mortgage, the Mortgagee, or the Mortgagee's successors or assigns, may become the purchaser, and for the purpose of making settlement for or payment of the purchase price, shall be entitled to use indebtedness under the Agreement and any claims for interest matured and unpaid thereon, together with additions to the mortgage debt, if any, accrued in order that there may be credited as paid on the purchase price the sums then due under the Agreement, including the Unpaid Principal Component and the Unpaid Interest Component, and any accrued additions to the mortgage debt.

Each and every power or remedy herein specifically given shall be in addition to every other power or remedy, existing or implied, given or now or hereafter existing at law or in equity, and each and every power and remedy herein specifically given or otherwise so existing may be exercised from time to time and as often and in such order as may be deemed expedient by Mortgagee, and the exercise or the beginning of the exercise of one power or remedy shall not be deemed a waiver of the right to exercise at the same time or thereafter any other power or remedy.

**7.4 Appointment of Receiver.** After the happening of any Event of Default and during its continuance or upon the commencement of any proceedings to foreclose this Mortgage or to enforce the specific performance hereof or in aid thereof or upon the commencement of any other judicial proceeding to enforce any right of the Mortgagee, the Mortgagee shall be entitled, as a matter of right, if the Mortgagee shall so elect, without the giving of notice hereunder to any other party and without regard to the adequacy or inadequacy of any security for the mortgage indebtedness, forthwith either before or after declaring the indebtedness under the Agreement and the Trust Agreement to be due and payable, to the appointment of a receiver or receivers in accordance with Michigan law.

7.5 Application of Proceeds. The purchase money proceeds and avails of any sale of the Mortgaged Property or any part thereof, and the proceeds and avails of any other remedy hereunder, shall be paid to and applied in the following order:

(a) first, to the payment of costs and expenses of foreclosure and of such sale and of all proper expenses (including maximum attorney's fees permitted by law), and all liabilities incurred or advances made hereunder by the Mortgagee;

(b) second, to the payment to the Mortgagee of the amount then owing or unpaid under the Agreement and this Mortgage for principal and interest and in case any such proceeds shall be insufficient to pay the whole amount so due, then first to the payment of interest and then to the payment of principal; and

(c) third, to the payment of any excess to the Mortgagor, its successors and assigns, or to whomsoever may be lawfully entitled to receive the same.

7.6 Termination of Proceedings. In case the Mortgagee shall have proceeded to enforce any right under this Mortgage by foreclosure, sale, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely, then and in every such case the Mortgagor and the Mortgagee shall be restored to their former positions and rights hereunder with respect to the property subject to the lien hereof.

7.7 Protection of Mortgagee's Security. If the Mortgagor fails to perform any of the covenants and agreements contained in this Mortgage or if any action or proceeding is commenced which does or may adversely affect the Mortgaged Property or the interest of either of the Mortgagor or the Mortgagee therein, or the title of the Mortgagor thereto, then the Mortgagee, at the Mortgagee's option, may perform such covenants and agreements, defend against and/or investigate such action or proceeding, and take such other action as the Mortgagee deems necessary to protect the Mortgagee's interest, as provided in, and subject to the limitations of, the Agreement. The Mortgagee is hereby given the power of attorney (which power is coupled with an interest and is irrevocable), to enter upon the Mortgaged Property as the Mortgagor's agent and in the Mortgagor's name to perform any and all covenants and agreements to be performed by the Mortgagor as herein provided. All amounts disbursed or incurred by the Mortgagee pursuant to this Section 7.7 shall be payable upon demand, and shall bear interest from the date of disbursement or incurrence at the rate specified in the Agreement. Nothing contained in this Section 7.7 shall require the Mortgagee to incur any expense or do any act

hereunder, and the Mortgagee shall not be liable to the Mortgagor for any damages or claims arising out of action taken by the Mortgagee pursuant to this Section 7.7.

7.8 Waiver of Default. The Mortgagee may in the Mortgagee's discretion waive any Event of Default hereunder and its consequences and rescind any declaration of acceleration of principal.

7.9 Forbearance not Waiver. Any delay by the Mortgagee in exercising any right or remedy under this Mortgage, or otherwise afforded by law or equity shall not be a waiver of or preclude the exercise of such right or remedy or any other right or remedy. The Mortgagee's receipt of any awards, proceeds or damages under Sections 6.1 and 6.2 shall not operate to cure or waive an Event of Default by the Mortgagor hereunder.

## SECTION 8

### FURTHER RIGHTS AND PROTECTION OF MORTGAGEE

8.1 Right of Inspection. Mortgagor hereby agrees that Mortgagee and Mortgagee's assigns (including, without limitation, the Trustee) shall have the right at all reasonable times to examine and inspect the Project. Mortgagor further agrees that Mortgagee and Mortgagee's assigns (including, without limitation, the Trustee) shall have such rights as may be reasonably necessary to cause the proper maintenance of the Project in the event of failure by Mortgagor to perform its obligations hereunder.

8.2 Right of Mortgagee to Pay Taxes and Other Charges. If the Mortgagor shall fail to comply with the terms, covenants and conditions hereof, of the Agreement, of the Trust Agreement or any other documents relating thereto with respect to the procuring of insurance, the payment of taxes, assessments and other charges, the keeping of the Mortgaged Property in repair or any other term, covenant or condition herein or therein contained, the Mortgagee may make advances to perform the same and, where necessary, enter the Mortgaged Property for the purpose of performing any such term, covenant or condition. The Mortgagor agrees to repay all sums so advanced upon demand, with interest at the rate of 10% per annum or the maximum rate specified by law, whichever is lower, and all sums so advanced, with interest, shall be secured hereby in priority to the indebtedness evidenced by the Agreement and the Trust Agreement, but no such advance shall be deemed to relieve the Mortgagor from any default hereunder.

8.3 Mortgagee Protected in Relying Upon Resolutions, Etc. The resolutions, orders, requisitions, opinions, certificates, and other instruments provided for in this Mortgage may be accepted by the Mortgagee as conclusive evidence of the facts and conclusions stated therein.

8.4 Reimbursement of Mortgagee . If any action or proceeding be brought or threatened (except an action to foreclose this Mortgage), to which action or proceeding the Mortgagee is or would be made a party, or in which it is or would become necessary, in the Mortgagee's reasonable opinion, to defend or uphold the lien of this Mortgage, or to protect the Mortgaged Property or any part thereof, all reasonable sums paid by the Mortgagee to establish or defend the rights and lien of this Mortgage or to protect the Mortgaged Property or any part thereof (including reasonable attorney's fees, and costs and allowances) shall, irrespective of whether suit be brought or not, be paid, upon demand, to the Mortgagee by the Mortgagor, together with interest at the rate of 10% per annum, and any such sum or sums and the interest thereon shall be secured hereby in priority to the indebtedness evidenced by the Agreement and the Trust Agreement.

## SECTION 9

### MISCELLANEOUS

9.1 Supplements or Amendments to this Mortgage. This instrument may be supplemented or amended by written agreement between the Mortgagor and the Mortgagee, but solely in accordance with the provisions of the Agreement and the Trust Agreement.

9.2 Severability. If any provision of this Mortgage shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions or in all cases because it conflicts with any provisions or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or paragraphs in this Mortgage contained shall not affect the remaining portions of this instrument or part thereof

9.3 Successors and Assigns . Whenever any of the parties hereto is referred to, such reference shall be deemed to include the heirs, representatives, successors and assigns of such party; and all covenants, promises, and agreements by or on behalf of the Mortgagor in this

Mortgage contained shall bind the Mortgagor and also the Mortgagor's successors and assigns, and shall inure to the benefit of the Mortgagee and the Mortgagee's successors and assigns, whether so expressed or not.

9.4 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by registered mail, postage prepaid, to the proper party or parties, addressed as follows:

If to the Mortgagor: Concord Academy  
2230 East Mitchell  
Petoskey, Michigan 49770

If to the Mortgagee: MJK Capital Corporation  
5500 Wayzata Boulevard, Suite 800  
Minneapolis, Minnesota 55416

or addressed to any such party at such other address as such party shall hereafter furnish key notice to the other party.

9.5 Execution Counterparts. This Mortgage may be simultaneously executed in several counterparts, each of which without production of the others shall be deemed an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Mortgagor has caused this Mortgage to be executed as of the day and year first above written.

CONCORD ACADEMY, PETOSKEY

By Mark J. LeFevre  
Mark LeFevre, Board President

Witness:

By Stephen M. Overton  
Name Stephen M. Overton

Witness:

By Dennis G. Cross  
Name DENNIS G. CROSS

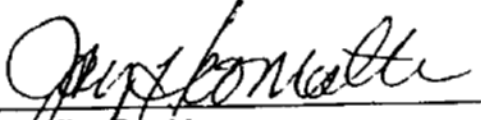
STATE OF MICHIGAN    )  
                                  ) ss.  
COUNTY OF EMMET    )

The foregoing instrument was acknowledged before me this 13<sup>th</sup> day of December, 2000 by Mark LeFevre, the Board President of Concord Academy, Petoskey.

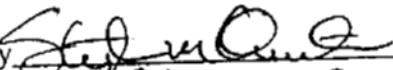
Margaret A. Staller  
Notary Public

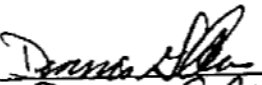
Charlevoix County  
acting in Emmet  
County, Michigan

MJK CAPITAL CORPORATION

By   
Its Vice President

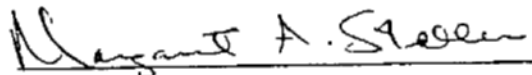
Witness:

By   
Name: Stephen M. Overler

By   
Name: DENNIS G. Cross

STATE OF MICHIGAN     )  
                                      ) ss.  
COUNTY OF EMMET     )

The foregoing instrument was acknowledged before me this 13<sup>th</sup> day of December, 2000, by Jay F. Hromatka, the Vice President, of MJK Capital Corporation.

  
Notary Public  
Cheboygan County  
acting in Emmet  
County, Michigan

## EXHIBIT A

### Description of Land

#### The Land is described as:

The Land is situated in Bear Creek Township, Emmet County, Michigan and described as:

PARCEL I: Lot 27, HILLVIEW ACRES NO. 2, according to the Plat thereof as recorded in Liber 8 of Plats, Pages 31 and 32, Emmet County Records.

PARCEL II: Lot 28, HILLVIEW ACRES NO. 2, according to the Plat thereof as recorded in Liber 8 of Plats, Pages 31 and 32, Emmet County Records.

PARCEL III: Commencing at the East 1/4 corner of Section 4, Township 34 North, Range 5 West; thence along the East and West 1/4 line of said Section 4, North 89°52'20" West 1317.67 feet, to the East 1/8 line of said Section 4; thence continuing along said East and West 1/4 line North 89°52'20" West 646.74 feet; thence North 00°11'04" East 963.06 feet to a point on the East line of Hillview Acres, as recorded in Liber 8 of Plats, Pages 31 and 32, Emmet County Records; thence South 89°45'36" East 78.00 feet for the Point of Beginning; thence North 00°11'04" East 365.24 feet to the North 1/8 line of said Section; thence along said North 1/8 line South 89°45'14" East 45.00 feet; thence South 00°11'04" West 365.24 feet; thence North 89°45'36" West 45.00 feet to the Point of Beginning; being part of the Southwest 1/4 of the Northeast 1/4 of said Section 4.

PARCEL IV: Part of the Southwest 1/4 of the Northeast 1/4 of Section 4, Township 34 North, Range 5 West; Commencing at the East 1/4 corner of said Section 4; thence along the East and West 1/4 line of said Section 4; North 89°52'20" West 1317.67 feet to the East 1/8 line of said Section 4; thence continuing along said East and West 1/4 line North 89°52'20" West 646.74 feet; thence North 00°11'04" West 963.06 feet, to a point on the East line of Hillview Acres as recorded in Liber 8 of Plats, Pages 31 and 32, Emmet County Records, for the Point of Beginning; thence South 89°45'36" East 78.00 feet; thence North 00°11'04" East 365.24 feet, to the North 1/8 line of said Section 4; thence along said North 1/8 line, North 89°45'14" West 78.00 feet; thence South 00°11'04" West 365.25 feet, along the East line of said Plat of Hillview Acres, to the Point of Beginning.

PARCEL V: The Northeast 1/4 of the Northeast 1/4 of Section 9, Township 34 North, Range 5 West, comprising forty (40) acres more or less.



**The Improvements consist of:**

The Improvements consist of 19,000 square feet of existing buildings located upon the Land, to be used for classrooms. Site improvements include asphalt paving, plantings, a perimeter berm on the two sides of the property, underground utilities, signage and outdoor play equipment. The Improvements also include the construction of an approximately 15,630 square foot facility containing a kindergarten room with separate bathroom, six classrooms, a library, a multipurpose room, lobby and offices.



# TICOR TITLE INSURANCE

Policy No. 74107- 001004

## Policy of Title Insurance

American Land  
Title Association  
Loan Policy  
(10-17-92)

**SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, TICOR TITLE INSURANCE COMPANY, a California corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the amount of insurance stated in Schedule A, sustained or incurred by the insured by reason of:**

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title.
4. Lack of a right of access to and from the land;
5. The invalidity or unenforceability of the lien of the insured mortgage upon the title;
6. The priority of any lien or encumbrance over the lien of the insured mortgage;
7. Lack of priority of the lien of the insured mortgage over any statutory lien for services, labor or material;

(a) arising from an improvement or work related to the land which is contracted for or commenced prior to Date of Policy; or

(b) arising from an improvement or work related to the land which is contracted for or commenced subsequent to Date of Policy and which is financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance;

8. The invalidity or unenforceability of any assignment of the insured mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the insured mortgage in the named insured assignee free and clear of all liens.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title or the lien of the insured mortgage, as insured, but only to the extent provided in the Conditions and Stipulations.

This policy shall not be valid or binding until countersigned below by an authorized signatory of the Company.

TICOR TITLE INSURANCE COMPANY

By

*Robert A. St. E.*

President

Attest

*Paul R. Smith*

Secretary

*Jerome E. Gilman*  
Authorized Signatory

*jmnc*

# LOAN POLICY

## SCHEDULE A

AMOUNT OF INSURANCE  
\$3,690,000.00

POLICY NUMBER  
74107-001004  
FILE NUMBER: TI-4705

DATE OF POLICY  
12/18/2000  
AT 03:24 P.M.

(1) NAME OF INSURED:

MJK CAPITAL CORPORATION  
ITS SUCCESSORS AND/OR ASSIGNS  
AS THEIR INTERESTS MAY APPEAR

(2) THE ESTATE OR INTEREST IN THE LAND WHICH IS ENCUMBERED BY THE INSURED MORTGAGE IS:

FEE SIMPLE

(3) TITLE TO THE ESTATE OR INTEREST IN THE LAND IS VESTED IN:

CONCORD ACADEMY, a Michigan Public School Academy

(4) THE INSURED MORTGAGE AND ASSIGNMENTS THEREOF, IF ANY, ARE DESCRIBED AS FOLLOWS:

Mortgage from CONCORD ACADEMY, PETOSKEY to MJK CAPITAL CORPORATION in the amount of \$3,690,000.00 dated December 1, 2000 and recorded December 18, 2000 in Liber 758, Page 001, Emmet County Records, as mortgage was assigned to U.S.BANK TRUST NATIONAL ASSOCIATION, by assignment of mortgage recorded December 18, 2000 in Liber 758, Page 017, Emmet County Records.

(5) THE LAND REFERRED TO IN THIS POLICY IS DESCRIBED AS FOLLOWS:

Land situated in Bear Creek Township, Emmet County, Michigan and describe as:

PARCEL I: Lot 27, HILLVIEW ACRES NO. 2, according to the Plat thereof as recorded in Liber 8 of Plats, Pages 31 and 32, Emmet County Records.

PARCEL II: Lot 28, HILLVIEW ACRES NO. 2, according to the Plat thereof as recorded in Liber 8 of Plats, Pages 31 and 32, Emmet County Records.

PARCEL III: Commencing at the East 1/4 corner of Section 4, Township 34 North, Range 5 West; thence along the East and West 1/4 line of said Section 4, North 89°52'20" West 1317.67 feet, to the East 1/8 line of said Section 4; thence continuing along said East and West 1/4 line North 89°52'20" West 646.74 feet; thence North 00°11'04" East 963.06 feet to a point on the East line of Hillview Acres, as recorded in Liber 8 of Plats.

SCHEDULE A continued on page 2

Page 1

Pages 31 and 32, Emmet County Records; thence South 89°45'36" East 78.00 feet for the Point of Beginning; thence North 00°11'04" East 365.24 feet to the North 1/8 line of said Section; thence along said North 1/8 line South 89°45'14" East 45.00 feet; thence South 00°11'04" West 365.24 feet; thence North 89°45'36" West 45.00 feet to the Point of Beginning; being part of the Southwest 1/4 of the Northeast 1/4 of said Section 4.

PARCEL IV: Part of the Southwest 1/4 of the Northeast 1/4 of Section 4, Township 34 North, Range 5 West; Commencing at the East 1/4 corner of said Section 4; thence along the East and West 1/4 line of said Section 4, North 89°52'20" West 1317.67 feet to the East 1/8 line of said Section 4; thence continuing along said East and West 1/4 line North 89°52'20" West 646.74 feet; thence North 00°11'04" West 963.06 feet, to a point on the East line of Hillview Acres as recorded in Liber 8 of Plats, Pages 31 and 32, Emmet County Records, for the Point of Beginning; thence South 89°45'36" East 78.00 feet; thence North 00°11'04" East 365.24 feet, to the North 1/8 line of said Section 4; thence along said North 1/8 line, North 89°45'14" West 78.00 feet; thence South 00°11'04" West 365.25 feet, along the East line of said Plat of Hillview Acres, to the Point of Beginning.

PARCEL V: The Northeast 1/4 of the Northeast 1/4 of Section 9, Township 34 North, Range 5 West.

# LOAN POLICY

## SCHEDULE B

LOAN POLICY NUMBER: 74107-001004

FILE NUMBER: TI-4705

This policy does NOT insure against loss or damage (and the Company will NOT pay cost, attorneys' fees or expenses) which may arise by reason of:

### SPECIAL EXCEPTIONS:

- (1) Pending disbursement of the full proceeds of the loan secured by the insured mortgage, this policy insures only to the extent of the amount actually disbursed but increases as each disbursement is made in good faith without actual knowledge of any defects in, or objections to the title up to the face amount of the policy. At the time of each disbursement of the proceeds of the loan the title must be continued down to such time for possible liens, including mechanic's liens, or other objections, intervening between the date hereof and the date of such disbursement.
- (2) Financing Agreement recorded December 18, 2000 in Liber 758, Page 026, Emmet County Records.
- (3) Building and Use Restrictions as contained in Liber 207, Page 885, and amended in Liber 240, Pages 946 through 959, Emmet County Records. (Affects Parcels I and II)
- (4) Notwithstanding any provisions herein to the contrary, the Company makes no representation or assurances regarding the compliance or non-compliance with the provisions of PA 591 of 1996, being known as the Land Division Act. (Note: PA 591 of 1996 revises the Subdivision Control Act)
- (5) Easements as shown on the recorded Plat. (Affects Parcels I and II)
- (6) A perpetual easement for ingress and egress as disclosed by instrument recorded February 21, 1996 in Liber 567, Page 161, Emmet County Records. (Affects Parcel III)
- (7) Easement granted to Consumers Power Company in Liber 227, Page 198, Emmet County Records. (Affects Parcel V)
- (8) Oil and Gas Lease granted to Geospectra Corporation in Liber 318, Page 92 and assigned to Michigan-Illinois Oil Company in Liber 324, Page 875, Emmet County Records. (Affects Parcel V)
- (9) Rights of the public and of any governmental unit in any part thereof taken, used, or deeded for street, road, or highway purposes.

SCHEDULE B continued on page 2

Page 1

(SCHEDULE B continued)

File Number: TI-4705

- (10) Taxes and special assessments which constitute a lien, but are not yet due and payable.
- (11) Taxes for 01-19-04-252-001 (Parcel I), 01-19-04-252-002 (Parcel II), 01-19-04-200-028 (Parcels III and IV) and 01-19-09-200-011 (Parcel V) for the year 2000 are reported as exempt.

SCHEDULE B of this policy consists of 2 page(s).

# CERTIFICATE OF USE AND OCCUPANCY

Attn:  
Ben JENKINS

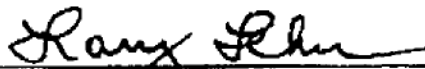
## PERMANENT

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

Building Permit No. LB020082  
Concord Academy of Petoskey  
2590 Atkins Road  
Petoskey, Michigan  
Emmet 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

May 16, 2005

**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**

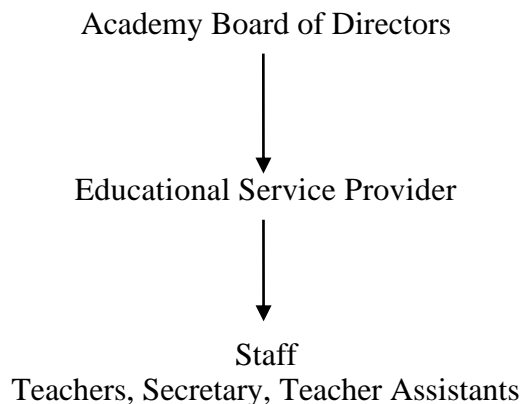
## **Schedule 7a**

### **Governance Structure**

The University 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 University 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 University Board. The University Board shall select the members of the Academy Board according to the terms and conditions set forth by the University 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 Academy Board of Directors currently consists of four (4) members. The Lake Superior State University Board of Trustees 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:

<b>Name</b>	<b>Term Expiration</b>
Jessica McGuinness	6/1/2024
Amy Stikovich	6/1/2022
Timothy Wilson	6/30/2023
Shawna Messing	6/30/2023

**SECTION B**

**EDUCATIONAL GOALS**

## **Educational Goals**

Concord Academy Petoskey will provide an inspiring and challenging K-12 educational environment conducive to the development of critical and creative thinking through the integration of the fine arts into the sciences, technology, engineering, and mathematics (STEAM) utilizing project based instruction and multi-age experiences.

Pursuant to the Terms and Conditions of this Contract, the Academy shall demonstrate measurable progress toward the educational goals identified below in the table in this schedule and in accordance with applicable law. The Academy shall pursue the educational goal of preparing students for success in college, work and life. The achievement or measurable progress toward meeting these goals may constitute grounds for the University Board to continue the Contract, suspend the Contract, or revoke the Contract.

It is expected that the academy will meet the state of Michigan's accountability standards and any improvement targets required to be achieved pursuant to state and federal law. Upon request, the Academy Board shall provide the CSO with a written report, along with supporting data, assessing the Academy's progress toward achieving these goals. The Academy Board shall demonstrate improved academic achievement for all groups of pupils.

### **Measures for Determining Educational Goal Achievement**

To measure progress in preparing all students academically for success in college, work and life, the Academy's performance will be assessed using the measures of student growth and achievement specified below. The Academy will administer the specified tests in accordance with the testing windows identified in the Academy's Master Calendar of Reporting Requirements. Student test results from the fall testing window will be used as the baseline for determining the amount of growth the Academy needs to make with students to help them reach the college readiness achievement targets.

#### **Measure 1: Student Growth**

Improved academic achievement for all groups of students in grades 2<sup>nd</sup> through 8<sup>th</sup> will be assessed using the following metrics and growth targets.

<b>Grade(s)</b>	<b>Metric</b>	<b>Growth Targets</b>
Grades 2-8	The median Student Growth Percentile as measured by Measures of Academic Progress® by NWEA.	The median Student Growth Percentile will be at or above the 50 <sup>th</sup> percentile

## Measure 2: Student Achievement

The academic achievement of all students in grades 2 through 11, who have been enrolled for three or more consecutive academic years at the Academy, will be assessed using the following metrics and achievement targets. Academies that are in their first year of operations will not be evaluated using academic achievement data. After the Academy enters its second year of operation, academic achievement data for all groups of students will be used in the evaluation.

Grade(s)	Metric	Achievement Targets
Grades 2-8	The percentage of cohort students achieving math and reading scaled scores that meet or exceed targets based on the most current NWEA national norms	Cohort students will achieve scores equal to or greater than the grade-level reading and math targets identified in this schedule <sup>1</sup>
Grades 2-8	The median subject scores as measured by performance on Measures of Academic Progress® by NWEA	Cohort students will achieve subject scores greater than that of non-cohort students <sup>2</sup>
Grades 8, 9, 10	The median subject scores as measured by performance on the PSAT® by College Board	
Grade 11	The median subject scores as measured by performance on the SAT® by College Board	

<sup>1</sup>Cohort students are those students who have attended an academy for three or more consecutive academic years. <sup>2</sup>Non-cohort students are those students who have attended an academy for less than three consecutive academic years.

### NWEA's Measures of Academic Progress Targets

Grade	MAP Reading 2020 NWEA Norm Spring Target	MAP Reading CMU CCR Spring Target	MAP Math 2020 NWEA Norm Spring Target	MAP Math CMU CCR Spring Target
2	185.87	Na	189.42	Na
3	197.12	Na	201.08	Na
4	204.83	Na	210.51	Na
5	210.98	215	218.75	226
6	215.36	220	222.88	232
7	218.36	224	226.73	238
8	221.66	227	230.03	243

NOTE: The highlighted targets are based on NWEA MAP's 2020 spring targets set at the 50<sup>th</sup> percentile. These targets do not necessarily denote college and career readiness. Targets will be automatically adjusted each time NWEA updates its norm study. The MAP CMU CCR targets are included to show the scores needed to be considered on track for earning a "21" ACT/ "1070" SAT and are included for comparative purposes only.

### Measure 3: Student Achievement-Relative Performance and State/Federal Accountability

The academic achievement of Full Academic Year (FAY) Students will be assessed using the following metrics and achievement targets.



<b>Grade(s)</b>	<b>Metric</b>	<b>Growth Targets</b>
Grades 3-8	State Assessment Michigan Student Test of Educational Progress (M-STEP) or successor test	The Academy will meet state/federal requirements'
Grades 8, 9, 10	Pre-Scholastic Aptitude Test (PSAT) or successor test	
Grade 11	State Assessment Michigan Merit Exam (MME, SAT) or successor test	
All Grades	State Accountability	

'For Accountability purposes, the MDE defines FAY students are those who are enrolled in the school at Fall General Collection, the Spring General Collection, and at the enrollment snapshot for the given assessment.

#### **Measure 4: Academy Goals**

**NA**

<Specify Academy Goals and the Metrics by which achievement will be measured. Mission specific goals and achievement measures should demonstrate that the Academy is accomplishing its mission and should not overlap with the student achievement and growth, and accountability goals listed above>

**SECTION C**

**EDUCATIONAL PROGRAMS**

## **Schedule 7c:**

### **Concord Academy Petoskey Description of Educational Program & Curriculum Overview**

#### **Our Mission:**

Concord Academy will provide an inspiring and challenging K-12 educational environment conducive to the development of critical and creative thinking through the integration of the fine arts into the sciences, technology, engineering, and mathematics (STEAM), utilizing project based instruction and multi-age experiences.

#### **Our Vision:**

- To serve the student and educate the whole child providing academic, cultural, and character education.
- To uphold traditional values such as honesty, kindness and respect.
- To encourage students to become leaders and creative thinkers.
- To value contributions and suggestions of students, remembering that true education is not “pouring in” but bringing forth.
- To maintain a positive connection with our community, by both drawing on the valuable resources of our community and contributing harmoniously to our community.

**At all levels our curriculum is built upon the current standards for the state of Michigan including Michigan’s Common Core Standards for ELA and Mathematics, the Next Generation Science Standards, Michigan’s Standards for Social Studies, Michigan’s Standards for Arts Education, and the Michigan Merit Curriculum.**

#### **At the Elementary Level:**

- English Language Arts including reading, writing, listening, speaking, spelling, phonics and handwriting including utilization of the Evidence Based Literacy Instruction (EBLI) method through the 3rd grade
- Mathematics
- Science including physical sciences, life sciences, earth and space sciences and engineering, technology and applications of science
- Social Studies including Local Communities, Michigan, United States and World Studies
- Art
- Music and Movement incorporating physical education and dance
- Career Exploration

#### **At the Middle School Level:**

- English Language Arts including reading, writing, listening, speaking, grammar, and spelling
- Mathematics
- Science including physical sciences, life sciences, earth and space sciences and engineering
- Social Studies including World Geography, World History, and United States History

- Art
- Instrumental and Vocal Music
- Drama and Dance as it incorporates into performances
- Career Exploration

### **At the High School Level:**

- English Language Arts including reading, writing, listening, speaking, and grammar
- Mathematics through Algebra II, including a senior math elective
- Science including Biology, Physics or Chemistry, and electives from life, earth, and space sciences
- Social Studies including World History and Geography, United States History and Geography, Civics and Economics
- Career Exploration and planning for the future
- Art
- Band
- Theatre or Drama which incorporates Vocal Music and Dance
- PE & Health
- Foreign Language

**SECTION D**  
**CURRICULUM**

## **Schedule 7d:**

### **Curriculum**

#### **English Language Arts:**

Students in grades DK-3 learn to read using phonics based instruction. Zoophonics is used to lay the foundation for literacy for students in Developmental Kindergarten, and Evidence Based Literacy Instruction (EBLI) is used in grades K-3. The implementation of EBLI has led the school to have a high literacy rate and students who are proficient readers. Students learn how to decode, develop word recognition and fluency. Spelling success is a natural outcome of our phonics based program as is writing. Students work on informational, persuasive/opinion, and narrative writing.

Students in grades 4-5 use literature and informational texts that focus on text complexity, close reading, structure and the author's intent. All components (phonics, phonemic awareness, vocabulary, fluency and comprehension) are introduced, explored, practiced and presented with grade level novel studies and study guides. Reading instruction is presented through Daily 5 and/or CAFE mini-lessons that focus on Comprehension, Accuracy, Fluency, and Extended Vocabulary. Writing instruction focuses on narrative, informative and argumentative formats. Writing instruction uses the 6+1 Traits of writing which include Voice, Ideas, Presentation, Conventions, Organization, Word Choice, and Sentence Fluency. Language Arts instruction is organized into unit themes and project based instruction around those themes. Digital literacy is encouraged and utilized throughout the year. Speaking and listening skills are modeled, practiced and applied using discussion, collaboration and presentation.

Students in middle school Language Arts read and analyze various kinds of writing, including novels, short stories, informational texts, poetry, and plays. Through the analysis of written, spoken, and multimedia texts, students become more critical consumers of information and of various forms of media. Students synthesize and organize ideas to prepare narrative, persuasive, and expository essays, while learning and practicing techniques to more effectively communicate their thoughts and perceptions with others by means of collaborative discussions, journal writing, and presentations. Student's arts-inclusive writing projects include illustrated narratives, multimedia-enhanced analytical and persuasive essays, poetry cafés, and one-act plays. Special emphasis is placed on writings relative to the content areas of science and social studies (including text structures, word meaning in relation to roots and affixes, social and cultural awareness), as well as understanding and thinking critically about news and media sources. In addition, students study the relationship between poetic expression and language conventions (syntax, voice, sentence types, punctuation, figurative language, word connotations) and in writing one's own texts with these concepts in mind.

At the high school level students read a variety of classic novels. Students read, write, and analyze texts, poetry and plays as well as write short stories, poetry, research papers, literacy analyses, and a variety of essay types. Technology is used to research, write, and present

student work. Students may elect to increase the rigor of their studies by taking classes at the college level as Dual Enrolled students.

### **Mathematics:**

Students in the elementary grades develop numeric fluency through operations, telling time, measurements, and geometry. Students become fluent in computation and working with story problems. Students in upper elementary learn place value and decimal fractions, multi-digit whole number and decimal fraction operations, addition and subtraction of fractions, multiplication and division of fractions, addition and multiplication with volume and area, and problem-solving with the coordinate plane. Math skills are incorporated into STEAM integrative projects and multi-age projects.

Students in middle school gain a deeper understanding of problem solving by working with fractions, percents and decimals. Students are introduced to algebraic concepts such as equations, formulas and variables. They continue to review number sense pertaining to real numbers, integers and rational and irrational numbers. Students work through abstract problems that lead them through probability, data analysis, and graphing. Lastly, students create projects, incorporate math into presentations, and use manipulatives to integrate STEAM education into content and make connections to real world applications.

The high school mathematics curriculum consists of Algebra I, Algebra II, and Geometry. Students use different mathematical manipulatives, integrate STEAM education, and use the Arts to make connections to real world applications. Students also analyze their personal goals for the future and put together a plan for success. Students are offered a 4th year math elective such as Personal Finance or Statistics or they may choose to take advanced coursework as Dual Enrolled students at the community college.

## **Social Studies:**

Students in the elementary grades develop social, economic and cultural understanding of families, communities, Michigan, the United States, and the world as they learn history, geography, civics, and economics. Elementary students explore and investigate various careers through Xello. Social studies themes are also explored through integrative projects and literature at multiple levels.

Students in middle school learn about World Geography as well as World History and United States History. There is an emphasis on mapping and geographical knowledge. Students participate in in-depth exploration of cultural and historic subjects via guided research and creative projects. Students explore and investigate careers using Xello.

Students in high school study World History and United States History as well as Civics and Economics. There is an emphasis on mapping and geographic knowledge as well as cultural and historical studies via the Arts. At times students are given the freedom of self-directed learning through independent research and creative projects. Students explore careers through Xello and set goals for post high school experience and education.

## **Science:**

Science instruction in the elementary grades is based on the Next Generation Science Standards focusing on 6 different units: What is Science, Properties & Changes of Matter, Earth and Space Science, Forms of Energy, Plants, Animals & Life Cycles. Students participate in a variety of science lessons from Mystery Science and Generation Genius. STEAM lessons and integrative activities are incorporated into the curriculum.

Middle school students pursue scientific knowledge that aligns with the NGSS science standards within the disciplines of Earth Science; including space, weather, plate tectonics, and geology; Life Science; including cell structure/function and genetics, plant and animal systems, Physical Science; including introductory physics, chemistry, electricity and energy. Students build knowledge through project-based and inquiry-based learning with a foundation in the scientific method.

High school students pursue scientific knowledge based on the NGSS standards in: Biology- including genetics, cell theory, human systems, comparative anatomy, environmental/ecology; Chemistry and/or Physics- including atomic structure, matter and change, periodic law, energy, momentum, and power. Concord students also choose from science electives such as Earth Science, Astronomy and Zoology. Hands-on learning is emphasized in each discipline. Students who have completed these studies may also pursue instruction through Dual Enrollment at the community college.



## **Arts Courses:**

**All students at Concord Academy Petoskey complete the Michigan Arts Education Content Standards and Benchmarks and the Michigan Merit Curriculum Credit Guidelines. The Art classes at Concord Academy Petoskey are considered a core part of instruction.**

### **Elementary Art:**

Students in grades DK-4 explore the history of art in relation to time, location, technology, and culture. These studies include local, national, and world arts, artists, and art movements, as well as art fundamentals, idea generation, and meaning-making. Students strengthen their critical thinking, engineering, and social skills - as well as their understanding of aesthetics - through skill builders, STEAM challenges, student-choice exploration centers, and collaborative art making. Areas of focus include drawing, painting, printmaking, collage, sculpture, ceramics, architecture, engineering, sewing, fabric arts, weaving, and digital media.

### **Middle School & High School Art:**

Students in grades 5-12 explore and express themselves creatively in a variety of media as they continue to build their skills in drawing, painting, collage, printmaking, ceramics, sculpture, photography and digital art. Composition, technique, the elements and principles of design, attention-to-detail and craftsmanship are emphasized. Art history, art appreciation, and art criticism are integrated into projects that utilize independent and collaborative problem solving and critical thinking skills.

### **Music:**

Music courses at Concord Academy provide activities to enable students to create and perform music, listen, move and respond to musical compositions, and incorporate their musical experiences with other activities and subjects. Course content involves understanding music as creative expression and communication, developing skill with the voice and/or musical instruments, and establishing the ability to discern and critique. Specific course content conforms to current state standards for the corresponding grade.

### **Band:**

The middle and high school band courses help students develop techniques for playing brass, woodwind, and percussion instruments and their ability to perform a variety of concert band literature styles. These courses may emphasize rehearsal and performance experiences in a range of styles and also include experiences in creating and responding to music. Individual parts are more technically advanced as the student progresses to more advanced levels of play.

**Choir:**

Choir develops students' vocal skills within the context of a large choral ensemble in which they perform a variety of styles of repertoire. These courses are designed to develop students' vocal techniques and their ability to sing parts and include experiences in creating and responding to music as part of a large vocal ensemble.

**Drama/Theater:**

All students take Drama starting in the middle school grades. Students practice improv and learn to memorize lines and analyze scripts for voice, sub-script, and characterization. Students have one large performance each year beginning in middle school.

High school students participate in a Theater production. Students develop acting skills such as diction, breath control, projection, and physical communication. Students learn aspects of backstage work such as costuming, set construction, publicity, makeup, sound, and lights. Students also write scripts and may create storyboards for filming and editing productions. Students may request the opportunity to direct, write, or stage-manage plays while in high school.

2/22/2021

**SECTION E**

**METHODS OF PUPIL ASSESSMENT**

### District Assessments

	September	October	November	December	January	February	March	April	May	June
Reading	NWEA (DK/K)							NWEA (DK/K)	NWEA (DK/K)	
	NWEA (1-8)				NWEA (1-8)			NWEA (1-8)	NWEA (1-8)	
	NWEA (9-11)				MLPP (DK & K)			NWEA (9-11)	NWEA (9-11)	
	MLPP (DK & K)	DIBELS Next (1st-3rd)	DIBELS Next (1st-3rd)			DIBELS Next (1st-3rd)	DIBELS Next (1st-3rd)	MSTEP/MME/PSAT/SAT	MSTEP	
		Basic Reading Inventory (5th)	Basic Reading Inventory (5th)			Basic Reading Inventory (5th)	Basic Reading Inventory (5th)			
Language									MLPP (DK & K)	
									DIBELS Next (1st-3rd)	DIBELS Next (1st-3rd)
									Basic Reading Inventory (5th)	Basic Reading Inventory (5th)
	NWEA (3, 6-11)				NWEA (3rd grade ONLY)			NWEA (3, 6-11)	NWEA (3, 6-11)	
	MLPP (DK & K)				MLPP (DK & K)					
Writing	KRA (DK & K)	KRA (DK & K) by 11/1								
	MLPP (DK & K)				MLPP (DK & K)			MSTEP/MME/PSAT/SAT	MSTEP	
Math	NWEA (DK/K)									
	NWEA (1-8)				NWEA (1-8)			NWEA (DK & K)	NWEA (DK & K)	
	NWEA (9-11)							NWEA (1-8)	NWEA (1-8)	
	KRA (DK & K)	KRA (DK & K) by 11/1						NWEA (9-11)	NWEA (9-11)	
Science								MSTEP/MME/PSAT/SAT	MSTEP	
	NWEA (6-11)									
								NWEA (6-11)	NWEA (6-11)	
Social Studies								MSTEP/MME/PSAT/SAT	MSTEP	
Social Skills										
	KRA (DK & K)	KRA (DK & K) by 11/1								

#### Legend

Universal Screener
Diagnostic
Progress Monitoring
State Assessments

Classroom Assessments (DK-12)

#### NWEA Testing Windows

Fall: Within first 9 weeks of school year  
Winter: December 1-January 22  
Spring: April 26-June 4

#### Special Education Students

MUST be assessed 3 times per year

#### DIBELS Testing Windows

BOY: Within first 9 weeks of school year  
MOY: December 1-January 22  
EOY: April 26-June 4

#### Title One Students

Fountas & Pinnell  
DK-5 Assessed BOY & MOY

**SECTION F**

**APPLICATION AND ENROLLMENT OF STUDENTS**

## **Schedule 7f**

### **Application and Enrollment Policies**

The Academy will follow Section 504 of the Revised School Code stating that public school academies shall not charge tuition nor discriminate on any basis deemed illegal by the State of Michigan. Enrollment is open to all U.S. citizens who are also residents of Michigan.

Enrollment preferences will be given to:

- siblings of those students already enrolled
- children of employees of the Academy
- children of board members of the Academy

If the Academy receives more applications than there are positions available a random selection process will be held to determine enrollment. Those applicants not selected in the random selection drawing will be placed on a waiting list in the order they were selected. These applicants will be admitted throughout the academic year as space becomes available.

Each year an open enrollment period will be posted and held for at least two week in the month of February and/or March. The Academy will be open to the public during instructional hours as well as specified nights and weekends for the public to retrieve and return application and enrollment materials.

**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 University 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 University Board prior to the commencement of each academic year.



**SECTION H**

**AGE OR GRADE RANGE OF PUPILS**

## **SECTION h: AGE OR GRADE RANGE OF PUPILS**

The Academy will enroll students in Kindergarten through twelfth 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, 2017.

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.