

*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

INNOCADEMY ALLEGAN CAMPUS
(A PUBLIC SCHOOL ACADEMY)

July 1, 2024

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**AUTHORIZING RESOLUTION
AND
RESOLUTION**



**RESOLUTION ADOPTED BY LAKE SUPERIOR STATE UNIVERSITY
BOARD OF TRUSTEES ON NOVEMBER 17, 2023**

On motion by Patricia Caruso and second by Cynthia Williams 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 January 25, 2019, the University Board issued to **Innocademy Allegan Campus** (the “Academy”) a Contract to Charter a Public School Academy (the “Current Contract”) with a term of five (5) years; and

WHEREAS, the Current Contract will expire on June 30, 2024 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 five (5) years and ends not later than June 30, 2029; 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 17th day of November, 2023, with a vote of 6 for, 0 opposed, and 0 abstaining.

Signature: Laurie



LAKE SUPERIOR STATE UNIVERSITY

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, 2024

ISSUED BY

THE LAKE SUPERIOR STATE UNIVERSITY BOARD OF TRUSTEES

TO

**INNOCADEMY ALLEGAN CAMPUS
(A PUBLIC SCHOOL ACADEMY)**

CONFIRMING THE STATUS OF

INNOCADEMY ALLEGAN CAMPUS

AS A

PUBLIC SCHOOL ACADEMY

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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 public school academy and confirms the status of a public school academy in this state to the Academy. In addition, the parties agree that the granting of this Contract is subject to the following terms and conditions:

ARTICLE I

DEFINITIONS

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

- (a) “Academy” means the Michigan nonprofit corporation named Innocademy Allegan Campus which is established as a public school academy pursuant to this Contract.
- (b) “Academy Board” means the Board of Directors of the Academy.
- (c) “Applicable Law” means all state and federal law applicable to public school academies, including all rules, regulations, and orders promulgated thereunder.
- (d) “Application” means the public school academy application and supporting documentation submitted to the 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 November 17, 2023.
- (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 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 503c of the Code, MCL 380.503c, that has been entered into between an ESP and the Academy Board for the operation and/or management of the Academy, which has been submitted to the 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 public school academies 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, 2024, Issued by the Lake Superior State University Board of Trustees to Innocademy Allegan Campus Confirming the Status of Innocademy Allegan Campus as a public school academy.”
- (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 390.391 et seq.
- (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 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 public school academy and a nonprofit corporation. The Academy is not a division or part of the University. The relationship between the Academy and the University Board is based solely on the applicable provisions of the Code and the terms of this Contract or other agreements between the University Board and the Academy, if applicable.

Section 2.3. 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.

Section 3.9. University Board's Invitation to Academy to Apply For Conversion to Schools of Excellence. If the University Board is interested in accepting applications to issue contracts to charter Schools of Excellence under Part 6E of the Code, and the University Board determines that the Academy meets the University Board's and the Code's eligibility criteria for applying to convert the Academy to a School of Excellence, then the University Board may invite the Academy to submit an application to apply for a contract to convert the Academy to a school of excellence. In accordance with the Code, the University Board shall establish its own competitive application process and provide the necessary forms and procedures to eligible public school academies.

ARTICLE IV

**REQUIREMENT THAT THE ACADEMY
ACT SOLELY AS GOVERNMENTAL ENTITY**

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

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

Section 4.3. Academy Board Members Serve In Their Individual Capacity. All Directors of the Academy Board shall serve in their individual capacity, and not as a representative or designee of any other person or entity. A person who does not serve in their individual capacity, or who serves as a representative or designee of another person or entity, shall be deemed ineligible to continue to serve as a Director of the Academy Board. A Director who violates this Section shall be removed from office, in accordance with the removal provisions found in the Resolution or Schedule 2: Bylaws. As set forth in the Resolution, a Director serves at the pleasure of the 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 public school academy corporation organized under the Michigan Nonprofit Corporation Act, as amended, Act No. 162 of the Public Acts of 1982, being Sections 450.2101 to 450.3192 of the Michigan Compiled Laws. Notwithstanding any provision of the Michigan Nonprofit Corporation Act, as amended, the Academy shall not take any action inconsistent with the provisions of Part 6A of the Code or other Applicable Law.

Section 5.2. Articles of Incorporation. The Articles of Incorporation of the Academy, as set forth in Schedule 1, shall be the Articles of Incorporation of the Academy. Any subsequent amendments to the Academy's Articles of Incorporation shall only be incorporated into this Contract pursuant to Article IX of these Terms and Conditions.

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

Section 5.4. Quorum. Notwithstanding any document in the Contract that is inconsistent with this Section, including the Academy's Articles of Incorporation and Bylaws, a quorum of the Academy Board that is necessary to transact business and to take action shall be a majority of the Academy Board member positions 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 public school academy and the improvement of educational outcomes over time will require amendment of this Contract. In order to assure a proper balance between the need for independent development of the Academy and the statutory responsibilities of the University Board as an authorizing body, the parties have established a flexible process for amending this Contract.

Section 9.2. Process for 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 public school academies, 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 public school academy, or the Academy has lost more than fifty percent (50%) of its student enrollment from the previous school year;
- (e) The Academy fails to fulfill the compliance and reporting requirements or defaults in any of the terms, conditions, promises or representations contained in or incorporated into this Contract or, during the term of this Contract, it is discovered by the Charter Schools Office that the Academy failed to fulfill the compliance and reporting requirements or there was a violation of a prior Contract issued by the 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 507 of the Code, MCL 380.507 ("State's Automatic Closure Notice"), then this Contract shall automatically be amended to eliminate the Academy's authority to operate certain age and grade levels at the site or sites identified in the State's Automatic Closure Notice. If the State's Automatic Closure Notice includes all of the Academy's existing sites, then this Contract shall automatically be terminated at the end of the current school year in which either the State's Automatic Closure Notice is received without any further action of the 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. After receipt of the Academy Board's request for termination, the University Board shall consider the Academy's request no later than its next regularly scheduled meeting. The University Board shall make a final determination and vote on the proposed termination request within 90 days of receipt of the request from the Academy. 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; or (iii) if exigent circumstances exist that the University Board, in its sole discretion, determines necessitate termination of this Contract to protect the health, safety, or welfare of the Academy students, property, or funds that cannot be cured in a reasonable period as determined solely by the University Board, then such termination shall take effect at the end of the current Academy fiscal year. Following University Board approval, the Charter Schools Office 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 7th of each school fiscal year, shall transmit to the Center for Educational Performance and Information (“CEPI”) the budgetary assumptions used when adopting its annual budget pursuant to the Uniform Budgeting and Accounting Act, MCL 141.421 et seq.
- (d) The Academy shall not adopt or operate under a deficit budget, or incur an operating deficit in a fund during any fiscal year. At any time during the term of this Contract, the Academy shall not have an existing deficit fund balance, incur a deficit fund balance, or adopt a current year budget that projects a deficit fund balance. If the Academy has an existing deficit fund balance, incurs a deficit fund balance in the most recently completed school fiscal year, or adopts a current year budget that projects a deficit fund balance, all of the following apply:
 - (i) The Academy shall notify the Superintendent and the State Treasurer immediately upon the occurrence of the circumstance, and provide a copy of the notice to the Charter Schools Office.
 - (ii) Within 30 days after making notification under subdivision (d)(i), the Academy shall submit to the Superintendent in the form and manner prescribed by the Department an amended budget for the current school fiscal year and a deficit elimination plan approved by the Academy Board, with a copy to the State Treasurer. The Academy shall transmit a copy of the amended budget and the deficit elimination plan to the Charter Schools Office.
 - (iii) After the Superintendent approves 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:

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)	
<small>NOTE: Insurance carriers must have an AM Best Rating of "A - VII" or better</small>	
EFFECTIVE DATE: 07/01/12 -- MUSIC Board Approval Date: 12/15/2011	
COVERAGE	REQUIREMENTS
General or Public Liability (GL)	<p>Must be Occurrence form</p> <p>Must include Sexual Abuse & Molestation coverage which can be Occurrence or Claims Made. If this coverage is Claims Made the Retroactive Date must be the same or before date of original 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 & \$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><small>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.</small></p>

COVERAGE	REQUIREMENTS
Errors & Omissions (E&O)	Must include Employment Practices Liability.
	Must include Corporal Punishment coverage.
	Must include Sexual Abuse & Molestation coverage.
	Must include Directors' & Officers' coverage.
	Must include School Leaders' E&O.
	Can be Claims Made or Occurrence form.
	If Claims Made, retroactive date must be the same or before date of original 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.
	\$1,000,000 per occurrence & \$3,000,000 aggregate.
	In the event of name changes, mergers, etc., every past and present PSA/SDA/UHS/SOE name must be listed on the policy with the new entity as the First Named Insured.
University must be included as an Additional Insured with Primary and Non-Contributory Coverage.	

**M.U.S.I.C. INSURANCE COVERAGE REQUIREMENTS
for Public School Academies (PSA), Strict Discipline Academies (SDA)
Urban High Schools (UHS) & Schools of Excellence (SOE)**

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

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

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

COVERAGE	REQUIREMENTS
Workers' Compensation	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

COVERAGE	REQUIREMENTS
Crime	Must include Employee Dishonesty coverage.
	Must include third party coverage.

	\$500,000 limit.
COVERAGE	REQUIREMENTS
Umbrella	<p>Can be Claims Made or Occurrence form. If this coverage is Claims Made, and the PSA/SDA/UHS/SOE goes out of business, the PSA/SDA/UHS/SOE needs to purchase the longest-available tail coverage. This requirement could be stated in the exit language of the Charter Contract with the</p> <p>Umbrella is acceptable with a \$4,000,000 limit and aggregate. Also, an Umbrella policy with an unlimited aggregate is acceptable at a \$2,000,000</p> <p>If PSA/SDA/UHS/SOE has its own buses AND/OR has more than 1,000 students, must have MINIMUM \$5,000,000 per occurrence.</p> <p>If PSA/SDA/UHS/SOE purchases additional Umbrella limits to meet the \$1,000,000/\$3,000,000 for E&O then they must be in addition to the required Umbrella limit.</p> <p>In the event of name changes, mergers, etc., every past and present PSA/SDA/UHS/SOE name must be listed on the policy with the new entity as the First Named Insured.</p> <p>University must be included as Additional Insured with Primary and Non-Contributory Coverage.</p> <p>All coverages have to be included in the Umbrella that are in General Liability, Automobile and E&O.</p>

M.U.S.I.C. INSURANCE COVERAGE REQUIREMENTS
for Public School Academies (PSA), Strict Discipline Academies (SDA)
Urban High Schools (UHS) & Schools of Excellence (SOE)

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

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

ADDITIONAL RECOMMENDATIONS

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

DISCLAIMER:

By requiring such minimum insurance, the 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.

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

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

The 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 507 of the Code, MCL 380.507; or (ii) pursuant to a reconstitution by the University pursuant to Section 507 of the Code, MCL 380.507 and these Contract Terms and Conditions. The provision shall also provide that the lessor/ landlord shall have no recourse against the Academy or the 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 promise 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 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 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 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.”

“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.

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 School Office Director
Lake Superior State University
650 W. Easterday Avenue
Sault Ste. Marie, Michigan 49783

If to Outside Counsel: Courtney F. Kissel
Dykema Gossett PLLC
201 Townsend Street, Suite 900
Lansing, Michigan 48933

If to Academy: Innocademy Allegan Campus
2611 56th Street
Fennville, MI 49408

If to Academy Counsel: Douglas McNeil
Saunders Winter McNeil PLLC
250 Washington Street
Grand Haven, MI 49417

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 5 years until June 30, 2029, 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 Part 6A of the Code or actions taken by the University Board as an authorizing body under Part 6A of the Code, the University Board's consideration of or issuance of a Contract, the Academy's preparation for and operation of a public school, or which are incurred as a result of the reliance of the University Board, the University and its Board of Trustees members, officers, employees, agents or representatives upon information supplied by the Academy, or which arise out of the failure of the Academy to perform its obligations under this Contract. The foregoing provision shall not be deemed a relinquishment or waiver of any kind of 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 public school academies which shall apply immediately, University Board or CSO general policies clarifying procedure and requirements applicable to public school academies under this Contract, as from time to time adopted or amended, will automatically apply to the Academy, provided they are not inconsistent with provisions of this Contract. Before issuing general policies under this Section, the University Board or the CSO shall provide a draft of the proposed policies to the Academy Board. The Academy Board shall have at least thirty (30) days to provide comment to the CSO on the proposed policies before such policies shall become effective.

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, Part 6A of the Code and Applicable Law.

Section 12.20. Student Privacy. In order to protect the privacy of students enrolled at the Academy, the Academy Board, subject to Section 12.23, shall not:

(a) sell or otherwise provide to a for-profit business entity any personally identifiable information that is part of a pupil's education records. This subsection does not apply to any of the following situations:

(i) for students enrolled in the Academy, providing such information to an educational management organization that has a contract with the Academy and whose contract has not been disapproved by the 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 mode practices for determining school safety measures.

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

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


(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 of Trustees, I hereby issue this Contract to the Academy on the date set forth above.

**LAKE SUPERIOR STATE UNIVERSITY
BOARD OF TRUSTEES**

By: 
Dr. Lynn G. Gillette, Interim President

Date: July 1, 2024

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.

INNOCADEMY ALLEGAN CAMPUS

By: _____
Academy Board President

Date: July 1, 2024

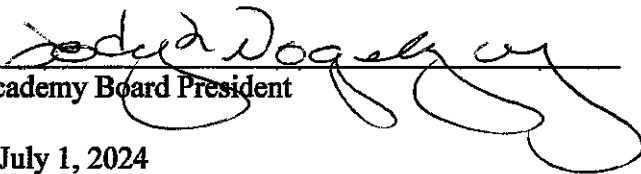
**LAKE SUPERIOR STATE UNIVERSITY
BOARD OF TRUSTEES**

By: _____

Date: July 1, 2024

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.

INNOCADEMY ALLEGAN CAMPUS

By: 
Academy Board President

Date: July 1, 2024

CONTRACT SCHEDULES

Schedules

Articles of Incorporation 1

Bylaws 2

Fiscal Agent Agreement 3

Oversight Agreement 4

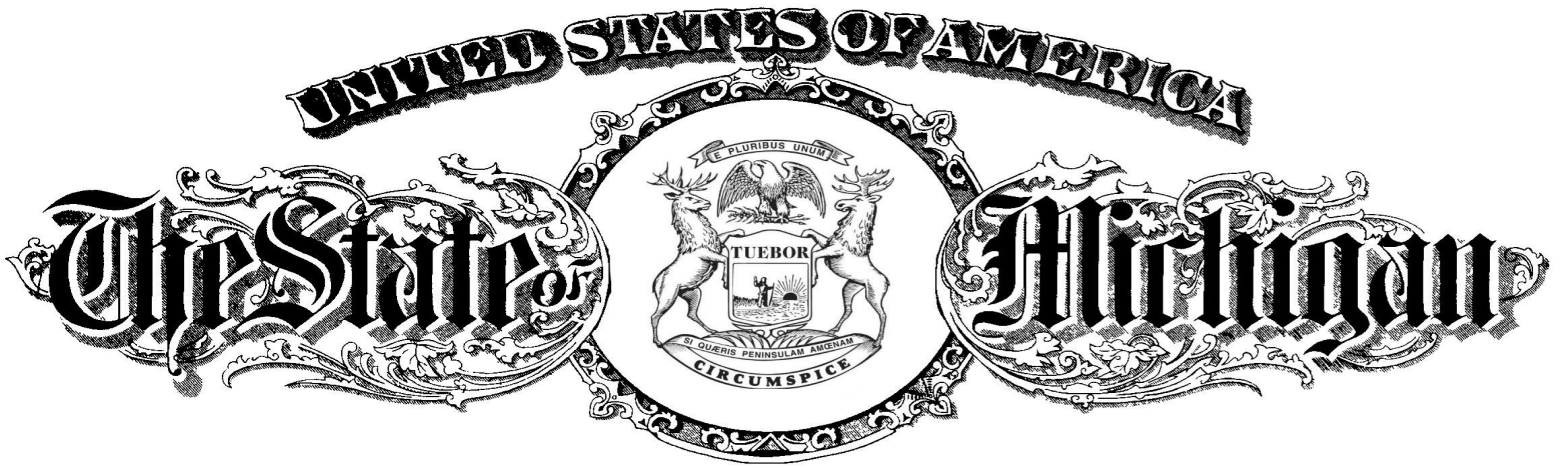
Description of Staff Responsibilities 5

Physical Plant Description 6

Required Information for Public School Academy 7

CONTRACT SCHEDULE 1

ARTICLES OF INCORPORATION



Department of Licensing and Regulatory Affairs

Lansing, Michigan

This is to Certify That

INNOCADEMY ALLEGAN CAMPUS

was validly Incorporated on December 27 , 2013 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.



In testimony whereof, I have hereunto set my hand,
in the City of Lansing, this 24th day of April , 2024.

Linda Clegg, Director

Corporations, Securities & Commercial Licensing Bureau

Sent by electronic transmission

Certificate Number: 24040546207

MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH BUREAU OF COMMERCIAL SERVICES		
Date Received	(FOR BUREAU USE ONLY)	
	This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.	
Name Douglas J. McNeil		
Address 250 Washington Avenue		
City	State	Zip Code
Grand Haven	MI	49417
		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.

--

ARTICLES OF INCORPORATION
For use by Domestic Nonprofit Corporations
(Please read information and instructions on the last page)

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

ARTICLE I

The name of the corporation is: Innocademy Allegan Campus

The authorizing body for the corporation is: Lake Superior State University ("LSSU") Board of Trustees, ("Board of Trustees"), 650 W. Easterday Avenue, Sault Ste. Marie, Michigan, 49783.

ARTICLE II

The purposes for which the corporation is organized are:

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

ARTICLE III

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

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

Personal Property: none
- c. The corporation is to be financed under the following general plan:
 - a. State school aid payments received pursuant to the State School Aid Act of 1979 or any successor law.
 - b. Federal funds.
 - c. Donations
 - d. Fees and charges permitted to be charged by public school academies.
 - e. Other funds lawfully received.
- d. The corporation is organized on a Directorship basis.

ARTICLE IV

1. The name of the resident agent at the registered office: Douglas J. McNeil
2. The address of the registered office is: 250 Washington Street
Grand Haven, Michigan, 49417
3. The mailing address of the registered office, if different than above: SAME

ARTICLE V

The name and address of the incorporator is as follows: Douglas J. McNeil
250 Washington Street
Grand Haven, MI 49417

ARTICLE VI

The corporation is a governmental entity.

ARTICLE VII

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

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

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

- b. **Subsequent Academy Board Member Nominations and Appointments:** Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The Director may or may not recommend the proposed nominee submitted by the Academy Board. If the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The Board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.
- c. **Exigent Appointments:** When the Director determines an “exigent condition” exists which requires him/her to make an appointment to a public school academy’s board of directors, the Director, with approval of the Board of Trustees Chair, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting held by the Board of Trustees when a regular appointment may be made by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy’s board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when a Academy Board cannot reach a quorum, when the Board of Trustees determines that an Academy Board member’s service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.
2. **Qualifications of Academy Board Members:** To be qualified to serve on the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the LSSU Charter School Office including, but not limited to, an LSSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of LSSU or be a member of the Board of Trustees.
3. **Oath /Acceptance of Office / Voting Rights:** Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.
4. **Length of Term; Removal:** An appointed Academy Board member is an “at will” board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A

person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

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

5. **Resignations:** A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.
6. **Vacancy:** An Academy Board position shall be considered vacant when an Academy Board member:
 - a. Resigns
 - b. Dies
 - c. Is removed from Office
 - d. Is convicted of a felony
 - e. Ceases to be qualified
 - f. Is incapacitated
7. **Filling a Vacancy:** The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the "Subsequent Appointments" and "Exigent Appointments" procedures in this resolution.
8. **Number of Academy Board Member Positions:** The number of member positions of the Academy Board of Directors shall be five (5), seven (7) or nine (9), as determined from time to time by the Academy Board.
9. **Quorum:** In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

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

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

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

ARTICLE VIII

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

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

ARTICLE IX

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

ARTICLE X

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

ARTICLE XI

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

ARTICLE XII

A volunteer director is not personally liable to the corporation for monetary damages for a breach of the director’s fiduciary duty. This provision shall not eliminate or limit the liability

of a director for any of the following:

- (i) A breach of the director's duty of loyalty to the corporation;
- (ii) Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
- (iii) A violation of Section 551(1) of the Michigan Nonprofit Corporation Act;
- (iv) A transaction from which the director derived an improper personal benefit;
- (v) An act or omission that is grossly negligent.

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

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

ARTICLE XIII

The corporation assumes the liability for all acts or omissions of a non-director volunteer, provided that:

- (i) The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority;
- (ii) The volunteer was acting in good faith;
- (iii) The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct;
- (iv) The volunteer's conduct was not an intentional tort; and

The volunteer's conduct was not a tort arising out of the ownership, maintenance or use of a motor vehicle as described in Section 209(e)(v) of the Michigan Nonprofit Corporation Act.

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

ARTICLE XIV

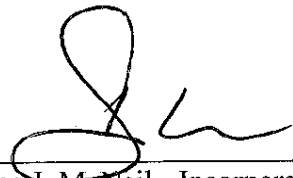
The officers of the Academy Board shall be a President, Vice-President, Secretary and a Treasurer, each of whom shall be selected by the Board of Directors. The Academy Board may select one or more Assistants to the officers, and may also appoint such other officers and agents as they may deem necessary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

ARTICLE XV

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

These Articles of Incorporation were signed by the Incorporator on the 23rd day of December, 2013.

By: _____

A handwritten signature in black ink, appearing to read 'Douglas J. McNeil', written over a horizontal line.

Douglas J. McNeil - Incorporator

CONTRACT SCHEDULE 2

BYLAWS

RESTATED BYLAWS
OF
Innocadmy Allegan Campus

ARTICLE I

NAME

This organization shall be called **I n n o c a d e m y A l l e g a n C a m p u s** (t h e “ A c a d e m y ” o r “ C o r p o r a t i o n ”) .

ARTICLE II

FORM OF CORPORATION

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

ARTICLE III

OFFICES

Section 1. Principal Office. The principal office of the Corporation shall be located in the City of Fennville, County of Allegan, 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 6A of the Revised School Code (“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 in May or June, 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, VicePresident, 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 VicePresident shall preside. If the VicePresident 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. VicePresident. 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 VicePresident 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 VicePresident shall perform such other duties as from time to time may be assigned to the VicePresident 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 VicePresident 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 VicePresident, 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.

Secretary's Certification:

I, the undersigned, as Secretary of the **Innocademy Allegan Campus** Board of Directors certify that the foregoing resolution was duly adopted by the **Innocademy Allegan Campus** Board of Directors at a properly noticed public meeting held on the 27th day of (month), Feb, at which a quorum was present, with a vote of 3 for, 0 opposed, and 0 abstaining.

By: Emily Kimber
Board Secretary

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 Innocademy Allegan Campus (the "Academy"), a public school academy.

Preliminary Recitals

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

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

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

ARTICLE I

DEFINITIONS AND INTERPRETATIONS

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

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

"Agreement" means this Fiscal Agent Agreement.

"Fiscal Agent" means the University Board or an officer or employee of 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 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 3.03.

Section 2.02. Transfer to Academy. Except as provided in Article X of the Terms and Conditions and in the Oversight Agreement, the Fiscal Agent shall transfer all State School Aid Payments and all Other Funds received on behalf of the Academy to the Academy within ten (10) business days of receipt or as otherwise required by the provisions of the State School Aid Act of 1979 or applicable State Board rules. The State School Aid Payments and all Other Funds shall be transferred into the Account designated by a resolution of the Academy Board and by a method of transfer acceptable to the Fiscal Agent.

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

Section 2.04. Academy Board Requests for Direct Intercept of State School Aid Payments. If the Academy Board directs that a portion of the Academy's State School Aid Payments be forwarded by the Fiscal Agent to a third party account for the payment of Academy debts and liabilities, the Academy shall submit to the Charter Schools Office: (i) a copy of the Academy Board's resolution authorizing the direct intercept of State School Aid Payments; and (ii) a copy of a State School Aid Payment Agreement and Direction document that is in a form and manner acceptable to the Fiscal Agent. The State School Aid Payment and Direction document shall include language that the third party lender or trustee acknowledges and consents to the transfer of State School Aid Payments into the Academy's dissolution account, as set forth in Article X of the Terms and Conditions. Any unspent funds remaining in the Academy's dissolution account after payment of all wind up and dissolution expenses shall be returned to the Academy.

ARTICLE III

STATE DUTIES

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

Section 3.02. State School Aid Payment Overpayments and Penalties. The State, through its Department of Education, has sole responsibility for determining State School Aid Payment overpayments to the Academy and the method and time period for repayment by the Academy. The State, through its Department of Education, has sole responsibility for assessing State School Aid penalties against the Academy for noncompliance with the Code and the State School Aid Act of 1979, as amended.

Section 3.03. Method of Payment. Each State School Aid Payment for the Academy will be made to the Fiscal Agent by the State Treasurer by issuing a warrant and delivering the warrant to the Fiscal Agent by electronic funds transfer into an account specified by the Fiscal Agent, or by such other means deemed acceptable to the Fiscal Agent. The State shall make State School Aid Payments at the times specified in the State School Aid Act of 1979, as amended.

ARTICLE IV

ACADEMY DUTIES

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

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

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

Section 4.04. Repayment of Overpayment and Penalties. The Academy shall be directly responsible for reimbursing the State for any overpayment of State School Aid Payments or any

State School Aid penalties. At its option, the State may reduce subsequent State School Aid Payments by the amount of the overpayment or penalty or seek collection of the overpayment or penalty from the Academy.

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

ARTICLE V

RECORDS AND REPORTS

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

Section 5.02. Reports. The Fiscal Agent shall prepare and send to the Academy within thirty (30) days of September 1, 2024, and annually thereafter, a written report dated as of August 31st summarizing all receipts, deposits and transfers made on behalf or for the benefit of the Academy during the period beginning on the latter of the date hereof or the date of the last such written report and ending on the date of the report, including without limitation, State School Aid Payments received on behalf of the Academy from the State Treasurer and any Other Funds which the 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. The Fiscal Agent shall not be liable for any State School Aid penalties imposed by the State against the Academy.

Acknowledgment of Receipt

The undersigned, on behalf of the State of Michigan, Department of Treasury, acknowledges receipt of the foregoing Fiscal Agent Agreement that is part of the Contract issued by the Lake Superior State University Board of Trustees to Innocademy Allegan Campus.

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

Date: 4/3/24

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 Innocademy Allegan Campus (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, terminate, reconstitute or revoke the Contract.
- e. Monitor the Academy's compliance with the Contract, the Code, and all other Applicable Law.
- f. Request periodic reports from the Academy regarding any aspect of its operation, including, without limitation, whether the Academy has met or is achieving its targeted educational goals and applicable academic performance standards set forth in the Contract.
- g. Request evidence that the Academy has obtained the necessary permits and certificates of compliance to operate as a public school from the applicable governmental agencies, including, without limitation, the Michigan Department of Licensing and Regulatory Affairs, Bureau of Construction Codes and the Bureau of Fire Services, and local health departments.
- h. Determine whether the Academy has failed to abide by or meet the educational goals or applicable academic performance standards as set forth in the Contract.
- i. Provide supportive services to the Academy as deemed necessary and/or appropriate by the 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 October pupil membership count; (ii) revised personnel costs; (iii) any start-up expenses incurred by the Academy; and (iv) the total amount of short-term cash flow loans obtained by the Academy. The Academy shall make budget revisions in a manner prescribed by law. Within thirty (30) days of the Academy Board approving the budget (original and amended, if applicable), the Academy shall place a copy of that budget on the Academy's website within a section of the website that is accessible to the public.

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

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

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

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

Section 2.03. Waiver and Delegation of Oversight Procedures. The 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 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 4.04 shall prohibit the Academy from electing to 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

SCHEDULE 5
DESCRIPTION OF STAFF RESPONSIBILITIES

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Schedule 5: Description of Staff Responsibilities

Innocademy Allegan Campus will contract with Innovative Education Services, (IES), an educational service provider, pursuant to the terms of a Management Agreement that will be reviewed and approved by the LSSU Charter School Office. Pursuant to the terms and conditions of the Management Agreement, IES will provide Innocademy Allegan Campus with a range of services as permitted by the Revised School Code, including accounts payable/accounts receivable management, personnel management, payroll and accounting, curriculum development and professional development services for staff and teachers.

Where appropriate, IES will assist Innocademy Allegan Campus in remaining compliant with the terms and conditions of the Charter Contract requirements, the Revised School Code, and all rules and regulations established by the Michigan Department of Education (MDE) and other regulatory bodies.

As it applies to the Charter Contract of which this is a part, IES shall be responsible for satisfying the requirements specifically set forth in Schedule 6 above entitled "Information to Be Provided by Academy and Education Service Provider". The Innocademy Allegan Campus Board will be responsible for establishing policies aimed at ensuring operational and academic performance along with the fiscal stability of the Academy. In establishing such policies, the Innocademy Allegan Campus Board may request appropriate input and assistance from IES personnel but will remain solely responsible for the established policies. Further, the Innocademy Allegan Campus Board shall remain fully and directly accountable to LSSU Charter School Office, MDE and any other regulatory bodies for the lawfully compliant operation of the Academy.

While all the staff members of Innocademy Allegan Campus will be employees of IES, they will utilize a teacher-led educational approach established by the Innocademy Allegan Campus Board to continue the pattern of innovative growth and developing a successful school practice. All staff will be employed through IES with a comprehensive selection process that includes the IES Human Resources personnel, current staff, and the School Leader. The Innocademy Allegan Campus Board and School Leader will ensure that the expectations will exceed the state standards.

Innocademy Allegan Campus staff qualifications, knowledge, and skills support student learning and all teachers will be certified and qualified under ESSA. The school leader, teachers, and others required to be certified will meet all Michigan's occupational certification requirements and such certification will be a pre-condition to employment.

Teachers will have a solid base of content knowledge and the skills necessary to deliver instruction. Teachers at Innocademy Allegan Campus will acquire or enhance the knowledge, skills, attitudes, and beliefs necessary to create high levels of learning for all students. The National Staff Development Council will be a resource and framework for the professional development of all staff.

(source:www.michigan.gov/mde/0,4615,7-140-6530_5683_5703-36961--,00.html)

Professional development will be of the utmost importance in the rapidly growing field of education. Learning will focus on not only content and curriculum but also instruction.

Staffing will be determined by student enrollments with class sizes ranging between 18-20 students.

The school leader will work collaboratively with the teachers to develop systemic instructional plans to ensure student success. Duties and responsibilities of the school leader are outlined in the job description below. The school leader will work flexible hours and calendar to ensure that the mission/vision of Innocademy Allegan Campus is fulfilled.

Teachers will be hired based upon student enrollment and be responsible for the instructional program and student learning. In addition, they will work flexible hours and calendar to ensure student engagement, achievement, growth, and to monitor student progress in learning. Teachers will work collaboratively with students and their families to maximize student support and success.

A teacher who holds appropriate certification, according to the state board rules, will

be responsible for all the following for each course in which a pupil is enrolled:

- Improving learning by planned instruction.
- Diagnosing the pupil's learning needs.
- Assessing learning, assigning grades, and determining advancement.
- Reporting outcomes to administrators and parents or legal guardians.

I

JOB DESCRIPTIONS

CLASSROOM TEACHER

JOB SUMMARY

To plan, organize and implement an appropriate instructional program in an elementary or secondary learning environment that guides and encourages students to develop and fulfill their academic potential. Work is performed under the supervision of the School Lead.

RESPONSIBILITIES

- Plan, prepare and deliver lesson plans and instructional materials that facilitate active learning.
- Develops tests to appropriately assess student learning and uses test results to adjust instruction to meet the student's needs
- Instruct and monitor students in the use of learning materials and equipment.
- Use relevant technology to support and differentiate instruction.
- Manage student behavior in the classroom by establishing and enforcing classroom expectations and procedures.
- Provide appropriate feedback on work.
- Encourage and monitor the progress of individual students and use information to adjust teaching strategies.
- Maintain accurate and complete records of students' progress and development.
- Update all necessary records accurately and completely as required by laws, district policies and school regulations.
- Prepare required reports on students and activities.
- Participate in department, school, district and parent meetings.
- Communicate necessary information regularly to students, colleagues and parents regarding student progress and student needs.
- Establish and communicate clear objectives for all learning activities.
- Prepare classroom for class activities.
- Provide a variety of learning materials and resources for use in educational activities.
- Observe and evaluate student's performance and development.
- Assign and grade class work, homework, tests and assignments.

QUALIFICATIONS:

- B.A/B.S degree in teaching from an accredited institution or related field teaching
- Michigan State certification in teaching in appropriate subject area.
- Ability to establish and maintain cooperative and effective working relationships with others.

- Ability to communicate effectively orally and in writing.
- Must have the ability and proven ability to report to work on a regular and punctual basis.
- Perform all other related work delegated or required to accomplish the objectives of the total school program.
- Knowledge and implementation of relevant technology.
- Meet professional teacher education requirements of school, district and state.

2023-2024 School Year				
Grade	Name	Required Criminal Background Check	Reports to School Lead	Employer: Innovative Education Services (IES)
Young 5s/Kindergarten	Jessica Kempema	Yes	Deb Feenstra	IES
First	Amanda Schuman	Yes	Deb Feenstra	IES
Second	Jacoba Deikema-Mead	Yes	Deb Feenstra	IES
Third/Fourth	Michelle Tourangaeu	Yes	Deb Feenstra	IES
Middle School	Carrie Pond	Yes	Deb Feenstra	IES
Middle School	Zach Rasmuson	Yes	Deb Feenstra	IES

PARAPROFESSIONAL

JOB SUMMARY

Paraprofessionals assist students under the direction of a certified teacher.

RESPONSIBILITIES

- Assisting teachers in their teaching duties and other general responsibilities such as organizing teaching materials, providing instructional support in learning centers, reinforcement activities, etc.
- Provide individual and small group instruction to students under the direction of the classroom teacher
- Assisting in managing student behavior in the classroom by enforcing classroom expectations and procedures.
- Assist in performing classroom assessments of student learning and documenting the assessment results to be used by classroom teacher
- Assists the teacher in preparing materials and equipment for direct instructional activity, including locating, copying, collating, distributing and/or grouping materials to support instructional activities planned by the teacher
- Helping the teachers and students in executing extracurricular activities and school functions
- Ensuring proper care and upkeep of educational materials, equipment, and supplies
- Supervises students in classrooms, halls, cafeterias, school yards, and gymnasiums, or on field trips.
- Performs assigned non-instructional classroom duties, such as snack time, toileting, and clothing routines.
- Serves as a source of information and help to any substitute teacher assigned to the class

QUALIFICATIONS

- One of the following: Associates Degree, 2 years of study at a College/University or the ability to pass a comprehensive Paraprofessional Assessment
- Ability to establish and maintain cooperative and effective working relationships with others.
- Ability to communicate effectively orally and in writing.
- Must have the ability and proven ability to report to work on a regular and punctual basis.
- Perform all other related work delegated or required to accomplish the objectives of the total school program.
- Knowledge and implementation of relevant technology.

2023-2024 School Year

Grade	Name	Required Criminal Background Check	Reports to School Lead	Employer: Innovative Education Services (IES)
Y5-4	Carol Woldring	Yes	Deb Feenstra	IES
Y5-4	Julia Sopko	Yes	Deb Feenstra	IES
Middle School	Shelly Silva	Yes	Deb Feenstra	IES

RESOURCE ROOM TEACHER

JOB SUMMARY

To plan, organize and implement an appropriate and specialized instructional program in an elementary or secondary learning environment that guides and encourages students to develop and fulfill their academic potential. Work is performed under the supervision of the School Lead.

RESPONSIBILITIES

- Plan, prepare and deliver specialized lesson plans and instructional materials that facilitate active learning.
- Develops tests to appropriately assess student learning and uses test results to adjust instruction to meet the student's needs
- Instruct and monitor students in the use of learning materials and equipment.
- Use relevant technology to support and differentiate instruction.
- Manage student behavior in the classroom by establishing and enforcing classroom expectations and procedures.
- Provide appropriate feedback on work.
- Encourage and monitor the progress of individual students and use information to adjust teaching strategies.
- Maintain accurate and complete records of students' progress and development.
- Update all necessary records accurately and completely as required by laws, district policies and school regulations.
- Prepare required reports on students and activities.
- Participate in department, school, district and parent meetings.
- Communicate necessary information regularly to students, colleagues and parents regarding student progress and student needs.
- Establish and communicate clear objectives for all learning activities.
- Prepare classroom for class activities.
- Provide a variety of learning materials and resources for use in educational activities.
- Observe and evaluate student's performance and development.
- Assign and grade class work, homework, tests and assignments.
- Lead student Individualized Education Plan teams through the process of assessment, evaluation, and recommendations meeting student needs as outlined through IDEA requirements.

QUALIFICATIONS

- B.A/B.S degree in teaching from an accredited institution or related field teaching
- Michigan State certification in teaching Special Education.
- Ability to establish and maintain cooperative and effective working relationships with others.
- Ability to communicate effectively orally and in writing.

- Must have the ability and proven ability to report to work on a regular and punctual basis.
- Perform all other related work delegated or required to accomplish the objectives of the total school program.
- Knowledge and implementation of relevant technology.
- Meet professional teacher education requirements of school, district and state.

2023-2024 School Year				
Grade	Teacher Name	Required Criminal Background Check	Reports to School Lead	Employer: Innovative Education Services (IES)
Resource Room	Suzanne O'Shea	Yes	Deb Feenstra	IES

INTERVENTIONIST SPECIALIST

JOB SUMMARY

The Elementary Intervention Specialist's role will be to work directly with students needing additional support in order to become proficient in reading, writing, and mathematics. The role will be to provide support and interventions to at-risk students in those areas. They will teach and provide small group interventions for students identified as needing the most intense intervention as a result of non-proficient test scores. This role will provide support to students in both a push in and pull out format. The person serving in this capacity will work closely with the classroom teachers to create and maintain flexible groups for maximum effectiveness. The Intervention Specialist must be able to organize pre-test data, progress monitor, and post-test students in their intervention groups. Assessment support is provided for implementation and data analysis of formative and summative assessments including the MSTEP and NWEA.

RESPONSIBILITIES

- Provide targeted instruction to struggling students using research-based interventions
- Use data, including district-wide common assessments, to assist teachers in determining who will be targeted for interventions.
- Communicate regularly with teachers, school leads and families on student progress and achievement.
- Evaluate current school intervention efforts in light of what the research establishes as effective practices for struggling students and identify which practices need to be revised.
- Work with staff to show progress and needs of all students within building. Support staff with resources, guidance and PD to help them provide interventions in the classroom.

QUALIFICATIONS

- Valid State of Michigan Teaching Certificate preferred
- Training in varied assessments for progress monitoring
- Knowledge of the Michigan State Standards in Literacy and Mathematics
- Knowledge of the Michigan School Improvement Framework
- Ideal candidate would be Bilingual in Spanish
- Willingness to work cooperatively on a teaching team
- Experience in the alignment of grade level content standards to curriculum, assessment and instruction
- Strong knowledge of best practice and research regarding intervention strategies designed to improve achievement in students struggling in reading, writing and mathematics
- Knowledge of differentiated instruction strategies

- Knowledge of what the research has established as effective practices for struggling readers
- Knowledge of how to connect the use of formative and summative assessments with curriculum, instruction and student achievement
- Knowledge of how to use assessment data to monitor learning and to guide instruction
- Effective written and oral communication skills
- Knowledge and ability to use various forms of educational technology
- Ability to use effective public relations skills necessary for the successful implementation of new programs
- Ability to provide leadership to school based Multi-Tiered System of Support
- Ability to communicate with parents in effective manner

2023-2024 School Year				
Grade	Teacher Name	Required Criminal Background Check	Reports to School Lead	Employer: Innovative Education Services (IES)
School-Wide	Todd Norman	Yes	Deb Feenstra	IES

Innocademy Allegan Front Desk

Job Summary

Innocademy is a free public charter school with schools in Zeeland and Fennville. We are rooted in the principles of Leadership, multiage learning, field experiences, nature-based education, and is a teacher-led school. We look for candidates who thrive on ownership, collaboration, customer service, and leadership.

We are looking for a Part Time Front Desk/Administrative Support person to join our team for 25-30 hours per week.

Description:

- Greet visitors and assist them with their needs
- Organize and track enrollment paperwork and documentation
- Collect payments for field trips, hot lunch, etc.
- Provide clerical support to School Lead and other staff members
- Assist in classrooms as needed
- Supervise students as needed
- Spanish Speaking Skills preferred

School Calendar:

Our schools run on a balanced calendar with a shorter summer break and more frequent breaks throughout the school year.

Job Type: Part-time

Benefits:

- 401(k)
- 401(k) matching

Schedule:

- Monday to Friday

Experience: • School Office: 1 year (Preferred)

2023-2024 School Year				
Grade	Name	Required Criminal Background Check	Reports to School Lead	Employer: Innovative Education Services (IES)
School-Wide	Krista Schrottenboer	Yes	Deb Feenstra	IES

SCHOOL BUS DRIVER

JOB SUMMARY

To transport students to and from school and other sites within designated route(s) and to ensure the safety of the student passengers while in a school vehicle.

RESPONSIBILITIES

- Drives a school transportation vehicle within a prescribe route(s) in accordance with time schedules; picking up and dropping off students at designated stops
- Transports students and teacher on field trips to various locations; planning necessary route(s) and stops as needed
- Maintains order and proper discipline of student passengers according to district policy
- Conduct safety and operational inspection of assigned vehicle daily
- Reports needed mechanical repairs when necessary
- Services buses with gas, diesel fuel, and oil; checks and when necessary fills tires and batteries
- Performs periodical safety drills as required by law; completing necessary reports upon request
- Maintains cleanliness of vehicle to ensure safe operating condition
- Completes periodic mileage and other reports including passenger counts
- Attends various meetings regarding safety, first aid and training updates as required
- Operates a two-way radio
- Washes bus as needed
- Performs related duties as required

QUALIFICATIONS

- Possession of a valid and appropriate Michigan Driver's License
- Possession of a Michigan School Bus Driver's Certificate
- Possession of a safe driving record
- Knowledge of the provisions of the Michigan Motor Vehicle Code and the Education Code as applied to the operation of vehicles used in the transport of school children
- Knowledge of basic first aid practices, procedures, and techniques
- Knowledge of safe driving practices
- Ability to establish and maintain proper student conduct on school vehicle
- Ability to drive a school bus safely and efficiently
- Ability to exercise good judgment and extreme caution while driving
- Ability to meet the physical requirements necessary to safely and effectively perform required duties.

2023-2024 School Year

Grade	Name	Required Criminal Background Check	Reports to School Lead	Employer: Innovative Education Services (IES)
School-Wide	Audrey Reed	Yes	Deb Feenstra	IES

SCHOOL LEADER

JOB SUMMARY

Innocademy Allegan Campus is a K-8 public charter school with the mission to have students learn in an innovative, personal, and flexible environment that incorporates outdoor learning opportunities. We look for candidates who thrive on innovation, collaboration, and ultimately student success. This individual will provide leadership, direction, and inspiration to the staff; will work with IES and Board to hire and evaluate teachers; will provide coordination and oversight to the teacher in enrollment, scheduling, curriculum, instruction and assessment, and in facilitating the operational budget.

Working at the campus in Fennville, the School Leader will work with the teachers on the execution of a positive learning environment that focuses on the whole-child and responds to student achievement and growth. The School Leader will be responsible for fostering the mission and vision of the school.

RESPONSIBILITIES

- Articulate and facilitate mission, beliefs, philosophy, and methods of Innocademy Allegan Campus.
- Supervise and evaluate all school programs in a manner that ensures efficiency, effectiveness, and compliance.
- Collaborate with IES on the selection and hiring of all school staff, including teachers and school-based support staff, under the direction of the Board and compliant with relevant regulations.
- Report the school's progress and needs to the Innocademy Allegan Campus Board.
- Inspire students to understand and impact their community both locally and globally.
- Coordinate curriculum development, while incorporating the ideas of parents, students, staff, and business partners.
- Establish and promote high standards and expectations for all students and staff for academic performance and responsibility.
- Foster, evaluate, and supervise effective and clear procedures for the operation of the school consistent with the philosophy, mission, values, and goals.
- Provide instructional leadership to advance proven teaching and learning practices and implement research-based best practices within the philosophical parameters of Innocademy Allegan Campus.
- Drive innovation and exploration in developing effective practices around the use of technology.
- Use data in decision making.
- Serve as instructional leader and coach in the use of data to improve teaching and learning.

- Manage the collection, analysis, utilization, and reporting of all school data.
- Lead the school team in reaching its goals for student achievement.
- Grow positive parent and community relations.
- Ensure compliance with school system requirements, as well as the State Department of Education.
- Coordinate the annual budget.

SKILLS

- Commitment to the highest ethical conduct and professional integrity.
- Entrepreneurial spirit.
- Enthusiasm for technology.
- Urgently and relentlessly pursues high academic student achievement.
- Ability to align faculty, staff, parents, students, and the community around the achievement of Innocademy Allegan Campus's mission, vision, and goals.
- Love of learning and commitment to continued professional development.
- Reflective, self-aware, and adaptable to communication and work styles.
- Critical thinker and problem solver who takes initiative to address AU
- Facility with technology, data analysis, and data-driven planning, decision-making, and instruction.
- Extreme flexibility to accommodate multiple priorities.

QUALIFICATIONS

- Michigan Educational Administrative Certificate
- At least five (5) years in a leadership role
- A demonstrated track record of promoting dramatic measurable gains in student achievement in both a teaching and administrative capacity.
- School leadership experience in grades K-8 (preferred)
- Professional experience in a fast-paced, evolving "start-up" setting (preferred)
- Teaching experience in multiple grade levels (preferred)

2023-2024 School Year

2023-2024 School Year				
Grade	Name	Required Criminal Background Check	Reports to IES Board	Employer: Innovative Education Services (IES)
School-Wide	Open Position	Yes	IES Board	IES

MANAGEMENT AGREEMENT

This Management Agreement is made and entered into as of the 1st day of July, 2024, by and between the **Innovative Education Services, Inc.**, a Michigan non-profit corporation ("IES"), and **Innocademy Allegan Campus**, a body corporate and public school academy (the "Academy").

RECITALS

The Academy is a charter school, organized as a public school academy under the revised Michigan School Code (the "Code"). The Academy has been issued a contract, dated July 1, 2024 (the "Contract"), by the Lake Superior State University Board of Trustees ("LSSU") to organize and operate a public school academy, with LSSU as the authorizing body.

The Academy and IES desire to create an enduring educational partnership, whereby the Academy and IES will work together to bring educational excellence and innovation to the Allegan area, based on IES's school design, comprehensive educational program and management principles.

In order to facilitate the continued operations of the Academy for the 2024-2025 school year and the continuation of school indefinitely thereafter, and to implement an innovative educational program at the school, the parties desire to establish this arrangement for the management and operation of the Academy.

Therefore, for good and valuable consideration, the receipt of which is hereby acknowledged, it is mutually agreed as follows:

ARTICLE I

CONTRACTING RELATIONSHIP

- A. Authority.** The Academy represents that it is authorized by law to contract with a private entity and for that entity to provide educational management services. The Academy further represents that it has been issued the Contract by LSSU to organize and operate a public school academy. The Academy is therefore authorized by the Revised School Code and LSSU to supervise and control such academy, and is invested with all powers necessary or desirable for carrying out the educational program contemplated in this Agreement.
- B. Contract.** The Academy hereby contracts with IES, to the extent permitted by law, for the provision of all labor, materials, facilities, equipment and supervision necessary for the provision of educational services to students, and the management, operation and maintenance of the Academy in accordance with the educational goals, curriculum, methods of pupil assessment, admission policy and criteria, school calendar and school day schedule, age and grade range of pupils to be enrolled, educational goals, and method to be used to monitor compliance with performance of targeted educational outcomes, all as adopted by the

Academy Board of Directors ("Board" or "Academy Board") and included in the Contract issued to the Academy by LSSU.

- C. Designation of Agents and Personally Identifiable Information.** The Board designates the employees of IES's Central Office and Charter School Division as agents of the Academy having a legitimate educational interest such that they are entitled to access to educational records under 20 U.S.C. §1232g, the Family Rights and Privacy Act ("FERPA"). IES agrees to treat all personally identifiable information ("PII") received from the Academy or from students confidentially and securely, in compliance with all applicable laws and regulations related to protecting the privacy of PII, including without limitation FERPA, the Michigan Revised School Code, and Section 5 of Michigan's Student Online Personal Protection Act, MCL 388.1295. Except as permitted under the Code, IES shall not sell or otherwise provide to a for-profit business entity any PII that is part of an Academy student's education records. If IES receives information that is part of an Academy student's education records, IES shall not sell or otherwise provide the information to any other person except as permitted under the Code. For purposes of this section, the terms "educational records" and "personally identifiable information" shall have the same meaning as those terms in section 1136 of the Code, MCL 380.1136
- D. Status of the Parties.** IES is a non-profit Michigan corporation, and is not a division of or a part of the Academy. The Academy is a body corporate and governmental entity authorized by the Code and is not a division or part of IES. The parties to this Agreement intend that the relationship created by this Agreement is that of an independent contractor and not employer-employee. Except as expressly provided in this Agreement, no agent or employee of IES shall be deemed to be the agent or employee of the Academy. IES shall be solely responsible for its acts and the acts of its agents, employees and subcontractors. The relationship between IES and the Academy is based solely on the terms of this Agreement, and the terms of any other written agreements between IES and the Academy.

ARTICLE II

TERM

- A. Term.** This Agreement shall be effective as of July 1, 2024 and shall expire on June 30, 2029, unless otherwise terminated or amended in accordance with this Agreement, the Contract, applicable law, and any applicable LSSU policies or guidelines. The term of this Agreement cannot exceed the length of the Contract.

ARTICLE III

FUNCTIONS OF IES

- A. Responsibility.** IES shall be responsible and accountable to the Board for the administration, operation and performance of the Academy in accordance with the Contract. IES's responsibility is expressly limited by: (i) the budget IES and the Academy agree upon pursuant to the terms of this Agreement, and (ii) the availability of state funding to pay for

said services. Neither IES nor the Academy is permitted to expend Academy funds on services in excess of the amount set forth in the Academy budget or budget amendments, if any, approved by the Board.

B. Educational Program. IES agrees to implement the educational goals and programs as incorporated in the Contract (the "Educational Program"). In the event IES determines that it is necessary to modify the Educational Program, IES shall inform the Board of the proposed changes and obtain board approval, and if required under the Contract, approval of LSSU. The parties hereto acknowledge that an essential principle of the Educational Program is its flexibility, adaptability, and capacity to change in the interest of continuous improvement and efficiency, and that the Academy and IES are interested in results and not in inflexible prescriptions. At the end of each academic semester, and otherwise as requested, IES will provide the Board with updated reports on progress towards implementing each of the Academy's educational goals in the Educational Program.

C. Specific Functions. IES shall be responsible for the management, operation, administration, accounting, and education at the Academy. Such functions include, but are not limited to:

1. Implementation and administration of the Educational Program, including the selection and acquisition of instructional materials, equipment and supplies approved by the Board, and the administration of any and all extra-curricular and co-curricular activities and programs approved by the Board.
2. Management of all personnel functions, including professional development for the school administrator and all instructional personnel and the personnel functions outlined in Article VI.
3. All aspects of the business administration of the Academy.
4. All aspects of the accounting operation, including general ledger management and financial reporting.
5. Food service, if any is provided, for the Academy.
6. Before and after school childcare, if any is provided, for the Academy through the use of IES's Child Development Centers.
7. Any other function necessary or expedient for the administration of the Academy as approved by the Board.

D. Purchases. Purchases made by IES on behalf of the Academy with Academy monies including, but not limited to, instructional materials, supplies, and equipment shall be and remain the property of the Academy. IES agrees that there will be no added fees or charges to any purchases made by IES on the Academy's behalf.

- E. Subcontracts.** IES reserves the right to subcontract any and all aspects of all services it agrees to provide to the Academy including, but not limited to transportation and/or food service. However, IES shall not subcontract the management, oversight or operation of the teaching and instructional program, except as specifically permitted in this Agreement or with prior approval of the Board.
- F. Place of Performance.** IES reserves the right to perform functions other than instruction, such as purchasing, professional development, and administrative functions, off-site, unless prohibited by the Contract or applicable law.
- G. Educational Facilities.** It is IES's responsibility to locate facilities to be used by the Academy. The Board agrees that IES may own the facilities used by the Academy and further agrees that IES may rent or lease these facilities to the Academy at fair market value. Fair market value shall be based on cost/square foot/year for property and shall be charged in either 12 or 9 equal monthly payments. IES shall fully disclose its ownership interest in any educational facilities which may be utilized by the Academy prior to leasing such facilities to the Academy. Any facilities rental agreement between IES and the Academy shall be separately documented pursuant to a written lease agreement which shall meet all the requirements of the LSSU lease policies in effect from time to time.
- H. IES Office Space.** For the term of this Agreement, suitable office space shall be provided at the Academy for IES personnel and subcontractors. The office space shall be used by IES for IES activities related to the Academy. The Academy shall also provide IES, upon IES's request, with an additional room to be used for activities related to the Academy.
- I. Student Recruitment.** IES and the Board shall be jointly responsible for the recruitment of students subject to agreement on general recruitment and admission policies. Students shall be selected in accordance with the procedures set forth in the Contract, applicable law and the Board policies.
- J. Due Process Hearings.** IES shall provide student due process hearings in conformity with the requirements of state and federal law regarding discipline, special education, confidentiality and access to records, to an extent consistent with the Academy's own obligations. The Board shall retain the right to provide due process as required by law.
- K. Legal Requirements.** IES shall provide Educational Programs consistent with the Contract and applicable law, but the Academy shall interpret state and local regulations liberally to give IES flexibility and freedom to implement its educational and management programs.
- L. Rules & Procedures.** IES shall recommend to the Board reasonable rules, regulations, and procedures applicable to the Academy. IES is authorized and directed to enforce rules, policies and procedures adopted by the Board.
- M. School Year and School Day.** The school year and school day shall be as provided in the Contract. The Board reserves the right to modify the school year/day to ensure that the State mandated school instructional days and school hours of instruction are met.

- N. Pupil Performance Standards and Evaluation.** Consistent with the Contract, IES shall implement pupil performance evaluations which permit evaluation of the education progress of each Academy student. IES shall be responsible and accountable to the Board for the performance of students who attend the Academy. IES will utilize assessment strategies acquired by the terms of the Contract. The Board and IES will cooperate in good faith, to identify measures of school performance and goals for Academy students including, but not limited to, parent satisfaction.
- O. Services to Disabled Students and Special Education.** IES shall provide special education services to students who attend the Academy in conformity with the Contract and applicable law. IES may subcontract as necessary and appropriate for the provision of services to students whose special needs require services outside of the Academy's program, subject to approval of the Board. Such services shall be provided in a manner that complies with the Contract, applicable law and Board Policies.
- P. Compliance with Academy's Contract.** IES agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the Academy's obligations under the Contract issued by LSSU. The provisions of the Contract shall supersede any competing or conflicting provisions contained in this Agreement.
- Q. Unusual Events.** IES agrees to timely notify the Board and/or school administrator of any anticipated or known: (i) material health or safety issues, (ii) labor, employee or funding problems, or (iii) problems of any other type that could adversely affect the Academy in complying with its responsibilities hereunder.
- R. Academy Corporate, Student and Financial Records.** All Academy corporate, student, and financial records and information related to the Academy are Academy property and shall be available for inspection at the Academy or at IES's central office by the Academy's independent auditor, LSSU or the public upon reasonable request consistent with the Contract and applicable law. Such records are subject to the provisions of the Michigan 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 Contract and Applicable Law, no provision of this Agreement shall restrict LSSU's or the public's access to the Academy's records. All finance and other records of IES related to the Academy will be made available to the Academy, to the Academy's independent auditor or the LSSU Charter Schools Office upon request.

ARTICLE IV

OBLIGATIONS OF THE BOARD

- A. Good Faith Obligation.** The Board shall be responsible for leadership and governance of the Academy and for adopting governance, fiscal and academic policies applicable to the Academy. The Board shall exercise good faith in considering the recommendations of IES

including, but not limited to, IES's recommendations concerning policies, rules, regulations and budgets.

- B. Assistance to IES.** The Academy shall cooperate with IES in furnishing all information and submitting all forms and reports required in association with this Agreement, including timely notice of all Board meetings. The Academy shall timely furnish IES all documents and records necessary for IES to properly perform its responsibilities under this Agreement.
- C. Unusual Events.** The Academy agrees to timely notify IES of any anticipated or known: (i) material health or safety issues, (ii) labor, employee or funding problems, or (iii) problems of any other type that could adversely affect IES in complying with its responsibilities hereunder.
- D. Retained Authority.** The Board shall retain the authority to make reasonable regulations relative to anything necessary for the proper establishment, maintenance, management, and carrying on of the Academy, including regulations relative to the conduct of pupils while in attendance at the Academy or en route to and from the Academy. The Academy Board shall further retain the obligation, as provided in section 1274 of the Code, to adopt written policies governing the procurement of supplies, materials and equipment.
- E. Educational Consultant.** The Board may retain at its own expense an educational consultant to review the operations of the Academy and the performance of IES under this Agreement. IES shall cooperate with such consultant in the performance of his or her responsibilities to the Board. Notwithstanding anything contained elsewhere in this Agreement, IES shall have no authority to select, evaluate, assign, supervise or control any consultant retained by the Board.

ARTICLE V

FINANCIAL ARRANGEMENTS

- A. Revenues.** Except as hereinafter provided, all monies received by the Board shall be deposited within three (3) business days with a financial institution acceptable to the Board. Only Board members properly designated annually by the Board shall be named signatories on the Academy's bank account(s). No provision of this Agreement shall 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. Interest income earned on Academy depository accounts shall accrue to the Academy. Except as specifically excluded by the terms of this Agreement, the term "Revenues" shall include all funds received by on or behalf of the Academy including, but not limited to;
 - 1. State Aid Funds.
 - 2. Special Education funding provided by Federal or State Governments to the Academy that is directly allocable to special education students in the Academy.

3. Gifted and Talented funding provided by Federal and State Governments that is directly allocable to gifted and talented students in the Academy.
4. At-Risk funding provided by Federal and State Governments to the Academy that is directly allocable to at-risk students in the Academy.
5. Funding provided by Federal and State Governments to the Academy that is directly allocable to students in the Academy with limited English proficiency.
6. Federal and State grant sources, including Title I, which is directly allocable to the Academy.
7. Grants and donations received by the Academy (except to the extent IES is not required or involved in soliciting, administering, or managing such grants and/or donations).
8. Fees charged to students for extra services as and to the extent permitted by law.

All of the above are hereinafter collectively referred to as the "Revenues".

The Revenues shall be expended by IES in accordance with the approved Budget and as otherwise authorized by the Board. The expenditure of Revenues received from governmental entities shall be consistent with all applicable regulations and policies, and in the case of private donations, the directives of the donor where applicable.

B. Budget

1. **Projected Budget.** IES shall provide the Board with an annual proposed Budget (the "Proposed Budget"). The budget shall be submitted to the Board at least sixty (60) days prior to June 30th for the following academic year.
2. **Budget Detail.** The Proposed Budget shall contain reasonable detail as requested by the Board. The Budget shall include all projected expenses and costs reasonably associated with operating the Academy and the IES school program including, but not limited to, the projected cost of: all services and education programs provided to the Academy, leasehold and other lease obligations incurred by the Academy, maintenance and repairs to Academy facilities and capital improvements except as otherwise agreed upon, supplies and furnishings necessary to operate the Academy, all taxes of any kind that are assessed or imposed, insurance premiums, utilities, professional fees, and other costs and expenses connected to operating the Academy. The Proposed Budget shall not include any corporate costs or expenses that are the responsibility of IES.
3. **Approval.** The Proposed Budget shall be prepared by IES and submitted to the Board for approval. At a public meeting, the Board shall review the Proposed Budget with IES, making any changes the Board deems necessary, and then approve a budget for the Academy prior to the start of the upcoming school fiscal year ("Approved Budget"). The Approved Budget may be amended from time to time as deemed necessary by the Board.

The Board shall determine the budget reserve amount included as part of the Academy's annual budget. The Board is also responsible for implementing fiscal policies that will assist the Academy in attaining the stated budget reserve amount.

4. **Expenditures.** IES shall not expend the Revenues in such a way as to deviate from the provisions of the Approved Budget or Budget amendment(s), if any, without prior Board approval.
- C. Fee.** IES shall be entitled to receive compensation for services described in this Agreement in accordance with the provisions set forth on Schedule 1 attached hereto and made a part of this Agreement. No corporate costs or "central office" personnel costs of IES shall be charged to, or reimbursed by, the Academy.
- D. Availability of Funds.** IES shall only be required to perform its responsibilities in this Agreement to the extent that the Academy has received and made available to IES sufficient Revenues to make payments in accordance with the terms of the Budget.
- E. Other Public School Academies.** The Academy acknowledges that IES may enter into similar management agreements with other public school academies. IES shall maintain separate accounts for expenses incurred by or on behalf of the Academy and other Public School Academies and shall only charge the Academy for expenses incurred by or on behalf of the Academy. If IES incurs authorized reimbursable expenses on behalf of the Academy and other public school academies which are incapable of precise allocation, then IES shall allocate such expenses among all such academies, including the Academy, on a prorated basis based upon the number of students enrolled at such academies, or upon such other equitable basis as is acceptable to the parties.
- F. Financial Reporting.** IES shall provide the Board with:
1. The Proposed Budget annually as required by the terms of this Agreement.
 2. Detailed statements of all Revenues received, and detailed statements of all direct expenditures for services and or expenses rendered or incurred to or on behalf of the Academy, whether incurred on-site or off-site, upon request.
 3. Reports on Academy operations, finances, and student performance shall be provided upon request, but not less frequently than two (2) times per year.
 4. Other information on a periodic basis to enable the Board to monitor IES's performance and the efficiency of its operation of the Academy, and to reconcile the Fee paid to IES.
 5. 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 shall be presented to the Board in the form and format acceptable to the Board

not less than five (5) working days prior to the Board meeting at which the information will be presented and discussed.

- G. Access to Records.** IES shall keep accurate financial records pertaining to its operation of the Academy, together with all Academy financial records prepared by or in possession of IES and shall retain all of these records for a period consistent with public school record retention policy approved by the State Board of Education. Academy financial records are the property of and are owned by the Academy and shall be returned by IES to the Academy upon termination of this Agreement. IES and the Academy shall maintain the proper confidentiality of personnel, students, and other records as required by law.
- H. Review of Operational Budget.** The Academy Board shall be responsible for reviewing, revising and approving the annual Academy Budget.
- I. Annual Audit.** The Board shall select and retain the independent auditors. The Academy shall pay for an annual audit the cost of which shall be included in the Approved Budget.
- J. Other Financing.** In accordance with the Contract and applicable law, the Board may apply to IES for financing from time to time. Any such financing shall be subject to a separate written agreement between the parties as to terms, and may cover the cost of funds for the development and on-going operations of any and all aspects of the Academy's program. The parties agree that other written agreements entered into by the parties will comply with the Contract, as well as any applicable LSSU and LSSU Charter Schools Office policies and guidelines. The Academy shall reimburse IES for any such financing from state school aid payment and/or other revenue sources.

ARTICLE VI

PERSONNEL & TRAINING

- A. Personnel Responsibility.** IES, subject to Board approval, shall select and assign qualified personnel to perform services at the Academy. The staff assigned to the Academy shall be employees of IES. Compensation of all employees will be the responsibility of IES with the total amounts paid in accordance with the Approved Budget. IES is responsible for paying employees leased to the Academy or working on Academy operations irrespective of whether IES receives an advancement of its costs or the payment of services from the Academy. For purposes of this Agreement, compensation shall include salary, bonus (if applicable), health and retirement benefits, and state and federal tax withholdings for IES staff assigned to work at the Academy. IES shall be responsible for paying all employer and employee applicable local, state and federal taxes in a timely manner. Consistent with the Approved Budget, IES shall have the responsibility and authority to determine staffing levels, and to select, evaluate, assign, discipline, transfer and terminate personnel consistent with state and federal law. If IES executes contracts with administrative or teaching staff that have a term longer than one (1) year, the Board reserves the right to have the school administrator or teacher placed elsewhere by IES if the Board is reasonably dissatisfied with their respective performance at the end of the academic year.

- B.** IES, or its designated subcontractor (approved by the Academy), shall be responsible for performing all pre-employment, background, license and eligibility review and other screening and investigation required by federal, state or local law, including the Code, as if employed by the Academy directly. Employment records of IES employees shall be made available to the Academy and the Academy's independent auditors upon request for purposes of auditing such records for compliance with applicable law. Any and all criminal history and criminal background records checks as required by the Code, the Michigan Department of Education, and the Michigan State Police shall be maintained as required by applicable law. The Academy agrees to pay for the criminal history and criminal background record checks for each IES employee for whom such records check is necessary to be completed.
- C. School Administrator.** The school administrator shall be accountable for the performance of the Academy. IES shall have the authority, consistent with state law, to select, employ, and supervise the school administrator and hold the school administrator accountable for the success of the Academy. Consistent with the Contract, the duties of the school administrator, and the terms of the school administrator's employment contract, shall be determined by IES. IES shall timely consult with the Board with respect to an actual or anticipated change in the individual IES employs under this Agreement.
- D. Teachers.** Consistent with the Approved Budget, IES shall determine the number of teachers required for the operation of the Academy. IES shall assign to the Academy such teachers, qualified in the grade levels and subjects required, as are required by the Academy. The curriculum taught by such teachers shall be the curriculum prescribed in the Contract. Such teachers may, in the discretion of IES, work at the Academy on a full or part time basis. If assigned to the Academy on a part time basis, such teachers may also work at other schools managed or operated by IES. To the extent required, each teacher assigned or retained by the Academy shall hold a valid Michigan teaching certificate issued by the State Board of Education under the Code.
- E. Support Staff.** Consistent with the Approved Budget, IES shall determine the number of support staff required for the operation of the Academy. IES shall assign to the Academy qualified staff to efficiently operate the Academy's school in accordance with the Contract and this Agreement. The support staff may, in the discretion of IES, work at the Academy on a full or part time basis. If assigned to the Academy on a part-time basis, the support staff may also work at other schools managed or operated by IES.
- F. Training.** IES shall provide training in its methods, curriculum, program, and technology to all teaching personnel on a regular basis. Non-instructional personnel shall receive such training as IES determines reasonable and necessary under the circumstances.
- G. Evaluation.** IES shall conduct annual staff evaluations that are rigorous, transparent, and fair following both federal and state laws and guidelines. IES shall adopt, implement, and maintain a performance evaluation system for all required personnel as required by applicable law, including but not limited to Sections 1249, 1249b, and 1250 of the Revised School Code.

H. Criminal Background and Criminal History Record Checks. IES acknowledges and agrees that IES will have all of IES's agents, employees or representatives who will be on the Academy's premises, fingerprinted and subjected to criminal history and criminal background record checks through the Michigan State Police and Federal Bureau of Investigation, as detailed in the Code, prior to commencing any work at the Academy site, under this Agreement. IES further agrees to provide the Academy with a copy of all fingerprinting and criminal history and criminal background records reports prior to commencing any work under this Agreement as of July 1, 2014. After this date, all fingerprinting and criminal history background records reports held by IES will be returned and/or destroyed, and no copies may be maintained by IES.

In addition, unless notified it is not subject to the Code's requirements for fingerprinting and criminal background records and criminal history checks, IES represents and warrants to the Academy that it will at all times during the term of this Agreement be in compliance with the Code, including, but not limited to, reporting to the Academy within three (3) business days of when it, or any of its agents, employees or representatives who will be on the Academy's premises, is/are charged with a crime listed in Section 1535a(1) or 1539b(1) of the Revised School Code, being MCL 380.1535a(1) and 380.1539b(1), a substantially similar law, or other crimes required to be reported under the Code, and to immediately report to the Academy if that person is subsequently convicted, pleads guilty or pleads no contest to that crime.

I. Unprofessional Conduct Checks. IES further acknowledges and agrees that it will conduct unprofessional conduct checks, in accordance with MCL 380.1230b, before hiring any employee assigned to work at the Academy, or any other officer, director, employee, subcontractor, agent, or representative. IES further acknowledges and agrees that all IES employees or any other individuals set forth herein shall not be assigned to work at the Academy until the requirements of the applicable state and federal laws, rules and regulations have been satisfied.

ARTICLE VII

TERMINATION OF AGREEMENT

A. Termination.

1. **By IES.** IES may terminate this Agreement prior to the end of the term specified in Article II in the event the Board fails to remedy a material breach within thirty (30) days after notice from IES. A material breach includes, but is not limited to, IES's failure to receive for any reason compensation or reimbursement as required by the terms of this Agreement, the Academy's failure to comply with this Agreement, or the Academy's loss or suspension of its Contract.
2. **By Academy.** The Academy may terminate this Agreement prior to the end of the terms specified in Article II in the event that IES shall fail to remedy a material breach within thirty (30) days after notice from the Board. Material breach includes,

but is not limited to: (i) IES's failure to account for its expenditures or to pay Academy operating costs (provided funds are available to do so), (ii) IES's failure to follow policies, procedures, rules, regulations or curriculum duly adopted by the Board which are not in violation of the Contract, this Agreement, or applicable law, (iii) IES's failure to comply with this Agreement; or (iv) receipt by the Board of unsatisfactory reports from IES or from an educational consultant retained by the Board about matters concerning IES's performance or the performance of the staff which are not adequately corrected or explained.

3. **Agreement Coterminous with Academy's Contract.** If the Contract issued by LSSU 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 Contract is suspended, revoked, terminated or expires without further action of the parties.

B. Termination/Expiration.

1. **Removal of personal property.** Upon termination of this Agreement, equipment and other assets acquired with Academy Revenue and owned by the Academy shall remain the exclusive property of the Academy. Equipment leased by the Academy shall remain subject to the interest of the Lessor/Owner.
2. **Out-of-Pocket Expenses.** Upon termination of this Agreement, for any reason, all out-of-pocket expenses paid by IES through the date of termination shall, upon presentation of the appropriate supporting documentation, be immediately repaid by the Academy unless otherwise agreed in writing by IES.

- C. Transition.** In the event of termination of this Agreement for any reason by either party prior to the end of the Agreement's term, IES shall provide the Academy reasonable assistance for up to ninety (90) days to assist in the transition back to a regular school program. Notwithstanding any provision herein to the contrary, 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 educational service provider ("ESP") (or self-management) is in effect; or (ii) the end of the school year in which the termination is invoked. The parties acknowledge that a change in ESP (or a decision to self-manage) in mid-school year is strongly discouraged 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 school without disrupting the school's operations.

Upon termination or expiration of this Agreement, or this Agreement is terminated due to a Contract revocation, reconstitution, termination or non-renewal, IES shall, without charge, (i) close the books on the then-current fiscal year of the Academy; (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 vendor invoices with total amount owed such

vendors, including to IES; (v) the amount owed by IES to the Academy, if any; (vi) organize and prepare student records for transition to the new ESP, self-management or in the case of the Academy's closure, transfer to a new school designated by the students' parent/legal guardian or to a person or entity authorized to hold such records; (vii) ensure the closeout of existing grants and the transfer of grant funded property to the Academy; and (viii) provide for the orderly transition of employee compensation and benefits to the new ESP, or self-management without disruption of staffing, or in the case of school closure, final payment of all compensation, benefit and tax obligations related to services provided by IES to the Academy.

ARTICLE VIII

AUTHORIZER'S REQUIRED CONTRACT PROVISIONS

- A. Indemnification of Lake Superior State University.** The parties acknowledge and agree that Lake Superior State University Board of Trustees, Lake Superior State University and its members, officers, employees, agents or representatives (collectively, for purposes of this paragraph, referred to as "the University") are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, IES 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 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, IES'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 IES, or which arise out of the failure of IES to perform its obligations under the Contract, this Agreement, or applicable law, as applicable. The parties expressly acknowledge and agree that Lake Superior State 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 IES to enforce its rights as set forth in this Agreement.
- B. Compliance with Section 503c.** On an annual basis, IES agrees to provide the 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 Board shall make the information available on the Academy's website home page, in a form and manner prescribed by the Michigan Department of Education. The defined terms in section 503c of the Code, MCL 380.503c, shall have the same meaning in this Agreement.

- C. 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 Michigan Department of Education 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 under the Contract, and such closure of an Academy site or reconstitution causes an amendment to or termination of this Agreement, the parties agree that this Agreement shall be amended or terminated to implement the Academy site closure or reconstitution, with no cost or penalty to the Academy, and IES shall have no recourse against the Academy or LSSU for implementing such site closure or reconstitution.
- D. Compliance with Section 12.17 of Contract Terms and Conditions.** IES shall make information concerning the operation and management of the Academy, including without limitation the information described in the Contract, available to the Academy and its auditors as deemed necessary by the Board in order to enable the Academy to fully satisfy its obligations under the Contract.
- E. Purchases by IES.** If IES purchases equipment, materials, and supplies on behalf or as an agent of the Academy, such equipment, materials, and supplies will remain the property of the Academy. IES will comply with Section 1274 of the Code as if it were the Academy when making such purchases from a third-party supplier. If IES procures equipment, materials, and supplier at the request of or on behalf of the Academy, IES shall not include any added fees or charges to the cost of the equipment, materials and supplies purchased from third parties.
- F. Rights to Curriculum.** The Academy shall own all proprietary rights to any curriculum or educational materials that (i) are both directly developed and paid for by the Academy; or (ii) were developed by IES at the direction of the Board and paid for with Academy funds dedicated for the specific purpose of developing such curriculum or materials. IES recognizes that educational materials and teaching techniques used by the Academy are subject to disclosure under the Revised School Code and the Freedom of Information Act.
- G. FERPA Compliance.** The Academy designates the employees of IES as agents of the Academy having a legitimate educational interest such that they are entitled to access of educational records under 20 U.S.C. Section 1232g, the Family Educational Rights and Protection Act ("FERPA").
- H. Marketing Costs.** Any marketing and development costs paid by or charged to the Academy shall be limited to those costs specific to the Academy and shall not include any costs for the marketing and development of IES.
- I. Governmental Immunity.** Any provision of this Agreement which can be construed to restrict the Board from waiving its governmental immunity or require the Board to assert, waive, or not waive its governmental immunity shall be considered void and unenforceable.

- J. Non-Compete.** IES is prohibited from including any kind of non-competition, no-hire, or similar provision prohibiting or restricting the Academy from hiring instructional staff that perform work at the Academy in employee contracts or agreements.
- K. Other Prohibited Restrictions.** Any provision of this Agreement which could be interpreted to: a) interfere with the Academy Board's exercise of its statutory, contractual and fiduciary responsibilities governing the operation of the Academy; b) prohibit the Academy Board from acting as an independent, self-governing public body; or c) allow or require public decisions to be made other than in compliance with the Open Meetings Act, shall be considered void and unenforceable.
- L. Chief Administrative Officer.** Pursuant to the Uniform Budget and Accounting Act, MCL 141.422b, the Academy Board is responsible for designating the Chief Administrative Officer for the Academy. No IES owner, officer, director, employee or agent may be the CAO for the Academy; although the Board, as it deems necessary, may request IES or an IES employee assist the CAO in carrying out their duties under applicable law.
- M. Data Breach Response Plan.** In the event that IES or the Academy becomes aware of a data breach or inadvertent disclosure or personally identifiable information, IES and the Academy shall take immediate action to limit and mitigate the security breach to the extent possible. IES and the Academy will work cooperatively together and in conjunction with any third-party data or security providers with access to the data systems of either the Academy or IES, to immediately develop a response to address and remedy the cause of the data breach or inadvertent disclosure, including any notification of affected persons.

ARTICLE IX

INSURANCE

- A. Insurance Coverage.** IES shall obtain, on its own behalf, insurance in the amount required by the Contract. The Academy, IES, and when necessary, LSSU will be named as additional named insured, consistent with the requirements of the Contract. In addition, the Academy shall maintain an umbrella liability policy of two million dollars (\$2,000,000.00) with IES listed as an additional insured. The building and related capital facilities remain the responsibility of IES and IES shall cover its property with insurance. Each party shall, upon request, present evidence to the other that it maintains the requisite insurance in compliance with the provisions of this paragraph. Each party shall comply with any information or reporting requirements required by other party's insurer(s), to the extent reasonably practicable. IES' cost of procuring insurance coverage under this Agreement is a corporate cost to be paid by IES.
- B. Workers' Compensation Insurance.** Each party shall maintain workers' compensation insurance as required by law, covering their respective employees.
- C. Other Insurance Requirements.** In addition to the insurance requirements outlined above, the parties hereto agree to comply with all applicable insurance coverage requirements as

specifically set forth in the Contract, the terms and conditions of which are incorporated herein by reference.

ARTICLE X

WARRANTIES AND REPRESENTATIONS

- A. Academy Warranties and Representations.** The Academy represents that it has the authority under law to execute, deliver and perform this Agreement and to incur the obligations provided for under this Agreement. The Board warrants that its actions have been duly and validly authorized, and that it will adopt any and all resolutions or expenditure approvals required for execution of this Agreement.
- B. IES Warranties and Representations.** IES warrants and represents that it is a corporation in good standing and is authorized to conduct business in the State of Michigan. IES will comply with all registration and licensing requirements relating to conducting business under this Agreement. The Academy agrees to assist IES in applying for such licenses and permits in obtaining such approvals and consents.
- C. Mutual Warranties.** The Academy and IES mutually warrant to the other that there are no pending actions, claims, suits or proceedings, to its knowledge, threatened or reasonably anticipated against or affecting it, which if adversely determined, would have a material adverse effect on its ability to perform its obligations under this Agreement.

ARTICLE XI

MISCELLANEOUS

- A. Sole Agreement.** This Agreement supersedes and replaces any and all prior agreements and understandings between the Academy and IES.
- B. Force Majeure.** Notwithstanding any other sections of this Agreement, neither party shall be liable for any delay in performance or inability to perform due to acts of God or due to war, riot, embargo, fire, explosion, sabotage, flood, accident, labor strike, or other acts beyond its reasonable control; provided either party may terminate this Agreement under Article VI if sufficient grounds exist as required by said Article VI.
- C. State Governing Law/Waiver of Jury Trial.** The rights of all parties hereto shall be subject to the jurisdiction of and be construed according to the laws of the State of Michigan. IES and the Academy hereby waive the right to a jury trial in any action, proceeding or counterclaim brought by either IES or the Academy against the other.
- D. Agreement in Entirety.** This Agreement (including Attachments) constitutes the entire agreement of the parties.

E. Official Notices. All notices and other communications required by the terms of this Agreement shall be in writing and sent to the parties hereto at the facsimile number or address set forth below. Notice may be given by (i) facsimile with written evidence of confirmed receipt by the receiving party of the entire notice, (ii) certified or registered mail, postage prepaid, return receipt requested, or (iii) personal delivery. Notice shall be deemed to have been given on the date of transmittal or personal delivery if given by facsimile or personal delivery, or upon the date of postmark, if sent by certified or registered mail. The address of the parties hereto for the purposes aforesaid shall be:

THE ACADEMY: Innocademy Allegan Campus
2611 56th Street
Fennville, MI 49408
Telephone: (616) 748-5637
Facsimile: (616) 772-0373

with a copy to:

Innocademy Allegan Campus
Attn: Academy Board President
Telephone: (817) 891-3686
Facsimile:

IES: Innovative Education Services, Inc.
8485 Homestead
Zeeland, MI 49464
Telephone: (616) 446-1486
Facsimile:

F. Assignment. IES may assign this Agreement with the prior consent of the Board and after review of the proposed assignment by LSSU in accordance with the LSSU ESP policies.

G. Amendment. This Agreement shall not be altered, amended, modified or supplemented except by memorandum approved by the Board and signed by both the President of the Academy's School Board and an authorized officer of IES. Prior to formalizing any amendment to this Agreement, such amendment must first be reviewed by LSSU and be in compliance with the Contract and any LSSU Charter Schools Office policy or guideline before it may become effective.

H. Waiver. No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision. Nor shall such waiver constitute a continuing waiver unless otherwise expressly stated.

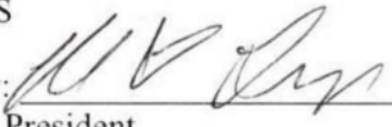
I. Cost and Expenses. If any party commences an action against another party as a result of a breach or alleged breach of this Agreement, the prevailing party shall be entitled to have and recover from the losing party reasonable attorney's fees and costs of suit.

- J. Delegation of Authority.** Nothing in this Agreement shall be construed as delegating to IES powers or authority of the Board which are not subject to delegation by the Board under Michigan law.
- K. Compliance with Law.** The parties to this Agreement agree to comply with all applicable laws and regulations.
- L. Bankruptcy Notification.** IES shall notify the Academy Board if any principal or officer of IES, or IES (including any related organizations or organizations in which a principal or officer of the ESP 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.
- M. Lease and Other Loan Agreement Provisions.** If the Academy intends to enter into a lease, execute a promissory note or other negotiable instrument, or enters into a lease-purchase agreement or other financing relationship with IES, then such agreements must be separately documented, separately approved, and not a part of or incorporated into this Agreement. Any such agreements shall comply with the Contract and applicable law, as well as any applicable law, as well as any applicable LSSU and LSSU Charter Schools Office policies and guidelines.
- N. Independent Auditor.** IES may not select, retain, evaluate, or replace the Academy's independent auditor

IN WITNESS WHEREOF, the undersigned have executed this Agreement

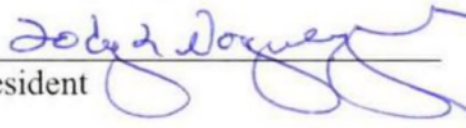
Date: June 10, 2024

IES

By: 
Its President

Date: June 10, 2024

Innocademy Allegan Campus

By: 
Its President

SCHEDULE 1

IES shall provide the Academy the comprehensive educational, business and operational services (the "Services") necessary to fulfill IES's responsibilities in accordance with Articles III, V and VI of this Agreement. The goods and services provided by IES to the Academy pursuant to this Agreement shall be compensated for on a "direct cost-reimbursement" basis. Accordingly, on at least a monthly basis, and more frequently if desired by IES, IES shall deliver to the Academy an itemized statement summarizing all actual and direct costs, charges and liabilities that IES has incurred since the previous statement specifically for the benefit of the Academy in furtherance of IES's obligations to the Academy under this Agreement. IES shall also provide such back-up information reasonably necessary to substantiate each itemized cost, charge or liability to the satisfaction of the Academy. All cost items passed-through to the Academy will be consistent with the annual budget approved by the Board.

Direct cost-pass through items shall include, but not be limited to gross payroll the Academy staff and other Academy personnel assigned to work continuously at the Academy, facilities expenses such as rental and maintenance obligations, and any other expenses incurred onsite and for the specific benefit of the Academy.

IES shall charge the Academy Four and 05/100 Percent (4.05%) of the Academy's Revenues (as defined in Article V(A)) on an annual basis to compensate IES for the Services provided under this Agreement, which will be invoiced monthly, and reconciled within thirty (30) days after the end of each fiscal year of the Academy. From this amount, IES will be responsible for paying its corporate costs, including those personnel and associated administrative services which are not continuously performed for the exclusive benefit of the Academy.

CONTRACT SCHEDULE 6

PHYSICAL PLANT DESCRIPTION

SCHEDULE 6
PHYSICAL PLANT DESCRIPTION

Physical Plant Description 6-1

Lease Agreement 6-3

Site Plan 6-17

Certificate of Occupancy 6-20

SCHEDULE 6

PHYSICAL PLANT DESCRIPTION

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

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

Address: 2611 56th Street
 Fennville, MI 49408

Description: The facility is a single-story 9200 square foot building on a 4.3 acre plot. It has nine classrooms, one multi-purpose room, several bathrooms, and administrative offices.

Term of Use: Term of Contract.

Configuration of Grade Levels: Pre-Kindergarten through eighth grade.

Name of School District and Intermediate School District:

Local: Innocademy Allegan Campus
ISD: Allegan

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

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

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

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

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

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

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") is effective this 1st day of July, 2024, (the "Effective Date"), by and between I.E.S. (Innovative Education Services, Inc.), a Michigan non-profit corporation, hereinafter called "Lessor", and Innocademy Allegan Campus, a Michigan public school academy, hereinafter called "Lessee".

Now therefore, inconsideration of the mutual promises and conditions set forth herein, it is agreed:

1. LEASED PREMISES. Lessor hereby demises and leases to Lessee and Lessee hereby accepts and hires from Lessor that certain premises located at 2611 56th St. Fennville, MI 49408, Allegan County, Manlius Township, more particularly described on Exhibit A hereto and made a part hereof (the "Leased Premises"). The Leased Premises is leased to Lessee in its "AS IS" condition, without representation or warranty by Lessor other than as specifically set forth herein.

2. TERM.

(A) TERM. The Term shall commence on the Effective Date, and shall remain in effect until June 30, 2029, unless terminated earlier in accordance with the terms and conditions set forth herein. In the event that the charter contract ("Contract") issued to Lessee by the Lake Superior State University Board of Trustees is revoked, suspended, terminated, or expires by its terms, this Lease and all obligations herein shall immediately terminate on the same date as the Contract is revoked, suspended, terminated or expires by its terms.

(B) SURRENDER AT END OF TERM; WAIVER. Lessee shall immediately surrender possession of the Leased Premises at the expiration of the Term hereof or upon its termination. Lessee shall return the Leased Premises broom clean and free of debris, and in the same condition as it was on the Effective Date, subject to the permitted Alterations (as hereinafter defined). Upon the termination of this Lease and at the request of Lessor, Lessee shall sign an acknowledgement of termination.

(C) HOLDING OVER. Lessee shall not remain in possession of the Leased Premises after the termination of this Lease without the prior written consent of Lessor, which may be withheld in Lessor's sole and absolute discretion. Unless otherwise agreed in writing, any holdover occupancy by Lessee shall be deemed to be on a month-to-month basis at a rental rate equal to 200% of the rental rate otherwise in effect, plus all Additional Rent required pursuant to the terms of this Lease.

3. RENT.

(A) BASIC RENT. Lessee agrees to pay to Lessor, in lawful money of the United States of America, payable in equal monthly installments of \$ 3,333.33 per month in advance and without notice, demand or set off ("Basic Rent"). The Basic Rent shall be due on the first day of each month during the Term.

(B) LATE CHARGE. If any monthly Basic Rent is not paid on or before the fifth (5th) day of the month, at Lessor's option, a monthly late charge of five percent (5%) of the monthly Basic Rent shall be due and payable by Lessee as Additional Rent for each and every month that said monthly Basic Rent is delinquent.

(C) LESS THAN A MONTH. In the event that this Lease commences on a day other than the first day of a month or terminates on a day other than the last day of a month, the rent for such partial month(s) shall be prorated based upon a 30-day month and shall be payable on the commencement date or on the first day of the last month as the case may be.

(D) ADDITIONAL RENT. In addition to Basic Rent, Lessee shall promptly pay to Lessor all other sums of money and charges which have been designated herein as Additional Rent. Basic Rent and Additional Rent are sometimes referred to together in this Lease as "Rent."

(E) TAXES. Lessee is responsible for the payment of all taxes on the Leased Premises.

4. UTILITIES AND SERVICES.

(A) UTILITIES. Tenant shall be responsible for the payment of all utilities servicing the Leased Premises and shall pay for the same within twenty (20) days after receipt of any and all invoices therefor or after demand by Lessor.

(B) INTERRUPTION OF SERVICES. This Lease shall not be affected and there will be no diminution or abatement of rent or other payments and no constructive eviction shall be claimed or allowed because of the interruption or curtailment of any services or utilities in or to the Leased Premises or from improvements made to the same.

5. USE AND PROHIBITED USES.

(A) USE. Lessor makes no representation or warranties about the current zoning classification of the Leased Premises. Lessee hereby acknowledges and agrees that it is Lessee's sole responsibility to obtain any and all local, state and federal permits and licenses required for Lessee's occupancy and use of the Leased Premises which shall be used exclusively for the operation of a Michigan public school academy.

(B) PROHIBITED USES. Lessee shall not use the Leased Premises for any illegal purpose or any purpose which shall constitute a nuisance nor do or suffer anything to be done in or about the Leased Premises which will violate any laws, ordinances, rules, regulations or orders imposed or issued by any governmental entity or agency.

6. LESSEE'S OBLIGATIONS. Lessee shall:

(A) Not permit any person on the Leased Premises to willfully or wantonly destroy, deface, damage, impair or remove any part of the structure of the Leased Premises or the facilities, equipment or appurtenances thereto or used in common nor shall Lessee do any such thing.

(B) Not cause liens of any kind (whether for materials, wages, labor or services) to be placed against the Leased Premises. If any such liens are filed, with or without Lessee's knowledge, Lessee shall immediately, at Lessee's sole cost and expense, take whatever action is necessary to cause such liens to be satisfied and discharged. Lessee shall obtain and file appropriate lien waivers prior to the commencement of any work by Lessee in the Leased Premises.

(C) To the extent permitted by applicable law, Indemnify and save harmless Lessor from any and all loss, cost, expense and damages of any nature, arising out of or in any manner related to Lessee's breach of any of its covenants and obligations hereunder or to Lessee's use and occupancy of the Leased Premises.

(D) Not permit any of its employees, invitees, contractors, subcontractors, licensees, subtenants or agents, to, store, use, dispose of or release (either with or without negligence) any biologically or chemically active or other Hazardous Substances and Materials on or about the Leased Premises. Without limitation, Hazardous Substances and Materials shall include asbestos, petroleum-based products, explosives and those described in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq., the Resources Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901, et seq., or any other federal, state or local laws, ordinances or regulations and the regulations relating to environmental regulations or hazardous activities. To the extent permitted by law, Lessee shall indemnify and hold harmless Lessor from any and all claims, damages, fines, judgments, penalties, costs, liabilities, or losses (including any all sums paid for attorney's fees, consultant and expert fees) arising during or after the Term as a result of any such Hazardous Substances and Materials.

7. MAINTENANCE AND REPAIRS.

(A) BY LESSOR. Lessor shall have no repair or maintenance obligations pertaining to the Leased Premises.

(B) BY LESSEE.

1. Maintenance and Repair Responsibility. At its sole cost and expense, Lessee shall at all times maintain the Leased Premises in a neat, clean and orderly condition including the interior surfaces of the ceilings, walls, floors, carpeting and doors, and shall maintain, repair and replace, if necessary for the operation of Lessee's business, servicing the Leased Premises, including plumbing, electric and heating, ventilating and air-conditioning (HVAC) systems. Lessee shall at all times and at its sole cost and expense, maintain in a neat, clean and orderly condition and repair all fixtures, appliances and special facilities installed by or for Lessee. Lessee shall at all times maintain the parking areas, sidewalks and outside areas in a neat, broom clean condition, free of debris, snow and ice. Lessee shall be solely responsible for all repairs, including alterations to the Leased Premises which may be required by any governmental or public authority or agency or insurer during the Term hereof and thereafter if Lessee remains in possession. Lessee's obligations hereunder shall also include obtaining any and all local, state and

2. federal permits and licenses required for Lessee's occupancy and use of the Leased Premises.
3. Alterations. Lessee shall not make any alterations, additions or replacements to the Leased Premises, without the written consent of Lessor, which may be withheld in Lessor's sole and absolute discretion. In addition, any Alterations, shall be subject to specific requirements imposed by Lessor, including without limitation, (i) satisfactory contract terms and conditions with a responsible contractor including, without limitation, necessary lien rights and indemnity obligations; and (ii) satisfactory proof of insurance coverage naming Lessor as an additional insured.

(C) FAILURE BY LESSEE. In the event that Lessee fails in any material obligation it may have under this Section 7 to maintain the Leased Premises in good order, condition and repair, Lessor may give written notice to Lessee to perform the work which is reasonably required to remedy the situation. If Lessee fails to commence such work within ten (10) days following the giving of such notice and to diligently prosecute the same to completion, Lessor may do either or both of the following: (i) enter the Leased Premises, perform such work and charge Lessee for the cost thereof as Additional Rent; (ii) treat such failure as an Event of Default under Section 15(A)(2) and, upon compliance therewith, proceed to exercise any of Lessor's remedies set forth in Section 15.

(D) EMERGENCY REPAIRS. Notwithstanding anything in subsection 7(c) to the contrary, if any emergency repairs are required and Lessee fails to complete the same, Lessor shall have the right, but not the obligation to make the emergency repairs necessary. Lessor may enter the Leased Premises, perform such emergency repair(s) and charge Lessee for the cost thereof as Additional Rent.

(E) NON-LIABILITY OF LESSOR. Lessor shall not be liable for any injury to or interference with Lessee's business arising from the performance of any repairs, maintenance or improvements in or the Leased Premises or to any appurtenances or equipment therein; provided, however, that Lessor shall perform all such work with due diligence and in a manner so as to minimize interference with Lessee's business.

8. ACCESS BY LESSOR. Lessor hereby reserves the right on behalf of itself, its employees and agents to enter the Leased Premises at all reasonable times for the purposes of inspection, making repairs or improvements or to exhibit the Leased Premises to prospective tenants, purchasers, mortgagees, appraisers, insurers, contractors or workmen without liability to Lessee for any loss of quiet enjoyment of the Leased Premises. Except in the event of an emergency, Lessor shall give prior oral or written notice to Lessee before any such entry.

9. LESSEE'S INSURANCE.

(A) INSURANCE COVERAGE. Unless otherwise agreed, during the Term, Lessee agrees to maintain insurance and also shall provide coverage for its contractors/subcontractors or require any contractors/subcontractors it may engage to

maintain, at the Lessee's and/or its contractors/subcontractor's sole cost and expense, all insurance coverage as required by federal or state law, including worker's compensation insurance and any additional insurance amounts and coverage sufficient to cover Lessee's and contractor's/subcontractor's obligations and liabilities (contractual liability) under and arising out of this Agreement and in compliance with the following minimum insurance amounts:

1. Commercial General Liability \$2,000,000 per occurrence and \$4,000,000 annually.
2. Workers' Compensation
3. Employers' Liability
4. Commercial Automobile Liability
5. Umbrella/Excess Liability
6. Owner's Protective Liability
7. "All Risk" Property Insurance

Aggregate - Bodily Injury, Property Damage, Blanket Contractual Liability (including tort liability assumed under this agreement), products and completed operations, and personal and advertising injury with coverage as least as broad as the most recently issued ISO liability form.

Statutory — Required by laws of state(s) in which Work is performed, and state(s) where workers are furnished, and state of the principal place of business of the seller complying with all state laws and provided for federally mandated coverage of similar kinds for employees of seller, engaged in or with respect to the operations encompassed by this agreement in such amount as may be required by statute or law.

\$1,000,000 per person/disease/accident.

\$2,000,000 Combined Single Limit - Bodily Injury, Property Damage, and/or Death arising out of the ownership, maintenance, or use of all owned, non- owned, and hired motor vehicles including loading and unloading.

\$3,000,000 per occurrence and annual aggregate.

\$2,000,000 per occurrence and \$4,000,000 annual aggregate - Bodily Injury, Property Damage, Blanket Contractual Liability (including tort liability assumed under this agreement), products and completed operations, and personal and advertising injury with coverage as least as broad as the most recently issued ISO liability form Covering 100% replacement cost for real and personal property located at the Leased Premises providing protection against all risks covered by fire and extended coverage insurance, including, but not limited to, vandalism, malicious mischief, flood, windstorm (whether or not it is named), 18-months loss of rents, 12-months, business interruption, and earth movement.

The insurance proceeds from any loss or damage suffered to the real property and improvements shall belong to the Lessor while the insurance proceeds from any loss or damage suffered to the personal property shall be allocated among the parties according to their respective ownership interests in same.

The requirement for "All Risk" property insurance will go into effect on July 1, 2024.

Lessee and/or Lessee's contractors/subcontractors shall be required to name Lessor and its successors, affiliates, subsidiaries, and/or assigns as an additional insured coverage under Item 1, 3, 4, 5, and 6 above, as applicable. On item 7 above, Lessee and/or Lessee's contractor's/subcontractor's shall name Lessor as loss payee.

All of Lessee's and/or Lessee's contractors/subcontractor's policies will provide coverage on a primary and noncontributory basis, with respect to any act, actions, omissions, negligence and/or willful misconduct of the Lessee, including, but not limited to, their agents, employees, representatives, affiliates, director's, officer's, and/or contractors/subcontractors. Each policy of the Lessee, as well as each policy of any contractors/subcontractors, shall contain a full separation of insured's (or severability) clause, with the exception of payment of premium, which will be the responsibility of the First Named Insured. IP0 to be listed as additionally insured.

Lessee and/or Lessee's contractors/subcontractors shall provide certificates of such insurance coverage plus evidence of workers' compensation insurance as required by law, to Lessor. Such certificates shall provide for at least thirty (30) days' notice to Lessor of changes in the terms of Lessee's and/or contractors/subcontractor's policies.

Lessor does not in any way represent that the types or the limits of insurance specified above are sufficient or adequate to protect Lessee's and/or any contractors/subcontractors, interests or liabilities. Lessee and/or contractors/subcontractors, shall be solely responsible for assuring that its agents, employees, designees, subsidiaries and subcontractors that might be involved in the Work are adequately insured to protect Lessee's and/or any contractors/subcontractors interests. The limits listed above represent the minimum requirements and are not intended in any way to limit the liability of the Lessee and/or any contractors/ subcontractors.

(B) WAIVER OF SUBROGATION. Lessee agrees to waive, and to have each of its Insurances Companies endorse each applicable insurance policy to waive, all rights of subrogation against Lessor, including, but not limited to the Lessor's agents, officers, directors, and employees.

10. DAMAGES BY FIRE OR OTHER CASUALTY.

(A) PARTIAL DAMAGE. If, through no fault or negligence of Lessee, its employees, business patrons or invitees, the Leased Premises shall be partially damaged by fire or other casualty but not to such extent as to render the same wholly untenable, repairs shall be made by Lessor as soon as reasonably may be done and the Rent shall be equitably apportioned according to the square footage of the Leased Premises rendered unusable from the date of such fire or casualty until the same are

restored.

(B) LESSOR'S RIGHT TO TERMINATE. If, however, in such event the damage by fire or other casualty shall be so extensive as to render the Leased Premises wholly untenable, Lessor shall have the option of terminating this Lease. In the event of such termination, Lessor shall refund to Lessee any Rent allocable to the period subsequent to the occurrence of said fire or other casualty. Lessee shall thereupon surrender possession of the Leased Premises and all keys and personal property to Lessor.

11. WAIVER OF SUBROGATION. Neither Lessor nor Lessee shall be liable to the other nor to any insurer of the other party claiming by way of subrogation through or under either one with respect to any loss, damage, injury or death to the extent that either party shall be reimbursed or has the right to be reimbursed out of hazard insurance carried by Lessor or by Lessee, as the case may be, with respect to such loss, damage, injury or death. In the event that their respective insurance policies do not already provide for waiver of subrogation, Lessor and Lessee each agree to obtain a waiver of subrogation endorsement from their respective insurers.

12. ASSIGNMENT; SUBLETTING. Lessee shall not sublet or assign the Leased Premises or any part thereof, nor transfer possession or occupancy thereof to any person, corporation, partnership or association, nor advertise the same in any newspaper or other place, nor transfer or encumber this Lease Agreement without the prior written consent of Lessor, which consent may be withheld by Lessor in its sole and absolute discretion; nor shall any assignment hereof be effected by operation of law or otherwise without such consent.

13. SIGNS. Unless specifically approved in writing by Lessor in advance, no sign, placard, picture, advertisement, name or notice shall be displayed, printed or affixed to the outside or inside of the building located at the Leased Premises, the Leased Premises or in the vicinity of the same. Upon the expiration or earlier termination of this Lease, Lessee hereby agrees to remove all signs erected by Lessee and repair any damage caused thereby and otherwise leave the area of the sign in a neat and clean condition.

14. CONDEMNATION.

(A) TAKING. In the event that all or a part of the Leased Premises shall be taken by eminent domain or conveyed in lieu thereof (a "Taking"), Lessor may terminate this Lease.

(B) WAIVER BY LESSEE; RELOCATION DAMAGES. Lessee waives all claims against Lessor by reason of the complete or partial taking of the Leased Premises and hereby relinquishes and assigns unto Lessor any rights and damages to which Lessee might otherwise be entitled for condemnation of the leasehold estate created by this Lease; provided, however, that Lessee shall nevertheless be entitled to make any claims which Lessee may have against the condemning authority for relocation damages, damages for tenant improvements and any other payments lawfully due tenants as such, without diminution of the sums due Lessor.

15. LESSEE'S DEFAULT.

16. EVENTS OF DEFAULT. Any one or more of the following shall constitute an "Event of Default" under this Lease:

(A) PAYMENT DEFAULT. Failure by Lessee to pay any installment of Basic Rent, Additional Rent or of any other sum provided for under this Lease for a period of five (5) days after the same is due.

(B) HAZARDOUS CONDITIONS. Failure by Lessee to perform or observe any other covenant or condition of this Lease which is of such nature as to create or cause a situation which is hazardous to Lessor or to other tenants, persons or businesses or which may result in civil or criminal penalties being imposed upon Lessor or Lessee, Lessee shall cure such default as soon as possible but in no event later than forty-eight (48) hours after receipt of notice thereof. If Lessor is unable to serve notice on Lessee after making reasonable efforts to do so. Lessor may, at its option, correct such condition and charge Lessee for the cost thereof as Additional Rent or exercise any other of Lessor's remedies herein set forth.

(C) NON-PAYMENT DEFAULT. Failure by Lessee to perform or observe in any material respect any other covenant or condition contained in this Lease which failure shall continue for a period of ten (10) days after written notice thereof by Lessor to Lessee.

(D) ASSIGNMENT FOR BENEFIT OF CREDITORS. An assignment by Lessee for the benefit of creditors or the appointment of a receiver for Lessee by legal proceedings or otherwise.

(E) BANKRUPTCY. Institution of bankruptcy proceedings by Lessee, or institution of bankruptcy proceedings against Lessee which are not withdrawn or dismissed within sixty (60) days after the institution of such proceedings.

(F) LEASE TERMINATION. In the event of default by Lessee, Lessor may also serve on Lessee written notice of default and of its election to terminate the Lease. In such event Lessee shall have no right to avoid such termination by payment of any sum due or by the performance of any condition, term or covenant broken. Lessee shall, however, thereupon surrender quiet and peaceable possession of the Leased Premises to Lessor. Notwithstanding any statute, rule of law or decision of any court to the contrary, Lessee shall remain liable, even after termination of this Lease, for Basic Rent, any other sums due hereunder and for all damages caused by any or all of Lessee's non-payment defaults under this Lease.

(G) RE-ENTRY; RE-LETTING. In case this Lease shall be terminated as aforesaid, then Lessor, may, without notice, re-enter the Leased Premises by aid of legal process and terminate all services. Lessor shall use commercially reasonable efforts to attempt to re-let the Leased Premises or any part or parts thereof. Such re-letting may at Lessor's option be for a term which is less than or exceeds the period which would otherwise have

constituted the balance of the Term of this Lease, and Lessor may grant concessions or free rent or make improvements or additions to the Leased Premises in order to facilitate a re-letting of the same, so long as Lessor's actions are commercially reasonable; provided, however, that Lessor may, without violating its obligations hereunder, attempt to lease other comparable unleased space prior to attempting to relet the Leased Premises. Lessor shall receive and collect all rents received from such re-letting (during the balance of the Term of this Lease) and shall first apply such rents against the expenses which Lessor may have incurred in recovering possession of the Leased Premises, placing the same in good order and condition for re-letting and such other expenses including attorneys' fees and other legal costs which Lessor may have incurred in connection with such repossession, and apply the remaining rentals as credits against all rentals due and owing from Lessee to Lessor. The balance, if any, may be retained by Lessor. No such re-entry by Lessor shall be deemed to be an acceptance of surrender by Lessee of this Lease or of the Leased Premises.

(H) ACCEPTANCE OF DELINQUENT RENTALS. The acceptance by Lessor of delinquent rentals hereunder with knowledge of a breach by Lessee of any covenant herein or condition broken shall not in and of itself be deemed a waiver of such breach or condition broken, and any pending eviction proceedings or actions for monetary damages may be prosecuted further by Lessor without prejudice based upon this action alone.

(I) CUMULATIVE REMEDIES. All of Lessor's remedies herein set forth (or provided by law) shall be cumulative and not exclusive and may be pursued simultaneously or separately at the sole option of Lessor.

17. PREVAILING PARTY-ATTORNEY'S FEES & LEGAL COSTS. Where litigation is instituted as between Lessor and Lessee for any cause arising under this Lease or in any manner related hereto, the prevailing party in such litigation shall be entitled to recover in addition to all other legal damages, the reasonable expenses of such litigation including attorneys' fees and other legal costs.

18. EXCULPATION. Lessor shall not be liable for any injury or damage to any property at any time on or about the Leased Premises from any cause whatsoever (including but not limited to water, rain, snow or ice which may leak into or issue from the Leased Premises or from pipes or plumbing in the same) excepting any injury or damage resulting from the willful, grossly negligent or illegal conduct of Lessor, its employees, agents or invitees. There shall be no personal liability on the part of the Lessor, Lessor's beneficiaries or any successor in interest with respect to this Lease. Lessee shall look solely to the equity of the then owner of the Leased Premises for the satisfaction of any remedies of the Lessee in the event of any claim against Lessor or breach by Lessor of any of its obligations hereunder.

19. WAIVER OF NONPERFORMANCE. Failure by either Lessor or Lessee to exercise any of the respective rights hereunder upon nonperformance by the other party of any condition, covenant or provision herein contained shall not be construed as a waiver thereof, nor shall the defective performance (or waiver of nonperformance) of any such condition, covenant or provision by the other party be construed as a waiver of the

rights of the non-defaulting party as to any subsequent defective performance or nonperformance hereunder.

20. CHARTER SCHOOL AUTHORIZER REQUIREMENTS. The parties hereto acknowledge that Lessee is a Michigan public school academy and that the terms and conditions of this Lease must at all times be compliant with the lease policies of the Lessee's authorizer being Lake Superior State University Board of Trustees ("LSSU"). Accordingly, the following provisions are hereby incorporated into the Lease and, to the extent there is a conflict between the other provisions in this Lease and this Section 20, the language in this Section 20 shall control:

(A) The Lessee shall have no liability or obligation to investigate, clean, remove, remediate, or otherwise deal with hazardous material present at the Leased Premises prior to the time that the Lessee occupies the Leased Premises. Lessor will indemnify the Lessee for damages and costs of litigation caused by a condition of the Leased Premises, if those damages or litigation are directly or indirectly related to Lessor's prior use of hazardous material at the Leased Premises.

(B) All records of the Leased Premises and physical plant related to the Lessee will be made available by Lessor to the Lessee's independent auditors and the LSSU Charter Schools Office.

(C) Any amendments to the Lease shall be reviewed and approved by the LSSU Charter Schools Office prior to execution by the parties hereto.

(D) Any fixtures purchased with the Lessee's funds shall be owned by the Lessee.

(E) If Lessor procures equipment, materials and supplies at the request of or on behalf of the Lessee, Lessor shall follow applicable competitive bidding laws and shall be prohibited from adding any fees or upcharges to the expenses actually incurred by Lessor in making such purchases.

(F) If the Lessee makes improvements to the Leased Premises, Lessor shall repay to the Lessee any costs associated with such improvements if the Agreement is terminated by Lessor without cause prior to the end of the Lease term.

(G) If a third party will occupy the Lessee's building, site, or physical plant, the Lessee must provide to the LSSU charter schools office a written analysis of the potential implications of such occupancy, including potential security, school safety, and church-state issues.

(H) Any provision of the Agreement which can be construed to: a) restrict the Lessee Board ability to act an independent, self-governing public body, b) interfere with the Lessee Board's exercise of its statutory, fiduciary, and contractual responsibilities governing the operation of the Lessee, or c) allow or require public decisions to be made other than in compliance with the Open Meetings Act, shall be void and unenforceable.

(I) Any provision of the Agreement which can be construed to restrict the Lessee Board from waiving its governmental immunity or require the Lessee Board to assert, waive, or not waive its governmental immunity shall be void and unenforceable.

(J) The Lessee is permitted to terminate the Lease, without cost or penalty to the Lessee, in the event that the Lessee is required to close an Academy site covered by the Lease (1) pursuant to a notice issued by the Michigan Department of Education under Section 507 of the Code, MCL 380.507; or (2) pursuant to a reconstitution by LSSU pursuant to Section 507 of the Code, MCL 380.507 and the Charter Contract between Lessee and LSSU. The Lessor shall have no recourse against the Lessee or LSSU for implementing the site closure or reconstitution. Nothing in this paragraph shall prevent the Lessor 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.

21. ENTIRE CONTRACT. This Lease constitutes the entire contract between the parties hereto and there are no understandings, promises, representations or warranties, oral or written, relating to the subject matter of this Lease, which exist or bind any of the parties hereto, their respective heirs, executors, administrators, successors or assigns, except as set forth herein. No amendment, change or addition to this lease shall be binding upon Lessor or Lessee unless reduced to writing and signed by both parties. This Lease specifically replaces and supersedes the Lease Agreement dated July 1, 2019.

22. APPLICABLE LAW. It is mutually understood and agreed that this Lease shall be interpreted in accordance with the laws of the State of Michigan and that no presumption shall be deemed to exist in favor of or against either party hereto as a result of the preparation or negotiation of the same.

23. SEVERABILITY. If any particular term, covenant or provision of this Lease shall be determined to be invalid and unenforceable, the same shall not affect the remaining provisions of this Lease which shall nevertheless remain in full force and effect.

24. CONSTRUCTION. All words herein referring to Lessor or to Lessee shall be taken to be of such gender and number as the circumstances may require and if the Lessee be more than one person, the provisions hereof shall be taken to bind and apply to them jointly and severally.

25. NOTICE. Whenever in this Lease there shall be required or permitted that notice or demand be given or served to either party to this Lease, such notice or demand shall be given in writing, by certified or registered U.S. Mail, return receipt requested, by recognized overnight courier with receipt delivery, or by facsimile transmission, to the applicable address or addresses set forth herein, or to such other addresses as may be designated by notice given pursuant to this Section. All notices shall be deemed given when delivered to the applicable address or addresses or when such deliver is refused, as indicated by return receipts or other evidence:

If to Lessor:

Innovative Education Services, Inc.
8484 Homestead Drive
Zeeland, Michigan 49464
Telephone: (616) 610-0031

If to Lessee:


Innocademy Allegan Campus
Attn: Dr. Jody Vogelzang
Board President
2244 Tony Avenue
Fennville, MI 49408
Telephone: (817) 891-3686

26. COUNTERPARTS. This Lease may be signed in counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one instrument.

The following duly qualified and authorized officers or representatives of each party, have executed this Lease, in duplicate originals, effective as of the day and year first above written.

LESSOR:

Innovative Education Services, Inc.

By: 
Its: Treasurer

LESSEE:

Innocademy Allegan Campus

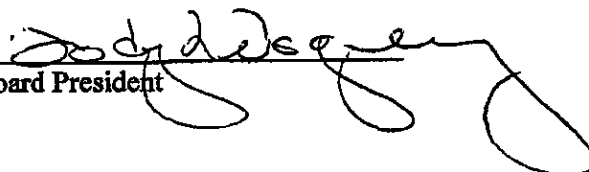
By: 
Its: Board President

EXHIBIT A
Legal Description

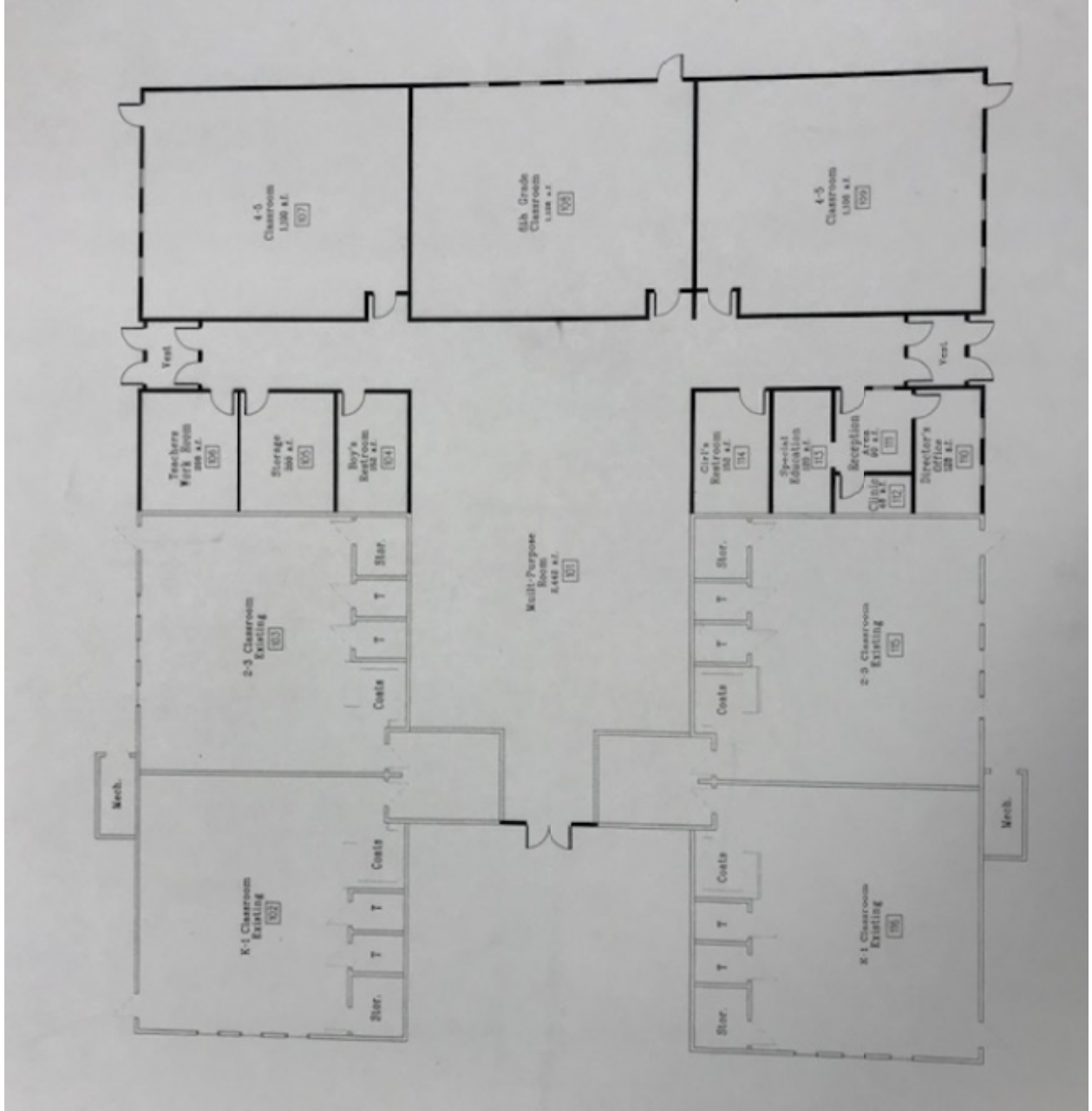
LIBER 1589 PACE 37

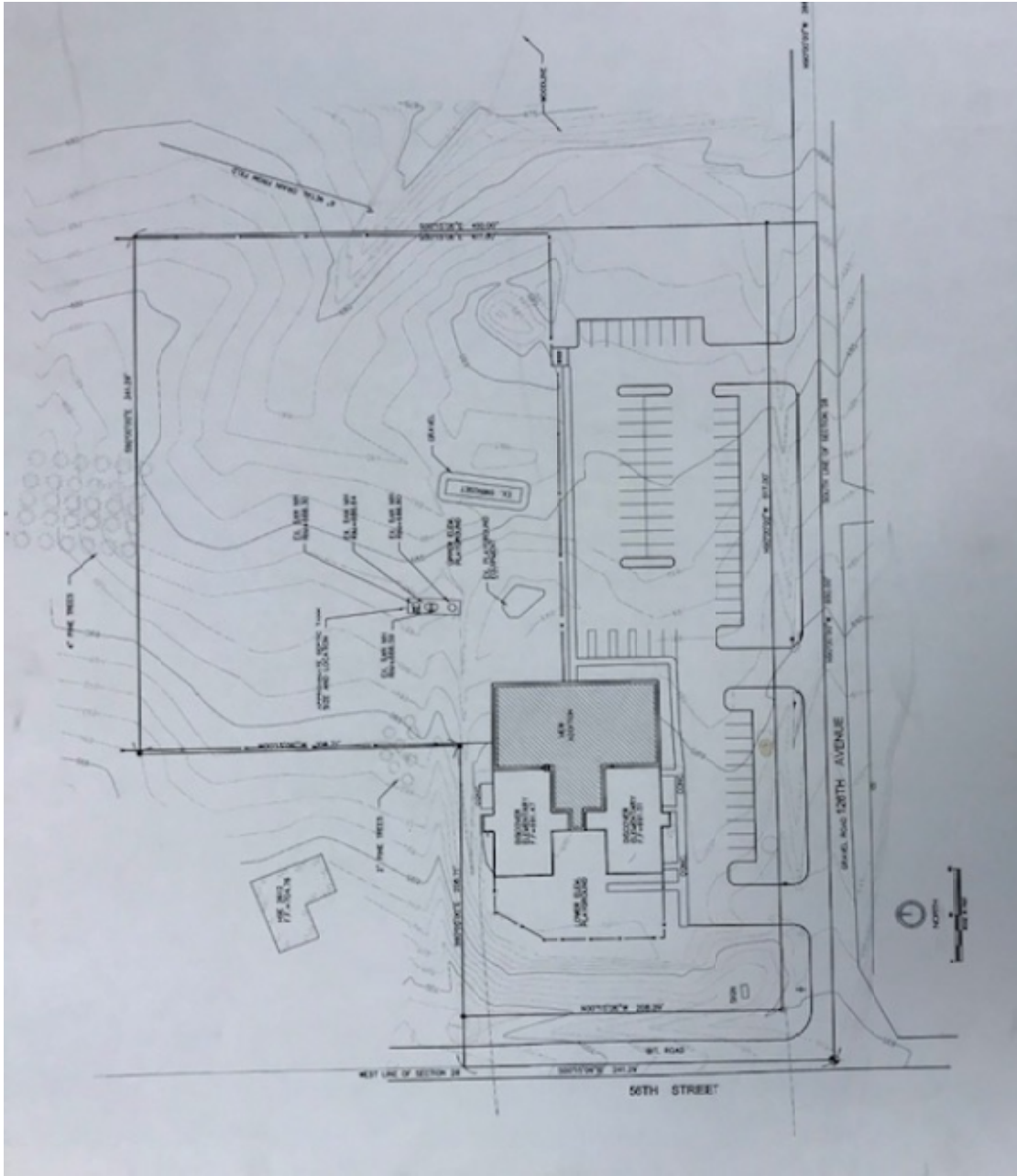
EXHIBIT A

Legal Description

Part of the Southwest 1/4 of Section 28, Town 3 North, Range 15 West, Manlius Township, Allegan County, Michigan described as beginning at the Southwest corner of Section 28 and proceeding thence along the West line of Section 28, North 00 degrees 15 minutes 06 seconds West 241.29 feet thence South 90 degrees 00 minutes 00 seconds East 208.71 feet, thence North 00 degrees 15 minutes 06 seconds West 208.71 feet, thence South 90 degrees 00 minutes 00 seconds East 341.29 feet, thence South 00 degrees 15 minutes 06 seconds East 450.00 feet, thence North 90 degrees 00 minutes 00 seconds West 550.00 feet along the South line of Section 28 to the point of beginning, except any part taken, used or deeded for road purpose&

96 JUN 23 AM 9 13
REGISTERED
ALLEGAN COUNTY, MI





CERTIFICATE OF USE AND OCCUPANCY

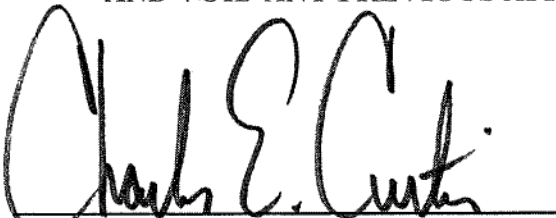
PERMANENT

Michigan Department of Licensing and Regulatory Affairs
Bureau of Construction Codes/Building Division
P. O. Box 30254
Lansing, MI 48909
(517) 241-9317

Building Permit No. B041055
Innocademy of Allegan
2611 56th Street
Fennville, Michigan
Allegan County

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

THIS APPROVAL IS GRANTED UNDER THE AUTHORITY OF SECTIONS 13 OF ACT 230 OF THE PUBLIC ACTS OF 1972, AS AMENDED, BEING §125.1513 OF THE MICHIGAN COMPILED LAWS, AND, IN ACCORDANCE WITH SECTION 111.0 OF THE STATE BUILDING CODE. THIS SHALL SUPERSEDE AND VOID ANY PREVIOUS APPROVAL OF USE AND OCCUPANCY.



Todd Y. Cordill, NCARB

Chief

Charles E. Curtis, Assistant Chief
Building Division

December 5, 2014

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

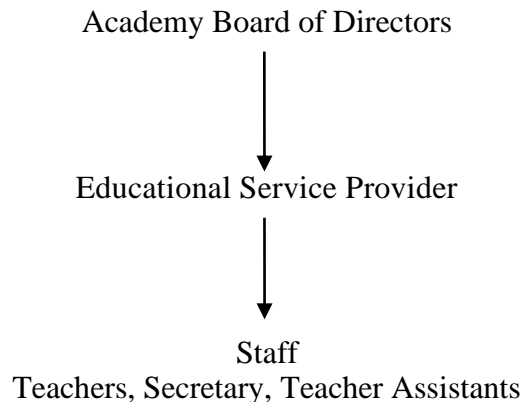
Schedule 7a

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 Innocademy Allegan Campus currently consists of three (3) 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:

Name	Term Expiration
Jody Vogelzang	6/30/2025
Leanne Geisterfer	6/30/2026
Emily Kimber	6/30/2026

SECTION B
EDUCATIONAL GOALS

Educational Goals

Innocademy Allegan Mission: By embracing innovation, we inspire our students to be global thinkers and leaders by positively impacting others at home and abroad.

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 achievement targets.

Measure 1: Student Growth

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

Grade(s)	Metric	Target
2 nd -8 th	The median Student Conditional Growth Percentile as measured by Measures of Academic Progress® by NWEA.	The median Student Conditional Growth Percentile will be at or above the 50 th percentile

Measure 2: Student Achievement

The academic achievement of all students in grades 2nd through 8th, who have been enrolled for three or more consecutive academic years at the Academy, will be assessed using the following metrics and achievement targets.

Grade(s)	Metric	Target
2 nd -8 th	The percentage of cohort students achieving math and reading scaled scores that meet or exceed targets based on the most current NWEA MAP® national norms	Cohort students ¹ will achieve scores equal to or greater than the grade-level reading and math targets identified in this schedule.
2 nd -8 th 8 th	The median subject scores as measured by performance on NWEA's MAP® The median subject scores as measured by performance on the PSAT®	Cohort students will achieve subject scores greater than that of non-cohort students ² .

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

Measures of Academic Progress Norm Targets

Grade	Spring Reading Target	Spring Math Target
2 nd	185.87	189.42
3 rd	197.12	201.08
4 th	204.83	210.51
5 th	210.98	218.75
6 th	215.36	222.88
7 th	218.36	226.73
8 th	221.66	230.03

NOTE: The targets are based on the latest NWEA Norm Study (2020 study) set at the 50th percentile. These targets do not necessarily denote college and career readiness. Targets will be adjusted each time NWEA updates its norm study.

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.

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

Grade(s)	Metric	Target
3 rd -8 th	State Assessment Michigan Student Test of Educational Progress (M-STEP) or successor test	
8 th	Pre-Scholastic Aptitude Test (PSAT) or successor test	The Academy will meet state/federal requirements
All Grades	State Accountability	

Measure 4: Academy Specific Goals

Grade(s)	Metric	Target
All Grades	Outdoor Learning	95%-100% of students will experience a minimum of 8 planned, outdoor learning opportunities per academic year to expand their perspective of community

SECTION C

EDUCATIONAL PROGRAMS

Schedule 7c: Description of IAC Educational Program

Foundations:

1. Development of global leaders and thinkers with a foundation of the Seven Habits of Highly Effective People
2. High level of parent and community involvement and investment
3. Multi-age “just right” groupings of students
4. Balanced school calendar
5. Student-led and blended learning that utilizes technology
6. Small student-teacher ratio
7. “Whole child” development that focuses on growing each child academically, emotionally, physically, and socially
8. Teacher-led structure that empowers teacher to lead and make decisions for the whole school
9. Business partnerships with reciprocated support
10. Stewardship and social responsibility are valued and practiced intentionally by students, families, staff, and partners
11. A culture of caring that embraces uniqueness and relationships

Since opening in 2014 with the above foundations, Innocademy Allegan Campus has developed a strong and focused educational program based upon the stated mission, vision, and goals outlined below.

Innocademy Allegan Campus’s Mission: *By embracing innovation, we will inspire our students to become global thinkers and leaders by positively impact others at home and abroad.*

Innocademy Allegan Campus’s Vision for Teaching & Learning:

A **personalized** education plan is designed for each individual child to honor his/her unique gifts, interests, and growth areas. Teachers and students believe in a **growth mindset**. Students are equipped with strategies to help them persevere and celebrate **grit**.

“**Just Right Learning**” empowers students by allowing them to work in flexible multi-age groups that challenge them to reach the next academic milestone. **Blended** learning enables students to learn at their own pace and mode of instruction, whether a student needs to pause and process OR accelerate and advance.

By embracing **innovation**, both teachers and students have unlimited opportunities for learning and leadership outside the traditional education model. Second **language acquisition** is a goal as part of daily core instruction. **Project Based Learning** allows students to dive into authentic, real-world and nature-enriched problems that pique curiosity, increase engagement, and encourage creativity. The critical thinking, collaboration, and effective communication required build career and college readiness.

Intentional **career** exploration ignites a love of learning by allowing students to explore different areas of interest and making content knowledge relevant.

Leadership qualities are deliberately taught and modeled using “The 7 Habits of Happy Kids” by Sean Covey. It doesn’t take long to hear students working through an issue using the term “let’s make this a Win- Win.”. Opportunities are abundant for students to demonstrate leadership at school and throughout the community.

We honor the whole child...each is a unique **emotional, physical, social, and spiritual** being. Academics are important, but not the only focus of nurturing and growth.

Caring **relationships** create a nurturing environment to build empathy and take risks. Students are aware of their individual learning styles to make proactive choices about where to do their best work and how to keep their stamina. Authentic opportunities to lead are abundant...from serving on the Bus Leadership Team to mentoring a younger friend.

Students are inspired and empowered to be **change agents** at home, in the community, and the environment outdoors by leading with not only their heads, but also with their hands, feet, and heart.

SECTION D
CURRICULUM

**CURRICULUM
TO BE UPLOADED SEPARATELY**

SECTION E

METHODS OF PUPIL ASSESSMENT

METHODS OF PUPIL ASSESSMENT

Establishing a comprehensive practice of student progress and achievement that are well matched with the Academy's educational program continues to be a top priority in conducting the Academy's balanced assessment system.

Each assessment provides data that is used for curricular modifications, lesson planning, student groupings for differentiated instruction, and student identification for supplemental educational services/programs.

Michigan Department of Education - Required Assessments

Michigan Student Test of Educational Progress (MSTEP) is a 21st Century test given primarily online each Spring and is designed to gauge how well students are mastering state standards. These standards broadly outline what students should know and be able to do in order to be prepared to enter the workplace, career education training, and college. This assessment is given to students in 3rd through 8th and 11th grades.

SAT Suite of Assessments represents a globally recognized college admission test. The assessments (PSAT and SAT) have been redesigned to be more focused on what is learned in high school and what is needed to be successful in college. This Suite is administered to 9th - 11th grade students each Spring.

ACT WorkKeys assesses 11th grade students in locating information, problem-solving skills, applied mathematics, and reading for information. Results from the assessment assist students in their understanding of their preparedness for specific jobs and careers. Questions on the assessment resemble problems and scenarios found in the workplace and require students to apply their class work knowledge. Depending on student scores, they may qualify for the National Career Readiness Certificate which alerts potential employers to the career aptitude and skill set of the student.

Lake Superior State University (LSSU) - Required Assessment

Northwest Evaluation Association (NWEA) Measure of Progress (MAP) assessments in reading and mathematics are required for grades 3rd - 8th in the Fall, Winter and Spring. However, the Academy administers them to grades K - 10 and includes the Science assessment for eligible grades.

In addition to these results being used for measuring the Academy's progress on the charter education goals, the Academy identifies students for supplemental programs (after-school, summer school and assignment to interventionist teachers) and general education teachers use the data for adjustments in instruction.

Required Assessments

The Academy employs formative and summative assessments in all of its courses. Formative assessments guide daily classroom instruction needs and summative assessments represent mastery of the classroom instruction. On the course grades for report cards and transcripts, formative assessments represent 40% of the final grade and summative assessments represent 60% of the final

grade. At the high school, there are midterms and final exams. At the elementary and middle schools, there are end-of-course common assessments.

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SECTION F

APPLICATION AND ENROLLMENT OF STUDENTS

Application and Enrollment Requirements

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Enrollment Limits

The Academy will offer pre-kindergarten through eighth grade. The Academy will annually adopt maximum enrollment figures prior to its application and enrollment period.

Requirements

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

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

Application and Enrollment Requirements

Application Process

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

Legal Notice

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

Application and Enrollment Requirements

Re-enrolling Students

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

Application and Enrollment Requirements

Random Selection Drawing

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

Prior to the application period, the Academy shall:

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

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

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

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

SECTION G

SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE

SECTION 7g: SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE

School Calendar

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

School Day Schedule

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

SECTION H

AGE OR GRADE RANGE OF PUPILS

SECTION h: AGE OR GRADE RANGE OF PUPILS

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

Students of the Academy will be children who have reached the age of five (5) as set forth in MCL 380.1147. A child may enroll in kindergarten if the child is at least 5 years of age on September 1, 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.