

BOARD AGENDA ITEM
February 11, 2014

SUBJECT:

Renewal Contract for Midland Valley Preparatory School

BACKGROUND:

Both MVPS and LKCS were originally approved with three year contracts (which were permissible in 2002 before the law was changed to a “fixed” five year term and then changed again to a “fixed” ten year term several years ago). Our two schools are operating on yearly renewals of the old agreement. Meanwhile other aspects of the charter law have changed and are not specifically provided for in the old documents. There is a need to update these, and the 2012 amendments required the State Department of Education to come up with a “template” which they have done. The new contract is “styled” along the template guides, but includes all working arrangements presently in force with the school.

ADMINISTRATIVE CONSIDERATION:

The attorney working with Midland Valley Preparatory School provided a proposed renewal document using the template guidelines and we have made a good many revisions or additions to that to come up with a renewal contract that serves both parties well, we believe, and that is compliant with the state law and consistent with the minimal inclusions under the template. Also, the MVPS Board is working on a facility acquisition that is supported by loan proceeds from secured bond issues under a special funding program. While this proposed loan imposes absolutely no liability on the District (nor would any legal obligation of a charter school), the certifying bond counsel and issuing agencies would like to know that the school has an up-to-date charter. The school leadership is working against a deadline and has asked the Board to go ahead and authorize the charter contract renewal proposal at this time. [We intend to use this same format and to submit a renewal recommendation to LKCS and APAA in the near future.] We have already received and reviewed (departmentally) the annual report data for MVPS so it is in a position to move forward with this request at this time.

RECOMMENDATION:

Approve and authorize the Chair to execute the proposed Charter Renewal Contract for Midland Valley Preparatory School.

ATTACHMENT:

- 1) Proposed renewal contract

PREPARED BY:

William H. Burkhalter, Jr.

Charter Renewal Agreement

This Charter Renewal Agreement (“Agreement”) dated _____, 2014, is between Midland Valley Preparatory School (the “School”), a public charter school organized as a nonprofit corporate entity, and the Aiken County Board of Education (Ex Officio: Trustees of The Consolidated School District of Aiken County) (hereafter the “District” or the “Sponsor”), the local school board in which the School is located and which granted approval for the School’s charter.

WHEREAS, the South Carolina General Assembly has enacted the South Carolina Charter Schools Act, S.C. Code Ann. § 59-40-10 et seq., (hereafter the “Act” if not otherwise identified) for certain purposes as enumerated therein; and

WHEREAS, the Sponsor originally approved the School’s charter application in 2002 and the charter agreement has been subsequently amended in some measures and, after the first three years, continued on a yearly renewal basis by the District; and

WHEREAS, in the meantime the South Carolina Charter School’s Act has been amended on several occasions; and

WHEREAS, the South Carolina Department of Education unilaterally imposed certain obligations upon the Sponsor which were neither provided for in law or by duly promulgated state regulation but which the various Districts with charter schools were nevertheless forced to accept (particularly with regard to Special Education responsibility), and of which the District was informed after its contract with the School had been agreed to and authorized by the District; and

WHEREAS, the Legislature in 2012 finally amended those sections of the Act to impose such requirements by force of law but left it, apparently to the contracting parties to resolve this otherwise unfunded mandate; and

WHEREAS, pursuant to the most recent amendments to the South Carolina Charter School’s Act, the South Carolina Department of Education recently developed and published a template for Charter Agreements;

WHEREAS, the School and the Sponsor desire to amend and renew the charter agreement between them;

NOW THEREFORE, the School and the Sponsor, in consideration of the mutual promises set forth in this Agreement, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

I. Term

This Agreement is effective upon signing by both parties and shall continue for a term of ten (10) years from the date of signing, subject to the annual review requirements of the Charter School Act.

II. Legal Status

The School is incorporated as a South Carolina non-profit corporation. The School shall continue to operate as a South Carolina non-profit corporation during the term of this Agreement and shall assure that its operation is in accordance with its articles of incorporation and bylaws. The School shall notify the Sponsor of any change in the School's corporate status. The school is organized and maintained as a separate legal entity from the Sponsor District for all purposes of this contract and pursuant to applicable South Carolina law in the Act and as otherwise distinguished by the general educational statutes of the State of South Carolina with regard to what defines a public school.

III. School-Sponsor Relationship

A. Sponsor Responsibilities, Roles, Powers, and Expectations of Performance

The Sponsor is the School's Local Educational Agency ("LEA") and the School is a school within that LEA.

1. Right to Review

The School shall operate under the enabling auspices of, and shall be accountable to, the Sponsor, and the School shall be subject to all applicable federal and state laws and regulations. All records established and maintained in accordance with the provisions of this Agreement or federal and state laws and regulations shall be open to inspection and review by the Sponsor, which has legitimate educational interests in such records within the meaning of the Family Educational Rights and Privacy Act (FERPA). Records include, but are not limited to, the following:

- a. School records
- b. Student records
- c. Financial records
- d. Personnel records
- e. Operational records
- f. Facility records
- g. Educational program, including test administration procedures and Student protocols

Additionally, the Sponsor may make pre-arranged or emergency visits to the School to fulfill its oversight responsibilities. In the absence of an emergency, visits should be prearranged to avoid disruption of the educational process.

2. School Health or Safety Issues

The Sponsor shall immediately notify the School of any circumstances requiring

School closure, lockdown, emergency drills, or any other action that may affect School health or safety (where the need for such action by the School is within the purview of the Sponsor's knowledge of extant circumstances that might adversely affect the School).

3. Access to Data and Information

The Sponsor shall timely provide the School with access to any data and information pertaining to the School that it receives from the State or other sources including but not limited to test scores, federal and state accountability data, special education, and funding information.

4. Access to Student Records

The Sponsor shall timely make available to the School cumulative files and/or student information, including but not limited to information regarding special education and related services, for students enrolled or presently actively seeking to enroll at the School. The School shall use such information exclusively for the fulfillment of its educational responsibilities or for compliance with the law and shall not use student information acquired from the Sponsor for any other purpose, nor shall anything herein be construed to provide the School a right to seek general "roster-type information from one or more schools.

5. Oversight and Monitoring

The Sponsor shall:

- a. Monitor, in accordance with the terms of this Agreement, the performance and legal/fiscal compliance of the School to include collecting and analyzing data to support ongoing evaluation according to this Agreement, but nothing herein shall impose any periodic or scheduled responsibility that creates any public or third-party expectation of frequent operational oversight. This provision is limited to the access to, or gathering of, information necessary in the sole and exclusive discretion of the Sponsor to carry out its annual (or exigent) review responsibilities.
- b. Conduct or require oversight activities (as described in Paragraph [a] above) that enable the Sponsor to fulfill its responsibilities outlined in the law, including conducting appropriate inquiries and investigations only if those activities are consistent with the law, adhere to the terms of this Agreement, and do not unduly inhibit the autonomy granted to public charter schools.
- c. Collect in accordance with S.C. Code Ann. § 59-40-140(H), an annual report from the School, and conduct a meeting (if requested by either party in connection with that review process) and submit the report to the South Carolina Department of Education (SCDE).
- d. Notify the School of perceived problems when its performance or legal compliance is unsatisfactory and provide a reasonable opportunity for the School to remedy the problem, unless the problem warrants revocation and revocation

timelines apply.

- e. Take appropriate actions and exercise sanctions short of revocation, in response to deficiencies in School performance or legal compliance. These actions or sanctions may include requiring the School to develop and execute a corrective action plan within a specified timeframe.
- f. Determine whether the School's charter merits renewal, nonrenewal, or revocation.

B. School responsibilities, roles, powers, and performance expectations

The Sponsor is the School's Local Educational Agency ("LEA") and the School is a school within that LEA.

1. Records

The School agrees to comply with all applicable record-keeping requirements including those pertaining to students, governance, and finance. This includes maintaining up-to-date information about enrolled students in the Sponsor's student information system (SIS). In addition, the School shall ensure that records for students enrolling in other schools are transferred in a timely manner. The School agrees to assist the Sponsor in accessing or reviewing the School's records as part of the Sponsor's oversight responsibility.

2. Notification Provided to Sponsor

The School shall timely notify the Sponsor in the following situations:

- a. the discipline of employees at the School arising from misconduct or behavior that may have resulted in physical harm to students or others, or that constituted serious violations of the law. [The School shall comply with all reporting requirements to law enforcement, as well.];
- b. the receipt of a complaint filed against the School by any governmental agency;
- c. conditions that may cause the School to vary from the terms of this Agreement, applicable Sponsor requirements, federal or state law;
- d. any circumstance requiring the unscheduled closure of the School, including but not limited to, a natural disaster or other extraordinary emergency;
- e. arrest of any School board member or employee for a crime punishable as a felony or any crime related to the misappropriation or theft of funds;
- f. default of any obligation, which shall include debts for which payments are past due by sixty (60) days or more; or
- g. any change in its corporate status with the South Carolina Secretary of State's Office as a nonprofit corporation.

3. Compliance

The School shall comply with all applicable federal and state laws, ordinances, regulations, and policies for which it is not exempt.

The School shall provide the Sponsor with an annual report in accordance with the requirements of the South Carolina Charter Schools Act.

The School shall also provide the Sponsor with any reports necessary and reasonably required for the Sponsor to meet its oversight and reporting obligations. The Sponsor shall provide the School with a written list of any reports the Sponsor believes are necessary and reasonably required to meet the Sponsor's oversight and reporting obligations and recommended due dates for any such reports.

The School shall maintain accurate and up-to-date student records. **Student population and grade levels offered at the school shall be in accordance with previously authorized ranges enabled by the sponsor and consistent with Items VI (A) – (D), below.** Data supplied to the Sponsor shall fulfill all federal and state reporting requirements and deadlines.

The School shall adhere to the same health and safety requirements as are applied to the public schools operating in the Aiken County School District.

4. Academic Achievement

The School shall make reasonable progress towards meeting or exceeding the performance goals as described in this Agreement.

5. Nonreligious, Nonsectarian Status

The School shall operate in all respects as a nonreligious, nonsectarian public charter school.

6. Nondiscrimination

The School shall adhere to the same civil rights and disability rights requirements as are applied to public schools in the Aiken County School District, and as consistent with both state and federal requirements.

7. Indemnification

The School shall indemnify and hold harmless the Sponsor, its servants, agents, and employees, from any and all liability, damage, expense, causes of action, suits, claims, or judgments arising from injury to persons or property or otherwise which arise out of the act, failure to act, or negligence of the School, its agents and employees, in connection with or arising out of the activity of the School. This indemnification and hold harmless is expressly made and included pursuant to statute [59-40-60(F)(14) and applicable Regulation, and is a school entity-to-school entity requirement, all of which is expressly within the protections, immunities, and limitations of the S.C. Tort Claims Acts and this paragraph shall in no way be interpreted or construed as a waiver by either entity regarding any claim, suit, action,

cause of action, alleged damage, injury, wrongful death, or any other legal process that falls under or within the matters covered within the jurisdiction of the Tort Claims Act. The provisions of this hold harmless and indemnification shall, however, be unconditional and without limitation on claims not subject to, or limited by, the Tort Claims Act.

The School shall take no action, nor maintain any representation, to third parties that the Sponsor District is in any way responsible for the conditions of the School's premises, the hiring or firing of employees, or the daily operations of the School's programs or instructional process.

8. Insurance

The School shall maintain liability insurance from a South Carolina licensed insurance company or the state insurance reserve fund that at a minimum covers the limits of the South Carolina Tort Claims Act. The School shall also maintain workers compensation insurance and other insurance as deemed appropriate by the School's board of Directors and at least in compliance with any applicable minimal requirements. The School is solely responsible for any deductibles payable under the policies purchased by the School.

9. Attendance

The School shall meet or exceed the minimum student attendance requirements that apply to schools in the Aiken County Public School District.

IV. Governance

The School's articles of incorporation, bylaws, and policies shall not conflict with the School's obligation to operate in a manner consistent with this Agreement. The School's governing board shall operate in accordance with the School's articles of incorporation and bylaws. The membership of the School's governing board shall be consistent with the requirements of the South Carolina Charter Schools Act, including its requirement that 50% of the membership have a background in k-12 education or business. The School shall ensure that the members of its governing board complete an orientation program as required by the South Carolina Charter Schools Act. The School shall comply with the South Carolina Freedom of Information Act.

V. Operation of School

Subject to the conditions and provisions of this Agreement, the School shall be responsible for the School's operations. The School shall have all the powers of a South Carolina public charter school.

Students and their parents shall be responsible for their own daily transportation to and from the School.

The School shall provide its own food service.

The School shall considering using the Sponsor’s policies as a guide where the School does not have its own applicable policy or provisions. However, the School is not required to adhere to the Sponsor’s policies so long as the School acts reasonably and consistent with applicable state and federal laws and regulations.

VI. School Enrollment and Demographics

A. School Grade Levels

The School may serve students in grades 5K through 8.

B. Student Demographics

School enrollment decisions shall be made by the School in a nondiscriminatory manner consistent with all applicable laws and regulations including the South Carolina Charter Schools Act.

C. Maximum and Minimum Enrollment

The School’s maximum enrollment is limited to the number necessary:

- to facilitate the academic success of the students enrolled in the School;
- to facilitate the School’s ability to achieve its mission and objectives; and
- to stay within the capacity of the School’s facility and site.

The School’s minimum enrollment is limited to the number necessary

- for financial viability; and
- to facilitate the School’s ability to achieve its mission and objectives

D. Eligibility for Enrollment

The School shall limit enrollment of students accepted through the process outlined below, including enrollment procedures for students with disabilities, to those who meet the School’s age and grade requirements and are otherwise eligible to enroll.

E. Enrollment Preferences, Selection Method, and Enrollment Timeline and Procedures

1. Priority Enrollment

Enrollment preferences shall be given as authorized by the South Carolina Charter Schools Act.

The Charter School may admit out-of-district students in accordance with the South Carolina Charter Schools Act.

2. Selection Method

When the number of applicants exceeds the number of spaces available, students shall be selected by a random lottery, taking into consideration priority enrollment preferences. If additional spaces become available after priority enrollment, and the initial lottery selection, students shall be offered admission based on a lottery of that grade level with respect to priority conditions. If all students on the waiting list have been offered admission, spaces shall be filled on a first-come, first-serve basis.

Waiting lists shall be maintained from year to year for purposes of maintaining and defining interest in the school: However, students on the waiting list who are not offered admission and wish to be considered for admission the following year must submit a new application yearly.

3. Enrollment Timeline and Procedures

The School may establish its own enrollment timeline and procedures subject to the following conditions:

- Prior to submitting an application for admission parents and students shall be encouraged to attend an informational meeting about the School.
- The School shall make clear at meetings and in written information provided along with the application that any student residing in Aiken County may apply, although admission is based on the preferences listed above.
- The School shall begin publicizing the availability of student positions at the School at least two months prior to the date of the lottery.
- The lottery shall be held no earlier than the last full working day of March in any year and no later than the last full working day of April the year for which enrollment is being selected.
- Based on space availability, the School shall continue to accept students from its waiting list or, if the waiting list is exhausted, from parents submitting applications after the deadline. The School may accept students throughout the year at its discretion.

4. Admission Process and Procedures for enrollment of students with disabilities or a Section 504 plan

To ensure that the needs of students with disabilities are met, the following procedures must be followed:

- Following the application deadline and upon completing the lottery if appropriate, the School shall require that the student/district, or the student's sending school if another district, provide the most recent IEP or Section 504 Plan.
- Admission of applicants with an IEP or Section 504 Plan shall be in compliance with district requirements and procedures concerning the

education of students with disabilities. Every student who is admitted with an IEP or Section 504 Plan from his/her previous school shall be placed directly in a program that meets the requirements of such IEP or Section 504 Plan, unless and until a review staffing by the IEP team or Plan review meeting is held and the IEP or Section 504 Plan is changed.

- When an applicant has an IEP or Section 504 Plan, prior to the decision to admit or deny admission, a screening team consisting of the School Principal or designee, the School and District special education coordinator, and a District representative shall review the IEP or Section 504 Plan, and, if deemed appropriate, confer with staff at the student's previous school, and shall make a determination whether the services and space available at the School are sufficient to deliver the program required by the IEP or to provide the accommodations required in the Section 504 Plan. If the screening team cannot reach consensus, the District representative shall convene a complete IEP team to make the final determination.
- When a student who has intensive service needs as identified by an IEP team applies for admission into the School, the School Principal shall convene an IEP team meeting. The student's application for admission is contingent upon the determination by the IEP team that the student can receive a free appropriate public education in the least restrictive environment at the charter school in its existing programs with or without reasonable modifications. If the determination is that Free Appropriate Public education (FAPE) is not available, the student's application for admission shall be denied and the student's current placement shall remain as determined by the prior IEP team meeting, unless changed at the School's IEP team meeting. Representatives from the student's prior school shall be invited to participate in the IEP team meeting at the School. Additionally, an application for attendance at the School may be denied for a student seeking placement in the School in the same manner and for the same reasons as such application may be denied for a student without disabilities.

5. Discipline, expulsion, and denial of admission procedures.

The following shall be grounds for suspension or expulsion of a child from the school during a school year:

- a) Continued willful disobedience or open and persistent defiance of proper authority;
- b) Willful destruction or defacing of school property;
- c) Behavior on or off School property that is detrimental to the welfare or safety of other pupils or of School personnel, including behavior that creates a threat of physical harm to the child or to other children; except that, if the child who creates the threat is a child with a disability, the child may not be expelled if

the actions creating the threat are a manifestation of the child's disability. However, the child shall be removed from the classroom to an appropriate alternative setting within the District for a length of time that is consistent with federal law, during which time the Sponsor and the School shall work cohesively to give priority to and arrange within ten days for a reexamination of the child's IEP to amend his or her plan as necessary to ensure that the needs of the child are addressed in a more appropriate manner or setting that is less disruptive to other students and is in accordance with the law. Nothing in paragraph (c) shall be construed to limit the School's authority to suspend a child with a disability for a length of time that is consistent with federal law;

- d) Declaration as a "habitually disruptive student", is a child who has caused a material and substantial disruption on school grounds, in a school vehicle, or at a school activity or sanctioned event three or more times during the course of a school year and has been suspended pursuant to paragraph (a), (b), (c), or (d), because of behavior that was initiated, willful, and overt on the part of the child. Any student who is enrolled in the School may be subject to being declared a habitually disruptive student.

If the student is declared a habitually disruptive student:

The student and the parent, legal guardian, or legal custodian shall have been notified in writing of each suspension counted toward declaring the student as habitually disruptive. The student and parent, legal guardian, or legal custodian shall have been notified in writing and by telephone or other means at the home or the place of employment of the parent or legal guardian of the definition of "habitually disruptive student" and the mandatory expulsion of such students. Any student who is enrolled in the School may be subject to being declared a habitually disruptive student for which expulsion shall be mandatory.

- e) Serious violations, including:

Carrying, bringing, using, or possessing a dangerous weapon including but not limited to:

- 1) A firearm, whether loaded or unloaded, or a firearm facsimile that could reasonably be mistaken for an actual firearm;
- 2) Any pellet or BB gun or other device, whether operational or not, designed to propel projectiles by spring action or compressed air;
- 3) A knife with a blade
- 4) Any object, device, instrument, material, or substance, whether animate or inanimate, used or intended to be used to inflict death or serious bodily injury.

Notwithstanding the provisions of the above subparagraph, carrying, bringing, or possessing a dangerous weapon shall not require mandatory expulsion if, when the student discovers that he or she has carried, brought, or is in

possession of a dangerous weapon, the student notifies a teacher, administrator, or other authorized person in the school as soon as possible and delivers the dangerous weapon to the teacher, administrator, or other authorized person. Nothing in this subparagraph shall be construed as prohibiting the School from expelling a student under the circumstances specified in this subparagraph if such expulsion would be in accordance with the school's discipline code.

- The possession or sale of a drug or controlled substance
 - A common act which if committed by an adult would be robbery pursuant to law.
 - Assault, other than the commission of an act that would be third degree assault under law, if committed by an adult.
- f) Repeated interference with the School's ability to provide educational opportunities to other students.

The following shall constitute additional grounds for denial of admission to the School:

- 1) Failure to meet age requirements as set forth by the state for funded 5K program.
- 2) Having been expelled from any school in the district from which the student was enrolled during the preceding twelve months
- 3) Having been placed in an alternative education program for disciplinary reasons within the sending district where the alternative school operates as a result of any of the aforementioned reasons within the last twelve months.

VII. Educational Program

Mission

Our Mission is to create a learning environment for our students that will empower them with the knowledge they need to become lifelong learners through strategies of project based learning, print rich environments, and confident decision making abilities to develop and maintain a strong foundation in order to become productive and active members of society through the sharing of their knowledge.

The School shall meet or make reasonable progress toward the goals and objectives outlined in this Agreement while continuing to evaluate the goals and objectives and update annually based on student population and need.

The School shall implement the Common Core State Standards using project based learning activities, print rich environments and any resources i.e. Core Knowledge curriculum, state adopted text books etc. as supplemental resources. The School's curriculum shall meet or exceed

any content standards adopted by the SDE and the Sponsor and shall be designed to enable each student to achieve these standards.

The School shall comply with all State Testing modules utilized by the Sponsor.

The School shall consider for use whatever tools are offered by the Sponsor as measures to gauge student progress but shall use additional measures as needed to ensure student achievement.

The School will evaluate student data annually, write S.M.A.R.T. goals to address deficits yearly, and report progress and progress monitoring in the Annual Report.

The School shall continuously monitor the structure of programs to ensure effectiveness and the school may update annually in the report any new strategies implemented to address weakness or discrepancy within subgroupings.

The school shall evaluate and adopt programs based on student retention, student need and effectiveness of current programs annually.

Education of Students with Disabilities

In accordance with the South Carolina Charter Schools Act, the Sponsor retains responsibility for special education and shall ensure that students enrolled in the School are served in a manner consistent with LEA obligations under applicable federal, state, and local law, provided however that this does not impose additional financial obligations from the Sponsors general fund and beyond the monies forwarded to the School under the State matrix and charter funding requirements. The School shall comply with state and federal law and regulations concerning the Individuals with Disabilities Education Act (IDEA) and all policies and regulations of the Sponsor concerning the education of students with disabilities. The School shall admit students without regard to their status as special education students. The student's IEP team shall determine modification, accommodations, services, and placement as appropriate for the student. The School agrees to provide a variety of placement options and services unless both the School and the Sponsor agree to a different set of specific options.

The School agrees that the Sponsor is responsible for oversight of the School's compliance with the IDEA and Section 504. The Sponsor shall provide support with respect to services such as annual special education audits, state data reporting, Child Find activities, and psychological testing for initial evaluations and reevaluations. Services beyond this level are provided at the discretion of the Sponsor. If School personnel request services or resources from the Sponsor, and if the Sponsor agrees to provide such services without reimbursement, they shall be at no cost to the School.

The School agrees that the Sponsor may serve as the LEA in individualized education program (IEP) meetings when situations warrant such action (as deemed necessary by the Sponsor). In cases like this, the School shall be responsible for the financial commitment made by the IEP team.

Whenever a matter arises concerning the School's implementation of the IDEA or Section 504,

the School shall notify the Sponsor's Director of Special Services upon receiving formal notice of any of the following situations: a request for a due process or grievance hearing (under the IDEA or Section 504); a state-level complaint filed with the SCDE, or an alleged violation filed with the Office for Civil Rights. The School shall not respond to any of these situations without the prior involvement and approval of the Sponsor. The authority to resolve any such matter will rest with the Sponsor but with the complete cooperation of the School.

The Sponsor has the authority to manage and direct such matters on behalf of the School as the Sponsor deems appropriate (except that any and all issues related to personnel providing special services remain the sole obligation of the School, as the Sponsor has no right to hire, fire, or discipline employees of the of the School under any conditions . The School shall be responsible for paying any outside costs associated with the above matters. Such costs include, but are not limited to, attorneys' fees, hearing officers' fees, other outside consultation fees, or fees to provide compensatory services.

The School shall appoint a special education coordinator who shall participate in Sponsor meetings for special education coordinators and who shall serve as the liaison between the School and the Sponsor on special education matters. The School's special education coordinator shall inform the Sponsor of special education issues and potential problems in the School.

The Sponsor shall provide notification to the School of its IDEA funding after the Sponsor has received notification of its funding allocation from the SCDE. IDEA funds are allocated to the school based on the previous year's Count. Allocation of IDEA funds is dependent upon the School's submission of a proposed budget for expenditure of such funds and receipt by the Sponsor's Director of Special Services of the funds from the SCDE.

The School shall submit data regarding the education of students with disabilities in the format required by the Sponsor and do so in a timely and accurate manner. The School shall also utilize the processes and forms required by the Sponsor for IDEA- and Section 504-related functions.

VIII. Financial Matters

A. Budget

The School must use the same budget codes as are required of school districts in the State. The budget shall be based on documented SCDE- estimated revenues in accordance with the allocations in the South Carolina Charter Schools Act

B. Audits

The School shall adhere to the same financial audits, audit procedures, and audit requirements as are applied to all other public schools. The School shall obtain and submit to the Sponsor an independent annual audit from a qualified auditing or accounting firm of all financial records. The audit shall be submitted to the Sponsor by the timeline prescribed by the Sponsor for inclusion in the Sponsor's report to the SCDE. In addition, the School is required to send a copy of its separately issued audit

directly to the S.C. Department of Education by the December 1 deadline.

C. Revenues

The School shall receive revenues as follows: based on state, county, and school district funds due to a charter school as determined by the charter school funding formula, the proportionate share of state and federal resources generated by students or staff, and gifts, donations, or grants of any kind made to the charter school and shall be included in the school's financial records.

D. Disbursement of per pupil revenue

The Sponsor shall distribute per pupil revenue in accordance with all applicable laws and regulations.

E. Liability

The Sponsor is not liable for any debts of the School.

F. Non-commingling

Assets, funds, liabilities, and financial records of the School shall be kept separate from assets, funds, liabilities, and financial records of any other person, entity, or organization.

G. Accountability

Financial Resources are to be allocated, expended, and accounted for in accordance with accounting practices specified in the Financial Accounting Handbook, Funding Manual, and the Pupil and Staff Accountability Manual.

H. Gifts and donations

The School shall report to the Sponsor in its annual audit report all gifts, donations, or grants its governing board receives.

IX. Personnel

Charter School employees are at will employees unless otherwise expressly provided in their employment contract. All employees hired by the School shall be employees of the School and not the Sponsor. All employee discipline decisions shall be made by the School. The Sponsor shall have no obligation to employ School employees who are released or leave the School. Terms of the employment relationship, including reasonable grievance and termination procedures, are described in the employee handbook, and this handbook may be amended or revised at the discretion of the School. The South Carolina Teacher Employment and Dismissal Act, S.C. Code Ann. § 59-25-410 et seq., as amended, is not applicable to the School.

The School will hire or contract for, in its discretion, administrative staff to oversee the daily

operation of the School. At least one of the administrative staff will be certified or experienced in the field of administration and capable of overseeing the daily operation of the school.

The School and Sponsor agree that the School will implement ADEPT for the evaluation of certified teachers. The School agrees that all certified teachers in the School must be assisted and evaluated in a manner consistent with the Sponsor's State Board of Education-approved ADEPT plan for induction, formal evaluation, and goals-based evaluation. The School is responsible for ensuring the fidelity of the implementation of the ADEPT system. The Sponsor is responsible for staff training and program implementation. The Sponsor agrees to disseminate all ADEPT-related information from the SCDE to the School and to report the charter school data to the SCDE.

The School shall ensure adherence to requirements of the Affordable Care Act, if applicable.

X. Facilities

The School is responsible for securing a facility for its operations. The School may acquire buildings or property for school purposes and interests which are necessary or convenient to fulfill the School's purposes, including but not limited to property and facilities presently intended to be acquired by the School at 1200 Toolebeck Road Aiken, SC. The School shall ensure that its building(s) and property are in compliance with all applicable laws and regulations, including but not limited to those addressing accessibility and student safety.

The School shall be responsible for the construction, renovation, and maintenance of the facilities in accordance with the requirements of the South Carolina Office of School Facilities. The School shall satisfy all permit, life safety, and inspection requirements of the South Carolina Office of School Facilities.

The Sponsor has no obligation or legal liability regarding acquisition or funding payment for any facilities for charter schools under S.C., and acknowledgement of having information concerning the acquiring of new facilities shall not be construed as tacit or implied agreement to be responsible for the School's facility plans.

XI. Charter Renewal, Revocation, and School-Initiated Closure

A. Renewal Timeline and Process

The School shall submit its renewal application to the Sponsor at least six (6) months before the Agreement expires. The Sponsor shall act on the School's renewal application by resolution at least three months before this Agreement expires, following a public hearing where the School shall have the opportunity to address the Sponsor about its renewal request. If the Sponsor decides to not renew this Agreement, the Sponsor shall detail the reasons in this resolution.

B. Renewal Application Contents

The School's renewal application shall comply with the requirements of the South Carolina Charter Schools Act and contain all information required therein.

C. Criteria for Renewal, Nonrenewal, and Revocation

The Sponsor's decision to renew, not renew, or revoke the School's charter must comply with the South Carolina Charter Schools Act.

D. Revocation/Nonrenewal and Hearing Procedures

The Sponsor shall provide the School with written notice of the grounds for revocation or nonrenewal and the date of the revocation or nonrenewal hearing before the Sponsor Board. Additionally, the Sponsor shall comply with all requirements of the South Carolina Charter Schools Act.

E. School-Initiated Dissolution

The School may terminate this Agreement before it expires if both parties agree to the dissolution. Should the School choose to terminate this Agreement before it expires, the School may do so in consultation with the Sponsor at the close of any school year and upon 90 days written notice to the Sponsor.

F. Return of Property

Upon dissolution of the School, the School's assets may not inure to the benefit of any private person and shall be distributed in accordance with the South Carolina Charter Schools Act. In no event, and under no circumstance will the Sponsor become obligated on any loan or legal liability of the School upon its default or dissolution.

XII. General Provisions

A. No Oral Modification

A modification of this Agreement must be in writing and signed by the parties.

B. Non-Assignment

A party shall not assign rights or delegate duties under this Agreement.

C. Governing Law

South Carolina law governs this Agreement.

D. Severability Clause

If a court declares part of this Agreement unenforceable, the remainder of this Agreement

is unaffected and enforceable.

E. No Waiver

A party's delaying in exercising a right under this Agreement does not constitute a waiver of that right.

F. No Third-Party Beneficiary

The enforcement of the terms and conditions of this Agreement shall be strictly reserved to the School and the Sponsor. No third person shall have any rights under this Agreement.

G. The sponsor may ask for execution of an Acknowledgment of Present Contract Compliance Certifications and Agreements similar to the one currently part of its existing charter contract.

H. Merger Clause

This Agreement is the final and complete agreement between the School and the Sponsor with regard to the items covered herein.

The parties agree to the terms of this Agreement, above.

WITNESS OUR HANDS AND SIGNATURES this _____ day of January 2014.

For the School:

Board Chair, on behalf of the Board

Date

For the Sponsor:

Board Chair, on behalf of the Board

Date