

# **OAKLAND UNIVERSITY**

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

ISSUED TO:

**Weston Preparatory Academy**  
(A PUBLIC SCHOOL ACADEMY)

BY THE

**OAKLAND UNIVERSITY  
BOARD OF TRUSTEES**  
(AUTHORIZING BODY)

Original Contract Authorized: July 1, 2017

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**BOARD ACTION**



Office of the Vice President for Legal Affairs, General Counsel and  
Secretary to the Board of Trustees

## BOARD ACTION

February 14, 2017

The Board of Trustees at its meeting of February 13, 2017, approved the following resolution:

WHEREAS, the University has received the Weston Preparatory Academy's application requesting that the Board renew its charter and authorize the Academy to continue as a public school academy; and

WHEREAS, the University has determined it is in the best interest of the University and the State of Michigan to continue to authorize the Academy as a public school academy; now, therefore, be it

RESOLVED, that the application submitted by Weston Preparatory Academy meets the requirements of the Board and of applicable law; and, be it further

RESOLVED, that the Board approves the Academy's application to renew its charter authorizing the Academy to continue as a public school academy; and, be it further

RESOLVED, that the University administration shall negotiate and finalize an Agreement with the Academy in a form that incorporates the standardized requirements of the Michigan Department of Education and with such provisions as shall be required or authorized by the Michigan Revised School Code of 1976 as amended; and, be it further

RESOLVED, that the term of the Agreement with the Academy shall expire no later than June 30, 2020; and, be it further

RESOLVED, that the Agreement shall be reviewed and approved by the Office of the Vice President for Legal Affairs and General Counsel prior to execution, and shall be in compliance with the law and University policies and regulations and shall conform to the legal standards and policies of the Vice President for Legal Affairs and General Counsel; and, be it further

**BOARD ACTION**

February 14, 2017

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RESOLVED, that the Board of Trustees authorizes the President, the Senior Vice President for Academic Affairs and Provost, and their respective designees, to perform all acts and deeds and to execute and deliver all contracts, instruments and documents that are necessary, expedient and proper in connection with the Academy and the ongoing administration of Oakland University's oversight function.



Victor A. Zambardi  
Vice President for Legal Affairs,  
General Counsel and  
Secretary to the Board of Trustees

VAZ/cmh

Attachment

## **POLICY ON PUBLIC SCHOOL ACADEMIES (CHARTER SCHOOLS)**

*Approved by the Board of Trustees on October 5, 1995*

*Amended by the Board of Trustees on May 2, 2007*

*Amended by the Board of Trustees on August 6, 2012*

The establishment of public school academies (charter schools), as authorized by recent state legislation, offers a means of improving the public elementary and secondary schools in the State of Michigan. Oakland University will assist in the establishment of public school academies in order to achieve those purposes set forth in the legislation, as follows:

To improve pupil achievement for all pupils, including, but not limited to, educationally disadvantaged pupils, by improving the learning environment.

To stimulate innovative teaching methods.

To create new professional opportunities for teachers in a new type of public school in which the school structure and educational program can be innovatively designed and managed by teachers at the school site level.

To achieve school accountability for pupil educational outcomes by placing full responsibility for performance at the school site level.

To provide parents and pupils with greater choices among public schools, both within and outside their existing school districts.

To determine whether state funds can be more effectively, efficiently, and equitably utilized by allocating funds on a per pupil basis directly to the school rather than through school district administration.

To achieve these purposes, Oakland University will authorize those public school academies which best meet the following guidelines:

- a. Further a mission and goals consistent with the mission and goals of Oakland University, as identified in Oakland University's Strategic Plan.
- b. Fill an identified and substantiated educational need or provide an opportunity for new learning experiences at a facility located in Wayne, Oakland, or Macomb County.
- c. Meet the identified and substantiated needs of its students through the use of an innovative instructional plan.

- d. Meet the needs of a culturally, economically and ethnically diverse student body and provide a diverse faculty and administrative staff.
- e. Utilize the best educational practices, as defined by the University, and attempt to develop even more effective educational programs and practices.
- f. Establish and implement a process for continuous self-evaluation and assessment, and a process for reporting the self-evaluation and assessment results to Oakland University.
- g. Establish linkages to Oakland University through allied research, educational and/or development partnerships with Oakland University faculty; and provide clinical experiences, internships and field experiences for Oakland University students.
- h. Demonstrate relationships with the business community and other community organizations.
- i. Present a fiscally sound and compelling business plan.
- j. Comply with applicable state and federal law.

Oakland University will select public school academies on a competitive basis from applicants which best demonstrate that they meet the purposes of the public school academies legislation, the guidelines set forth in this policy, and the Criteria for the Evaluation of Applications.

[Editor's note: The Criteria for the Evaluation of Applications, which was approved by the Board of Trustees on October 5, 1995 and amended by the Board of Trustees on May 2, 2007 and August 6, 2012 is attached.]



## **DELEGATION OF AUTHORITY CONCERNING PUBLIC SCHOOL ACADEMIES**

*Approved by the Board of Trustees on October 9, 1997*

WHEREAS, the Board of Trustees of Oakland University wishes and intends to authorize and delegate to the President of Oakland University certain powers and authority as may be necessary and appropriate to carry out the policies of the Board of Trustees and to administer the business of Oakland University in accordance with such policies and directives as may be promulgated from time to time by the Board of Trustees; and

WHEREAS, the Board of Trustees wishes and intends by this resolution to delegate to the President of Oakland University full power and authority to carry out certain administrative functions of the university while retaining unto itself all legislative and discretionary powers which are not subject to delegation under law; now therefore be it

RESOLVED, that upon the recommendation of the university's Public School Academy Advisory Review Committee, the President or his designee is hereby authorized and directed to amend the contracts between the Board and the Public School Academies and take any other such action as may be necessary and appropriate to carry out the business of Oakland University as authorizing body of the public school academies consistent with the Board policy on Public School Academies and the Criteria for Evaluation of Applications, the educational goals as set forth in the public school academy applications, and the law; and be it further

RESOLVED, that any such amendment or other action of a material nature be reported to the University Affairs Advisory Committee at the first meeting following the amendment or action; and be it further

RESOLVED, that no amendment shall increase the liability or obligation of the university; and be it further

RESOLVED, that an annual report on the status of the public school academies shall be presented to the Board of Trustees at a regularly scheduled Board meeting.

## **CRITERIA FOR THE EVALUATION OF APPLICATIONS**

*Approved by the Board of Trustees on October 5, 1995*

*Amended by the Board of Trustees on May 2, 2007*

*Amended by the Board of Trustees on August 6, 2012*

The Office of Public School Academies and Urban Partnerships ("PSA Office") shall use criteria that incorporate requirements set forth in the Revised School Code for public school academies, MCLA 380.501 et seq ("School Code") and as the School Code requirements may be amended from time to time, in the evaluation of applications for charter. At the conclusion of the evaluation process, the PSA Office shall make a recommendation through the Provost and President to the Board of Trustees to authorize or not to authorize the charter.

### **Section I: Demographic Characteristics**

A. Identification of Applicant. The applicant for the proposed public school academy must be clearly identified and his/her affiliation indicated as an individual, a representative of a government entity or non-government entity, or other designation.

B. Name of proposed Public School Academy. The name of the proposed public school academy shall not duplicate that of another known public or private school.

C. Proposed date of opening. The proposed opening date of the public school academy shall be identified and shall be reasonably achievable.

D. School calendar and school day schedule. The proposed school calendar and school day schedule shall meet or exceed any state mandated minimum at the time of the application.

E. Grade level(s) or ages of students to be enrolled. The application shall identify the grade level(s) and/or ages of students to be enrolled. Additionally, plans, if any, for expanding the number of grades and/or ages of students to be enrolled in future years must be clearly stated.

F. Projected enrollment. The proposed number of students to be enrolled must be stated and the method of determining potential enrollment must be identified.

G. Student population. A description of the target student population must be included.

### **Section II: Purposes and Goals**

A. Purposes of the Public School Academy

The purposes of the public school academy shall be congruent with the mission and goals of Oakland University, as reflected in the Oakland University Strategic Plan, and

shall reflect a strong philosophical and educational focus that holds considerable promise for high quality teaching and learning for those students it is designed to serve.

Indicators:

- (1) The educational underpinnings on which the proposed public school academy is to be founded are supported in part (but not necessarily in entirety) by research or documented practice elsewhere. Note: In an effort to foster innovation, non-traditional educational practices which are supported by a comprehensive and thorough rationale are encouraged.
- (2) The proposed public school academy will effectively address the needs of students.
- (3) The proposed public school academy utilizes sound practice (i.e., contemporary teaching methods, structures, etc.), and also incorporates innovative teaching strategies and/or instructional technology.
- (4) The proposed public school academy is incorporated pursuant to the School Code.
- (5) The proposed educational goals, programs and curricula are designed to fulfill at least one of the purposes articulated in the School Code ..

#### B. Educational goals.

The educational goals of the public school academy may include statements of educational inputs; however, the goals must also include outcomes or performance based standards to be achieved by students.

Indicators:

- (1) The proposed public school academy is committed to educating each student to his/her optimal level of learning.
- (2) The proposed public school academy plans to develop a nurturing, child centered sense of educational atmosphere that contributes to the development of each student's confidence, sense of self-worth, personal enjoyment, and zest for learning.
- (3) The proposed public school academy seeks to educate students to meet or exceed state and national standards of achievement.

- (4) The proposed public school academy seeks to develop the critical thinking and problem solving skills of students.

### **Section III: Admission and Retention**

#### **A. Admission policy and criteria to be maintained.**

A public school academy shall not charge tuition and shall not discriminate in its pupil admissions policies or practices on the basis of intellectual or athletic ability, measures of achievement or aptitude, status as a disabled person, or any other basis that would be illegal if used by a school district. A public school academy may, however, limit admission to pupils who are within a particular range of ages or grade levels or on any other basis that would be legal if used by a school district.

##### **Indicators:**

- (1) The applicant must provide a description of its plans to recruit students and to advertise the school's availability. It must specifically describe its plans to advertise within the geographical area to be served. The plan to advertise and recruit will be evaluated on whether the plan is calculated to inform those persons who are likely to be interested in the public school academy. The applicant must describe the enrollment period which will be available for registration by interested families. The enrollment period must offer evening and/or weekend enrollment opportunities. The applicant must describe both its initial plans for recruitment and advertising as well as plans for these activities once the academy has been started and has an established student body.
- (2) The applicant must describe the process it plans to use for the random selection of students in the event the number of students wishing to enroll exceeds the number of seats provided by the public school academy.
- (3) The applicant must comply with the PSA Office Policy on Student Application and Enrollment and any subsequent changes to the policy or existing law as may occur.

#### **B. Retention**

The public school academy shall demonstrate a commitment to retain and to educate all students who enroll.

##### **Indicators:**

- (1) The proposed public school academy demonstrates a commitment to the retention of all students enrolled.

(2) Procedures are established for intervention and special help or counseling for those students who do not perform up to their potential or who violate established codes of conduct.

(3) The applicant presents a code of student conduct and set of procedures for discipline and dismissal. (4) The applicant includes a plan for regular involvement of the student's parent(s) or guardian(s) or other person(s) legally responsible for the student, both at home and school, and provisions for monitoring this participation.

(5) The procedure for dismissal of students shall include the requirement that the student's parent(s), guardian(s) or other person(s) legally responsible for the student will be counseled and provided a recommendation for future placement of the student.

## **Section IV: Curriculum and Instructional Outcomes**

### **A. Curricular and Instructional Design.**

The curriculum shall be designed to meet the substantiated educational needs identified by the public school academy. The curriculum shall be coordinated in such a manner to allow for effective teaching and learning. Innovations that provide meaningful learning and incorporate the expertise and research of Oakland University faculty and students and the expressed goals and needs of the business community and the community at large are encouraged.

Indicators:

(1) Minimally, the public school academy curriculum must comply with Michigan's core curriculum, if any.

(2) The curricular plan may include a unique curricular element, a unique instructional delivery system, and/or a unique assessment process.

(3) The curriculum plan shall include a comprehensive program evaluation component.

### **B. Student Assessment.**

Evaluation is an integral part of curriculum and instruction and should occur on a regular basis. Minimally, outcomes evaluation must be incorporated into the assessment plan. Alternative assessment strategies that highlight students' achievement of identified outcomes are strongly encouraged.

Indicators:

- (1) Student performance shall be assessed using the Michigan assessments designated under the School Code.
- (2) The Academy must administer bi-annually, at a minimal, a nationally recognized norm-referenced achievement test or program of testing approved by the University.
- (3) Assessment strategies must be appropriate to the educational goals of the public school academy.
- (4) The public school academy will use the assessment results to improve teaching and learning for students.

## **Section V: Physical Facility**

The public school academy shall be operated at a site that is safe and appropriate for educational programming, and provides for the effective implementation of the curriculum.

### **A. Size.**

The space and the configuration of the site shall be appropriate for effective implementation of the curriculum.

Indicators:

- (1) The facility includes adequate instructional space.
- (2) Instructional space is properly equipped with appropriate furnishings, teaching aids, and student learning materials.
- (3) The public school academy either has, or has access to, specialized space as needed (e.g., library with appropriate holdings, laboratory with adequate equipment and supplies, musical instruments and practice rooms, studios, performance space, technology center, vocational shops, gymnasium, athletic fields, food preparation and dining facilities, etc.).
- (4) The facility has an adequate heating and ventilation system, and, whenever possible, air conditioning.
- (5) The public school academy contains adequate office space and equipment for the professional staff.
- (6) The public school academy has made arrangements for custodial and maintenance services.

### **B. Location.**

The academy shall be located in Wayne, Oakland, or Macomb County.

Indicators:

- (1) The application includes an address and description of the facility.
- (2) The application includes documentation demonstrating the applicant's legal right to occupy the facility on or before the proposed opening date for the public school academy, or the steps to be taken to obtain that legal right and demonstration of ability to take those steps.

**C. Compliance with School Code and Other Applicable Laws.**

The facility complies with the State School Code and laws relevant to health, safety, and accessibility standards.

Indicators:

- (1) The facility and surrounding area is free from natural hazards and attractive nuisances.
- (2) Design plans, blueprints or other documents demonstrate that the facility will be in compliance with the Persons with Disabilities Act Act and the Americans with Disabilities Act.
- (3) Documentation demonstrates that the facility complies with the National Fire Protection and Life Safety Codes 101, sections 10 and 11.
- (4) The public school academy has property-all risk insurance in an amount sufficient to cover the total value of the academy's real and personal property.

**Section VI: Budget and Finance**

Adequate financial resources are available to meet operating, capital and start-up costs of the public school academy. The proposed operating budget is consistent with the needs of the public school academy.

Indicators:

- (1) A five-year financial projection for the public school academy includes consideration of all operating, capital and start-up costs and related funding sources. The applicant must identify financial resources on hand or committed resources from donors or other sources to fund costs of the public school academy not included in State aid.

(2) The proposed operating budgets include consideration for all elements of school operations.

(3) Adequate reserves are available to meet unplanned emergencies.

## **Section VII: Staffing and Governance Structure**

### **A. Governance Structure**

The governance structure is designed to provide for the orderly and effective operation of the public school academy, in compliance with all applicable state and federal laws.

Indicators:

(1) The public school academy utilizes a governance structure that through its board, in which considerable authority and responsibility is placed, engages in educational planning in collaboration with the school leader(s), staff, and community such that the primary focus is on academic achievement and accountability, in line with the mission and goals of the public school academy.

(2) Descriptions of administrative and staff responsibilities, qualifications and certification demonstrate attention to site-based cooperative governance.

### **B. Board of Directors**

The Oakland University Board of Trustees ("University Board") requires that a public school academy meet the following criteria with respect to the method of selection, length of term, and number of members of its board of directors ("Academy Board"):

(1) Method of Selection. Oakland University's Director of Public School Academies and Urban Partnerships ("Director") is authorized to develop and administer an Academy Board selection and appointment process in accord with the criteria below:

a. Initial Academy Board. The University Board shall appoint the initial Academy Board by formal resolution. The Director shall recommend nominees for the initial Academy Board based upon a review of a Public School Academy Board Member Questionnaire, interview, criminal background check, and reference checks. Each nominee shall be available for interview by the University Board or its designee. The University Board may reject any or all initial Academy Board nominees.

b. Subsequent Academy Board Members. The Oakland University Vice President for Academic Affairs and Provost ("Provost"), upon recommendation from the Dean of the Oakland University School of Education and Human Services ("Dean"), shall appoint all subsequent Academy Board members. The



Director shall recommend nominees to the Dean based upon a review of a Public School Academy Board Member Questionnaire, interview, criminal background check and reference checks. Each nominee shall be available for interview by the Provost or the Provost's designee. The Provost may reject any or all subsequent Academy Board nominees.

c. The Academy Board, by resolution and majority vote, shall nominate its subsequent members, except as provided herein. Nominees shall submit the Public School Academy Board Member Questionnaire for review by the Director. If the Director elects not to recommend any of the Academy Board's nominees for a vacant position on the Academy Board, the Director may nominate and recommend an Academy Board member of the Director's own choosing for the vacant position, or may request additional nominees from the Academy Board.

d. An individual appointed to fill a vacancy created other than by expiration of the term shall be appointed for the unexpired term of that vacant position.

(2) Length of Term. The term of each member of the Academy's Board shall be for a period of three (3) years, except that of the members first appointed, approximately one-third shall be appointed for a term of three (3) years, approximately one-third shall be appointed for a term of two (2) years, and approximately one-third shall be appointed for a term of one (1) year. At its organizational meeting, the Academy Board shall designate a term for each of the initial board members appointed by the University Board. All subsequent appointments shall be for three (3) year staggered terms. The terms for each position shall begin on July 1<sup>st</sup> and end on June 30<sup>th</sup> of the pertinent year, except the terms of the initial positions which shall begin upon appointment and end on June 30<sup>th</sup> of the pertinent year.

(3) Number of Directors. The initial number of board member positions on the Academy Board shall be five (5). The number of board member positions shall never be fewer than five (5) or more than nine (9). If the Academy Board fails to attain or maintain its full membership by making appropriate and timely nominations, the Provost, may deem that failure an exigent condition and appoint a replacement.

(4) Qualifications of Members. The Academy Board shall include only those individuals who are United States citizens and residents of the State of Michigan. To the extent possible, the Academy Board shall include (1) a parent or guardian of a child attending the school; (2) one professional educator, preferably a person with either elementary or secondary school administrative experience; and (3) one person representing the local community in which the Academy serves. Further to be qualified, members must submit all material requested by the PSA Office including but not limited to, an authorization to process a criminal background check of the nominee and submission annually of a conflict of interest disclosure as

prescribed by the PSA Office. The Academy Board shall not include (1) any member appointed or controlled by another profit or non-profit corporation; (2) employees of the public school academy served by the Academy Board or independent contractors performing services for the public school academy; (3) any current or former director, officer, or employee of a management company that contracts with the public school academy served by the Academy Board; and (4) Oakland University officials or employees. A vacancy may be left on the initial board for a parent or guardian representative.

(5) Oath. All members of the Academy Board shall take and sign the constitutional oath of office, and shall cause a copy of such oath of office to be submitted to the Director. No appointment shall be effective prior to the taking and signing of the oath of office.

(6) Removal of Members. Any Academy Board member may be removed with or without cause by the Provost at any time, or with cause by a two-thirds (2/3) vote of the Academy Board.

With the approval of the Provost, the University's Director of the PSA Office may suspend an Academy's Board member's service, if in his/her judgment the member's continued presence would constitute a risk to persons or property, or would impair the operations of the Academy.

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

(8) Resignation. Academy Board members may resign at any time by providing written notice to the Academy Board. Notice of resignation will be effective upon receipt or at a subsequent time designated in the notice. Any Academy Board member who fails to attend three (3) consecutive Academy Board meetings without prior notification to the Academy Board President, may, at the option of the Academy Board or the Provost, be deemed to have resigned, effective at a time designated in a written notice sent to the resigning Academy Board member. A successor shall be appointed as provided by the method described at B(1)(b).

(9) Board Vacancies. An Academy Board vacancy shall occur because of death, resignation, removal, failure to maintain residency in the State of Michigan, disqualification, enlargement of the Academy Board, or as required by applicable law. Any vacancy shall be filled as provided by the method of selection adopted by the University Board.

(10) Compensation. An Academy Board member shall serve as a volunteer. By resolution of the Academy Board, the Academy Board members may be reimbursed for their reasonable expenses related directly to their duties as an Academy Board member.

(11) Other University Action. The University Board authorizes and directs the Provost to take any other actions associated with the governance of Academy Board members as may be necessary or appropriate to carry out the business of Oakland University as authorizing body of public school academies.

(12) Reservation of Rights. The foregoing notwithstanding, the University Board and its designee reserve the right at all times to review, rescind, remove, modify, ratify, or approve any Academy Board member.

(13) Compliance with Law. If at any time a change in applicable law makes illegal any of the requirements, obligations or actions set forth in or contemplated by the foregoing criteria, the affected parties shall comply with applicable law, as such law may be amended from time to time.

#### C. By-Laws.

A set of by-laws must exist, setting forth the procedures and policies for the effective governance of the public school academy.

#### D. Administrators.

Persons employed as a superintendent, principal, assistant principal or other person whose primary responsibility is administering instructional programs or as a chief business official shall meet the requirements mandated in School Code, as it may be amended from time to time.

#### E. Teachers.

Teachers shall be either state certified teachers with the appropriate qualifications to teach the level or subjects they are to be assigned to teach, or currently employed full-time Oakland University faculty members who have been granted institutional tenure, or have been designated as being on tenure track by the University. In general, the teaching staff shall be made up of teachers with varying degrees of experience.

Non-School Staff. Non-school staff including specifically Oakland University education students, may be employed or may volunteer to assist teachers in the instruction of children. In all cases, their activities within the classroom shall be directed and supervised by a certified teacher or Oakland University faculty member.

### **Section VIII: Contractual Relationship with Oakland University**

The public school academy enters into a contract with the University on terms and conditions acceptable to the University and in compliance with the School Codes may be amended from time to time.

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**TERMS AND CONDITIONS  
OF CONTRACT**

**DATED, July 1, 2017**

**ISSUED BY**

**THE OAKLAND UNIVERSITY BOARD OF TRUSTEES**

**CONFIRMING THE STATUS OF**

**WESTON PREPARATORY ACADEMY**

**AS A**

**PUBLIC SCHOOL ACADEMY**

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 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 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 Oakland 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 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 Weston Preparatory Academy 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, regulations promulgated thereunder, and any directives issued by applicable governmental agencies including, without limitation, the Governor, the Michigan Department of Education, the Superintendent of Public Instruction and the State Board of Education, that are applicable to public school academies and comport with enacted state and federal law; all as may be issued and amended from time-to-time.

- (d) “Application” means the public school academy application and supporting documentation submitted to the University Board for the establishment of the Academy.
- (e) “Authorizing Resolution” means the Resolution adopted by the University Board on February 13, 2017 approving the issuance of a Contract to the Academy.
- (f) “Public Schools Academy Office Executive Director or “PSAO Executive Director” means the person designated by the University to administer the operations of the Public Schools Academy Office.
- (g) “Public Schools Academy Office” or “PSAO” means the office designated by the University as the initial point of contact for public school academy applicants and public school academies authorized by the University. The Public Schools Academy Office is also responsible for administering the University’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 380.1852 of the Michigan Compiled Laws.
- (i) “Contract” means, in addition to the definition set forth in the Code, these Terms and Conditions, the Authorizing Resolution, the Resolution, the Master Calendar, the ESP Policies, the Schedules, and the Application.
- (j) “Director” means a person who is a member of the Academy Board of Directors.
- (k) “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 PSAO Executive Director for review as provided in Section 11.11 and has not been disapproved by the PSAO Executive Director, and is consistent with the PSAO Educational Service Provider Policies, as they may be amended from time to time, and Applicable Law.
- (l) “Educational Service Provider Policies” or “ESP Policies” means those policies adopted by the Public Schools Academy Office Executive Director that apply to a Management Agreement. The Public Schools Academy Office Executive Director may, at anytime and at his or her sole discretion, amend the ESP Policies. Upon amendment, changes to the ESP Policies shall automatically be incorporated into this Contract and shall be exempt from the amendment procedures under Article IX of these Terms and Conditions.
- (m) “Fund Balance Deficit” means the Academy has more liabilities than assets at the end of any given school fiscal year, and includes any fiscal year where the Academy would have had a budget deficit but for a financial borrowing from, or monetary contribution by an Educational Service Provider or other person or entity to the

Academy. If the Academy receives a gift or grant of money or financial support from an Educational Service Provider or other person or entity that does not require repayment by the Academy, and is not conditioned upon the actions or inactions of the Academy Board, then such gift or grant shall not constitute a financial borrowing or contribution for purposes of determining a Fund Balance Deficit.

- (n) “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 PSAO Executive Director for review as provided in Section 11.11 and has not been disapproved by the PSAO Executive Director.
- (o) “Master Calendar” or “MCRR” means the Master Calendar of Reporting Requirements developed and administered by the Public Schools Academy Office setting forth a reporting time line for certain financial, administrative, facility, Academy Board and educational information relating to the Academy. The Public Schools Academy Office Executive Director may, at anytime 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.
- (p) “President” means the President of Oakland University or his or her designee.
- (q) “Resolution” means the resolution adopted by the University Board on August 6, 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.
- (r) “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.
- (s) “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.
- (t) “Terms and Conditions” means this document entitled “Terms and Conditions of Contract, Dated, July 1, 2017, Issued by the Oakland University Board of Trustees to Weston Preparatory Academy Confirming the Status of Weston Preparatory Academy as a Public School Academy.”
- (u) “University” means the Oakland University Board of Trustees, an authorizing body as designated under Section 501 of the Code, MCL 380.501.

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 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 Oakland University. Oakland University is a constitutionally established body corporate operating as a state public university. In approving this Contract, the University voluntarily exercises additional powers given to it under the Code. Nothing in this Contract shall be deemed to be any waiver of the University's constitutional autonomy and powers and the Academy shall not be deemed to be a part of the University.

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 Oakland University. The relationship between the Academy and the University is based solely on the applicable provisions of the Code and the terms of this Contract or other agreements between the University and the Academy.

Section 2.3. Financial Obligations of the Academy Are Separate From the State of Michigan, the Oakland University Board of Trustees and Oakland 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 Oakland University Board of Trustees, or Oakland 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 Oakland University Board of Trustees or Oakland 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 the Oakland University Board of Trustees or Oakland University. The Academy has no authority whatsoever to enter into any contract or other agreement that would financially obligate the State of Michigan, Oakland University Board of Trustees or Oakland University, nor does the Academy have any authority whatsoever to make any representations to lenders or third parties, that the State of Michigan, the Oakland University Board of Trustees or Oakland 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 Resolutions. The University has adopted the Resolution providing for the method of selection, length of term, number of Directors and the qualification of Directors. The University has adopted the Authorizing Resolution which approves the issuance of contracts. The Resolution and the Authorizing Resolution are hereby incorporated into this Contract as **[Exhibit A]**. At any time and at its sole discretion, the University may amend the Resolution. Upon University 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 as Fiscal Agent for the Academy. The University is the fiscal agent for the Academy. As fiscal agent, the University assumes no responsibility for the financial condition of the Academy. The University 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 shall promptly, within ten (10) business days of receipt or as otherwise required by Applicable Law, forward to the Academy all state school aid funds or other public or private funds received by the University for the benefit of the Academy. The responsibilities of the University, 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. The University has the responsibility to oversee the Academy's compliance with the Contract and all Applicable Law.

The responsibilities of the Academy and the University are set forth in the Oversight Agreement executed by the parties and incorporated herein as Schedule 4.

Section 3.4. Reimbursement of University Expenses. The Academy shall pay the University an administrative fee to reimburse the University 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 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 or its designee. The Academy shall submit a written request to the PSAO Executive Director describing the proposed acquisition and the purpose for which the Academy desires to acquire the property. The request will be submitted by the PSAO Executive Director for consideration and determination made by the University or its designee.

Section 3.6. Authorization of Employment. The University 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. An employee hired by the Academy shall be an employee of the Academy for all purposes and not an employee of Oakland University for any purpose. With respect to Academy employees, the Academy shall have the power and responsibility to (i) select and engage employees; (ii) pay their wages; (iii) dismiss employees; and, (iv) control the employees' conduct, including the method by which the employee carries out his or her work. The Academy Board shall be responsible for carrying workers' compensation insurance and unemployment insurance for its employees.

Section 3.7. PSAO Executive Director Review of Certain Financing Transactions. If the Academy proposes to (i) finance the acquisition, by lease, purchase, or other means, of facilities or equipment, or renovation of facilities, in excess of \$150,000, pursuant to arrangements calling for payments over a period greater than one (1) year, and which include a pledge, assignment or direction to one or more third parties of a portion of the funds to be received by the Academy from the State of Michigan pursuant to the State School Aid Act of 1979, as amended, being MCL 388.1601 et seq., or (ii) direct that a portion of its State School Aid Payments be forwarded by the Fiscal Agent to a third party account for the payment of Academy debts and liabilities, the Academy shall submit the transaction for prior review by the PSAO Executive Director, as designee of the University, 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 PSAO Executive Director describing the proposed transaction and the facilities or equipment to be acquired with the proceeds thereof (if any), and in the case of a transaction described in subparagraph (ii) of this Section, (a) a copy of the Academy Board's resolution authorizing the direct intercept of State School Aid Payments; (b) a copy of a State School Aid Payment Agreement and Direction document that is in a form acceptable to the University Public Schools Academy Office; and (c) copies of such other documentation regarding the transaction which is

the subject of the proposed direct intercept as the University Public Schools Academy Office may request. Unless the PSAO Executive Director extends the review period, within thirty (30) days of receiving a written request in compliance with this Section, the PSAO Executive Director shall notify the Academy if the proposed transaction is disapproved. 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 PSAO Executive Director. By not disapproving a proposed transaction, the PSAO Executive 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 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. The Academy shall seek a new contract by making a formal request to the PSAO Executive Director in writing at least one year prior to the end of the current Contract Term. The PSAO Executive Director 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. 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 as the most important factor of whether to issue or not issue a new contract. The University, 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 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 Invitation to Academy to Apply For Conversion to Schools of Excellence. If the University is interested in accepting applications to issue contracts to charter Schools of Excellence under Part 6E of the Code, and the University determines that the Academy meets the University's and the Code's eligibility criteria for applying to converting the Academy to a school of excellence, then the University 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 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 body corporate 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 Contract Schedule 2: Bylaws. As set forth in the Resolution, a Director serves at the pleasure of the University, and may be removed with or without cause by the University or its designee 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 an owner, officer, director, employee or consultant or independent contractor of 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; and
- (e) An individual simultaneously serving as an Academy Board member and a University official, employee, or paid consultant, as a representative of the University.

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, or spouse:
  - (i) Is employed by the Academy;
  - (ii) Works at or is assigned to 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.

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, and sign the constitutional oath of office at the Academy and file the same with the Public Schools Academy Office.

## **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. Upon filing, the Articles of Incorporation shall automatically be incorporated into this Contract. 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. Upon Academy Board approval, the Bylaws shall automatically be incorporated into this Contract. 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 members as set by the 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 properly administer the academic assessments identified in Schedule 7e and in accordance with the requirements detailed in the Master Calendar annually issued by the Public School Academies Office. The Academy shall provide the Public School Academies Office direct access to the results of these assessments, along with any other measures of academic achievement reasonably requested by the Public School Academies Office.

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 Public Schools Academy 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 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. In accordance with 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 Public Schools Academy 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, 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'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 PSAO a contract amendment, in a form and manner determined by the PSAO. The contract amendment shall include all information requested by the PSAO, 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. If approved the Contract shall be amended in accordance with Article IX of these Terms and Conditions. The University 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.

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 and outlined in the Oversight Agreement set forth as Schedule 4. In addition to the University'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 Public Schools Academy Office for review. Any matriculation agreement entered into by the Academy shall be incorporated into Schedule 7 by contract amendment pursuant to Article IX of these Terms and Conditions. Until the matriculation agreement is incorporated into the Contract, the Academy is prohibited from granting an enrollment priority to any student pursuant to that matriculation agreement.

## **ARTICLE VII**

### **TUITION PROHIBITED**

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

## **ARTICLE VIII**

### **COMPLIANCE WITH PART 6A OF THE CODE AND OTHER LAWS**

Section 8.1. Compliance with Part 6A of the Code. The Academy shall comply with Part 6A and other parts of the Code that apply to public school academies.

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

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

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

Section 8.5. Public Employees Relation Act. As required by the Code, the Academy shall comply with Act No. 336 of the Public Acts of 1947, being Sections 423.201 to 423.217 of

the Michigan Compiled Laws. Organizational efforts and collective bargaining agreements, if any, with employees of the Academy shall be the responsibility of the Academy.

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

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

Section 8.8. Revised Municipal Finance Act of 2001. With respect to the Academy's borrowing money and issuance of bonds, the Academy shall comply with Part VI of the Revised Municipal Finance Act of 2001, Act No. 34 of the Public Acts of 2001, being MCL 141.2601 to 141.2613 of the Michigan Compiled Laws.

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

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

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

## **ARTICLE IX**

### **AMENDMENT**

Section 9.1. Amendments. The University 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 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 through its designee. The University, 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 delegates to the President of the University or his/her designee the approval of amendments to the 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 upon a majority vote of the Academy Board.

Section 9.3. Final Approval of Amendments. Amendments to this Contract take effect only after they have been approved by the Academy Board and by the University or its designee. If the proposed amendment conflicts with any of the University's general policies on public school academies, the proposed amendment shall take effect only after approval by the Academy and the University.

Section 9.4 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, 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 shall conform to and be carried out in accordance with the change in Applicable Law.

Section 9.5. Emergency Action on Behalf of University. Notwithstanding any other provision of this Contract to the contrary, the contents of this Section shall govern in the event of an emergency situation. An emergency situation shall be deemed to occur if the Public Schools Academy Office Executive Director, in his or her sole discretion, determines that the facts and circumstances warrant that emergency action take place. Upon the determination that an emergency situation exists, the Public Schools Academy Office Executive Director may temporarily take action on behalf of the University with regard to the Academy or the Contract, so long as such action is in the best interest of the University and the Public Schools Academy Office Executive Director consults with the University President or designee prior to taking the intended actions.

## **ARTICLE X**

### **CONTRACT TERMINATION, SUSPENSION, AND REVOCATION**

Section 10.1. Termination by the Academy. At any time, for any reason, the Academy Board may terminate this Contract before the end of the Contract Term by presenting to the University a certified resolution requesting termination, not less than ninety (90) calendar days prior to the last day of operations, specifying the date of closing of the Academy, which date will not be earlier than the scheduled last day of the school year in which the notice was given.

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

- (a) Termination Without Cause. Except as otherwise provided in subsections (b) or (c), the University, in its sole discretion, reserves the right to terminate this Contract

before the end of the Contract Term for any reason provided that such termination shall not take place prior to the end of the school year in which the contract termination is requested. The Public Schools Academy Office shall provide notice of the termination to the Academy. If during the period between the University decision to terminate and the effective date of termination, the Academy has violated the Contract or Applicable Law, the University may elect to initiate suspension or revocation of the Contract as set forth in this Article X.

- (b) Termination Caused by Change in Applicable Law. Following issuance of this Contract, if there is a change in Applicable Law that the University, in its sole discretion, determines impairs its rights and obligations under the Contract or requires the University to make changes in the Contract that are not in the best interest of the University, then the University may terminate the Contract at the end of the Academy's school fiscal year in which the University's decision to terminate is adopted. For purposes of this section, a change in Applicable Law includes without limitation the following:
  - (i) the issuance of an order by the Superintendent of Public Instruction, pursuant to section 1280c of the Code, placing the Academy under the supervision of the State School Reform/ Redesign Officer; or
  - (ii) the development of, or changes to, a redesign plan by the Academy pursuant to Section 1280c of the Code.
- (c) Automatic Termination Caused By Placement of Academy in State School Reform/ Redesign School District. If the Academy is notified by the State that the Academy will be placed in the State School Reform/ Redesign School District pursuant to Section 1280c of the Code, then the University may terminate this Contract at the end of the current school year.

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

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

- (a) Public Schools Academy Office Director Action. If the PSAO Executive Director determines that reasonable cause exists to believe 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 10.5(e) or (f), the PSAO Executive



Director may immediately suspend the Contract, pending completion of the revocation procedures set forth in Section 10.6.

- (b) Disposition of State School Aid Funds. Notwithstanding any other provision of the Contract, any state school aid funds received by the University after a decision by the PSAO Executive Director to suspend the Contract, shall be retained by the University for the Academy until the Contract is reinstated, or shall be returned to the Michigan Department of Treasury upon request.

Section 10.4. Statutory Grounds for Revocation. In addition to the grounds for an automatic revocation of the Contract as set forth in Section 10.8, this Contract may also be revoked by the University upon a determination by the University, pursuant to the procedures set forth in Section 10.6, that one or more of the following has occurred:

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

Section 10.5. Other Grounds for Revocation. In addition to the statutory grounds for revocation set forth in Section 10.4 and the grounds for an automatic revocation of the Contract set forth in Section 10.8, the University may revoke this Contract, where the Academy fails to fulfill in proper manner its obligations under the Contract, or the Academy's violation of any of the explicit or implicit terms, conditions, covenants, promises, agreements, representations, requirements or warranties contained or incorporated into the Contract as determined by the University in its sole and absolute discretion .

In addition, the Contract may be revoked by the University pursuant to the procedures set forth in Section 10.6, upon a determination that one or more of the following has occurred:

- (a) The Academy is insolvent, has been adjudged bankrupt, or has operated for two or more school fiscal years with a fund balance deficit;
- (b) 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;
- (c) The Academy defaults in any of the terms, conditions, promises or representations contained in or incorporated into this Contract;

- (d) The Academy files amendments to its Articles of Incorporation with the Michigan Department of Licensing and Regulatory Affairs, Bureau of Commercial Services without first obtaining the PSAO's approval;
- (e) The Public Schools Academy Office Executive Director discovers 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
- (f) The Academy's applicant(s), directors, officers, employees or agents have provided false or misleading information or documentation to the PSAO in connection with the University's approval of the Application, the issuance of this Contract, or the Academy's reporting requirements under this Contract or Applicable Law.
- (g) The Academy violates the site restrictions set forth in the Contract or the Academy operates at a site or sites without the prior written authorization of the University; or
- (h) The University, its Trustees, officers, employees, agents or representatives are not included as third party beneficiaries under any Management Agreement entered into by the Academy for purposes of indemnifying such parties in accordance with Section 11.10 of the Terms and Conditions.
- (i) The Academy loses accreditation with the State.
- (j) The Academy is in default of any current or future purchase agreement or lease for the site.

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

- (a) Notice of Intent to Revoke. The PSAO Executive 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 PSAO Executive 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 PSAO Executive Director prior to a review of the Academy Board's response.

- (c) Plan of Correction. The PSAO Executive Director shall review the Academy Board's response and determine whether the plan for correcting the deficiencies is reasonable ("Plan of Correction") and may adopt, modify or reject any 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 PSAO Executive 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) Plan of Correction May Include Conditions to Satisfy University Board's Contract Reconstitution Authority. As part of the Plan of Correction, the PSAO Executive Director may reconstitute the Academy in an effort to improve student educational performance and to avoid interruption of the educational process. An attempt to improve student educational performance may include, but is not limited to, one of the following actions: (i) removal of 1 or more members of the Academy Board; (ii) termination of at-will board appointments of 1 or more Academy Board members; (iii) withdrawal of the Academy's authorization to contract with an ESP; or (iv) the appointment of a new Academy Board or a conservator/ trustee to take over operations of the Academy. The PSAO shall notify the Superintendent of Public Instruction of any Plan of Correction that includes a reconstitution of the Academy to ensure that the Academy is not included on the list of school buildings subject to automatic closure under section 1280c of the Code.
- (e) Effective Date of Revocation. If the University determines to revoke the Contract, the revocation shall be effective on the date of the University act of revocation, or at a later date as determined by the University. Notwithstanding any provision contained herein to the contrary, the decision of the University to revoke or terminate this Contract is exclusively and absolutely within the discretion of the University, is final and is not subject to review by any court of the State, or otherwise.
- (f) Disposition of State School Aid Funds. Notwithstanding any other provision of the Contract, any state school aid funds received by the University after a decision by the University to revoke the Contract, may be withheld by the University or returned to the Michigan Department of Treasury upon request.

Section 10.7. 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 Oakland County, Michigan, the Michigan Court of Claims or the Federal District Court for the Eastern

District of Michigan – Detroit. 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 10.7. This Section 10.7 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 10.8. Automatic Amendment or Revocation by State of Michigan. If the University is notified by the Superintendent of Public Instruction that the Academy is subject to closure under Part 6A of the Code ("State's Automatic Closure Notice"), and the Academy is currently not undergoing a reconstitution as part of a Plan of Correction developed under Section 10.6, then this Contract shall automatically be amended to eliminate the Academy's authority to operate certain age and grade levels at the site or sites identified in the State's Automatic Closure Notice. If the State's Automatic Closure Notice includes all of the Academy's existing sites, then this Contract shall automatically be revoked at the end of the current school year in which the notice is received without any further action of the University or the Academy. The University's revocation procedures set forth in Section 10.6 do not apply to an automatic revocation initiated by the State.

Following receipt of the State's Automatic Closure Notice, the University shall forward a copy of the State's Automatic Closure Notice to the Academy Board and request a meeting with Academy Board representatives to discuss the Academy's plans and procedures for the elimination of certain age or grade levels at the identified site or sites, or if all of the Academy's existing sites are included in the State's Automatic Closure Notice, then wind-up and dissolution of the Academy corporation at the end of the current school year. All Academy inquiries and requests for reconsideration of the State's Automatic Revocation Notice shall be directed to the Superintendent of Public Instruction, in a form and manner determined by that office or the Michigan Department of Education with a copy to the PSAO.

Section 10.9. Material Breach of Contract. The issuance of an order by the Superintendent of Public Instruction, pursuant to section 1280c of the Code, placing the Academy under the supervision of the State School Reform / Redesign Officer, shall constitute a material breach of this Contract. Following the issuance of the order, the University Public Schools Academy Office shall notify the Academy of the material breach and request a meeting with Academy Board representatives to discuss the matter. To remedy the material breach, the Academy shall work toward the development of a corrective action plan that is acceptable to the University Public Schools Academy Office. In addition to other matters, the corrective action plan shall include the Academy's redesign plan prepared pursuant to section 1280c of the Code. The development of a corrective action plan under this Section 10.9 shall not in any way limit the rights of the University to terminate, suspend or revoke this Contract.

Section 10.10. Appointment of Conservator/Trustee. Notwithstanding any other provision of the Contract, when the University determines that conditions or circumstances exist to lead the University to believe that the health, safety, educational or economic interest of the Academy or its students is at risk, the University may take immediate action against the Academy pending completion of the procedures described in Section 10.6. As part of a reconstitution, the University may appoint a conservator/ trustee to manage the day to day operations of the Academy in place of the Academy Board. A conservator/ trustee appointed by the University shall have all the powers and authority of the Academy Board under this Contract and Applicable Law. Upon the appointment of a conservator/ trustee, the appointment and term of office for each Academy Board member shall be suspended and the conservator/ trustee shall act in place of the Academy Board. If this section has been implemented and the University determines the revocation to be appropriate, the revocation shall become effective immediately upon such decision.

Section 10.11. Academy Dissolution Account. If the University terminates, revokes or fails to issue a new Contract to the Academy, the PSAO Executive Director shall notify the Academy that, beginning thirty (30) days after notification of the University's decision, the University shall 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 to pay the costs associated with the wind up and dissolution responsibilities of the Academy. Within five (5) business days of the PSAO Executive Director's notice, the Academy Board Treasurer shall provide the PSAO Executive Director, in a form and manner determined by the PSAO, 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.

Section 10.12. Obligations of the Academy. If the University terminates, revokes or fails to issue a new contract to the Academy all facets of the operations will be taken to a logical stopping point, a fiscal and technical report, and final audit will be prepared by the Academy and delivered to the University and the State Board within thirty (30) days of such action, and vendors and other parties to whom the Academy owes funds for services or products under legal and valid contracts or agreement will be entitled to receive just and equitable compensation from the Academy for any work performed or products delivered.

## **ARTICLE XI**

### **PROVISIONS RELATING TO PUBLIC SCHOOL ACADEMIES**

Section 11.1. The Academy Budget. 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. By July 1st of each year, the Academy Board shall submit to the Public Schools Academy 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

business days after Academy Board approval, revisions or amendments to the Academy's budget shall be submitted to the Public Schools Academy Office.

Section 11.2. Insurance. The Academy Board shall secure and maintain in its own name, as the "first named insured," insurance coverage as required by the University's insurance carrier.

The insurance must be obtained from a licensed mutual, stock, or other responsible company licensed to do business in the State of Michigan. The Academy may join with other public school academies to obtain insurance if the Academy Board finds that such an association provides economic advantages to the Academy, provided that each Academy maintains its identity as first named insured. The Academy shall list the University on the insurance policies as an additional insured as required by the University's insurance carrier. The coverage provided to the University as an additional covered person or organization will be primary and noncontributory with the University's insurance carrier. The Academy shall have a provision included in all policies requiring notice to the University, at least thirty (30) days in advance, upon termination or non-renewal of the policy for any reason other than nonpayment which would require a ten (10) day advance notice to the University. In addition, the Academy shall provide the Public School Academies Office copies of all insurance policies required by this Contract.

When changing insurance programs or carriers, the Academy must provide copies of the proposed policies to the Public School Academies Office at least thirty (30) days prior to the proposed change. The Academy shall not cancel or change its existing carrier without the prior review of the Public School Academies Office.

The University's insurance carrier periodically reviews the types and amounts of insurance coverage that the Academy must secure in order for the University to maintain insurance coverage for 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.

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.

Pursuant to Section 3.6 of these Terms and Conditions, the University requires that any Educational Service Provider or employee leasing company that enters into a contract with the Academy must obtain insurance coverage similar to the insurance coverage that is currently required for the Academy. Accordingly, any agreement between the Academy and an Educational Service Provider or employee leasing company shall contain a provision requiring the Educational Service Provider or employee leasing company to comply with the coverage requirements recommended by the University's insurance carrier. Furthermore, the agreement between the Educational Service Provider or employee leasing company and the Academy shall contain a provision stating that "in the event that the University's insurance carrier recommends any change in coverage by the Educational Service Provider or employee leasing company, the Educational

Service Provider or employee leasing company agrees to comply with any changes in the type and amount of coverage as requested by the University or 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 Oakland University Board of Trustees, Oakland University or any other authorizing body, or to enter into a contract that would bind the Oakland University Board of Trustees or Oakland 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 covenants not to sue the Oakland University Board of Trustees, Oakland University, or any of its Trustees, officers, employees, agents or representatives for any matters that arise under this Contract. The Oakland University Board of Trustees and Oakland University do not assume any obligation with respect to any person, be it Director, employee, agent, parent, guardian, student, or independent contractor of the Academy, and no person shall have the right or standing to bring suit against the Oakland University Board of Trustees or Oakland 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. The Academy shall provide to the Public Schools Academy Office copies of its lease or deed for the premises in which the Academy shall operate. A copy of the Academy's lease or deed shall be incorporated into this Contract under Schedule 6. Any subsequent amendments to an 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; Compliance with School Safety Initiative. The Academy shall comply with Section 1230 and 1230a of 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 Section 1230b of the Code concerning the disclosure of unprofessional conduct by persons applying for Academy employment. The Academy shall comply with Sections 1230c through 1230g of the Code. 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.

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.

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 388.1166b. Prior to providing instruction, the Academy Board shall ensure that the Academy has sufficient documentation to qualify for part-time pupil funding under the State School Aid Act. The provision of nonessential elective courses by the Academy shall be incorporated into this Contract as an amendment pursuant to Article IX of these Terms and Conditions.

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

“Indemnification of Oakland University. The parties acknowledge and agree that the Oakland University Board of Trustees, Oakland University and its members, officers, employees, agents or representatives are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, the parties hereby promise to indemnify and hold harmless Oakland University, Oakland University Board of Trustees and its members, and their respective officers, employees, agents or representatives from all claims, demands, or liability, including attorney fees, and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of Oakland University, which arise out of or are in any manner connected with Oakland University Board of Trustees’ approval of the Academy’s application, Oakland University Board of Trustees’ consideration of or issuance of a Contract, the Academy Board’s or the Educational Service Provider’s preparation for and operation of the Academy, or which are incurred as a result of the reliance by Oakland University, Oakland University Board of Trustees or its members, or their respective officers, employees, agents or representatives, upon information supplied by the Academy Board or the Educational Service Provider, or which arise out of the failure of the Academy Board or the Educational Service Provider to perform its obligations under the Contract or Applicable Law. The parties expressly acknowledge and agree that Oakland University, Oakland University Board of Trustees and its members, and their respective officers, employees, agents or representatives, or any of them, may commence legal action against either party to enforce its rights as set forth in this Agreement.”

“Agreement Coterminous With Academy’s Contract. If the Academy’s Contract issued by the Oakland 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. The Educational Service Provider agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the Academy's obligations under the Academy's Contract issued by Oakland 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 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 380.1618, for the most recent school fiscal year for which the information is available. Within thirty (30) days of receipt of this information, the Academy Board shall make the information available on the Academy's website home page, in a form and manner prescribed by the Michigan Department of Education. The defined terms in section 503c of the Code, MCL 380.503c, shall have the same meaning in this agreement."

"Compliance with Section 12.18 of Contract Terms and Conditions. The Educational Service Provider shall make information concerning the operation and management of the Academy, including without limitation the information described in Schedule 4 of the Contract, available to the Academy as deemed necessary by the Academy Board in order to enable the Academy to fully satisfy its obligations Section 12.18(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. If instructed by the University, the Academy will put out for bid its ESP Management Agreement twelve (12) months before its current Management Agreement expires. 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. Prior to entering any Management Agreement with an ESP, the Academy shall submit a copy of the final draft Management Agreement to the Public Schools Academy Office in a form and manner consistent with the ESP policies of the Public Schools Academy Office which are incorporated into and be deemed part of this Contract. A copy of the final executed Management Agreement shall be included in this Contract under Schedule 5. The Public Schools Academy Office may, from time to time during the term of this Contract, amend the ESP policies and the amended policies shall automatically apply to the Academy without the need for any amendment under Article IX of these Terms and Conditions. The Public Schools Academy 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 Public Schools Academy Office in the same form and manner as a new Management Agreement.

## 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 email, 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 Oakland University Board of Trustees:	PSAO Executive Director Oakland University 456 Pioneer Drive Pawley Hall, Room 420J Rochester, Michigan 48309-4482
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If to the University General Counsel:	General Counsel Oakland University Wilson Hall, Room 203 371 Wilson Boulevard Rochester, MI 48309-4454
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If to the Academy:	Academy Board President Weston Preparatory Academy 22930 Chippewa Detroit, Michigan 48219
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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 any local, state or federal 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 three (3) years until June 30, 2020, unless sooner 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 and hold the Oakland University Board of Trustees, Oakland University and its Board of Trustees members, officers, employees, agents, representatives, students or volunteers in their official and personal capacities harmless from and against any and all claims, demands, suits, damages, judgments or liabilities, losses or expenses, 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's receipt, consideration or approval of the Application, the University'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 as an authorizing body under Part 6A of the Code, the University'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 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 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 Reliance on Warranties. The Academy represents and warrants, intending the University to rely thereon, that it is and will remain in compliance with Applicable Law and each provision of this Contract. The Academy further represents and warrants, intending the University to rely thereon, that it has obtained and will maintain all the licenses, authorizations and permits necessary in connection with the performance of its obligations under this Contract.

Section 12.16. University or PSAO General Policies on Public School Academies Shall Apply. Notwithstanding any provision of this Contract to the contrary, and with the exception of existing University or PSAO policies regarding public school academies which shall apply immediately, any 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.

Section 12.17. 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 12.18. 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 12.19. Termination of Responsibilities. Upon termination or revocation of the Contract, the University 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.

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

**OAKLAND UNIVERSITY BOARD OF TRUSTEES**

OU  
Legal  
BCF  
6-20-17

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

  
George W. Hynd, President


Date: \_\_\_\_\_

6/20/17

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.

**Weston Preparatory Academy**

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

  
Steven K. S., Academy Board President

Date: \_\_\_\_\_

6/18/17

## **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**

**MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**

**FILING ENDORSEMENT**

*This is to Certify that the RESTATED ARTICLES OF INCORPORATION - NONPROFIT*

*for*

**WESTON PREPARTORY ACADEMY**

**ID NUMBER: 753541**

*received by facsimile transmission on August 22, 2014 is hereby endorsed.*

*Filed on August 25, 2014 by the Administrator.*

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



*Sent by Facsimile Transmission*

*In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 25th day of August, 2014.*

A handwritten signature in dark ink, appearing to read "A. Schefke", written in a cursive style.

**Alan J. Schefke, Director  
Corporations, Securities & Commercial Licensing Bureau**



CSCL/CD-511 (Rev. 01/14)

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU		
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 John C. Kava, Esq.		
Address 31700 Middlebelt Road, Suite 125		
City Farmington Hills	State MI	ZIP Code 48334
		EFFECTIVE DATE:

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

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

*Pursuant to the provisions of Act 162, Public Acts of 1982, the undersigned corporation executes the following Restated Articles:*

1. The present name of the corporation is:	
Weston Preparatory Academy	
2. The identification number assigned by the Bureau is:	753-541
3. All former names of the corporation are:	
Weston Technical Academy	
4. The date of filing the original Articles of Incorporation was:	June 18, 1998

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

**ARTICLE I**

The name of the corporation is:
Weston Preparatory Academy

**ARTICLE II**

The purpose or purposes for which the corporation is organized are:
PLEASE SEE ATTACHED.

## ARTICLE III

1. The corporation is organized on a nonstock basis.  
(stock or nonstock)
2. If organized on a stock basis, the aggregate number of shares which the corporation has authority to issue is \_\_\_\_\_ If the shares are, or are to be divided into classes, the designation of each class, the number of shares in each class, and the relative rights, preferences, and limitations of the shares of each class are as follows:

3. If organized on a nonstock basis, the description and value of its real property assets are: (if none, insert "none")

The value of the assets which the corporation possesses is:  
Real Property: \$0

and the description and value of its personal property assets are: (if none, insert "none")

The value of the assets which the corporation possesses is:  
Personal Property: \$146,046

(The valuation of the above assets was as of June 30, 2013 )

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

State school aid payments received pursuant to the State School Aid Act of 1979 or any successor law;  
Federal funds;  
Donations;  
Fee and charges permitted to be charged by public school academies; and other funds lawfully received

The corporation is organized on a directorship basis.  
(membership or directorship)

## ARTICLE IV

1. The name of the resident agent is: Steve Perakis
2. The address of the registered office is:  
22930 Chippewa Detroit 48219  
(Street Address) (City) , Michigan (ZIP Code)
3. The mailing address of the registered office, if different than above:  
\_\_\_\_\_, Michigan \_\_\_\_\_  
(Street Address or P.O. Box) (City) (ZIP Code)

ARTICLE V (Additional provisions, if any, may be inserted here; attach additional pages if needed.)

PLEASE SEE ATTACHED.

5. COMPLETE SECTION (a) IF THE RESTATED ARTICLES DO NOT FURTHER AMEND THE ARTICLES OF INCORPORATION; OTHERWISE, COMPLETED SECTION (b).

- a. ☐ These Restated Articles of Incorporation were duly adopted on the \_\_\_\_\_ day of \_\_\_\_\_, in accordance with the provisions of Section 642 of the Act by the Board of Directors without a vote of the members or shareholders. These Restated Articles of Incorporation only restate and integrate and do not further amend the provisions of the Articles of Incorporation as heretofore amended and there is no material discrepancy between those provisions and the provisions of these Restated Articles.

Signed this \_\_\_\_\_ day of \_\_\_\_\_,

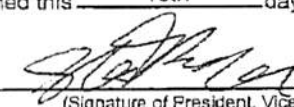
By \_\_\_\_\_  
(Signature of Authorized Officer or Agent)

\_\_\_\_\_  
(Type or Print Name)

- b. ☒ These Restated Articles of Incorporation were duly adopted on the 18th day of August, 2014, in accordance with the provisions of Section 642 of the Act. These Restated Articles of Incorporation restate, integrate, and do further amend the provisions of the Articles of Incorporation, and: (Check one of the following)

- ☐ were duly adopted by the shareholders, the members, or the directors (if organized on a nonstock directorship basis). The necessary number of votes were cast in favor of these Restated Articles of Incorporation.
- ☐ were duly adopted by the written consent of all the shareholders or members entitled to vote in accordance with Section 407(3) of the Act.
- ☒ were duly adopted by the written consent of all the directors pursuant to Section 525 of the Act as the corporation is organized on a directorship basis.
- ☐ were duly adopted by the written consent of the shareholders or members having not less than the minimum number of votes required by statute in accordance with Section 407(1) and (2) of the Act. Written notice to shareholders or members who have not consented in writing has been given. (Note: Written consent by less than all of the shareholders or members is permitted only if such provision appears in the Articles of Incorporation).

Signed this 18th day of August, 2014

By   
(Signature of President, Vice-President, Chairperson, or Vice-Chairperson)

SEE ATTACHED UNANIMOUS CONSENTS

\_\_\_\_\_  
(Type or Print Name)

\_\_\_\_\_  
(Type or Print Title)

## ARTICLE I

The name of the corporation is: Weston Preparatory Academy.

The authorizing body for the corporation is: Oakland University Board of Trustees ("University Board").

## ARTICLE II

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

1. The corporation is organized for the purpose of operating as a 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 to charter a public school academy ("Contract") authorized under the Code.

## ARTICLE III

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

The value of assets which the corporation possesses is:

Real Property: \$0.

Personal Property: \$146,046

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

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

## ARTICLE IV

The address of the registered office is:  
22930 Chippewa  
Detroit, Michigan 48219

The mailing address of the registered office is the same. The name of the resident agent at the registered office is Steve Perakis.

#### ARTICLE V

The corporation is a public school academy and a governmental agency performing essential public purposes and governmental functions of the State of Michigan.

#### ARTICLE VI

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

#### ARTICLE VII

Before the issuance of a Contract to the corporation by the University Board, the method of selection, length of term, and the number of members of the Board of Directors of the corporation shall be approved by a resolution of the University Board as required by the Code.

#### ARTICLE VIII

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

#### ARTICLE IX

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

#### ARTICLE X

No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its 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 University Board for forwarding to the state



school aid fund established under article IX, section 11 of the Constitution of the State of Michigan of 1963, as amended.

#### ARTICLE XI

These Articles of Incorporation shall not be amended except by the process provided in the Contract issued to the corporation by the University Board. This process is as follows:

The corporation, by a majority vote of its Board of Directors, may, at any time, propose specific amendments to these Articles of Incorporation or may propose a meeting to discuss potential revision to these Articles of Incorporation. The proposal will be made to the University Board through its designee. The University designee may review and approve amendments to these Articles of Incorporation, provided, however, if deemed material they must be reviewed and approved by the University's General Counsel, then by the University's Board of Trustees.

At any time and for any reason, the University Board or an authorized designee may propose changes to these Articles of Incorporation or may propose a meeting to discuss potential revision. The corporation's Board of Directors may delegate to an officer of the corporation the review and negotiation of changes or amendments to these Articles of Incorporation. The Articles of Incorporation shall be amended as requested by the University Board upon a majority vote of the corporation's Board of Directors.

Amendments to the Articles of Incorporation take effect only after this process is completed and the Articles of Incorporation are filed with the Michigan Department of Licensing and Regulatory Affairs, Bureau of Commercial Services. In addition, the corporation shall file with the amendment a copy of the University Board's or its designee's approval of the amendment.

#### ARTICLE XII

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

**CONTRACT SCHEDULE 2**

**BYLAWS**

**BYLAWS**  
**OF**  
**WESTON PREPARATORY ACADEMY**

**ARTICLE I**

**NAME**

This organization shall be called Weston Preparatory Academy (the “Academy” or “Corporation”).

**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 Detroit, County of Wayne, 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 Public School Academies 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. UniversityBoard 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 Oakland University Board of Trustees (the "University Board").

## ARTICLE V

### MEETINGS

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

If less than a quorum is present at a meeting, a majority of the Academy Board then present can adjourn the meeting, providing such notice as is required under the Open Meeting Act.

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. If mailed, such notice shall be deemed to be delivered in the United States mail so addressed, with postage thereon prepaid. If notice is given by facsimile or electronic mail, such notice shall be deemed delivered when it is sent. 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, except where a Director attends a meeting for the express purpose of objecting to the transaction or any business because the meeting is not lawfully called or convened.

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) action in respect to the fixing of compensation for or the filling of vacancies on the Academy Board or in the offices of the Academy Board or committees created pursuant to this Section; (ii) amendments to the Articles of Incorporation or Bylaws; or (iii) any action the Academy Board cannot lawfully delegate under the Articles, the Contract, the Bylaws or Applicable Law. All committee meetings shall at all times be in compliance with the Open Meetings Act. Each committee shall fix its own rules governing the conduct of its activities and shall make such reports to the Academy Board of its activities as the Academy Board may request.

## **ARTICLE VII**

### **OFFICERS OF THE BOARD**

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

Section 2. Election and Term of Office. The Academy Board shall elect its initial officers at its first duly noticed meeting. Thereafter, officers shall be elected annually by the Academy Board at the Corporation's annual meeting. If the election of officers is not held at that meeting, the election shall be held as soon thereafter as may be convenient. Each officer shall

hold office while qualified or until the officer resigns or is removed in the manner provided in Section 3.

Section 3. Removal. Any officer or agent elected or appointed by the Academy Board may be removed by a majority vote by the Academy Board whenever in its judgment the best interests of the Corporation would be served thereby.

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

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

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

Section 7. Secretary. The Secretary of the Corporation shall be a member of the Academy Board. The Secretary shall: (a) keep the minutes of the Academy Board meetings in one or more books provided for that purpose; (b) see that all notices, including those notices required under the Open Meetings Act, are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all authorized documents; (d) keep a register of the post office address of each Director; and (e) perform all duties incident to the office of Secretary and other duties assigned by the President or the Academy Board.

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

Section 9. Assistants and Acting Officers. The Assistants to the officers, if any, selected by the Academy Board, shall perform such duties and have such authority as shall from

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

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

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

## **ARTICLE VIII**

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

Section 1. Contracts. The Academy Board may authorize any officer(s), agents, assistant(s) or acting officer(s), to enter into any contract, to execute and deliver any instrument, or to acknowledge any instrument required by law to be acknowledged in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances, but the appointment of any person other than an officer to acknowledge an instrument required by law to be acknowledged should be made by instrument in writing. When the Academy Board authorizes the execution of a contract or of any other instrument in the name of and on behalf of the Corporation, without specifying the executing officers, the President or Vice-President, and the Secretary or Treasurer may execute the same and may affix the corporate seal thereto. No contract entered into, by or on behalf of the Academy Board, shall in any way bind Oakland University or impose any liability on Oakland 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 Oakland University or impose any liability on Oakland 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 (a) obtaining the affirmative vote of a majority of the Academy Board at any regular or special meeting of the Academy Board, if a notice setting forth the terms of the proposal has been given in accordance with the notice requirements for such meetings, (b) meeting any additional requirements set forth in the Contract to charter between the Academy and the University Board and (c) obtaining the written approval of the changes or amendments by the University President or his designee. Amendments to these Bylaws take effect only after they have been approved by both the Corporation's Academy Board and by the University Board or its designee.

**ARTICLE XI**  
**CONTRACT DEFINITIONS**

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

## CERTIFICATION

The Academy Board certifies that these Bylaws were adopted as and for the Bylaws of a Michigan corporation in an open and public meeting, by [unanimous] consent of the Academy Board on the 21 day of August, 2014.

  
Secretary

LAN01\259875.1  
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**CONTRACT SCHEDULE 3**  
**FISCAL AGENT AGREEMENT**



### **SCHEDULE 3**

#### **FISCAL AGENT AGREEMENT**

This Agreement is part of the Contract issued by the Oakland University Board of Trustees ("University), an authorizing body as defined by the Revised School Code, as amended (the "Code"), to Weston Preparatory Academy, a public school academy.

#### **Preliminary Recitals**

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

WHEREAS, the University 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 or an officer or employee of Oakland University.

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

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

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

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

## **ARTICLE III**

### **STATE DUTIES**

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

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

## **ARTICLE IV**

### **ACADEMY DUTIES**

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

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

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

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

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

## **ARTICLE V**

### **RECORDS AND REPORTS**

Section 5.01. Records. The Fiscal Agent shall keep books of record and account of all transactions relating to the receipts and disbursements 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.

## **ARTICLE VI**

### **CONCERNING THE FISCAL AGENT**

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

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

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

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

Acknowledgment of Receipt

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

BY: Mary M. Martin  
Mary Martin, Executive Director  
Bureau of State and Authority Finance  
Michigan Department of Treasury

Date: 5-18, 2017

**CONTRACT SCHEDULE 4**

**OVERSIGHT AGREEMENT**

## **SCHEDULE 4**

### **OVERSIGHT AGREEMENT**

This Agreement is part of the Contract issued by the Oakland University Board of Trustees ("University"), an authorizing body as defined by the Revised School Code, as amended (the "Code"), to Weston Preparatory Academy (the "Academy"), a public school academy.

#### **Preliminary Recitals**

WHEREAS, the University, 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.

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

"Oversight Responsibilities" means the University'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 Public Schools Academy Office, as it deems necessary to fulfill the University 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 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.
- d. Institute action pursuant to the terms of the Contract to suspend, revoke or amend 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 Michigan state standardized assessment(s), nationally recognized norm-referenced achievement test(s) or other assessment programs selected by the



Academy are or have been appropriately administered 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 Public Schools Academy Office in accordance with the Master Calendar of Reporting Requirements adopted by the Public Schools Academy Office. The Master Calendar may be amended from time to time as deemed necessary by the Public Schools Academy Office Director.

b. Submit quarterly financial reports to the Public Schools Academy Office in a form and manner determined by the Public Schools Academy Office. Submit other financial reports as established by the Public School Academy Office.

c. Permit inspection of the Academy's records and/or premises at any reasonable time by the Public Schools Academy Office.

d. Report to the Public Schools Academy Office and General Counsel for the University within ten (10) business days of receipt of notice any litigation or formal proceedings alleging violation of any Applicable Law by the Academy.

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 Public Schools Academy Office within ten (10) business days of submission .

f. Provide proposed minutes of all Academy Board of Directors' meetings to the Public Schools Academy Office no later than ten (10) business days after such meeting, and provide approved final minutes to the Public Schools Academy Office within five (5) business days after the minutes are approved.

g. Submit to the Public Schools Academy Office prior to the issuance of the Contract, copies of insurance policies evidencing all insurance as required by the Contract and proof of naming of University as an additional insured. The Public Schools Academy will properly maintain the necessary insurance certificates evidencing the insurance required by this Agreement.

h. Submit to the Public Schools Academy 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 Public Schools Academy Office, copies of all fire, health and safety approvals required by Applicable Law for the operation of a school.
- j. Submit annually to the Public Schools Academy 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 Public School Academy 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 Public Schools Academy 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 Public Schools Academy Office of any changes to the Academy Board public meeting schedule. All of the Academy Board's public meetings will be conducted in compliance with the Michigan Open Meetings Act, MCL 15.261, et seq.
- n. Prior to December 31 of each year and whenever necessary thereafter, the Academy Board shall approve and submit a revised operating school budget that includes, without limitation, the following: (i) the total projected amount of state school aid revenues based on the Academy's September pupil membership count; (ii) revised personnel costs; (iii) any start-up expenses incurred by the Academy; and (iv) the total amount of short-term cash flow loans obtained by the Academy. The Academy will make budget revisions in a manner prescribed by law. Within ten (10) 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. Submit to the Public Schools Academy Office, the official enrollment of the Academy, once each semester after the official count date for the state of Michigan.
- p. Submit to the Public Schools Academy Office immediately upon receipt of the Academy Board, copies of any and all documents, materials and other items provided or submitted to the Academy Board, regardless of the identity of the party providing or submitting such information (unless the disclosure of such information would breach the Academy's attorney-client privilege), and regardless of whether such items are submitted or provided before, during or after an open or closed meeting of the Academy Board.
- r. Permit attendance of personnel of the Public School Academy Office or their designee(s) to the Academy Board's closed meeting sessions. The Academy will provide the Academy Office with reasonable notice of any such meeting.

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 or its designee and the Academy may agree to modify or waive any of the Oversight Duties or Compliance Certification Duties. The University 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 Public Schools Academy Office.

Section 3.02 Filing Place. All documents and information required to be filed with or submitted to the University pursuant to this Agreement will be submitted to the Public School Academy Office, School of Education and Human Services, Oakland University, 420 Pawley Hall, Rochester, MI 48309-4401.

## ARTICLE IV

### MISCELLANEOUS

Section 4.01. Administrative Fee. The Academy agrees to pay to the University an administrative fee of 3% of the State School Aid Payments received by the Academy. This fee shall be retained by the University from each State School Aid Payment received by the University Board for forwarding to the Academy. This fee shall compensate the University for overseeing the Academy's compliance with the Contract and all Applicable Law and other related activities for which compensation is permissible.

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 by this Agreement.

## ARTICLE V

### TRANSPARENCY PROVISION

Section 5.01. Information to Be Made Publicly Available by the Academy and ESP. The following described categories of information are specifically included within those to be made available by the Academy to the public on the Academy's website home page in the manner prescribed by the Michigan Department of Education and other Applicable Law, and the Public Schools Academy Office, in accordance with Section 12.18 of the Terms and Conditions:

A. Information to Be Made Publicly Available by the Academy.

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 Public Schools Academy Office
11. Copy of curriculum and other educational materials given to the Public Schools Academy 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) and annual compensation and reimbursed costs paid to an ESP
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 back-ground and record checks and unprofessional conduct check required by the Code for all Academy teachers and administrators
27. Academy Board approved policies
28. Copy of the annual financial audit and any management letters issued to the Academy Board
29. Proof of insurance as required by the Contract

30. Overall student academic performance compared to the assessment strategies, measures and goals required by the Contract

31. 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 12.18 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**

### **Description of Staff Responsibilities**

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article III, Section 3.6., the Academy is authorized to employ or contract for personnel according to the position information outlined in this schedule. Before entering into an agreement with an educational service provider or an employee leasing company to provide services or to provide personnel to perform services or work at the Academy, the Academy Board must first comply with the Educational Service Provider Policies adopted by Public Schools Academy Office.

- Community Liaison
- Custodian
- Department Director
- Paraprofessional/Assistant
- Principal/School Leader
- Teacher



## **COMMUNITY LIAISON**

**Reports To:** School Leader, Executive Director

**Employed By:** MEP Services

**FLSA Status:** Exempt

Other Titles: Parent Liaison

### **Core Principles**

Employees of MEP Services are dedicated to the mission of student and school success. The employees understand and contribute to building a culture that is driven by a belief and a desire that every child deserves a high quality, safe and orderly school where students and families are held in the highest regard. In every location, every position supports one another, works collaboratively to solve problems, demonstrates a willingness to improve, and aspires to play an integral role in fulfilling the goals of education reform. All employees work in collegial environments that prize innovation and a solution oriented frame of mind to meet and exceed our goals.

### **Essential Duties**

A successful Community/Parent Liaison is responsible for bringing community awareness to the Academy while promoting parent involvement and encouragement. The Liaison is responsible for coordinating a variety of events, such as volunteering, internships, workshops, and committees. A successful Liaison will integrate classroom learning with opportunities in the community, enhancing student achievement. In addition, the Liaison is responsible for all other duties as assigned.

### **Qualifications**

#### *Supervision*

Individuals in this position must be able to apply effective supervision methods. A Liaison is responsible for the supervision of applicable staff and students. In addition, the Liaison may be required to supervise parents or community members during volunteer activities or committee meetings.

#### *Planning & Implementation*

An effective employee in this position will possess the ability to provide leadership, initiative, support, and assistance with all community related functions. The Liaison must possess exceptional planning and organization skills. The Liaison must be an active member in implementing community related programs for students, including volunteer opportunities, work opportunities, or internships.

#### *Knowledge & Expertise*

Qualified employees in this position will possess knowledge of all methods of communication, including email and phone, and actively respond to inquiries from resources within the community. The Liaison must also be able to manage a variety of documents while maintaining legality and confidentiality. In addition, the Liaison must possess the ability to implement programs that promote learning in the community and beyond the classroom.

### *Reasoning Ability*

An employee in this position must be able to effectively draw conclusions based on their ability to identify problems, collect information, and establish facts. In addition, an individual in this position will possess the ability to provide both logical and abstract solutions in standard and non-standard situations.

### *Interpersonal Qualities*

A qualified employee in this position will possess outstanding oral and written communication skills. This employee must have the ability to provide effective responses to all inquiries from all parties, including students, parents, staff, MEP Services, the community, and the Board of Directors. An employee in this position must also be able and willing to work with staff and other administration to problem solve.

\*All employees must successfully pass a criminal background check

\*All employees must follow the code of conduct as outlined in the Employee Handbook

### **Physical Demands & Work Environment**

In order to successfully perform the essential duties of this job, the employee must be able to meet the following physical demands:

- Occasionally required to lift and/or move objects weighing up to 25 pounds.
- Required to often stand and walk.
- Must be willing and able to withstand all demands presented by outside weather conditions at any time of the year.
- A moderate noise level is typically present.

Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions of the job.

## **CUSTODIAN**

**Reports To:** Department Director/Executive Director

**Employed By:** MEP Services

**FLSA Status:** Non-Exempt

### **Core Principles**

Employees of MEP Services are dedicated to the mission of student and Academy success. The employees understand and contribute to building a culture that is driven by a belief and a desire that every child deserves a high quality, safe and orderly school where students and families are held in the highest regard. In every location, every position supports one another, works collaboratively to solve problems, demonstrates a willingness to improve and aspires to play an integral role in fulfilling the goals of education reform. All employees work in collegial environments that prize innovation and a solution oriented frame of mind to meet and exceed the goals of MEP Services.

### **Essential Duties**

An employee in this position is responsible for all assigned custodial duties, including the cleanliness, maintenance and safety of all assigned Academy buildings, equipment and grounds. Employees in this position will perform routine cleaning and minor repairs. The Custodian is responsible for creating and maintaining a cleaning schedule. In addition, the Custodian is responsible for all further duties as assigned.

### **Qualifications**

#### *Supervision*

Individuals in this position must be able to apply supervision assistance when applicable. At times, the Custodian may be responsible for assisting with the supervision of students.

#### *Planning & Implementation*

An effective employee in this position will possess the ability to provide reliable input in order to develop and maintain an efficient cleaning schedule for the Academy. In addition, the Custodian must be able to carry out the schedule routinely.

#### *Knowledge & Expertise*

Qualified employees in this position will possess knowledge of cleaning and maintenance of buildings, grounds and equipment. The Custodian must possess knowledge of cleaning tools, chemicals and procedures. The Custodian must also be able to operate cleaning equipment safely.

#### *Reasoning Ability*

An employee in this position must be able to effectively draw conclusions based on their ability to identify problems, collect information and establish facts. In addition, an individual in this position will possess the ability to provide both logical and abstract solutions in standard and non-standard situations.

### *Interpersonal Qualities*

A qualified employee in this position will possess outstanding oral and written communication skills. This employee must have the ability to provide effective responses to all inquiries from all parties, including students, parents, staff, MEP Services, the community and the Academy Board. An employee in this position must also be able and willing to work with staff and administration to problem solve.

\*All employees must successfully pass a criminal background check.

\*All employees must follow the code of conduct as outlined in the Employee Handbook.

### **Education & Experience**

The Custodian must complete hazardous materials training prior to beginning their assignment.

### **Physical Demands & Work Environment**

In order to successfully perform the essential duties of this job, the employee must be able to meet the following physical demands:

- Occasionally lift and/or move objects weighing up to 75 pounds (when applicable, a back-belt should be worn when lifting heavy objects).
- Stand or walk for the majority of a day.
- Withstand all demands presented by outside weather conditions at any time of the year.
- Withstand a moderate noise level.
- Withstand exposure to cleaning chemicals on a routine basis.

Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions of the job.

## **DEPARTMENT DIRECTOR**

**Reports To:** Executive Director

**Employed By:** MEP Services

**FLSA Status:** Exempt

**Other Titles:** Athletic Director, Child Care Director, Food Service Director, Summer School Program Director, Latchkey Site Director, Special Education Director, Special Education, Supervisor, Special Education Coordinator, Director of Teacher Support Team (“TST”), Transportation Director, Health Coordinator, Information Technology (“IT”) Network Coordinator, Facilities Supervisor, Lead Custodian, Title I Compliance Coordinator, Admissions Director, Enrollment Director, Lead Paraprofessional, Leadership Team Member, School Start Up Project Manager, Dean of Administrative Services, Director of TST and Administrative Services, Dean of Students, Director of School Learning, Behavior Intervention Specialist, Director of Compliance

### **Core Principles**

Employees of MEP Services are dedicated to the mission of student and Academy success. The employees understand and contribute to building a culture that is driven by a belief and a desire that every child deserves a high quality, safe and orderly school where students and families are held in the highest regard. In every location, every position supports one another, works collaboratively to solve problems, demonstrates a willingness to improve and aspires to play an integral role in fulfilling the goals of education reform. All employees work in collegial environments that prize innovation and a solution oriented frame of mind to meet and exceed the goals of MEP Services.

### **Essential Duties**

An employee in this position is responsible for establishing positive relationships with students, families and staff to develop a culture that fulfills the mission of the Academy. The Department Director may be responsible for the functions of their specific department. The Department Director may supervise department staff. The Department Director is responsible for maintenance of the department specific records. The Department Director is responsible for scheduling, reporting and communicating with parents, students and staff as it pertains to their department. In addition, the Department Director is responsible for any and all duties as assigned.

### **Qualifications**

#### *Supervision*

Individuals in this position must be able to apply effective supervision methods. The Department Director is responsible for assisting in the supervision of assigned staff. Supervisory responsibilities include assisting in the evaluation process, rewarding and disciplining employees, addressing complaints, delegating work related tasks and assisting in the interviewing, hiring and training of employees.

#### *Planning & Implementation*

An effective employee in this position will possess the ability to provide leadership, initiative, support and assistance with all functions within the department. In addition, an individual in this

position will be able to lead staff in the creation of schedules, record maintenance and all necessary reporting.

#### *Knowledge & Expertise*

Qualified employees in this position will possess knowledge of all department functions. The Department Director must be able to manage all aspects of the department. The Department Director must be comfortable working with business related documents, such as budgeting, compliance, student enrollment and all other necessary documentation.

#### *Reasoning Ability*

An employee in this position must be able to effectively draw conclusions based on their ability to identify problems, collect information and establish facts. In addition, an individual in this position will possess the ability to provide both logical and abstract solutions in standard and non-standard situations.

#### *Interpersonal Qualities*

A qualified employee in this position will possess outstanding oral and written communication skills. This employee must have the ability to provide effective responses to all inquiries from all parties, including students, parents, staff, MEP Services, the community and the Academy Board. An employee in this position must also be able and willing to work with staff and administration to problem solve.

\*All employees must successfully pass a criminal background check.

\*All employees must follow the code of conduct as outlined in the Employee Handbook.

### **Education & Experience**

The Child Care Director must meet all applicable qualifications established by the Michigan Department of Health and Human Services ("DHHS").

The Transportation Director must meet all State of Michigan requirements for Bus Drivers. In addition, a Transportation Director must be at least 18 years of age, have less than six points on their driver's license and possess a chauffeur license.

The Special Education Director must possess a bachelor's degree and meet all requirements for Special Education Supervisor approval from the Intermediate School District ("ISD"). To the extent this position is deemed to be an administrator of instructional programs (including the supervisor of certified teachers) and/or a chief business official, this position is required to meet one of the following: (1) if the individual held a school administrator position before January 4, 2010, then evidence of maintaining continuing education is required; or (2) if the individual was hired as school administrator after January 4, 2010, then either: (a) an Administrator Certificate is required; OR (b) enrollment in an MDE-approved Principal Preparation Program within 6 months of employment (and completion within 3 years) is required. [Public Act 205 section 380.1246].

The Food Service Director must be ServSafe certified or hold a Food Handler's Certificate.

The Lead Paraprofessional must meet one of the following requirements:

- Complete at least two years of study at an institution of higher education (equal to 60 semester hours), **or**
- Obtain an associate's degree (or higher), **or**
- Meet a rigorous standard of quality and demonstrate, through a formal state or local academic assessment:
  - Knowledge of, and the ability to assist in, instructing reading, writing and mathematics; **or**
  - Knowledge of and the ability to assist in, instructing reading readiness, writing readiness and mathematics readiness, as appropriate.
- Any position that is deemed to be an administrator of instructional programs (including the supervisor of certified teachers) and/or a chief business official is required to meet one of the following: (1) if the individual held a school administrator position before January 4, 2010, then evidence of maintaining continuing education is required; or (2) if the individual was hired as school administrator after January 4, 2010, then either: (a) an Administrator Certificate is required; OR (b) enrollment in an MDE-approved Principal Preparation Program within 6 months of employment (and completion within 3 years) is required. [Public Act 205 section 380.1246].

### **Physical Demands & Work Environment**

In order to successfully perform the essential duties of this job, the employee must be able to meet the following physical demands:

- Occasionally lift and/or move objects weighing up to 25 pounds (75 pounds for a Facilities Supervisor).
- Stand and walk frequently.
- Withstand all demands presented by outside weather conditions at any time of the year.
- Withstand a moderate noise level.

Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions of the job.

## **PARAPROFESSIONAL**

**Reports To:** School Leader / Executive Director

**Employed By:** MEP Services

**FLSA Status:** Non-Exempt

**Other Titles:** Teacher Assistant, Special Education Assistant, TST, Title I Paraprofessional, English Learners Coordinator, Online Facilitator Paraprofessional

### **Core Principles**

Employees of MEP Services are dedicated to the mission of student and Academy success. The employees understand and contribute to building a culture that is driven by a belief and a desire that every child deserves a high quality, safe and orderly school where students and families are held in the highest regard. In every location, every position supports one another, works collaboratively to solve problems, demonstrates a willingness to improve and aspires to play an integral role in fulfilling the goals of education reform. All employees work in collegial environments that prize innovation and a solution oriented frame of mind to meet and exceed the goals of MEP Services.

### **Essential Duties**

Paraprofessionals provide instructional assistance under the supervision of classroom Teacher(s) or other instructional leaders as assigned. Paraprofessionals assist in the preparation and delivery of unit plans and provide individual and small group instruction. High quality Paraprofessionals attend staff professional development and conscientiously apply the strategies and research studied there. Paraprofessionals actively work to understand and support student assessment, particularly for those students who require interventions. Paraprofessionals are responsible for maintaining logs and for understanding the scope of services provided according to grant funding regulations and guidelines (if applicable). In addition, the Paraprofessional is responsible for any and all further duties as assigned.

Title I Paraprofessionals provide supplementary instructional assistance to students who have been identified to receive additional academic support under the Title I program. This position should be viewed as vital to the school improvement plan implementation and student achievement and ensures that students who need the most help receive instruction support from qualified Paraprofessionals. Title I Paraprofessionals are responsible for completing semi-annual certifications or personnel activity reports as required.

### **Qualifications**

#### *Supervision*

Individuals in this position must be able to apply effective supervision methods. The Paraprofessional will be responsible for assisting with the supervision of students.

#### *Planning & Implementation*

An effective employee in this position will provide effective instructional assistance within a designated program. In addition, the Paraprofessional must be able to plan and implement a strategy, under the supervision of the assigned instructional leader, for improving student success based on each individual student's needs.



### *Knowledge & Expertise*

Qualified employees in this position will possess the ability to maintain a safe and orderly environment. In addition, the Paraprofessional must be able to account for multiple students at once. The Paraprofessional must have knowledge of classroom reinforcement, intervention, behavior reporting and the proper treatment of special needs students.

### *Reasoning Ability*

An employee in this position must be able to effectively draw conclusions based on their ability to identify problems, collect information and establish facts. In addition, an individual in this position will possess the ability to provide both logical and abstract solutions in standard and non-standard situations.

### *Interpersonal Qualities*

A qualified employee in this position will possess outstanding oral and written communication skills. This employee must have the ability to provide effective responses to all inquiries from all parties, including students, parents, staff, MEP Services, the community and the Academy Board. An employee in this position must also be able and willing to work with staff and administration to problem solve.

\*All employees must successfully pass a criminal background check.

\*All employees must follow the code of conduct as outlined in the Employee Handbook.

### **Education & Experience**

The Paraprofessional must meet one of the following requirements:

- Complete at least two years of study at an institution of higher education (equal to 60 semester hours); **or**
- Obtain an associate's degree (or higher); **or**
- Meet a rigorous standard of quality and demonstrate, through a formal state or local academic assessment:
  - Knowledge of, and the ability to assist in, instructing reading, writing and mathematics; or
  - Knowledge of and the ability to assist in, instructing reading readiness, writing readiness and mathematics readiness, as appropriate.

### **Physical Demands & Work Environment**

In order to successfully perform the essential duties of this job, the employee would ideally be able to meet the following physical demands:

- Occasionally lift and/or move objects weighing up to 25 pounds.
- Stand and walk frequently.
- Withstand all demands presented by outside weather conditions at any time of the year.
- Assist/lift students if necessary.
- Withstand a moderate noise level.

Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions of the job.

## **SCHOOL LEADER (without an Executive Director)**

**Reports To:** Executive Director

**Employed By:** MEP Services

**FLSA Status:** Exempt

**Other Titles:** Principal, Director, Executive Director

### **Core Principles**

Employees of MEP Services are dedicated to the mission of student and Academy success. The employees understand and contribute to building a culture that is driven by a belief and a desire that every child deserves a high quality, safe and orderly school where students and families are held in the highest regard. In every location, every position supports one another, works collaboratively to solve problems, demonstrates a willingness to improve and aspires to play an integral role in fulfilling the goals of education reform. All employees work in collegial environments that prize innovation and a solution oriented frame of mind to meet and exceed the goals of MEP Services.

### **Essential Duties**

The School Leader is responsible for communicating the mission and purpose of the Academy to all stakeholders. An employee in this position is responsible for establishing positive relationships with students, families and staff to develop a culture that fulfills the mission of the Academy. The School Leader will select, supervise, mentor and evaluate assigned Academy staff and determine required professional development. If also acting as the instructional leader, the School Leader will interpret data and implement instructional and procedural strategies that reflect high expectations for students and staff. The School Leader is responsible for daily operations at the Academy with regard to safety, compliance and living within the approved Academy budget. Ultimately, the School Leader will demonstrate innovative ways of responding to challenges that reflect a dedication and belief that all children can succeed. In addition, the School Leader is responsible for any and all duties as assigned.

### **Qualifications**

#### *Supervision*

Individuals in this position must be able to apply effective supervision methods. The School Leader is responsible for the supervision of all assigned employees, and ultimately the effectiveness of the Academy. Supervisory responsibilities include selecting staff, leading the staff evaluation process, developing and being faithful to procedures and plans that result in 100% compliance and positive stakeholder perception.

#### *Planning & Implementation*

An effective employee in this position will act as the Academy leader by planning, evaluating and recommending goals and objectives for all assigned staff. In addition, the School Leader must provide leadership in curriculum, instruction, administration, school improvement and professional development. An employee in this position is responsible for overseeing the development of all programs within the Academy and guarantees they are carried out with fidelity.

### *Knowledge & Expertise*

Qualified employees in this position will possess and continuously build knowledge of all aspects of school reform and improvement. The School Leader will actively seek to increase and apply their knowledge of curriculum development, training design, metrics for evaluation, analysis of student achievement data and research on effective pedagogy. The School Leader must be able to provide classroom observation and feedback regarding the execution of the curriculum. An employee in this position must be comfortable working with all business related documents including budget, compliance, student records and any other supplemental documents.

### *Reasoning Ability*

An employee in this position must be able to effectively draw conclusions based on their ability to identify problems, collect information and establish facts. In addition, an individual in this position will possess the ability to provide both logical and abstract solutions in standard and non-standard situations. An employee in this position will evidence this quality through mission-driven, research-based decision making.

### *Interpersonal Qualities*

A qualified employee in this position will possess outstanding oral and written communication skills. This employee must have the ability to provide effective responses to all inquiries from all parties, including students, parents, MEP Services, the community and the Academy Board. An employee in this position must also be able and willing to work with staff and other administration to problem solve.

\*All employees must successfully pass a criminal background check.

\*All employees must follow the code of conduct as outlined in the Employee Handbook.

### **Education & Experience**

To the extent this position is deemed to be an administrator of instructional programs (including the supervisor of certified teachers) and/or a chief business official, this position is required to meet one of the following: (1) if the individual held a school administrator position before January 4, 2010, then evidence of maintaining continuing education is required; or (2) if the individual was hired as a school administrator after January 4, 2010, then either: (a) an Administrator Certificate is required; OR (b) enrollment in a Michigan Department of Education (“MDE”)-approved Principal Preparation Program within 6 months of employment (and completion within 3 years) is required.[Public Act 205 section 380.1246].

### **Physical Demands & Work Environment**

In order to successfully perform the essential duties of this job, the employee would ideally be able to meet the following physical demands:

- Occasionally lift and/or move objects weighing up to 25 pounds.
- Stand and walk frequently.
- Withstand all demands presented by outside weather conditions at any time of the year.
- Withstand a moderate noise level.

Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions of the job.

## **TEACHER**

**Reports To:** School Leader/Executive Director

**Employed By:** MEP Services

**FLSA Status:** Exempt

**Other Titles:** Resource Room Teacher, Lead Teacher, Intervention Teacher, Online Facilitator Teacher, Substitute Teacher, Success Coach and all other subject or grade level teachers

### **Core Principles**

Employees of MEP Services are dedicated to the mission of student and Academy success. The employees understand and contribute to building a culture that is driven by a belief and a desire that every child deserves a high quality, safe and orderly school where students and families are held in the highest regard. In every location, every position supports one another, works collaboratively to solve problems, demonstrates a willingness to improve and aspires to play an integral role in fulfilling the goals of education reform. All employees work in collegial environments that prize innovation and a solution oriented frame of mind to meet and exceed the goals of MEP Services.

### **Essential Duties**

Teachers are members of a professional community, where they work collaboratively to promote high expectations and academic growth. Teachers are dedicated to the mission of the Academy by participating in professional development and applying it to their classrooms. Exceptional Teachers demonstrate a solution-oriented approach to challenges, are reflective and work to understand and use best practices to continuously improve instruction and increase student achievement. Teachers are responsible for implementing the Academy curriculum, participating in its revision, developing assessments and monitoring student progress and for maintaining positive home-Academy relationships.

Special Education Teachers are responsible for promoting a positive learning environment for students with disabilities. Special Education Teachers must modify instructional techniques in order to enhance learning for all students. In addition, Special Education Teachers are responsible for collaboration, participation in professional development and continuous improvement of instructional practices. Special Education Teachers are responsible for tracking the progress of students with disabilities and communicating progress with parents.

### **Qualifications**

#### *Supervision*

Individuals in this position must be able to apply effective supervision methods. Teachers will be responsible for the supervision of students. Supervisory responsibilities include establishing respectful routines and procedures that maximize learning by establishing a safe and orderly environment and overseeing all classroom activities. Teachers may also participate as supervisors in Teacher led school improvement activities.

#### *Planning & Implementation*

An effective employee in this position will assist in the creation of an instructional plan based on student needs in coordination with the published education program. In addition, the Teacher

must implement instructional strategies as expected and described by administration and leadership. The Teacher is responsible for researching and employing instructional methods and carrying out practices required for student success.

#### *Knowledge & Expertise*

Qualified employees in this position will possess knowledge of curriculum development and metrics for evaluation. The Teacher must be an expert in instructional implementation and be committed to a reflective, solutions-oriented approach to continuous school improvement. Excellent Teachers understand and expect to be exemplars of life-long learning. The Teacher must possess a high level of knowledge and expertise in their specific subject matter. The Teacher must execute a variety of instructional techniques.

#### *Reasoning Ability*

An employee in this position must be able to effectively draw conclusions based on their ability to identify problems, collect information and establish facts. Teachers possess the intellectual capacity and agency to affect student achievement and positive Academy change. In addition, the Teacher will possess the ability to provide both logical and abstract solutions in standard and non-standard situations.

#### *Interpersonal Qualities*

A qualified employee in this position will possess outstanding oral and written communication skills. This employee must have the ability to provide effective responses to all inquiries from all parties, including students, parents, staff, MEP Services, the community and the Academy Board. An employee in this position must also be able and willing to work with staff and administration to problem solve.

\*All employees must successfully pass a criminal background check.

\*All employees must follow the code of conduct as outlined in the Employee Handbook.

#### **Education & Experience**

- The Teacher must possess a valid State of Michigan Teaching Certificate, or permit, with the appropriate endorsement(s) for all subject area(s) being taught. In addition, they must possess evidence of meeting highly qualified requirements, as defined by No Child Left Behind, if applicable.
- The Physical Education Teacher must complete concussion training prior to beginning their assignment.
- The Science Teacher must complete Hazardous Materials Training prior to beginning their assignment.

#### **Physical Demands & Work Environment**

In order to successfully perform the essential duties of this job, the employee would ideally be able to meet the following physical demands:

- Occasionally lift and/or move objects weighing up to 25 pounds.
- Stand and walk frequently.
- Withstand all demands presented by outside weather conditions at any time of the year.

## SERVICES AGREEMENT

This Services Agreement (the "Agreement") is made and entered into as of 6/20/17, 2017 by and among **CS PARTNERS, LLC**, a Michigan limited liability company ("CS Partners"), **CSP MANAGEMENT INC.**, a Michigan corporation d/b/a "**MICHIGAN EDUCATIONAL PERSONNEL SERVICES**" ("CSP Management" and together with CS Partners, collectively "CSP"), and **WESTON PREPARATORY ACADEMY**, a Michigan public school academy (the "Academy") formed under Part 6(A) of the Revised School Code (the "Code"), as amended.

CS Partners and CSP Management are jointly responsible for the providing the Services under this Agreement.

The Academy has been issued a contract (the "Contract") by the **OAKLAND UNIVERSITY** (the "Authorizer") to organize and operate a public school academy. The Authorizer is the statutory authorizing body. The Code and the Contract permit a public school academy to contract with persons and entities for the operation and management of the public school academy.

The Academy and CSP desire to create an enduring educational partnership whereby the Academy and CSP will work together to develop and bring about systems of educational excellence and services to the Academy based on CSP's vision of school design, CSP's management principles, the Educational Program (defined below), and the educational goals and curriculum adopted by the Board of Directors of the Academy (the "Board").

THEREFORE, the parties hereby agree as follows:

### **ARTICLE I**

#### **Relationship of the Parties and Other Matters**

Section 1. Authority. The Academy represents that (a) it is authorized by law to contract with a private entity for the provision of management and operational services to the Academy, (b) it has been issued the Contract from the Authorizer to organize and operate a public school academy, (c) it is authorized by the Authorizer to supervise and control the Academy, and (d) it is vested with all powers necessary or desirable for carrying out the Educational Program (defined below) contemplated in this Agreement.

To the extent permitted by law, the Academy hereby authorizes and grants to CSP the necessary authority and power to perform under this Agreement. No provision of this Agreement shall interfere with the Board's statutory, contractual, and fiduciary responsibilities, nor shall any provisions of this Agreement be construed so as to prohibit the Academy from acting as an independent, self-governing public body.

Section 2. Services; Educational Program. The parties agree that CSP, to the extent permitted by and in conformity with the Contract and applicable laws, shall provide all labor, materials, and supervision necessary for the provision of the management and operational



services to the Academy contemplated by this Agreement as specifically set forth on the attached Exhibit A (the "Services").

CSP shall provide Services to the Academy so the Academy can carry out the educational goals, educational programs, curriculum, method of pupil assessment, admissions, policy and criteria, school calendar and school day schedule, and age and grade range of pupils to be enrolled, educational goals and methods to be used to monitor compliance with performance of targeted educational outcomes, as previously adopted by the Board and as included in the Contract (collectively, the "Educational Program").

Section 3. Compliance with Academy's Contract. CSP agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the Academy's obligations under the Academy's Contract issued by the Authorizer, including section 12.18 of the Academy's Contract. The provisions of the Academy's Contract shall supersede any competing or conflicting provisions contained in this Agreement.

Section 4. Relationship of the Parties. CSP is not a division or any part of the Academy. The Academy is a corporate and governmental entity authorized under the Code. The Academy is not a division or any part of CSP. The relationship between the parties hereto was developed and entered into through arms-length negotiation and is based solely on the terms of this Agreement.

Section 5. CSP as Independent Contractor; Agency. The parties to this Agreement intend that the relationship of CSP to the Academy is that of an independent contractor, and not an employee of the Academy. No agent or employee of CSP shall be determined to be an agent or employee of the Academy, except as expressly acknowledged, in writing, by the Academy. Notwithstanding the foregoing, CSP and its employees are hereby irrevocably designated as "School Officials" under the Family Educational Rights and Privacy Act and its implementing regulations during the Term of this Agreement (defined below). CSP shall promulgate and recommend to the Board policies and administrative guidelines sufficient to implement this Section.

During the Term of this Agreement, the Academy may disclose confidential data and information to CSP, and its respective officers, directors, employees and designated agents to the extent permitted by applicable law, including without limitation, the Family Educational Rights and Privacy Act, the Individual with Disabilities Education Act ("IDEA"), 20 USC §1401 et seq., 34 CFR 300.610 -300.626; Section 504 of the Rehabilitation Act of 1973, 29 USC §794a, 34 CFR 104.36; the Michigan Mandatory Special Education Act, MCL 380.1701 et seq.; the American with Disabilities Act, 42 USC §12101 et seq.; the Health Insurance Portability and Accountability Act ("HIPAA"), 42 USC 1320d -13200d-8; 45 CFR 160, 162 and 164; Privacy Act of 1974, 5 USC §552a; and the Michigan Social Security Number Privacy Act, MCL 445.84.

CSP will be solely responsible for its acts, the acts of its agents, employees, and those subcontractors who are contracted through CSP.

Section 6. No Related Parties or Common Control. The parties hereby agree that none of the voting power of the governing body of the Academy or the Board will be vested in CSP or its directors, members, managers, officers, shareholders, or employees. Further, the Academy and CSP are not, and shall not become: (a) members of the same controlled group, as that term is defined in the Internal Revenue Code of 1986, as amended (the "IRS Code"); or (b) related persons, as that term is defined in the IRS Code.

Section 7. Teachers. Teachers employed by CSP shall not be considered teachers for purposes of continuing tenure under MCL §38.71 et seq. The Board has the right to request that the School Leader or teachers are placed elsewhere by CSP if the Board is reasonably dissatisfied with their performance and such a request shall not be unreasonably denied by CSP.

Section 8. School Leader. CSP shall identify and appoint a School Leader, with advisory input from the Board, to administer the Educational Program at the Academy (the "School Leader"). The School Leader will hold all required certifications as required by the Code. The School Leader will be an employee of CSP Management, who may be disciplined and/or terminated by CSP in its sole discretion. CSP shall notify the Board prior to the termination of the School Leader. CSP will have the authority, consistent with applicable laws, to select and supervise the School Leader and to hold the School Leader accountable for the success of the Academy. If the Board becomes dissatisfied with the performance of the School Leader, it shall state the causes of such dissatisfaction in writing and deliver it to CSP, and CSP shall have a reasonable period of time to remedy the dissatisfaction; however if CSP cannot remedy the dissatisfaction, CSP shall remove and replace the School Leader at the Academy as soon as practicable. Additionally, it is agreed that any dissatisfaction of the Board shall be reasonable in nature and related specifically to the duties and responsibilities of the School Leader at the Academy. CSP will empower the School Leader with the authority to select and hold accountable the teachers in the Academy.

Section 9. Criminal Background Checks. CSP agrees that it shall not assign any of its employees, agents or other individuals to perform any services under this Agreement except as permitted under Sections 1230, 1230a, 1230b and related provisions of the Code pertaining to criminal background and criminal conduct checks. The Academy shall require that the results of the criminal background check are received, reviewed, and used (subject to a verification process) by the Academy's Authorized User acting on behalf of the Academy and/or the Board, only as permitted by law to confirm that the individual does not have a criminal history and to evaluate the qualifications of the individual for his/her assignment.

Section 10. The Board. The Board is the governing body with oversight responsibilities over the Academy. The parties acknowledge that throughout this Agreement the term "Board" and the term "Academy" are sometimes used interchangeably in some sections for the sole purpose of readability based on the nature and subject-matter of the article/section. This Agreement must be approved by the Board and executed by a duly authorized member of the Board (on behalf of the Academy), and by so executing this Agreement the Board acknowledges and accepts all obligations and responsibilities related to the Board as set forth in this Agreement.

Section 11. Availability of Funds. Notwithstanding any other term or provision in this Agreement to the contrary, CSP shall not be, directly or indirectly, liable to any third party for any cost or expense incurred by the Academy (including the cost of employees assigned to the Academy), and CSP shall only be required to perform its responsibilities under this Agreement to the extent that CSP has received such revenues from the Academy pursuant to the terms of this Agreement. CSP shall, however, remain liable to the Academy for any cost it commits the Academy to without the Board's approval in the event such cost is beyond the amount anticipated in the Academy's budget or any amendment thereto.

Section 12 Information Available to the Public. On an annual basis, CSP agrees to provide the Board with the same information that a public school is required to disclose under section 18(2) of the State School Aid Act of 1979 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, shall have the same meaning in this Agreement.

Section 13. Non-Compete Agreement. CSP agrees that it shall not impose any contractual requirement or contractual obligation on any of its employees assigned to the Academy to enter into a non-compete provision or agreement.

Section 14. Lease and Loans. If the Academy and CSP enter into a lease, execute promissory notes or other negotiable instruments, or enter into a lease-purchase agreement or other financing relationship, then such agreements must be separately documented and separately approved. In addition, all such agreements must comply with the Charter Contract and applicable law, as well as any applicable Authorizer policies.

## **ARTICLE II**

### **Term**

Section 1. Term. This Agreement shall be effective for the duration of the Academy's current authorizing Contract with the Authorizer, subject to earlier termination under Article VI. The Term will be for a three (3) year beginning July 1, 2017 and ending June 30, 2020 (the "Term").

## **ARTICLE III**

### **Obligations of the Academy**

Section 1. Good Faith Obligation. The Academy shall exercise good faith in considering CSP's recommendations relative to the Educational Program and/or the Services.

Section 2. Academy Funds. The Board shall determine the depository of all funds received by the Academy including, but not limited to, the State School Aid Grants (referenced in Article IV) and any Additional Revenue (as defined in Exhibit A). All funds received by the Academy shall be deposited in the Academy's depository account. Signatories on the Academy

Board accounts shall solely be members of the Board or properly designated Academy Board employees. All interest or investment earnings on Academy accounts shall accrue to the Academy.

#### **ARTICLE IV**

##### **Compensation and Reimbursement of Costs**

Section 1. Compensation for Services. During the Term of this Agreement, the Board shall pay CSP an annual fee equal to ten percent (10%) of the total Aid received from the State of Michigan, pursuant to the State School Aid Act of 1979, as amended if the Academy has fewer than 600 students. However, if 600-900 students are enrolled at the Academy, the Board will pay CSP an annual fee equal to nine percent (9%) of the total aid received from the State of Michigan, pursuant to the State School Aid Act of 1979, as amended. If more than 900 students are enrolled at the Academy, the annual fee shall be a fixed rate of \$600,000 with a five percent (5%) increase each year following the initial year that the Academy has more than 900 students. However, in no event shall the amount of the annual fee exceed ten percent (10%) of the total aid received from the State of Michigan, pursuant to the State School Aid Act of 1979, as amended.

The Fee may also include ten percent (10%) of any Additional Revenue (as defined in Exhibit A) provided that CSP discloses that the Fee also applies to said Additional Revenue and the Board approves the same in the Academy's annual budget, or any revised budget, prior to the application of such Fee. CS Partners shall then pay CSP Management a fee directly as necessary.

The parties intend that this Agreement meet all of the applicable safe harbor conditions as set forth in Sections 5.02 through Sections 5.07 of the Revenue Procedure 2017-13. In this regard, the Academy and CSP make the following representations:

- (i) (A) CSP's compensation under this Agreement is reasonable compensation for services to be rendered hereunder and is not based, in whole or in part, on a share of net profits and/or a share of the net losses from the operation of the Academy or upon the disposition, damage or destruction of the Academy's property; (B) This Agreement does not pass on to CSP the burden of bearing any share of net losses from the operation of the Academy or upon the disposition, damage or destruction of the Academy's property; (C) The term of this Agreement is not greater than 30 years or 80 percent of the useful life of the Academy's school facilities currently financed with tax-exempt debt (if shorter) including all renewal options; (D) The Academy bears the risk of loss upon the disposition, damage or destruction of the Academy's property; and (E) CSP is not entitled to and will not take any federal tax position that is inconsistent with being a service provider under this Agreement to the Academy.
- (ii) In interpreting this Agreement and in the provision of the services required hereunder, CSP shall not have any role or relationship with the Academy that, in effect, substantially limits the Academy's ability to exercise its rights and obligations under State law. As required by the Academy's Article of Incorporation and Bylaws, the Academy Board may not include any director, officer or employee of a management company that contracts with the Academy.

In furtherance of such restriction, it is agreed between the Academy and CSP that none of the voting power of the governing body of the Academy will be vested in CSP or its directors, members, managers, officers, shareholders and employees, and the Academy and CSP will not be related parties as defined in Treas. Reg. 1.150-1(b).

Section 2. Reimbursement of Costs. In addition to the Fee, the Academy shall reimburse CSP for all costs reasonably incurred and paid by CSP in providing the Services specifically related to the Academy. Such costs include, but are not limited to, all employment costs of CSP employees assigned to the Academy, other expenses for equipment, software, supplies, food service, transportation, special education, psychological services, and medical services.

CSP Management will invoice the Academy for reimbursement of all employment costs of CSP employees assigned to the Academy ("Payroll costs"). Payroll costs include salary, benefits, and other costs attributable to personnel employed by CSP Management and assigned by CSP Management to perform Services at the Academy under this Agreement, including but not limited to gross wages, FICA, Medicare, FUTA, SUTA, Workers' Compensation Insurance, Employment Practices Liability Insurance (as required by M.U.S.I.C), employer portions of health, dental, vision and life insurance, and 401K employer contributions (if applicable).

CSP Management shall be advanced funds for Payroll Costs no later than the third business day preceding each payroll date for CSP Management's employees performing services at the Academy. Said funds shall be deposited by the Academy into a payroll account designated by CSP Management. If the Payroll Cost funding is not received in full 3 business days prior to the payroll date, payroll will not be processed until full payment is received from the Academy, unless prior arrangements have been made in writing between the Academy and CSP Management. If the Payroll Costs have not been funded by the Academy, CSP Management employees and the Board will be notified that payroll will only be processed as soon as Academy funds have been received. If Payroll Costs have not been funded by the Academy by the payroll date, CSP Management may send lay-off notices to CSP Management employees. At that time, CSP Management will also provide the Academy an invoice for all accrued CSP Management's staff wages (earned but not yet paid) for employees and staff assigned to the Academy for payment. For purposes of this Agreement the ("payroll date") shall be that date or dates established annually by CSP Management.

CS Partners will invoice the Academy for reimbursement of all other costs with a detailed receipt of material or services provided. The Academy shall only reimburse for costs included in an annual operating budget approved by the Board or as amended during the academic year. In paying such costs on behalf of the Academy, CSP shall not charge an added fee (or mark-up). Marketing and development costs paid by or charged to the Academy shall be limited to those costs specific to the Academy program, and shall not include any costs for the marketing and development of CSP. No corporate costs of CSP shall be charged to, or reimbursed by, the Academy.

If desired, the Board may advance funds to CSP for such costs before such costs are incurred (rather than reimburse CSP after the expense is incurred).

CSP shall provide to the Academy or the Board proper documentation and accounting of any advanced funds or reimbursement, and such accounting shall be periodically ratified by the Board.

All items acquired with Academy funds including, but not limited to, instructional materials, equipment, supplies, furniture, computers, and other technology, shall be owned by and remain the property of the Academy.

Section 3. Other Institutions. The Academy acknowledges that CSP may enter into agreements similar to this Agreement with other public or private educational schools or institutions (the "Institutions"). CSP shall maintain separate accounts for reimbursable expenses incurred on behalf of the Academy and for reimbursable expenses incurred on behalf of the Institutions. CSP shall only charge the Academy for expenses incurred on behalf of the Academy.

If CSP incurs reimbursable expenses on behalf of the Academy and the Institutions which are incapable of precise allocation between the Academy and the Institutions, then CSP shall allocate such expenses among the Institutions and the Academy, on a pro-rata basis, based on the number of students enrolled at the Academy and the Institutions, or upon such other equitable basis as agreed by the parties.

Section 4. Review of Budget. CSP shall propose an annual budget for the Academy to the Academy's Chief Administrative Officer ("CAO") and the Board. The Board shall review, revise, and timely approve the annual budget. The Academy's CAO shall not be an employee of CSP but shall be a member of the Academy Board.

Section 5. Procurement Policies. The Board hereby retains the obligation, as provided in the Code, to adopt written policies governing the procurement of supplies, materials, and equipment for the Academy. Unless otherwise prohibited by law, CSP shall directly procure all supplies, materials, and equipment provided that CSP complies with the Code including, but not limited to, Sections 1267 and 1274 as if the Academy were making these purchases directly from a third party supplier and the Board's written policies promulgated thereunder related to such items. CSP shall not include any added fees or charges with the cost of equipment, materials and supplies purchased from third parties.

## **ARTICLE V**

### **Proprietary Information**

Section 1. Academy's Rights to Curriculum and Educational Materials. The Academy shall own, without restriction, all proprietary rights to curriculum and educational materials that: (a) are or were directly developed by the Academy and paid for with Academy funds; or (b) are or were developed by CSP at the direction of the Board using Academy funds.

Section 2. CSP's Rights to Curriculum and Educational Materials. CSP shall own, without restriction, all curriculum, and educational materials, and all other proprietary

information owned by, developed by or otherwise in the possession of CSP, except as set forth in this Article.

Section 3. Non-Disclosure of Proprietary Information; Remedy for Breach. Except as specifically required by the Code or the Michigan Freedom of Information Act, the proprietary information and materials of CSP shall be held in strict confidence by the Academy.

During the Term of this Agreement, and continuing for three (3) years thereafter, both parties hereby agree that they will not use or disclose to anyone, directly or indirectly, for any purpose whatsoever, any such proprietary information without the prior written consent of the other party.

If a party uses or discloses such proprietary information in violation of this Section 3, the disclosing party shall (a) be liable to the other party for all damages, including, but not limited to, lost profits resulting from the breach, and (b) be obligated to reimburse the non-disclosing party for its legal costs and reasonable attorney fees related to the enforcement of this Section 3.

## **ARTICLE VI**

### **Termination**

Section 1. Termination by CSP. CSP may terminate this Agreement prior to the end of the Term in the event the Academy fails to remedy a material breach within the required time frames below. A material breach includes, but is not limited to: (a) the Academy's failure to timely remit any fee or reimbursements due under Article IV; (b) the Academy's action or decision-making that is deemed by CSP, in CSP's sole discretion, to be substantially inconsistent with the recommendations of CSP relative to the Educational Program or the Services; and/or (c) substantial and unforeseen increase in the cost of administering services of this Agreement. The Academy has ten (10) calendar days after notice from CSP to remedy a breach that involves the advancement of funds for all "compensation" required for payroll or to reach an agreement with CSP on the payment of those funds. The Academy has thirty (30) days after notice from CSP to remedy all other material breaches.

Termination prior to the end of the Term shall not relieve the Academy of any financial or other obligations to CSP outstanding as of the date of termination. Failure by CSP to (a) declare a breach, (b) place the Academy on notice thereof, or (c) fail to exercise or exert any remedy available to CSP under this Agreement or applicable laws, shall not be deemed a waiver of CSP's right and remedies whatsoever.

Notwithstanding the foregoing, CSP may terminate this Agreement without cause and without penalty to be effective upon completion of an academic year provided that CSP delivers written notice of intention to terminate to the Academy at least ninety (90) days prior to the end of the then-current academic year.

Section 2. Termination by Academy. The Academy may terminate this Agreement prior to the end of the Term in the event that CSP fails to remedy a material breach within the required time frames below. A material breach includes, but is not limited to: (a) failure by CSP to reasonably account for its expenditures; (b) failure by CSP to pay Academy operating expenses

as required under this Agreement (provided funds are available); (c) failure by CSP to substantially follow policies, procedures, rules, regulations, or curriculum duly adopted by the Board which are not in violation of the Contract, applicable laws or this Agreement; (d) failure by CSP to provide the services as required by this Agreement; and/or (e) any action or inaction by CSP that causes the Contract to be revoked, terminated, suspended or which causes the Contract to be put in jeopardy of revocation, suspension, or termination, as evidenced by written notification from the Authorizer and is not cured within 60 days of that notice.

CSP has ten (10) days after notice from the Academy to remedy a breach that involves the non-payment of funds for all “compensation” required for payroll (provided that CSP has received such funds from the Academy to do so) or to reach an agreement with the Academy on the payment of those funds. CSP has thirty (30) days after written notice from the Academy to remedy all other material breaches.

Upon expiration of this Agreement, or termination for any reason, all advances or billable costs, if any, paid by CSP shall be immediately repaid by the Academy, unless otherwise agreed in writing by CSP and the Academy.

Notwithstanding the foregoing, the Academy may terminate this Agreement without cause and without penalty to be effective upon completion of an academic year provided that the Academy delivers written notice of intention to terminate to CSP at least ninety (90) days prior to the end of the then-current academic year.

Section 3. Revocation or Termination of Contract. If the Academy’s Contract issued by the Authorizer is revoked or terminated or a new charter contract is not issued, this Agreement shall automatically terminate on the same date as the Academy’s Contract is revoked, expired or terminated without further action of the parties, provided, however, that this Agreement will continue to remain in effect until the termination date set forth in Article II if (i) the Academy has entered into a subsequent Contract with a public school academy authorizing body, and (ii) this Agreement has not been terminated pursuant to Article VI.

Section 4. Change in Law. If any federal, State or local law or regulation, or court or administrative decision, or attorney general’s opinion (collectively referred to in this Agreement as the “applicable laws”) has a substantial and material adverse impact (as reasonably determined by the party suffering the impact) on the ability of the impacted party to carry out its obligations under this Agreement, then the impacted party, upon written notice, may request a renegotiation of this Agreement. If the parties are unable or unwilling to successfully renegotiate the terms of this Agreement within ninety (90) days after the notice, and after making good faith efforts which shall include, but not be limited to, the use of a third party arbitrator and/or alternative dispute resolution process, the impacted party may terminate this Agreement as of the end of the then-current academic year.

Section 5. Transition. In the event of any termination prior to the end of the Term of this Agreement, CSP shall provide the Academy reasonable assistance for up to ninety (90) days to assist in the orderly transition to another service provider or to a self-managed school.



Notwithstanding the foregoing, CSP shall not be obligated to provide such reasonable assistance if the reason for the termination was the documented willful misconduct of the Academy which resulted in financial damages to CSP exceeding \$10,000, as reasonably determined by CSP.

Section 6. Personal Property upon Termination or Expiration. Upon any termination or the expiration of this Agreement, the Academy may elect (a) to purchase any personal property which has been purchased or leased from a third party solely with CSP funds, provided such purchase or lease is permitted under the purchase or lease documents relating thereto, at the fair market, depreciated value of such personal property or (b) to return same to CSP. All personal property purchased or leased by CSP using Academy funds is and shall remain the personal property of the Academy.

Section 7. Obligations Upon Termination or Expiration. Upon any termination or the expiration of this Agreement, the parties shall remain obligated for all financial or other obligations due at the time of the termination or expiration.

After any termination or the expiration of this Agreement, and once all such obligations referenced above are satisfied, the parties shall have no further obligations to each other under this Agreement whatsoever except for the continuing obligations under (a) Article V (confidentiality and non-use/non-disclosure of proprietary information) and (b) Article VII (indemnification).

## **ARTICLE VII**

### **Indemnification and Cooperation**

Section 1. Indemnification of CSP. To the extent permitted by law, the Academy shall indemnify and save and hold CSP and all of its employees, officers, directors, subcontractors, and agents, harmless against any and all claims, demands, suits, or other forms of liability that may arise out of, or by reason of: (a) any willful non-compliance by the Academy with any agreements, covenants, warranties or undertakings of the Academy contained in or made pursuant to this Agreement; (b) any misrepresentation or any breach of the representations and warranties of the Academy contained in or made pursuant to this Agreement; and/or (c) the gross negligence of the Academy's directors, officers, employees, agents or representatives.

In addition, to the extent permitted by law, the Academy shall indemnify and reimburse CSP for all legal costs and reasonable attorney fees associated with the defense of any such claim, demand or suit. If desired, all or part of the indemnification obligations set forth in this Section 1, may be met by the purchase of insurance by the Academy. The indemnification in this Section shall also specifically apply, without limitation, to any current claims or litigation at the time this Agreement is executed, as well as any future or additional claims or litigation regarding any prior activities of the Academy.

Section 2. Indemnification of the Academy. During the Term and continuing forever after any termination or the expiration of this Agreement, CSP shall indemnify and save and hold the Academy and all of its employees, officers, directors, subcontractors and agents harmless

against any and all claims, demands, suits or other forms of liability that may arise out of, or by reason of: (a) non-compliance by CSP with any agreements, covenants, warranties or undertakings of CSP contained in or made pursuant to this Agreement; (b) CSP's breach of the Agreement; and/or (c) the negligence of CSP's directors, officers, employees, agents or representatives.

In addition, CSP shall reimburse the Academy for all legal costs and reasonable attorney fees associated with the defense of any such claim, demand, or suit. If desired, all or part of the indemnification obligations set forth in this section may be met by the purchase of insurance by CSP. The indemnification in this Section shall also specifically apply, without limitation, to any current claims or litigation at the time this Agreement is executed, as well as any future or additional claims or litigation regarding any prior activities of CSP.

Section 3. Immunities and Limitations. The Academy may assert all immunities and statutory limitations of liability in connection with any claims arising under this Agreement.

Section 4. Responsibility of Academy. The Academy will be solely and entirely responsible for its acts and omissions and for the acts and omissions of the Academy's agents and employees (if any) in connection with the performance of the Academy's responsibilities under this Agreement; provided, however, that nothing in this Agreement is intended, nor will be construed, as a waiver of the governmental immunity provided to the Academy and its incorporators, board members, officers, employees, and volunteers under Section 7 of Act 170, Public Acts of Michigan, 1964, as amended, MCL 691.1407. If CSP is made a party to any litigation involving claims arising out of or relating in any way to any alleged acts and/or omissions of the Academy or its directors, agents, or employees, the Academy will provide any reasonable assistance requested by CSP in the defense against such claims as long as such assistance does not adversely affect the Academy's ability to defend against such claims.

Section 5. Mutual Duty to Cooperate. The parties acknowledge that each party has a duty and obligation to cooperate with the other party, and further that such duty to cooperate is a material part of this Agreement. The purpose of the duty to cooperate is to enable each party to perform its obligations as efficiently and as timely as possible. The duty to cooperate shall include all areas of the business of the Academy and the Services, including but not limited to potential and actual issues related to employees or teachers as they arise. The duty to cooperate also includes reasonable assistance in the event of litigation or a dispute involving a party related to the Academy of the Services, such as providing testimony, records and/or documents reasonably related to the litigation or dispute (which are not otherwise protected from disclosure pursuant to the applicable law).

Section 6. Indemnification of Authorizer. The parties acknowledge and agree that the Authorizer, its Board, and its members, officers, employees, agents or representatives (collectively "Authorizer") are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, CSP hereby promises to indemnify, defend and hold harmless the Authorizer from and against all demands, claims, actions, suits, causes of action, losses, judgments, liabilities, damages, fines, penalties, demands, forfeitures, or any other liabilities or losses of any kind whatsoever, including costs and expenses (not limited to

reasonable attorney fees, expert and other professional fees) of settlement and prosecution imposed upon or incurred by the Authorizer, and not caused by the sole negligence of the Authorizer, which arise out of or are in any manner connected with the Authorizer Board's approval of the Academy's application, the Authorizer Board's consideration of or issuance of a Contract, CSP's preparation for or operation of the Academy, or which are incurred as a result of the reliance by the Authorizer upon information supplied by CSP, or which arise out of CSP's failure to comply with the Contract or applicable law. The parties expressly acknowledge and agree that the Authorizer may commence legal action against CSP to enforce its rights as set forth in this section of the Agreement.

## **ARTICLE VIII**

### **Insurance**

Section 1. Academy Insurance. The Academy shall maintain such policies of insurance coverage in the amounts as required by the Contract. CSP shall comply with any reasonable information or recording requirements under the Academy's policies of insurance.

Section 2. CSP Insurance. CSP shall maintain separate general liability and umbrella insurance coverage, with the Academy listed as an additional insured on all policies. CSP shall maintain such policies of insurance in the amounts as required by the Contract and the Michigan Universities Self-Insurance Corporation ("M.U.S.I.C."). In the event the Authorizer or M.U.S.I.C. requests any changes in coverage by CSP, CSP agrees to comply with any change in the type or amount of coverage, as requested, within thirty (30) days after notice of the insurance coverage change.

Section 3. Evidence and Notices. Each party shall, upon request, present evidence to the other that it maintains the requisite insurance as required in this Article VIII. The policies of insurance of each party shall also provide that the other party receive from the insurer(s) a minimum thirty (30) day written notice of any termination of said policies.

Section 4. Workers' Compensation Coverage. Additionally, each party shall maintain workers' compensation insurance, as required by State law, covering their respective employees.

## **ARTICLE IX**

### **Warranties and Representations**

Section 1. Warranties and Representations of the Academy. The Academy represents to CSP that (a) it has the authority under law to execute, deliver, and perform this Agreement and to incur the obligations provided for under this Agreement, (b) its actions have been duly and validly authorized, and (c) it will adopt the necessary resolutions.

Section 2. Warranties and Representations of CS Partners. CS Partners represents and warrants to the Academy that (a) it is a Michigan limited liability company in good standing duly authorized to conduct business in the State of Michigan, (b) it has the authority under applicable laws to execute, deliver and perform this Agreement and to incur the obligations provided for under this Agreement, (c) its actions have been duly and validly authorized, and (d) it will adopt any and all resolutions required for execution of this Agreement.

Section 3. Warranties and Representations of CSP Management. CSP Management represents and warrants to the Academy that: (a) it is a Michigan corporation in good standing duly authorized to conduct business in the State of Michigan; (b) it has the authority under applicable laws to execute, deliver and perform this Agreement and to incur the obligations provided for under this Agreement; (c) its actions have been duly and validly authorized; and (d) it will adopt any and all resolutions required for execution of this Agreement.

Section 4. Mutual Representations and Warranties. Each party represents and warrants to the other party that except as disclosed in writing to the other party, to its knowledge, there are no pending actions, claims, suits, or proceedings, whether threatened or reasonably anticipated, against or effecting it, which if adversely determined would have a material adverse effect (as might be reasonably determined by the non-affected party if disclosed) on its ability to perform its obligations under this Agreement.

## **ARTICLE X**

### **Alternative Dispute Resolution**

Section 1. Mediation. Any and all disputes between the parties concerning any alleged breach of this Agreement or arising out of or relating to the interpretation of this Agreement or the parties' performance of their respective obligations under this Agreement shall first be communicated in writing to the other party and mutually discussed between the parties with an opportunity to cure. If no resolution can be ascertained through that mutual discussion, then the matter will be submitted to mediation for resolution in Oakland County. Both parties must mutually agree upon the mediator selected and shall participate in all meetings in good faith. The mediation shall be conducted in accordance with the rules of the American Arbitration Association seated in Oakland County, Michigan, with such variations as the parties and arbitrators unanimously accept. The final decision shall be a cause decision (written explanation). The Authorizer shall be notified of said decision, and upon the Authorizer's request, the cause opinion shall be made available. The parties will share equally in the costs of the mediation including forum fees, expenses, and charges of the mediator.

Section 2. Arbitration. If the mediation does not result in a mutually satisfactory compromise, then the matter shall be resolved by arbitration, and such procedure shall be the sole and exclusive remedy for such matters. Unless the parties agree upon a single arbitrator, the arbitration panel shall consist of three (3) persons. The arbitration shall be conducted in accordance with the rules of the American Arbitration Association seated in Oakland County, Michigan, with such variations as the parties and arbitrators unanimously accept. The final decision shall be a cause decision (written explanation). The Authorizer shall be notified of said decision, and upon the Authorizer's request, the cause opinion shall be made available. The

arbitrators' award shall be final and binding. A judgment on the award rendered by the arbitrators may be entered in any court having appropriate jurisdiction, by any party, without the consent of the other party. The losing party shall pay the cost of arbitration, not including attorney fees. It shall be within the discretion and purview of the arbitrator or arbitration panel to award reasonable attorney fees to the prevailing party.

## **ARTICLE XI**

### **Miscellaneous**

Section 1. Entire Agreement. This Agreement supersedes and replaces any and all prior written or oral agreements and understandings between the Academy and CSP regarding the subject matter hereof. This Agreement, including Exhibit A, constitutes the entire agreement of the parties.

Section 2. 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, accident, labor strike, flood, terrorism, or other acts beyond its reasonable control.

Section 3. Governing Law. This Agreement and the rights of the parties hereto shall be interpreted according to the laws of the State of Michigan (the "State").

Section 4. Official Notices. All notices or other communications required by the terms of this Agreement shall be in writing and sent to the parties at the addresses set forth below. Notice may be given by certified or registered mail, postage prepaid, return receipt requested, traceable carrier or personal delivery. Notices shall be deemed to have been given on the date of personal delivery, or, if given by mail, the postmark date. Unless amended or updated in writing, the addresses of the parties hereto for the purposes of this Agreement shall be:

The Academy:	Board President WESTON PREPARATORY ACADEMY 22930 Chippewa Detroit, MI 48219
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With a copy to:	John Kava Collins & Blaha, P.C. 31440 Northwestern Hwy, Suite 170 Farmington Hills, MI 48334
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CSP:	CS Partners, LLC Michigan Educational Personnel Services c/o Mary K. Shields 869 S. Old US 23, Suite 500 Brighton, Michigan 48114
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Section 5. Assignment. This Agreement shall not be assigned (a) by CSP, without prior consent of the Board, in writing, which consent shall not be unreasonably withheld; or (b) by the Academy, without the prior consent of CSP, in writing, which consent shall not be unreasonably withheld. This Agreement shall not be assignable without prior notification to the Authorizer and any assignment must be done in a manner consistent with the Authorizer's Educational Service Provider Policies.

Section 6. Amendment; Effect of Headings. This Agreement may only be amended in writing, signed by a duly authorized representative of each party and in a manner consistent with the Authorizer's Educational Service Provider Policies.

The underlined headings are included for convenience of the reader, and if the underlined headings are inconsistent with the other text, the underlined text shall be disregarded.

Section 7. Tax Exempt Financing. With respect to the Academy's outstanding tax-exempt financings the parties agree to take any and all action required to maintain the tax-exempt status of these tax-exempt financings, including if necessary, the amendment of this Agreement to comply with the safe-harbor compensation provisions under IRS Revenue Procedure 97-13, and/or its progeny.

Section 8. Waiver. No waiver of any portion 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 in writing.

Section 9. Severability. The invalidity of any portion or term of this Agreement shall not affect the remaining portions or terms of this Agreement. In the event a portion or a term of this Agreement is deemed invalid, the parties shall cooperatively work together to modify the invalid portion or term as minimally as possible to cure the invalidity, while at all times preserving the spirit and purpose of the applicable portion or term.

Section 10. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

Section 11. No Third Party Rights. This Agreement is made for the sole benefit of the Academy and CSP. Except as otherwise expressly provided herein, nothing in this Agreement shall create or be deemed to create a relationship between the parties, or either of them individually with any third person, third party beneficiary, fiduciary, or the Authorizer.

Section 12. Survival of Termination. All representations, warranties, indemnities, and non-disclosures/confidentiality obligations made in this Agreement shall survive any termination or expiration of this Agreement without limitation.

Section 13. Delegation of Authority; Compliance with Laws. Nothing in this Agreement shall be construed as delegating to CSP any of the powers or authority of the Board which are not subject to delegation by the Board in accordance with the Contract and all applicable laws. The parties agree to comply with all applicable laws.

Section 14. Execution. The parties may execute this Agreement by facsimile or in counterparts. A facsimile or photographic copy of this Agreement may be relied upon by either party, or any third party, as if it were an original signature copy. If this Agreement is executed in counterparts, the separate counterpart signature pages shall be combined and treated by the parties, or any third party, as if the separate counterpart signature pages were part of one original signature copy.

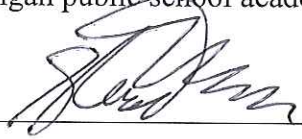
Section 15. Review by Independent Counsel. The parties agree that each has reviewed, or had the opportunity to review, this Agreement with its own independent legal counsel prior to the execution of this Agreement.

[Signature Page Follows]

The undersigned hereby execute this Agreement as of the date set forth first above.

**The Academy:**

**WESTON PREPARATORY ACADEMY,** a  
Michigan public school academy

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

Its: Board President

**CSP:**

**CS PARTNERS, LLC,** a Michigan  
limited liability company

By: \_\_\_\_\_  
Mary K. Shields

Its: President

**CSP MANAGEMENT INC.,** a Michigan  
Corporation d/b/a **MICHIGAN EDUCATIONAL  
PERSONNEL SERVICES,** a Michigan  
corporation

By: \_\_\_\_\_  
Mary K. Shields

Its: President



**Exhibit A**  
**to**  
**SERVICES AGREEMENT**

The purpose of this Exhibit A is to set forth and define the Services to be provided by CSP pursuant to the Agreement.

**EDUCATIONAL MANAGEMENT SERVICES  
TO BE PROVIDED BY CS PARTNERS, LLC**

- A. CSP shall implement the Educational Program (defined in Article I, Section 2 of the Agreement). Modification of the Educational Program as provided in the Contract may only occur with the prior written consent of the Board and, if required, an amendment to the Contract which requires Authorizer approval.
- B. CSP may perform functions other than Instruction, including but not limited to purchasing, professional development and administrative functions off-site (i.e., not on the Academy property), unless prohibited by applicable laws. Student records, which are the property of the Academy, and books and records of the Academy, shall be maintained by CSP and available at the Academy's site.
- C. Although the Board shall be responsible for establishing and implementing recruitment admission policies in accordance with the Educational Program and the Contract, CSP shall enroll students for the Academy in accordance with such policies provided that said policies are in compliance with the Contract and applicable laws.
- D. CSP shall provide student due process hearings in compliance with all applicable laws, to an extent consistent with the Academy's own obligations as to students only (and not as to faculty). The Board hereby retains the right to provide due process, as required by law, if desired.
- E. CSP shall administer and provide the Educational Program in a manner which shall meet the requirements imposed under the Contract and applicable laws, unless such requirements are waived. The Academy hereby agrees to interpret State and local regulations within the confines of applicable law in order to give CSP flexibility and freedom to implement the Educational Program in CSP's desired manner.
- F. In order to supplement and enhance the School Aid payments received from the State of Michigan, and improve the quality of education at the Academy, CSP may assist the Academy's efforts to obtain revenue from other sources (the "Funding Sources"), and in this regard:
1. the Academy and/or CSP with prior approval of the Board may solicit and receive grants and donations in the name of the Academy from various funding sources consistent with the mission of the Academy;

2. the Academy and/or CSP with prior Board approval may apply for and receive grant money in the name of the Academy from various funding sources;
  3. to the extent permitted under the Code and Contract, and with the approval of the Board, CSP or the Academy may charge fees to students for extra services, such as summer and after-school programs, athletics, etc., and charge non-Academy students who participate in such programs; and
  4. all funds received by the Academy from such other revenue sources (generally, the "Additional Revenue") shall inure to and be the deemed property of the Academy (however, as provided in the Article IV, Section 1 of the Agreement, the Fee may apply against all such Additional Revenue).
- G. CSP may subcontract any and all aspects of the Services. However, CSP shall not subcontract the management, oversight, or operation of the teaching and instructional aspects of the Services (the "Instruction"), except as specifically permitted in this Agreement, or with prior written approval of the Board.
- H. CSP shall not act in a manner which will cause the Academy to be in breach of its Contract with the Authorizer.
- I. CSP shall provide reasonably requested or expected information to the Board on a monthly basis, or upon the Board's reasonable request, to enable the Board to monitor CSP's performance under this Agreement.
- J. CSP shall be directly accountable to the Board for the administration, operation, and performance of the Academy in accordance with the Contract. CSP's obligation to provide the Services is expressly limited by the budget approved by the Board pursuant to the terms of this Agreement. The Services shall be funded by the Academy budget, and neither CSP nor the Academy shall be permitted to expend Academy funds on the Services in excess of the amount set forth in the Academy Budget.
- K. CSP shall implement pupil performance evaluations consistent with the Educational Program, which permit evaluation of the educational progress of each Academy student. CSP shall be responsible for and accountable to the Board for the performance of students who attend the Academy. At a minimum, CSP shall utilize assessment strategies required by the Educational Program. The Academy and CSP will cooperate in good faith to identify other measures of and goals for students and school performance.
- L. CSP shall plan and supervise special education services to students who attend the Academy. CSP or the Academy may contract for specific special education services if it determines that it is necessary and appropriate for the provision of services to students with special needs, or if instruction cannot be met within the Academy's program. Such services shall be provided in a manner that complies with applicable laws.

M. CSP shall be responsible for all of the management, operation, administration, and education at the Academy which includes, but is not limited to:

1. implementation and administration of the Educational Program and the selection and acquisition of instructional materials, equipment and supplies;
2. management of all personnel functions, including professional development for all instructional personnel and the personnel functions outlined in this Agreement;
3. all aspects of the business administration (as determined and as generally understood in the industry) of the Academy as agreed between CSP and the Board;
4. any function necessary or expedient for the administration of the Academy consistent with the Educational Program, or otherwise approved by the Board.

N. Except as otherwise provided in this Agreement, CSP shall keep all student and financial records relating to the Academy available at the Academy site, and the same shall be available for public inspection upon reasonable request consistent with applicable laws. All student, educational and financial records pertaining to the Academy will remain the property of the Academy and 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, CSP shall not restrict the Authorizer's or the public's access to the Academy's records. All records shall be kept in accordance with applicable state and federal requirements.

O. CSP shall provide the Board with:

1. a projected annual budget prior to July 1<sup>st</sup> of each school year, related to the Services in accordance with the Contract and the Educational Program which budget shall include a budget reserve amount as determined by the Board;
2. detailed monthly statements (or as requested by the Board) no more than thirty (30) days after month's end. Financial statements will be provided as directed by the Board within reason prior to each Board meeting to allow time for all Board members to review the information prior to the meeting. These financial statements shall include: a balance sheet, a statement of revenues, expenditures and changes in fund balance at object level detail with comparison of budget-to-actual and explanations of variance, and a cash flow statement. These statements shall include all revenues received, from whatever source, with respect to the Academy, and detailed budgets with statements of all direct expenditures (with details) for the Services rendered to or on behalf of the Academy, whether incurred on-site or off-site;
3. facilitate the annual audit in compliance with applicable laws showing the manner in which funds are spent at the Academy, however, it is acknowledged that only the Academy shall select and retain independent auditors and the Academy shall contract directly with any auditor of its choice, and CSP will cooperate with the production of any and all documents necessary for the audit. Any such audit shall be the property of the Academy; and
4. other information as reasonably requested by the Board to enable the Board to monitor CSP's performance under the Agreement.

**HUMAN RESOURCES SERVICES  
TO BE PROVIDED BY  
MICHIGAN EDUCATIONAL PERSONNEL SERVICES**

P. CSP shall work with the School Leader to recommend staffing levels to the Board, and select, evaluate, assign, discipline and transfer personnel, consistent with applicable laws, and consistent with the parameters adopted and included within the Academy's budget and the Educational Program.

Q. As set forth in the Agreement, CSP shall identify and appoint a School Leader to administer the Educational Program at the Academy (the "School Leader"). The School Leader will be an employee of CSP.

R. CSP shall work with the School Leader to provide the Academy with such teachers, qualified in the applicable grade levels and subjects approved by the Board and consistent with the Contract and applicable law. CSP shall ensure that the curriculum taught by the Academy's teachers is the curriculum set forth in the Contract. Such teachers may also provide instruction at the Academy on a full or part time basis. If assigned to the Academy on a part-time basis, such teachers may also provide instruction at another institution, or other locations approved by CSP. Each teacher assigned to the Academy shall meet and maintain all necessary requirements as established by the Michigan Department of Education, the Authorizer, and State and federal law.

S. CSP shall work with the School Leader to provide the Academy with such support staff, qualified in the areas required. The parties anticipate that such support staff may include clerical staff, administrative assistants, bookkeeping staff, maintenance personnel, and the like. Such support staff may, in the discretion of CSP, provide services at the Academy on a full or part time basis. If assigned to the Academy on a part-time basis, said support staff may also provide services at another institution, or other locations approved by CSP.

T. Since, except as specified in this Agreement, all teaching, support staff and other non-teaching personnel performing functions on behalf of the Academy, shall be employees of CSP, compensation of all employees of CSP shall be paid by CSP upon receipt of funds from the Academy. For purposes of the Agreement and this Exhibit, "compensation" shall include salary and benefits. Evaluation and compensation systems administered by CSP shall comply with all applicable laws, including Sections 1249, 1249a, 1249b and 1250 of the Revised School Code and any successor statute that is substantially similar to Sections 1249, 1249a, 1249b and 1250. CSP shall pay its portion of social security, unemployment, and any other taxes required by law to be paid on behalf of its employees assigned to the Academy. Unless required by applicable laws, CSP shall not make payments to the Michigan Public School Employees' Retirement System or any other public retirement system on behalf of its employees.

U. CSP Management will complete and sign all necessary 401K regulatory and plan documents as required by law and duties as fiduciary agent of the plan.

V. Compliance with Section 12.18 of Contract Terms and Conditions. CSP 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 12.18 of the Contract Terms and Conditions.

**CONTRACT SCHEDULE 6**  
**PHYSICAL PLANT DESCRIPTION**

## **PHYSICAL PLANT DESCRIPTION**

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article XI, Section 11.5, the Academy is authorized to operate at the physical facility or facilities outlined in this schedule. The Academy shall not occupy or use any facility until approved for occupancy by the Michigan Department of Licensing and Regulatory Affairs' Bureau of Construction Codes.

- Physical Plant Description
- Site Plan
- Floor Plan
- Certificate of Use and Occupancy
- Lease

1. Applicable Law requires that a public school academy application and contract must contain a description 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 site and physical plant is as follows:

Address: 22930 Chippewa  
Detroit, MI 48219

Description: Weston Preparatory Academy is a one-story, brick facility that contains approximately 30,000 square feet of space. The facility contains 18 classrooms, a multi-purpose room, storage, restrooms, and office space.

Configuration of Grade Levels: Kindergarten through Eighth Grade.

Term of Use: Term of Contract.

Name of the School District and Intermediate School District:

Local: Detroit Public Schools  
ISD: Wayne RESA

3. It is acknowledged and agreed that the following information about this Site is provided on the following pages, or must be provided to the satisfaction of the University Board, before the Academy may operate as a public school in this state.
  - A. Narrative description of physical facility
  - B. Size of building
  - C. Scaled floor plan
  - D. Copy of executed lease or purchase agreement
4. In addition, the academy and the University Board hereby acknowledge and agree that this Contract is being issued to the Academy with the understanding that the Academy cannot conduct classes as a public school academy in this state until it has obtained the necessary fire, health and safety approvals for the above-described physical facility. These approvals must be provided and be acceptable to the University Board or its designee prior to the Academy operating as a public schools. In cases of disagreement, the Academy may not begin operations without consent of the University Board.
5. If the Site described above is not used as the physical facilities for the Academy, then Schedule 6 of this Contract between the Academy and the University Board must be amended pursuant to Article IX of the Terms and Conditions of Contract, to designate, describe, and agree upon the Academy's physical facilities. The Academy must submit to the University Board or its designee complete information about the new site to be actually used. This information includes that described in paragraphs 2, 3 and 4 of this Schedule 6. It is acknowledged and agreed that the public school academy cannot conduct classes as a public school in this state until it has submitted all the information

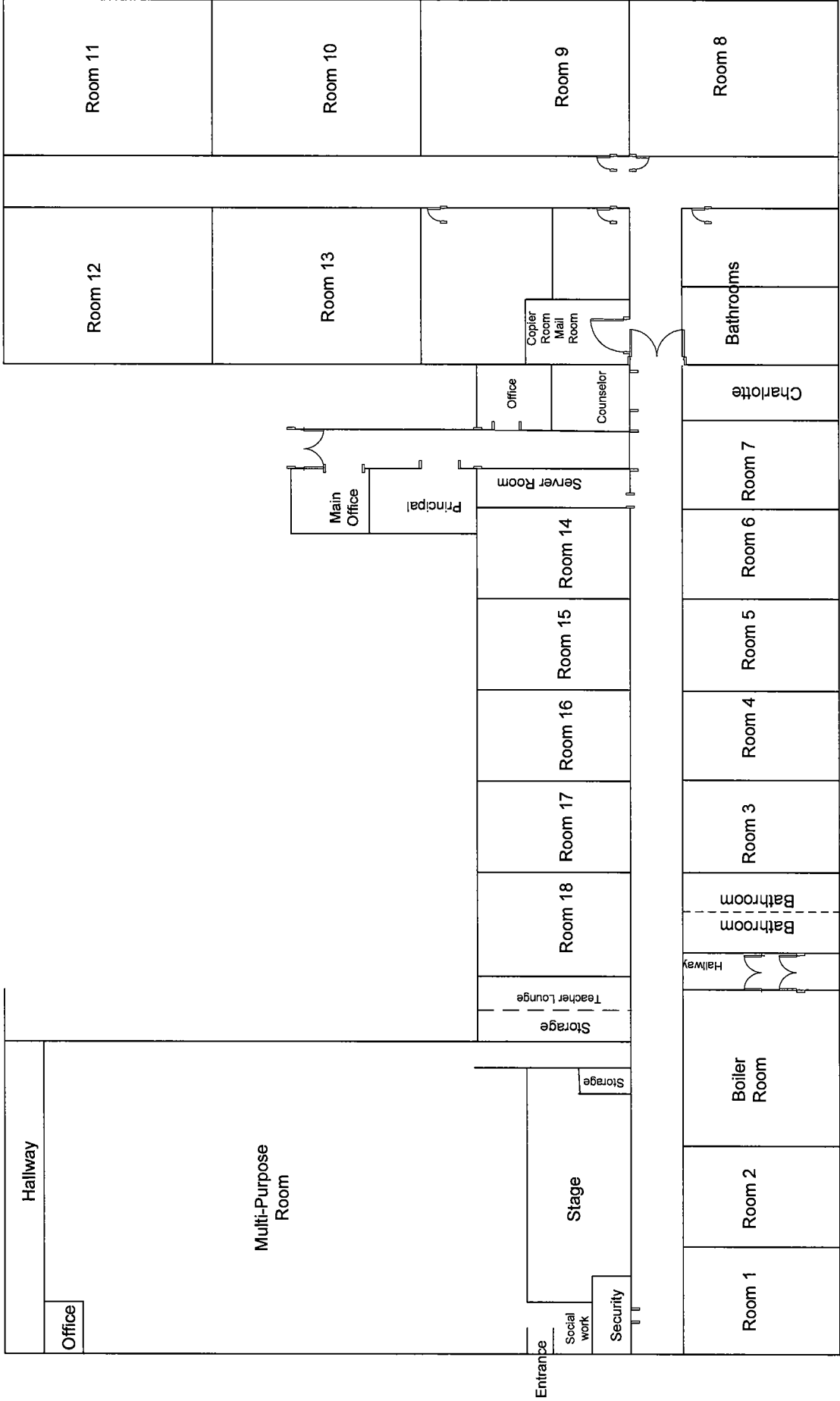


described above, to the satisfaction of the University, and the amendment regarding the new site has been executed.

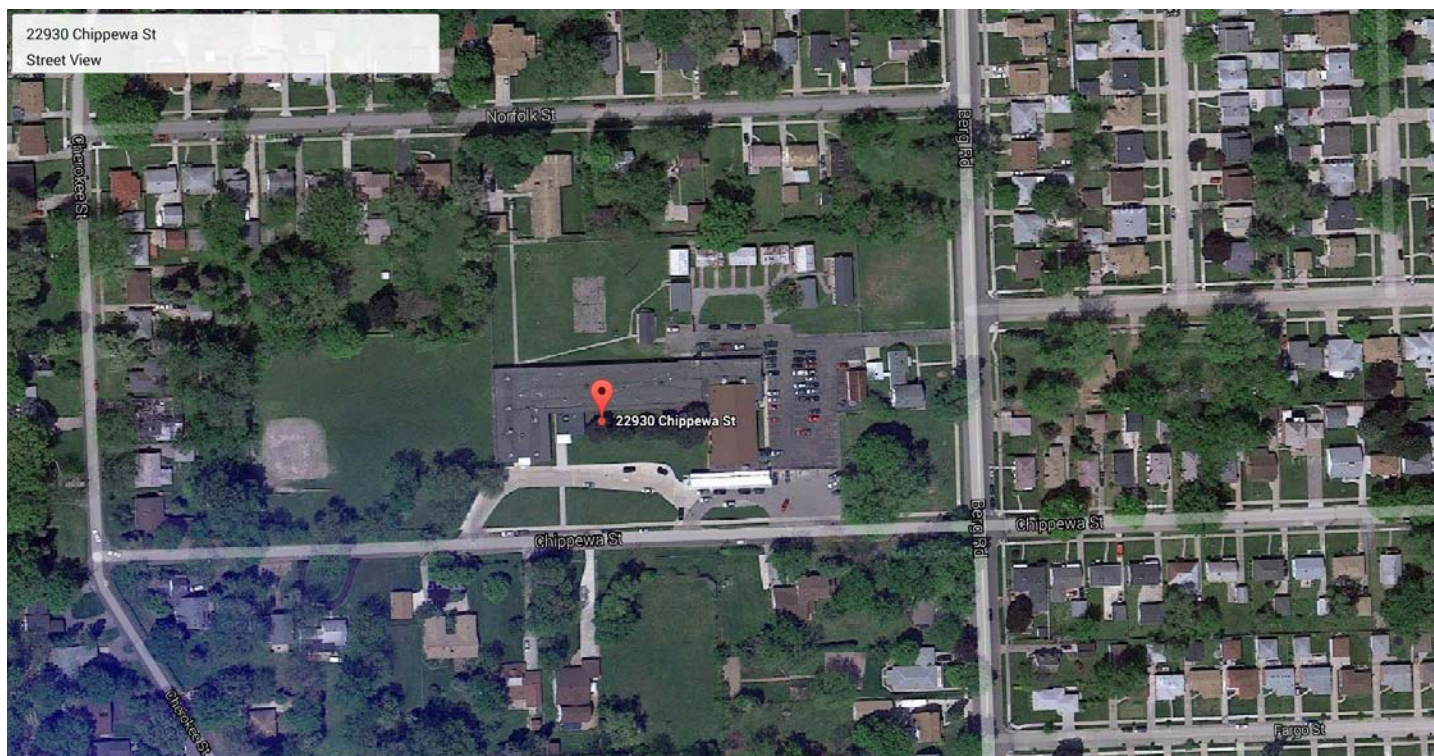
6. The Academy agrees to comply with the single site restriction contained in this Schedule 6 for the configuration of grade levels identified at the Site. Any change in the configuration of grade levels at the Site requires an amendment to this Schedule 6 pursuant to Article IX of the Terms and Conditions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

The floor plan of the first floor is as follows:

- Top Section (Left to Right):**
  - Boys' Dormitory
  - Girls' Dormitory
  - Room 1
  - Room 2
  - Boiler Room
  - Room 3
  - Room 4
  - Room 5
  - Room 6
  - Room 7
  - Office
  - EXIT
- Bottom Section (Left to Right):**
  - Room 8
  - Room 9
  - Room 10
  - Room 11
  - Office
  - EXIT
- Central Section (Left to Right):**
  - Room 12
  - Room 13
  - Office
  - Boys' Restroom
  - Office
  - Committee Room
  - Principal's Office
  - Room 14
  - Room 15
  - Room 16
  - Room 17
  - Room 18
  - Lunch Room
  - EXIT
- Right Section:**
  - MPR (Multipurpose Room)
  - Office
  - EXIT









# **CERTIFICATE OF USE AND OCCUPANCY**

## **PERMANENT**

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

**Building Permit No. LB020779  
Western Technical Academy  
22930 Chippewa Street  
Detroit, Michigan  
Wayne County**

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

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



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

**May 12, 2006**

## LEASE

This lease is made on this 13 day of June 2014 by Schoolhouse Facilities L.L.C., a Michigan limited liability company, P.O. Box 355, Northville, MI 48167 ("Landlord"), Weston Preparatory Academy, a Michigan public school academy with offices at 22930 Chippewa. Detroit, 48219 ("Tenant") upon the following terms and conditions.

1. Description of the Premises. Landlord leases to Tenant and Tenant hires from Landlord the building and premises located at 22930 Chippewa (also known as 20131 Berg Read), Detroit. Michigan 48219 ("Premises").
2. Initial Term. This lease shall be for the term of three (3) years, commencing on July 1, 2014 ("Commencement Date") and ending on June 30, 2017.
3. Renewal of Initial Term. Provided that Tenant shall then be in full compliance with this lease, Tenant shall have the option to renew the Initial Term for two (2) consecutive periods of three (3) years each (each a "Renewal Term") upon written notice served on Landlord not later than three (3) months before each Renewal Term would commence. The renewal shall be on the terms contained in this lease as stated in Paragraph 4.
4. Rental. The Tenant shall pay to Landlord as annual rent the sum of \$17,000 per month (\$204,000 annually) for each month of the first year of the Initial Term. All rent shall be due on the first day of each month and paid to Landlord at the address set forth above or at any other address that Landlord designates in writing, without any prior demand by Landlord and without any deduction or offset. If Tenant fails to pay any amount it owes to Landlord under this Lease within the prescribed time cited above, the amount of each such monthly rent payment shall be assessed a late payment processing fee of five percent (5%). Tenant acknowledges and agrees that the late payment processing fee is not a penalty but rather represents a fair and reasonable estimate of the costs that Landlord will incur by reason of Tenant's late payment.

The monthly rate shall be increased the second year of the Initial Term and each year thereafter by the greater of 1% or the percentage equal to the difference between the State of Michigan minimum per pupil foundation grant for FY 2015 (July 1, 2014-June 30, 2015) and the State of Michigan minimum per pupil foundation grant for FY 2016 (July 1, 2015-June 30, 2016). For example, only if FY 2017 foundation grant is \$7,100 per student and FY 2018 foundation grant is \$7,200 per student, the percentage increase in the foundation grant is 1.4% and the annual base rent increase for July 1, 2018 – June 30, 2019 shall be 1.4% for that year. If the percentage increase is less than 1%, then the increase in the annual rent is the minimum 1%. However, if the per pupil foundation grant decreases in any year, the annual base rent shall be the same as the previous year.

5. Security Provision. No security deposit has been required or paid by Tenant in connection with this lease.

6. Additional Rent. The term "Additional Rent" as used herein means any sum of money due Landlord, if any, under the terms and conditions of this Lease other than Rent.

7. Interest on Past Due Obligations. Any amount owed by Tenant to Landlord which is not paid when due, or if any check received by Landlord in the payment of rent is dishonored for any reason, such amount shall bear interest from the date due until the date paid at the rate of eighteen (18%) percent per annum (the "default rate"). However, interest shall not be payable on late charges to be paid by Tenant under this Lease. The payment of interest on such amounts shall not excuse or cure any default by Tenant under this lease. If the default rate specified in this lease is higher than the rate permitted by law, the interest rate is hereby decreased to the maximum legal interest rate permitted by law.

8. Use. Tenant may use and occupy the Premises solely as a pre-kindergarten through eighth grade school for typical classroom educational use only and reasonable extracurricular activities, and related office purposes in connection with the operation of Tenant's business. Tenant shall not use the Premises for any purpose or in any manner in violation of any law, ordinance, rule, or regulation adopted or imposed by any federal, state, county, or municipal body or other governmental agency, Tenant shall not deface or injure the Premises or the building, permit anything to be done on the Premises tending to create a nuisance, or permit any activity in the Premises that will result in an increase of any insurance premium on the Premises or the buildings.

9. Maintenance, Repairs.

(A) Landlord's Obligations. Landlord, after receiving written notice from Tenant and having reasonable opportunity thereafter to obtain the necessary workmen, agrees only to make major (over \$30,000) repairs to the roof and the exterior walls of the Premises, unless damaged due to any act or omission of Tenant or Tenant's agent, representatives, employees, licensees, invitees or contractors, in which case Landlord shall undertake such repairs at Tenant's sole cost and expense and Tenant shall pay Landlord within seven (7) days after receipt of written notice from Landlord for the cost of all such repairs and all other losses incurred by Landlord as a result of such act or omission. Landlord shall not be responsible for repairing or maintaining any other part or portion of the Premises, including but not limited to the interior of the Premises and including the plumbing, wiring, heating, cooling, electrical or plumbing systems, ceilings, flooring, doors, door hardware, door frames, door hinges, or overhead door or the window glass, window casings, window frames, windows or any of the appliances or appurtenances of said doors or window casings, window frames and windows, or any attachment thereto or attachments to said buildings or Premises used in connection therewith.

(B) Tenant's Obligations. All repairs and maintenance not the responsibility of the Landlord under subsection A above shall be the sole responsibility of Tenant. Tenant shall make all said repairs and/or replacements and/or maintenance using only like kind, parts, systems, and equipment. All work performed by Tenant shall require Landlord's prior written approval prior to being made by Tenant. Tenant shall keep the interior of the Premises and all systems servicing the Premises in good order and repair in accordance with the laws of



the State of Michigan, and in accordance with all directions, rules and regulations of the fire marshal, building inspector or other proper officers of the governmental agencies having jurisdiction. Tenant will not overload the structural components of the Premises (i.e. roof trusses, columns, demising walls or partition walls) nor shall Tenant overload the electrical wiring and will not add additional electrical wiring or plumbing or signage unless it has first obtained Landlord's written consent thereto, and if such consent is given, Tenant will install same at its own cost and expense and be responsible at Tenant's sole cost and expense to repair any damage said installation or removal may cause. Provided, however, that Tenant shall be permitted to remove the lettering on the entry way façade and on the street sign, and replace, at its expense, the name of the school occupying the Premises.

(C) Tenant's Failure to Maintain. If Tenant shall fail to perform any of its obligations under this Section 9, then Landlord may, but shall not be obligated to, and without waiving or releasing such obligation, undertake such obligation and do all necessary work in connection therewith without liability to Landlord, for the account of Tenant, and Landlord may enter the Premises for such purpose. Notwithstanding Tenant's obligations under this Section 9, if Tenant requests that Landlord perform any of Tenant's obligations and Landlord agrees, in Landlord's sole discretion, to perform such work, which work shall be performed without liability to Landlord, all work performed in connection therewith shall be for the account of Tenant, and Landlord may enter the Leased Premises for such purpose. Any agreement by Landlord to perform any such work for Tenant shall not relieve Tenant of any of its obligations under this Section. No entry by Landlord under this Paragraph shall be deemed an eviction of Tenant. Tenant shall pay to Landlord on demand, within seven (7) days of receipt of a statement therefore, the amount incurred by Landlord as a result of any work performed by Landlord under this Section 9, which amount shall include a fifteen percent (15%) administration fee. Tenant's failure to comply with this Section 9 shall constitute a default under the Lease.

(D) Periodic HVAC Maintenance. Within thirty (30) days of the lease commencement date, Tenant shall enter into a contract with a licensed mechanical contractor for a preventative maintenance contract with service not less frequent than bi-annually (once in summer and once in winter) to conduct preventive maintenance and repair of all HVAC equipment servicing the Premises and a copy of said contract and inspection reports shall be provided to Landlord. Tenant shall continue said contract in force throughout the Initial Term and any Renewal Terms. Any change of contract or mechanical contractor shall be made known to Landlord by Tenant and a copy of Tenant's new contract shall be delivered to Landlord so that Landlord shall at all times have a copy of the contract currently in effect. Upon request by Landlord, Tenant shall provide Landlord with a copy of the contract and evidence of the most recent service invoice and report of the mechanical contractor indicating date of service and services performed. If Tenant refuses or neglects to enter into a contract with a mechanical contractor for the maintenance described herein, then Landlord may, but shall not be required to, perform and complete said maintenance and repair and Tenant shall pay the cost to Landlord as Additional Rent hereunder, upon demand.

(E) Landlord's Access. Landlord its agents, employees and /or contractors

shall have the right to enter the Premises at any time in response to an emergency, and at other reasonable times to (a) examine or inspect the Premises, or (b) show it to prospective lenders, purchasers or lessees, or (c) to make repairs, replacements, alterations, improvements, reviews, investigations, analysis or additions as Landlord may deem necessary or desirable. Landlord shall be allowed to take material into the Premises without constituting an eviction of Tenant in whole or in part and the Rent reserved shall not be abated. During the six (6) months prior to the expiration of the term of this Lease, Landlord may place upon the Premises the usual notices "For Lease" or "For Sale". If during the last month of the Lease Term Tenant shall have removed substantially all of its property, Landlord may immediately enter and alter, renovate, and redecorate the Premises, without elimination or abatement of Rent and without liability to Tenant. Nothing herein contained, however, shall be deemed or construed to impose upon Landlord any obligation, responsibility or liability for the care, supervision, or repair of the Premises other than as herein provided.

10. Assignment and Subletting. Tenant shall not assign this Lease in whole or in part or sublet all or any part of the Premises, nor permit other persons to occupy the Premises or any part thereof, nor grant any license or concession for all or any of the Premises, without the prior written consent of Landlord, which consent may be withheld in Landlord's sole and unfettered discretion. In the event Landlord approves Tenant's request to sublet and Tenant sublets the Premises for an amount greater than the amount Tenant is required to pay for said Premises, then all Additional Rent shall accrue and be paid to Landlord. Any consent by Landlord to an assignment of this Lease or subletting shall not constitute a waiver of the necessity of such consent for subsequent assignment or subletting and shall not relieve Tenant or any guarantors of liability hereunder. An assignment for the benefit of Tenant's creditors or otherwise by operation of law shall not be effective to transfer or assign Tenant's interest under this Lease unless Landlord shall have first consented thereto in writing. Notwithstanding the above, it is understood and agreed that Tenant may assign this Lease without Landlord's consent, at any time during the term of this Lease, to any parent corporation of Tenant or to the surviving corporation in connection with a merger or consolidation or a reorganization, provided however, Tenant shall notify Landlord in writing of any such assignment, and provided assignee accepts full responsibility and liability for all terms and obligations of this Lease.

Notwithstanding anything contained in this Lease to the contrary, Landlord shall not be obligated to entertain or consider any request by Tenant to consent to any proposed assignment of this Lease or sublet of all or any part of the Premises unless each request by Tenant is accompanied by a non-refundable fee payable to Landlord in the amount of Three Hundred Fifty Dollars (\$350) to cover Landlord's administrative and other related costs and expenses incurred in processing each of Tenant's requests. Neither Tenant's payment nor Landlord's acceptance of the foregoing fee shall be construed to impose any obligation whatsoever upon Landlord to consent to Tenant's request.

11. Utilities. Tenant shall have all utilities transferred into its name as of the lease commencement date. Tenant shall pay directly to local utility companies through the entire term of this Lease when due for the use of all utilities for the Premises, including water, sewer, gas and electricity charges, and shall provide and pay for its own heating and air conditioning.

12. Insurance. Landlord shall insure the building, including the Premises and the common areas, against loss or damage under a policy of fire or extended coverage insurance in amounts that Landlord deems appropriate. Tenant shall, at its own cost and expense, obtain and keep in force a policy or policies of public liability insurance with an Insurance company approved by Landlord, with liability coverage of not less than \$1,000,000 for injury' or death to any one person, \$2,000,000 for injury' to death to more than one person, and \$300,000 for damage to property, and which names Landlord as an additional insured. Tenant shall furnish Landlord with certificates or other evidence acceptable to Landlord indicating that the insurance is in effect and providing that Landlord shall be notified in writing at least 30 days before cancellation of, any material change in, or renewal of the policy. Any insurance maintained by either party pursuant to this paragraph shall contain a clause or endorsement under which the insurer waives all rights of subrogation against the other party or its agents or employees with respect to losses payable under the policy. Any personal property kept on the Premises by Tenant shall be kept there at Tenants sole risk.

13. Indemnity and Hold Harmless. Tenant shall indemnify, defend and hold Landlord, its agents, and Landlord's mortgagee, if any, harmless from and against all claims or causes of action and costs (including attorneys' fees), expenses and liabilities incurred by or claimed against Landlord, including any action or proceeding brought thereon, arising from or as a result of (a) any accident, injury, death, loss, water damage or smoke damage whatsoever to any person or to the property of any person, including the person and property of Tenant, its employees and agents and all persons in or at the Premises at its or their invitation or with their consent, as shall occur on or about the Premises during the term of this Lease, (b) the occupancy or use by Tenant of the Premises, or (c) any act or omission whatsoever of Tenant or any subtenant, licensee or departmental lessee of Tenant or its agents, contractors, servants, employees, invitees or customers. Tenant shall not be responsible for any claim, cost or expense of Landlord resulting solely from negligence of Landlord, its agents or employees. It is understood and agreed that all personal property of any kind, nature or description whatsoever, kept, stored or maintained upon or in the Premises shall be kept, stored or maintained at the sole risk and responsibility of Tenant exclusively. Furthermore, Tenant hereby releases Landlord, its agent, from any and all claims or causes of action whatsoever which Tenant might otherwise now or hereafter possess resulting in or from or in any way connected with any loss covered or which should have been covered by insurance, including deductible and/or uninsured portion thereof, maintained and/or required to be maintained by Tenant pursuant to this Lease.

14. Environmental Hazards.

(A) No Hazardous Substances. Tenant agrees that neither Tenant, nor any of Tenant's agents or employees nor any other person will store, place, generate, manufacture, refine, handle, or locate on, in, under or around the Premises any Hazardous Substances (as defined in this Paragraph), except for storage, handling and use of reasonable quantities and types of cleaning fluids and office supplies in the Premises to be used in the ordinary course and the prudent conduct of Tenant's business in the Premises. However, (a) the storage, handling and use of such permitted Hazardous Substances must at all times conform to all

state, federal and local health, safety, environmental, hazardous waste and other similar laws and regulations, existing or established during the Lease Term and to all applicable fire, safety and insurance requirements; (b) the types and quantities of permitted Hazardous Substances which are stored in the Premises must be reasonable and appropriate to the nature and size of Tenant's operation in the Premises; (c) no Hazardous Substances shall be spilled or disposed of on, in, under or around or otherwise discharged from the Premises or any area adjacent to the Premises; and (d) in no event will Tenant be permitted to store, handle or use on, in, under or around the Premises any Hazardous Substance which will increase the rate of fire or extended coverage insurance on the buildings in which the Premises are a part, unless: (1) such Hazardous Substance and the expected rate increase have been specifically disclosed in writing to Landlord; (2) Tenant has agreed in writing to pay any rate increase related to each such Hazardous Substance; and (3) Landlord has approved in writing each such Hazardous Substance, which approval shall be subject to Landlord's discretion.

(B) Tenant's Representation. As of the execution date of this Lease, Tenant represents and warrants to Landlord that, except as otherwise disclosed by Tenant to Landlord, Tenant has no intent to bring any Hazardous Substances on, in or under the Premises except for the type and quantities authorized in this Paragraph.

(C) Environmental Indemnification. Tenant shall indemnify, defend and hold harmless Landlord and Landlord's agents and mortgagee(s), if any, from and against any and all claims arising out of any breach of any provision of this Paragraph, which expenses shall also include laboratory testing fees, personal injury claims, clean-up costs and environmental consultants' fees. Tenant agrees that Landlord may be irreparably harmed by Tenant's breach of this Paragraph and that a specific performance action may appropriately be brought by Landlord; provided that, Landlord's election to bring or not bring any such specific performance action shall in no way limit, waive, impair or hinder Landlord's other remedies against Tenant.

(D) Hazardous Substances Defined. For purposes of this Paragraph "Hazardous Substance(s)" includes without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 USC § 9601, et. seq.), the Hazardous Materials Transportation Act, as amended (49 USC § 1801, et. seq.), the Resource Conservation and Recovery Act, as amended (42 USC § 9601, et. seq.), the Natural Resources and Environmental Protection Act (MCLA 324.101, et seq.), and in the regulations adopted in publications promulgated pursuant thereto, or pursuant to any other federal, state or local governmental law, ordinance, rule or regulation.

15. Risk of Loss. Tenant agrees to indemnify and save and hold Landlord harmless from any and all claims, demands, judgments, losses, fines, penalties, costs, expenses and attorneys' fees for damages to property and/or injuries (including death) to persons arising from and/or related to Tenants use of the Premises.

16. Nonliability of Landlord. All personal property located in, upon or about the Premises belonging to Tenant or any other person using the Premises by or through Tenant shall be at Tenant's sole risk. Tenant agrees Landlord shall not be liable for any injury or damage to persons or property sustained by Tenant or any other person using the Premises by or through Tenant except in case of gross negligence or intentional tort by Landlord. Without limiting the foregoing, Landlord shall have no liability for injury or damages occasioned by the Premises or any part thereof becoming out of repair, occasioned by malfunction of electrical, heating, or plumbing systems occasioned by water, snow or ice being on, upon or about the Premises or occasioned by the acts or omissions of any other tenant, subtenant or other person in and about the Premises, or of the owners or occupants of adjacent property.

17. Acceptance of Premises. The opening by Tenant of its business in the Premises shall constitute an acknowledgment by Tenant that the Premises are then in acceptable condition.

18. Damage or Destruction. If, during the term of this lease, the Premises are partially or totally destroyed by fire or other casualty covered by insurance so as to become partially or totally untenable, the Premises shall be repaired as speedily as possible at Landlord's expense unless this lease is terminated as provided below. In the event of such damage or destruction, and this lease is not terminated, there shall be no abatement or reduction in the rent payments due under this lease. If during the term of this lease, the Premises or the building is partially or totally destroyed by fire or other casualty, and the cost of restoring the Premises or the building to its prior condition equals or exceeds 50 percent (50%) of its fair replacement value immediately before the damage, or if the Premises are damaged by any casualty not insured against by Landlord, Landlord and Tenant shall each have the right to terminate this lease by giving the other party written notice of its election to do so within 15 days after the date on which the damage occurs. Upon the giving of the notice, the lease shall terminate as of the date on which the damage occurred, and the rent shall be adjusted to that date, if the notice is not given, this lease shall continue and Landlord shall cause the Premises or the building to be repaired or restored with due diligence.

19. Condemnation. If the whole or any part of the Premises is taken by any public authority under the power of eminent domain, including any conveyances or grants made in anticipation of or in lieu of, such a taking, then the term of this lease shall cease on that part of the Premises to be taken from the day the possession of that part shall be acquired by public authority, and the rent shall be paid up to that date, if the taking of a portion of the Premises substantially impairs the usefulness of the Premises for the purpose for which the Premises were leased, Tenant shall have the right either to terminate this lease or to continue in the possession of the remainder of the Premises under the terms and conditions of this lease, except that the rent shall be reduced in proportion to the restored remainder to a reasonably tenable condition. All damages awarded for the taking shall belong to and be the property of Landlord, whether the damages are awarded as compensation for diminution of value of the leasehold or to the fee of the Premises. However, Landlord shall not be entitled to any award made to Tenant for the costs of removing fixtures or for business interruption.



20. Remedies and Default. If Tenant does any of the following: (a) defaults in paying any sums to Landlord when due, including rent and additional rent, and does not cure the default within 3 business days; (b) defaults in performing any other covenant or condition of the lease and does not cure the other default within 15 days after written notice from Landlord specifying the default, (c) abandons, quits or vacates the Premises; or (d) Is adjudicated a bankrupt or makes any assignment for the benefit of creditors, then Landlord may (a) accelerate the full balance of the rent payable for the remainder of the term and sue for the sums due; (b) terminate this lease; or (c) without terminating this lease, reenter the Premises and dispossess Tenant or any other occupant of the Premises, remove Tenants effects, and relet the Premises for the account of Tenant for rent and upon terms that are satisfactory to Landlord, crediting the proceeds, after deducting the costs and expense of reentry, alterations, additions, and reletting, to the unpaid rent and the other amounts due under the lease during the remainder of the term, and Tenant shall remain liable to Landlord for the balance owed (Landlord shall not be responsible or liable to collect any rent payable upon reletting). If suit is brought to recover possession of the Premises, to recover any rent or any other amount due under the provisions of this lease, or because of the breach of any other covenant to be performed by Tenant and a breath is established, then Tenant shall pay to Landlord all expenses incurred in the action, including reasonable attorney fees, which shall be deemed to have been incurred on the commencement of the action and shall be owed whether or not the action is prosecuted to judgment, and shall include all fees incurred after judgment is entered, including all appeals.

Landlord reserves the right to collect from Tenant by any lawful means: (1) any rent due and unpaid; (2) any deficiency which results from default of Tenant and the failure of any subletting to give Landlord the rent provided by this lease; (3) any money advanced or expenditure made by Landlord pursuant to this lease; (4) any other amount which Tenant owes Landlord under this lease, including future rents called for hereunder without the necessity of suing In installments as payments become due (Landlord may accelerate the due dates of rental payments In the notice of default or at any time thereafter by written notice to Tenant); and (5) all of Landlord's reasonable attorneys' fees incurred in enforcing this lease.

Upon the date specified in Landlord's notice of intention to terminate the lease, this lease shall terminate property. Upon Tenant's vacation of the Premises, Tenant shall remove therefrom all personal property of Tenant and all others using the Premises by or through Tenant. If Tenant fails to remove the property, Landlord, may take such actions with respect to the property as Landlord deems appropriate including, without limitation, disposal, storage and sale (with proceeds being applied against the costs of sale and the sums owed by Tenant to Landlord). So long as Landlord acts in good faith, Tenant agrees that shall not be liable for any damages resulting to Tenant from Landlord's enforcing its remedies with respect to Tenant's property under this subparagraph.

21. Waiver. Landlord's failure to insist on a strict performance of any of the terms, covenants, or conditions of this lease shall not be deemed a waiver of any subsequent breach or default in the terms, covenants, and conditions In this lease. This lease may not be changed, modified, or discharged orally, but only by written addendum that has been property executed by both Tenant and Landlord.

22. Notices. All notices required under this lease shall be in writing and shall be deemed to be given if either delivered personally or mailed by certified or registered mail or recognized commercial overnight courier to Landlord or to Tenant at their respective addresses set forth on the first page of this lease or to any other address that either party furnishes in writing during the term of this lease.

23. Quiet Environment. Landlord covenants and agrees with Tenant and its successors and assigns that, upon Tenants paying the rent and observing and performing all the terms, covenants, and conditions on Tenant's part to be performed and observed, Tenant may peaceably and quietly hold, occupy, possess, and enjoy the Premises for the full term of this lease.

24. Subordination to Mortgage. Any mortgage now or later placed upon any property of which the Premises are a part shall be deemed to be prior in time and senior to the rights of Tenant under this lease. Tenant subordinates all of its Interest In the leasehold estate created by this lease to the lien of any mortgage of Landlord. Tenant shall, at Landlord's request, sign any additional documents necessary to indicate this subordination notwithstanding the foregoing. Tenants possession of the Premises under this lease shall not be disturbed by any mortgagee, trustee under a trust deed, owner, or holder of a note secured by a mortgage or trust 6eab now existing or later placed on the Premises, unless Tenant breaches any of the provisions of this lease and the lease term of Tenant's right to possession is lawfully terminated in accordance with the provisions of this lease.

25. Liens. Tenant shall not allow or permit the filing or recording of any construction or other lien against the Premises or any portion thereof. Should any such lien be filed or recorded on account of any labor or services performed for or furnished to the Tenant, or its agents or employees, or any subtenant, Tenant shall cause the same to be removed and discharged within thirty (30) days of the date filed or recorded.

26. Changes by Landlord. Landlord reserves the absolute right at any time and from time to time to make changes or revisions in the building, parking lot, driveways, signs, landscaping, and sidewalks, including additions to, subtractions from or rearrangements to the improvements, provided that the changes do not materially alter Tenant's use of the Premises.

27. Changes by Tenant. Tenant shall not make any alterations, additions or improvements to the Premises without Landlord's prior written consent. Tenant shall be responsible, at its expense, to obtain all required permits, inspections, and approvals for the prosecution of its work. All alterations, additions, and improvements will be accomplished in a good and workmanlike manner, in conformity with all applicable laws and regulations, and by a contractor approved by Landlord.

28. Holding Over. If the Tenant remains in the possession of the Premises after the expiration or termination of the lease and without signing a new lease, it shall be deemed to be occupying the Premises as a tenant from month to month at twice the monthly rental rate then in effect, subject to all the conditions, provisions, and obligations of this lease insofar as it can be applicable to a month-to-month tenancy.

29. Condition Upon Termination. Upon the termination of the lease, Tenant shall surrender the Premises to Landlord, broom clean, without damage and in the same condition as received except for ordinary wear and tear which Tenant was not otherwise obligated to remedy under the provisions of this lease, and loss or damage by fire or other casualty resulting from causes which are covered by insurance. All alterations to the Premises (whether performed with or without Landlord's consent as provided herein), shall be deemed a part of the real estate and the Premises of Landlord and shall remain upon and be surrendered with the Premises as a part thereof without disturbance at the end of said term, whether by lapse of time or otherwise, unless Landlord, by notice given to Tenant no later than fifteen (15) days prior to the end of the term, shall elect to remove or to have Tenant remove all or any of such alteration or additions (excluding standard Tenant finish work and non-movable office walls), and in such even, Tenant shall promptly remove, at its sole cost and expense, such alterations and additions and restore the Premises to the condition in which the Premises were prior to the making of the same, reasonable wear and tear and damage by fire or casualty excepted.

30. Recording. Tenant shall not record this lease without the written consent of Landlord; however, upon the request of either party, the other party shall join in signing a memorandum or so-called "short form" of this lease for the purpose of recordation. The memorandum or short form of this lease shall describe the parties, the Premises, and the term of this lease, and shall incorporate this lease by reference.

31. Captions and Headings. The captions and headings used in this lease are intended only for convenience and are not to be used in construing this lease.

32. Applicable Law. This lease shall be construed under the laws of the state of Michigan. If any provision of this lease or portions of this lease or their application to any person or circumstances shall, to any extent be invalid or unenforceable, the remainder of this lease shall not be affected and each provision of this lease shall be valid and enforceable to the fullest extent permitted by law.

33. Successors. This lease and its covenants and conditions shall insure to be binding on Landlord and its successors and assigns and shall Tenant and permitted assigns of Tenant.

34. No Partners. Any intention to create a joint venture or partnership between the parties is expressly disclaimed.

35. Landlord's Lien. Lessee grants a lien to Lessor on all Lessee's property on the Premises to secure the performance of Lessee's obligations under this Lease. Lessee also agrees to sign any financing statements Lessor requests to perfect this lien.

36. Recovery by Tenant. Tenant agrees to look solely to the interest of Landlord in the land and improvements on which the Premises are situated to satisfy any judgment against Landlord as a result of any breach by Landlord of its obligations under this lease. No other property of Landlord shall be subject to levy or execution as a result of any claim by Tenant against Landlord arising out of the relationship created by this lease.



37. Estoppel Agreement. At the request of Landlord, Tenant shall, within 20 days, deliver to Landlord, or anyone designated by Landlord, a certificate stating the commencement date and the term and certifying, as of that date, the date to which rent, additional rent and other charges under this lease are paid, that this lease is unmodified and in full force, and that Landlord is not in default under any provision of this lease or, if the lease is modified or if Landlord is in default, stating the modification or the nature of the default and the amount of any claims.

38. Additional Payments. Tenant shall pay any and all sums of money or charges required to be paid by Tenant under this Lease promptly when the same are due, without any deductions or set-off whatsoever. Tenant's failure to pay such amounts or charges when due shall carry with it the same consequences as Tenant's failure to pay Rent and Additional Rent, if any. Unless otherwise specified, all such amounts or charges shall be payable to Landlord at the place where the Rent is payable.

39. Corporate Tenant. If Tenant is or will be a corporation or limited liability company, the persons executing this Lease on behalf of Tenant hereby covenant and warrant that Tenant is a duly incorporated or duly qualified (if foreign) corporation or limited liability company and is authorized to do business in the state in which the Premises is located, and that the person or persons executing this Lease on behalf of Tenant is an officer or are officers or members of such Tenant, and that he/she or they, as such officers or members, are duly authorized to sign and execute this Lease.

40. Special Provisions Regarding Charter School Requirements: The parties hereby agree as follows:

(A) Tenant is a body corporate and governmental entity authorized by the Revised School Code. Tenant is organized and operates as a public school academy and a nonprofit organization.

(B) The Lease agreement is subject to the terms and conditions of the Charter Contract between Tenant and its authorizing body only when there is a conflict between the terms of this Lease and such Charter Contract. A copy of this Charter Contract has been provided to Landlord.

(C) The Lease shall terminate automatically and immediately upon termination or revocation of the Charter Contract between Tenant and its authorizing body, in the absence of a successor Charter Contract with another authorizing body.

(D) Landlord shall cooperate with Tenant as necessary to satisfy Tenant's obligation to provide reasonable access to Tenant's authorizing body if the authorizing body's performance of its oversight function under the Charter Contract.

(E) The parties will cooperate as necessary to secure an Occupancy Permit for Tenant to operate as a public school academy in the premises, and this Lease is conditioned upon Tenant being able to obtain such an Occupancy Permit.


41. Effective Date. Landlord and Tenant have signed this lease and it shall be effective on the date listed at the beginning of this Agreement.

LANDLORD

TENANT

Schoolhouse Facilities, L.L.C.

Weston Preparatory Academy

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

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

Its: OWNER, MEMBER

Its: Board President

## AMENDMENT NO. 1 TO EXTEND LEASE TERM

**This Amendment No. 1 Lease Agreement** ("Amendment") is made as of June 15, 2017, by and between Schoolhouse Facilities L.L.C., A Michigan limited liability company, P.O. Box 355, Northville, MI 48167 ("Landlord") and Weston Preparatory Academy, a Michigan public school academy whose address is 22930 Chippewa, Detroit, Michigan 48219 ("Tenant").

### RECITALS

WHEREAS, Landlord and Tenant entered into a Lease Agreement dated June 13, 2014 which is set to expire on June 30, 2017; and

WHEREAS, Tenant exercised its first option to renew for three (3) years commencing on July 1, 2017 and ending on June 30, 2020.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings hereinafter set forth, and for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1. **Term.** This Lease shall be for a term of three (3) years, commencing on July 1, 2017 ("Commencement Date") and ending on June 30, 2020.
2. **Renewal.** Provided that Tenant shall be in full compliance with this Lease, Tenant shall have the option to renew for one additional three (3) year term upon written notice served on Landlord not later than three (3) months before the expiration of the current Lease term.
3. **Ratification.** Except as specifically modified by this Amendment, all of the terms and conditions of the Lease are hereby ratified and confirmed by Landlord and Tenant as being in full force and effect.
4. **Binding Effect.** This Amendment shall be binding upon, and the benefits hereof shall inure to the parties hereto and their respective successors and assigns.
5. **Miscellaneous.** This Amendment may be executed by facsimile or in counterparts, each of which, for all purposes, shall be deemed to constitute an original and all of which counterparts, when taken together, shall be deemed to constitute one and the same agreement, even though all of the parties hereto may not have executed the same counterpart.

IN WITNESS WHEREOF, the parties have executed this Extension as of the date written above.

LANDLORD:

Schoolhouse Facilities, L.L.C.



Authorized Signature

C. T. Wells, OWNER  
Print Name and Title

TENANT:

Weston Preparatory Academy



Authorized Signature

Steve Perry - Board Member  
Print Name and Title

**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 Goal and Related Measures. The educational goal and related measures 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**

## GOVERNANCE STRUCTURE

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 all public schools are subject to the leadership and general supervision of the State Board of Education; and the 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 the Legislature has delegated to the governing boards of state public universities, community college boards, intermediate school district boards and local school district boards, the responsibility for authorizing the establishment of public school academies; and the Oakland University Board of Trustees ("University") has approved the issuance of a contract conferring certain rights, franchises, privileges, and obligations of a public school academy to the Academy through its Board ("Contract").

The Academy is incorporated as a Michigan nonprofit corporation, organized on a non-stock, directorship basis for the purpose of operating as a Michigan public school academy. The Academy shall conduct its affairs as a governmental entity exempt from federal income taxes under Section 115 of the United States Internal Revenue Code or any successor law. The Academy is a body corporate and is not a division or part of Oakland University. The relationship between the Academy and the University is based solely on the applicable provisions of the Code and the terms of this Contract.

The Academy Board shall have at least five (5), but no more than nine (9) members, as determined by the University. Academy Board members shall be appointed according to the terms of the Method of Selection, Appointment and Removal Resolution adopted by the University. The Academy Board has all the powers and duties permitted by law to manage the business, property and affairs of the Academy and for adopting policies by which the Academy shall be governed. The Academy Board is responsible for assuring that the Academy operates according to the Terms and Conditions of this Contract and Applicable Law. **Contract Schedule 2: Bylaws, set forth a further description of the Academy Board's governance structure.**

Academy Board members shall serve in their individual capacity, and not as a representative or designee of any other person or entity. **The Academy Board shall ensure compliance with Applicable Law relating to conflicts of interest and prohibited familial relationships, including Article IV, Sections 4.4 and 4.5 of this Contract.**

Pursuant to applicable law and the Terms and Conditions of this Contract, **including Article III, Section 3.6**, the Academy Board may employ or contract for personnel according to the position information outlined in **Schedule 5**. Before entering into an agreement with an educational service provider or an employee leasing company to provide services or to provide personnel to perform services or work at the Academy, the Academy Board must first comply with the Educational Service Provider Policies issued by the Public Schools Academy Office.

**SECTION B**

**EDUCATIONAL GOAL AND RELATED MEASURES**



## **SCHEDULE 7b**

### **EDUCATIONAL GOAL AND RELATED MEASURES**

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.2, the Academy shall achieve or demonstrate measurable progress toward the achievement of the educational goal identified in this schedule. If applicable, on average, the Academy's low income and English Language Learners (ELL) students' academic performance must meet or exceed the performance of its peer district's low income and ELL students on the Michigan assessment system. If the Academy fails to meet this measure every year for three (3) consecutive academic years with measurement beginning with the fall 2015 school year, the University will consider the Academy unacceptable and may consider beginning the process to suspend and revoke the Contract.

Upon request, the Academy shall provide The Office of Public School Academies ("PSA Office") with a written report, along with supporting data, assessing the Academy's progress toward achieving this goal. In addition, the University expects the Academy will meet the State of Michigan's accreditation standards pursuant to state and federal law.

#### **Educational Goal to Be Achieved**

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

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

To determine whether the Academy is achieving or demonstrating measurable progress toward the achievement of this goal, The PSA Office will annually assess the Academy's performance using the following standards.

#### **Kindergarten through Eighth Grade Standards:**

##### **Standard 1:**

Across bi-annual assessments, State standardized assessments, and local summative assessments all students will demonstrate measurable growth.

##### **Standard 2:**

On bi-annual assessments, students enrolled at the Academy for multiple years will demonstrate progress toward performance standards indicating post-secondary.

##### **Standard 3:**

On the State standardized assessment students will meet or exceed the performance of the composite resident district.

##### **Standard 4:**

Discipline data and/or student mobility indicate a safe, stable environment.

**SECTION C**

**EDUCATIONAL PROGRAMS**

## **Educational Program**

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.3, the Academy shall implement, deliver, and support the educational program identified in this schedule.

## **THE VISION STATEMENT**

Weston Preparatory Academy, in cooperation with the families and the surrounding community, dedicates itself to creating a universal culture of achievement, by instilling high expectations for all students and incorporating a challenging level of academic rigor. Weston Preparatory Academy places a strong emphasis on effective and efficient communication skills, analytical and problem solving skills, and proficiency in use of technology that will allow all students to have a competitive edge upon enrolling in a four year university, post secondary institution, or entering the global workforce.

## **BELIEFS AND VALUES**

Weston Preparatory Academy Education Beliefs:

1. People want to succeed
2. Schools are for teaching and learning
3. All students can learn
4. Teachers facilitate learning
5. Success is measured by growth

Weston Preparatory Academy is guided by an instructional program designed to:

1. Prepare students to mature into adult roles that will lead them to become participating members of society
2. Develop responsible and productive citizens
3. Establish life-long learners
4. Encourage students to problem-solve
5. Develop students to become effective communicators (oral and written)

## **THE MISSION STATEMENT**

Weston Preparatory Academy will facilitate and encourage educators, family, community, and business partners to contribute to the education of our students utilizing academic skills, creativity, and technology through well-defined academic goals and behavior expectations which will lead to life-long learning and continuing education in order to become productive members of a peaceful global society.

## **CURRICULUM PHILOSOPHY**

Through home and school collaboration, Weston Preparatory Academy (WPA) will successfully educate students so they can effectively, efficiently and successfully communicate (read, write and speak) and solve complex mathematical challenges. WPA's curriculum places a strong emphasis on math and communication skills. All other subjects such as science, social studies, art, music, physical education and technology are supported by a solid foundation of literacy and mathematics.

## **CORE CURRICULUM**

Weston Preparatory Academy provides a challenging and rigorous curriculum that is aligned to state standards and prepares students for the 21<sup>st</sup> century. Standards-based units of study have been designed to ensure that every student will achieve at high levels. Teachers are supported in their instructional responsibilities by way of professional development, use of best teaching practices, technology and assessment information. Classroom instruction is delivered through a variety of technological means and a variety of online programs. We use data to drive instruction and create focused and targeted small group instruction to meet the needs of all learners.

**SECTION D**  
**CURRICULUM**

Curriculum is in a separate file due to size.

**SECTION E**

**METHODS OF PUPIL ASSESSMENT**

## METHODS OF PUPIL ASSESSMENT

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.5, the Academy shall properly administer all state-mandated academic assessments identified in the Code, as applicable, and all academic assessments identified in this schedule and in accordance with the requirements detailed in the Master Calendar of Reporting Requirements annually issued by the PSA Office.

The Academy shall authorize the PSA Office to have access to the Academy's Student/School Data Applications through the Center for Educational Performance and Information and to the electronic reporting system administered by the Michigan Department of Education to access the Academy's state assessment results, as applicable. The Academy shall ensure that those involved with the administration of these assessments are properly trained and adhere to the ethical standards and testing procedures associated with these assessments.

### **Academic Assessments to be Administered:**

<u>Grade(s)</u>	<u>Academic Assessment(s)</u>
Grade 1	a standardized, norm-referenced assessment as required by the Code.
Grades 2-8	assessments as identified in Schedule 7b including all state-mandated assessments.



**SECTION F**

**APPLICATION AND ENROLLMENT OF STUDENTS**

## **STUDENT APPLICATION AND ENROLLMENT**

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.6, the Academy shall comply with the application and enrollment requirements identified in this Attachment.

### **Enrollment Limits**

The Academy will offer pre-kindergarten through 12th 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 will 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 student with a disability, or any other basis that would be illegal if used by a Michigan public school district.

- Academy enrollment will be open to all individuals who reside in Michigan. Except for a foreign exchange student who is not a United States citizen, the Academy will 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.
- The Academy may give enrollment priority to a child of a person who is employed by or at the public school academy or who is on the board of directors of the public school academy. 504(4)
- The Academy will 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 will be selected for enrollment through a random selection drawing.

### **Matriculation Agreement**

- The Academy Board may enter into a matriculation agreement with another public school academy or public school pursuant to section 504(4) of the Revised School Code.

- However, before the Academy Board approves a matriculation agreement, the Academy shall provide a draft copy of the agreement to the Public School Academy Office for review.
- Any matriculation agreement entered into by the Academy shall be added to this attachment through a contract amendment in accordance with this Contract.
- Until this matriculation agreement is incorporated into this Contract, the Academy is prohibited from granting an enrollment priority to any student pursuant to that matriculation agreement.

### **Application Process**

- The application period will be a minimum of two weeks in duration, with evening and/or weekend times available.
- The Academy will accept applications all year. If openings occur during the academic year, students will be enrolled. If openings do not exist, applicants will be placed on the official waiting list. The waiting list will 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 will be admitted according to the official waiting list. The position on the waiting list will be determined by the random selection drawing. If there is no waiting list, students will 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 written approval from the Public School Academy Office.**

### **Legal Notice or Advertisement**

- The Academy will provide legal notice or advertisement of the application and enrollment process in a local newspaper of general circulation. **A copy of the legal notice must be forwarded to the Public School Academy Office.**
- At a minimum, the legal notice or advertisement 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 or advertisement of the application period will be designed to inform individuals that are most likely to be interested in attending the Academy.
- The Academy, being an equal opportunity educational institution, will be committed to good-faith affirmative action efforts to seek out, create and serve a diverse student body.

### **Re-enrolling Students**

- The Academy will 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 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 re-apply as a new student.
- After collecting the parent or guardian responses, the Academy must determine the following:
  - A. The number of students who have re-enrolled per grade or grouping level.
  - B. The number of siblings seeking admission for the upcoming academic year per grade.
  - C. If space is unavailable, the Academy must develop a waiting list for siblings of re-enrolled students.
  - D. The number of spaces remaining, per grade, after enrollment of current students and siblings.

### **Random Selection Drawing**

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

Prior to the application period, the Academy will:

- 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 Public School Academy Office of both the application period and the date of the random selection drawing, if needed.** The Public School Academy Office may have a representative on-site to monitor the random selection drawing process.

The Academy will 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 will:

- 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 will 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 will 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**

## **SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE**

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.7, the Academy shall comply with the school calendar and school day schedule requirements identified in this schedule.

### **School Calendar**

The Academy's school calendar shall comply with Sections 1175, 1284 and 1284a, if applicable, of the Code. The Academy's school calendar shall also comply with the minimum requirements set forth in Section 101 of the School Aid Act of 1979 (MCL 388.1701). The Academy Board must submit a copy of the Academy's school calendar to Office of Public School Academies ("PSA Office") in accordance with the Master Calendar of Reporting Requirements.

### **School Day Schedule**

The Academy Board must structure the Academy's school day schedule to meet the required number of instructional days and hours. The Academy Board must submit the school day schedule to The PSA Office prior to the commencement of each academic year.

**SECTION H**

**AGE OR GRADE RANGE OF PUPILS**



## **AGE OR GRADE RANGE FOR PUPILS TO BE ENROLLED**

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.8, the Academy shall comply with the age or grade ranges as stated in this schedule.

The Academy will enroll students in grades K-8. The Academy may revise grades with the prior written approval of the authorizing body.