Board of Directors Special Meeting Agenda and Workshop Topics
May 10, 2016
6:00 p.m. Room #117
7255 Flying Cloud Drive, Eden Prairie, MN 55344

Special Meeting Agenda
I. Call to Order
II. Recitation of the Pledge of Allegiance
III. Recitation of the Mission and Vision Statements of Eagle Ridge Academy
IV. Approval of Agenda
V. Agenda:
   i. To consider and approve the recommendation of Mr. Craig Keplar of Lindquist and Vennum, LLP, as borrowers counsel, on behalf of Eagle Ridge Academy's Affiliated Building Company
VI. Adjournment
VII. Proceed to Board Workshop

Workshop Topics
A. Executive Director Report
   i. Expansion Team Updates
   ii. Charter Renewal with Authorizer – update from Missy, Kathy, John, & Jason
   iii. Phase II Bonding Timeline – closing on sale of building July 28, 2016; bond sale TBD
   iv. Library Task Force Update
   v. 2016-17 International School and Eagle Ridge Academy Athletic Agreement
   vi. 2016-17 Minnesota State High School League (MSHSL) Resolution
   vii. Reimbursement Resolution
   viii. DAPE Agreement
B. Supporting Board Updates
   i. Friends of Eagle Ridge Academy (FERA)
   ii. Affiliated Building Corporation (ABC)
C. BoardDocs Implementation Update – Erica
D. Board Working Group Updates
   i. Curriculum, Instruction, and Student Achievement (CISA)
      a. Proposed Graduation Requirement – Physics for graduating class of 2020
   ii. Governance
      a. Election Update
      b. Bylaws Revisions, Update
   iii. Human Resources
      a. Year-End Review Team – Executive Director
   iv. Policy
      a. Policy 104 School Vision and Mission
      b. Policy 206 Public Participation in School Board Meetings
E. Upcoming Events: May 12 FOE Board of Directors Networking and Professional Development at Yinghua Academy, Minneapolis (6:00-9:00 pm); Beyond Bollywood – Indian Americans Shape the Nation (at the Minnesota History Center, April 30-July 10)
Mission Statement:
The mission of Eagle Ridge Academy is to provide our students with a traditional, classical education that demands their best in academic achievement, behavior, and attitude, and challenges them to attain their highest potential.

Vision Statement:
Eagle Ridge Academy will offer an academically rigorous, time-tested classical, liberal arts curriculum that:
- prepares students to be exemplary and knowledgeable citizens;
- instills a life-long passion for learning;
- values self-discipline, respect, perseverance, and achievement;
- teaches truth, beauty and goodness; and
- fosters an appreciation for the United States of America and her unique role in the world.
Executive Director Report  
May 10, 2016

1. **Enrollment:** 843 as of 5/6/16; 847 as of 4/6/16; 848 as of 3/7/16  
   Lower School: 413  
   Middle School: 223  
   School of Logic and Rhetoric: 207

2. **Director’s Desk**  
   a. Donut Dash: As of Friday, May 6, over 600 participants have signed up and over $9,000 has been raised beyond expenses.  
   b. Review and Comment for Phase II was submitted on April 26, 2016.  
   c. We have submitted a bid to Paideia Academy for furniture and equipment.  
   d. Purchase Agreement has been signed with Main Street Performing Arts for the purchase of 7255 Flying Cloud Drive. Expected closing date is July 28.  
   e. Expansion updates to staff on 4/25. See attached  
   f. Charter Contract Renewal has been negotiated and will be reviewed tonight. See attached  
   g. Leader Summative Reviews are in process. We are conducting 360 feedback and analyzing strategic dimension goals. Meetings will take place June 13-24.  
   h. We need to discuss board attendance at graduation.

3. **School of Grammar Board Report**  
   a. All Educational Assistants have received their summative evaluations for the 2015-16 school year.  
   b. LS Teacher summative evaluations for the 2015-16 school year have started.  
   c. End of the year parties have been scheduled for Lower School on June 1st. Classroom parents will be working with teachers to plan these parties.  
      • 9:30-10:30 2nd Grade  
      • 10:30-11:30 1st Grade  
      • 12:00-1:00 3rd Grade  
      • 1:30-2:30 Kindergarten and 4th Grade  
      • 5th grade will be having their end of year party and Moving-Up Ceremony off campus.  
   d. All MCA testing is complete in the Lower School. STEP testing will start on May 9th.

4. **School of Logic and Rhetoric Board Report**  
   a. MCA testing is complete in the School of Logic and School of Rhetoric. The ACT was given to all 11th graders on May 3rd. AP testing will finish in the School of Rhetoric on May 19th.  
   b. Senior week has been planned and will be the week of May 23rd. There will be numerous activities planned including a field trip to Como Zoo and a breakfast served by Eagle Ridge Academy staff. The ERA annual blood drive hosted by the senior class will be held on May 23rd. The field trips planned for May are as follows:  
      • May 4th - 6th Grade – Bakken Museum  
      • May 11th - 9th -12th Grade Printmaking students- Highpoint Center for Printmaking  
      • May 17th- Anatomy Class- University of Minnesota; observation of a surgical procedure and experimentation of the cardiovascular system.  
      • May 20th - 7th and 8th Grade- Franconia Sculpture Park
c. Schools of Logic and Rhetoric teachers will start summative evaluations for the 2015-16 school year by May 15th.

d. Commencement ceremony is planned for June 3rd at 7:00pm at Calvary Reformed Church in Edina.
Hiring Update

Start Date: March 2015

Scope of Group/Charter Goal: Ensure that each faculty/staff position is filled with a motivated, reflective, classical-hearted, and mission driven individual by using a variety of recruitment strategies.

Group Leaders: Melanie Baier

Team Members: Erin Johnson, Christine Kelash, Missy Madigan, Sara Seal, and Wade Sutton

Total Hours: Over 600 hours

Accomplishments:

- The first expansion-related job posting went up on October 14, 2015. Recruiting efforts began fully on January 4, 2016.
- To date, 19 positions have been filled, 25 are left to fill (interviews currently scheduled).

Lower School

- Hired
  - Ten general education teachers
  - Three specialty teachers hired: Latin, Phy Ed, Art

- Currently recruiting for
  - Four general education teachers left to hire
  - Ten EA positions left to hire

Upper School

- Currently recruiting for
  - 6th grade
  - Part-time Music
  - Full-time Art
  - Full-time Science
  - Part-time Humanities

Special Services

- Hired
  - Director of Special Services
  - School Psychologist
  - EL Teacher hired
  - SPED Teacher
  - Speech Pathologist

- Currently recruiting for
  - Five SPED paras

Operations

- Communications Specialist left to hire

Administration

- Director of Classical Curriculum and Professional Development hired
Admissions Expansion Group Update

Start Date: May 2015

Scope of Group/Charter Goal: The impact of the Admissions Expansion Team will be to enroll 300 students in the identified grades by June 1, 2016. Enrolled students and families should clearly understand the ERA Way.

Group Leaders: Erica Powell, Janice Gerheart

Team Members: Melanie Baier, Karen Conner, Heidi Palm

Total Hours: Over 300 hours

Accomplishments:

Held multiple events to increase enrollment: 5 Eagle Ridge Academy information nights, 3 outside school information nights, 3 library information events, 1 Enrollment Kickoff Day.

As of April 4th, we have enrolled 462 students and 99% of the 422 spots are fully enrolled.

Number of students enrolled at each grade level:

- Kindergarten: 138 (6 sections)
- 1st Grade: 69 (3 sections)
- 2nd Grade: 69 (3 sections)
- 3rd Grade: 46 (2 sections)
- 4th Grade: 46 (2 sections)
- 5th Grade: 23 (1 section)
- 6th Grade: 31 (1 section)
- 9th Grade: 42
- 10th Grade: 7
- 11th Grade: 2

Current Waitlists:

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**Siblings on Waitlist
Marketing Expansion Group Update

Start Date: January 2015

Scope of Group/Charter Goal: The purpose of the Marketing Expansion team is to support Admissions in its goal to enroll 300 new students and to educate and inform the community about Eagle Ridge Academy.

Group Leader: Kelly Schiffman

Team Members: Janice Gerheart, Marilyn Strand, Steig Strand, Sonia Pandy, Steve Hunt

Accomplishments:

- Created new brochure with multiple inserts.
- Completed promotional videos.
  - Whole School
  - School of Grammar
  - School of Logic
  - School of Rhetoric
  - Teacher Recruitment
- Completed the master communication plan for the Academy.
- Completed a series of print ads that went out to the community.
- Created new marketing materials to have available to the admissions team.
  - Post its
  - Pens
  - Bags
  - Books
- Built new relationships with community organizations.
Curriculum and Instruction Group Update

Start Date: March 2015

Scope of Group/Charter Goal: To replicate the academic program in the Eagle Ridge Academy Lower School with full fidelity by refining and articulating the academic program and making sure scheduling of classes make delivery of intended curriculum possible.

Group Leaders: Melanie Baier and Susan Bloomgren

Team Members: Nikki Gillitzer, Laurie Basic, Melissa Merritt, Danielle D’Alessandro, Mandee Gordon, Clare Murray, Luke Schloesser, Missy Madigan, and April Grabanski

Total Hours: 20 hours of meetings, plus 1-2 hours of work for each meeting per member (60 hours total)

Accomplishments

- Identified curricular resources for each grade level
  - Each grade level made a list of resources used in the classroom that are needed for expansion
  - For Example:
    - Core Knowledge Handbooks/Teacher Resources and Core Knowledge K-8 Sequence
    - What Every 1st Grader Should Know (for example)
    - Saxon Math
    - Saxon Phonics (K-2)
    - Shurley English
    - Scholastic Core Knowledge Book Libraries
    - Great Habits, Great Readers
    - Children’s Book of Virtues and Big Book of Virtues

- Identified Grading categories and weights at each grade level for report cards
  - For each grade level the categories for grades and percentages for each category were developed for every subject
  - The team worked together to increase the percentages appropriately for different categories as students continue through the grades
  - For Example:
    - Kindergarten
      - Math
        - Assessments 60%
        - Classwork 30%
        - Work Habits 10%
    - First Grade
      - Skills Assessment 40%
      - Facts Assessment 30%
      - Homework 20%
      - Work Habits 10%
    - Second Grade
      - Skills Assessment 50%
      - Facts Assessment 30%
      - Homework 10%
      - Work Habits 10%
Third Grade
- Skills Assessment 50%
- Facts Assessment 30%
- Homework 10%
- Work Habits 10%

Fourth Grade
- Assessments 60%
- Homework/Classwork 30%
- Work Habits 10%

Fifth Grade
- Assessments 60%
- Homework/Classwork 30%
- Work Habits 10%

- Studied LS spelling program and consistency across grade levels
  - K-1 will use spelling associated with Saxon Phonics
  - 2-5 will use Words Their Way (fifth grade may start next year)

- Developed cohesive plan for handwriting throughout the grade levels
  - Kindergarten and first grade will use Saxon block printing as handwriting curriculum
  - Second grade will introduce D’Nealian printing
  - Third grade will start with D’Nealian printing and introduce D’Nealian cursive
  - Fourth and fifth grades will use D’Nealian cursive

- Developed common language/organization for subjects in planners
  - History, Science, Mathematics, Language Arts
  - Kindergarten and 1st format to stay the same
  - 2nd-5th grade need lines in planners

- Developed work habits program by grade level
  - Brainstormed list of behavioral and academic habits applicable to Lower School
  - Each grade level to develop rubric for evaluating student work habits and system for usage using Pillars
  - Rubrics to be shared with parents at conferences

- Worked with Classical Coop Handbook Group on Handbook Appendices
- Prioritized schedule wants by grade level
- Discussed general ideas for math class leveling in 16-17
- Updating curriculum maps for each grade level by end of 15-16 school year
- Developed new educational assistant grade level alignment for 16-17-Same amount of educational assistants, just reorganized to give all grade levels some type of assistance
  - One per class in kindergarten
  - One for every two teachers in first and second grade
  - One for every three teachers in third grade
  - One per grade level in fourth and fifth grade
Outdoor Space

Team: Ken Karr, Karen Conner, and SRF Consultants. Held multiple small group meetings with staff that direct parking lot traffic, supervise recess, PE Department, and Playground Committee parents.

Two Phases of Outdoor Space Project

Phase I (Begins early June)
- North Parking Lot (Pick-up and drop off)
- Visitor, staff, and student parking
- Upper School Converted Sports Court
- Playground Structure with addition
- Soft Play Area
- Recess Hardscape
- Resurface North Parking Lot

Phase II (Begin Spring 2017)
- Green Space on Southside
- Finalize bus and event parking
- Additional PE Hard Space
- Future Deck

295 Total Parking Spaces

137 hours spent between six large group meetings, eight small group meeting, and individual planning time
CHARTER SCHOOL CONTRACT

between

Friends of Education

and

Eagle Ridge Academy

WHEREAS, the primary purpose of the School is to provide an educational program for its students in order to:

X Improve student improve all pupil learning and all student achievement; and

WHEREAS, the secondary purpose(s) of the School’s educational program is/are:

X Increase learning opportunities for students all pupils;
X Encourage the use of different and innovative teaching methods;
X Measure learning outcomes and create different and innovative forms of measuring outcomes;
☐ Establish new forms of accountability for schools; and
X Create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site;

and

WHEREAS, the parties are authorized under Minnesota law to contract for the operation and oversight of a charter school, pursuant to Department of Education approval dated Friends of Education’s intent to charter the School, dated December 10, 2003, a copy of which is attached as Exhibit A; and

WHEREAS, Friends of Education and the School previously entered into a charter school contract which expires June 30, 2012, 2016; and
WHEREAS, Friends of Education has considered the reauthorization of the School and has approved the issuance of a charter contract to the School.

NOW, THEREFORE, Friends of Education grants this Contract conferring certain rights, privileges, and obligations of a charter school and confirms the status of a charter school to the School. 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) “Applicable Law” means all state and federal law applicable to Minnesota charter schools and any regulations implemented pursuant thereto.

(b) “Charter School Act” means the Minnesota Statutes 124D.10 through 124D.11, as amended or recodified, and any rules adopted pursuant thereto.

(c) “Commissioner” means the Commissioner of the Minnesota Department of Education.

(d) “Contract” means this Charter School Contract between Friends of Education and the School.

(e) “Department of Education” means the Minnesota Department of Education.

(f) “Friends” means Friends of Education.

(g) “School” means Eagle Ridge Academy located at two sites: 7255 Flying Cloud Drive, Eden Prairie, one site, 11111 Bren Road West, Minnetonka, Minnesota, which is established as a charter school under this Contract pursuant to the Charter School Act. The School has authority, pursuant to previous approval from Friends and the Department of Education approval, to establish a second site. The location of the School will not be changed without the prior written consent of Friends. The School intends to establish a second site which has previously been approved by Friends and the Department at some time during the term of this Contract.

(h) “School Board” means the Board of Directors of the School.

(i) “Student” and “Pupil” are used interchangeably, and each means the Students/Pupils at the school.
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. Exhibits. All Exhibits to this Contract are incorporated into, and made part of, this Contract. This Contract has the following Exhibits:

EXHIBITS

A. Minnesota Department of Education Approval
B. Articles of Incorporation of the School
C. Bylaws of the School
D. Implementation of Purpose/Mission
E. Description of School’s Academic Program, In-School & Out-of-School Time Programs
F. Academic & Non Academic Pupil Performance Outcomes/Goals
G. Statement of Admissions Policies and Procedures
H. Governance & Management Plan
I. Administration and Operations Plan
J. Financial Management Plan
K. Statement of Assurances Signed by All Board Members
L. Charter School Closure Checklist & Plan
M. Supplemental Continuing Oversight Criteria, Processes, Procedures

ARTICLE II

RELATIONSHIP BETWEEN THE SCHOOL AND FRIENDS

Section 2.1. Voluntary Authorization. Friends qualifies as a charter school authorizer pursuant to Minnesota Statute 124D.10 Subd. (3). In granting this Contract, Friends voluntarily exercises powers given to Friends pursuant to Applicable
Law to authorize charter schools. Nothing in this Contract shall be deemed to be any waiver of Friends’ autonomy or powers.

Section 2.2. Independent Status of the School. The School is not and shall not be deemed to be a division or part of Friends. The relationship between the School and Friends is based solely on the applicable provisions of the Charter School Act and the terms of this Contract or other written contracts or written agreements between Friends and the School. Except as otherwise provided in this Contract or the Charter School Act, Friends shall have no authority or control, over operational, administrative, or financial responsibility for the School.

Section 2.3. Financial Obligations Are Separate. Any contract, mortgage, loan or other instrument of indebtedness entered into by the School and a third party shall not in any way constitute an obligation, either general, special, or moral, of Friends. The School will never pledge the full faith and credit of Friends for the payment of any School contract, mortgage, loan or other instrument of indebtedness.

Any contract, mortgage, loan or other instrument of indebtedness entered into by Friends and a third party shall not in any way constitute an obligation, either general, special, or moral, of the School. Friends will never pledge the full faith and credit of the School for the payment of any Friends contract, mortgage, loan or other instrument of indebtedness.

Section 2.4. No Authority To Obligate or Bind Other Party. The School has no authority whatsoever to enter into any contract or other agreement that would financially obligate Friends, nor does the School have any authority whatsoever to make any representations to lenders or third parties including lenders, that Friends in any way guarantees, is financially obligated, or is in any way responsible for any obligation, including any contract, mortgage, loan or other instrument of indebtedness entered into by the School.

Friends has no authority whatsoever to enter into any contract or other agreement that would financially obligate the School, nor does Friends have any authority whatsoever to make any representations to lenders or third parties including lenders, that the School in any way guarantees, is financially obligated, or is in any way responsible for any obligation, including any contract, mortgage, loan or other instrument of indebtedness entered into by Friends.

Section 2.5. Limited Use of “Friends” Name. The School may not use the name of Friends or any assumed name, trademark, division or affiliation of Friends in any of the School’s promotional advertising, contracts, or other materials without Friends prior written consent, except that the School may include the following statement in such materials, “[Name of School] is authorized by Friends of Education.” Pursuant to Minnesota Statute—124D.10, 124E.07 Subd. 4(e)(b) the School shall identify Friends as its authorizer and provide contact information on its website and in School materials made available to the public.
ARTICLE III

ROLE OF FRIENDS

Section 3.1. Oversight Responsibilities of Friends. Friends \textit{shall} monitor and evaluate the responsibility to oversee the School's academic, financial, operational, and student performance, including the School's compliance with this Contract and Applicable Law including the School's fiscal, operational, and student performance. The manner in which Friends exercises oversight is shall monitor and evaluate School performance using various criteria, processes, and procedures set forth generally in Article VI and Exhibit M.

The School agrees that, in the spirit of continuous improvement, Friends may monitor and evaluate any indicator of academic, financial, operational, and student performance, including indicators not expressly set forth in this Contract, which shall inform Friends' evaluation of the School and the School's continuous improvement plan.

Section 3.2. Authorizer Fee. The School shall pay Friends a fee for Friends' execution of its oversight responsibilities. The fee shall be the maximum fee provided by the Charter School Act, except that if Minnesota law is amended to increase this fee, the School will pay the increased fee.

ARTICLE IV

REQUIREMENT THAT PERMITTED ACTIVITIES OF THE SCHOOL & ASSUMPTION OF LIABILITY ACT SOLELY AS STATE AUTHORIZED CHARTER SCHOOL

Section 4.1. Limitation on Actions. The School shall act exclusively as a charter school and shall not undertake any action inconsistent with its status as a charter school authorized to receive state and federal school aid funds and shall not undertake any action to jeopardize its 501(c)(3) status including observation of applicable conflict of interest requirements.

Section 4.2. Other Permitted Activities. The School shall have all powers, duties and responsibilities provided by law to a charter school. The School shall not engage in any otherwise lawful activities that are in derogation of the School's status as a public school or that would jeopardize the eligibility of the School for state and federal school aid funds. The School may exercise its powers, enter into agreements with other public schools, governmental units, businesses, community and nonprofit organizations, reasonably necessary to accomplish its obligations as a charter school under this Contract.
Section 4.3. Assumption of Liability. The School and the School Board may sue and be sued. The School and the School Board accept liability for all actions arising out of or are in any manner connected with the School’s operations.

ARTICLE V

LEGAL STATUS OF THE SCHOOL

Section 5.1. Nonprofit Status. The School shall be organized and operated as a nonprofit cooperative under Minnesota Statutes Chapter 308A, as amended, or as a nonprofit corporation under Minnesota Statutes Chapter 317A, as amended. Notwithstanding any provision of Minnesota Statutes Chapters 308A or Chapter 317A, as amended, the School shall not take any action inconsistent with the Charter School Act or in derogation of the School’s status as a public school.

Section 5.2. Articles of Incorporation. The School represents that, as of the date of this Contract, the Articles of Incorporation of the School are accurate and have not been otherwise altered or amended.

Section 5.3. Bylaws. The School represents that, as of the date of this Contract, the Bylaws of the School are accurate and have not been otherwise altered or amended.

ARTICLE VI

OPERATING REQUIREMENTS

Section 6.1. Governance Structure. The School shall be organized and administered under the direction of the School Board elected in accordance with the School’s Bylaws and Applicable Law. The School Board shall decide and be responsible for matters related to the operation of the School, not otherwise specified by this Contract, including, but not limited to, budgeting, curriculum, programming, personnel, and operating procedures. In addition, the Board shall evaluate the student achievement and School’s progress towards achieving its charter contract goals and commitments.

Section 6.2. School Board Meetings. Meetings of the School’s Board and its committees shall comply with the Minnesota Open Meeting Law, Minnesota Statute Chapter 13D.

Section 6.3. Exhibits. The School agrees to implement and adhere to all the representations and information contained in the exhibits, including...
without limitation, the educational achievement of the academic outcomes/goals, identified in Exhibit F.

Section 6.4. Compliance with all Applicable Laws. The School shall comply with all Applicable Laws.

Section 6.5. Age and Grade Range of Students. Except as may be otherwise limited by the Department of Education approval of Friend’s affidavit of intent to charter the school, the School may accept enrollment to all students in grades:

The School provides the following programs:

(a) In-School Time Programs. In-school time programs include all programs operated during school hours. The School provides the in-school time program summarized in Exhibit E. Except as may be otherwise limited by the Department of Education approval of Friend’s affidavit of intent to charter the school or expanded by the Department of Education approval of any supplemental affidavit to expand the grades or programs offered by the School, the School may accept enrollment to students for the following in-school time program(s):

[ ] Early Learning
[ ] Preschool Instructional
[ ] Pre-K
[ ] Grades K - 12

(b) Out-of-School-Time Programs. Out-of-school-time programs include any programs operated before or after school hours, or on weekends, or during school calendar breaks, including before/after school care, but does not include School clubs or athletics. The School may, but is not required to, provide, operate, affiliate with, or sponsor the out-of-school time programs identified and described in Exhibit E and according to the parameters set-forth therein. The School does not provide, operate, affiliate with, or sponsor out-of-school-time programs not otherwise identified and described in Exhibit E.

(c) Club and Athletic Programs. The School provides club or athletic programs as it deems appropriate from time to time.

The School will provide equal access to all programs and will not permit any program to operate in derogation of Applicable Law or its status as a public school.

Section 6.6. Academic Curriculum Program. The School will implement and adopt the academic program and curriculum set forth in Exhibit E.
Section 6.7. Methods of Student Assessment. The School shall evaluate student’s work based on, at a minimum, the assessment strategies identified in this Contract and in its annual report.

(a) Academic Measures – Friends will monitor student academic performance and the school culture, which provides the basis for high academic performance.

1. Regular Assessments. Friends will monitor academic achievement by reviewing student testing and assessment.

2. Government Required Assessments. School students will take the Minnesota Comprehensive Assessment tests and any other testing required by Applicable Law.

3. Nationally-Normed Referenced Assessments & School-Level Assessments. Except as may be otherwise limited by Exhibit F, School students will take a nationally-normed referenced assessment on at least an annual basis. In addition, School students will also take data-driven instructional assessments developed by the School on at least a quarterly basis in reading, math, and science. The School may implement any additional tests.

4. Assessment and Test Results. The School will provide Friends results of government required assessments at such time as the School receives its preliminary assessment results and at such time as the School receives its final assessment results, and the School will provide Friends the results of any other testing each quarter, but no later than November 1st, February 1st, and May 1st. Friends will compare testing data to other schools in order to measure performance.

5. Friends of Education Council. The School agrees to participate in the Friends of Education Council, which consists of representatives of all Friends authorized schools, and Friends will monitor the School’s participation in the Council. The goal of participation in the Council is to share information and identify resources, and the School agrees to do so.

6. Professional Development. The school will ensure that each teacher at the School has a professional development plan that focuses in part on developing quality assessments and effective teaching strategies. The School will advise Friends, on a semi-annual basis June 15th and December 15th of professional development attended by its staff.
7. **Teamwork and Common Planning Time.** The School will ensure common planning time, relating to classroom instruction, for all teaching staff and will advise Friends on a semi-annual basis, January 15th and June 15th as to the extent of common planning time for both teaching staff in the same grade and teaching staff as a whole.

8. **Continuous Improvement.** The School agrees that it is committed to continuous improvement and that accountability is a continuous improvement process. Accordingly, the School will develop and implement a continuous improvement plan and review it at least annually. The School will provide Friends a copy of its continuous improvement plan, which must be included in its annual report, no later than August 1st of each school year.

(b) Site-visits. Friends may engage in scheduled and unscheduled site-visits in the course of the academic years. Site-visits will be an opportunity to review academic goals and achievement data to date, evaluate the implementation of the academic program, operations and other matters. Friends may engage in scheduled and unscheduled site visits at such frequency as determined necessary or prudent by Friends.

(c) Remediation.

1. **School Initiated.** If the School fails to achieve adequate progress towards achieving its academic outcomes/goals, financial targets, or comply with Applicable Law or other requirements, the School may at any time prepare and implement an improvement plan to overcome such deficiencies. The School may at any time submit the plan to Friends for review and comment prior to adoption and implementation.

2. **Friends Initiated.** If Friends has a concern about the School, or if the School fails to achieve adequate progress towards achieving its academic outcomes/goals or to meet financial performance requirements, or to comply with Applicable Law, or other requirements, Friends shall provide the following notices, as applicable.

   (a) **Notice to School Leader or Board Chair.** Friends shall notify the school leader or board chair of area(s) of concern for correction. Friends may specify a target date for correction.

   (b) **Formal Notice to School Board.** If the situation remains uncorrected without reasonable explanation, or if the situation involves an urgent concern, Friends will formally notify the school board of the
area(s) of concern for correction and may ask the School Board to adopt a specific performance improvement plan. If Friends requires the School Board to retain a third-party investigation, the School shall retain an investigator within ten (10) days of such requirement; in addition, the third party investigator must be acceptable to Friends, and the School Board shall authorize such investigator to provide status reports to and communicate with Friends. Friends shall specify a target date for correction which may, if circumstances warrant, be amended.

(c) Notice to School Board of Charter Revocation/Termination. Friends initiates notice whereby charter authorization will be withdrawn pursuant to Article X.

Section 6.8. School Calendar and School Day Schedule. The School shall provide instruction for at least the number of days and hours required by Minn. Stat. 120A.41, and shall notify Friends by each July 1st of the number of instructional days and hours for that school year.

Section 6.9. Finance, Reporting and Compliance.

(a) To Friends. The School will furnish Friends with monthly financial reports, no later than the 20th of the month for the prior month, unless a different frequency is agreed to in writing by Friends. The reports must contain budget and actual revenue and expenses (both by current month and year-to-date) and contain explanations for all items exceeding budget and the manner in which the excess items will be resolved, as well as cash-flow statements and fiscal year-end fund balance projections. The financial reports will also include the total dollar amount of unpaid accounts payable more than thirty days past due with an explanatory note for the total amount of any such past due amounts disputed by the School, if applicable; and the current average daily membership of the School. Should the School continually exceed its budgeted expenses with no corresponding increase in revenue, not report properly or timely to the Department of Education or Friends, evidence any fiscal or legal non-compliance, the School will engage resources to resume budgeted performance and operate in compliance with all Applicable Law and generally accepted standards of fiscal management.

The School will execute a release to enable Friends to discuss the School’s financial matters with both its external auditor and accounting service provider if any. The School will submit the release to Friends no later than September 1st of each school year. The School consents to Friends conducting reviews of the School’s accounts payable, at such times as Friends may require, either at the School or at the School’s accounting service provider, if any.
The School Board is responsible for establishing, approving, and amending an annual budget in accordance with Applicable Law. The School will submit to Friends a draft budget for the following school year by May 1st.

By June 15th of each year, the School Board shall submit to Friends a copy of its final budget for the following school year. The budget must detail budgeted expenditures at the object level. In addition, the School Board is responsible for approving all revisions and amendments to the annual budget. Within ten (10) business days after School Board approval, revisions or amendments to the School's budget shall be submitted to Friends.

(b) To Department of Education. The School will comply with all reporting requirements established by the Department of Education.

Section 6.10. Accounting Standards. The School shall at all times comply with generally accepted public sector accounting principles, generally accepted standards of fiscal management, and accounting system requirements that comply with Department of Education requirements.

Section 6.11. Annual Financial Statement Audit. The School shall engage an annual external audit of all financial and accounting records. The audit will be prepared and reviewed by an independent certified public accountant. By December 15th of each year, the School shall submit two (2) copies of the annual financial statement audit and auditor's management letters, including any required supplemental information, for the school year ending the previous June 30th to Friends. By January 1st of each year, the School Board shall provide to Friends a copy of any responses to auditor's management letters. The School will comply with the same financial audits, audit procedures, and audit requirements of school districts, including Minnesota Statutes sections 123B.75 to 123B.83, except to the extent deviations are necessary because of the program of the School. Financial, program, or compliance audits may be conducted by the Department of Education, or the State Auditor, and/or the Legislative Auditor.

Section 6.12. UFARS and MARSS. The School will utilize the UFARS financial accounting principles and methods. The School will comply with MARSS requirements with respect to student accounting.

Section 6.13. Contributions and Fund Raising. The School may solicit and receive contributions and donations as permitted by Applicable Law and UFARS. No solicitation shall indicate that a contribution to the School is for the benefit of Friends. The School will not include fundraising/non-government grants or gifts not already received or subject to written pledge in its budget for operating expenses.

Section 6.14. Annual Reports. The School will submit its state--required annual reports to the Department of Education.
report to Friends no later than seven days before it is due to the date specified by the Minnesota Department of Education, and if the Department of Education does not specify a due date, no later than October 1st for the immediately preceding school year ending June 30th. The annual report shall be approved by the School Board prior to the submission to Friends and will include such information as Friends may require, including an analysis of its School enrollment, student attrition, governance and management, staffing, finances, academic performance, operational performance, innovative practices and implementation, future plans, documentation regarding implementation of the professional development plans of school leaders, any individuals performing supervisory or instructional leadership duties and teachers, fiscal performance, compliance with Applicable Law; and compliance with Department of Education reporting requirements.

Section 6.15. Authorization of Employment. An employee hired by the School shall be an employee of the School for all purposes and not an employee of Friends for any purpose. With respect to School employees, the School 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 School shall comply with the Public Employment Relations Act (PELRA), Minnesota Statutes Chapter 179A, as applicable. The School must employ or contract with teachers who hold valid licenses or any allowable waivers to perform the teaching service for which they are employed at the School.

The School Board shall be responsible for carrying workers’ compensation insurance and unemployment insurance for its employees. The School shall employ and contract teachers who hold valid licenses or certifications, as required by Applicable Law. Teachers employed by the School shall be treated by the School as public school teachers for the purposes of Minnesota Statutes Chapters 354 and 354A.

The School will ensure that lesson plans and related materials developed by School employees to implement the School’s academic program and curriculum are and remain School, and not individual/employee, property.

Section 6.16. Collective Bargaining Agreements. Collective bargaining agreements, if any, with employees of the School shall be the responsibility of the School.

Section 6.17. Transportation. The School may provide transportation for students enrolled in the School and shall provide transportation for all students who are enrolled in the School and who reside in the district in which the School is located as required by Applicable Law; otherwise, transportation will be provided by the district in which the School is located. In providing transportation either through the district or itself, the School shall do so in compliance with and provide any notices required by Applicable Law.
Section 6.18. Notification of Claim. The School agrees to provide notice to Friends within five (5) days of the School’s receipt of any significant claim, including any allegation of illegality or impropriety by the School or its employees, and any adverse notice received from the Department of Education.

Section 6.19. Expenses. The School agrees to pay for all expenses related to its operation as a charter school, including expenses incurred for operational programs and all expenses related to the performance of its obligations under this Contract and Applicable Law.

Section 6.20. Board Data. The School agrees to notify Friends of any resignations or additions to its School Board within ten (10) days of such change. All additions to the School Board will execute a statement of assurance, in the form of Exhibit K, within ten (10) days of such addition, and which shall be provided to Friends within thirty (30) days of such addition. The School agrees to obtain background checks, at the School’s expense or at the individual’s expense whichever is if allowed by Applicable Law, on all potential board members before such members are added to the School Board—and provide copies of the background check(s) School shall certify to Friends within ten (10) days of receipt of such background check that the background check has been completed and whether or not the background check contained adverse information. In addition, the School agrees to furnish Friends minutes of the Board’s meetings at such time as the minutes are distributed to the School Board. The School further agrees to notify Friends of the School Board regular meeting schedule at least twenty (20) days in advance of meeting dates and at the same time as notice provided to board members for special and emergency meetings. The School further agrees to provide Friends by October 1st of each year, conflicts of interest statements for all board members and ex-officio board members in the form Friends requires.

Section 6.21. Pre-Opening Progress & Additional Reporting Obligations.

(a) Pre-Opening Progress. If, as of the date of this Contract’s issuance, the School is not operational, the School will inform Friends regarding its progress in establishing the School in the format required by Friends. The School agrees to the following significant target dates effective for the months immediately preceding School opening:

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 1st</td>
<td>Facility secured and school leader identified</td>
</tr>
<tr>
<td>May 1st</td>
<td>Database of interested students/families that is</td>
</tr>
<tr>
<td></td>
<td>125% of budgeted enrollment</td>
</tr>
<tr>
<td>May 10th</td>
<td>Significant renovations/buildout to facility have</td>
</tr>
<tr>
<td></td>
<td>begun</td>
</tr>
<tr>
<td>May 31st</td>
<td>75% of projected budgeted students officially</td>
</tr>
<tr>
<td></td>
<td>enrolled</td>
</tr>
<tr>
<td>June 1st</td>
<td>75% of teaching staff hired</td>
</tr>
<tr>
<td>July 1st</td>
<td>125% of projected budgeted students officially</td>
</tr>
</tbody>
</table>
Where a) significant target date is not met, the School will submit a written plan to Friends detailing how the condition will be remedied within thirty (30) days of the significant target date. If requested by Friends, due to the School’s failure to meet a significant target date or comply with Applicable Law or other grounds, the School will delay opening of the School one academic year.

(b) Additional Reporting Obligations.

1. Teacher Licensure. The School will advise Friends by September 15th of each school year of the following for each teaching staff member: full name, Minnesota license number, grade taught, subject(s) taught. The School will advise Friends of any changes to its teaching staff within ten (10) days of such change.

(b) 2. Enrollment. The School will advise Friends of its enrollment and attendance daily for the first ten school days of each school year, then once weekly for the following four weeks, then once each on December 15th and on March 15th.

Section 6.22 Cooperation and Third Parties. The School agrees to cooperate with and assist Friends or its designee in providing the access, information, and data Friends requires at Friends’ sole discretion in executing this Contract. The School understands and agrees that Friends may contract with a third party to perform any of Friends’ oversight functions identified in this Article VI.

ARTICLE VII

GENERAL PROHIBITIONS

Section 7.1. Tuition Prohibited. The School shall not charge tuition. The School may impose fees and require payment of expenses for activities of the School where such fees and payments are not prohibited by Applicable Law, including Minn. Stat 123B.34-123B. 39.

Section 7.2. Establishment of Religion Prohibited. The School shall be nonsectarian in its programs, admission policies, employment practices, and all other operations.

Section 7.3. Home School Support Prohibited. The School shall not be used as a method of educating or generating revenue for students who are being home schooled except as may be allowed by Applicable Law.

Section 7.4. Open Admissions. The School shall not limit admissions to students on the basis of intellectual ability, measures of achievement or aptitude, athletic ability or
any other criteria inconsistent with Applicable Law. A student shall be re-enrolled for the next school year until formally withdrawn from the School.

Section 7.5. Lottery Admissions. The School shall enroll an eligible student who submits a timely application, unless the number of applicants exceeds the capacity of the programs, class, grade level, or building. In such cases, selection enrollment shall be by lottery except that and, when conducting such lottery, the School shall provide enrollment preference to siblings of the School’s enrolled students and to foster children of any of the School’s enrolled student’s parents. The School may provide enrollment preference for the children of the School’s staff preferences as provided by Applicable Law.

ARTICLE VIII

COMPLIANCE WITH STATE AND FEDERAL LAWS

Section 8.1. State Laws. The School shall comply with applicable state laws. Nothing in this Contract shall be deemed to apply any other state law to the School. Except as otherwise provided by the Charter School Act or this Contract, the School shall be exempt from all Minnesota Statutes and rules applicable to a school, school board, and school district unless the statute or rule is made specifically applicable to a charter school.

(a) Students with Disabilities.

1. Compliance. The School shall comply with Minnesota Statute Sections 125A.02, 125A.03 to 125A.24 and 125A.65, concerning the provision of education services to students with a disability at the School.

2. Special Education Director. The School shall employ or contract with a special education director who shall be responsible for program development, coordination and evaluation; planning for professional development and general programmatic and fiscal supervision and administration.

3. Systems & Services. The School shall implement, at a minimum:

   (a) a child-find system to identify students with disabilities and students who are suspected of having disabilities; such system will include a procedure for receiving referrals from parents, teachers, outside agencies, and physicians.

   (b) a system for conducting comprehensive initial and re-evaluations to determine eligibility for special education and related services.
(c) a full range of special education services to ensure that all students with disabilities are provided with the specially-designed instruction and related services based on their disability-related needs.

(d) a system for monitoring appropriate and proper due process procedures to ensure effective and efficient child study procedures and methods of providing special education services for identified students.

4. **Financial Parameters.** The School is entitled to access state special education funds for salaries, supplies/equipment, contracted services, and student transportation costs. The School is permitted to bill excess special education costs not paid by state special education funds to the student’s resident district. The combination of state special education funds and the ability to bill to the district excess special education costs enable the School to adequately provide special education services to such children. The School may also access federal special education funds.

The School acknowledges the provisions of Minnesota Statutes, Section 124D.10 Subd. 6(10) regarding the School’s obligation to provide certain data to the Commissioner. At such time as the School has determined the number of its students who have disabilities as defined in Minnesota Statutes, sections 125A.03-24 and 125A.65, the School shall provide to the Commissioner a further description of the financial parameters within which the School will operate to provide special education instruction and services to such children.

(b) **Health and Safety.** The School shall meet the same federal, state, and local health and safety requirements applicable to a school district.

(c) **Immunization.** The School shall comply with the Minnesota Statutes section 121A.15, requiring proof of student immunization against measles, rubella, diphtheria, tetanus, pertussis, polio, mumps, and hemophilia influenza type B prior to enrollment.

(d) **Human Rights Act.** The School shall comply with the Minnesota Human Rights Act, Chapter 363A, which prohibits unfair discriminatory practices in employment, public accommodations, public services, or education; and comply with Minnesota Statutes section 121A.04, which governs provisions of equal opportunities for members of both sexes to participate in athletic programs.
(e) **Student Discipline and Dismissal.** The School shall comply with the Minnesota StudentPupil Fair Dismissal Act (MPFDA), Minnesota Statutes sections 121A.40 to 121A.56. The School Board shall provide to Friends its approved discipline policy and procedure consistent with the MPFDA within 120 days of the effective date of this Contract. The School shall comply with the continuing truant notifications under Minnesota Statute section 260A.03.

(f) **Fee Law.** The School shall comply with the Minnesota Public Schools Fee Law, Minnesota Statutes sections 123B.34 to 123B.39, which governs authorized and prohibited student fees.

Section 8.2. **Federal Laws.** The School shall comply with applicable federal laws. Nothing in this Contract shall be deemed to apply any other federal law to the School.

Section 8.3. **Intellectual Property.** The School has ascertained that its name and logo do not violate or infringe upon the intellectual property rights of any third partyanother and has taken appropriate measures to secure the intellectual property rights with respect to its name and logo.

Section 8.4. **Student Records.** The School shall comply with Applicable Law regarding the management and transfer of student records.

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**ARTICLE IX**

**AMENDMENT**

Section 9.1. **Amendments.** Friends and the School acknowledge that the operation and administration of a charter school and the improvement of educational outcomes over time may require appropriate amendment of this Contract. In order to ensure a proper balance between the need for independent development of the School and the statutory responsibilities of Friends as an authorizing body, all amendments to this contract must be in writing, and signed by the parties.

Section 9.2. **Change in Existing Law.** If, after the effective date of this Contract, there is a change in Applicable Law which alters or amends the responsibilities and obligations, rights, or remedies of either the School or Friends, 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, obligations, rights or remedies of the School and Friends shall conform to and be carried out in accordance with the change in Applicable Law.
ARTICLE X

CONTRACT REVOCATION/TERMINATION AND NONRENEWAL

Section 10.1. Grounds for Revocation/Termination or Nonrenewal. This Contract may be revoked/terminated and need not be renewed by Friends upon a determination by Friends that one or more of the following has occurred:

(a) Failure of the School to meet satisfactory achievement for all students including the requirements for student performance set forth in this Contract; or

(b) Failure of the School to meet generally accepted standards of fiscal management; or

(c) Failure of the School to comply with all Applicable Law.

Section 10.2. Other Grounds for Revocation/Termination or Nonrenewal. In addition to the grounds for revocation/termination and nonrenewal set forth in Section 10.1, Friends may revoke/terminate or not renew this Contract, upon Friends’ determination that one or more of the following has occurred:

(a) The School is unable to pay its bills as they become due, is insolvent, or is bankrupt;

(b) The School has insufficient enrollment or demonstrated financial resources to successfully operate a charter school, or the School has lost more than fifty percent (50%) of its student enrollment from the previous school year

(c) The School defaults in any of the terms, conditions, promises or representations contained in or incorporated into this Contract;

(d) The School amends its Articles of Incorporation and/or Bylaws at any time without first obtaining Friends’ written approval;

(e) Friends discovers negligent, fraudulent or criminal conduct by any of the School’s applicant(s), directors, officers, employees or agents in relation to the school’s performance under this Contract; or

(f) The School’s applicant(s), directors, officers or employees have provided false or misleading information or documentation to the Department of Education or Friends in connection with issuance or oversight of this Contract, or in connection with any affidavit that the School requests Friends submit to the Department of Education, or in connection with the School's reporting requirements under this Contract or Applicable Law; or
(g) Other good cause shown.

Section 10.3. Procedures for Revoking/Terminating or Not Renewing Contract. Friends' process for revoking/terminating or not renewing the Contract is as follows:

(a) Notice of Intent to Revoke/Terminate or Not Renew. Friends, upon reasonable belief that grounds for revocation/termination or nonrenewal of the Contract exist, shall notify the School Board of such grounds by issuing the School Board a notice of intent to revoke/terminate or not renew. The notice of intent to revoke/terminate or not renew shall be in writing, shall set forth in reasonable detail the alleged grounds for revocation/termination or nonrenewal, and shall state that the School Board may request an informal hearing before Friends, within fifteen (15) business days of receiving the notice.

(b) School Board's Response. Within fifteen (15) business days of receipt of the notice of intent to revoke/terminate or not renew, the School Board shall respond in writing to the alleged grounds for revocation/termination or nonrenewal. The School Board’s response shall either admit or deny the allegations of non-compliance. If the School's response includes admissions of non-compliance with the Contract or Applicable Law, the School Board's response must also contain a description of the School Board's plan and timeline for correcting the non-compliance with the Contract or Applicable Law. If the School's response includes a denial of non-compliance with the Contract or Applicable Law, the School'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 School Board may request that an informal hearing be scheduled with Friends. The School Board’s failure to provide to Friends a written request for an informal hearing within the fifteen (15) business day period shall be treated as acquiescence to Friends' proposed action.

(c) Informal Hearing. Upon receiving a timely written request for an informal hearing, Friends shall give ten (10) business days notice to the School Board of the hearing date and time, and Friends shall conduct such hearing.

(d) Plan of Correction. Friends shall review the School Board's response and may, in its sole discretion, determine whether a reasonable plan for correcting the deficiencies may be formulated. If Friends determines that a reasonable plan for correcting the deficiencies set forth in the notice of intent to revoke/terminate or not renew can be formulated, Friends shall develop a plan for correcting the non-compliance ("Plan of Correction"). In developing a Plan of Correction, Friends is permitted to adopt, modify or reject some or all of the School Board's response for correcting the deficiencies outlined in the
notice of intent to revoke/terminate or not renew. Friends is not obligated to offer a Plan of Correction to the School.

(e) Withdrawal of Notice of Revocation/Termination or Nonrenewal. Friends may withdraw its notice of intent to revoke/terminate or not renew if Friends determines any of the following: (i) the School Board's denial of non-compliance is persuasive; (ii) the non-compliance set forth in the notice of intent to revoke/terminate or not renew has been corrected by the School Board; or (iii) the School Board has successfully completed the Plan of Correction.

(f) Effective Date of Revocation/Termination or Nonrenewal. If Friends decides to revoke/terminate or not renew the Contract, the revocation/termination or nonrenewal shall be effective on the date of Friends’ act of revocation/termination or nonrenewal, or at a later date as determined by Friends, such date specified by Friends in its determination of revocation/termination or nonrenewal. Friends must take final action regarding revocation/termination or nonrenewal no later than twenty (20) business days: (i) before the specified date for revocation/termination or nonrenewal of the Contract, or (ii) the Contract’s termination date.

Section 10.4. Dissolution. If this Contract is revoked/terminated, or if this Contract is not renewed pursuant to this Article, the School will dissolve following the process provided by Minn. Stat. Ch. 317A and Applicable Law relating to dissolutions and Exhibit K/L.

Section 10.5. Distribution of Property Upon Termination of Contract. In the event of dissolution of the School, all property which it might lease, borrow or contract for use, shall be promptly returned to those organizations or individuals from which the School has leased or borrowed the materials.

Section 10.6. Property Owned by School. All property which has been purchased by the School will remain its own. In the event of subsequent dissolution of the School, such property as may be required or permitted by Applicable Law will first be donated to other charter schools authorized by Friends and if no Friends School wants such property, then to any other Minnesota Charter School. Any remaining property will then be sold or distributed in accordance with Applicable Law.

Section 10.7. Property Owned by School Employees. All property personally and/or individually owned by the trained and licensed teachers or staff employed by the School, shall be exempt from distribution of property and shall remain the property of the individual teachers and staff. Such property includes, but is not limited to, albums, personal mementos and other materials or apparatus which have been personally financed by teachers or staff. Such property does not include lesson plans and related materials developed and produced by School employees to implement the School’s academic plan and curriculum; the School will ensure that its employment agreement with its employees...
ARTICLE XI

ADDITIONAL PROVISIONS

Section 11.1. Contract Renewal or Transfer to Different Authorizer.

(a) Contract Renewal.

1. Considerations Determining Renewal. The School acknowledges that improving all pupil learning and all student achievement is the most important factor Friends will consider in determining Contract renewal, which determination shall be based substantially on the School’s attainment of its academic outcomes/goals identified in Exhibit F. Friends will also consider any compelling evidence of improved pupil learning and student achievement for all students on Department of Education measures other than the attainment of outcomes/goals specified in Exhibit F.

Friends will consider other factors in its renewal determination, which factors are considered secondary to improving all pupil learning and all student achievement. Specifically, Friends will consider the achievement of any additional identified purposes specified in Exhibit D, and financial and operational performance obligations and compliance with Applicable Law as set forth in this Contract.

The School will be eligible for renewal only if the School has improved pupil performance and student achievement for all students, notwithstanding superior performance in financial, operations, governance, or legal compliance factors.

If Friends offers a renewal contract, a five-year term will be awarded only if warranted by School performance: the School has improved all pupil learning and all student achievement, the School has met or substantially met its academic pupil performance outcomes/goals in Exhibit F, the school has no significant financial, operational, governance, or legal compliance deficiency, or multiple deficiencies in any of the financial, operational, governance, or legal compliance areas, or deficiencies in
multiple areas.

2. Considerations Warranting Nonrenewal. Nonrenewal is warranted based on the existence of grounds identified in section 10.1 or 10.2 or Applicable Law, notwithstanding the existence of improved pupil learning and student achievement for all students. For example, nonrenewal will result from the School’s failure to improve all pupil learning and all student achievement notwithstanding superior performance in financial, operations, governance, or legal compliance factors, and nonrenewal may result from the School’s improvement of all pupil learning and all student achievement combined with a significant financial, operational, governance, or legal compliance deficiency, or multiple deficiencies in any of the financial, operational, governance, or legal compliance areas, or deficiencies in multiple areas.

3. Corrective Action Renewal. If the School has improved all pupil learning and all student achievement, but School performance also indicates the existence of a significant financial, operational, governance, or legal compliance deficiency, or multiple deficiencies in any of the financial, operational, governance, or legal compliance areas, or deficiencies in multiple areas, Friends may, but is not obligated to, renew this Contract. If Friends renews the Contract in these circumstances, the renewal is for corrective action with a term not to exceed three years, and the School acknowledges and agrees that the School must continue to improve all pupil learning and all student achievement and must eliminate and resolve the deficiencies causing the Corrective Action Renewal and that no additional deficiencies are created or identified during that renewal term, in order to be eligible for a subsequent renewal.

4. Application. By September 1st of the school year in which this contract terminates, the School will submit an evaluation to Friends which shall contain three parts: (1) School Performance. An analysis and evaluation of the School’s performance under this contract, which shall include a comprehensive evaluation of each contract goal for each year of the contract, as well as an evaluation of fiscal, operational, and governance performance, compliance with reporting obligations, and fiscal management, during the term of the contract; (2) Proposed Goals. A proposal for goals for the following contract period; the goals must be specific, measurable, achievable, relevant, and time-bound, and must be designed to meet or exceed expectations adopted by the Commissioner for public schools; and (3) Other Information. Any other information the School desires Friends to consider. The School agrees to provide to Friends documentation supporting the School’s evaluation if requested by Friends.

Friends will notify the school within four weeks of receipt of the
School’s external audit (final, not draft) for the most recently completed fiscal year as to whether Friends intends to offer the School a renewal charter contract. If Friends offers a renewal contract, Friends will base the renewal term on the following conditions. A five-year term will be awarded only if warranted by school performance: the school has met or substantially met its academic pupil performance outcomes/goals, the school has no fiscal deficiencies, and the school has no operational compliance or governance deficiencies. A minimum of one year will be subtracted from the 5-year renewal period for each of the following failure to renew charter contracts:

(i) Failure to substantially meet all academic Pupil performance outcomes/goals;

(ii) Fiscal deficiencies;

(iii) Operational compliance or governance deficiencies.

A significant deficiency in any area, multiple minor deficiencies in any area, or deficiencies in multiple areas, will result in a one-year probationary renewal contract; the School must demonstrate significant improvement in order to be granted a subsequent renewal.

(b) Transfer to a Different Authorizer. If Friends must consent to the School’s transfer to another authorizer. If Friends consents to the School’s request to transfer to a different authorizer, the School agrees to reimburse Friends for any sponsor/authorizer fees waived or not paid, grants provided by Friends to the School, and all training and professional development provided to the School by a third party but paid by Friends. This provision does not apply if Friends requests that the School transfer to another authorizer.

Section 11.2. Insurance. The School Board shall secure and maintain in its own name as the "first named insured" at all times the following insurance coverages:

(a) workers’ compensation insurance to include coverage A;

(b) insurance covering all of the School’s real and personal property, whether owned or leased;

(c) insurance required by Minn. Stat. 466.04, including a minimum of commercial general liability insurance in comprehensive form, bodily injury and property damage combined of one and a half million dollars ($1,500,000) per occurrence and personal injury of one and a half million dollars ($1,500,000) per occurrence, and up to three million dollars ($3,000,000) per occurrence for the release or threatened release of a hazardous substance; and if not included under this general liability coverage, additional coverages as follows: minimum automobile liability insurance coverage, bodily injury and property damage, of one million dollars ($1,000,000) per occurrence if the School owns or operates motor vehicles;
officer and employee errors and omissions/professional liability of one and a half million dollars ($1,500,000) per occurrence; and employee dishonesty insurance of five hundred thousand dollars ($500,000).

The insurance must be obtained from a financially responsible licensed mutual, stock, or other responsible company licensed to do business in the State of Minnesota. The School may join with other charter schools to obtain insurance if the School Board finds that such an association provides economic advantages to the School, provided that each School maintains its identity as first named insured. The School shall have a provision included in all policies requiring notice to Friends, at least thirty (30) days in advance, upon termination or non-renewal of the policy. In addition, the School shall provide Friends or its designee copies of all insurance policies required by this Contract, if requested by Friends. Friends may periodically review the types and amounts of insurance coverages that the School secures.

The above-stated coverage limits shall be issued and maintained as indemnity limits and shall not be reduced by any applicable insurer defense obligations. The Department of Education may suggest or Applicable Law may determine alternative amounts and terms of any deductible or insurance provisions, which shall supersede the foregoing requirements. The School shall provide the Department of Education with any insurance information, as requested.

The School may expend funds for payment of the cost of participation in an accident or medical insurance program to insure protection for students while attending school or participating in a school program or activity.

Section 11.3. School Lease. The School shall provide to Friends a copy of its lease, and any subsequent amendment(s), or deed for the premises in which the School shall operate within fourteen (14) calendar days of execution. The school will provide to Friends any notice of lease termination within five (5) calendar days of receipt. The School may lease space from any independent or special school board eligible to be a charter school authorizer, other public organization, private nonprofit institution organization or private property owner, as it deems necessary. The School may lease space from a sectarian organization as allowed by Applicable Law.

Section 11.4. Occupancy and Safety Certificates. The School Board shall: (ia) ensure that the School’s physical facilities comply with all fire, health and safety standards applicable to schools; and (ib) possess the necessary occupancy and safety certificates for the School’s physical facilities. The School Board shall not conduct classes until the School has complied with this section. Copies of such certificates shall be provided to Friends before the first day of classes, if requested by Friends.

Section 11.5. Legal Liabilities. Friends does not assume any obligation with respect to any director, employee, agent, parent, guardian, student, or independent contractor of the School. The parties acknowledge and agree
that it assumes full liability for its activities and that the Commissioner, Friends, officers and members of the Board of Friends, and employees of Friends, are immune from civil and criminal liability with respect to all activities related to the School, pursuant to Minnesota Statutes Section 124D.10 Sub. (25), 124E.09, and nothing in this Contract is intended to affect such immunity.

Section 11.6. Indemnification of Friends & Commissioner. Notwithstanding Section 11.5, the School agrees to indemnify and hold harmless Friends and its officers, board members, employees, agents or representatives, and to indemnify and hold harmless the Commissioner and Department of Education officers, agents, and employees notwithstanding Minn. Stat. Section 3.736 from all suits, claims, demands, or liabilities, including attorney fees, and related expenses, which arise out of or are in any manner connected with the School's operations or which are incurred as a result of the reliance of Friends upon information supplied by the School, or School Board and its agents or employees, or which arise out of the failure of the School to perform its obligations under this Contract or which arise out of Friends’ exercise of its obligation under Applicable Law and enforcement of this Contract.

Section 11.7. Covenant Not to Sue. Notwithstanding Section 11.5, the School expressly covenants and agrees that it:

(i) shall not institute any action or suit at law or in equity or any inquiry or proceeding of any kind in any regulatory agency or court against Friends based, in whole or in part, upon any hereafter acquired claims, demands, damages, causes of action and liabilities of any nature whatsoever, in law or in equity, arising out of or in connection with Friends’ enforcement of this Contract; and

(ii) shall neither institute nor participate in the institution or prosecution of any hereafter acquired claims, demands, damages, causes of action and liabilities of any nature whatsoever, in law or in equity, against Friends arising out of or in connection with Friends’ enforcement of this Contract.

This section is not a release and does not constitute a satisfaction. In the event that there is an inconsistency or dispute between the contents of this Section and any other term of this Contract, the contents of this Section shall control.

If the School violates this Section, the School expressly agrees that it will pay Friends’ attorneys’ fees and costs incurred in the defense of such suit or action, including any appeals therefrom, in addition to any other remedies available to Friends under this Contract.
ARTICLE XII

GENERAL TERMS

Section 12.1. Term of Contract. This Contract shall be effective on the date of its issuance and shall remain in full force and effect for a period of four (5) academic years through the end of the 2015/2016 2020/2021 school year, and shall terminate on at the conclusion of June 30, 2016 2021, unless sooner revoked/terminated according to the terms hereof.

Section 12.2. Notices. Any and all notices permitted or required to be given hereunder shall be deemed duly given: (i) upon actual delivery, if delivery is by hand; or (ii) upon receipt by the transmitting party of confirmation or answer back if delivery is by facsimile or telegram or electronic mail; or (iii) upon placing into United States mail if 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 written notice delivered pursuant hereto:

If to Friends:
Friends of Education
Attn: R.E. Topoluk
200 East Lake Street-East
Wayzata, MN  55391

If to School:
Eagle Ridge Academy
7255 Flying Cloud Drive
Eden Prairie  11111 Bren Road West
Minnetonka, MN  55343

with a copy to the School’s Executive Director.

Section 12.3. 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. Subject to §9.2, 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 12.4. Successors. The terms and provisions of this Contract are binding
Section 12.5. **Entire Contract.** Except as specifically provided in this Contract, this Contract sets forth the entire agreement between Friends and the School with respect to the subject matter of this Contract. All prior contracts, representations, statements, negotiations, understandings, and undertakings are superseded by this Contract.

Section 12.6. **Assignment.** This Contract is not assignable by either the School or Friends.

Section 12.7. **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 12.8. **Governing Law.** This Contract shall be governed and controlled by the laws of the State of Minnesota as to interpretation, enforcement, validity, construction, and effect, and in all other respects.

Section 12.9. **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 12.10. **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 12.11. **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 12.12. **No Third Party Rights.** This Contract is made for the sole benefit of School and Friends. Except as otherwise expressly 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 12.13. **Non-agency.** School is not an agent of Friends and Friends is not an agent of the School.
Section 12.14. Termination of Responsibilities. Except as provided in §12.15, upon termination or revocation of the Contract, Friends or its designee and the School shall have no further obligations or responsibilities under this Contract to the School or any other person or persons in connection with this Contract.

Section 12.15. Survival of Provisions. The terms, provisions, and representations contained in Section 11.1(a)3 Probationary Renewal, Section 11.2 Insurance, Section 11.5 Legal Liabilities, Section 11.6 Indemnification of Friends, Section 11.7 Covenant Not to Sue, Section 12.8 Governing Law, Section 12.10 Construction, Section 12.13 Non-Agency, and any other provisions of this Contract that by their sense and context are intended to survive termination of this Contract shall survive.

As the designated representative of Friends, I hereby issue this Contract to the School on the date set forth:

DATE: July 1, 2016

FRIENDS OF EDUCATION

By: __________________________.__________________________
   R.E. Topoluk
   Its: Executive Director

As the authorized representative of the School, I hereby certify that the School is able to comply with the Contract and all Applicable Law, and that the School, through its governing board, has approved and agreed to comply with and be bound by of the terms and conditions of this Contract—\textit{as of the date set forth above}.

By: __________________________
   Peter Larson Ann Watanabe
Title: Board Chair/President
CHARTER SCHOOL CONTRACT

between

Friends of Education

and

Eagle Ridge Academy

WHEREAS, the primary purpose of the School is to provide an educational program for its students in order to improve all pupil learning and all student achievement; and

WHEREAS, the secondary purpose(s) of the School’s educational program is/are:

X Increase learning opportunities for all pupils;
X Encourage the use of different and innovative teaching methods;
X Measure learning outcomes and create different and innovative forms of measuring outcomes;
☑ Establish new forms of accountability for schools; and
X Create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site; and

WHEREAS, the parties are authorized under Minnesota law to contract for the operation and oversight of a charter school, pursuant to Department of Education approval of Friends of Education’s intent to charter the School, dated December 10, 2003, a copy of which is attached as Exhibit A; and

WHEREAS, Friends of Education and the School previously entered into a charter school contract which expires June 30, 2016; and

WHEREAS, Friends of Education has considered the reauthorization of the School and has approved the issuance of a charter contract to the School.

NOW, THEREFORE, Friends of Education grants this Contract conferring certain rights, privileges, and obligations of a charter school and confirms the status of a charter school to the School. 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) “Applicable Law” means all state and federal law applicable to Minnesota charter schools and any regulations implemented pursuant thereto.

(b) “Charter School Act” means the Minnesota Statutes Chapter 124E, as amended or recodified, and any rules adopted pursuant thereto.

(c) “Commissioner” means the Commissioner of the Minnesota Department of Education.

(d) “Contract” means this Charter School Contract between Friends of Education and the School.

(e) “Department of Education” means the Minnesota Department of Education.

(f) “Friends” means Friends of Education.

(g) “School” means Eagle Ridge Academy located at one site, 11111 Bren Road West, Minnetonka, Minnesota, which is established as a charter school under this Contract pursuant to the Charter School Act. The School has authority, pursuant to previous approval from Friends and the Department, to establish a second site. The location of the School will not be changed without the prior written consent of Friends.

(h) “School Board” means the Board of Directors of the School.

(i) “Student” and “Pupil” are used interchangeably, and each means the Students/Pupils at the school.

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. Exhibits. All Exhibits to this Contract are incorporated into, and made part of, this Contract. This Contract has the following Exhibits:
ARTICLE II

RELATIONSHIP BETWEEN THE SCHOOL AND FRIENDS

Section 2.1. Voluntary Authorization. Friends is a charter school authorizer pursuant to Minnesota Statute 124E.05. In granting this Contract, Friends voluntarily exercises powers given to Friends pursuant to Applicable Law to authorize charter schools. Nothing in this Contract shall be deemed to be any waiver of Friends autonomy or powers.

Section 2.2. Independent Status of the School. The School is not and shall not be deemed to be a division or part of Friends. The relationship between the School and Friends is based solely on the applicable provisions of the Charter School Act and the terms of this Contract or other written contracts or written agreements between Friends and the School. Except as otherwise provided in this Contract or the Charter School Act, Friends shall have no authority or control, over operational, administrative, or financial responsibility for the School.

Section 2.3. Financial Obligations Are Separate. Any contract, mortgage, loan or other instrument of indebtedness entered into by the School and a third party shall not in any way constitute an obligation, either general, special, or moral, of Friends. The School will never pledge the full faith and credit of Friends for the payment of any School contract, mortgage, loan or other instrument of indebtedness.

Any contract, mortgage, loan or other instrument of indebtedness entered into by Friends and a third party shall not in any way constitute an obligation, either general,
special, or moral, of the School. Friends will never pledge the full faith and credit of the School for the payment of any Friends contract, mortgage, loan or other instrument of indebtedness.

Section 2.4. No Authority To Obligate or Bind Other Party. The School has no authority whatsoever to enter into any contract or other agreement that would obligate Friends, nor does the School have any authority whatsoever to make any representations to third parties including lenders, that Friends in any way guarantees, is obligated, or is in any way responsible for any obligation, including any contract, mortgage, loan or other instrument entered into by the School.

Friends has no authority whatsoever to enter into any contract or other agreement that would obligate the School, nor does Friends have any authority whatsoever to make any representations to third parties including lenders, that the School in any way guarantees, is obligated, or is in any way responsible for any obligation, including any contract, mortgage, loan or other instrument entered into by Friends.

Section 2.5. Limited Use of “Friends” Name. The School may not use the name of Friends or any assumed name, trademark, division or affiliation of Friends in any of the School’s promotional advertising, contracts, or other materials without Friends prior written consent, except that the School may include the following statement in such materials, “[Name of School] is authorized by Friends of Education.” Pursuant to Minnesota Statute. 124E.07 Subd. 8(b) the School shall identify Friends as its authorizer and include Friends contact information on its website and in School materials made available to the public.

ARTICLE III

ROLE OF FRIENDS

Section 3.1. Oversight Responsibilities of Friends. Friends shall monitor and evaluate the School’s academic, financial, operational, and student performance, including the School’s compliance with this Contract and Applicable Law. Friends shall monitor and evaluate School performance using various criteria, processes, and procedures set forth generally in Article VI and Exhibit M.

The School agrees that, in the spirit of continuous improvement, Friends may monitor and evaluate any indicator of academic, financial, operational, and student performance, including indicators not expressly set forth in this Contract, which shall inform Friends’ evaluation of the School and the School’s continuous improvement plan.

Section 3.2. Authorizer Fee. The School shall pay Friends a fee for Friends execution of its oversight responsibilities. The fee shall be the maximum fee provided by the Charter School Act, except that if Minnesota law is amended to increase this fee, the School will pay the increased fee.
ARTICLE IV

PERMITTED ACTIVITIES OF THE SCHOOL & ASSUMPTION OF LIABILITY

Section 4.1. Limitation on Actions. The School shall act exclusively as a charter school and shall not undertake any action inconsistent with its status as a charter school authorized to receive state and federal school aid funds and shall not undertake any action to jeopardize its 501(c)(3) status including observation of applicable conflict of interest requirements.

Section 4.2. Other Permitted Activities. The School shall have all powers, duties and responsibilities provided by law to a charter school. The School shall not engage in any otherwise lawful activities that are in derogation of the School's status as a public school or that would jeopardize the eligibility of the School for state and federal school aid funds. The School may exercise its powers, enter into agreements with other public schools, governmental units, businesses, community and nonprofit organizations, reasonably necessary to accomplish its obligations as a charter school under this Contract.

Section 4.3. Assumption of Liability. The School and the School Board may sue and be sued. The School and the School Board accept liability for all actions arising out of or are in any manner connected with the School’s operations.

ARTICLE V

LEGAL STATUS OF THE SCHOOL

Section 5.1. Nonprofit Status. The School shall be organized and operated as a nonprofit corporation under Minnesota Statutes Chapter 317A, as amended. Notwithstanding any provision of Minnesota Statutes Chapter 317A, as amended, the School shall not take any action inconsistent with the Charter School Act or in derogation of the School’s status as a public school.

Section 5.2. Articles of Incorporation. The School represents that, as of the date of this Contract, the Articles of Incorporation of the School set forth as Exhibit B are accurate and have not been otherwise altered or amended.

Section 5.3. Bylaws. The School represents that, as of the date of this Contract, the Bylaws of the School set forth as Exhibit C are accurate and have not been otherwise altered or amended.
ARTICLE VI
OPERATING REQUIREMENTS

Section 6.1. Governance. The School shall be organized and administered under the direction of the School Board elected in accordance with the School’s Bylaws and Applicable Law. The School Board shall decide and be responsible for matters related to the operation of the School including, but not limited to, budgeting, curriculum, programming, personnel, and operating procedures. In addition, the Board shall evaluate the student achievement and School’s progress towards achieving its charter contract goals and commitments.

Section 6.2. School Board Meetings. Meetings of the School’s Board and its committees shall comply with the Minnesota Open Meeting Law, Minnesota Statute Chapter 13D.

Section 6.3. Exhibits. The School agrees to implement and adhere to all the representations and information identified in the Exhibits, including without limitation, the achievement of the academic outcomes/goals identified in Exhibit F.

Section 6.4. Compliance with all Applicable Laws. The School shall comply with all Applicable Laws.

Section 6.5. Programs Offered by the School. All programs which the School provides, operates, is affiliated with, or sponsors shall comply with Applicable Law, have adult supervision at all times, and be covered by the School’s insurance.

The School provides the following programs:

(a) In-School Time Programs. In-school time programs include all programs operated during school hours. The School provides the in-school time program summarized in Exhibit E. Except as may be otherwise limited by the Department of Education approval of Friends affidavit of intent to charter the school or expanded by the Department of Education approval of any supplemental affidavit to expand the grades or programs offered by the School, the School may accept enrollment to students for the following in-school time program(s):

[ ] Early Learning  
[ ] Preschool Instructional  
[ ] Pre-K  
[ X ] Grades K - 12

(b) Out-of-School-Time Programs. Out-of-school-time programs include any programs operated before or after school hours, or on weekends, or during school calendar breaks, including before/after school care, but does not include
School clubs or athletics. The School may, but is not required to, provide, operate, affiliate with, or sponsor the out-of-school time programs identified and described in Exhibit E and according to the parameters set-forth therein. The School does not provide, operate, affiliate with, or sponsor out-of-school-time programs not otherwise identified and described in Exhibit E.

(c) Club and Athletic Programs. The School provides club or athletic programs as it deems appropriate from time to time.

The School will provide equal access to all programs and will not permit any program to operate in derogation of Applicable Law or its status as a public school.

Section 6.6. Academic Curriculum Program. The School will implement and adopt the academic program and curriculum set forth in Exhibit E.

Section 6.7. Methods of Assessment. The School shall evaluate students’ work based on, at a minimum, the assessment strategies identified in this Contract and its annual report.

(a) Academic Measures – Friends will monitor student academic performance and school culture, which provides the basis for high academic performance.

1. Regular Assessments. Friends will monitor academic achievement by reviewing student testing and assessment.

2. Government Required Assessments. School students will take the Minnesota Comprehensive Assessment tests and any other testing required by Applicable Law.

3. Nationally-Normed Referenced Assessments & School-Level Assessments. Except as may be otherwise limited by Exhibit F, School students will take a nationally-normed referenced assessment on at least an annual basis. In addition, School students will also take data-driven instructional assessments developed by the School on at least a quarterly basis in reading, math, and science. The School may implement any additional tests.

4. Assessment and Test Results. The School will provide Friends results of government required assessments at such time as the School receives its preliminary assessment results and at such time as the School receives its final assessment results, and the School will provide Friends the results of any other testing each quarter, but no later than November 1st, February 1st, and May 1st. Friends will compare testing data to other schools in order to measure performance.
5. **Friends of Education Council.** The School agrees to participate in the Friends of Education Council, which consists of representatives of all Friends authorized schools, and Friends will monitor the School’s participation in the Council. The goal of participation in the Council is to share information and identify resources, and the School agrees to do so.

6. **Professional Development.** The school will ensure that each teacher at the School has a professional development plan that focuses in part on developing quality assessments, measures of student outcomes, and effective teaching strategies. The School will advise Friends, on a semi-annual basis June 15th and December 15th of professional development attended by its staff.

7. **Teamwork and Common Planning Time.** The School will ensure common planning time, relating to classroom instruction, for all teaching staff and will advise Friends on a semi-annual basis, January 15th and June 15th as to the extent of common planning time for both teaching staff in the same grade and teaching staff as a whole.

8. **Continuous Improvement.** The School agrees that it is committed to continuous improvement and that accountability is a continuous improvement process. Accordingly, the School will develop and implement a continuous improvement plan and review it at least annually. The School will provide Friends a copy of its continuous improvement plan, which must be included in its annual report, no later than August 1st of each school year.

   (b) **Site-visits.** Friends may engage in scheduled and unscheduled site-visits in the course of the Contract term. Site-visits will be an opportunity to review academic goals and achievement data to date, evaluate the implementation of the academic program, operations and other matters. Friends may engage in scheduled and unscheduled site visits at such frequency as determined necessary or prudent by Friends.

   (c) **Remediation.**

   1. **School Initiated.** If the School fails to make adequate progress towards achieving its academic outcomes/goals, financial targets, or comply with Applicable Law or other requirements, the School may at any time prepare and implement an improvement plan to overcome such deficiencies. The School may at any time submit the plan to Friends for review and comment prior to adoption and implementation.

   2. **Friends Initiated.** If Friends has a concern about the School, or if the School fails to make adequate progress towards achieving its academic outcomes/goals or to meet financial requirements, or to comply with
Applicable Law, or other requirements, Friends shall provide the following notices, as applicable.

(a) **Notice to School Leader or Board Chair.** Friends shall notify the school leader or board chair of area(s) of concern for correction. Friends may specify a target date for correction.

(b) **Formal Notice to School.** If the situation remains uncorrected without reasonable explanation, or if the situation involves an urgent concern, Friends will formally notify the School of the area(s) of concern for correction and may ask the School to adopt a specific performance improvement plan. If Friends requires the School to retain a third-party investigation, the School shall retain an investigator within ten (10) days of such requirement; in addition, the third party investigator must be acceptable to Friends, and the School shall authorize such investigator to provide status reports to and communicate with Friends. Friends shall specify a target date for correction which Friends may, if circumstances warrant, amend.

(c) **Notice to School Board of Charter Revocation/Termination.** Friends initiates notice whereby charter authorization will be withdrawn pursuant to Article X.

Section 6.8. **School Calendar and School Day Schedule.** The School shall provide instruction for at least the hours of instruction required by Minn. Stat. 120A.41, and shall notify Friends by each July 1st of the number of instructional days and hours for that school year.

Section 6.9. **Finance, Reporting and Compliance.**

(a) **To Friends.** The School will furnish Friends with monthly financial reports, no later than the 20th of the month for the prior month, unless a different frequency is agreed to in writing by Friends. The reports must contain budget and actual revenue and expenses (both by current month and year-to-date) and contain explanations for all items exceeding budget and the manner in which the excess items will be resolved, as well as cash-flow statements and fiscal year-end fund balance projections. The financial reports will also include the total dollar amount of unpaid accounts payable more than thirty days past due with an explanatory note for the total amount of any such past due amounts disputed by the School, if applicable; and the current average daily membership of the School. Should the School continually exceed its budgeted expenses with no corresponding increase in revenue, not report properly or timely to the Department of Education or Friends, evidence any fiscal or legal non-compliance, the School will engage resources to resume budgeted performance and operate in compliance with all Applicable Law and generally accepted standards of
fiscal management.

The School will execute a release to enable Friends to discuss the School’s financial matters with both its external auditor and accounting service provider if any. The School will submit the release to Friends no later than September 1st of each school year. The School consents to Friends conducting reviews of the School’s accounts payable, at such times as Friends may require, either at the School or at the School’s accounting service provider, if any.

The School Board is responsible for establishing, approving, and amending an annual budget in accordance with Applicable Law. The School will submit to Friends a draft budget for the following school year by May 1st.

By June 15th of each year, the School Board shall submit to Friends a copy of its final budget for the following school year. The budget must detail budgeted expenditures at the object level. In addition, the School Board is responsible for approving all revisions and amendments to the annual budget. Within ten (10) business days after School Board approval, revisions or amendments to the School's budget shall be submitted to Friends.

(b) To Department of Education. The School will comply with all reporting requirements established by the Department of Education.

Section 6.10. Accounting Standards. The School shall at all times comply with generally accepted public sector accounting principles, generally accepted standards of fiscal management, and accounting system requirements that comply with Department of Education requirements.

Section 6.11. Annual Financial Statement Audit. The School shall engage an annual external audit of all financial and accounting records. The audit will be prepared and reviewed by an independent certified public accountant. By December 15th of each year, the School shall submit two (2) copies of the annual financial statement audit and auditor's management letters, including any required supplemental information, for the school year ending the previous June 30th to Friends. By January 1st of each year, the School Board shall provide to Friends a copy of any responses to auditor's management letters. The School will comply with the same financial audits, audit procedures, and audit requirements of school districts, including Minnesota Statutes sections 123B.75 to 123B.83, except to the extent deviations are necessary because of the program of the School. Financial, program, or compliance audits may be conducted by the Department of Education, or the State Auditor, and/or the Legislative Auditor.

Section 6.12. UFARS and MARSS. The School will utilize the UFARS financial accounting principles and methods. The School will comply with MARSS requirements with respect to student accounting.
Section 6.13. Contributions and Fund Raising. The School may solicit and receive contributions and donations as permitted by Applicable Law and UFARS. No solicitation shall indicate that a contribution to the School is for the benefit of Friends. The School will not include fundraising/non-government grants or gifts not already received or subject to written pledge in its budget for operating expenses.

Section 6.14. Annual Reports. The School will submit its state-required annual report to Friends no later than seven days before the date specified by the Minnesota Department of Education, and if the Department of Education does not specify a due date, no later than October 1st for the immediately preceding school year ending June 30th. The annual report shall be approved by the School Board prior to the submission to Friends and will include such information as Friends may require.

Section 6.15. Employment. An employee hired by the School shall be an employee of the School for all purposes and not an employee of Friends for any purpose. With respect to School employees, the School 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 School shall comply with the Public Employment Relations Act (PELRA), Minnesota Statutes Chapter 179A, as applicable. The School must employ or contract with teachers who hold valid licenses or any allowable waivers to perform the teaching service for which they are employed at the School.

The School Board shall be responsible for carrying workers’ compensation insurance and unemployment insurance for its employees. The School shall employ and contract teachers who hold valid licenses or certifications, as required by Applicable Law. Teachers employed by the School shall be treated by the School as public school teachers for the purposes of Minnesota Statutes Chapters 354 and 354A.

The School will ensure that lesson plans and related materials developed by School employees to implement the School’s academic program and curriculum are and remain School, and not individual/employee, property.

Section 6.16. Collective Bargaining Agreements. Collective bargaining agreements, if any, with employees of the School shall be the responsibility of the School.

Section 6.17. Transportation. The School may provide transportation for students enrolled in the School and shall provide transportation for all students who are enrolled in the School and who reside in the district in which the School is located as required by Applicable Law; otherwise, transportation will be provided by the district in which the School is located. In providing transportation either through the district or itself, the School shall do so in compliance with and provide any notices required by Applicable Law.
Section 6.18. Notification of Claim. The School agrees to provide notice to Friends within five (5) days of the School’s receipt of any significant claim, including any allegation of illegality or impropriety by the School or its employees, and any adverse notice received from the Department of Education.

Section 6.19. Expenses. The School agrees to pay for all expenses related to its operation as a charter school, including expenses incurred for operational programs and all expenses related to the performance of its obligations under this Contract and Applicable Law.

Section 6.20. Board Data. The School agrees to notify Friends of any resignations or additions to its School Board within ten (10) days of such change. All additions to the School Board will execute a statement of assurance, in the form of Exhibit K, within ten (10) days of such addition, and which shall be provided to Friends within thirty (30) days of such addition. The School agrees to obtain background checks, at the School’s expense or at the individual’s expense if allowed by Applicable Law, on all potential board members before such members are added to the School Board; the School shall certify to Friends within ten (10) days of receipt of such background check that the background check has been completed and whether or not the background check contained adverse information. In addition, the School agrees to furnish Friends minutes of the Board’s meetings at such time as the minutes are distributed to the School Board. The School further agrees to notify Friends of the School Board meeting schedule at least twenty (20) days in advance of meeting dates and at the same time as notice provided to board members for special and emergency meetings. The School further agrees to provide Friends by October 1st of each year, conflicts of interest statements for all board members and ex-officio board members in the form Friends requires.

Section 6.21. Pre-Opening Progress & Additional Reporting Obligations.

(a) Pre-Opening Progress. If, as of the date of this Contract’s issuance, the School is not operational, the School will inform Friends regarding its progress in establishing the School in the format required by Friends. The School agrees to the following significant target dates effective for the months immediately preceding School opening:

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 1st</td>
<td>Facility secured and school leader identified</td>
</tr>
<tr>
<td>May 1st</td>
<td>Database of interested students/families that is 125% of budgeted enrollment</td>
</tr>
<tr>
<td>May 10th</td>
<td>Significant renovations/buildout to facility have begun</td>
</tr>
<tr>
<td>May 31st</td>
<td>75% of projected budgeted students officially enrolled</td>
</tr>
<tr>
<td>June 1st</td>
<td>75% of teaching staff hired</td>
</tr>
<tr>
<td>July 1st</td>
<td>125% of projected budgeted students officially enrolled</td>
</tr>
</tbody>
</table>
Where a significant target date is not met, the School will submit a written plan to Friends detailing how the condition will be remedied within thirty (30) days of the significant target date. If requested by Friends, due to the School’s failure to meet a significant target date or comply with Applicable Law or other grounds, the School will delay opening of the School one academic year.

(b) Additional Reporting Obligations.

1. Teacher Licensure. The School will advise Friends by September 15th of each school year of the following for each teaching staff member: full name, Minnesota license number, grade taught, subject(s) taught. The School will advise Friends of any changes to its teaching staff within ten (10) days of such change.

2. Enrollment. The School will advise Friends of its enrollment and attendance daily for the first ten school days of each school year, then once weekly for the following four weeks, then once each on December 15th and on March 15th.

Section 6.22 Cooperation and Third Parties. The School agrees to cooperate with and assist Friends or its designee in providing the access, information, and data Friends requires at Friends’ sole discretion in executing this Contract. The School understands and agrees that Friends may contract with a third party to perform any of Friends’ oversight functions.

**ARTICLE VII**

**GENERAL PROHIBITIONS**

Section 7.1. Tuition Prohibited. The School shall not charge tuition. The School may impose fees and require payment of expenses for activities of the School where such fees and payments are not prohibited by Applicable Law, including Minn. Stat 123B.34-123B. 39.

Section 7.2. Establishment of Religion Prohibited. The School shall be nonsectarian in its programs, admission policies, employment practices, and all other operations.

Section 7.3. Home School Support Prohibited. The School shall not be used as a method of educating or generating revenue for students who are being home schooled, except as may be allowed by Applicable Law.

Section 7.4. Open Admissions. The School shall not limit admissions to students on the basis of intellectual ability, measures of achievement or aptitude, athletic ability or any other criteria inconsistent with Applicable Law. A student shall be re-enrolled for the next school year until formally withdrawn from the School.
Section 7.5. **Lottery Admissions.** The School shall enroll an eligible student who submits a timely application, unless the number of applicants exceeds the capacity of the programs, class, grade level, or building. In such cases, enrollment shall be by lottery and, when conducting such lottery, the School shall provide enrollment preferences as provided by Applicable Law.

**ARTICLE VIII**

**COMPLIANCE WITH STATE AND FEDERAL LAWS**

Section 8.1. **State Laws.** The School shall comply with applicable state laws. Nothing in this Contract shall be deemed to apply any other state law to the School. Except as otherwise provided by the Charter School Act or this Contract, the School shall be exempt from all Minnesota Statutes and rules applicable to a school, school board, and school district unless the statute or rule is made specifically applicable to a charter school.

(a) **Students with Disabilities.**

1. **Compliance.** The School shall comply with Minnesota Statute Sections 125A.02, 125A.03 to 125A.24 and 125A.65, concerning the provision of education services to students with a disability at the School.

2. **Special Education Director.** The School shall employ or contract with a special education director who shall be responsible for program development, coordination and evaluation; planning for professional development and general programmatic and fiscal supervision and administration.

3. **Systems & Services.** The School shall implement, at a minimum:

   (a) a child-find system to identify students with disabilities and students who are suspected of having disabilities; such system will include a procedure for receiving referrals from parents, teachers, outside agencies, and physicians.

   (b) a system for conducting comprehensive initial and re-evaluations to determine eligibility for special education and related services.

   (c) a full range of special education services to ensure that all students with disabilities are provided with the specially-designed instruction and related services based on their disability-related needs.
(d) a system for monitoring appropriate and proper due process procedures to ensure effective and efficient child study procedures and methods of providing special education services for identified students.

4. **Financial Parameters.** The School is entitled to access state special education funds for salaries, supplies/equipment, contracted services, and student transportation costs. The School is permitted to bill certain special education costs not paid by state special education funds to the student’s resident district. The combination of state special education funds and the ability to bill to the district certain special education costs enable the School to adequately provide special education services to such children. The School may also access federal special education funds.

At such time as the School has determined the number of its students who have disabilities as defined in Minnesota Statutes, sections 125A.03-24 and 125A.65, the School shall provide to the Commissioner a further description of the financial parameters within which the School will operate to provide special education instruction and services to such children.

(b) **Health and Safety.** The School shall meet the same federal, state, and local health and safety requirements applicable to a school district.

(c) **Immunization.** The School shall comply with the Minnesota Statutes section 121A.15, requiring proof of student immunization against measles, rubella, diphtheria, tetanus, pertussis, polio, mumps, and hemophilia influenza type B prior to enrollment.

(d) **Human Rights Act.** The School shall comply with the Minnesota Human Rights Act, Chapter 363A, which prohibits unfair discriminatory practices in employment, public accommodations, public services, or education; and comply with Minnesota Statutes section 121A.04, which governs provisions of equal opportunities for members of both sexes to participate in athletic programs.

(e) **Student Discipline and Dismissal.** The School shall comply with the Minnesota Pupil Fair Dismissal Act (MPFDA), Minnesota Statutes sections 121A.40 to 121A.56. The School Board shall provide to Friends its approved discipline policy and procedure consistent with the MPFDA within 120 days of the effective date of this Contract. The School shall comply with the continuing truant notifications under Minnesota Statute section 260A.03.
(f) Fee Law. The School shall comply with the Minnesota Public Schools Fee Law, Minnesota Statutes sections 123B.34 to 123B.39, which governs authorized and prohibited student fees.

Section 8.2. Federal Laws. The School shall comply with applicable federal laws. Nothing in this Contract shall be deemed to apply any other federal law to the School.

Section 8.3. Intellectual Property. The School has ascertained that its name and logo do not violate or infringe upon the intellectual property rights of another and has taken appropriate measures to secure the intellectual property rights with respect to its name and logo.

Section 8.4. Student Records. The School shall comply with Applicable Law regarding the management and transfer of student records.

ARTICLE IX

AMENDMENT

Section 9.1. Amendments. Friends and the School acknowledge that the operation and administration of a charter school and the improvement of educational outcomes over time may require appropriate amendment of this Contract. In order to ensure a proper balance between the need for independent development of the School and the statutory responsibilities of Friends as an authorizing body, all amendments to this contract must be in writing, and signed by the parties.

Section 9.2. Change in Existing Law. If, after the effective date of this Contract, there is a change in Applicable Law which alters or amends the responsibilities and obligations, rights, or remedies of either the School or Friends, 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, obligations, rights or remedies of the School and Friends shall conform to and be carried out in accordance with the change in Applicable Law.

ARTICLE X

CONTRACT REVOCATION/TERMINATION AND NONRENEWAL

Section 10.1. Grounds for Revocation/Termination or Nonrenewal. This Contract may be revoked/terminated and need not be renewed by Friends upon a determination by Friends that one or more of the following has occurred:

(a) Failure of the School to demonstrate satisfactory achievement for all
students including the requirements for student performance set forth in this Contract; or

(b) Failure of the School to meet generally accepted standards of fiscal management; or

(c) Failure of the School to comply with all Applicable Law.

Section 10.2. Other Grounds for Revocation/Termination or Nonrenewal. In addition to the grounds for revocation/termination and nonrenewal set forth in Section 10.1, Friends may revoke/terminate or not renew this Contract, upon Friends’ determination that one or more of the following has occurred:

(a) The School is unable to pay its bills as they become due, is insolvent, or is bankrupt;

(b) The School has insufficient enrollment or demonstrated financial resources to successfully operate a charter school, or the School has lost more than fifty percent (50%) of its student enrollment from the previous school year

(c) The School defaults in any of the terms, conditions, promises or representations contained in or incorporated into this Contract;

(d) The School amends its Articles of Incorporation and/or Bylaws at any time without first obtaining Friends’ written approval;

(e) Friends discovers negligent, fraudulent or criminal conduct by any of the School’s applicant(s), directors, officers, employees or agents in relation to the school’s performance under this Contract; or

(f) The School’s applicant(s), directors, officers or employees have provided false or misleading information or documentation to the Department of Education or Friends in connection with Friends issuance or oversight of this Contract, or in connection with any affidavit that the School requests Friends submit to the Department of Education, or in connection with the School's reporting requirements under this Contract or Applicable Law; or

(g) Other good cause shown.

Section 10.3. Procedures for Revoking/Terminating or Not Renewing Contract. Friends' process for revoking/terminating or not renewing the Contract is as follows:

(a) Notice of Intent to Revoke/Terminate or Not Renew. Friends, upon reasonable belief that grounds for revocation/termination or nonrenewal of the Contract exist, shall notify the School Board of such grounds by issuing the School Board a notice of intent to revoke/terminate or not renew. The notice
of intent to revoke/terminate or not renew shall be in writing, shall set forth in reasonable detail the alleged grounds for revocation/termination or nonrenewal, and shall state that the School Board may request in writing, within fifteen (15) business days of receiving the notice, an informal hearing before Friends.

(b) **School Board's Response.** Within fifteen (15) business days of receipt of the notice of intent to revoke/terminate or not renew, the School Board shall respond in writing to the alleged grounds for revocation/termination or nonrenewal. The School Board's response shall either admit or deny the allegations of non-compliance. If the School's response includes admissions of non-compliance with the Contract or Applicable Law, the School Board's response must also contain a description of the School Board's plan and timeline for correcting the non-compliance with the Contract or Applicable Law. If the School's response includes a denial of non-compliance with the Contract or Applicable Law, the School'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 School Board may request that an informal hearing be scheduled with Friends. The School Board’s failure to provide to Friends a written request for an informal hearing within the fifteen (15) business day period shall be treated as acquiescence to Friends proposed action.

(c) **Informal Hearing.** Upon receiving a timely written request for an informal hearing, Friends shall give ten (10) business days notice to the School Board of the hearing date and time, and Friends shall conduct such hearing.

(d) **Plan of Correction.** Friends shall review the School Board's response and may, in its sole discretion, determine whether a reasonable plan for correcting the deficiencies may be formulated. If Friends determines that a reasonable plan for correcting the deficiencies set forth in the notice of intent to revoke/terminate or not renew can be formulated, Friends shall develop a plan for correcting the non-compliance ("Plan of Correction"). In developing a Plan of Correction, Friends is permitted to adopt, modify or reject some or all of the School Board's response for correcting the deficiencies outlined in the notice of intent to revoke/terminate or not renew. Friends is not obligated to offer a Plan of Correction to the School.

(e) **Withdrawal of Notice of Revocation/Termination or Nonrenewal.** Friends may withdraw its notice of intent to revoke/terminate or not renew if Friends determines any of the following: (i) the School Board's denial of non-compliance is persuasive; (ii) the non-compliance set forth in the notice of intent to revoke/terminate or not renew has been corrected by the School Board; or (iii) the School Board has successfully completed the Plan of Correction.
(f) Effective Date of Revocation/Termination or Nonrenewal. If Friends decides to revoke/terminate or not renew the Contract, the revocation/termination or nonrenewal shall be effective on the date of Friends’ act of revocation/termination or nonrenewal, or at a later date as determined by Friends, such date specified by Friends in its determination of revocation/termination or nonrenewal. Friends must take final action regarding revocation/termination or nonrenewal no later than twenty (20) business days: (i) before the specified date for revocation/termination or nonrenewal of the Contract, or (ii) the Contract’s termination date.

Section 10.4. Dissolution. If this Contract is revoked/terminated, or if this Contract is not renewed pursuant to this Article, the School will dissolve following the process provided by Minn. Stat. Ch. 317A and Applicable Law relating to dissolutions and Exhibit L.

Section 10.5. Distribution of Property Upon Termination of Contract. In the event of dissolution of the School, all property which it might lease, borrow or contract for use, shall be promptly returned to those organizations or individuals from which the School has leased or borrowed the materials.

Section 10.6. Property Owned by School. All property which has been purchased by the School will remain its own. In the event of subsequent dissolution of the School, such property as may be required or permitted by Applicable Law will first be donated to other charter schools authorized by Friends and if no Friends School wants such property, then to any other Minnesota Charter School. Any remaining property will then be sold or distributed in accordance with Applicable Law.

Section 10.7. Property Owned by School Employees. All property personally and/or individually owned by the trained and licensed teachers or staff employed by the School, shall be exempt from distribution of property and shall remain the property of the individual teachers and staff. Such property includes, but is not limited to, albums, personal mementos and other materials or apparatus which have been personally financed by teachers or staff. Such property does not include lesson plans and related materials developed and produced by School employees to implement the School’s academic plan and curriculum; the School will ensure that its employment agreements document that such property is School property.
ARTICLE XI

ADDITIONAL PROVISIONS

Section 11.1. Contract Renewal or Transfer to Different Authorizer.

(a) Contract Renewal.

1. Considerations Determining Renewal. The School acknowledges that improving all pupil learning and all student achievement is the most important factor Friends will consider in determining Contract renewal, which determination shall be based substantially on the School’s attainment of its academic outcomes/goals identified in Exhibit F. Friends will also consider any compelling evidence of improved pupil learning and student achievement for all students on Department of Education measures other than the attainment of outcomes/goals specified in Exhibit F.

Friends will consider other factors in its renewal determination, which factors are considered secondary to improving all pupil learning and all student achievement. Specifically, Friends will consider the achievement of any additional identified purposes specified in Exhibit D, and financial and operational performance obligations and compliance with Applicable Law as set forth in this Contract.

The School will be eligible for renewal only if the School has improved pupil performance and student achievement for all students, notwithstanding superior performance in financial, operations, governance, or legal compliance factors.

If Friends offers a renewal contract, a five-year term will be awarded only if warranted by School performance: the School has improved all pupil learning and all student achievement, the School has met or substantially met its academic pupil performance outcomes/goals in Exhibit F, the school has no significant financial, operational, governance, or legal compliance deficiency, or multiple deficiencies in any of the financial, operational, governance, or legal compliance areas, or deficiencies in multiple areas.

2. Considerations Warranting Nonrenewal. Nonrenewal is warranted based on the existence of grounds identified in section 10.1 or 10.2 or Applicable Law, notwithstanding the existence of improved pupil learning and student achievement for all students. For example, nonrenewal will result from the School’s failure to improve all pupil learning and all student achievement notwithstanding superior performance in financial, operations, governance, or legal compliance factors, and nonrenewal may result from the School’s improvement of all pupil learning and all student
achievement combined with a significant financial, operational, governance, or legal compliance deficiency, or multiple deficiencies in any of the financial, operational, governance, or legal compliance areas, or deficiencies in multiple areas.

3. **Corrective Action Renewal.** If the School has improved all pupil learning and all student achievement, but School performance also indicates the existence of a significant financial, operational, governance, or legal compliance deficiency, or multiple deficiencies in any of the financial, operational, governance, or legal compliance areas, or deficiencies in multiple areas, Friends may, but is not obligated to, renew this Contract. If Friends renew the Contract in these circumstances, the renewal is for corrective action with a term not to exceed three years, and the School acknowledges and agrees that the School must continue to improve all pupil learning and all student achievement and must eliminate and resolve the deficiencies causing the Corrective Action Renewal and that no additional deficiencies are created or identified during that renewal term, in order to be eligible for a subsequent renewal.

4. **Application.** By September 1st of the school year in which this Contract terminates, the School will submit an application to Friends which shall contain three parts: (1) **School Performance.** An analysis and evaluation of the School’s performance under this Contract, which shall include a comprehensive evaluation of each contract goal for each year of the contract, as well as an evaluation of fiscal, operational, and governance performance during the term of the contract; (2) **Proposed Goals.** A proposal for goals for the following contract period; the goals must be specific, measurable, achievable, relevant, and time-bound, and must be designed to meet or exceed expectations adopted by the Commissioner for public schools; and (3) **Other Information.** Any other information the School desires Friends to consider. The School agrees to provide to Friends documentation supporting the School’s evaluation if requested by Friends.

Friends will notify the School within four weeks of receipt of the School’s external audit (final, not draft) for the most recently completed fiscal year as to whether Friends intends to offer a renewal charter contract.

(b) **Transfer to Different Authorizer.** Friends must consent to the School’s transfer to another authorizer. If Friends consents to the School’s request to transfer to a different authorizer, the School agrees to reimburse Friends for any authorizer fees waived or not paid, grants provided by Friends to the School, and all training and professional development provided to the School by a third party but paid by Friends. This provision does not apply if Friends requests that the School transfer to another authorizer.
Section 11.2. Insurance. The School Board shall secure and maintain in its own name as the "first named insured" at all times the following insurance coverages:

(a) workers’ compensation insurance to include coverage A;

(b) insurance covering all of the School’s real and personal property, whether owned or leased;

(c) insurance required by Minn. Stat. 466.04, including a minimum of commercial general liability insurance in comprehensive form, bodily injury and property damage combined of one and a half million dollars ($1,500,000) per occurrence and personal injury of one and a half million dollars ($1,500,000) per occurrence; and up to three million dollars ($3,000,000) per occurrence for the release or threatened release of a hazardous substance; and if not included under its general liability coverage, additional coverages as follows: minimum automobile liability insurance coverage, bodily injury and property damage, of one million dollars ($1,000,000) per occurrence if the School owns or operates motor vehicles; officer and employee errors and omissions/professional liability of one and a half million dollars ($1,500,000) per occurrence; and employee dishonesty insurance of five hundred thousand dollars ($500,000).

The insurance must be obtained from a financially responsible licensed mutual, stock, or other responsible company licensed to do business in the State of Minnesota. The School may join with other charter schools to obtain insurance if the School Board finds that such an association provides economic advantages to the School, provided that each School maintains its identity as first named insured. The School shall have a provision included in all policies requiring notice to Friends, at least thirty (30) days in advance, upon termination or non-renewal of the policy. In addition, the School shall provide Friends or its designee copies of all insurance policies required by this Contract, if requested by Friends. Friends may periodically review the types and amounts of insurance coverages that the School secures.

The above-stated coverage limits shall be issued and maintained as indemnity limits and shall not be reduced by any applicable insurer defense obligations. The Department of Education may suggest or Applicable Law may determine alternative amounts and terms of any deductible or insurance provisions, which shall supersede the foregoing requirements. The School shall provide the Department of Education with any insurance information, as requested.

The School may expend funds for payment of the cost of participation in an accident or medical insurance program to insure protection for students while attending school or participating in a school program or activity.

Section 11.3. School Lease. The School shall provide to Friends a copy of its lease, and any subsequent amendment(s), or deed for the premises in which the School
shall operate within fourteen (14) calendar days of execution. The school will provide to Friends any notice of lease termination within five (5) calendar days of receipt. The School may lease space from any independent or special school board eligible to be a charter school authorizer, other public organization, private nonprofit institution organization or private property owner, as it deems necessary. The School may lease space from a sectarian organization as allowed by Applicable Law.

Section 11.4. Occupancy and Safety Certificates. The School Board shall: (a) ensure that the School’s physical facilities comply with all fire, health and safety standards applicable to schools; and (b) possess the necessary occupancy and safety certificates for the School’s physical facilities. The School Board shall not conduct classes until the School has complied with this section. Copies of such certificates shall be provided to Friends before the first day of classes, if requested by Friends.

Section 11.5. Legal Liabilities. Friends does not assume any obligation with respect to any director, employee, agent, parent, guardian, student, or independent contractor of the School. The School acknowledges and agrees that it assumes full liability for its activities and that the Commissioner, Friends, officers and members of the Board of Friends, and employees of Friends, are immune from civil and criminal liability with respect to all activities related to the School, pursuant to Minnesota Statutes Section 124E.09, and nothing in this Contract is intended to affect such immunity.

Section 11.6. Indemnification of Friends & Commissioner. Notwithstanding Section 11.5, the School agrees to indemnify and hold harmless Friends and its officers, board members, employees, agents or representatives, and to indemnify and hold harmless the Commissioner and Department of Education officers, agents, and employees notwithstanding Minn. Stat. section 3.736, from all suits, claims, demands, or liability, including attorney fees, and related expenses, which arise out of or are in any manner connected with the School's operations or which are incurred as a result of the reliance of Friends upon information supplied by the School, or School Board and its agents or employees, or which arise out of the failure of the School to perform its obligations under this Contract or which arise out of Friends' exercise of its obligation under Applicable Law or enforcement of this Contract.

Section 11.7. Covenant Not to Sue. Notwithstanding Section 11.5, the School expressly covenants and agrees that it:

(i) shall not institute any action or suit at law or in equity or any inquiry or proceeding of any kind in any regulatory agency or court against Friends based, in whole or in part, upon any hereafter acquired claims, demands, damages, causes of action and liabilities of any nature whatsoever, in law or in equity, arising out of or in connection with Friends’ enforcement of this Contract; and

(ii) shall neither institute nor participate in the institution or prosecution of any hereafter acquired claims, demands, damages, causes of action and liabilities
of any nature whatsoever, in law or in equity, against Friends arising out of or in connection with Friends’ enforcement of this Contract.

This section is not a release and does not constitute a satisfaction. In the event that there is an inconsistency or dispute between the contents of this Section and any other term of this Contract, the contents of this Section shall control.

If the School violates this Section, the School expressly agrees that it will pay Friends’ attorneys’ fees and costs incurred in the defense of such suit or action, including any appeals therefrom, in addition to any other remedies available to Friends under this Contract.

ARTICLE XII
GENERAL TERMS

Section 12.1. Term of Contract. This Contract shall be effective on the date of its issuance and shall remain in full force and effect for five (5) academic years through the end of the 2020/2021 school year, and shall terminate at the conclusion of June 30, 2021, unless sooner revoked/terminated according to the terms hereof.

Section 12.2. Notices. Any and all notices permitted or required to be given hereunder shall be deemed duly given: (i) upon actual delivery, if delivery is by hand; or (ii) upon receipt by the transmitting party of confirmation or answer back if delivery is by facsimile or electronic mail; or (iii) upon placing into United States mail if 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 written notice delivered pursuant hereto:

If to Friends:
Friends of Education
200 East Lake Street
Wayzata, MN  55391

If to School:   to the attention of the School Board or School Board President/Chair at:

    Eagle Ridge Academy
    11111 Bren Road West
    Minnetonka, MN  55343

with a copy to the School’s Executive Director.
Section 12.3. **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. Subject to §9.2, 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 12.4. **Successors.** The terms and provisions of this Contract are binding on and shall inure to the benefit of the parties and their respective successors.

Section 12.5. ** Entire Contract.** Except as specifically provided in this Contract, this Contract sets forth the entire agreement between Friends and the School with respect to the subject matter of this Contract. All prior contracts, representations, statements, negotiations, understandings, and undertakings are superseded by this Contract.

Section 12.6. **Assignment.** This Contract is not assignable by either the School or Friends.

Section 12.7. **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 12.8. **Governing Law.** This Contract shall be governed and controlled by the laws of the State of Minnesota as to interpretation, enforcement, validity, construction, and effect, and in all other respects.

Section 12.9. **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 12.10. **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 12.11. **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 12.12. **No Third Party Rights.** This Contract is made for the sole benefit of School and Friends. Except as otherwise expressly 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 12.13. **Non-agency.** School is not an agent of Friends and Friends is not an agent of the School.

Section 12.14. **Termination of Responsibilities.** Except as provided in §12.15, upon termination or revocation of the Contract, Friends or its designee and the School shall have no further obligations or responsibilities under this Contract to the School or any other person or persons in connection with this Contract.

Section 12.15. **Survival of Provisions.** The terms, provisions, and representations contained in Section 11.1(a)3 Probationary Renewal, Section 11.2 Insurance, Section 11.5 Legal Liabilities, Section 11.6 Indemnification of Friends, Section 11.7 Covenant Not to Sue, Section 12.8 Governing Law, Section 12.10 Construction, Section 12.13 Non-Agency, and any other provisions of this Contract that by their sense and context are intended to survive termination of this Contract shall survive.

As the designated representative of Friends, I hereby issue this Contract to the School on the date set forth:

DATE: July 1, 2016

FRIENDS OF EDUCATION

By: __________________________
    R.E. Topoluk
    Its: Executive Director

As the authorized representative of the School, I hereby certify that the School is able to comply with the Contract and all Applicable Law, and that the School, through its governing board, has approved and agreed to comply with and be bound by of the terms and conditions of this Contract as of the date set forth above.

By: __________________________
    Ann Watanabe
    Title: Board Chair
December 10, 2003

Ms. R. Elizabeth Topoluk
Friends of Ascension
9135 Brandywine Road
Corcoran, MN 55340

Dear Ms. Topoluk:

This letter provides notification that the Friends of Ascension’s request to sponsor Eagle Ridge Academy charter school has been approved according to requirements set forth in Minnesota Statute 124D.10, Results-Oriented Charter Schools. Eagle Ridge Academy charter school is approved to serve students in grades 6-12 in Bloomington, Minnesota.

This approval provides the Eagle Ridge Academy charter school developers authority to move forward in the process of implementing the charter school.

An enclosure details important next steps. Please note that within ninety days of the date of this letter the contract between the school and sponsor needs to be reviewed with charter school staff, finalized after the review, and then submitted to the Department of Education as the charter for the school.

Congratulations and best wishes for continued success for Eagle Ridge Academy.

Sincerely,

Cheri Pierson Yecke, Ph.D.
Commissioner

CC: Cynthia Ripple
Enc: 1
ARTICLES OF INCORPORATION
OF
SOUTHWEST ACADEMY

These Articles of Incorporation are signed and acknowledged by the
undersigned incorporator for the purpose of forming a nonprofit corporation under
the Minnesota Nonprofit Corporations Act, Minnesota Statutes, Chapter 317A.

ARTICLE I
NAME

The name of the corporation is Southwest Academy.

ARTICLE II
REGISTERED OFFICE

The address of the Corporation's registered office is 6825 Southdale Road, Edina,
MN 55435.

ARTICLE III
PURPOSES

The purposes for which the Corporation is organized are: 1) to be operated in
accordance with Minnesota law, including the provisions of Minnesota Statute 124D.10,
to promote, support, advance and represent the interests of a fully accountable,
financially, legally and educationally autonomous public charter school; 2) to receive and
disburse funds or other property incident to or necessary for the accomplishment of its
purposes and do any and all acts incidental to the transaction of its business or expedient
for the attainment of the purposes stated herein; 3) to carry out such purposes within the
meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as now or hereafter
in effect (the "Code"), and which is other than a private foundation by reason of being
described in Section 509(a)(1), (2) or (3) of the Code.

ARTICLE IV
NO PEONUARY GAIN; INUREMENT

No part of the earnings may inure to the benefit of or be distributed to the
Corporation's members, directors or officers. No financial gain shall ever accrue to a
member, officer or director of the Corporation, nor to any person or organization in the
conduct of the business of the Corporation, except that reasonable compensation may be
paid for services actually rendered to or for the Corporation in carrying out its charitable
purposes as permitted for federal law. Any receipts of the Corporation in excess of the
ordinary expenses of the Corporation shall inure to the benefit of the Corporation and

419 504

$7,000 cash
shall be applied by the directors to the expenses incurred by the Corporation in carrying out the purposes set forth herein.

ARTICLE V
POLITICAL ACTIVITY

No substantial part of the activities of the Corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation. The Corporation shall not participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of (or in opposition to) any candidate for public office.

ARTICLE VI
MEMBERS

The Corporation shall not have capital stock. The membership of the Corporation shall consist of one or more classes. The Board of Directors shall have the authority to establish one or more classes of membership and shall fix the voting power, rights and preferences of each class in the Bylaws of the Corporation.

ARTICLE VII
DISSOLUTION

Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all debts, obligations, liabilities, costs and expenses of the Corporation, dispose of all assets of the Corporation provided, however, that in no case shall a liquidation, transfer or disposition be made which would not qualify as a tax-exempt contribution under Section 170(c)(1) or (2) of the Code, and all assets shall be turned over and transferred to one or more organizations qualified as exempt pursuant to Section 501(c)(3) of the Code or to the State of Minnesota or any political subdivision thereof for exclusively public purposes.

ARTICLE VIII
PERSONAL LIABILITY

Neither the members, nor the incorporators, directors, officers, employees, representatives or agents of the Corporation, past or present, shall be personally liable for the payment of any debts or obligations of this Corporation of any nature whatsoever, nor shall any of the property of the members or of any of the incorporators, directors, officers, employees, representatives or agents be subject to the payment of the debts or obligations of the Corporation to any extent.
ARTICLE IX
FIRST BOARD OF DIRECTORS

The names and addresses of the first Board of Directors of the Corporation are as follows:

Names and Addresses

Mary Ellen Chamberlain 7004 Bristol Blvd, Edina, MN 55435
Kevin Rehnberg 4602 Drexel Ave, Edina, MN 55424
Cindy Ripple 6825 Southdale Road, Edina, MN 55435
Jim Ripple 6825 Southdale Road, Edina, MN 55435

and such persons shall serve as directors of the Corporation until such time as it is necessary for the Board to conform to the prerequisites of Minn. Stat. '124D.10.

ARTICLE X
INCORPORATOR

The name and address of the incorporator is: Cindy Ripple, 6825 Southdale Road, Edina, MN 55435.

IN WITNESS WHEREOF, I have hereunto set my hand this 4th day of March, 2003.

Cindy Ripple, Incorporator

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
MAR 1 0 2003
Mary Kiffmeyer
Secretary of State
MINNESOTA SECRETARY OF STATE

AMENDMENT OF ARTICLES OF INCORPORATION

READ INSTRUCTIONS LISTED BELOW, BEFORE COMPLETING THIS FORM.

1. Type or print in black ink.
2. There is a $35.00 fee payable to the Secretary of State for filing this "Amendment of Articles of Incorporation".
3. Return Completed Amendment Form and Fee to the address listed on the bottom of the form.

CORPORATE NAME: (List the name of the company prior to any desired name change)

SOUTHWEST ACADEMY

This amendment is effective on the day it is filed with the Secretary of State; unless you indicate another date, no later than 30 days after filing with the Secretary of State.

ARTICLE

The following amendment(s) to articles regulating the above corporation were adopted: (Insert full text of newly amended article(s) indicating which article(s) is [are] being amended or added.) If the full text of the amendment will not fit in the space provided, attach additional numbered pages. (Total number of pages including this form ___)

This amendment has been approved pursuant to Minnesota Statutes chapter 302A or 317A. I certify that I am authorized to execute this amendment and I further certify that I understand that by signing this amendment, I am subject to the penalties of perjury as set forth in section 609.48 as if I had signed this amendment under oath.

(Signature of Authorized Person)

Name and telephone number of contact person: CINDY RIPLEY (952) 929.3457

If you have any questions please contact the Secretary of State’s office at (651) 296-2803.

RETURN TO: Secretary of State, Business Services Division
160 State Office Bldg., 400 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155-1299, (651) 296-2803
Make Check Payable to the "Secretary of State". Your cancelled Check is your receipt.

All of the information on this form is public and required in order to process this filing. Failure to provide the requested information will prevent the Office from approving or further processing this filing.

The Secretary of State’s Office does not discriminate on the basis of race, creed, color, sex, sexual orientation, national origin, age, marital status, disability, religion, reliance on public assistance or political opinions or affiliations in employment or the provision of services. This document can be made available in alternative formats, such as large print, Braille or audio tape, by calling (651) 296-2803/TTY. For TTY communication, contact the Minnesota Relay Service at 1-800-627-9329 and ask them to place a call to (651) 296-2803.

Rev. 3-09
ARTICLE I
NAME

The name of the corporation is Eagle Ridge Academy.

ARTICLE IX
FIRST BOARD OF DIRECTORS

The names and addresses of the first Board of Directors of the Corporation are as follows:

Names and Addresses

Mary Ellen Chamberlain 7004 Bristol Blvd, Edina, MN 55435
Mark Chamberlain 7004 Bristol Blvd, Edina, MN 55435
Cindy Ripple 6825 Southdale Road, Edina, MN 55435
Jim Ripple 6825 Southdale Road, Edina, MN 55435
Joanne Bentley 5120 Grove St, Edina, MN 55436

and such persons shall serve as directors of the Corporation until such time as it is necessary for the Board to conform to the prerequisites of Minn. Stat. §124D.10.
MINNESOTA SECRETARY OF STATE

AMENDMENT OF ARTICLES OF INCORPORATION

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SOUTHWEST ACADEMY

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Format (mm/dd/yyyy)

The following amendment(s) to articles regulating the above corporation were adopted: (Insert full text of newly amended article(s) indicating which article(s) is (are) being amended or added.) If the full text of the amendment will not fit in the space provided, attach additional numbered pages. (Total number of pages including this form: 2.)

ARTICLE IX

This amendment has been approved pursuant to Minnesota Statutes, chapter 302A or 317A. I certify that I am authorized to execute this amendment and I further certify that I understand that by signing this amendment, I am subject to the penalties of perjury as set forth in section 609.60 as if I had signed this amendment under oath.

[Signature of Authorized Person]

Name and telephone number of contact person: CINDY RIDDLE 952-989-5457

If you have any questions please contact the Secretary of State's office at (651) 296-2803.

RETURN TO: Secretary of State: Business Services Division
180 State Office Bldg., 100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155-1999, (651) 296-2803

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Office of the Secretary of State
Packing Slip

June 27, 2003

JAMES T. RIPPLE
To Whom It May Concern
6925 SOUTHDALE RD
EDINA, MN 55435

Client/Account Number: 17770062
Batch Number: 549218

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Total Fees $35.00

Payment Type Received: Check
Payment Reference Number: 8935
Amount Paid: 35.00

Total Payments Received $35.00

Any overage amount on account with our agency will be refunded after 60 days if not used.

Visit our website at http://www.sos.state.mn.us

(651) 296-2803 TTY (800) 627-3529
CERTIFICATE OF INCORPORATION

I, Mary Kiffmeyer, Secretary of State of Minnesota, do certify that: Articles of Incorporation, duly signed and acknowledged under oath, have been filed on this date in the Office of the Secretary of State, for the incorporation of the following corporation, under and in accordance with the provisions of the chapter of Minnesota Statutes listed below.

This corporation is now legally organized under the laws of Minnesota.

Corporate Name: Southwest Academy
Corporate Charter Number: 2B-477
Chapter Formed Under: 317A

This certificate has been issued on 03/10/2003.
IMPLEMENTATION OF PURPOSE/MISSION

EAGLE RIDGE ACADEMY

The School’s identified statutory purpose and the methods it will use to achieve them are:

1. **Improve All Pupil Learning and All Student Achievement:**
   To improve all pupil learning and all student achievement, the School will implement a curriculum based on a traditional, liberal arts curriculum that uses a Classical Methodology of instruction in order to improve student achievement.

2. **Increase Learning Opportunities for All Pupils:**
   To increase pupil learning opportunities, the School will locate in the southwest metro, which has no K-12 schools offering a Classical Education.

3. **Encourage the Use of Different and Innovative Teaching Methods:**
   To encourage the use of different and innovative teaching methods, the School will use the Classical Trivium which has three distinct phases of teaching and include the Grammar, Logic, and Rhetoric phase. The Grammar phase requires teachers to focus on content using memorization. Chanting, singing, whole and small group direct instruction, and repetition. The Logic phase requires the teacher to ask leading questions to engage student in dialectic conversation in order to stimulate students' critical thinking and arrive at valid conclusions. The Rhetoric phase requires teachers to utilize reading and Socratic discussions, and debates.

4. **Measure Learning Outcomes and Create Different and Innovative Forms of Measuring Outcomes:**
   The innovative forms of measuring outcomes the School will use include the National Latin Exam and other national assessments evaluated and approves by the Board of Directors. Interim assessments developed by teachers based upon Eagle Ridge Academy’s curriculum, and aligned to state and college readiness standards will be implemented at least three times per year.

5. **Create New Professional Development Opportunities for Teachers**
   The School will create new professional development opportunities for teachers by requiring all new teachers to participate in at least two-days of new teacher training and in the mentor program for one year. All teachers must complete Classical 101, 101, 201, and 301 within three years of hiring date. All teachers are encouraged to participate in the three year Classical Teacher Certificate Program. Teachers will receive a $3,500 stipend upon completion.
The School will report its implementation of the foregoing statutory purposes in its annual report.

In addition to the foregoing statutory purposes, the School commits to the following guiding principle:

**Cultivating Wisdom and Virtue**

Upon completion of their education at Eagle Ridge Academy, students will be exemplary and knowledgeable citizens who have been instilled with a life-long passion for learning; value self-discipline, respect, perseverance, and achievement; search for truth, beauty, and goodness; and foster an appreciation for the United States of America and her unique role in the world.
ACADEMIC PROGRAM
EAGLE RIDGE ACADEMY

In-School Programs:

1. Implementation of a traditional, liberal arts, Classical Education in grades K-12.

2. Implement classes in the School of Rhetoric that are aligned to both the ideals of Classical Education and College Readiness standards like Advanced Placement and College in the Schools.

3. Study of Latin

4. Ensure flexible ability grouping and not tracking.

5. Strong Classical Literature component within the curriculum designed to expose students to canonical authors and works.

6. Use of Core Knowledge in grades K-8 especially in the areas in arts, science, history, and literature.

Narrative

Eagle Ridge Academy is a K-12 Classical, College-Prep Charter School. There are numerous strands and focuses of Classical Education. Eagle Ridge Academy is focused on providing a rigorous, academic foundation that works in conjunction with the school’s Pillars and Latin motto. The following virtues constitute the school’s Pillars: Citizenship, Integrity, Perseverance, Honor, Excellence, and Respect. The school’s motto “Probitas, Veritas, Pulchritudo” identifies in Latin the central tenants of the school: Goodness, Truth, and Beauty. Using these virtues and tenants as foundations, Eagle Ridge Academy is able to fulfill its mission of providing our students with a traditional, classical education that demands their best in academic achievement, behavior, and attitude and challenges them to attain their highest potential.

Eagle Ridge Academy is delineated into three schools representative of the three stages of the Trivium: the School of Grammar (K-5), the School of Logic (6-8), and the School of Rhetoric (9-12). Grades five and eight serve a special role as the transitional years: grade five is the transitional year between the School of Grammar and the School of Logic, and grade eight is the transitional year between the School of Logic and the School of Rhetoric.

Eagle Ridge Academy strives to incorporate aspects of all three stages of the Trivium in each of the three schools, to varying degrees as appropriate in each School, in order to help students learn the grammar level information of a particular discipline, understand the logical reasoning behind particular disciplines, and work on the art of speaking and writing articulately with
adequate reasoning and support. Upon completion of their education at Eagle Ridge Academy, students will be exemplary and knowledgeable citizens who have been instilled with a life-long passion for learning; value self-discipline, respect, perseverance, and achievement; search for truth, beauty, and goodness; and foster an appreciation for the United States of America and her unique role in the world.

The Schools of Grammar and Logic primarily use Core Knowledge in the areas of literature, arts, and history. Shurley English and Saxon Math are two instructional resources that teachers use to deliver the curriculum. The School will be adding a Physical Education component to the School of Logic in 2016.

The School of Rhetoric curriculum integrates both history and literature courses into a Humane Letters seminar that is taught using the Socratic Method.

The School will not reduce annual instructional hours or days from 2015/2016 levels without the prior written consent of Friends.

**Out of School Programs:**

1. Upper School Credit recovery program is provided to students in the summer in order to increase graduation rates.

2. Excellence Club is a Targeted Services Program that targets K-8 students that are not meeting the Minnesota Academic Standards.

3. The Eagle’s Lair (TEL) is an out-of-school time enrichment program for students to do homework, eat a healthy snack, and engage in healthy play.
ACADEMIC & NON-ACADEMIC GOALS
EAGLE RIDGE ACADEMY

The School agrees to the following outcomes. This Exhibit F has two pages.

Goal 1: State Assessment Tests (MCAs) (50% weight)

Sub Goal 1.1: Absolute Proficiency.

- *World’s Best Workforce Charter Contract Target: All third-graders can read at grade level.*
  At the conclusion of FY2020, the School’s third-grade proficiency rates for the most recent four years will average no less than 17 points higher than the state average in reading.

- At the conclusion of FY2020, the school-wide proficiency rates for the most recent four years will average no less than 17 percentage points higher than the state average for all students in each reading, math, and science.

Sub Goal 1.2: Comparative Proficiency – District. Each year, the School will demonstrate higher school-wide proficiency rates than the Hopkins and either the Edina or Eden Prairie school districts for each reading, math, and science.

Sub Goal 1.3: Growth. As published by the Minnesota Department of Education, each year the School’s combined weighted average growth z-score will exceed 0 in each reading and math.

Sub Goal 1.4: Achievement Gap Reduction.

*World’s Best Workforce Charter Contract Target: All racial and economic achievement gaps between students are closed.*

By the conclusion of FY2020, for both reading and math, the proficiency rate for each subgroup for which the School had publicly-reportable / sufficient counts in FY2017 will be no less than:

\[
\text{[One-half of (100 – 2017 subgroup proficiency rate)] + 2017 subgroup proficiency rate}
\]
Goal 2: Nationally-Normed Assessment (25% weight)

Sub Goal 2.1: Elementary. The School will administer a nationally-normed assessment in at least grades 4 and 8.

For FY2019 and FY2020, for 4th grade students who remain in the School through 8th grade:
- If their 4th grade national percentile ranking was less or equal to 25%, 50% of the students will increase their national percentile ranking by a minimum of ten percentage points, and
- If their 4th grade national percentile ranking was between 26-40%, 50% of the students will increase their national percentile ranking by a minimum of five percentage points, and
- If their 4th grade national percentile ranking was over 40% and less than 65%, 50% of the students will increase their national percentile ranking.

For 4th grade students who remain in the School through 11th grade:
- At least 50% of the students’ 4th grade national percentile ranking will increase no less than 5 percentage points by the conclusion of 11th grade.

Sub Goal 2.2: Secondary:

World’s Best Workforce Charter Contract Target: All students are ready for career and college.

Each year, a minimum of 90% of 12th grade students will have taken either the ACT, and a minimum of 50% of those students will exceed the state average composite.

Goal 3: High School Graduation (20% Weight)

World’s Best Workforce Charter Contract Target: All students graduate from high school.

Each year, a minimum of 90% of 12th grade students will graduate on time.

Goal 4: School Culture Goal (5% Weight)

Professional Development

At least 100% of all staff employed for at least one academic year shall receive professional development each year, as demonstrated by School records.
EAGLE RIDGE ACADEMY

ADMISSIONS AND ENROLLMENT POLICY AND PROCEDURES

Initial Interest Form (also called “Application”) and Application Procedures

• Eagle Ridge Academy’s Open Enrollment Period for the next school year is October 1st-January 15th during which interested students may submit an Application for enrollment.

• For the current school year, interested students may submit an Application at any time.

• An Application must be completed and submitted for all prospective students in order to be considered for enrollment. This requirement is applicable to both sibling and non-sibling applicants.

• Eagle Ridge Academy is not responsible for mistakes or omissions on submitted Initial Interest Forms/Applications or Enrollment Forms; an incomplete application will not be considered for enrollment. NOTE: The Application for enrollment in the current school year is different from the Application for enrollment for the next school year.

• Sibling/children-of-staff applications received after the close of the Open Enrollment Period will receive preference provided there are available seats after all applications submitted by the close of the open enrollment period have been accepted.

Enrollment Procedure

• Eagle Ridge Academy shall enroll an eligible pupil who submits a timely Application, unless the number of applications exceeds the capacity of a grade level. In this case, pupils will be accepted by lot and subject to the preference policy below.

• Eagle Ridge Academy shall give preference in the following order for enrollment:
  o Siblings, including foster siblings, of a currently-enrolled pupil
  o Children of the school’s staff

• Openings are determined in the following manner:
  o Grade level and class size limits as determined by the Board of Directors
  o The number by which the Board has approved over-enrolling a grade level in anticipation of changes prior to the actual start of the school year

• An enrolled student is assumed to be enrolled for subsequent years unless the school receives notification of withdrawal. Grade level enrollments may exceed the class size limits as determined by the Board if necessary to accommodate currently enrolled students.

• All parents/guardians of applicants will be notified via email by the third school day after the close of the Open Enrollment Period of their child’s enrollment status including any necessary lottery. This email notification will include the time, date and location of the lottery.
• If a student without siblings already enrolled in the school is enrolled and begins classes AFTER the lottery has taken place (but before the current school year ends) and has a sibling who submitted an Application, then that sibling will receive sibling preference and be admitted if there are available seats in the applicable grade after all students who timely submitted completed applications for that particular grade and year are admitted.

• If a lottery is necessary, it will be conducted within 7 calendar days after the close of the Open Enrollment Period.

• The process for filling all openings/available seats will be as follows:
  o Siblings of Admitted Students: Siblings, who submit an Application before the expiration of the Open Enrollment Period, of currently admitted students are automatically admitted unless the number of sibling applications exceed the available enrollment established by the Board for the applicable grade(s). If the number of sibling applications exceeds available enrollment in any grade, a sibling lottery is held for each such grade. Siblings are admitted to the school in the order in which they are drawn in the lottery. If all available enrollment in a grade is filled by siblings, the sibling lottery continues and establishes the sibling waiting list, which has preference over both the staff-children waiting list and the general waiting list.

  o Children of Staff Employed at Eagle Ridge Academy: Children of staff employed at the school who submit an Application before the expiration of the Open Enrollment Period, are automatically admitted provided that all siblings (of already admitted students) who submitted a timely Application are admitted, and provided there is available enrollment as determined by the Board for the applicable grade(s). If the number of children of staff exceeds the available enrollment established by the Board for any grade (and after all siblings of admitted students) who submitted a timely Application are admitted), a staff-children lottery is held. Children of staff are admitted to the school in the order in which they are drawn in the lottery. If all available enrollment in a grade is filled by children of staff, the staff-children lottery continues to establish the staff-children waiting list for each such grade which has preference over the general waiting list.

  o General Lottery: If the number of Applications received during the Open Enrollment Period exceeds available enrollment established by the Board for any grade (and after siblings of admitted students) who submitted timely Applications are already admitted or establish a sibling waiting list, and after all children of staff employed at the school who submitted a timely Application are already admitted or establish a staff-children waiting list, the school conducts a general lottery. All timely Applications for each such grade(s) (excluding timely Applications from siblings of already admitted students and excluding timely Applications from children of staff employed at the school) received before the expiration of the Open Enrollment Period are included in the general lottery. Students are admitted to the school in the order in which they are drawn in the lottery, as long as there is available enrollment as determined by the Board for the applicable grade(s). If all available enrollment in any grade is filled, the lottery continues and establishes the general waiting list for each such grade in the order drawn, until all applications are drawn. If a student is admitted through the general lottery and that student has one or more siblings in other grades also subject to a lottery, those siblings are automatically admitted as long as available enrollment as determined by the Board remains in the applicable grade(s).

  o Applications received after the Open Enrollment Period expires are automatically admitted as long as there is available enrollment as established by the Board in the applicable grade,
in the order received. If, or once, there is no available enrollment in any grade, applications are added to the applicable waiting list for each such grade, in the order received.

- The School conducts all lotteries through a method of random selection.
- For grades 9-12, the latest date in the school year for an open slot to be filled is the last school day of the first quarter. After this date, there are no available seats.

**General Admission Procedures:**

1. **Order of Admission:** Siblings of Already Admitted Students, then Children of Staff Employed at the School, then General Admissions.

2. **No waiting list carry over from year to year:** Each waiting list is subject to a lottery and redrawn during each admission process each year.

3. **Multiple births (twins, triplets, etc):** Each student seeking admission completes an application (i.e. not one application for the family). In a lottery situation, each student receives an individual number/lot in the lottery.

4. **Lottery Grade Order:** Applicable lotteries occur from lowest grade to highest grade. For example, if a lottery is required in grades K and 3, the grade K lottery is conducted first, followed by the grade 3 lottery.

**Accepting and Confirming Enrollment**

- The parent/guardian of any student being slotted into an opening after any applicable lottery will be sent Enrollment Forms for the student via e-mail on the first school day in March. These forms must be completed by March 10. If the completed forms are not received by the specified deadline, the spot will be forfeited.

**Waitlist**

- For students on a wait list, parents/guardians will be notified via e-mail when they may enroll the student to fill an eligible opening. The opening must be accepted or declined within 3 school days. No reply will be considered a decline of the offer. Once classes begin in the fall, newly accepted students must begin classes at Eagle Ridge Academy within 5 days of submitting Enrollment Forms.

**Interpretation of Policy**

- Should any question or unanticipated scenario occur regarding the admission and enrollment policy, the Executive Director is responsible for final interpretation and implementation of the policy above and recommending any appropriate updates.
GOVERNANCE AND MANAGEMENT PLAN
EAGLE RIDGE ACADEMY

The School shall be operated by a School Board elected in accordance with its bylaws.

The School Board delegates the day-to-day management of the School to an administrator who is hired and supervised by the School Board.

The School Board shall employ and contract with necessary teachers, as defined by Minn. Stat. 122A.15, Subd. 1, who hold valid licenses to perform the particular service for which they are employed at the School.

Teachers employed at the School shall be treated by the School as public school teachers for the purposes of Minn. Stat. chapters 354 and 354A.

The School Board may employ necessary employees who are not required to hold teaching licenses to perform duties other than teaching and may contract for other services.

The School Board may discharge teachers and non-licensed employees.

The School Board shall decide matters relating to operations of the School including, but not limited to, budgeting, curriculum, and operating procedures. The School Board delegates to the school administrator implementation of the operational decisions made by the School Board.

The School Board will review, and update as appropriate, its strategic plan no later than November 1st each year and reflect such review and update in its minutes. As part of its strategic plan: (1) the School Board will adopt and implement a continuous academic improvement plan for the School, and (2) the School Board will implement a financial plan to establish a 20% fund balance within three years, and (3) Develop a retention plan for high-quality teachers.
ADMINISTRATION AND OPERATIONS PLAN
EAGLE RIDGE ACADEMY

Executive Director:
The Board will hire an Executive Director who will manage the day-to-day academic operations of the School. Responsibilities include: (1) implementing the mission and philosophy of the School; (2) Maintaining the academic integrity of the school; (3) Managing the School, faculty; (4) Ensuring the curriculum is being taught as identified by the founders; (5) Observing the classrooms and coaching the teachers; and (5) supervising students.

The Executive Director is an intellectual and a leader. The Executive Director will ensure the culture and mission of the School is clear to all stakeholders. The Executive Director also facilitates development of the School’s culture. The Executive Director reports to the Board.

Faculty:
The faculty teaches the classical curriculum as set forth and approved by the Executive Director, Curriculum Committee, and Board of Directors. Multiple classes in any grade will follow the same curriculum map to ensure consistency from class to class and the same expectations. Any deviation from the curriculum must be approved by both the Executive Director and the Board. The faculty reports to the Executive Director.

Business Manager:
The business manager is responsible for the day-to-day financial matters at the School. The business manager has a strong background in school finance and reporting and oversees the budget and preparation of necessary reports.
FINANCIAL MANAGEMENT PLAN
EAGLE RIDGE ACADEMY

The Board is trained in financial oversight. The Board treasurer and finance committee members receive additional training to ensure comprehensive understanding of charter school finance and oversight.

The Board monitors and evaluates the School’s recordkeeping, controls, and financial position. Specifically: (1) the School’s Board Treasurer presents the School’s financial position at all Board meetings; including current and forecast positions, and makes related recommendations; (2) the Board Treasurer reports at all Board meetings regarding all disbursements made, cash flow, balance, additional relevant financial data, and its monitoring of the School’s recordkeeping and control processes; and (3) the Board Treasurer, Executive Director, and Operations Manager meet monthly, for at least ten months of the school year, with the Business Manager to monitor school finances on a regular and ongoing basis. Significant developments that adversely impact the School are immediately brought before the Board.

The Board retains an external auditor on an annual basis to review the School’s internal controls and processes. The Board initiates and monitors corrective action to ensure that noted deficiencies, if any, are addressed and will not result in repeat findings in subsequent audits.
Statement of Assurances

I understand that the primary purpose of a charter school is to improve all pupil learning and all student achievement. I further understand that the charter school board decides and is responsible for all policy matters related to the operation of the charter school, including budgeting, curriculum programming, personnel, and operating procedures. In furtherance of the school's purpose and the board’s responsibility, I make the following assurances:

I. ACHIEVEMENT DATA
   • I assure that this school will establish baseline data for all students and routinely evaluate student achievement with state and national standardized tests on at least an annual basis, and that the board will evaluate student achievement and post-secondary and workforce readiness on at least an annual basis.

II. ADMISSION
   • I assure that the school’s admission process will not discriminate against anyone regarding race, gender, national origin, color, ability level, age (except that minimum age requirements may be established as allowed by law), or religion, and that the school will not admit students based on race, gender, national origin, color, ability level, age (except that minimum age requirements may be established as allowed by law), or religion.
   • I assure that the school will admit students on the basis of an annual lottery if more students apply than can be accommodated in the class, program, grade-level, or building.
   • I assure that the school will not admit students based on religious preference.
   • I assure that the school’s admission process will comply with Minn. Stat. Chapter 124E.

III. ANNUAL REPORT
   • I assure that the school will publish an annual report as required by Minn. Stat. 124E.16.

IV. BOARD GOVERNANCE
   • I assure that all board members will receive training annually.
• I assure that the board will at all times be comprised of at least five voting members of which at least one is a Minnesota-licensed teacher employed at the school, at least one is a parent or guardian of a student currently enrolled at the school, and at least one is a community member who neither is employed by the school nor is a parent or guardian of a student enrolled at the school.
• I assure that the board will decide and be responsible for all policy matters related to the operation of the school, including budgeting, curriculum programming, personnel, and operating procedures.
• I assure that each new board member will execute these Statement of Assurances.

V. CHARTER CONTRACT
• I assure that I have reviewed the school’s charter contract.

VI. COMPLIANCE WITH ALL APPLICABLE LAWS
• I assure the school will comply with all federal and state laws governing organizational, programmatic, and financial requirements applicable to the school.

VII. CONFLICTS OF INTEREST
• I assure that the school will avoid apparent and actual conflicts of interest when administering grants and entering into contracts for equipment and services.
• I assure that the school will comply with conflict of interest provisions identified in Minn. Stat. 124E.07 and 124E.14.

VIII. CRIMINAL BACKGROUND CHECKS
• I assure that this school will conduct criminal background checks of all employees and board members and will maintain records of those checks.

IX. DATA PRACTICES
• I assure that the school board will comply with data privacy requirements regarding all students including those with disabilities, that the school will securely store student records that separates special education files from cumulative files and that is under the supervision of the school’s administrator or a designee, and that mandatory staff training will be provided for Data Privacy.
• I assure that the school will follow state data practices law and will maintain a board-adopted data practices policy that includes the staff’s ability to report unethical or fraudulent actions, and that the school board will regularly attend training that includes state data practices requirements.

X. DISCIPLINE POLICY AND PUPIL FAIR DISMISSAL ACT
• I assure that the school will implement a discipline policy that is in compliance with the Pupil Fair Dismissal Act and that provides protection of the rights of students with disabilities.

XI. DISSEMINATION
• I assure that the school will regularly disseminate information about how to use its offerings. Targeted groups include low-income families and communities, students of color, and students who are at risk of academic failure.
XII. ELECTRONIC COMMUNICATIONS
• I assure that the school will subscribe to and maintain current contact information to electronically share with and receive information from the Minnesota Department of Education.

XIII. ELECTRONIC DATA REPORTING SYSTEM (EDRS)
• I assure that this school will designate a person to be assigned and trained to submit data electronically in the Electronic Data Reporting System (EDRS) via the internet, as required by the Minnesota Department of Education.

XIV. EQUAL OPPORTUNITY IN SCHOOL PROGRAMS
• I assure that this school will provide equal opportunities and equal access to school programs, including extra-curricular activities such as athletics and clubs.

XV. FACILITY REQUIREMENTS
• I assure that this school will comply with all building inspection, fire marshal requirements, certificate of occupancy requirements, will meet all health and safety codes, and that the school will continually be handicap-accessible as required by Section 504 of the Americans with Disabilities Act.

XVI. FILING WITH THE STATE
• I assure that this school will maintain current/active filings with the Secretary of State’s Office as a nonprofit under Chapter 317A.

XVII. FOOD SERVICE
I assure that food served at the school will satisfy applicable health and safety requirements, provide equal accommodations to all religions, and otherwise comply with Minn. Stat. Ch. 124E.

XVIII. FINANCIAL REPORTING (UFARS AND GAAP) REQUIREMENTS
• I assure that this school will comply with both the Uniform Financial Accounting and Reporting Standards for Minnesota School Districts (UFARS) and Generally Accepted Accounting Practices (GAAP); and that this school will comply with all financial reporting requirements.
• I assure that the school will use only state-approved accounting and reporting software.

XIX. HIRING AND EMPLOYMENT PRACTICES
• I assure that the school, in compliance with Minn. Stat. §363A.08, will use and maintain open and fair employment practices, advertise for all employment openings, and maintain a record of these advertisements.
• I assure that all teaching staff will be licensed as required by law unless a waiver or variance is obtained in advance of actual employment.
• I assure that the board will establish qualifications for administrative, supervisory, and instructional leadership positions, including at least qualifications in instruction and assessment; human resources and personnel management; financial management; legal and compliance
management; effective communication; board, authorizer, and community relationships; and will use those qualifications as a basis for job descriptions and performance evaluations.

- I assure that the board will develop professional development plans for unlicensed staff in administrative, supervisory, or instructional leadership positions.

XX. MINNESOTA’S ACADEMIC STANDARDS
- I assure that this school will implement Minnesota’s Academic Standards, as they may change from time to time, as minimum academic requirements.

XXI. MINNESOTA’S ACCOUNTABILITY SYSTEM REQUIREMENTS
- I assure that this school will comply with all elements of Minnesota’s State Accountability System Requirements under the federal No Child Left Behind Act (NCLB) (or waiver if granted). I understand that the school is expected to improve all pupil learning and all student achievement, meet or exceed the expectations adopted by the Commissioner of Education for public schools, and that the school will be held accountable for these outcomes as well as performance outcomes in the charter contract.

XXII. POLICIES AND PROCEDURES
- I assure that this school will implement written procurement procedures in accordance with federal and state law and conduct all procurement transactions in a manner that provides open and free competition.
- I assure that the school will maintain property inventory records of all equipment, assets, and non-consumable items.
- I assure that the school will adopt and implement a religious accommodation policy that accords equal treatment of access to all religions.
- I assure that if the school allows religious or other activities on school property during non-instructional hours that there will be a board-adopted policy in place allowing equal access to all groups and that such access otherwise complies with Minn. Stat. Ch. 124E.
- I assure that the board will adopt all policies and practices which are required by law.

XXIII. PROGRAM EVALUATION
- I assure that the board will evaluate the school’s program on at least an annual basis.
- I assure that the school will provide annually to its authorizer and the Minnesota Department of Education such information as may be required to determine if the charter school is making satisfactory progress toward achieving its goals and academic outcomes, including data, evaluations or studies, and that the school will comply with all such requests for information.
- I assure that the school will cooperate with the authorizer and the Minnesota Department of Education in evaluating the school’s program.

XXIV. PUBLIC SCHOOL
- I assure that this school will operate as a public school that:
  - operates in accordance with Minn. Stat. Ch. 124E and other applicable law
  - is created as a public school, and is operated under public supervision and direction;
  - operates in pursuit of a specific set of educational objectives agreed to between the school and its authorizer with the purpose of improving pupil learning and student achievement;
- provides a program of elementary or secondary education, or both;
- is nonsectarian in its programs, admissions policies, employment practices, dress code requirements and all other operations, and is not affiliated with a sectarian school or religious institution; and
  - if leasing from a sectarian organization, the school will maintain procedures to screen its students from any involvement with or exposure to any of the sectarian organization’s religious activities occurring on school property during the school day or during school-sponsored events;
  - will maintain a board-adopted religious accommodation policy that accords equal treatment of and access to all religions;
  - will not impose any sectarian-based restrictions on food consumed on school premises and will maintain equal accommodations for all religions;
  - does not involve itself in religious activities, including recruiting employees, parents or volunteers for such activities;
  - has a neutral dress code or uniform policy that does not promote a particular religion or religious custom and that the school will not, through its dress code or uniform policy, restrict opportunity to participate in school activities;
- maintains a board-adopted policy allowing equal access to the use of the school’s facilities and such access otherwise complies with Minn. Stat. Ch. 124E.
- agrees to comply with the same federal and state audit requirements as do other elementary schools and secondary schools in the state;
- meets all applicable federal, state and local health and safety requirements;
- operates in accordance with federal and state law; and
- has a written performance contract with the authorizer that includes a description of how student performance will be measured in charter schools pursuant to state assessments that are required of other public schools and pursuant to any other assessments mutually agreeable to the authorizer and the charter school.

XXV. PUBLIC SCHOOL FEE LAW
- I assure that this school will comply with the Minnesota Public School Fee Law, Minn. Stat. 123B.34 to 123B.39.

XXVI. REQUIRED STATE REPORTING FOR STUDENTS AND STAFF (MARSS AND STARS)
- I assure that this school will have a person assigned and trained to submit data on the Minnesota Automated Reporting Student System (MARSS) and Staff Automated Reporting System (STARS), as required by the Minnesota Department of Education.

XXVII. SPECIAL EDUCATION
• I assure that this school will contract or employ an appropriately licensed special education director, will adhere to all applicable requirements in serving special education students in Minnesota and will comply with all federal and state special education laws.
• I assure that this school will involve parents of students with disabilities on an advisory council.
• I assure that this school will develop a service delivery model that provides a full continuum of special education services.
• I assure that this school will determine who will provide transportation for students who have 504 plans or IEPs in which transportation is determined necessary by the 504 plan or IEP team.
• I assure that this school will order necessary supplies, equipment and instructional materials appropriate to meet the needs of individual students with disabilities as they appear.
• I assure that this school will meet its Child Find obligation, in part, by including information about special education service in its marketing materials, handbooks, etc. The school will establish and implement procedures for identification of students currently qualifying for special education services and/or those who may have a disability; and for reviewing student data and determining the need to assess/reassess student needs.
• I assure that this school will have procedures for obtaining information from parents and/or previous school on student’s special education or 504 Accommodation Plan.

XXVIII. TORT AND LIABILITY INSURANCE
• I assure that this school will assume appropriate tort liability and will have at all times the minimum insurance required by Minn. Stat. Ch. 124E.

XXIX. TRANSPORTATION OF STUDENTS
• I assure that annual written notice of this school’s intentions for transportation of students will be provided as required to the resident district and the Minnesota Department of Education.

XXX. TUITION FREE
• I assure that this school will not charge tuition for its instructional or co-curricular programs.

By signing, I acknowledge:
• that I have reviewed the preceding assurances,
• that I am a board member of ______________________________ (name of School), and
• that the board is responsible for ensuring compliance with all federal and state laws applicable to charter schools, including the expectations contained in the preceding assurances.

________________________________________________________________________
Signature                                      Date

Print Name: ________________________________

Phone Number: ______________________________

Email Address __________________________
Friends of Education
Charter School Closing Checklist & Plan

**IMPORTANT:** THIS DOCUMENT IS NOT AN EXCLUSIVE LIST OF ALL ACTIONS NECESSARY TO CLOSE A SCHOOL AND IS NOT A SUBSTITUTE FOR LEGAL ADVICE. CHARTER SCHOOLS SHOULD CONSULT WITH LEGAL COUNSEL.

<table>
<thead>
<tr>
<th>Item</th>
<th>Action Items</th>
<th>Person(s) Responsible</th>
<th>Target Completion Date</th>
<th>Actual Completion Date</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Involuntary Closure:</td>
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<tr>
<td>□ Frequently Asked Questions. Create Q &amp; A including summary of closure process, summary of transition steps, etc.</td>
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<td>□ Notice of Final Determination. Provide notice to school and Minnesota Department of Education.</td>
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<tr>
<td>□ Press Release. Issue press release which includes brief history of school closure process, reason(s) for closure, and identifies press point person.</td>
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<td>□ Closure Checklist. Provide additional copies of closure checklist and plan to school, highlight family transition and student records transfer.</td>
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<td>□ Offer assistance as appropriate to school board.</td>
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<td>□ Updates. Request periodic updates of closure progress.</td>
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<td>□ Request file log (identifying file name, date transferred, school transferred).</td>
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<td>Voluntary Closure:</td>
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<td>1</td>
<td>Establish School Board Committee for wind-up / transition</td>
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<td></td>
<td>□ Designate School contact person(s) to send and receive communications</td>
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<td></td>
<td>□ Assign tasks/action items to employees or School Board members;</td>
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<td></td>
<td>□ Provide contact information, and list of employees / School Board members and correspondent responsibilities to Friends of Education</td>
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<td>2</td>
<td>Terminate Contracts / Cancel Programs Beyond Termination Date</td>
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<td></td>
<td>Take appropriate action to terminate any contracts or cancel any programs extending beyond the charter termination.</td>
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<td>3</td>
<td>Reserve Funds</td>
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<td>Segregate by School Board resolution in a separate checking account up to $50,000 in funds to be used for legal, accounting, and other expenses to dissolve the school.</td>
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<td>4</td>
<td>Maintain Communications and Identifiable Location</td>
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<td>Notify the landlord that during the wind-up of the School’s affairs, it is anticipated that the School Board will use the School Facility, and access thereto should be maintained, even if only by advance notice in order to access assets, etc. In the event the landlord sells or rents the School Facility before the winding up of the School’s affairs, the School must relocate its business records and remaining assets to a location with operational telephone service with voice message capability, and maintain custody of business records until all business and transactions are completed, and the School corporation dissolved.</td>
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<td>5</td>
<td>Designation of Records Custodian</td>
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<td></td>
<td>□ The school must designate a contact person for student and financial records,</td>
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<td>for two years after closure.</td>
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<td>□ Provide Friends of Education with a copy of the notice.</td>
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<td>6</td>
<td>Notification to Parents/Guardians</td>
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<td>Notify parents/guardians and employees of school regarding the closure of the School, if such notification has not been made. Such notification shall include, but not be limited to, the following:</td>
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<td>□ Date of the last day of regular instruction;</td>
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<td>□ Information and offer assistance sufficient to enable the student to re-enroll in another school.</td>
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<td></td>
<td>□ List of and contact information for the charter, public and private schools in the area.</td>
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<td>□ Date of optional school fair, coordinated by the School with representatives of area schools.</td>
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<td>□ Provide Friends of Education with a copy of the notice.</td>
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<td>7</td>
<td>Final Report Cards and Student Records Notice</td>
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<td>Within 7 days after end of classes, provide parents / guardians with copies of final report cards and notice of where student records will be sent and specific contact information.</td>
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<td>□ The notice must advise the parent/guardian to contact the school where the student intends to enroll and to have the student’s new school contact the School’s district of location to have the student’s educational records transferred to the new school.</td>
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<td></td>
<td>□ Student records sent to the student’s new school upon the new school’s request.</td>
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<td></td>
<td>□ After the school closes, and unless the student’s records are requested by another school, the remaining student records will be sent to each student’s school district of residence.</td>
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<td>8</td>
<td><strong>Transfer of Student Records and Testing Material</strong>&lt;br&gt;&lt;br&gt;If the parents do not request transfer of records to a specific school, student records must be sent to the student’s resident district.&lt;br&gt;&lt;br&gt;All end of school year grades and evaluations must be completed and made part of the student records, including any IEP / Committee on Special Education meetings / progress reports.&lt;br&gt;&lt;br&gt;Testing material, including scores, test booklets, etc. required to be maintained by the School and must also be forwarded to the new school.&lt;br&gt;&lt;br&gt;No later than 10 business days after the School closes, send student records to the new school, including:&lt;br&gt;&lt;br&gt;☐ Individualized Education Programs (IEPs) and all records regarding special education and supplemental services, where applicable,&lt;br&gt;☐ student health / immunization records;&lt;br&gt;☐ attendance records;&lt;br&gt;☐ grades;&lt;br&gt;☐ assessments/testing information;&lt;br&gt;☐ credits earned;&lt;br&gt;☐ MARSS numbers, and&lt;br&gt;☐ all other student records.&lt;br&gt;☐ If a student’s record contains formal disciplinary records, provide notice to the student and student’s parent/guardian that the records will be transferred as part of the student’s educational record. NOTE: THIS REQUIRES AN INDIVIDUAL / FILE BY FILE REVIEW.&lt;br&gt;☐ To the extent that scores, etc. will come into existence after the end of classes, arrangements should be made with the testing agent to forward such material to the new school.</td>
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<td>9</td>
<td><strong>Notification to School Districts/Area Schools</strong>&lt;br&gt;&lt;br&gt;Notify resident school district and area schools that:&lt;br&gt;☐ The school is closing on (date).</td>
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<td>Item</td>
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<td>10</td>
<td>They will be getting students.</td>
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<td>10</td>
<td>Provide a phone number/contact person to call for records.</td>
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<td>10</td>
<td>If applicable, notification regarding cessation and transportation services should be provided.</td>
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<td>10</td>
<td>Provide Friends of Education with a copy of the notice.</td>
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<td></td>
<td><strong>Notification of Funding Sources / Charitable Partners</strong></td>
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<td>10</td>
<td>All sources of the School’s operational funding must be notified in writing of the closure of the School, including any charitable partners.</td>
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<td>10</td>
<td>The School should not incur additional liability; however, it may continue to accept gifts from charitable partners as long as the charity is aware of the School’s closure.</td>
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<td>10</td>
<td>Charities with property on the premises of the School should be notified to remove same as soon as possible or after end of classes, whichever is appropriate.</td>
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<td>11</td>
<td><strong>Notification of Contractors and Termination of Contracts</strong></td>
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<td>11</td>
<td>Within 30 days, formulate a list of all contractors with contracts in effect; the list should briefly describe the service and whether any property is related to the contract (e.g. photocopier lease).</td>
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<td>11</td>
<td>Notify the contractors regarding cessation of school operations.</td>
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<td>11</td>
<td>If applicable, instruct contractors to make arrangements to remove any contractor property from the School facility by a date certain, e.g., copying machines, water coolers, other rented property.</td>
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<td>Provide Friends of Education with a copy of such notice.</td>
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<td>11</td>
<td>Retain records of past contracts with proof that they were fully paid. (see Records Retention, below)</td>
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<td>11</td>
<td>Telephone, gas, electric, water, insurance (premises and D&amp;O insurance, should remain operative through the end of classes and to the extent necessary to wind up the School’s affairs beyond that time.</td>
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<td>11</td>
<td>As appropriate, and to the extent possible, terminate contracts for goods and services as of the last date such goods or services will be needed</td>
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<td>12</td>
<td>Notify MDE/Schedule State Audit  &lt;br&gt; Notify Minnesota Department of Education and schedule MDE audit, as applicable.</td>
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<td>13</td>
<td>Notification of Employees and Benefit Providers  &lt;br&gt; After an employee termination date is established, notify all employees of termination of employment and/or contracts, and notify benefit providers of pending termination of all employees.  &lt;br&gt; Notify employees and providers of termination of all benefit programs, and, if allowable, terminate all programs as of the last date of service in accordance with applicable law and regulations (i.e. COBRA), including:  &lt;br&gt; □ health care / health insurance;  &lt;br&gt; □ life Insurance;  &lt;br&gt; □ dental plans;  &lt;br&gt; □ eyeglass plans;  &lt;br&gt; □ cafeteria plans;  &lt;br&gt; □ teacher retirement plans; and  &lt;br&gt; □ other.  &lt;br&gt; Specific rules and regulations may apply to such programs - Consult legal counsel.  &lt;br&gt; Employees should be notified of eligibility for Minnesota Unemployment Insurance pursuant to any applicable law and regulations. (In the event the School has not paid into the unemployment program on an ongoing basis, the School may have significant financial liability on an ongoing basis after the end of classes, and additional reserve funds should be set aside.)</td>
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<td>14</td>
<td>Notification re: Transportation Services  &lt;br&gt; As required by the contractual notice requirements, cancel school district or private transportation services.</td>
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<td>Notification Regarding Lawsuits</td>
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<td>Action Items</td>
<td>Person(s) Responsible</td>
<td>Target Completion Date</td>
<td>Actual Completion Date</td>
<td>Status</td>
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<td>Within 5 days after receiving notice and/or service of process regarding litigation against, or initiated by, the School, School Board or School employees, notify Friends of Education and provide copies of legal papers received. The School has an ongoing obligation to keep Friends of Education informed regarding such litigation, including bankruptcy, whether voluntary or involuntary, and to provide copies of all filings.</td>
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<td>Assets, Insurance, Liquidation</td>
<td>Withholding</td>
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<td>16</td>
<td>Withholding</td>
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<td>☐ Pay Federal withholding tax.</td>
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<tr>
<td>☐ Pay State withholding tax.</td>
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<td>Payroll</td>
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<td>☐ Pay Staff through last day of employment.</td>
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<td>List of Creditors and Debtors; UCC Search</td>
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<td>☐ Formulate list of creditors and debtors and any amounts accrued and unpaid with respect to such creditor or debtor. This list is not the same as the contractor list, above, but may include contractors, which should be listed.</td>
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<td>☐ Perform a UCC search to determine if there are any secured creditors and to what assets security interests are attached.</td>
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<td>☐ Provide a copy of the list of creditors to the Friends of Education with the amount owed to each creditor thereon and the amount owed by each debtor.</td>
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<td>Notification to Creditors</td>
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<td>Notify all creditors of its closure. The School should solicit from each creditor a final accounting of the School’s accrued and unpaid debt owed to such creditor. This figure should be compared to</td>
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<td>the School’s calculation of the debt and be reconciled between the parties. To the extent possible, the School should also begin to negotiate a settlement of debts, which is ultimately consummated by a settlement agreement reflecting satisfaction and release of the existing obligations, if possible. Consult Legal Counsel.</td>
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<td>20</td>
<td><strong>Notification to Debtors</strong>&lt;br&gt;&lt;br&gt;Within thirty (30) days the School must contact all debtors and demand payment. Debtors include persons who owe the school fees or credits, lessees or sub-lessees of the School, and any person holding property of the School.</td>
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<td>21</td>
<td><strong>Reconciliation with District(s)</strong>&lt;br&gt;&lt;br&gt;The School must reconcile its billings and payments with the districts, including special education payments.</td>
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| 22   | **School Wind-Up Plan and Action**<br><br>The School shall collect debts, dispose of assets and negotiate with and pay creditors in an orderly fashion in accordance with a timetable and plan adopted by the School’s board of trustees. Priority should be given to continuing the School’s educational program through the end of the charter termination and retaining funds to complete the wind-up process.<br><br>☐ The initial plan should be adopted within 20 days of and be updated at least twice per month.<br>☐ Termination of non-essential personnel and cancellation of non-essential services prior to end of classes.<br>☐ Make final federal, state and local tax payments (every employer, including the School, which pays wages to employees is responsible for withholding, depositing, paying, and reporting federal, state and local income tax, social security taxes, and federal unemployment tax for such wage payments).<br>☐ Auction / sale of assets in a manner that avoids conflicts of interest, and maximizes net revenue to the extent permitted by ongoing agreement with existing creditors.<br>☐ Liquidation or closing of bank accounts according to a schedule that
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|      | minimizes fees but leaves the School enough flexibility to pay creditors, attorneys, accountants, etc. during the course of the wind-up, including funds for a final audit, and for dissolution in accordance with Minn. State 124.D10.  
- Cancellation of corporate credit cards and lines of credit.  
- Change authorized signatures on accounts as needed to reflect changes in persons authorized to implement the winding down operations of the School Corporation, and employment, contract and School Board status of those authorized to sign for the School.  
- Status reports on the implementation of the School Wind-Up Plan to be submitted to the Friends of Education through Interim Statements and a Final Statement (below). |
| 23   | Protection of Assets; Insurance  
The School’s assets and any assets in the School that belong to others must be protected against theft, misappropriation and deterioration.  
- Existing insurance coverage should be maintained on the assets until the disposal of such assets.  
- Continue existing insurance for School Facility, and other assets until 1) disposal or transfer of real estate or termination of lease, and 2) disposal, transfer or sale of other assets are sold, respectively.  
- Negotiate School Facility insurance with entities that may take possession of School Facility – landlord, mortgagors; bond holders, etc., if possible.  
- Appropriate security services should be obtained or maintained.  
- Action may include moving assets to secure storage after closure or loss of the School Facility. |
| 24   | D&O Insurance  
Maintain existing directors and officers liability (D&O) insurance, if any, until final dissolution of the School. |
| 25   | Inventory  
No later than 30 days prior to end of classes, all of the School’s assets must be inventoried and/or its inventory updated.  
- All assets of the School, (not just assets over a certain dollar value) must be
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<td>inventoried.</td>
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<td>- Separately identify assets purchased with federal grant funds.</td>
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<td>- Provide Friends of Education with a copy of the inventory.</td>
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<td>- Identify assets belonging to other entities (school district, county, municipality, health department, sponsoring foundation, vendors, PTA, etc.), including those borrowed or loaned.</td>
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<td>- Identify assets encumbered by the terms of a contingent gift, grant or donation, or a security interest.</td>
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<td>- Return assets not belonging to School and document same.</td>
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<td>26</td>
<td>Liquidation of Assets</td>
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<td>- Federally purchased property may not be sold to pay creditors and, according to specific program guidance, must either be returned to the awarding agency or distributed for similar use to another eligible entity. Assets purchased with federal grant funds may be given to other charter schools.</td>
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<td>- Assets not purchased with federal grant funds must be liquidated in a commercially reasonable manner including, but not limited to, sale by way of auction, sealed bidding or other commercially reasonable sales methods to the extent permitted under agreements with existing creditors and to the extent such assets are free and clear of any liens or encumbrances. If an asset is subject to a lien, encumbrance or security interest the secured party should be contacted.</td>
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<td>- Assets valued at $100,000+ must be advertised and disposed via sealed bid.</td>
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<td>- Assets valued between $25,000 - $100,000 must obtain at least two bids before disposition.</td>
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<td>School Board members and their relatives as well as employees and students of the School may participate in any auction/sealed bidding process provided the party has disclosed his/her relationship to the School Board and the disclosure is made a matter of record in the School Board's minutes and approved by a majority of the non-interested members of the School Board.</td>
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<td></td>
<td>School board members, their relatives, employees and students of the school may not purchase school assets other than through auction or sealed bid.</td>
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<td>27</td>
<td>Interim/Final Statements</td>
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<td>No later than 10 days after end of classes, prepare, and submit to the Friends of Education, an interim statement to Friends of Education, of the status of all contracts and other obligations of the School and all funds, including principal</td>
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<td>Item</td>
<td>Action Items</td>
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<td>and accrued interest, owed to, and by, the School Corporation, with supporting evidence showing:</td>
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<td>☐ all creditors or former creditors, any amounts paid to creditors (or in-kind exchanges of assets), and any amounts of debt of the School outstanding, including principal and accrued interest, as of the date of the interim report; and</td>
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<td>☐ all amounts owed to the School by debtors, any amounts paid by debtors, and whether any debtors have paid in full, and any amounts outstanding; and</td>
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<td>☐ all income generated through sale or auction of assets and any other change in status of assets.</td>
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<td>The School will prepare and submit such statements at 30 day intervals until the final statement (below) is prepared and submitted.</td>
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<tr>
<td>28</td>
<td>Final Statement</td>
</tr>
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<td>No later than 10 days prior to the filing of a dissolution proceeding, the School shall prepare a final statement of the status of all contracts and other obligations of the School, and all funds owed to the School, audited (or confirmed) by an independent accountant, with supporting evidence showing:</td>
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<td>☐ all assets and the value and location thereof, whether such asset has been distributed to creditors in satisfaction or payment of any existing debt obligation; and</td>
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<td>☐ each remaining creditor and any and all amounts owed to each creditor, including principal and accrued interest through the date of such statement; and</td>
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<td>☐ statement that (a) all debts have been collected, or (b) that good faith efforts have been made to collect same, and</td>
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<td>☐ each remaining debtor of the School and the amounts owed by each debtor, including principal and accrued interest.</td>
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<td>☐ This statement is in addition to the final Financial Statement Audit (below).</td>
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<td>29</td>
<td><strong>Final Financial External Audit</strong>&lt;br&gt;The School must have an external audit performed in accordance with Applicable law.&lt;br&gt;☐ File as requested by Minn. Stat 124E</td>
</tr>
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<td>30</td>
<td><strong>Charter Reports; Final Annual Report</strong>&lt;br&gt;During the course of the wind-up process, the School must comply with its reporting or notice obligations under the charter (including, but not limited to, resignations of Board members, etc.), and its reporting and notice obligations.</td>
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<td>31</td>
<td><strong>Closeout of State and Federal Grants</strong>&lt;br&gt;State, federal and other grants must be closed out, including:&lt;br&gt;☐ Notification to the grant entity of the School closure; and&lt;br&gt;☐ Filing of any required expenditure reports or receipts and any required program reports.</td>
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<td>32</td>
<td><strong>IRS Status; Reports</strong>&lt;br&gt;☐ Notification to IRS regarding any address change of the School; and&lt;br&gt;☐ Filing of required tax returns or reports (e.g., IRS form 990 and Schedule A) for school year in which school ceases operation.&lt;br&gt;☐ Notify the IRS of dissolution of the education corporation and its 501(C) (3) status.&lt;br&gt;☐ File final tax returns or reports.</td>
</tr>
<tr>
<td>33</td>
<td><strong>Minnesota Charitable Organization Report</strong>&lt;br&gt;☐ Notification re: Any change of address&lt;br&gt;☐ Filing of return for school year in which school ceases operation.&lt;br&gt;☐ File final report.</td>
</tr>
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<td>34</td>
<td><strong>Corporate Records</strong>&lt;br&gt;In all cases, the School Board shall maintain all corporate records related to:</td>
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<td>Loans, bonds, mortgages and other financing;</td>
<td>[ ] Loans; [ ] Leases; [ ] Assets and asset sales; [ ] Grants—records relating to federal grants must be kept in accordance with 34 CFR 8042; [ ] Governance (Minutes, by-laws, policies); [ ] Employment (background checks, personnel files); [ ] Accounting/audit, taxes and tax status, etc.; [ ] Employee benefit programs and benefits; and [ ] Any items listed in this Closure Plan.</td>
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**Dissolution / Distribution of Assets**

35

**Dissolution**

The School Board must follow the dissolution provisions provided by Applicable Law.

**Distribute Assets**

- Secure any required affiliation/approval.
- Publish notice for known creditors and provide written notice to known creditors or provide written notice.
- Board approves Articles of Dissolution and files with Secretary of State and
- Board approves Articles of Dissolution and files with Secretary of State and
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<td>submits copy to Friends of Education.</td>
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<td>36</td>
<td><strong>Final Distribution of Assets</strong></td>
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<td>All liabilities and obligations of the School must be paid and discharged (or adequate provision must be made therefore) to the extent of the School's assets. Any assets held subject to a lien, encumbrance, security interest or other written conditions or limitations must be disposed of in accordance with and subject to those conditions or limitations.</td>
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<td>Assets received and held by the School subject to limitations permitting their use only for charitable, benevolent, educational, or similar purposes, but not held upon condition requiring return or with specific disposition instructions, shall be held until dissolution and transferred or conveyed to one or more charter schools.</td>
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<td>□ An itemized receipt must be obtained from each recipient of an asset containing the name, address and telephone number of the recipient.</td>
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<td>□ In closing out any federal grant and accounting for any federal grant funds, property owned by the federal government or property acquired under a federal grant must be distributed in accordance with federal regulations. <em>See</em> 34 CFR, Part 80, subparts C and D.</td>
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<td>NAME OF STUDENT</td>
<td>MARSS #</td>
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Friends of Education evaluates its charter schools in three primary areas:

1. Academic Performance
2. Fiscal Performance
3. Operations and Legal Compliance Performance

In addition to Friends of Education evaluating the degree to which the school is achieving its charter contract obligations related to academic, fiscal, and operational/legal performance, Friends of Education also evaluates:

1. Academic Performance: Is the school improving all pupil learning and all student achievement?

   Academic Performance is evaluated based on multiple criteria:
   
   **Commissioner’s Expectations for Public Schools:** Friends of Education evaluates a school’s academic performance in meeting or exceeding expectations established by the Commissioner for public schools.

   **Absolute Proficiency:** Expecting proficiency for each student, Friends of Education evaluates the percentage of students meeting or exceeding state standards on the state assessment tests.

   **Comparative Proficiency:** Expecting each charter school to fulfill its statutory obligation to improve student performance, Friends of Education evaluates how well the charter school performs compared to its resident district, and state average performance and may compare to a nearby district school that the charter school students would otherwise likely attend.

   **Growth:** Expecting growth for each student, Friends of Education evaluates the growth each student achieved on the state and other assessments.

   **Achievement Gap:** Expecting all students regardless of economic status to achieve academic success, Friends of Education evaluates the degree to which students qualifying for free/reduced lunch achieve the same proficiency rates as students not qualifying for free/reduced lunch on the state assessments.

   **Academic Governance:** Friends of Education evaluates the school board’s demonstration that it critically evaluates and strategically leads academic performance.

2. Fiscal Management: Is the school fiscally sound?

   Fiscal Performance is evaluated based on multiple criteria:
   
   **Charter Contract Fiscal Obligations.** Friends of Education evaluates the degree to which the school is achieving its financial management obligations contained in the charter.

   **External Audit:** Friends of Education evaluates external audits and expects its schools to work towards elimination of deficiencies.

   **Fund Balance:** Friends of Education evaluates a school’s fiscal health based on its ability to pay unforeseen expenses.
**State Finance Award:** Friends of Education considers whether a charter school has received the Minnesota Department of Education Finance Award, which recognizes sound fiscal health and management policies and procedures.

**Governance:** Friends of Education evaluates the school board’s demonstration that it pre-approves and maintains a balanced budget; reviews monthly and annual budget reports and requires explanations for out-of-budget spending; receives required board training; and has adequate time to review board materials.

3. **Operations and Legal Compliance:** Is the school well-managed and legally compliant?

Operations and Legal Compliance is evaluated based on four criteria: Compliance with Applicable Law, Minnesota Department of Education Audit Results, Charter Contract Reporting Obligations, and Leadership.

Charter schools must comply with all applicable laws, such as admissions, teacher licensing, and special education requirements. Friends of Education evaluates the degree to which the school complies with these requirements.

Effective operations and governance are fundamental to a quality charter school. Consequently, Friends of Education evaluates effective operations through attendance at board meetings, review of board meeting minutes, discussions with staff and other stakeholders, MDE audit results, and the adherence to charter requirements.

Friends of Education regularly monitors and evaluates other measures of school performance such as, near-term and long-term fiscal health metrics. These measures inform Friends of Education’s oversight but generally are not used in determining charter renewal unless the measures impact charter school obligations contained in the charter contract.