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

**ISSUED BY**

**THE GRAND VALLEY STATE UNIVERSITY BOARD OF TRUSTEES  
(AUTHORIZING BODY)**

**ISSUED TO**

**OAKLAND ACADEMY  
(A PUBLIC SCHOOL ACADEMY)**

**CONFIRMING THE STATUS OF**

**OAKLAND ACADEMY**

**AS A**

**PUBLIC SCHOOL ACADEMY**

**DATED:  
JULY 1, 2018**

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## GENERAL INDEX

### Contract Schedules

- Schedule 1: University Board Resolutions
  - Method of Selection Resolution
  - Authorization Resolution, dated May 7, 2018
- Schedule 2: Articles of Incorporation
- Schedule 3: Bylaws
- Schedule 4: Fiscal Agent Agreement
- Schedule 5: Master Calendar of Reporting Requirements (MCRR)
- Schedule 6: Information To Be Provided By Academy and Educational Management Company
- Schedule 7: Academy Specific Information & Educational Program
  - Schedule 7-1: Educational Goals and Programs
  - Schedule 7-2: Curriculum
  - Schedule 7-3: Staff Responsibilities
  - Schedule 7-4: Methods of Accountability and Pupil Assessment
  - Schedule 7-5: Academy's Admission Policies and Criteria
  - Schedule 7-6: School Calendar and School Day Schedule
  - Schedule 7-7: Age/Grade Range of Pupils Enrolled
  - Schedule 7-8: Address and Description of Proposed Physical Plant; Lease or Deed for Proposed Site; and Occupancy Certificate
- Schedule 8: Partnership Agreement

**TABLE OF CONTENTS**

**ARTICLE I**

**DEFINITIONS**

**Section**

Section 1.1	Certain Definitions.....	1
Section 1.2	Captions.....	4
Section 1.3	Gender and Number.....	4
Section 1.4	Schedules.....	4
Section 1.5	Statutory Definitions.....	4
Section 1.6	Application.....	4
Section 1.7	Conflicting Contract Provisions.....	4

**ARTICLE II**

**ROLE OF GRAND VALLEY STATE UNIVERSITY  
BOARD OF TRUSTEES AS AUTHORIZING BODY**

Section 2.1	Independent Status of the University.....	5
Section 2.2	Independent Status of the Academy.....	5
Section 2.3	University Board Resolutions.....	5
Section 2.4	Method for Monitoring Academy’s Compliance with Applicable Law and Performance of its Targeted Educational Outcomes.....	5
Section 2.5	University Board Administrative Fee.....	7
Section 2.6	University Board as Fiscal Agent for the Academy.....	7
Section 2.7	Authorization of Employment.....	7
Section 2.8	Financial Obligations of the Academy Are Separate From the State of Michigan, University Board and the University.....	7
Section 2.9	Academy Has No Power to Obligate or Bind State of Michigan, University Board or the University.....	8
Section 2.10	Authorizing Body Contract Authorization Process.....	8
Section 2.11	University Board Approval of Condemnation.....	8
Section 2.12	Charter Schools Office Director Review of Certain Financing Transactions.....	8

**ARTICLE III**

**REQUIREMENT THAT ACADEMY ACT SOLELY  
AS GOVERNMENTAL AGENCY OR ENTITY AND POLITICAL SUBDIVISION**

Section 3.1	Governmental Agency or Entity and Political Subdivision.....	9
-------------	--	---

Section 3.2	Other Permitted Activities.....	9
Section 3.3	Academy Board Members Serve in Their Individual Capacity.....	10

**ARTICLE IV**

**PURPOSE**

Section 4.1	Academy’s Purpose.....	10
-------------	------------------------	----

**ARTICLE V**

**CORPORATE STRUCTURE OF THE ACADEMY**

Section 5.1	Nonprofit Corporation.....	10
Section 5.2	Articles of Incorporation .....	10
Section 5.3	Bylaws .....	10
Section 5.4	Quorum.....	10

**ARTICLE VI**

**OPERATING REQUIREMENTS**

Section 6.1	Governance Structure.....	11
Section 6.2	Contributions and Fund Raising .....	11
Section 6.3	Educational Goals and Programs.....	11
Section 6.4	Curriculum.....	11
Section 6.5	Methods of Accountability and Pupil Assessment .....	11
Section 6.6	Staff Responsibilities .....	12
Section 6.7	Admission Policy .....	12
Section 6.8	School Calendar/School Day Schedule.....	12
Section 6.9	Age/Grade Range of Pupils Enrolled.....	12
Section 6.10	Annual Financial Audit.....	13
Section 6.11	Address and Description of Proposed Site(s); Process for Expanding Academy’s Site Operations. ....	13
Section 6.12	Accounting Standards .....	13
Section 6.13	Placement of University Student Interns.....	14
Section 6.14	Disqualified Organizational or Contractual Affiliations.....	14
Section 6.15	Matriculation Agreements.....	14
Section 6.16	Posting of Accreditation Status.....	14
Section 6.17	Academy Site is Former Site of Closed Community School District School; State School Reform/Redesign Officer Approval Required.....	14
Section 6.18	New Public School Academies Located within Boundaries of a	

	Community District.....	14
Section 6.19	Community District Accountability Plan.....	15
Section 6.20	Collective Bargaining Agreements.....	15

**ARTICLE VII**

**TUITION PROHIBITED**

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

**ARTICLE VIII**

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

Section 8.1	Compliance with Part 6a of Code.....	15
Section 8.2	Compliance with State School Aid Act.....	15
Section 8.3	Open Meetings Act.....	16
Section 8.4	Freedom of Information Act.....	16
Section 8.5	Public Employees Relations Act.....	16
Section 8.6	Prevailing Wage on State Contracts.....	16
Section 8.7	Uniform Budgeting and Accounting Act.....	16
Section 8.8	Revised Municipal Finance Act of 2001.....	16
Section 8.9	Non-discrimination.....	16
Section 8.10	Other State Laws.....	16
Section 8.11	Federal Laws.....	17

**ARTICLE IX**

**AMENDMENT**

Section 9.1	Amendments.....	17
Section 9.2	Process for Amending the Contract.....	17
Section 9.3	Process for Amending Academy Articles of Incorporation.....	17
Section 9.4	Process for Amending Academy Bylaws.....	17
Section 9.5	Final Approval of Amendments.....	17
Section 9.6	Change in Existing Law.....	17
Section 9.7	Emergency Action on Behalf of University Board.....	18

**ARTICLE X**

**TERMINATION, SUSPENSION AND REVOCATION**

Section 10.1	Grounds and Procedures for Academy Termination of Contract.....	18
Section 10.2	Termination by University Board.....	19

Section 10.3	Contract Suspension.....	20
Section 10.4	Statutory Grounds for Revocation .....	21
Section 10.5	Other Grounds for University Board Revocation.....	21
Section 10.6	University Board Procedures for Revoking Contract .....	22
Section 10.7	Automatic Amendment of Contract; Automatic Termination of Contract if All Academy Sites Closed or Placed in State School Reform/Redesign District; Economic Hardship Termination .....	25
Section 10.8	Material Breach of Contract .....	26
Section 10.9	Venue; Jurisdiction .....	27
Section 10.10	Conservator; Appointment by University President.....	27

## ARTICLE XI

### PROVISIONS RELATING TO PUBLIC SCHOOL ACADEMIES

Section 11.1	Grand Valley State University Faculty Employment in the Academy ....	28
Section 11.2	The Academy Faculty Appointment to Grand Valley State University Faculty.....	28
Section 11.3	Student Conduct and Discipline .....	28
Section 11.4	Insurance.....	28
Section 11.5	The Academy Budget; Transmittal of Budgetary Assumptions; Budget Deficit; Enhanced Deficit Elimination Plan .....	29
Section 11.6	Transportation.....	31
Section 11.7	Extracurricular Activities and Interscholastic Sports.....	31
Section 11.8	Legal Liabilities and Covenants Not to Sue .....	31
Section 11.9	Lease or Deed for Proposed Single Site(s).....	31
Section 11.10	Occupancy and Safety Certificates .....	32
Section 11.11	Criminal Background and History Checks; Disclosure of Unprofessional Conduct; Compliance with School Safety Initiative.....	32
Section 11.12	Special Education.....	32
Section 11.13	Deposit of Public Funds by the Academy .....	32
Section 11.14	Nonessential Elective Courses.....	32
Section 11.15	Educational Service Provider Agreements.....	32
Section 11.16	Required Provisions for Educational Service Provider Agreements .....	33
Section 11.17	Additional Requirements for ESP Agreements .....	34
Section 11.18	Incompatible Public Offices and Conflicts of Interest Statutes.....	34
Section 11.19	Certain Familial Relationships Prohibited .....	35
Section 11.20	Academy Board Legal Counsel .....	35
Section 11.21	Dual Employment Positions Prohibited.....	35
Section 11.22	Oath of Public Office .....	35
Section 11.23	Information Available to the Public and University .....	36
Section 11.24	Administrator and Teacher Evaluation Systems.....	36
Section 11.25	Authorizing Body Invitation to Apply to Convert Academy	

	to School of Excellence.....	36
Section 11.26	Student Privacy .....	36
Section 11.27	Disclosure of Information to Parents and Legal Guardians .....	37
Section 11.28	List of Uses for Student Directory Information; Opt-Out Form; Notice to Student’s Parent or Legal Guardian.....	38
Section 11.29	Partnership Agreement.....	38
Section 11.30	Data Breach Response Plan.....	39

**ARTICLE XII**

**GENERAL TERMS**

Section 12.1	Notices.....	39
Section 12.2	Severability .....	39
Section 12.3	Successors and Assigns .....	40
Section 12.4	Entire Contract.....	40
Section 12.5	Assignment .....	40
Section 12.6	Non-Waiver .....	40
Section 12.7	Indemnification.....	40
Section 12.8	Construction.....	40
Section 12.9	Force Majeure.....	40
Section 12.10	No Third Party Rights .....	41
Section 12.11	Non-agency .....	41
Section 12.12	Governing Law .....	41
Section 12.13	Counterparts.....	41
Section 12.14	Term of Contract.....	41
Section 12.15	Survival of Provisions .....	42
Section 12.16	Termination of Responsibilities.....	42
Section 12.17	Disposition of Academy Assets Upon Termination or Revocation of Contract .....	43
Section 12.18	University Board or CSO General Policies on Public School Academies Shall Apply .....	43

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## Contract to Charter a Public School Academy

Pursuant to Part 6a of the Revised School Code (“Code”), being Sections 380.501 to 380.507 of the Michigan Compiled Laws, the Grand Valley State University Board of Trustees (“University Board”) issues a contract to Oakland Academy (the “Academy”), to be effective July 1, 2018, confirming the Academy’s status as a public school academy in this State. The Parties agree that the issuance 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 capitalized, shall have the meaning set forth in this section:

- a) **Academy** means the Michigan non-profit corporation authorized by this Contract.
- b) **Academy Board** means the Board of Directors of the Academy authorized by this Contract. **Academy Board member** or **Academy Director** means an individual who is a member of the Academy Board, whether in the past, present or future.
- c) **Accountability Plan** means a Community District accountability plan established, implemented, and administered by the State School Reform/Redesign Officer under section 390 of the Code, MCL 380.390.
- d) **Applicable Law** means all state and federal law applicable to public school academies.
- e) **Applicant** means the person or entity that submitted the public school academy application to the University for the establishment of the Academy.
- f) **Application** means the public school academy application and supporting documentation submitted to the University for the establishment of the Academy.
- g) **Authorization Resolution** means the resolution adopted by the Grand Valley State University Board of Trustees approving the issuance of a Contract.
- h) **Charter School** means public school academy.
- i) **Code** means the Revised School Code, Act No. 451 of the Public Acts of 1976, as amended, being Sections 380.1 to 380.1852 of the Michigan Compiled Laws.



- j) **Community District** means a community school district created under part 5B of the Code, MCL 380.381 et seq.
- k) **Conservator** means an individual appointed by the University President in accordance with Section 10.10 of these Terms and Conditions.
- l) **Contract** means, in addition to the definitions set forth in the Code, the Terms and Conditions and the Schedules.
- m) **Educational Service Provider or “ESP”** means an educational management organization as defined under section 503c of the Code, MCL 380.503c, that has entered into a contract or agreement with the Academy Board for operation or management of the Academy, which contract has been submitted to the University Charter Schools Office Director for review as provided in Section 11.15 and has not been disapproved by the University Charter Schools Office Director, and is consistent with the Charter Schools Office Educational Service Provider Policies, as they may be amended from time to time, and Applicable Law.
- n) **Educational Service Provider Policies or ESP Policies** means those policies adopted by the Charter Schools Office Director that apply to a Management Agreement. The Charter Schools Office Director may, at any time and at his or her sole discretion, amend the ESP Policies. Upon amendment, changes to the ESP Policies shall automatically be incorporated into this Contract and shall be exempt from the amendment procedures under Article IX of these Terms and Conditions.
- o) **Fund Balance Deficit** means the Academy has more liabilities than assets at the end of any given school fiscal year, and includes any fiscal year where the Academy would have had a budget deficit but for a financial borrowing from, or monetary contribution by an Educational Service Provider or other person or entity to the Academy. If the Academy receives a gift or grant of money or financial support from an Educational Service Provider or other person or entity that does not require repayment by the Academy, and is not conditioned upon the actions or inactions of the Academy Board, then such gift or grant shall not constitute a financial borrowing or contribution for purposes of determining a Fund Balance Deficit.
- p) **Management Agreement or ESP Agreement** means an agreement as defined under section 503c of the Code, MCL 380.503c that has been entered into between an ESP and the Academy Board for operation and/or management of the Academy, which has been submitted to the University Charter Schools Office Director for review as provided in Section 11.15 and has not been disapproved by the University Charter Schools Office Director, and is

consistent with the CSO Educational Service Provider Policies as they may be amended from time to time, and Applicable Law.

- q) **Master Calendar of Reporting Requirements (MCRR)** means the compliance certification duties required of the Academy by the University Board. The University Charter Schools Office may amend the MCRR each fiscal year or at other times as deemed appropriate by the University President. These changes shall be automatically incorporated into the Contract and shall be exempt from the Contract amendment procedures under Article IX of these Terms and Conditions.
- r) **Method of Selection Resolution** means the resolution adopted by the University Board providing for the method of selection, length of term, number of members, qualification of Board Academy members and other pertinent provisions relating to the Academy Board.
- s) **Resolution** means any resolution adopted by the Grand Valley State University Board of Trustees.
- t) **Schedules** mean the schedules incorporated into and part of the Terms and Conditions.
- u) **State Board** means the State Board of Education, established pursuant to Article 8, Section 3 of the 1963 Michigan Constitution and MCL 388.1001 et seq.
- v) **State School Reform/Redesign Office** means the office created within the Michigan Department of Technology Management and Budget by Executive Reorganization Order 2015-02, codified at MCL 18.554, and transferred from the Michigan Department of Technology Management and Budget to the Michigan Department of Education by Executive Order 2017-05 and codified at MCL 388.1282.
- w) **State School Reform/Redesign Officer** means the officer described in Section 1280c(9) of the Code, MCL 380.1280c(9), and authorized to act as the superintendent of the State School Reform/Redesign District under Section 1280c(6)(b) of the Code, MCL 380.1280c(6)(b).
- x) **Superintendent** means the Michigan Superintendent of Public Instruction.
- y) **Terms and Conditions** means this document entitled Terms and Conditions of Contract issued by the Grand Valley State University Board of Trustees.
- z) **University** means Grand Valley State University established pursuant to Article VIII, Sections 4 and 6 of the 1963 Michigan Constitution and MCL 390.841 et seq.

- aa) **University Board** means the Grand Valley State University Board of Trustees.
- bb) **University Charter Schools Hearing Panel** or **Hearing Panel** means such person(s) as designated by the University President.
- cc) **University Charter Schools Office** or **CSO** means the office the University Board, by issuance of this Contract, hereby designates as the point of contact for public school academy applicants and public school academies authorized by the University Board. The University Charter Schools Office is also responsible for managing, implementing, and overseeing the University Board's responsibilities with respect to the Contract.
- dd) **University Charter Schools Office Director** or **CSO Director** means the person designated by the University President to administer the operations of the University Charter Schools Office.
- ee) **University President** means the President of Grand Valley State University or his or her designee.

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. Schedules. All Schedules to this Contract are part of this Contract.

Section 1.5. Statutory Definitions. Statutory terms defined in the Code shall have the same meaning in this Contract.

Section 1.6. Application. The Application submitted to the University Board for the establishment of the Academy is incorporated into, and made part of, this Contract. In the event that there is an inconsistency or dispute between materials in the Application and the Contract, the language or provisions in the Contract shall control.

Section 1.7. Conflicting Contract Provisions. In the event that there is a conflict between the language contained in the provisions of this Contract, the Contract shall be interpreted as follows: (i) the Method of Selection Resolution shall control over any other conflicting language in the Contract; (ii) the Authorizing Resolution shall control over any other conflicting language in the Contract with the exception of language in the Method of Selection Resolution; (iii) the Terms and Conditions shall control over any other conflicting language in the Contract with the exception of language in the Method of Selection Resolution and the Authorizing Resolution; and (iv) the Articles of Incorporation shall control over any other conflicting language in the Contract

with the exception of language in the Method of Selection Resolution, Authorizing Resolution and these Terms and Conditions.

## ARTICLE II

### ROLE OF GRAND VALLEY STATE UNIVERSITY BOARD OF TRUSTEES AS AUTHORIZING BODY

Section 2.1. Independent Status of the University. The University Board is an authorizing body as defined by the Code. In approving this Contract, the University voluntarily exercises additional powers given to the University under the Code. Nothing in this Contract shall be deemed to be any waiver of the University's powers or independent status and the Academy shall not be deemed to be part of the University Board. The University Board has provided the State School Reform/Redesign Officer the accreditation notice required under Section 502.

Section 2.2. Independent Status of the Academy. The Academy is a body corporate and governmental entity authorized by the Code. The Academy is organized and shall operate as a public school academy and a nonprofit corporation. The Academy is not a division or part of the University. The relationship between the Academy and the University Board is based solely on the applicable provisions of the Code and the terms of this Contract or other agreements between the University Board and the Academy, if applicable.

Section 2.3. University Board Resolutions. For purposes of this Contract, the University Board has adopted the following resolutions:

(a) Method of Selection Resolution. The University Board has adopted the Method of Selection Resolution, which is incorporated into this Contract as part of Schedule 1. At anytime and at its sole discretion, the University Board may amend the Method of Selection Resolution. Upon University Board approval, changes to the Method of Selection Resolution shall automatically be incorporated into this Contract and shall be exempt from the amendment procedures under Article IX of the Terms and Conditions.

(b) Authorizing Resolutions. The University Board has adopted the Authorizing Resolution, which is incorporated into this Contract as part of Schedule 1.

Section 2.4. Method for Monitoring Academy's Compliance with Applicable Law and Performance of its Targeted Educational Outcomes. The University Board has the responsibility to oversee the Academy's compliance with the Contract and all Applicable Law. The Academy shall perform the compliance certification duties required by the University Board as outlined in the Contract incorporated into this Contract as Schedule 5. Additionally, the Academy shall be responsible for the following:

- a) In the event that the University President determines that the Academy's educational outcomes should be reviewed to help determine if the Academy is meeting the educational goals set forth in the Schedules, the University President, at his or her

discretion, may require an objective evaluation of student performances by an educational consultant, acceptable to both the Academy and the University President. The Academy shall pay for the expense of the evaluation. In addition, at any time, the University President may require an evaluation of student performance to be selected by and at the expense of the University. The Academy shall cooperate with the evaluation, including any student testing required.

- b) Within ten (10) days of receipt, the Academy shall notify the University Charter Schools Office of correspondence received from the Department of Education or State Board of Education that requires a written or formal response.
- c) Within ten (10) days of receipt, the Academy shall report to the University Charter Schools Office and the University Counsel Office any litigation or formal proceedings alleging violation of Applicable Law or contractual agreement against the Academy, its officers, employees, agents, and/or contractors.
- d) The Academy shall permit review of the Academy's records and inspection of its premises at any time by representatives of the University. Normally, such inspections shall occur during the Academy's hours of operation and after advance notice to the Academy.
- e) The Academy shall provide the Charter Schools Office with copies of reports and assessments concerning the educational outcomes achieved by pupils attending the Academy and shall provide necessary approvals for the Charter Schools Office to access electronic information received or stored by the State of Michigan including, but not limited to, the Department of Education or other agency authorized by the State to collect school data.
- f) The Academy shall submit audited financial statements, including auditor's management letters and any exceptions noted by the auditors, to the University Charter Schools Office. The financial statements and auditor's management letters shall be submitted to the University Charter Schools Office within ninety (90) days after the end of the Academy's fiscal year.
- g) The Academy shall provide the University Charter Schools Office with a copy of the approved annual budget for the upcoming fiscal year of the Academy no later than July 1st. The Academy Board is responsible for establishing, approving and amending the annual budget in accordance with the Uniform Budgeting and Accounting Act, MCL 141.421 *et seq.*, and for providing all amendments and revisions to the University Charter Schools Office following Academy Board approval.
- h) The Academy shall provide to the University Charter Schools Office minutes of all Academy Board meetings no later than fourteen (14) days after such meeting.

Section 2.5. University Board Administrative Fee. During the term of this Contract, the Academy shall pay the University Board an administrative fee of 3% of the state school aid payments received by the Academy. For purposes of this Contract, state school aid payments received by the Academy in July and August in any given year shall be deemed to have been received by the Academy during the Contract term. This fee shall be retained by the University Board from each state school aid payment received by the University Board for forwarding to the Academy. This fee shall compensate the University Board for issuing the Contract and overseeing the Academy's compliance with the Contract and all Applicable Law. This fee may also be used to fund college readiness work and scholarships for academies that are in compliance with this Contract.

Section 2.6. University Board as Fiscal Agent for the Academy. The University Board is the fiscal agent for the Academy. The University Board shall, within three (3) business days, forward to the Academy all state school aid funds or other public or private funds received by the University Board for the benefit of the Academy. The University Board shall retain any amount owed to the University Board by the Academy pursuant to this Contract. For purposes of this section, the responsibilities of the University Board, the State of Michigan, and the Academy are set forth in the Fiscal Agent Agreement incorporated herein as Schedule 4.

Section 2.7. Authorization of Employment. The Academy may employ or contract with personnel. If the Academy contracts for personnel with an Educational Service Provider, the Academy shall submit a draft of the proposed agreement to the University Charter Schools Office for review. The University Charter Schools Office may disapprove the proposed agreement if it contains provisions in violation of this Contract or Applicable Law. No ESP agreement shall be effective unless and until the agreement complies with Section 11.16 of these Terms and Conditions. With respect to Academy employees, the Academy shall have the power and responsibility to (i) select and engage employees; (ii) pay their wages; (iii) dismiss employees; and (iv) control the employees' conduct, including the method by which the employee carries out his or her work. An employee hired by the Academy shall be an employee of the Academy for all purposes and not an employee of the University for any purpose. The Academy Board shall prohibit any individual from being employed by the Academy, an ESP, or an employee leasing company involved in the operation of the Academy, in more than one (1) full-time position and simultaneously being compensated at a full-time rate for each of these positions. The Academy shall be responsible for carrying worker's compensation insurance and unemployment insurance for its employees.

Section 2.8. Financial Obligations of the Academy are Separate from the State of Michigan, University Board and the University. Any contract, mortgage, loan or other instrument of indebtedness entered into by the Academy and a third party shall not in any way constitute an obligation, either general, special, or moral, of the State of Michigan, the University Board, or the University. Neither the full faith and credit nor the taxing power of the State of Michigan or any agency of the State, nor the full faith and credit of the University Board or the University shall ever be assigned or pledged for the payment of any Academy contract, agreement, note, mortgage, loan or other instrument of indebtedness.

Section 2.9. Academy Has No Power to Obligate or Bind State of Michigan, University Board or the University. The Academy has no authority whatsoever to enter into any contract or other agreement that would financially obligate the State of Michigan, University Board or the University, nor does the Academy have any authority whatsoever to make any representations to lenders or third parties, that the State of Michigan, University Board or the University in any way guarantee, are financially obligated, or are in any way responsible for any contract, agreement, note, mortgage, loan or other instrument of indebtedness entered into by the Academy.

Section 2.10. Authorizing Body Contract Authorization Process. Pursuant to the Code, the University Board is not required to issue a contract to the Academy. This Contract is for a fixed term and will terminate at that end of the Contract term set forth in Section 12.14 without any further action of either the Academy or the University Board. Prior to the end of the Contract term, the University Board shall provide a description of the process and standards by which the Academy may be considered for the issuance of a new contract. The timeline for consideration of whether to issue a new contract to the Academy shall be solely determined by the University Board. The standards for issuance of a new contract shall include increases in academic achievement for all groups of pupils as measured by assessments and other objective criteria established by the University Board as the most important factor of whether to issue or not issue a new contract. The University Board, at its sole discretion, may change its process and standards for issuance of a contract at any time, and any such changes shall take effect automatically without the need for any amendment to this Contract. Consistent with the Code, the University Board may elect, at its sole discretion, not to consider the issuance of a contract, consider reauthorization of the Academy and elect not to issue a contract, or consider reauthorization of the Academy and issue a contract for a fixed term.

Section 2.11. University Board Approval of Condemnation. In the event that the Academy desires to acquire property pursuant to the Uniform Condemnation Procedures Act or other applicable statutes, it shall obtain express written permission for such acquisition from the University Board. The Academy shall submit a written request to the Charter Schools Office Director describing the proposed acquisition and the purpose for which the Academy desires to acquire the property. The Charter Schools Office Director will generate a recommendation for consideration by the University Board with regard to the proposed acquisition. The request and the Charter Schools Office Director's recommendation will be submitted by the Charter Schools Office Director for the University Board's consideration in accordance with the University Board's generally applicable timelines and policies for the agendas of regularly-scheduled University Board committee meetings and formal sessions of the University Board. No acquisition may be made until the approval of the University Board is obtained by resolution adopted at a formal session of the University Board.

Section 2.12. Charter Schools Office Director Review of Certain Financing Transactions. If the Academy proposes to (i) finance the acquisition, by lease, purchase, or other means, of facilities or equipment, or renovation of facilities, in excess of \$150,000, pursuant to arrangements calling for payments over a period greater than one (1) year, and which include a pledge, assignment or direction to one or more third parties of a portion of the funds to be received by the

Academy from the State of Michigan pursuant to the State School Aid Act of 1979, as amended, being MCL 388.1601 et seq., or (ii) direct that a portion of its State School Aid Payments be forwarded by the Fiscal Agent University Board to a third party account for the payment of Academy debts and liabilities, the Academy shall submit the transaction for prior review by the Charter Schools Office Director as designee of the University Board, in the manner provided herein. The Academy shall, not later than thirty (30) days prior to the proposed closing date of the transaction, submit a written request to the Charter Schools Office Director describing the proposed transaction and the facilities or equipment to be acquired with the proceeds thereof (if any), and in the case of a transaction described in subparagraph (ii) of this Section, (a) a copy of the Academy Board's resolution authorizing the direct intercept of State School Aid Payments; (b) a copy of a State School Aid Payment Agreement and Direction document that is in a form acceptable to the University Charter Schools Office; and (c) copies of such other documentation regarding the transaction which is the subject of the proposed direct intercept as the University Charter Schools Office may request. Unless the Charter Schools Office Director extends the review period, within thirty (30) days of receiving a written request in compliance with this Section, the Charter Schools Office Director shall notify the Academy if the proposed transaction is disapproved. The Charter Schools Office Director may disapprove the proposed transaction if the proposed transaction violates this Contract or applicable law. If the proposed transaction is disapproved, such disapproval may, but shall not be required to, state one or more conditions which, if complied with by the Academy and any lender, lessor, seller or other party, would cause such disapproval to be deemed withdrawn. No transaction described in this Section may be entered into that is disapproved by the Charter Schools Office Director. By not disapproving a proposed transaction, the Charter Schools Office Director is in no way giving approval of the proposed transaction, or any of the terms or conditions thereof.

### **ARTICLE III**

#### **REQUIREMENT THAT ACADEMY ACT SOLELY AS GOVERNMENTAL AGENCY OR ENTITY AND POLITICAL SUBDIVISION**

Section 3.1. Governmental Agency or Entity and Political Subdivision. The Academy shall act exclusively as a governmental agency or entity and political subdivision.

Section 3.2. Other Permitted Activities. Nothing in this Contract shall prohibit the Academy from engaging in other lawful activities that are not in derogation of the Academy's status as a public school or that would not jeopardize the eligibility of the Academy for state school aid funds. Subject to Section 2.7 and Section 6.15 of the Terms and Conditions, the Academy may enter into agreements with other public schools, public school academies, governmental units, businesses, community and nonprofit organizations where such agreements contribute to the effectiveness of the Academy or advance education in this state.

Section 3.3. Academy Board Members Serve in their Individual Capacity. All Directors of the Academy Board shall serve in their individual capacity, and not as a representative or



designee of any other person or entity. A person who does not serve in their individual capacity, or who serves as a representative or designee of another person or entity, shall be deemed ineligible to continue to serve as a Director of the Academy Board. A Director who violates this Section shall be removed from office, in accordance with the removal provisions found in the Resolution or Schedule 2: Bylaws. As set forth in the Resolution, a Director serves at the pleasure of the University Board, and may be removed with or without cause by the University Board at any time.

## **ARTICLE IV**

### **PURPOSE**

Section 4.1. Academy's Purpose. The Academy Board shall identify the purpose or mission of the Academy. Any subsequent changes to the Academy's purpose or mission shall be carried out by amendment in accordance with Article IX of these Terms and Conditions. The Academy's stated purpose or mission shall be set forth in the Schedules.

## **ARTICLE V**

### **CORPORATE STRUCTURE OF THE ACADEMY**

Section 5.1. Nonprofit Corporation. The Academy shall be organized and operated as a public school academy corporation organized under the Michigan Nonprofit Corporation Act, as amended, Act No. 162 of the Public Acts of 1982, being Sections 450.2101 to 450.3192 of the Michigan Compiled Laws. Notwithstanding any provision of the Michigan Nonprofit Corporation Act, as amended, the Academy shall not take any action inconsistent with the provisions of Part 6A of the Code or other Applicable Law.

Section 5.2. Articles of Incorporation. Unless amended pursuant to Section 9.3 of Article IX herein, the Articles of Incorporation of the Academy, as set forth in Schedule 2, shall be the Articles of Incorporation of the Academy. The Academy Board represents to the University Board that Schedule 2 includes all amendments to the Academy's Articles of Incorporation as of the date set forth above.

Section 5.3. Bylaws. Unless amended pursuant to Section 9.4 of Article IX herein, the Bylaws of the Academy, as set forth in Schedule 3, shall be the Bylaws of the Academy. The Academy Board represents to the University Board that Schedule 3 includes all amendments to the Academy's Bylaws as of the date set forth above.

Section 5.4. Quorum. Notwithstanding any document in the Contract that is inconsistent with this Section, including the Academy's Articles of Incorporation and Bylaws, a quorum of the Academy Board that is necessary to transact business and to take action shall be a majority of the Academy Board members as set by the Authorizing Resolution.

## ARTICLE VI

### OPERATING REQUIREMENTS

Section 6.1. Governance Structure. The Academy shall be organized and administered under the direction of the Academy Board and pursuant to the governance structure as set forth in its Bylaws. The Academy's Board of Directors shall meet at least six times per fiscal year, unless another schedule is mutually agreed upon by the University President or Designee and the Academy.

Section 6.2. Contributions and Fund Raising. The Academy may solicit and receive contributions and donations as permitted by law. No solicitation shall indicate that a contribution to the Academy is for the benefit of the University. The University shall not be required to receive any contributions or donations for the benefit of the Academy. If the University receives contributions or donations for the benefit of the Academy, it shall forward such funds to the Academy within three (3) business days of receipt.

Section 6.3. Educational Goals and Programs. The Academy shall pursue the educational goals and programs identified and contained in the Schedules. The educational goals shall include demonstrated improved pupil academic achievement for all groups of pupils. Such goals and programs may be amended pursuant to Section 9.2 of Article IX of the Terms and Conditions. Upon request, the Academy shall provide the University Charter Schools Office with a written report, along with supporting data, assessing the Academy's progress toward achieving its goal(s).

Section 6.4. Curriculum. The Academy shall have flexibility in developing, realigning, and implementing the curriculum identified in the Schedules. Any changes to the curricula shall be administered pursuant to Section 9.2 of Article IX of the Terms and Conditions, and such proposed curricula shall be designed to achieve the Academy's overall educational goals and State's educational assessment objectives.

Section 6.5. Methods of Accountability and Pupil Assessment. In addition to those set forth in this Section 6.5, the Academy shall evaluate its pupils' work based on the assessment strategies identified in the Schedules. To the extent applicable, the pupil performance of the Academy shall be assessed using both the mathematics and reading portions of the approved Michigan state assessment. The Academy shall provide the University Charter Schools Office with copies of reports, assessments and test results concerning the following:

- a) educational outcomes achieved by pupils attending the Academy and other reports reasonably requested by the University Charter Schools Office;
- b) an assessment of the Academy's student performance at the end of each academic school year or at such other times as the University Board may reasonably request;

- c) an annual education report in accordance with the Code;
- d) an annually administered nationally recognized norm-referenced achievement test for the Academy's grade configuration or a program of testing approved by the University Charter Schools Office Director; and
- e) all tests required under Applicable Law.

The University Board may use such reports, assessments and test results in making its decision to suspend, terminate, or not issue a new contract at the end of the Contract, or revoke the Contract.

Section 6.6. Staff Responsibilities. Subject to Section 2.7 Article II of the Terms and Conditions, the University Board authorizes the Academy to employ or contract with an Educational Service Provider. A copy of the ESP agreement shall be included in the Schedules.

Section 6.7. Admission Policy. The Academy shall comply with all application, enrollment, and admissions policies and criteria required by Applicable Law. A copy of the Academy's admission policies and criteria are set forth in the Schedules. With respect to the Academy's pupil admissions process, the Academy shall provide any documentation or information requested by the University Charter Schools Office that demonstrates the following:

- a) the Academy has made a reasonable effort to advertise its enrollment efforts to all pupils; and
- b) the Academy's open enrollment period was for a duration of at least 2 weeks and permitted the enrollment of pupils by parents at times in the evening and on weekends.

Section 6.8. School Calendar/School Day Schedule. The Academy shall comply with all minimum standards governing the length of the school term, minimum number of days and hours of instruction required by Applicable Law. The Academy agrees to make available to the CSO Office a copy of the School Calendar/School Day Schedule for each academic school year no later than July 1<sup>st</sup>. A copy of the School Calendar/School Day Schedule shall be automatically incorporated into the Schedules, without the need for an amendment under Article IX of the Terms and Conditions.

Section 6.9. Age/Grade Range of Pupils Enrolled. The Academy is authorized to operate Kindergarten through Eighth grade(s). The Academy may add additional grades and vocational programs in the future, pursuant to Section 9.2 of Article IX of the Terms and Conditions.

Section 6.10. Annual Financial Audit. The Academy shall conduct an annual financial audit prepared and reviewed by an independent certified public accountant in accordance with generally accepted governmental auditing principles. The Academy shall submit the annual

financial statement audit and auditor's management letter to the Charter Schools Office in accordance with the MCRR. The Academy Board shall provide to the Charter Schools Office a copy of any responses to the auditor's management letter in accordance with the MCRR.

Section 6.11. Address and Description of Proposed Site(s); Process for Expanding Academy's Site Operations. The proposed address and physical plant description of the Academy's proposed site or sites is set forth in Schedule 7-8. Following Academy Board and University Board approval, proposed changes to the address and description of any site or sites shall be incorporated into this Contract by amendment. With the approval of the University Board, the Academy Board may operate the same configuration of age or grade levels at more than one (1) site if each configuration of age or grade levels and each site identified in Schedule 7-8 are under the direction and control of the Academy Board.

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

By formal resolution, the Academy Board may request the authority to operate the same configuration of age or grade levels at more than one site. The Academy Board shall submit to the University Charter Schools Office an application for site expansion, in a form or manner determined by the University Charter Schools Office. The application for site expansion shall include all information requested by the University Charter Schools Office, including detailed information about the site, revised budget, renovation and site improvement costs, the Academy's proposed operations at the site, and the information provided in Contract Schedules 7-8. Upon receipt of a complete application for site expansion, the University Charter Schools Office shall review the application for site expansion and make a recommendation to the University Board on whether the Academy's request for site expansion should be approved. A positive recommendation by the University Charter Schools Office of the application for site expansion shall include a determination by the Charter Schools Office that the Academy is operating in compliance with the Contract and is making measureable progress toward meeting the Academy's educational goals. The University Board may consider the Academy Board's site expansion request following submission by the University Charter Schools Office of a positive recommendation.

If the University Board approves the Academy Board's site expansion request, the Contract shall be amended in accordance with Article IX of these Terms and Conditions. The University Board reserves the right to modify, reject, or approve any application for site expansion in its sole and absolute discretion.

Section 6.12. Accounting Standards. The Academy shall at all times comply with generally accepted public sector accounting principles, and accounting system requirements that comply with Applicable Law.

Section 6.13. Placement of University Student Interns. The Academy may be a placement site for University students who are in education or other pre-professionals in training to serve in

public schools. Such placement shall be without charge to the University and subject to other terms and conditions as the Academy and the University agree.

Section 6.14. Disqualified Organizational or Contractual Affiliations. The Academy shall comply with all state and federal law applicable to public schools concerning church-state issues. To the extent disqualified under the state or federal constitutions, the Academy shall not be organized by a church or other religious organization and shall not have any organizational or contractual affiliation with or constitute a church or other religious organization. Nothing in this Section shall be deemed to diminish or enlarge the civil and political rights, privileges and capacities of any person on account of his or her religious belief.

Section 6.15 Matriculation Agreements. Before the Academy Board approves a matriculation agreement with another public school, the Academy shall provide a draft and final copy of the agreement to the University Charter Schools Office for review and retention.

Section 6.16. Posting of Accreditation Status. The Academy shall post notice to the Academy's homepage of its website disclosing the accreditation status of each school in accordance with section 1280e of the Code, MCL 380.1280e.

Section 6.17. Academy Site is Former Site of Closed Community School District School; State School Reform/Redesign Officer Approval Required. If the Academy's proposed site is located within the geographical boundaries of a Community District and is a site that was a former site of a Community District school closed by the State School Reform/Redesign Office within the last 3 years, then the University Board shall not issue the Contract unless (a) the new Academy site has a substantially different leadership structure and curricular offering than the previous Community District school that operated at the site; and (b) the State School Reform/Redesign Officer has approved the Academy's use of the site. A copy of the State School Reform/Redesign Officer's approval shall be provided to the Charter Schools Office as part of the application process.

Section 6.18. New Public School Academies Located within the Boundaries of a Community District. If the circumstances listed below in (a) and (b) or (c) apply to the Academy's site, the Academy represents to the University Board, intending that the University Board rely on such representation as a precondition to issuing this Contract, that the Academy will have a substantially different governance, leadership, and curriculum than the public school previously operating at that site:

- a) The Academy's proposed site is the same location as a public school that (i) is currently on the list under Section 1280c(1), MCL 380.1280c(1), of the public schools in this State that the State School Reform/Redesign Office has determined to be among the lowest achieving 5% of all public schools; or (ii) has been on the list during the immediately preceding 3 school years.

- b) If an Accountability Plan has been in effect for at least 3 full school years, the Academy's proposed site is at the same location as a public school that has been assigned a grade of "F" under the Accountability Plan for 3 of the preceding 5 school years;
- c) The Academy's proposed site is not the same location of another public school academy, urban high school academy, school of excellence or strict discipline academy whose contract was revoked or terminated by an authorizing body.

Section 6.19. Community District Accountability Plan. If any part of the Academy's proposed school site(s) is located within the geographical boundaries of a Community District, then the Academy shall comply with the Accountability Plan. This provision shall not apply if a statewide accountability system is enacted into law replacing the Accountability Plan.

Section 6.20. Collective Bargaining Agreements. Collective bargaining agreements, if any, with employees of the Academy shall be the responsibility of the Academy.

## **ARTICLE VII**

### **TUITION PROHIBITED**

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

## **ARTICLE VIII**

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

Section 8.1. Compliance with Part 6a of the Code. The Academy shall comply with Part 6a of the Code.

Section 8.2. Compliance with State School Aid Act. In order to assure that funds are available for the education of pupils, the Academy shall comply with all applicable provisions of the State School Aid Act of 1979, as amended from time to time. The Academy may expend funds from the State School Aid Act for any purpose permitted by the State School Aid Act of 1979 and may enter into contracts and agreements determined by the Academy as consistent with the purposes for which the funds were appropriated.

Section 8.3. Open Meetings Act. Pursuant to Section 503(6)(a) of the Code, the Academy Board shall conduct all of its meetings in accordance with the Michigan Open Meetings

Act, Act No. 267 of the Public Acts of 1976, as amended, being Sections 15.261 to 15.275 of the Michigan Compiled Laws.

Section 8.4. Freedom of Information Act. Pursuant to Section 503(6)(b) of the Code, the records of the Academy shall be records subject to the provisions of the Michigan Freedom of Information Act (“FOIA”), Act No. 442 of the Public Acts of 1976, as amended, being Sections 15.231 to 15.246 of the Michigan Compiled Laws. The Academy Board shall designate a freedom of information coordinator to assure compliance with FOIA and other applicable law providing for public disclosure or for protection of privacy.

Section 8.5. Public Employees Relation Act. Pursuant to Section 503(6)(c) of the Code, the Academy shall comply with Act No. 336 of the Public Acts of 1947, being Sections 423.201 to 423.217 of the Michigan Compiled Laws. Organizational efforts and collective bargaining agreements, if any, with employees of the Academy shall be the responsibility of the Academy.

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

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

Section 8.8. Revised Municipal Finance Act of 2001. With respect to the Academy’s borrowing money and issuance of bonds, the Academy shall comply with section 1351a of the Code and Part VI of the Revised Municipal Finance Act of 2001, Act No. 34 of the Public Acts of 2001, being MCL 141.2601 to 141.2613 of the Michigan Compiled Laws, except that the borrowing of money and issuance of bonds by the Academy is not subject to section 1351a(4) or section 1351(2) to (4) of the Code. Bonds issued by the Academy are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

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

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

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

## ARTICLE IX

### AMENDMENT

Section 9.1. Amendments. The University Board and the Academy acknowledge that the operation and administration of a public school academy and the improvement of educational outcomes over time will require amendment of this Contract. In order to assure a proper balance between the need for independent development of the Academy and the statutory responsibilities of the University Board as an authorizing body, the parties have established a flexible process for amending this Contract.

Section 9.2. Process for Amending the Contract. Either party may propose changes in this Contract or may propose a meeting to discuss potential revision of this Contract. Except as provided in Sections 2.3, 5.2 and 6.11, the University Board delegates to its University President the review and approval of changes or amendments to this Contract. The Academy Board may delegate the same authority to the Academy Board President. The Contract shall be amended upon agreement and approval of the respective authorized designees.

Section 9.3. Process for Amending Academy Articles of Incorporation. The Academy Board, or any authorized designee of the Academy Board, may propose changes to the Academy's Articles of Incorporation. The Academy shall be authorized to make such changes to its Articles upon approval by the University President or Designee after review and recommendation by the University's Legal Counsel. Upon University approval, the Academy Board's authorized designee is authorized to file the amendment to the Academy's Articles of Incorporation with the appropriate state agency. Upon receipt of the filed amendment, the Academy shall forward the filed amendment to the University Charter Schools Office. The filed amendment shall be automatically incorporated into Schedule 2 of this Contract upon receipt of the amendment by the University Charter Schools Office. If the University identifies a provision in the Articles of Incorporation that violates or conflicts with this Contract, due to a change in law or other reason, after approval has been given, it shall notify the Academy Board in writing and the Academy Board shall amend the Articles of Incorporation to make them consistent with the Contract. If the change is requested by the University, the University shall reimburse the Academy for the filing fees payable to the Michigan Department of Licensing and Regulatory Affairs, Corporate Division.

Section 9.4. Process for Amending Academy Bylaws. The Academy Board shall submit proposed Bylaw changes to the Charter Schools Office, for review and comment, at least thirty (30) days prior to Academy Board adoption. The Academy's Bylaws, and any subsequent or proposed changes to the Academy's Bylaws, shall not violate or conflict with the Contract. If at any time the University identifies a provision in the Academy Board's Bylaws that violates or conflicts with Applicable Law or this Contract, the Academy Board's Bylaws shall be



automatically void and the Academy Board shall amend the identified provision to be consistent with Applicable Law and the Contract. The amendment shall be automatically incorporated into Schedule 3 of the Contract upon receipt by the University Charter Schools Office of a duly authorized Academy Board Bylaw change made in accordance with this Section 9.4.

Section 9.5. Final Approval of Amendments. Amendments to this Contract take effect only after they have been approved by the Academy Board and by the University Board or the Charter Schools Office Director. If the proposed amendment conflicts with any of the University Board's general policies on public school academies, the proposed amendment shall take effect only after approval by the Academy and the University Board.

Section 9.6. 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 of either the Academy or the University Board, this Contract shall be altered or amended to reflect the change in existing laws as of the effective date of such change. To the extent possible, the responsibilities and obligations of the Academy and the University Board shall conform to and be carried out in accordance with the change in Applicable Law.

Section 9.7. Emergency Action on Behalf of University Board. Notwithstanding any other provision of this Contract to the contrary, the contents of this Section shall govern in the event of an emergency situation that arises between meetings of the University Board. An emergency situation shall be deemed to occur if the University President, in his or her sole discretion, determines that the facts and circumstances warrant that emergency action take place before the next meeting of the University Board. Upon the determination that an emergency situation exists, the University President may temporarily take action on behalf of the University Board with regard to the Academy or the Contract, so long as such action is in the best interest of the University Board and the University President consults with the University Board Chairperson prior to taking the intended actions. When acting during an emergency situation, the University President shall have the authority to act on behalf of the University Board, and such emergency action shall only be effective in the interim before the earlier of (a) rejection of the emergency action by the Chairperson of the University Board; or (b) the next meeting of the University Board. The University President shall immediately report such action to the University Board Chairperson for confirmation at the next meeting so that the emergency action continues or, upon confirmation by the University Board, becomes permanent.

## **ARTICLE X**

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

Section 10.1. Grounds and Procedures for Academy Termination of Contract. At anytime and for any reason, the Academy Board may terminate this Contract. The Academy Board shall notify the CSO Director in writing of the request for the termination of the Contract not less than six (6) calendar months in advance of the effective date of termination. The University Board, in

its sole discretion, may waive the six (6) month requirement. A copy of the Academy Board's resolution approving the Contract termination, including a summary of the reasons for terminating the Contract, shall be included with the written termination request.

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

(a) Termination Without Cause. Except as otherwise provided in subsections (b), (c) or (d), the University Board, in its sole discretion, reserves the right to terminate this Contract before the end of the Contract Term for any reason provided that such termination shall not take place less than six (6) calendar months from the date of the University Board's resolution approving such termination. The Charter Schools Office shall provide notice of the termination to the Academy. If during the period between the University Board's action to terminate and the effective date of termination, the Academy has violated the Contract or Applicable Law, the University Board may elect to initiate suspension or revocation of the Contract as set forth in this Article X.

(b) Termination Caused by Change in Applicable Law. Following issuance of this Contract, if there is a change in Applicable Law that the University Board, in its sole discretion, determines impairs its rights and obligations under the Contract or requires the University Board to make changes in the Contract that are not in the best interest of the University Board or the University, then the University Board may terminate the Contract at the end of the Academy's school fiscal year in which the University Board's decision to terminate is adopted. For purposes of this section, a change in Applicable Law includes without limitation the following:

(i) the issuance of an order by the State School Reform/Redesign Officer, pursuant to Section 1280c of the Code, placing the Academy under the supervision of the State School Reform/Redesign Officer or appointing a Chief Executive Officer to take control of the Academy site(s);

(ii) the development of, or changes to, a redesign plan by the Academy pursuant to Section 1280c of the Code; or

(iii) the imposition of a school improvement plan by the State School Reform/Redesign Officer following the rescission of the State's Automatic Closure Notice, as defined in Section 10.7.

(c) Automatic Termination Caused by Placement of Academy in State School Reform/Redesign School District. If the Academy is notified by the State that the Academy will be placed in the State School Reform/Redesign School District or that a Chief Executive Officer will be appointed to take control of an Academy school building pursuant to Section 1280c of the Code, then the University Board may terminate this Contract at the end of the current school year.

(d) Automatic Termination for Failure to Satisfy Requirements During the Initial Term of Contract. If the Academy fails to satisfy the requirements set forth in Section 12.14 during the initial term of Contract, then this Contract shall automatically terminate on the date set forth in Section 12.14.

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

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

- a) University President Action. If the University President determines, in his or her sole discretion, that conditions or circumstances exist that the Academy Board (i) has placed the health or safety of the staff and/or students at risk; (ii) is not properly exercising its fiduciary obligations to protect and preserve the Academy's public funds and property; (iii) has lost its right to occupancy of the physical facilities described in Section 6.11, and cannot find another suitable physical facility for the Academy prior to the expiration or termination of its right to occupy its existing physical facilities; (iv) has failed to secure or has lost the necessary fire, health, and safety approvals as required by Schedule 6; or (v) has willfully or intentionally violated this Contract or Applicable Law, the University President may immediately suspend the Contract. If the conditions or circumstances involve an alleged violation of Sections 10.5(e) or (f), the University President is authorized to suspend the Contract immediately pending completion of the procedures set forth in Section 10.6. Unless otherwise specified in the suspension notice, the Academy shall cease operations on the date on which the suspension notice is issued. A copy of the suspension notice, setting forth the grounds for suspension, shall be sent to the Academy Board and to the Hearing Panel if applicable. If this subsection is implemented, the notice and hearing procedures set forth in Section 10.6 shall be expedited as much as possible.
- b) Disposition of State School Aid Funds. Notwithstanding any other provision of the Contract, any state school aid funds received by the University Board after a decision by the University President to suspend the Contract may be retained by the University Board for the Academy until the Contract is reinstated, or shall be returned to the Michigan Department of Treasury.
- c) Immediate Revocation Proceeding. If the Academy Board, after receiving a Suspension Notice from the University President continues to engage in conduct or activities that are covered by the suspension notice, the Hearing Panel may immediately convene a Revocation Hearing in accordance with the procedures set forth in Section 10.6(e) of the Terms and Conditions. The Hearing Panel has the authority to accelerate the time line for revoking the Contract, provided that notice of the revocation hearing shall be provided to the University Charter Schools Office and the Academy Board at least five (5) days before the hearing. If the Hearing Panel determines that the Academy

Board has continued to engage in conduct or activities that are covered by the suspension notice, the Hearing Panel may recommend revocation of the Contract. The University Board shall proceed to consider the Hearing Panel's recommendation in accordance with Section 10.6(f) through (i).

Section 10.4 Statutory Grounds for Revocation. In addition to the grounds for an automatic revocation of the Contract as set forth in Section 10.7, this Contract may also be revoked by the University Board upon a determination by the University Board, pursuant to the procedures set forth in Section 10.6, that one or more of the following has occurred:

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

Section 10.5. Other Grounds for University Board Revocation. In addition to the statutory grounds for revocation set forth in Section 10.4 and the grounds for an automatic revocation of the Contract set forth in Section 10.7, the University Board may revoke this Contract, pursuant to the procedures set forth in Section 10.6, upon a determination that one or more of the following has occurred:

- a) The Academy is insolvent, has been adjudged bankrupt, or has operated for one or more school fiscal year(s) with a Fund Balance Deficit;
- b) The Academy has insufficient enrollment to successfully operate the Academy, or the Academy has lost more than twenty-five percent (25%) of its student enrollment from the previous school year;
- c) The Academy defaults in any of the terms, conditions, promises or representations contained in or incorporated into this Contract;
- d) The Academy files amendments to its Articles of Incorporation with the Michigan Department of Licensing and Regulatory Affairs, Corporate Division, without first obtaining University President or Designee approval;
- e) The University Board discovers grossly negligent, fraudulent or criminal conduct by the Applicant, the Academy's directors, officers, employees or agents in relation to their performance under this Contract;

- f) The Applicant, the Academy's directors, officers or employees have provided false or misleading information or documentation to the University Board in connection with the University Board's approval of the Application, the issuance of this Contract, or the Academy's reporting requirements under this Contract or Applicable Law;
- g) The Academy violates the site restrictions set forth in the Contract or the Academy operates at a site or sites without the prior written authorization of the University Board; or
- h) The University Board, its trustees, officers, employees, agents or representatives are not included as third party beneficiaries under any educational management agreement entered into by the Academy for purposes of indemnifying such parties in accordance with Section 11.16 of the Terms and Conditions.

Section 10.6. University Board Procedures for Revoking Contract. Except for the automatic revocation process set forth in Section 10.7 or the termination of Contract by the University Board in Section 10.2, the University Board's process for revoking the Contract is as follows:

- a) Notice of Intent to Revoke. The CSO Director, upon reasonable belief that such grounds for revocation of the Contract exist, shall notify the Academy Board of such grounds by issuing the Academy Board a Notice of Intent to Revoke for non-compliance with the Contract or Applicable Law. The Notice of Intent to Revoke shall be in writing and shall set forth in sufficient detail the alleged grounds for revocation.
- b) Academy Board's Response. Within thirty (30) days of receipt of the Notice of Intent to Revoke, the Academy Board shall respond in writing to the alleged grounds for revocation. The Academy Board's response shall be addressed to the CSO Director, and shall either admit or deny the allegations of non-compliance. If the Academy's response includes admissions of non-compliance with the Contract or Applicable Law, the Academy Board's response must also contain a description of the Academy Board's plan and time line for correcting the non-compliance with the Contract or Applicable Law. If the Academy's response includes a denial of non-compliance with the Contract or Applicable Law, the Academy's response shall include sufficient documentation or other evidence to support a denial of non-compliance with the Contract or Applicable Law. A response not in compliance with this section shall be deemed to be non-responsive. As part of its response, the Academy Board may request that a meeting be scheduled with the CSO Director prior to a review of the Academy Board's response.
- c) Plan of Correction. Within fifteen (15) days of receipt of the Academy Board's response or after a meeting with Academy Board representatives, whichever is sooner, the CSO Director shall review the Academy Board's response and determine whether a reasonable plan for correcting the deficiencies can be formulated. If the CSO Director determines that a reasonable plan for correcting the deficiencies set forth in the Notice

of Intent to Revoke can be formulated, the CSO Director shall develop a plan for correcting the non-compliance (“Plan of Correction”). In developing a Plan of Correction, the CSO Director is permitted to adopt, modify or reject some or all of the Academy Board’s response for correcting the deficiencies outlined in the Notice of Intent to Revoke. The Notice of Intent to Revoke shall be withdrawn if the CSO Director determines any of the following: (i) the Academy Board’s denial of non-compliance is persuasive; (ii) the non-compliance set forth in the Notice of Intent to Revoke has been corrected by the Academy Board; or (iii) the Academy Board has successfully completed the Plan of Correction. In the event the Notice of Intent to Revoke is withdrawn, the CSO Director shall notify the Academy Board, in writing, of such withdrawal.

- d) Plan of Correction May Include Conditions to Satisfy University Board’s Contract Reconstitution Authority. As part of the Plan of Correction, the CSO Director may reconstitute the Academy in an effort to improve student educational performance and to avoid interruption of the educational process. An attempt to improve student educational performance may include, but is not limited to, one of the following actions: (i) removal of 1 or more members of the Academy Board members; (ii) termination of at-will board appointments of 1 or more Academy Board members; (iii) withdrawal of the Academy’s authorization to contract with an ESP; or (iv) the appointment of a new Academy Board of directors or a conservator/trustee to take over operations of the Academy.

Reconstitution of the Academy does not prohibit the State School Reform/Redesign Officer from issuing an order under section 507 of the Code, MCL 380.507, directing the automatic closure of the Academy’s site(s). If, however, the Academy is located within the boundaries of the Community District and an Accountability Plan is in place, the CSO shall notify the State School Reform/Redesign Officer of the Plan of Correction that includes a reconstitution of the Academy to ensure that the Academy is not subject to automatic closure by the State School Reform/Redesign Officer under the Accountability Plan.

- e) Request for Revocation Hearing. The CSO Director may initiate a revocation hearing before the University Charter Schools Hearing Panel if the CSO Director determines that any of the following has occurred:
- i) the Academy Board has failed to timely respond to the Notice of Intent to Revoke as set forth in Section 10.6(b);
  - ii) the Academy Board’s response to the Notice of Intent to Revoke is non-responsive;
  - iii) the Academy Board’s response admits violations of the Contract or Applicable Law which the CSO Director deems cannot be remedied or cannot be remedied in an appropriate period of time, or for which the CSO Director determines that a Plan of Correction cannot be formulated;

- iv) the Academy Board's response contains denials that are not supported by sufficient documentation or other evidence showing compliance with the Contract or Applicable Law;
- v) the Academy Board has not complied with part or all of a Plan of Correction established in Section 10.6(c);
- vi) the Academy Board has engaged in actions that jeopardize the financial or educational integrity of the Academy; or
- vii) the Academy Board has been issued multiple or repeated Notices of Intent to Revoke.

The CSO Director shall send a copy of the Request for Revocation Hearing to the Academy Board at the same time the request is sent to the Hearing Panel. The Request for Revocation Hearing shall identify the reasons for revoking the Contract.

- f) Hearing before University Charter Schools Hearing Panel. Within thirty (30) days of the date of a Request for Revocation Hearing, the Hearing Panel shall convene a revocation hearing. The Hearing Panel shall provide a copy of the Notice of Hearing to the University Charter Schools Office and the Academy Board at least ten (10) days before the hearing. The purpose of the Hearing Panel is to gather facts surrounding the CSO Director's request for Contract revocation, and to make a recommendation to the University Board on whether the Contract should be revoked. The revocation hearing shall be held at a location, date and time as determined by the CSO Director. The hearing shall be transcribed by a court reporter and the cost of the court reporter shall be divided equally between the University and the Academy. The CSO Director or his or her designee, and the Academy Board or its designee, shall each have equal time to make their presentation to the Hearing Panel. Although each party is permitted to submit affidavits and exhibits in support of their positions, the Hearing Panel will not hear testimony from any witnesses for either side. The Hearing Panel, may, however, question the CSO Director and one or more members of the Academy Board. Within thirty (30) days of the Revocation Hearing, the Hearing Panel shall make a recommendation to the University Board concerning the revocation of the Contract. In its discretion, the Hearing Panel may extend any time deadline set forth in this subsection. A copy of the Hearing Panel's recommendation shall be provided to the University Charter Schools Office and the Academy Board at the same time that the recommendation is sent to the University Board.
- g) University Board Decision. If the Hearing Panel's recommendation is submitted to the University Board at least fourteen (14) days before the University Board's next regular meeting, the University Board shall consider the Hearing Panel's recommendation at its next regular meeting and vote on whether to revoke the Contract. The University Board reserves the right to modify, reject or approve all or any part of the Hearing Panel's recommendation. The University Board shall have available copies of the Hearing Panel's recommendation and the transcript of the hearing. The University Board may waive the fourteen (14) day submission requirement or hold a special board

meeting to consider the Hearing Panel’s recommendation. A copy of the University Board’s decision shall be provided to the University Charter Schools Office, the Academy Board and the Michigan Department of Education.

- h) Effective Date of Revocation. If the University Board votes to revoke the Contract, the revocation shall be effective on the date of the University Board’s act of revocation, or at a later date as determined by the University Board.
- i) Disposition of State School Aid Funds. Notwithstanding any other provision of the Contract, any state school aid funds received by the University Board after a recommendation is made by the Hearing Panel to revoke the Contract, or a decision by the University Board to revoke the Contract, may be held by the University Board and returned to the Michigan Department of Treasury.
- j) Disposition of District Code Number. Notwithstanding any other provision of the Contract, after a recommendation is made by the Hearing Panel to revoke the Contract, or a decision by the University Board to revoke the Contract, the district code number shall remain under the direction and control of the State Board of Education and/or its designated representative.

Section 10.7. Automatic Amendment of Contract; Automatic Termination of Contract if All Academy Sites Closed or Placed in State School Reform/Redesign District; Economic Hardship Termination. Except as otherwise noted in this Section, if the University Board is notified by the State School Reform/Redesign Officer that either (i) an Academy is subject to closure under section 507 of the Code, MCL 380.507 (“State’s Automatic Closure Notice”), or (ii) an Academy site is being placed in the State School Reform/Redesign District (“State’s Reform District Notice”) pursuant to section 1280c(6) of the Code, MCL 380.1280c(6), then this Contract shall automatically be amended to eliminate the Academy’s authority to operate certain age and grade levels at the site or sites identified in the State’s Automatic Closure Notice or the State’s Reform District Notice. If the State’s Automatic Closure Notice or State’s Reform District Notice includes all of the Academy’s existing sites, then this Contract shall automatically be revoked at the end of the current school year in which either the State’s Automatic Closure Notice or the State’s Reform District Notice is received without any further action of the University Board or the Academy. The University Board’s revocation procedures set forth in Section 10.6 do not apply to an automatic revocation initiated by the State.

If the Charter Schools Office Director determines, in his or her discretion, that either the closure of one or more sites, or the placement of one or more sites in the State School Reform/Redesign District, creates a significant economic hardship for the Academy as a going concern, then the Charter Schools Office Director may recommend to the University Board that the Contract be terminated at the end of the current school year (hereinafter “Economic Hardship Termination”). If the University Board approves the Economic Hardship Termination recommendation, then this Contract shall terminate at the end of the current school year without any further action of the parties. The University Board’s revocation procedures set forth in



Section 10.6 do not apply to an automatic termination initiated by the State's Automatic Closure Notice, the State's Reform District Notice, or an Economic Hardship Termination under this Section 10.7.

Following receipt of the State's Automatic Closure Notice or State's Reform District Notice, the University Charter Schools Office Director shall forward a copy of the notice to the Academy Board and request a meeting with Academy Board representatives to discuss the Academy's plans and procedures for the elimination of certain age or grade levels at the identified site or sites, or if all of the Academy's existing sites are included in the notice, then wind-up and dissolution of the Academy corporation at the end of the current school year. All Academy inquiries and requests for reconsideration of the State's Automatic Revocation Notice or the State's Reform District Notice, including the granting of any hardship exemption rescinding the State's Automatic Closure Notice, shall be directed to the State School Reform/Redesign Officer, in a form and manner determined by that State School Reform/Redesign Office or the Michigan Department of Education.

If the State School Reform/Redesign Officer rescinds the State's Automatic Closure Notice for an Academy site or sites, the Academy is not required to close the identified site(s), but shall present to the CSO the proposed Contract amendments incorporating the State School Reform/Redesign Officer's school improvement plan for the identified site(s).

Section 10.8. Material Breach of Contract. If the University Board receives notice that (i) an order has been issued by the State School Reform/Redesign Officer under Section 1280c(2) of the Code, MCL 380.1280c(2), placing an Academy site or sites under the supervision of the State School Reform/Redesign Officer; or (ii) an order is issued by the State School Reform/Redesign Officer appointing a Chief Executive Officer to take control of an Academy site or sites pursuant to Section 1280c(7) of the Code, MCL 380.1280c(7), the Charter Schools Office Director may, at his or her discretion, deem such actions a material breach of this Contract. If the Charter Schools Office Director determines that the issuance of such an order constitutes a material breach of this Contract, the Charter Schools Officer Director shall notify the Academy of the material breach and request a meeting with Academy Board representatives to discuss the matter. To remedy the material breach, the Academy shall work toward the development of a corrective action plan within thirty (30) days that is acceptable to the Charter Schools Office Director. In addition to other matters, the corrective action plan shall include the Academy's redesign plan, if applicable, prepared pursuant to section 1280c of the Code, MCL 380.1280c.

The development of a corrective action plan under this Section 10.8 shall not in any way limit the rights of the University Board to revoke, terminate, or suspend this Contract. If the Charter Schools Office Director determines that the Academy is unable to develop a corrective action plan that can remedy the material breach and that is acceptable to the University, the Charter Schools Office Director shall recommend that the University Board terminate the Contract at the end of the current school year. If the University Board approves to terminate the Contract under this Section 10.8, the Contract shall be terminated at the end of the current school year without any further

action of either party. If this Contract is terminated pursuant to this Section 10.8, the termination and revocation procedures in Section 10.2 and Section 10.6 shall not apply.

Section 10.9. Venue; Jurisdiction. The parties agree that all actions or proceedings arising in connection with this Contract will be tried and litigated only in the Circuit Court of Ottawa County, Michigan, the Michigan Court of Claims or the Federal District Court for the Western District of Michigan. The parties hereby irrevocably accept for themselves and in respect of their property, generally and unconditionally, the jurisdiction of such courts. The parties irrevocably consent to the service of process out of any such courts in any such action or proceedings by the mailing of copies thereof by registered or certified mail, postage prepaid, to each such party, at its address set forth for notices in this Contract, such service to become effective ten (10) days after such mailing. The parties irrevocably waive any right they may have to assert the doctrine of forum non conveniens or to object to venue to the extent any proceedings is brought in accordance with this Section 10.9. This Section 10.9 shall not in any way be interpreted as an exception to the Academy's covenant not to sue contained in Section 11.8 of these Terms and Conditions.

Section 10.10. Conservator; Appointment by University President. Notwithstanding any other provision of the Contract, in the event that the health, safety, and welfare of the Academy students, property, or funds are at risk, the University President, after consulting with the University Board Chairperson, may appoint a person to serve as the Conservator of the Academy. Upon appointment, the Conservator shall have all the powers of a Board of Directors of a Public School Academy and act in the place and stead of the Academy Board. The University President shall appoint the conservator for a definite term which may be extended in writing. During the appointment, the Academy Board members are suspended and all powers of the Academy Board are suspended. All appointments made under this provision must be presented to the University Board for final determination at its next regularly scheduled meeting. During their appointment, the Conservator shall have the following powers:

- a) take into his or her possession all Academy property and records, including financial, board, employment and student records;
- b) institute and defend board actions by or on behalf of the Academy;
- c) continue the business of the Academy including entering into contracts, borrowing money, and pledging, mortgaging, or otherwise encumbering the property of the Academy as security for the repayment of loans. However, the power shall be subject to any provisions and restrictions in any existing credit documents;
- d) hire, fire, and discipline employees of the Academy;
- e) settle or compromise with any debtor or creditor of the Academy, including any taxing authority;

- f) review all outstanding agreements to which the Academy is a party and to take those actions which the Academy Board may have exercised to pay, extend, rescind, renegotiate, or settle such agreements as needed; and
- g) perform all acts necessary and appropriate to fulfill the Academy's purposes as set forth under the Code or this Contract.

## ARTICLE XI

### PROVISIONS RELATING TO PUBLIC SCHOOL ACADEMIES

Section 11.1. Grand Valley State University Faculty Employment in the Academy. Subject to the ability of the Academy to reach separate agreement on the terms, the Academy is permitted to use University faculty as classroom teachers in any grade.

Section 11.2. The Academy Faculty Appointment to Grand Valley State University Faculty. Nothing in this Contract shall prohibit a member of the Academy faculty from being appointed to or serving as a member of the University faculty.

Section 11.3. Student Conduct and Discipline. The Academy Board shall adopt, abide by and enforce its own set of written policies concerning student conduct and student discipline.

Section 11.4. Insurance. The Academy shall secure and maintain in its own name as the "first named insured" at all times the following insurance coverage:

- a) Property insurance covering all of the Academy's real and personal property, whether owned or leased;
- b) General/Public Liability with a minimum of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate (Occurrence Form);
- c) Auto Liability (Owned and Non-Owned) with a minimum of one million dollars (\$1,000,000) (Occurrence Form);
- d) Workers' Compensation or Worker' Compensation without employees (this is considered minimum premium, "if any" insurance) (statutory limits) and Employers' Liability insurance with a minimum of one million dollars (\$1,000,000);
- e) Errors & Omissions insurance including Directors & Officers and School Leaders Errors & Omissions Liability insurance with a minimum of one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) aggregate (Claims Made or Occurrence Form);

- f) Crime including employee dishonesty insurance with a minimum of five hundred thousand dollars (\$500,000); and
- g) Employment Practices Liability insurance with a minimum of one million dollars (\$1,000,000) per claim/aggregate (Claims Made or Occurrence Form).
- h) Umbrella with a minimum \$4,000,000 limit and aggregate. Also, an Umbrella policy with an unlimited aggregate is acceptable at a \$2,000,000 limit.

The insurance must be obtained from a licensed mutual, stock, or other responsible company licensed to do business in the State of Michigan. The insurance carrier(s) must be an “A” best rating or better. The Academy may join with other public school academies to obtain insurance if the Academy finds that such an association provides economic advantages to the Academy, provided that each Academy maintains its identity as first named insured with its own limits, i.e. no sharing of limits.

The Academy shall list the University Board and the University on the insurance policies as an additional insured with primary coverage on insurance coverage listed in (b), (c), (e), and (g) above. The Academy shall have a provision included in all policies requiring notice to the University, at least thirty (30) days in advance, upon termination or non-renewal of the policy or of changes in insurance carrier or policy limit changes. In addition, the Academy shall provide the University President copies of all insurance certificates and endorsements required by this Contract. The Academy shall also provide to the University Charter Schools Office an entire copy of the insurance policies. The Academy may expend funds for payment of the cost of participation in an accident or medical insurance program to insure protection for pupils while attending school or participating in a school program or activity. Other insurance policies and higher minimum may be required depending upon academic offerings and program requirements.

The Academy understands that the University’s insurance carrier periodically reviews the types and amounts of insurance coverage that the Academy must secure in order for the University to maintain insurance coverage for authorization and oversight of the Academy. In the event that the University’s insurance carrier requests additional changes in coverage identified in this Section 11.4, the Academy agrees to comply with any additional changes in the types and amounts of coverage requested by the University’s insurance carrier within thirty (30) days after notice of the insurance coverage change.

Section 11.5. The Academy Budget; Transmittal of Budgetary Assumptions; Budget Deficit; Enhanced Deficit Elimination Plan. The Academy agrees to comply with all of the following:

- a) The Academy Board is responsible for establishing, approving, and amending an annual budget in accordance with the Uniform Budgeting and Accounting Act, MCL 141.421 et seq.

- b) Within ten (10) days after adoption by the Academy Board (but not later than July 1st) each year, the Academy Board shall submit to the Charter Schools Office a copy of its annual budget for the upcoming fiscal year. The budget must detail budgeted expenditures at the object level as described in the Michigan Department of Education’s Michigan School Accounting Manual. In addition, the Academy Board is responsible for approving all revisions and amendments to the annual budget. Within 10 days after Academy Board approval, revisions or amendments to the Academy’s budget shall be submitted to the Charter Schools Office.
- c) Unless exempted from transmitting under section 1219 of the Code, MCL 380.1219, the Academy, on or before July 7<sup>th</sup> of each school fiscal year, shall transmit to the Center for Educational Performance and Information (“CEPI”) the budgetary assumptions used when adopting its annual budget pursuant to the Uniform Budgeting and Accounting Act, MCL 141.421 et seq.
- d) The Academy shall not adopt or operate under a deficit budget, or incur an operating deficit in a fund during any fiscal year. At any time during the term of this Contract, the Academy shall not have an existing deficit fund balance, incur a deficit fund balance, or adopt a current year budget that projects a deficit fund balance. If the Academy has an existing deficit fund balance, incurs a deficit fund balance in the most recently completed school fiscal year, or adopts a current year budget that projects a deficit fund balance, all of the following apply:
  - (i) The Academy shall notify the Superintendent and the State Treasurer immediately upon the occurrence of the circumstance, and provide a copy of the notice to the Charter Schools Office.
  - (ii) Within 30 days after making notification under subdivision (d)(i), the Academy shall submit to the Superintendent in the form and manner prescribed by the Department an amended budget for the current school fiscal year and a deficit elimination plan approved by the Academy Board, with a copy to the State Treasurer. The Academy shall transmit a copy of the amended budget and the deficit elimination plan to the Charter Schools Office.
  - (iii) After the Superintendent approves Academy's deficit elimination plan, the Academy shall post the deficit elimination plan on the Academy's website.
- (e) If the Academy is required by the State Treasurer to submit an enhanced deficit elimination plan under section 1220 of the Code, MCL 380.1220, the Academy shall do all of the following:

- (i) The enhanced deficit elimination plan shall be approved by the Academy Board before submission.
- (ii) After the State Treasurer approves an enhanced deficit elimination plan for the Academy, the Academy shall post the enhanced deficit elimination plan on the Academy's website.
- (iii) As required, submit to the Superintendent and State Treasurer an enhanced monthly monitoring reports in a form and manner prescribed by the State Treasurer and post such monthly reports on the Academy's website.

Section 11.6. Transportation. The Academy Board may enter into contract with other school districts or other persons, including municipal and county governments, for the transportation of the Academy students to and from school and for field trips. In addition, the Academy Board may use funds received from state school aid payments to pay for student transportation. In the event that the Academy Board contracts for transportation services, the Academy Board shall ensure that the company providing the transportation services is properly licensed in accordance with Applicable Law, and that the company conducts criminal background and history checks on its drivers and other personnel who have direct contact with pupils in accordance with the Code.

Section 11.7. Extracurricular Activities and Interscholastic Sports. The Academy is authorized to join any organization, association, or league, which has as its objective the promotion and regulation of sport and athletic, oratorical, musical, dramatic, creative arts, or other contests by or between pupils.

Section 11.8. Legal Liabilities and Covenants Not to Sue. The Academy and Academy Board members acknowledge and agree that they have no authority to extend the faith and credit of the University or to enter into a contract that would bind the University. The Academy also is limited in its authority to contract by the amount of funds obtained from the state school aid fund, as provided hereunder, or from other independent sources. The Academy and Academy Board members hereby covenant not to sue the University Board, the University or any of its trustees, officers, employees, agents or representatives for any matters that arise under this Contract or otherwise. The University does not assume any obligation with respect to any Academy Director, employee, agent, parent, guardian, or independent contractor of the Academy, and no such person shall have the right or standing to bring suit against the University Board, the University or any of its Trustees, employees, agents, or independent contractors as a result of the issuing, termination or revocation of this Contract.

Section 11.9. Lease or Deed for Proposed Single Site(s). The Academy shall provide to the designee of the University Board copies of its lease or deed for the premises in which the Academy shall operate. A copy of the Academy's lease or deed and site information shall be incorporated into the Schedules.

Section 11.10. Occupancy and Safety Certificates. The Academy Board shall: (i) ensure that all physical facilities comply with all fire, health and safety standards applicable to schools; and (ii) possess the necessary occupancy and safety certificates. The Academy Board shall not conduct classes at any site until the Academy has complied with this Section 11.10. Copies of these certificates shall be incorporated into the Schedules.

Section 11.11. Criminal Background and History Checks; Disclosure of Unprofessional Conduct; Compliance with School Safety Initiative. The Academy shall comply with the Code concerning criminal background and criminal history checks for its teachers, school administrator(s), and for any other position requiring State Board approval. In addition, the Academy shall comply with the Code concerning the disclosure of unprofessional conduct by persons applying for Academy employment. This Section 11.11 shall apply to such persons irrespective of whether they are employed by the Academy or employed by an educational service provider contracting with the Academy.

Section 11.12. Special Education. Pursuant to Section 1701a of the Code, the Academy shall comply with Article III, Part 29 of the Code, MCL 380.1701 et seq., concerning the provision of special education programs and services at the Academy. Upon receipt, the Academy shall notify the Charter Schools Office of any due process or state complaint filed against the Academy.

Section 11.13. Deposit of Public Funds by the Academy. The Academy Board agrees to comply with Section 1221 of the Revised School Code, being MCL 380.1221, regarding the deposit of all public or private funds received by the Academy. Such deposit shall be made within three (3) business days after receipt of the funds by the Academy.

Section 11.14. Nonessential Elective Courses. If the Academy Board elects to provide nonessential elective courses to part-time pupils at a nonpublic school building, the Academy shall comply with Section 1766b of the State School Aid Act of 1979, as amended, MCL 388.1766b. Prior to providing instruction, the Academy Board shall ensure that the Academy has sufficient documentation to qualify for part-time pupil funding under the State School Aid Act. The provision of nonessential elective courses by the Academy shall be incorporated into this Contract as an amendment pursuant to Article IX of these Terms and Conditions.

Section 11.15. Educational Service Provider Agreements. The Academy may enter into an ESP Agreement with an ESP to contract out its administrative and/or educational functions and personnel. For the purposes of this Contract, an employee leasing agreement shall be considered an ESP Agreement, and an employee leasing company shall be considered an ESP. The Academy board must retain independent legal counsel to review and advise on the negotiation of the ESP agreement. Legal counsel for the Academy shall not represent the ESP or an ESP owner, director, officer, or employee. The ESP agreement must be an arms-length, negotiated agreement between an informed Academy Board and the ESP.

Prior to entering any ESP Agreement with an ESP, the Academy shall submit a copy of the final draft ESP Agreement to the University Charter Schools Office in a form or manner consistent with the ESP policies of the University Charter Schools Office, which are incorporated into and be deemed part of this Contract. The Charter Schools Office may, from time to time during the term of this Contract, amend the ESP policies and the amended policies shall automatically apply to the Academy without any amendment under Article IX of this Contract. The University Charter Schools Office may disapprove the proposed ESP Agreement submitted by the Academy if the ESP Agreement is contrary to this Contract or Applicable Law. Any subsequent amendment to an ESP Agreement shall be submitted for review by the University Charter Schools Office in the same form and manner as a new ESP Agreement.

Section 11.16. Required Provisions for Educational Service Provider Agreements. Any ESP agreement entered into by the Academy must contain the following provisions:

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

“Revocation or Termination of Contract. If the Academy’s Contract issued by the Grand Valley State University Board of Trustees is suspended, revoked, or terminated, or a new charter contract is not issued to the Academy after expiration of the Contract, this Agreement shall automatically be suspended or terminate on the same date as the Academy’s Contract is suspended, revoked, or termination without further action of the parties.”

“Compliance with Academy’s Contract. The ESP agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the Academy’s obligations under the Academy’s Contract issued by Grand Valley State University Board of Trustees. The provisions of the Academy’s Contract shall supersede any competing or conflicting provisions contained in this Agreement.”



“Amendment Caused By Academy Site Closure or Reconstitution. In the event that the Academy is required (i) to close an Academy site pursuant to a notice issued by the State School Reform/Redesign Officer under Section 507 of the Code, MCL 380.507; or (ii) to undergo a reconstitution pursuant to Section 507 of the Code, MCL 380.507, and of the Contract Terms and Conditions, and such closure of an Academy site or reconstitution causes an amendment to or termination of this ESP Agreement, the parties agree that this ESP Agreement shall be amended or terminated to implement the Academy site closure or reconstitution, with no cost or penalty to the Academy, and the ESP shall have no recourse against the Academy or the University Board for implementing such site closure or reconstitution.”

“Compliance with Section 503c. On an annual basis, the ESP agrees to provide the Academy Board with the same information that a school district is required to disclose under section 18(2) of the State School Aid Act of 1979, MCL 388.1618, for the most recent school fiscal year for which the information is available. Within thirty (30) days of receipt of this information, the Academy Board shall make the information available on the Academy’s website home page, in a form and manner prescribed by the Michigan Department of Education. The defined terms in section 503c of the Code, MCL 380.503c, shall have the same meaning in this Agreement.”

“Compliance with Section 11.23 of Contract Terms and Conditions. The ESP shall make information concerning the operation and management of the Academy, including without limitation the information described in Schedule 6 of the Contract, available to the Academy as deemed necessary by the Academy Board in order to enable the Academy to fully satisfy its obligations under Section 11.23(a) of the Contract Terms and Conditions.”

Section 11.17. Additional Required Provisions for Educational Service Provider Agreements. ESP agreements must include provisions that define the following, according to the standards set forth in Contract Schedule 6:

1. Roles and responsibilities of the parties
2. Services and resources provided by the ESP
3. Fee or expense payment structure
4. Financial control, oversight, and disclosure
5. Renewal and termination of the agreement

Section 11.18. Incompatible Public Offices and Conflicts of Interest Statutes. The Academy shall comply with the Incompatible Public Offices statute, Act No. 566 of the Public Acts of 1978, being MCL 15.181 to 15.185 of the Michigan Compiled Laws, and the Contracts of Public Servants with Public Entities statute, Act No. 317 of the Public Acts of 1968, being MCL 15.321 to 15.330 of the Michigan Compiled Laws. The Academy Board shall ensure compliance with Applicable Law relating to conflicts of interest. Notwithstanding any other provision of this Contract, the following shall be deemed a prohibited conflict of interest for purposes of this Contract:

(a) An individual simultaneously serving as an Academy Board member and an owner, officer, director, employee or consultant of an educational service provider or an employee leasing company that has an ESP agreement with the Academy;

(b) An individual simultaneously serving as an Academy Board member and an Academy employee;

(c) An individual simultaneously serving as an Academy Board member and an independent contractor to the Academy;

(d) An individual simultaneously serving as an Academy Board member and as a member of the governing board of another public school; and

(e) An individual simultaneously serving as an Academy Board member and a University employee, official, or consultant, to the University.

Section 11.19. Certain Familial Relationships Prohibited. The Academy Board shall prohibit specifically identified family relationships pursuant to applicable law and the Terms and Conditions of this contract. Notwithstanding any other provision of this Contract, the following shall be deemed prohibited familial relationships for the purposes of this Contract:

(a) No person shall be appointed or reappointed to serve as an Academy Board member if the person's mother, mother-in-law, father, father-in-law, son, son-in-law, daughter, daughter-in-law, sister, sister-in-law, brother, brother-in-law, spouse or same-sex domestic partner:

- (i) Is employed by the Academy;
- (ii) Works at or is assigned to the Academy
- (iii) Has an ownership, officer, policy making, managerial, administrative, non-clerical or other significant role with the Academy's ESP or employee leasing company.

Section 11.20. Academy Board Legal Counsel. If the Academy Board obtains Legal Counsel, Legal Counsel must be independent of and not representing the ESP, or ESP owner, director, officer, or employee.

Section 11.21. Dual Employment Positions Prohibited. Any person working at the Academy is prohibited by law from being employed at the Academy in more than one full-time position and simultaneously being compensated for each position.

Section 11.22. Oath of Public Office. Academy Board members are public officials. Before entering upon the duties of a public school board member, each Academy Board member shall take, sign, and file the constitutional oath of office with the Charter Schools Office.

Section 11.23. Information Available to the Public and University.

(a) Information to be provided by the Academy. In accordance with Applicable Law, the Academy shall make information concerning its operation and management, including without limitation information in Schedule 6, available to the public and University in the same manner and to the same extent as is required for public schools and school districts.

(b) Information to be provided by Educational Service Providers. The agreement between the Academy and the ESP shall contain a provision requiring the ESP to make information concerning the operation and management of the Academy, including the information in Schedule 6, available to the Academy as deemed necessary by the Academy Board in order to enable the Academy to fully satisfy its obligations under subparagraph (a).

Section 11.24. Administrator and Teacher Evaluation Systems. The Academy Board shall adopt and implement for all individuals employed by or contracted for the Academy as teachers or school administrators a rigorous, transparent, and fair performance evaluation system that complies with Applicable Law. If the Academy enters into an agreement with an Educational Service Provider, the Academy Board shall ensure that the Educational Service Provider complies with this section.

Section 11.25. University Board Invitation to Apply to Convert Academy to School of Excellence. If the University Board is interested in accepting applications to issue contracts to charter Schools of Excellence under Part 6e of the Code, MCL 380.551 et seq. (“Part 6e”), and the University Board determines that the Academy meets the University Board’s and the Code’s eligibility criteria for applying to convert the Academy to a School of Excellence, then the University Board may invite the Academy to submit an application to apply for a contract to convert the Academy to a School of Excellence. In accordance with the Code, the University Board shall establish its own competitive application process and provide the necessary forms and procedures to eligible public school academies.

Section 11.26. Student Privacy. In order to protect the privacy of students enrolled at the Academy, the Academy board shall not:

- a) Sell or otherwise provide to a for-profit business entity any personally identifiable information that is part of a pupil’s education records. This does not prohibit the Academy Board from:
  - i. for students enrolled in the Academy, providing such information to an educational management organization that has a contract with the Academy and whose contract has not been disapproved by the University;
  - ii. providing the information to a person or entity as necessary for standardized testing that measures a student’s academic progress and achievement; or

- iii. providing the information as necessary to a person that is providing educational support services to the student under a contract with either the Academy or an educational management organization that has a contract with the Academy and whose contract has not been disapproved by the University.
- b) The terms “education records” and “personally identifiable information” shall have the same meaning as defined in 34 CFR 99.3.

Section 11.27. Disclosure of Information to Parents and Legal Guardians.

- a) Within thirty (30) days after receiving a written request from a student’s parent or legal guardian, the Academy shall disclose without charge to the student’s parent or legal guardian any personally identifiable information concerning the student that is collected or created by the Academy as part of the student’s education records.
- b) Except as otherwise provided in this subsection (b) and within thirty (30) days after receiving a written request from a student’s parent or legal guardian, the Academy shall disclose to a student’s parent or legal guardian without charge any personally identifiable information provided to any person, agency, or organization. The Academy’s disclosure shall include the specific information that was disclosed, the name and contact information of each person, agency, or organization to which the information has been disclosed; and the legitimate reason that the person, agency, or organization had in obtaining the information. The parental disclosure requirement does not apply to information that is provided:
  - i. to the Department or CEPI;
  - ii. to the student’s parent or legal guardian;
  - iii. by the Academy to the University or to the educational management organization that has an educational service provider agreement that has not been disapproved by the University;
  - iv. by the Academy to the Academy’s intermediate school district or another intermediate school district providing services to the Academy or the Academy’s students pursuant to a written agreement;
  - v. to the Academy by the Academy’s intermediate school district or another intermediate school district providing services to pupils enrolled in the Academy pursuant to a written agreement;
  - vi. to the Academy by the University;
  - vii. to a person, agency, or organization with written consent from the student’s, parent or legal guardian, or from the student if the student is at least 18 years of age;

- viii. to a person, agency, or organization seeking or receiving records in accordance with an order, subpoena, or ex parte order issued by a court of competent jurisdiction;
  - ix. as necessary for standardized testing that measures a student’s academic progress and achievement; or
  - x. in the absence of, or in compliance with, a properly executed opt-out form, as adopted by the Academy in compliance with section 1136(6) of the Code, pertaining to uses for which the Academy commonly would disclose a pupil’s “directory information.”
- c) If the Academy considers it necessary to make redacted copies of all or part of a student’s education records in order to protect personally identifiable information of another student, the Academy shall not charge the parent or legal guardian for the cost of those redacted copies.
- d) The terms “education records,” “personally identifiable information,” and “directory information” shall have the same meaning as defined in MCL 380.1136(8)(g) and 34 CFR 99.3.

Section 11.28. List of Uses for Student Directory Information; Opt-Out Form; Notice to Student’s Parent or Legal Guardian.

- a) the Academy shall do all of the following:
- i. Develop a list of uses (the “Uses”) for which the Academy commonly would disclose a student’s directory information.
  - ii. Develop an opt-out form that lists all of the Uses and allows a student’s parent or guardian to elect not to have the student’s directory information disclosed for 1 or more of the Uses.
  - iii. Present the opt-out form to each student’s parent or guardian within the first thirty (30) days of the school year and at other times upon request.
  - iv. If an opt-out form is signed and submitted to the Academy by a student’s parent or guardian, then the Academy shall not include the student’s directory information in any of the Uses that have been opted out of in the opt-out form.
- b) The terms “directory information” shall have the same meaning as defined in 34 CFR 99.3.

Section 11.29. Partnership Agreement. If an Academy site is listed as a Priority School on the list of lowest performing schools prepared by the Michigan Department of Education, and the Superintendent proposes a Partnership Agreement with the Academy, the Academy shall work with the Charter Schools Office to finalize an agreement that is acceptable to the Michigan Department of Education, the Academy, and the Charter Schools Office. The Partnership

Agreement shall be incorporated into this Contract by amendment pursuant to Article IX of these Terms and Conditions and shall be included as Schedule 8. The Contract amendment shall also include any other amendments to this Contract that are required to ensure the Partnership Agreement is consistent with this Contract.

Section 11.30. Data Breach Response Plan. Within one year after the effective date of this Contract, the Academy Board shall design and implement a comprehensive data breach response plan. The data breach response plan should be made available to Academy personnel and any Educational Service Provider contracting with the Academy. The data breach response plan should be updated periodically by the Academy Board to address changes in data threat assessments and changes in applicable state and federal privacy laws.

## **ARTICLE XII**

### **GENERAL TERMS**

Section 12.1. Notices. Any and all notices permitted or required to be given hereunder shall be deemed duly given; (i) upon actual delivery, if delivery by hand; or (ii) upon delivery into United States mail if delivery is by postage paid first class mail. Each such notice shall be sent to the respective party at the address indicated below or to any other person or address as the respective party may designate by notice delivered pursuant hereto:

If to Grand Valley State University Board of Trustees:

Charter Schools Office Director  
Grand Valley State University  
201 Front Avenue, SW., Suite 310  
Grand Rapids, Michigan 49504

If to Academy:

Oakland Academy  
Attn: Board President  
6325 Oakland Drive  
Portage, MI 49204

Section 12.2. Severability. If any provision in this Contract is held to be invalid or unenforceable, it shall be ineffective only to the extent of the invalidity, without affecting or impairing the validity and enforceability of the remainder of the provision or the remaining provisions of this Contract. If any provision of this Contract shall be or become in violation of Applicable Law, such provision shall be considered null and void, and all other provisions shall remain in full force and effect.

Section 12.3. Successors and Assigns. The terms and provisions of this Contract are binding on and shall inure to the benefit of the parties and their respective successors and permitted assigns.

Section 12.4. Entire Contract. This Contract sets forth the entire agreement between the University Board and the Academy with respect to the subject matter of this Contract. All prior application materials, contracts, representations, statements, negotiations, understandings, and undertakings, are superseded by this Contract.

Section 12.5. Assignment. This Contract is not assignable by either party.

Section 12.6. Non-Waiver. Except as provided herein, no term or provision of this Contract shall be deemed waived and no breach or default shall be deemed excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. No consent by any party to, or waiver of, a breach or default by the other, whether expressed or implied, shall constitute a consent to, waiver of, or excuse for any different or subsequent breach or default.

Section 12.7. Indemnification. As a condition to receiving a grant of authority from the University Board to operate a public school pursuant to the terms and conditions of this Contract, the Academy agrees to indemnify and hold the University Board, the University and its Board of Trustees members, officers, employees, agents or representatives harmless from all claims, demands, or liability, including attorney fees, and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of the University, which arise out of or are in any manner connected with the University Board's receipt, consideration or approval of the Application, the University Board's approval of the Method of Selection Resolution or the Authorizing Resolution, legal challenges to the validity of Part 6a of the Code or actions taken by the University Board as an authorizing body under Part 6a of the Code, the University Board's consideration of or issuance of a Contract, the Academy's preparation for and operation of a public school, or which are incurred as a result of the reliance of the University Board, the University and its Board of Trustees members, officers, employees, agents or representatives upon information supplied by the Academy, or which arise out of the failure of the Academy to perform its obligations under this Contract. The foregoing provision shall not be deemed a relinquishment or waiver of any kind of Section 7 of the Governmental Liability for Negligence Act, being Act No. 170, Public Acts of Michigan, 1964.

Section 12.8. 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 12.9. 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 12.10. No Third Party Rights. This Contract is made for the sole benefit of the Academy and the University Board and no other person or entity, including without limitation, the ESP. Except as otherwise provided, nothing in this Contract shall create or be deemed to create a relationship between the parties hereto, or either of them, and any third person, including a relationship in the nature of a third party beneficiary or fiduciary.

Section 12.11. Non-agency. It is understood that the Academy is not the agent of the University.

Section 12.12. Governing Law. This Contract shall be governed and controlled by the laws of the State of Michigan as to interpretation, enforcement, validity, construction, and effect, and in all other respects.

Section 12.13. 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 12.14. Term of Contract.

(a) Initial Term of Contract. Except as otherwise provided in Section 12.14 (b) and (c) set forth below, this Contract shall commence on July 1, 2018, and shall remain in full force and effect for seven (7) years until June 30, 2025, unless sooner terminated according to the terms hereof.

(b) Termination of Contract During Initial Term of Contract. Consistent with the procedures set forth in this Section 12.14(b), this Contract will terminate on June 30, 2019, if the Academy fails to satisfy all of the following conditions:

- (i) The Academy shall provide to the Charter Schools Office Director a copy of the Academy's agreements with any Educational Service Provider. The terms and conditions of the agreements must be acceptable to the University President.
- (ii) The Academy shall provide to the Charter Schools Office Director a copy of the Academy's real property leases, sublease or other agreements set forth in the Schedules.
- (iii) The Academy, through legal counsel, shall provide a legal opinion to the Charter Schools Office Director confirming that the Academy Board's approval and execution of any real property lease or other agreement with Educational Service Providers complies with the Contracts of Public Servants with Public Entities statute, MCL 15.321 et seq.



- (iv) The Academy shall provide to the Charter Schools Office Director, if applicable, a copy of an AHERA asbestos plan and lead based paint survey for the site or sites set forth in the Schedules.
- (v) The Academy shall provide to the Charter Schools Office Director, if applicable, a copy of a current boiler inspection/ approval for the site or sites set forth in the Schedules.
- (vi) The Academy shall provide documentation to the Charter Schools Office Director confirming that the Academy has received occupancy approval from the Michigan Department of Consumer and Industry Services' Office of Fire Safety for the site or sites set forth in the Schedules.
- (vii) The Academy shall provide documentation to the Charter Schools Office Director that it has obtained a short-term cash flow loan to cover the initial cost of operations for the initial academic year. The Academy shall comply with section 1225 of the Revised School Code and the Revised Municipal Finance Act with respect to approving and obtain such funds.
- (viii) Any additional financial information or documentation requested by the University President.

The Academy shall notify the Charter Schools Office in writing following completion of the conditions set forth in this Section 12.14(b). For good cause, the Charter Schools Office Director may extend the deadlines set forth above. If the Charter Schools Office Director determines that the Academy has not satisfied the conditions set forth in this Section 12.14(b), the Charter Schools Office Director shall issue a Contract termination letter to the Academy for failing to meet certain conditions set forth in this Section 12.14(b). The issuance of the termination letter by the Charter Schools Office Director shall automatically terminate this Contract without any further action by either the University Board or the Academy Board. Upon issuance of the termination letter, the Charter Schools Office Director shall notify the Superintendent of Public Instruction and the Michigan Department of Education that the Contract has been terminated.

(c) Inability to Enroll Students for Classes. If the Academy, for any reason, is unable to enroll students and conduct classes by October 1, 2018, then this Contract is automatically terminated without further action of the parties.

Section 12.15. Survival of Provisions. The terms, provisions, and representations contained in Section 11.4, Section 11.8, Section 12.7, and Section 12.10, and any other provision of this Contract that by their sense and context are intended to survive termination of this Contract shall survive.

Section 12.16. Termination of Responsibilities. Upon termination or revocation of this Contract, the University Board and its designees shall have no further obligations or

responsibilities under this Contract to the Academy or any other person or persons in connection with this Contract.

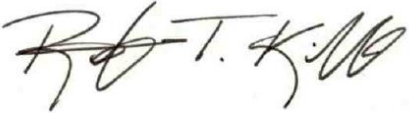
Section 12.17. Disposition of Academy Assets Upon Termination or Revocation of Contract. Following termination or revocation of the Contract, the Academy shall follow the applicable wind-up and dissolution provisions set forth in the Academy's articles of incorporation and in accordance with Applicable Law.

Section 12.18. University Board or CSO General Policies on Public School Academies Shall Apply. Notwithstanding any provision of this Contract to the contrary, and with the exception of existing University Board or CSO policies regarding public school academies which shall apply immediately, University Board or CSO general policies clarifying procedure and requirements applicable to public school academies under this Contract, as from time to time adopted or amended, will automatically apply to the Academy, provided they are not inconsistent with provisions of this Contract. Before issuing general policies under this Section, the University Board or the CSO shall provide a draft of the proposed policies to the Academy Board. The Academy Board shall have at least thirty (30) days to provide comment to the CSO on the proposed policies before such policies shall become effective.

**[INTENTIONALLY LEFT BLANK]**

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

GRAND VALLEY STATE UNIVERSITY  
BOARD OF TRUSTEES



By: University President or his/her designee

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

OAKLAND ACADEMY

By: Therese Seales

Academy Board President Vice President

**SCHEDULE 1**

**METHOD OF SELECTION RESOLUTION  
AUTHORIZING RESOLUTION**



CERTIFIED COPY OF RESOLUTION ADOPTED BY THE BOARD OF TRUSTEES OF  
GRAND VALLEY STATE UNIVERSITY ON APRIL 27, 2018:

Reauthorization of 6a Charter Contract – Oakland Academy, Portage (7 years)

WHEREAS, the Board of Trustees of Grand Valley State University, at its meeting on February 20, 1998, initially authorized the issuance of a contract to charter Arbor Academy (the “Academy”), and authorized the reissuance of a contract to charter the Academy at its meeting on February 29, 2008; and

WHEREAS, the Board of Trustees of Grand Valley State University, at its meeting on February 11, 2011, authorized the conversion of the Academy from a 6a public school academy to a 6e School of Excellence; and

WHEREAS, the University’s Charter Schools Office has completed its evaluation and assessment of the operation and performance of the Academy; and

WHEREAS, the present Board of Directors of the Academy has requested the reissuance of a 6a contract to charter as a public school academy; and

WHEREAS, the University President’s designee has recommended the reissuance of a contract to charter as a public school academy to the Academy for a seven (7) year term beginning July 1, 2018, and ending June 30, 2025;

NOW, THEREFORE, BE IT RESOLVED, that the University Board of Trustees approves and reauthorizes the execution of a contract to charter a public school academy to the Academy, authorizes a change in status from a 6e to a 6a contract, and authorizes the University President or designee to execute the contract to charter a public school academy and related documents to the Academy for a seven (7) year term, provided that, before the execution of the contract, the University President or designee affirms that all terms of the contract have been agreed upon and the Academy is able to comply with all terms and conditions of the contract and applicable law. This resolution shall be incorporated in and made part of the contract as Schedule 1.

IN WITNESS WHEREOF, I have hereunto signed my name as Secretary and have caused the seal of said body corporate to be hereto affixed this 7th day of May 2018.

Teri L. Losey, Secretary  
Board of Trustees  
Grand Valley State University



CERTIFIED COPY OF RESOLUTION ADOPTED BY THE BOARD OF TRUSTEES OF  
GRAND VALLEY STATE UNIVERSITY ON JULY 14, 2017:


Grade Addition – Oakland Academy (7-8<sup>th</sup> Grade)

WHEREAS, the Board of Trustees has authorized Oakland Academy (the “Academy”) to operate grades Kindergarten through Sixth (K-6); and

WHEREAS, the Academy, requests the Board of Trustees approve the addition of Seventh and Eighth grades (7-8<sup>th</sup>) for the Academy;

NOW, THEREFORE, BE IT RESOLVED, that, in accordance with Article IX of the Terms and Conditions incorporated into the Academy’s Contract, dated July 1, 2011, the Board of Trustees hereby approves the addition of Seventh and Eighth grades (7-8<sup>th</sup>) for the Academy.

IN WITNESS WHEREOF, I have hereunto signed my name as Secretary and have caused the seal of said body corporate to be hereto affixed this 24th day of July 2017.

  
Teri L. Losey, Secretary  
Board of Trustees  
Grand Valley State University



CERTIFIED COPY OF RESOLUTION ADOPTED BY THE BOARD OF TRUSTEES OF  
GRAND VALLEY STATE UNIVERSITY ON FEBRUARY 11, 2011:

Oakland Academy Contract Conversion Authorizing Resolution

The following resolution is proposed:

WHEREAS, the Michigan Legislature has provided for the establishment of a School of Excellence ("School of Excellence") as part of the Michigan public school system by enacting Act Nos. 201 through 205 of the Public Acts of 2009; and

WHEREAS, according to this legislation, the Board of Trustees of Grand Valley State University ("University Board"), as the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate Schools of Excellence; and

WHEREAS, the Michigan Legislature has mandated that a School of Excellence contract be issued on a competitive basis taking into consideration the resources available for the proposed School of Excellence, the population to be served by the proposed School of Excellence, the educational goals to be achieved by the proposed School of Excellence, and the applicant's track record, if any, in operating public school academies or other public schools; and

WHEREAS, the University Board, having received requests for converting a Public School Academy to a School of Excellence, and having examined the ability of the proposed performance standards, proposed academic program, financial viability of the applicant, and the ability of the proposed School of Excellence board of directors to meet the contract goals and objectives;

WHEREAS, the Board of Directors of Oakland Academy ("Academy") passed a resolution requesting that Grand Valley State University terminate its existing charter contract prior to the expiration date to allow for conversion from their 6A charter contract to 6E charter contract; and



WHEREAS, Section 10.5 of the charter contract between the University Board and the Academies allow the University Board to waive the requirement of the Academies to provide at least a ten (10) month notice of intent to terminate the charter contract;

NOW, THEREFORE, BE IT RESOLVED:

**AUTHORIZING RESOLUTION FOR OAKLAND ACADEMY, A SCHOOL OF EXCELLENCE:**

1. The University Board accepts the request of the Board of Directors of Oakland Academy to terminate its 6a charter contract so that each Academy can convert to a School of Excellence under 6e of the Michigan Revised School Code.
2. The University Board waives the ten (10) month notice of intent to terminate and agrees to terminate the charter contract with an effective date to be determined by the University Charter Schools Office and authorizes the Charter Schools Office Director to take the actions necessary to conclude contractual responsibilities and obligations.
3. That the request for Arbor Academy submitted under Part 6e of the Code, MCL 380.551 et seq. ("Part 6e"), meet the University Board's requirements and the requirements of applicable law and is therefore approved;
4. Pursuant to the Method of Selection Resolution adopted by the University Board, the following number (#) persons are appointed as the initial board of directors for the Academies for the Schools of Excellence:

Earl Dalzell	1 year term expiring June 30, 2011
Charles D. Simpson	1 year term expiring June 30, 2011
Bonnie E. Voss	1 year term expiring June 30, 2011
Randy V. Bonzheim	2 year term expiring June 30, 2013
Larry L. Harris	3 year term expiring June 30, 2014

The University Board approves and authorizes the issuance of School of Excellence contracts to the Academies and authorizes the University President or designee to execute contracts to charter Schools of Excellence and related documents issued by the University Board to each Academy, provided that, before execution of the contract, the University President or his designee affirms that all terms of the contract have been agreed upon and the Academy is able to comply with all terms and conditions of the contract.



Oakland Academy Contract Conversion Method of Selection Resolution

The following resolution is proposed:

OAKLAND ACADEMY SCHOOL BOARD OF DIRECTORS:  
METHOD OF SELECTION AND APPOINTMENT

WHEREAS, the Board of Trustees of Grand Valley State University (“University Board”) is interested in issuing a contract to a School of Excellence (“School of Excellence”) resulting from the passage of Public Acts 201 through 205 of 2009; and

WHEREAS, MCL 380.553(4) of the Revised School Code (“Code”) provides that an authorizing body shall “adopt a resolution establishing the method of selection, length of term, and number of members of the board of directors of each School of Excellence subject to its jurisdiction,” and

WHEREAS, the University Board has determined that each contract issued by the University Board shall contain the following method of selection and appointment process until otherwise amended by the University Board;

NOW, THEREFORE, BE IT RESOLVED:

The following method of selection and appointment process for a School of Excellence Board Member applies to a School of Excellence authorized by the University Board:

1. Method of Selection and Appointment of a School of Excellence Board Member:
  - a. Initial School of Excellence Board Member Nominations and Appointments: As part of the School of Excellence application, the applicant shall propose to the University Charter Schools Office Director (“CSO Director”), the names of proposed individuals to serve on the initial board of directors of the proposed School of Excellence Academy (“Academy Board”). When the CSO Director recommends an initial contract for approval to the University Board, he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the School of Excellence applicant (“Applicant”). To be considered for appointment, the nominees must have completed the required board member candidate application materials, including at least (i) the School of Excellence Academy Board Member Questionnaire prescribed by the University Charter Schools Office;

and (ii) the Criminal Background and History Check Report prescribed by the University Charter Schools Office.

- b. Subsequent School of Excellence Board Member Nominations and Appointments: Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board member positions. As part of the appointment process, the Academy Board may submit to the CSO Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The CSO Director may or may not recommend the proposed nominee submitted by the Academy Board. If the CSO Director does not recommend a nominee submitted by the Academy Board, the CSO Director shall select a nominee and forward that recommendation to the University Board for appointment. The University Board shall have the sole and exclusive right to appoint members to the Academy Board.
  - c. Exigent Appointments: When the CSO Director determines an “exigent condition” exists which requires him/her to make an appointment to an Academy Board, the CSO Director, with University President approval, may immediately appoint a person to serve as an Academy Board member for the time specified, but not longer than the next meeting held by the University Board when a regular appointment may be made by the University Board. The CSO Director shall make the appointment in writing and notify the Academy Board of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when a Academy Board cannot reach a quorum, when the University Board determines that an Academy Board member’s service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.
2. Qualifications of Academy Board Members: To be qualified to serve on the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the University Charter Schools Office including, but not limited to, a School of Excellence Board Member Questionnaire and a release for criminal records and history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee

or representative of the University or be a member of the University Board.

3. Oath /Acceptance of Office/Voting Rights: Following appointment by the University Board, Academy Board appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.
4. Length of Term; Removal: An appointed Academy Board member is an "at will" board member who shall serve at the pleasure of the University Board for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

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

5. Resignations: A member of the Academy Board may resign from office by submitting a written resignation or by notifying the CSO Director. The resignation is effective upon receipt by the CSO Director unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the CSO Director shall confirm a resignation in writing. The resignation shall be effective upon the date the CSO Director sends confirmation to the resigning Academy Board member.
6. Vacancy: An Academy Board position shall be considered vacant when an Academy Board member:
  - a. Resigns
  - b. Dies.
  - c. Is removed from office
  - d. Is convicted of a felony

- e. Ceases to be qualified
- f. Is incapacitated

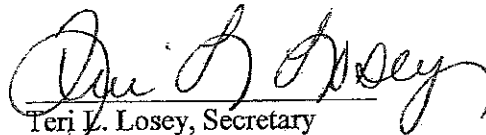
7. Filling a Vacancy: The Academy Board may nominate and the CSO Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the "Subsequent Appointments" and "Exigent Appointment" procedures in this resolution.
8. Number of Academy Board Member Positions: The number of Academy Board member positions shall be five (5), seven (7) or nine (9), as determined from time to time by the Academy Board.
9. Quorum: In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

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

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

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

IN WITNESS WHEREOF, I have hereunto signed my name as Secretary and have caused the seal of said body corporate to be hereto affixed this 15 day of March, 2011.



Teri L. Losey, Secretary  
Board of Trustees  
Grand Valley State University



CERTIFIED COPY OF RESOLUTION ADOPTED BY THE BOARD OF TRUSTEES OF  
GRAND VALLEY STATE UNIVERSITY ON FEBRUARY 29, 2008:

08-1-13      (13)    Charter Schools Report

On motion by Mrs. Johnson and second by Ms. Myers, the following resolution was adopted unanimously:

Oakland Academy, Portage (7 year)

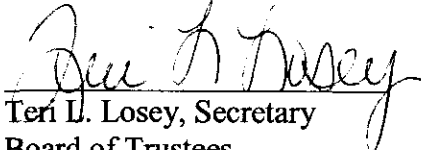
WHEREAS, the Board of Trustees of Grand Valley State University at its meeting on February 20, 1998, authorized the issuance of a contract to charter a public school academy to Oakland Academy (the "Academy") and on July 2, 1998, the contract was executed.

NOW, THEREFORE, BE IT RESOLVED:

1. The Board of Directors of the Academy were selected in accordance with the resolution adopted by the Grand Valley State University Board of Trustees establishing the method of selection, length of term, and number of members of the Academy Board. This resolution is incorporated in and made part of the contract as Schedule 1.
2. The contract of this Academy is due to expire on July 2, 2008.
3. The University's Charter Schools Office has completed its evaluation and assessment of the operation and performance of the Academy.
4. The Board of Trustees of Grand Valley State University may consider the reissuance of a contract to charter following an evaluation and assessment by the University's Charter Schools Office that concludes that the operation and performance of the academy warrants the reissuance of a contract.
5. The present Board of Directors of the Academy has requested the reissuance of a contract to charter as a public school academy.

6. The University President or his designee has recommended the reissuance of a contract to charter as a public school academy to the Academy for a seven (7) year term beginning July 3, 2008 and ending June 30, 2015.
  
7. The Grand Valley State University Board of Trustees approves and reauthorizes the execution of a contract to charter a public school academy to the Academy and authorizes the Chairperson of the University Board to execute the contract to charter a public school academy and related documents to the Academy for a seven (7) year term, provided that, before the execution of the contract, the University President or designee affirms that all terms of the contract have been agreed upon and the Academy is able to comply with all terms and conditions of the contract and applicable law. This resolution shall be incorporated in and made part of the contract as Schedule 1.

IN WITNESS WHEREOF, I have hereunto signed my name as Secretary and have caused the seal of said body corporate to be hereto affixed this 9th day of April, 2008.

  
Teri L. Losey, Secretary  
Board of Trustees  
Grand Valley State University



**GRAND VALLEY  
STATE UNIVERSITY**

1 CAMPUS DRIVE • ALLENDALE, MICHIGAN 49401-9403 • 616/895-6611

CERTIFIED COPY OF RESOLUTION ADOPTED BY THE BOARD OF CONTROL OF  
GRAND VALLEY STATE UNIVERSITY ON FEBRUARY 20, 1998:

98-1-21      (21)    Authorization to Establish Charter Schools

On motion by Mrs. Johnson and second by Mrs. Henry, the following resolution was adopted unanimously:

(7) Oakland Academy

WHEREAS, the Michigan Legislature has provided for the establishment of public school academies as part of the Michigan public school system by enacting Act No. 362 of the Public Acts of 1993, as amended;

AND WHEREAS, according to this statute, the Grand Valley State University Board of Control, the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate public school academies;

AND WHEREAS, the Michigan Legislature has mandated that public school academy contracts be issued on a competitive basis taking into consideration the resources available for the proposed public school academy; the population to be served by the proposed public school academy; and the educational goals to be achieved by the proposed public school academy;

AND WHEREAS, the Grand Valley State University Board of Control has requested applications for organizing public school academies and has reviewed the applications according to the provisions set forth by the Michigan Legislature.

THEREFORE, LET IT BE RESOLVED that the Grand Valley State University Board of Control ("University Board") declares that:

1. The Oakland Academy application submitted under Section 502 of the Revised School Code meets the University Board's requirements and the requirements of applicable law and is therefore approved.
2. The University Board approves the application and its support documents, including the articles of incorporation, as presented at the

meeting. The Oakland Academy shall be organized as a Michigan nonprofit corporation under Section 502 of the Revised School Code.

3. The University Board has established the method of selection, length of term and number of members of the board of directors of Oakland Academy and hereby adopts the following:

a) Method of Selection. The members of the Board of Directors of Oakland Academy shall be selected by the following method:

The initial Board of Directors of Oakland Academy shall be the individuals named in this resolution approved by the University Board. Subsequently, the Board of Directors of Oakland Academy shall nominate a list of potential members of the Board of Directors equaling at least twice the number of vacancies on the Board; provided, the Board of Directors submits the list of nominees to the University President or designee at least twenty (20) days before the University Board's next regular meeting. When the nominations are forwarded to the University Board, they shall be accompanied by each nominee's resume, Academy Board Questionnaire and each nominee shall be available for interview by the University's President or designee.

Notwithstanding any of the provisions of this resolution or the Academy's contract, the University Board may change the method of selection by passing another resolution. Such change shall not require Academy Board approval.

b) Length of Term. The term of each member of the Board of Directors shall be three (3) years, except that of the first members of the Board of Directors, 1/3 shall serve a term of three years, 1/3 shall serve a term of two years and the remainder shall serve a term of one year.

c) Number of Directors. The initial number of members of the Board of Directors of Oakland Academy shall be five (5). The number of directors shall never be fewer than five (5) or more than nine (9), as determined from time to time by the University Board.

d) Qualifications of Members. The members of the Board of Directors of Oakland Academy must include (i) parent or guardian of a child attending the school; and (ii) one professional educator.

The members of the Board of Directors of Oakland Academy shall not include (i) employees of Oakland Academy; (ii) Grand Valley State University officials or employees, as representatives of Grand Valley State University; (iii) members appointed or controlled by another profit or nonprofit corporation; and (iv) any



director, officer or employee of a management company that contracts with the Academy.

e) Oath. All members of the Board of Directors of Oakland Academy must file an acceptance of public office form with the University. All members of the Board of Directors of Oakland Academy shall take an oath of office.


f) Removal of Members. Any member of the Board of Directors may be removed with cause by a two-thirds (2/3) vote of the University Board.

g) Initial Members of the Board of Directors. The University Board appoints the following persons to serve as the initial members of the Board of Directors of Oakland Academy:

James Darrell Cowart	3 year term
Earl William Dalzell	1 year term
Howard Edsel Farris	2 year term
Stephen Roger Olson	3 year term
Kathryn Elizabeth Spiegel	2 year term

4. The University Board approves the issuing of a contract to charter a public school academy to Oakland Academy and authorizes Donna Brooks, Chair of the Board of Control, to execute a contract to charter a public school academy and related documents between Oakland Academy, (a public school academy), and Grand Valley State University Board of Control (authorizing body), on or after February 20, 1998, provided that, before execution of the Contract, the President or his designee affirms that all terms of the Contract have been agreed upon and Oakland Academy is able to comply with all the terms and conditions of the Contract and all applicable law.

IN WITNESS WHEREOF, I HAVE HEREUNTO SIGNED MY NAME AS Secretary and have caused the seal of said body corporate to be hereto affixed this 13<sup>th</sup> day of May, 1998.

  
Jean W. Enright, Secretary  
Board of Control  
Grand Valley State University

**SCHEDULE 2**

**ARTICLES OF INCORPORATION**

<b>MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS CORPORATIONS, SECURITIES &amp; COMMERCIAL LICENSING BUREAU</b>			
<b>Date Received</b>	<b>(FOR BUREAU USE ONLY)</b>		
	This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.		
<b>Name</b>			
Allison Gumper			
<b>Address</b>			
600 South Lincoln Street			
<b>City</b>	<b>State</b>	<b>Zip Code</b>	<b>EFFECTIVE DATE:</b>
Augusta	MI	49012	

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

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

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

1. The present name of the corporation is: Oakland Academy.
2. The identification number assigned by the Bureau is: 757-584
3. All former names of the corporation are: Not applicable
4. The date of the filing of the original Articles of Incorporation was: 05/08/1998

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

**ARTICLE I**

The name of the corporation is: Oakland Academy.

The authorizing body for the corporation is: Grand Valley State University ("GVSU") Board of Trustees ("Board of Trustees"), 1 Campus Drive, Allendale, Michigan 49401.

## ARTICLE II

The purposes for which the corporation is organized are:

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

## ARTICLE III

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

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

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

**ARTICLE IV**

1. The name of the resident agent at the registered office:  
Allison Gumper
2. The address of the registered office is:  
600 South Lincoln Street Augusta, Michigan 49012  
(Street Address) (City) (ZIP Code)
3. The mailing address of the registered office, if different than above:  
\_\_\_\_\_, Michigan \_\_\_\_\_  
(Street Address) (City) (ZIP Code)

**ARTICLE V**

The name(s) and address(es) of the incorporator(s) is (are) as follows:

Name	Residence or Business Address
<u>Allison Gumper</u>	<u>600 S. Lincoln Street, Augusta, MI 49012</u>

**ARTICLE VI**

The corporation is a governmental entity.

**ARTICLE VII**

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

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

1. Method of Selection and Appointment of Academy Board Members:

- a. Initial Academy Board Member Nominations and Appointments: As part of the public school academy application, the public school academy applicant shall propose to the Director of the University Charter Schools Office (“Director”), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Board of Trustees, he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for appointment, the nominees must have completed the required board member candidate application materials, including at least (i) the Academy Board Member Questionnaire prescribed by the University Charter Schools Office; and (ii) the Criminal Background Check Report prescribed by the University Charter Schools Office.
  
- b. Subsequent Academy Board Member Nominations and Appointments: Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The Director may or may not recommend a nominee submitted by the Academy Board. If the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The Board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.
  
- c. Exigent Appointments: When the Director determines an “exigent condition” exists which requires him/her to make an appointment to a public school academy’s board of director, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting held by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy’s board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when the Board of Trustees determines that an Academy Board member’s service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.

2. Qualifications of Academy Board Members: To be qualified to serve of the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.
3. Oath / Acceptance of Office / Voting Rights: Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.
4. Length of Term; Removal: An appointed Academy Board member is an “at will” board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member’s term.

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

5. Resignations: A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.
6. Vacancy: An Academy Board position shall be considered vacant when an Academy Board member:
  - a. Resigns
  - b. Dies

- c. Is removed from Office
- d. Is convicted of a felony
- e. Ceases to be qualified
- f. Is incapacitated

7. Filling a Vacancy: The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the "Subsequent Appointments" and "Exigent Appointments" procedures in this resolution.

8. Number of Academy Board Member Positions: The number of member positions of the Academy Board of Directors shall be five (5), seven (7), or nine (9), as determined from time to time by the Academy Board.

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

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

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

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

11. Conservator; Appointment by University President: Notwithstanding any other provision of the Contract, in the event that the health, safety, and welfare of the Academy students, property, or funds are at risk, the University President, after consulting with the University Board Chairperson, may appoint a person to serve as the Conservator of the Academy. Upon appointment, the Conservator shall have all powers of a Board of Directors of a Public School Academy and act in the place and stead of the Academy Board. The University President shall appoint the conservator for a definite term, which may be extended in writing. During the appointment, the Academy Board members are suspended and all powers of the Academy Board are suspended. All appointments made under this provision must be presented to the University Board for final determination at its next regularly scheduled meeting. During their appointment, the Conservator shall have the following powers: a) take into his or her possession all Academy property and records, including financial, board, employment, and student records; b) institute and defend board actions by or on behalf of the Academy; c) continue the business of the Academy including entering into contracts, borrowing money, and pledging, mortgaging,



or otherwise encumbering the property of the Academy as security for the repayment of the loans, however, the power shall be subject to any provisions and restrictions in any existing credit documents; d) hire, fire, and discipline employees of the Academy; e) settle or compromise with any debtor or creditor of the Academy, including any taxing authority; f) review all outstanding agreements to which the Academy is a party and to take those actions which the Academy Board may have exercised to pay, extend, rescind, renegotiate, or settle such agreements as needed; and g) perform all acts necessary and appropriate to fulfill the Academy's purposes as set forth under the Code or this Contract.

#### **ARTICLE VIII**

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

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

#### **ARTICLE IX**

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

#### **ARTICLE X**

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

#### **ARTICLE XI**

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

## ARTICLE XII

A volunteer director is not personally liable to the corporation or its members for money damages for any action taken or any failure to take any action as a volunteer officer, except liability for any of the following:

- (i) The amount of a financial benefit received by a director or volunteer officer to which he or she is not entitled.
- (ii) Intentional infliction of harm on the corporation, its shareholders, or members.
- (iii) A violation of Section 551 of the Michigan Nonprofit Corporation Act;
- (iv) An intentional criminal act.
- (v) A liability imposed under section 497(a).

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

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

## ARTICLE XIII

The corporation assumes the liability for all acts or omissions of a volunteer director, volunteer officer, or other volunteer if all of the following are met:

- (i) The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority;
- (ii) The volunteer was acting in good faith;
- (iii) The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct;
- (iv) The volunteer's conduct was not an intentional tort; and
- (v) The volunteer's conduct was not a tort arising out of the ownership, maintenance or use of a motor vehicle for which tort liability may be imposed under section 3135 of the insurance code of 1956, 1956 PA 218, MCL 500.3135.

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

#### ARTICLE XIV

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

#### ARTICLE XV

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

These Restated Articles of Incorporation were duly adopted on the 21st day of JUNE, 2018, in accordance with the provisions of Section 642 of the Act. These Restated Articles of Incorporation restate, integrate and **do further amend** the provisions of the Articles of Incorporation, and were duly adopted by the shareholders, the members, or the directors. The necessary number of votes were cast in favor of these Restated Articles of Incorporation.

Signed this 21st day of JUNE, 2018

By: Allison Gumper  
Allison Gumper  
Treasurer  
Foundation for Behavioral Resources

Preparer's Name: Allison Gumper  
Business Telephone Number: (269) 731-5775

***Michigan Department of Licensing and Regulatory Affairs***

***Filing Endorsement***

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

***for***

***OAKLAND ACADEMY***

***ID NUMBER: 757584***

***received by facsimile transmission on May 20, 2011 is hereby endorsed***

***Filed on May 20, 2011 by the Administrator.***

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

***Effective Date: July 1, 2011***



***In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 20TH day of May, 2011.***

A handwritten signature in black ink, appearing to read "Schepke".

***Director***

***Bureau of Commercial Services***

<b>MICHIGAN DEPARTMENT OF LABOR &amp; ECONOMIC GROWTH BUREAU OF COMMERCIAL SERVICES</b>			
Date Received	(FOR BUREAU USE ONLY)		
	This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.		
Name Douglas J. McNeil			
Address 250 Washington Ave			
City	State	Zip Code	EFFECTIVE DATE: July 1, 2011
Grand Haven	MI	49417	

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

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

**OF**

**OAKLAND ACADEMY**

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

1. The present name of the corporation is: Oakland Academy
2. The identification number assigned by the Bureau is: 757-584
3. All former names of the corporation are: Not applicable
4. The date of the filing of the original Articles of Incorporation was: May 8, 1998.

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

## ARTICLE I

The name of the corporation is: Oakland Academy

The authorizing body for the corporation is: Grand Valley State University ("GVSU") Board of Trustees, ("Board of Trustees"), 1 Campus Drive, Allendale, Michigan 49401.

## ARTICLE II

The purposes for which the corporation is organized are:

1. Specifically, the corporation is organized for the purposes of operating as a school of excellence in the State of Michigan pursuant to Part 6E of the Code, being Sections 380.551 et seq. of the Michigan Compiled Laws.
2. The corporation, including all activities incident to its purposes, shall at all times be conducted so as to be a governmental entity pursuant to Section 115 of the United States Internal Revenue Code ("IRC") or any successor law. Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activity not permitted to be carried on by a governmental instrumentality exempt from federal income tax under Section 115 of the IRC or by a nonprofit corporation organized under the laws of the State of Michigan and subject to a Contract authorized under the Code.

## ARTICLE III

1. The corporation is organized upon a Non-stock basis.
2. If organized on a nonstock basis, the description and value of its real property assets are:  
Real Property: None
3. The description and value of its personal property assets are:  
Personal Property: \$2,298  
Description: Computers and communications equipment
4. The valuation of the corporation's real and personal property occurred on 4/11/2011.
5. The corporation is to be financed under the following general plan:
  - a. State school aid payments received pursuant to the State School Aid Act of 1979 or any successor law.
  - b. Federal funds.
  - c. Donations.
  - d. Fees and charges permitted to be charged by public school academies.
  - e. Other funds lawfully received.

6. The corporation is organized on a Directorship basis.

#### ARTICLE IV

1. The name of the resident agent at the registered office: Dr. Norman Peterson
2. The address of the registered office is:  
600 South Lincoln Street, Augusta, Michigan 49012
3. The mailing address of the registered office is the same.

#### ARTICLE V

The name and address of the incorporator is as follows:

Name:	Residence or Business Address:
Lisa A. Letarte	600 South Lincoln Street Augusta, Michigan 4901

#### ARTICLE VI

The corporation is a governmental entity.

#### ARTICLE VII

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

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

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

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



to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

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

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

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

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

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

#### ARTICLE VIII

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

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

#### ARTICLE IX

If the corporation’s Contract to operate as a school of excellence (a) is terminated; (b) ends and a new contract is not issued; (c) is revoked by the University Board; or (d) is revoked automatically by the State of Michigan, title to all real and personal property, interest in real or personal property, and other assets owned by the corporation shall revert to the State of Michigan. The corporation’s property shall be distributed as follows:

Within 30 days following the Contract termination, non-issuance of a new contract or Contract revocation, the board of directors shall hold a public meeting to adopt a plan of distribution of assets and to approve the dissolution of the school of excellence corporation, all in accordance with chapter 8 of the Act.

The corporation’s board of director’s shall file a certificate of dissolution with the Michigan Department of Labor and Economic Growth or such successor department within 10 business days following board approval.

Simultaneously with the filing of the certificate of dissolution, the corporation’s board of directors shall provide a copy of the plan of distribution of assets to the State Treasurer for

approval. Within 30 days, the State Treasurer, or his or her designee, shall review and approve the plan of distribution of assets. If the proposed plan of distribution of assets is not approved within 30 days, the State Treasurer, or his or her designee, shall provide the corporation's board of directors with an acceptable plan of distribution of assets.

The State Treasurer, or his or her designee, shall monitor the corporation's winding up of the dissolved corporation in accordance with the approved plan of distribution of assets.

As part of the plan of distribution of assets, the corporation's board of directors shall designate the Director of the Michigan Department of Management and Budget, or his or her designee, to dispose of all real property of the school of excellence corporation in accordance with the directive developed for disposition of surplus land and facilities under section 251 of the Management and Budget Act, 1984 PA 431, MCL 18.1251.

If the corporation's board of directors fails to take necessary action under the Code to effectuate a dissolution and winding up of the corporation, the State Treasurer, or his or her designee, may suspend the corporation's board of directors and may appoint a trustee to carry out the plan of distribution of assets that was adopted by the corporation's board of directors or that was provided by the State Treasurer. Upon appointment, the trustee shall have all the rights, powers, and privileges under law that the corporation's board of directors had prior to suspension of their appointments to public office.

Following the sale of real or personal property or interests in the real or personal property, and after payment of any corporation debt secured by the property or interest in property, whether real or personal, the corporation's board of directors, or a trustee appointed by the State Treasurer, shall forward any remaining money to the State Treasurer. Following receipt, the State Treasurer, or his or her designee, shall deposit any remaining monies in the state school aid fund established under article IX, section 11 of the Constitution of the State of Michigan of 1963, as amended.

#### **ARTICLE X**

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

#### **ARTICLE XI**

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

#### **ARTICLE XII**

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

### ARTICLE XIII

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

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

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

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

### ARTICLE XIV

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

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

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

This article shall not be deemed a relinquishment or waiver of any kind of Section 7 of

the Governmental Liability for negligence Act, being Act No. 170, Public Acts of Michigan, 1964

### ARTICLE XV

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

### ARTICLE XVI

The Articles of Incorporation shall become effective on July 1, 2011. However, the corporation shall not carry out the purposes set forth in Article II unless/or until the Board of Trustees issues to the Academy Board a contract to operate as a public school academy, and the contract is executed by both the Academy Board and the Board of Trustees.

### ARTICLE XVII

These Restated Articles of Incorporation were duly adopted on the 11th day of April 2011, in accordance with the provisions of Section 642 of the Act. These Restated Articles of Incorporation restate, integrate and do further amend the provisions of the Articles of Incorporation, and were duly adopted by the shareholders, the members, or the directors (if organized on a nonstick directorship basis). The necessary number of votes was cast in favor of these Restated Articles of Incorporation.

Signed this 11 day of April, 2011

By

C. Dennis Simpson  
(Type or Print Name)

Board President  
(Type or Print Title)

MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH BUREAU OF COMMERCIAL SERVICES	
Date Received	(FOR BUREAU USE ONLY)
	This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.
Name	FOUNDATION FOR BEHAVIORAL RESOURCES
Address	600 SOUTH LINCOLN STREET
City	State ZIP Code
AUGUSTA	MI 49012

**FILED**  
APR 28 2005  
Tran Info: 1 10572134-1 04/25/05  
CHK#: 84471 Amt: \$10.00  
ID: 757584  
Administrator  
BUREAU OF COMMERCIAL SERVICES  
EFFECTIVE DATE:

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

## CERTIFICATE OF AMENDMENT TO THE ARTICLES OF INCORPORATION

For use by Domestic Profit and Nonprofit Corporations

(Please read information and instructions on the last page)

*Pursuant to the provisions of Act 284, Public Acts of 1972, (profit corporations), or Act 162, Public Acts of 1982 (nonprofit corporations), the undersigned corporation executes the following Certificate:*

1. The present name of the corporation is: OAKLAND ACADEMY

2. The identification number assigned by the Bureau is:

757-584

3. Article VII of the Articles of Incorporation is hereby amended to read as follows:

See following page.

1. **Method of Selection and Appointment of Academy Board Members:**

- a. **Initial Academy Board Member Nominations and Appointments:** As part of the public school academy application, the public school academy applicant shall propose to the Director of the University Charter Schools Office ("Director"), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Board of Trustees, he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for appointment, the nominees must have completed the required board member candidate application materials, including at least (i) the Academy Board Member Questionnaire prescribed by the University Charter Schools Office; and (ii) the Criminal Background Check Report prescribed by the University Charter Schools Office.
- b. **Subsequent Academy Board Member Nominations and Appointments:** Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The Director may or may not recommend the proposed nominee submitted by the Academy Board. If the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The Board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.
- c. **Exigent Appointments:** When the Director determines an "exigent condition" exists which requires him/her to make an appointment to a public school academy's board of directors, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting held by the Board of Trustees when a regular appointment may be made by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy's board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when a Academy Board cannot reach a quorum, when the Board of Trustees determines that an Academy Board member's service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.

2. **Qualifications of Academy Board Members:** To be qualified to serve on the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.

3. **Oath /Acceptance of Office / Voting Rights:** Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.

4. **Length of Term; Removal:** An appointed Academy Board member is an "at will" board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

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

5. **Resignations:** A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.

6. **Vacancy:** An Academy Board position shall be considered vacant when an Academy Board member:

- a. Resigns
- b. Dies
- c. Is removed from Office
- d. Is convicted of a felony
- e. Ceases to be qualified
- f. Is incapacitated

7. **Filling a Vacancy:** The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the "Subsequent Appointments" and "Exigent Appointments" procedures in this resolution.

8. **Number of Academy Board Member Positions:** The number of member positions of the Academy Board of Directors shall be five (5), seven (7) or nine (9), as determined from time to time by the Academy Board.

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

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

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

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



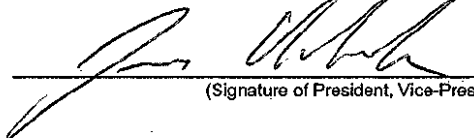
6. (For a nonprofit corporation whose Articles state the corporation is organized on a directorship basis.)

The foregoing amendment to the Articles of Incorporation was duly adopted on the 24th day of February, 2005 by the directors of a nonprofit corporation whose articles of incorporation state it is organized on a directorship basis (check one of the following)

at a meeting the necessary votes were cast in favor of the amendment

by written consent of all directors pursuant to Section 525 of the Act.

Signed this 21st day of April, 2005

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

Jens Urbanek  
(Type or Print Name)

Board President  
(Type or Print Title)

# *Michigan Department of Consumer and Industry Services*

## *Filing Endorsement*

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

*for*

*OAKLAND ACADEMY*

*ID NUMBER: 757584*

*received by facsimile transmission on June 20, 2000 is hereby endorsed*

*Filed on June 20, 2000 by the Administrator.*

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

*In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 20th day of June, 2000.*



A handwritten signature in black ink, appearing to read "Joseph R. Nibbelk".

*, Director*

*Corporation, Securities and Land Development Bureau*

C&S 511 (Rev.10/99)

<b>MICHIGAN DEPARTMENT OF CONSUMER &amp; INDUSTRY SERVICES CORPORATION, SECURITIES AND LAND DEVELOPMENT BUREAU</b>			
Date Received	(FOR BUREAU USE ONLY)		
Name Foundation for Behavioral Resources			
Address 600 South Lincoln Street			
City Augusta	State MI	Zip Code 49012	EFFECTIVE DATE:

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

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

**OF**

Oakland Academy

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

1. The present name of the corporation is: Oakland Academy
2. The identification number assigned by the Bureau is: 757-584
3. All former names of the corporation are: Not applicable
4. The date of filing the original Articles of incorporation was: May 8, 1998.

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

### ARTICLE I

The name of the corporation is: Oakland Academy

The authorizing body for the corporation is: Grand Valley State University Board of Control, ("University Board").

### ARTICLE II

The purposes for which the corporation is organized are:

1. The corporation is organized exclusively for charitable and educational purposes, including for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.
2. Specifically, the corporation is organized for the purposes of operating as a public school academy in the State of Michigan pursuant to Part 6A of the Code, being Sections 380.501 to 380.507 of the Michigan Compiled Laws.
3. The corporation, including all activities incident to its purposes, shall at all times be conducted so as to be a governmental entity pursuant to Section 115 of the United States Internal Revenue Code ("IRC") or any successor law. Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activity not permitted to be carried on by a governmental instrumentality exempt from federal income tax under Section 115 of the IRC or by a nonprofit corporation organized under the laws of the State of Michigan and subject to a Contract authorized under the Code.

### ARTICLE III

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

The value of assets which the corporation possesses is: none

Real Property: none

Personal Property: none

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

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

**ARTICLE IV**

The address of the initial registered office is 600 S. Lincoln St., Augusta, MI 49012.

The mailing address of the initial registered office is the same.

The name of the initial resident agent at the registered office is Dr. Norman Pcterson.

**ARTICLE V**

The name and address of the incorporator is as follows:

Dr. Norman Peterson  
 600 S. Lincoln Street  
 Augusta, MI 49012

**ARTICLE VI**

The corporation is a governmental entity.

**ARTICLE VII**

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

The members of the corporation's Board of Directors shall be selected by the following method:

- 1. Method of Selection. The initial Board of Directors shall be the individuals

named in the resolution approved by the University Board. Subsequent nomination and appointment to the corporation's Board of Directors shall be handled in the following manner:

When a vacancy on the corporation's Board occurs, the corporation's Board of Directors shall nominate and appoint persons to fill such vacancies. Prior to nominating and appointing a person as a member of the corporation's Board, the corporation's Board of Directors shall obtain from the person a copy of the following information: the person's (i) resume; (ii) completed University Academy Board Questionnaire; and (iii) criminal background check report.

The corporation's Board of Directors shall forward to the University Charter School Office the names of all persons appointed to membership on the corporation's Board. Within 10 days after appointing or reappointing a new corporation Board member, the corporation's Board of Directors shall file with the University Charter Schools Office a copy of: (i) the corporation's Board certified resolution appointing the new member(s); (ii) the new member(s) resume; (iii) the new member(s) University Academy Board Questionnaire; (iv) the new member(s) criminal background check report; and (v) the oath and acceptance of public office form prescribed by the University Charter Schools Office. A member appointed to fill a vacancy created other than by expiration of a term shall be appointment for the unexpired term of the vacating member in the same manner as original appointment.

All corporation Board of Director appointments must be submitted to the University Board for ratification at its next regularly scheduled meeting. The University Board retains the authority to review, rescind, modify, or ratify any corporation's Board appointment made by the corporation's Board of Directors.

2. Length of Term. The term of each member of the corporation's Board of Directors shall be three (3) years.

3. Number of Corporation Board Members. The number of Board members shall never be fewer than five (5) and not more than nine (9), as determined from time to time by the University Board.

4. Qualifications of Members. The members of the corporation's Board of Directors shall not include (1) any person appointed or controlled by another profit or non-profit corporation; (2) employees of the corporation; (3) any director, officer, or employee of a

management company that contracts with the corporation; and (4) University employees, as representatives of Grand Valley State University.

5. Oath and Acceptance of Public Office. All members of the corporation's Board of Directors must take the constitutional oath of public office and file an acceptance of office in a form prescribed by the University Charter Schools Office. A person appointed to membership on the corporation's Board of Directors shall be administered the oath at a corporation Board of Directors meeting by an existing corporation Board member or other public official or in the presence of a notary public.

6. Removal of Members. Any corporation board member may be removed by two-thirds (2/3) vote of the corporation's Board of Directors.

#### ARTICLE VIII

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

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

#### ARTICLE IX

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

#### ARTICLE X

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

Amendments to these Articles of Incorporation take effect only after 1) they have been approved by a majority of the corporation's directors then in office, and by the University Board and 2) they are filed with the Michigan Department of Consumer & Industry Services, Corporation, Securities and Land Development Bureau. The filing shall include a copy of the University Board's approval of the amendment.

#### ARTICLE XI

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

#### ARTICLE XII

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

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

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

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

#### ARTICLE XIII

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

- (i) The volunteer was acting or reasonable believed he or she was acting within the scope of his or her authority;



- (ii) The volunteer was acting in good faith;
- (iii) The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct;
- (iv) The volunteer's conduct was not an intentional tort; and
- (v) The volunteer's conduct was not a tort arising out of the ownership, maintenance or use of a motor vehicle as described in § 209 (e)(v) of the Michigan Nonprofit Corporation Act.

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


**ARTICLE XIV**

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

**ARTICLE XV**

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

These Articles of Incorporation are hereby signed by the incorporator(s) on this 19<sup>th</sup> day of JUNE, 2000.

  
 \_\_\_\_\_  
 Dr. Norman Peterson  
 Director of Operations  
 Foundation for Behavioral Resources

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

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

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

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

(Type or Print Name)

b.  These Restated Articles of Incorporation were duly adopted on the 16th day of June, 2000 in accordance with the provisions of Section 642 of the Act. These Restated Articles of Incorporation restate, integrate, and do further amend the provisions of the Articles of Incorporation and: (check one of the following)

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

Signed this 16th day of June, 2000

By Kathryn E. Spiegel  
(Signature of President, Vice-President, Director, or Vice-Chairperson)

Kathryn E. Spiegel President  
(Type or Print Name) (Type or Print Title)

502  
C&S 500 (Rev. 6-92)

MICHIGAN DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES CORPORATION, SECURITIES AND LAND DEVELOPMENT BUREAU			
Date Received <b>MAY 0 6 1998</b>		(FOR BUREAU USE ONLY)	
Name Lisa A. Letarte Foundation for Behavioral Resources			<b>FILED</b>  MAY 0 8 1998  Administrator MI DEPT. OF CONSUMER & INDUSTRY SERVICES CORPORATION, SECURITIES & LAND DEVELOPMENT BUREAU
Address 600 South Lincoln Street			
City Augusta	State Michigan	Zip 49012	
Document will be returned to the name and address you enter above			
			EFFECTIVE DATE

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

**OF**

Pursuant to the provisions of the Michigan Nonprofit Corporation Act of 1982, as amended (the "Act"), being MCL 450.2101 et seq., of the Michigan School Code of 1976 (the "Code"), as amended, being Sections 380.501 to 380.518 of the Michigan Compiled Laws, the undersigned corporation executes the following Articles:

**ARTICLE I**

The name of the corporation is: Oakland Academy

The authorizing body for the corporation is: Grand Valley State University Board

of Control.

## ARTICLE II

The purposes for which the corporation is organized are:

1. The corporation is organized for the purposes of operating as a public school academy in the state of Michigan pursuant to Part 6A of the Code, being Sections 380.501 to 380.518 of the Michigan Compiled Laws.

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

3. Additionally, the corporation is organized for the purposes of a) improving pupil achievement for all pupils, including, but not limited to, educationally disadvantaged pupils, by improving the learning environment; b) stimulating innovative teaching methods; c) creating new professional opportunities for teachers in a new type of public school in which the school structure and educational program can be innovatively designed and managed by teachers at the school site level; d) achieving school accountability outcomes by placing full responsibility for performance at the school site level; and e) providing parents and pupils with greater choices among public schools, both within and outside their existing school districts.

## ARTICLE III

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

The value of assets which the corporation possesses is: none

Real Property: none

Personal Property: none

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

- a. State school aid payments received pursuant to the State School Aid Act of 1979 or any successor law.
- b. Federal funds.
- c. Donations.

- d. Fees and charges permitted to be charged by public school academies.
- e. Other funds lawfully received.

#### ARTICLE IV

The address of the initial registered office is 600 South Lincoln St., Augusta, MI 49012

The mailing address of the initial registered office is the same.

The name of the initial resident agent at the registered office is Dr. Norman Peterson

#### ARTICLE V

The name and address of the incorporator is as follows: Lisa A. Letarte  
600 South Lincoln St.  
Augusta, Michigan 49012

#### ARTICLE VI

The corporation is a governmental entity.

#### ARTICLE VII

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

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

1. Method of Selection. The initial Board of Directors shall be the individuals named in the resolution approved by the University Board. Subsequently, the Board of Directors of the corporation shall nominate a list of potential members of the Board of Directors equaling at least twice the number of vacancies on the Board. Provided the Board of Directors submits the list of nominees at least twenty (20) days before the University Board's next regular meeting, the University Board shall select members from the list of nominees at its next regular meeting. When the nominations are forwarded to the University Board, they shall be accompanied by the nominees' resume and each nominee shall be available for interview by the University Board or its designee.

2. Length of Term. The term of each member of the Board of Directors shall

be three (3) years, except that of the members first appointed, 1/3 shall be appointed for a term of three years, 1/3 shall be appointed for a term of two years, and the remainder shall be appointed for a term of one year.

3. Number of Directors. The number of members of the Board of Directors of the corporation shall be not fewer than five (5) and not more than nine (9).

4. Qualifications. The Board members of the corporation must include (a) a parent or guardian of a child attending the school; and (b) at least one professional educator. The Board shall not include (a) employees of the (Academy); or (b) Grand Valley State University officials, as representatives of Grand Valley State University. Qualifications for Board membership shall include but not be limited to: (a) an interest in children and their education; (b) enthusiasm for the Academy and conviction in its purpose; (c) willingness to give time and energy to the Academy; (d) special skills to address specific management and needs of the Academy; (e) ability to represent the community and interpret community needs and views; (f) willingness to accept and support decisions democratically made; and (g) ability to represent the Academy to the community.

5. Oath. All members of the Board of Directors of the corporation must file an acceptance of office with Grand Valley State University. All members of the Board of Directors of the corporation shall take the oath of office required by Section 512a(4)(b)(vi) of the Code.

#### **ARTICLE VIII**

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

#### **ARTICLE IX**

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

## ARTICLE X

These Articles of Incorporation shall not be amended except by the process provided in the contract executed by the corporation and Grand Valley State University Board of Control.

## ARTICLE XI

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

## ARTICLE XII

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

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

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

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

## ARTICLE XIII

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

- (i) The volunteer was acting or reasonable believed he or she was acting within the scope of his or her authority;
- (ii) The volunteer was acting in good faith;
- (iii) The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct;
- (iv) The volunteer's conduct was not an intentional tort; and
- (v) The volunteer's conduct was not a tort arising out of the ownership, maintenance or use of a motor vehicle as described in § 209 (e)(v) of the Michigan Nonprofit Corporation Act.

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

#### ARTICLE XIV

The powers and duties of the corporation's officers are as follows:

Section 1. Number. The officers of the corporation shall be a President, Vice-President, Secretary and a Treasurer, each of whom shall be selected by the Board of Directors. The Board of Directors may select one or more Assistants to the officers, and may also appoint such other officers and agents as they may deem necessary for the transaction of the business of the corporation.

Section 2. President. The President of the Board of Directors shall be a Director of the corporation and shall preside at all meetings of the Board of Directors. If there is not a President, or if the President is absent, then the Vice-President shall preside. If the Vice-President is absent, then a temporary chair, chosen by the members of the Board of Directors attending the meeting shall preside. The President shall be an ex officio member of all standing committees and may be designated chairperson of those committees by the Board of Directors. The President shall, in general, perform all duties incident to the office of President of the Board as may be prescribed by the Board from time to time.

Section 3. Vice-President. In the absence of the President or in the event of the President's death, inability or refusal to act, the Vice-President shall perform the duties of President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned to the Vice-President by the President or by the Board of Directors.



Section 4. Secretary. The Secretary shall: (a) keep the minutes of the Board of Directors meetings in one or more books provided for that purpose; (b) see that all notices, including those notices required under the Open Meetings Act, are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all authorized documents; (d) keep a register of the post office address of each Director; and (e) perform all duties incident to the office of Secretary and other duties assigned by the President or the Board.

Section 5. Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the corporation; (b) keep accurate books and records of corporate receipts and disbursements; (c) deposit all moneys and securities received by the corporation in such banks, trust companies or other depositories as shall be selected by the Board; (d) complete all required corporate filings; (e) assure that the responsibilities of the fiscal agent of the corporation are properly carried out; and (f) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the Board of Directors.

Section 6. Assistants and Acting Officers. The Assistants to the officers, if any, selected by the Board of Directors, shall perform such duties and have such authority as shall from time to time be delegated or assigned to them by the officers or the Board of Directors. The Board of Directors shall have the power to appoint any person to perform the duties of an officer whenever for any reason it is impractical for such officer to act personally. Such acting officer so appointed shall have the powers of and be subject to all the restrictions upon the officer to whose office the acting officer is so appointed except as the Board of Directors may by resolution otherwise determine.

## ARTICLE XV

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

These Articles of Incorporation are hereby signed by the incorporators on this 15<sup>th</sup>  
day of May, 1998.

*Susa A. Harte*  
Incorporator

**SCHEDULE 3**

**BYLAWS**

**TABLE OF CONTENTS**

**BY LAWS**

	<u>Page</u>
Article I. Oakland Academy .....	1
Article II. Form of Academy .....	1
Article III. Offices.....	1
1. Principal Office .....	1
2. Registered Office.....	1
Article IV. Board of Directors.....	1
1. General Powers.....	1
2. Method of Selection and Appointment.....	1
3. Compensation .....	5
Article V. Meetings.....	5
1. Annual and Regular Meetings .....	5
2. Special Meetings .....	5
3. Notice; Waiver.....	5
4. Open Meetings Act.....	5
5. Presumption of Assent.....	5
Article VI. Committees .....	6
Article VII. Officers of the Board.....	6
1. Number .....	6
2. Election and Term of Office.....	6
3. Removal.....	6
4. Vacancies.....	6
5. President .....	7
6. Vice-President .....	7
7. Secretary .....	7
8. Treasurer.....	7
9. Assistants and Acting Officers .....	7
10. Salaries .....	8
11. Filling More than One Office .....	8

Article VIII.	Contracts, Loans, Checks, and Deposits; Special Corporate Acts .....	8
1.	Contracts.....	8
2.	Loans .....	8
3.	Checks, Drafts, etc.....	8
4.	Deposits .....	9
5.	Voting of Securities Owned by this Corporation .....	9
6.	Contracts between Corporation and Related Persons.....	9
Article IX.	Indemnification .....	9
Article X.	Fiscal Year, Budget and Uniform Budgeting and Accounting .....	10
Article XI.	Seal.....	10
Article XII.	Amendments .....	10
Certification	.....	11

**BYLAWS  
OF  
OAKLAND ACADEMY**

**ARTICLE I  
OAKLAND ACADEMY**

This organization shall be called Oakland Academy.

**ARTICLE II  
FORM OF ACADEMY**

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

**ARTICLE III  
OFFICES**

Section 1.     Principal Office.     The principal office of the Academy shall be located in the State of Michigan.

Section 2.     Registered Office.     The registered office of the Academy shall be 600 South Lincoln Street, Augusta, Michigan 49012. It must be located in the state of Michigan, and be the business office of the registered agent, as required by the Michigan Nonprofit Corporation Act.

**ARTICLE IV  
BOARD OF DIRECTORS**

Section 1.     General Powers.     The business, property and affairs of the Academy shall be managed by the Academy Board of Directors ("Academy Board"). The Academy Board may exercise any and all of the powers granted to it under the Michigan Nonprofit Corporation Act or pursuant to Part 6A of the Revised School code ("Code"). The Academy Board may delegate said powers to the officers and committees of the Academy Board as it deems appropriate or necessary, as long as such delegation is consistent with the Articles, these Bylaws, the Contract and Applicable Law.

Section 2.     Method of Selection and Appointment.     Nomination and appointment to the Academy Board shall be handled in the following manner:

1. Method of Selection and Appointment of Academy Board Members:

- a. Initial Academy Board Member Nominations and Appointments: As part of the public school academy application, the public school academy applicant shall propose to the Director of the University Charter Schools Office (“Director”), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Board of Trustees, he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for appointment, the nominees must have completed the required board member candidate application materials, including at least (i) the Academy Board Member Questionnaire prescribed by the University Charter Schools Office; and (ii) the Criminal Background Check Report prescribed by the University Charter Schools Office.
- b. Subsequent Academy Board Member Nominations and Appointments: Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The Director may or may not recommend a nominee submitted by the Academy Board. If the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The Board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.
- c. Exigent Appointments: When the Director determines an “exigent condition” exists which requires him/her to make an appointment to a public school academy’s board of director, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting held by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy’s board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when the Board of Trustees determines that an Academy Board member’s service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.

2. Qualifications of Academy Board Members: To be qualified to serve of the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director,

officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.

3. Oath / Acceptance of Office / Voting Rights: Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.
4. Length of Term; Removal: An appointed Academy Board member is an “at will” board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member’s term.

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

5. Resignations: A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.
6. Vacancy: An Academy Board position shall be considered vacant when an Academy Board member:
  - a. Resigns
  - b. Dies
  - c. Is removed from Office
  - d. Is convicted of a felony
  - e. Ceases to be qualified
  - f. Is incapacitated
7. Filling a Vacancy: The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the “Subsequent Appointments” and “Exigent Appointments” procedures in this resolution.



8. **Number of Academy Board Member Positions:** The number of member positions of the Academy Board of Directors shall be five (5), seven (7), or nine (9), as determined from time to time by the Academy Board.

9. **Quorum:** In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A “quorum” shall be defined as follows:

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

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

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

11. **Conservator; Appointment by University President:** Notwithstanding any other provision of the Contract, in the event that the health, safety, and welfare of the Academy students, property, or funds are at risk, the University President, after consulting with the University Board Chairperson, may appoint a person to serve as the Conservator of the Academy. Upon appointment, the Conservator shall have all powers of a Board of Directors of a Public School Academy and act in the place and stead of the Academy Board. The University President shall appoint the conservator for a definite term, which may be extended in writing. During the appointment, the Academy Board members are suspended and all powers of the Academy Board are suspended. All appointments made under this provision must be presented to the University Board for final determination at its next regularly scheduled meeting. During their appointment, the Conservator shall have the following powers: a) take into his or her possession all Academy property and records, including financial, board, employment, and student records; b) institute and defend board actions by or on behalf of the Academy; c) continue the business of the Academy including entering into contracts, borrowing money, and pledging, mortgaging, or otherwise encumbering the property of the Academy as security for the repayment of the loans, however, the power shall be subject to any provisions and restrictions in any existing credit documents; d) hire, fire, and discipline employees of the Academy; e) settle or compromise with any debtor or creditor of the Academy, including any taxing authority; f) review all outstanding agreements to which the Academy is a party and to take those actions which the Academy Board may have exercised to pay, extend, rescind, renegotiate, or settle such agreements as needed; and

g) perform all acts necessary and appropriate to fulfill the Academy's purposes as set forth under the Code or this Contract.

Section 3. Compensation. By resolution of the Academy Board, Directors may be paid their expenses, if any, of attendance at each meeting of the Academy Board, subject to the statutes regarding Contracts of Public Servants with Public Entities, Act No. 317 of the Public Acts of 1968, being Sections 15.321 to 15.330 of the Michigan Compiled Laws and the Standards of Conduct for Public Officers and Employees, Act No. 196 of the Public Acts of 1973, being Sections 15.341 to 15.348 of the Michigan Compiled Laws, and the statute concerning Incompatible Public Offices, Act No. 566 of the Public Acts of 1978, being Sections 15.181 to 15.185 of the Michigan Compiled Laws.

## ARTICLE V

### MEETINGS

Section 1. Annual and Regular Meetings. The Academy Board shall hold an annual meeting each year. The meeting shall be held at such time and place as the Academy Board of Directors shall from time to time determine. The Academy Board may also provide, by resolution, the time and place, within the state of Michigan, for the holding of additional regular meetings. The Academy shall provide notice of all regular meetings as required by the Open Meetings Act.

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

Section 3. Notice; Waiver. The Academy Board must comply with the notice provisions of the Open Meetings Act. In addition, notice of any meeting shall be given to each Director stating the time and place of the meeting, delivered personally or mailed or sent by facsimile or email to each Director at the Director's business address. Any Director may waive notice of any meeting by written statement, or telecopy sent by the Director, signed before or after the holding of the meeting. The attendance of a Director at a meeting constitutes a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 4. Open Meetings Act. All meetings of the Academy Board, shall at all times be in compliance with the Open Meetings Act.

Section 5. Presumption of Assent. A director of the Academy Board who is present at a meeting of the Academy Board at which action on any corporate matters is taken shall be presumed to have assented to the action taken unless that Director's dissent shall be entered in the minutes of the

meeting or unless that Director shall file a written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. This right to dissent shall not apply to a Director who voted in favor of such action.

## ARTICLE VI

### COMMITTEES

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

## ARTICLE VII

### OFFICERS OF THE BOARD

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

Section 2. Election and Term of Office. The Academy Board shall elect the initial officers at its first duly noticed meeting. Thereafter, the Academy Board shall elect the officers annually as terms expire at the annual meeting of the Academy Board. If the election of officers is not held at that meeting, the election shall be held as soon thereafter as may be convenient. Each officer shall hold office while qualified or until the officers resigns or is removed in the manner provided in Article IV, Section 2.

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

Section 4. Vacancies. A vacancy in any office shall be filled in accordance with Article IV, Section 2.

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

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

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

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

Section 9. Assistants and Acting Officers. The Assistants to the officers, if any, selected by the Academy Board, shall perform such duties and have such authority as shall from time to time be delegated or assigned to them by the Secretary or Treasurer or by the Academy Board. The Academy Directors shall have the power to appoint any person to perform the duties of an officer whenever for any reason it is impractical for such officer to act personally. Such acting officer so appointed shall have the powers of and be subject to all restrictions upon the officer to whose office the acting officer is so appointed except as the Academy Board may be resolution otherwise determine.

Section 10. Salaries. Officers shall not receive a salary unless the salary has been specifically approved by the Academy Board, subject to the statute concerning Incompatible Public Offices, Act No. 566 of the Public Acts of 1978, being sections 15.181 to 15.185 of the Michigan Compiled Laws. Officers of the corporation who are Directors of the corporation may not be compensated for their services. They may, however, receive traveling and other expenses.

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

## ARTICLE VIII

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

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

Section 2. Loans. No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Academy Board. Such authority may be general or confined to specific instances. No loan or advance to, or overdraft of funds by an officer or member of the Academy Board otherwise than in the ordinary and usual course of the business of the corporation, and on the ordinary and usual course of the business or security, shall be made or permitted. No loan entered into, by or on behalf of the Academy Board, shall in any way be considered a debt or obligation of Grand Valley State University or impose any liability on Grand Valley State University, its trustees, officers, employees, or agents.

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

Section 4. Deposits. All funds of the corporation not otherwise employed shall be deposited within three (3) business days after the receipt of the funds by the corporation in such banks, trust companies or other depositories as the Academy Board may select, provided that such financial institution is eligible to be a depository of surplus funds under section 1221 of the Revised School Code, being Section 380.1221 of the Michigan Compiled Laws.

Section 5. Voting of Securities Owned by this Corporation. Subject always to the specific directions of the Academy Board, any shares or other securities issued by another corporation and owned or controlled by this corporation may be voted at any meeting of security holders of such other corporation by the President of this corporation or by proxy appointed by Treasurer of this corporation or by proxy appointed by the Secretary or Treasurer. Such proxy or consent in respect to any shares or other securities issued by any other corporation and owned by this corporation shall be executed in the name of this corporation by the President, the Secretary or the Treasurer of this corporation without necessity of any authorization by the Academy Board, affixation of corporate seal or countersignature or attestation by another officer. Any person or persons designated in the manner above stated as the proxy or proxies of this corporation shall have full right, power, and authority to vote the shares or other securities issued by such other corporation and owned by this corporation the same as such shares or other securities might be voted by this corporation.

Section 6. Contracts Between Corporation and Related Persons. As required by Applicable Law, any Director, officer or employee of the Academy, who enters into a contract with the Academy, that meets the definition of contract under the statute on Contracts of Public Servants with Public Entities, Act No. 317 of the Public Acts of 1968, being sections 15.321 to 15.330 of the Michigan Compiled Laws, shall comply with the public disclosure requirement set forth in Section 3 of the statute.

## ARTICLE IX

### INDEMNIFICATION

Each person who is or was a member of the Academy Board, or a trustee, director, officer or member of a committee of the Academy and each person who serves or has served at the request of the Academy as a trustee, director, officer, partner, employee or agent of any other corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the corporation to the fullest extent permitted by the corporation laws of the State of Michigan as they may be in effect from time to time. The corporation may purchase and maintain insurance on behalf of any such person against any liability asserted against and incurred by such person in any such capacity or arising out of his status as such, whether or not the corporation would have power to indemnify such person against such liability under the preceding sentence. The corporation may, to the extent authorized from time to time by the Board, grant rights to indemnification to any employee or agent of the corporation to the fullest extent provided under the laws of the State of Michigan as they may be in effect from time to time.

## ARTICLE X

### FISCAL YEAR, BUDGET AND UNIFORM BUDGETING AND ACCOUNTING

Section 1. Fiscal Year, Budget and Uniform Budgeting and Accounting. The fiscal year of the corporation shall begin on the first day of July in each year. The Board of Directors, subject to the oversight responsibilities of the University Board, shall have exclusive control of the budget. The board shall prepare and publish an annual budget in accordance with the Uniform Budgeting and Accounting Act, being Act 2 of the public laws of Michigan of 1968, as amended.

## ARTICLE XI

### SEAL

The Academy Board may provide a corporate seal, which shall be circular in form and shall have inscribed thereon the name of the corporation, the State of Michigan and the words "Corporate Seal" and "Public School Academy."

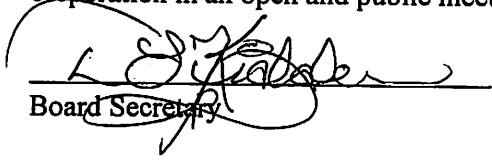
## ARTICLE XII

### AMENDMENTS

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by obtaining the affirmative vote of a majority of the Academy Board at any regular or special meeting of the Academy Board, if a notice setting forth the terms of the proposal has been given in accordance with the notice requirements for the special meetings. Upon arrival, the Academy Board shall forward the amendment to the University Charter Schools Office. The amendment shall be automatically incorporated into Schedule 3 of the Contract upon receipt of the amendment by the University Charter Schools Office. The Academy Board is encouraged to submit proposed Bylaw changes to the Charter Schools Office, for review and comment, prior to adoption. If at any time the University identifies a provision in the Academy Board's Bylaws that violates or conflicts with applicable law or the Contract, it shall notify the Academy Board in writing and the Academy Board shall remedy the identified provision to be in concert with applicable law and the Contract.

**CERTIFICATION**

The Board certifies that these Bylaws were adopted as and for the Bylaws of a Michigan corporation in an open and public meeting, by the Academy Board on the 21 day of June, 2018.

  
Board Secretary



**SCHEDULE 4**

**FISCAL AGENT AGREEMENT**

## **FISCAL AGENT AGREEMENT**

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

### **Preliminary Recitals**

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

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

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

## **ARTICLE I**

### **DEFINITIONS AND INTERPRETATIONS**

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

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

"Agreement" means this Fiscal Agent Agreement.

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

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

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

"State" means the State of Michigan.

"State Treasurer" means the office responsible for issuing funds to urban high school academies for State School Aid Payments pursuant to the School Aid Act of 1979, as amended.

Section 1.02. Fiscal Agent Agreement Incorporated into Contract; Use of Contract Definitions. This Fiscal Agent Agreement shall be incorporated into and is part of the Contract issued by the University Board to the Academy. Terms defined in the Contract shall have the same meaning in this Agreement.

## ARTICLE II

### FISCAL AGENT DUTIES

Section 2.01. Receipt of State School Aid Payments and Other Funds. The University Board is the Fiscal Agent for the Academy for the limited purpose of receiving State School Aid Payments. By separate agreement, the University Board and the Academy may also agree that the University Board will receive Other Funds for transfer to the Academy. The Fiscal Agent will receive State School Aid Payments from the State, as provided in Section 3.02.

Section 2.02. Transfer to Academy. Except as provided in the Contract, the Fiscal Agent shall transfer all State School Aid Payments and all Other Funds received on behalf of the Academy to the Academy within three (3) business days of receipt or as otherwise required by the provisions of the State School Aid Act of 1979 or applicable State Board rules. The State School Aid Payments and all Other Funds shall be transferred into the Account designated by a resolution of the Board of Directors of the Academy and by a method of transfer acceptable to the Fiscal Agent.

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

Section 2.04. Academy Board Requests for Direct Intercept of State School Aid Payments. If the Academy Board directs that a portion of its State School Aid Payments be forwarded by the Fiscal Agent to a third party account for the payment of Academy debts and liabilities, the Academy shall submit to the University Charter Schools Office: (i) a copy of the Academy Board's resolution authorizing the direct intercept of State School Aid Payments; and (ii) a copy of a State School Aid Payment Agreement and Direction document that is in a form and manner acceptable to the Fiscal Agent. No State Aid Payment Agreement and Direction document shall be effective until it is acknowledged by the University President.

## ARTICLE III

### STATE DUTIES

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

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

## ARTICLE IV

### ACADEMY DUTIES

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

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

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

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

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

## **ARTICLE V**

### **RECORDS AND REPORTS**

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

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

## **ARTICLE VI**

### **CONCERNING THE FISCAL AGENT**

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


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

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

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

Acknowledgment of Receipt

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

BY:   
Joseph E. Fielek, Director  
Bureau of Bond Finance  
Michigan Department of Treasury

Date: March 18, 2011

LAN01M48342.1  
IDL/CW

**SCHEDULE 5**

**MASTER CALENDAR OF REPORTING REQUIREMENTS**

**Public School Academy / School of Excellence  
Master Calendar of Reporting Requirements  
July 1, 2018 – June 30, 2019**

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
July 2	Board Adopted 2018-2019 School Calendar/School Day Schedule.	CSO
July 2	Board adopted Annual Calendar of Regularly Scheduled Meetings for 2018-2019	CSO
July 2	Board Adopted Annual Operating Budget for the General Fund and School Service Fund for 2018-2019.	CSO
July 2	Copy of Notice of Public Hearing for Annual Operating Budget for 2018-2019.	CSO
July 2	Copy of Parent Satisfaction Survey and Results from 2017-2018, if applicable.	CSO
July 25	DS-4168 Report of Days and Clock Hours of Pupil Instruction for 2016-2017 academic year, if applicable (See MDE website, <a href="http://www.michigan.gov/mde">www.michigan.gov/mde</a> , for MDE due date and form).	CSO
August 3	Annual Organizational Meeting Minutes for 2018-2019.	CSO
August 3	Board Resolution appointing Chief Administrative Officer for 2018-2019. Must be a board member.	CSO
August 3	Board Resolution appointing Freedom of Information Act Coordinator for 2018-2019.	CSO
August 3	Board Designated Legal Counsel for 2018-2019.	CSO
August 29	4 <sup>th</sup> Quarter Financial Statements – quarter ending 06/30.	CSO
September 6	Organizational Chart for 2018-2019.	CSO
September 6	Board approved Student Handbook 2018-2019.	CSO
September 6	Board approved Employee Handbook 2018-2019.	CSO
September 6	Copy of School Improvement Plan covering 2018-2019 academic year.	CSO
September 6	School Information Update- See Epicenter Task for template	CSO
October 3	Completed PSA Insurance Questionnaires. Required forms available at <a href="http://www.gvsu.edu/cso">www.gvsu.edu/cso</a>	CSO
October 3	Staff Roster (GVSU Format)	CSO
October 3	Annual Nonprofit Corporation Information Update for 2017.	CSO
October 11	Unaudited Count Day Submission.	CSO
October 11	Criminal History Record Registration- New Schools	CSO
October 11	DS-4898 PSA Preliminary Pupil Membership Count for September 2018 Enrollment and Attendance for 1 <sup>st</sup> & 2 <sup>nd</sup> Year PSAs and Academies who added grade levels. (See MDE website, <a href="http://www.michigan.gov/mde">www.michigan.gov/mde</a> for MDE due date).	CSO
October 30	Audited Financial Statements for fiscal year ending June 30, 2018. (See MDE Website, <a href="http://www.michigan.gov/mde">www.michigan.gov/mde</a> , for MDE due date.	CSO



DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
October 30	Management Letter (comments and recommendations from independent financial auditor) for fiscal year ending June 30, 2018, if issued. If a management letter is not issued, a letter from the Academy stating a management letter was not issued is required to be submitted.	CSO
October 30	Annual A-133 Single Audit for year ending June 30, 2018, is required if over \$500K in federal funds have been expended. If a single audit is not necessary, a letter from the Academy stating as such is required to be submitted.	CSO
October 30	1 <sup>st</sup> Quarter Financial Statements – quarter ending 09/30.	CSO
January 7	Special Education Population Data request sheet.	CSO
January 7	Staff Roster (GVSU Format)	CSO
January 30	2 <sup>nd</sup> Quarter Financial Statements – quarter ending 12/31.	CSO
January 30	Michigan Highly Qualified Teacher Verification Report. Required Form Available at <a href="http://www.gvsu.edu/cso">www.gvsu.edu/cso</a> .	CSO
January 30	Board Member Annual Conflict of Interest	CSO
February 21	Winter Count Day Submission.	CSO
March (TBD)	Anti-Bullying Policy, in accordance with Matt's Safe School Law (new schools).	CSO
April 26	3 <sup>rd</sup> Quarter Financial Statements – quarter ending 03/31.	CSO
May 15	Notice of Open Enrollment & Lottery Process or Open Enrollment & Lottery Process Board Policy for 2019-2020. Must include board approved offered seat schedule.	CSO
June 3	Certificate of Boiler Inspection covering years 2019-2020.	CSO
June 27	Board Approved Amended Budget for 2018-2019 fiscal year (or statement that budget has been reviewed and no amendment was needed).	CSO
June 27	2018-2019 Log of emergency drills, including date, time and results. Sample form available at <a href="http://www.gvsu.edu/cso">www.gvsu.edu/cso</a> .	CSO
June 27	Board adopted Letter of Engagement for year ending June 30, 2019, independent financial audit.	CSO
June 27	Food service license expiring 04/30/2020.	CSO

**Ongoing Reporting Requirements  
July 1, 2018 – June 30, 2019**

*The following documents do not have a set calendar date; however, they require submission within a certain number of days from board action or other occurrence.*

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
Date notice is posted	Academy Board Meeting Record of Postings – cancellations, changes, special meetings, emergency etc. Must include time and date of actual posting.	CSO
14 days after Board meeting	Draft Academy Board Meeting Minutes and Resolutions of regular, special & emergency board meetings.	CSO
14 days after Board approval	Approved Academy Board Meeting Minutes and Resolutions of regular, special & emergency board meetings.	CSO
30 business days after board approval	Board Adopted Annual Operating Budget for 2011-2012 including Salary/Compensation Transparency Reporting to be available on school website per the State School Aid Act as amended	No submission needed.
14 days after Board approval	Oath of Office and written acceptance for each Board Member.	CSO
10 business days after Board approval	Board adopted <i>Amended</i> Budget and General Appropriations Resolution.	CSO
10 days of receipt	Correspondence received from the Michigan Department /State Board of Education requiring a formal response.	CSO
10 days of receipt	Correspondence received from the Health Department requiring a formal response.	CSO
10 days of receipt	Written notice of litigation or formal proceedings involving the Academy.	CSO
30 days prior to board execution	Board proposed draft Educational Management Company Agreements or Amendments thereto.	CSO
5 business days of receipt	Request and Responses to Freedom of Information Requests.	CSO

**Original/Subsequent Board Policy Reporting Requirements  
July 1, 2018 – June 30, 2019**

*The following documents do not have a set calendar date; however, they require an original submission and subsequent submission if Board action is taken making amendments/changes.*

REPORT DESCRIPTION	SUBMIT TO:
Articles of Incorporation. Must have GVSU Board approval before modifying.	CSO
Board of Director Bylaws.	CSO
Educational Service Provider Agreements/Amendments	CSO
Academy’s Educational Goals.	CSO
Office of Fire Safety (OFS-40) – original occupancy permit and permits for renovations/additions, etc.	CSO
Lease, Deed of Premises or Rental Agreement and subsequent amendments (includes modular units).	CSO
Curriculum including any additions/deletions.	CSO
Asbestos Hazardous Emergency Response Act (AHERA) Management Plan. Visit <a href="http://www.michigan.gov/asbestos">www.michigan.gov/asbestos</a> for Michigan’s model management plan. A copy of the “acceptance” letter sent by MIOSHA is also required.	CSO
Communicable Disease Curriculum (including minutes of board approval).	CSO
Job Descriptions for all employee groups	CSO
REQUIRED BOARD POLICIES	
<b>Board adopted Purchasing Policy</b> (date of approval). Reference: MCL 380.1267, MCL 380.1274	CSO
<b>Use of Medications Policy</b> (date of approval). Reference: MCL 380.1178, 380.1178a, 380.1179	CSO
<b>Harassment of Staff or Applicant Policy</b> (date of approval). <b>Harassment of Students Policy</b> (date of approval) Reference: MCL 380.1300a	CSO
<b>Search and Seizure Policy</b> (date of approval). Reference: MCL 380.1306	CSO
<b>Emergency Removal, Suspension and Expulsion of Students Policy</b> (date of approval). Reference: MCL 380.1309; MCL 380.1312(8)&(9); MCL 37.1402	CSO
<b>Parent/Guardian Review of Instructional Materials &amp; Observation of Instructional Activity Policy</b> Reference: MCL 380.1137	CSO
<b>Board Member Reimbursement of Expenses Policy</b> (date of approval). Reference: MCL 380.1254; MCL 388.1764b	CSO
<b>Equal Access for Non-School Sponsored Student Clubs and Activities Policy</b> (date of approval). Reference: MCL 380.1299	CSO
<b>Electronic or Wireless Communication Devices Policy</b> (date of approval).	CSO

<b>Preparedness for Toxic Hazard and Asbestos Hazard Policy</b> (date of approval). Reference: MCL 324.8316, 380.1256	CSO
<b>Nondiscrimination and Access to Equal Educational Opportunity Policy</b> (date of approval) Including, but not limited to, Michigan Constitution, Article I, §26, Elliott-Larsen Civil Rights Act, Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975.	CSO
<b>Academy Deposit Policy</b> (date of approval). PA 105 of 1855, being MCL 21.146, Section 11.10 of the Charter Contract	CSO
<b>Parental Involvement Policy</b> (date of approval). Reference: MCL 380.1294	CSO
<b>Wellness Policy</b> (date of approval). Reference: 42 USC §§ 1751, 1758, 1766; 42 USC § 1773	CSO
<b>Corporal Punishment Policy</b> (date of approval). Reference: MCL 380.1312(8)&(9);	CSO
<b>Anti-Bullying Policy (Matt’s Safe School Law)</b> (date of approval). Reference: MCL 380.1310b	CSO
<b>Cardiac Emergency Response Plan</b> (date of approval). Reference: MCL 29.19	CSO

**Calendar of Additional Reporting Requirements and Critical Dates  
July 1, 2018 – June 30, 2019**

*The following reports Academies must submit to the local ISD, MDE, CEPI and other organizations throughout the year.*

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
TBD	Student Count Day for State Aid F.T.E.	No submission required.
September	SE-4096 Special Education Actual Cost Report (Contact ISD for due date).	ISD
October	Eye Protection Certificate (#4527 Certification of Eye Protective Devices Electronic Grant System [MEGS] if applicable).	CEPI
October	Certification of Constitutionally Protected Prayer.	MDE
October	SE-4094 Transportation Expenditure Report (Contact ISD for due date).	ISD
October 1 – October 31 (as scheduled)	Teacher Certification/Criminal Background Check/Unprofessional Conduct. This is an onsite review scheduled and conducted by Quality Performance Resource Group. No submission required.	No submission needed.
Oct/Nov	Deadline for MEIS/Single Record Student Database (“SRSD”) electronic file (Contact the local ISD for due date.)	CEPI
November	Deadline for Immunization Records Report – IP100. (Contact Health Dept. for due date).	Local Health Dept.
November 14	Deadline for electronic submission to the Financial Information Database (FID, formerly known as the Form B). State aid will be withheld if the submission is not successful.	CEPI
Nov/Dec	Special Education Count on MI-CIS. Special education data must be current and updated in the Michigan Compliance and Information System (MI-CIS). This information is used to determine funding for next year (Contact local ISD for due date).	ISD
December 1 - December 31 (as scheduled)	Teacher Certification/Criminal Background Check/Unprofessional Conduct. This is an onsite review scheduled and conducted by Quality Performance Resource Group. No submission required.	No submission required.
Nov/Dec	Registry of Educational Personnel (REP) Submission.	CEPI
December 30	Municipal Finance Qualifying Statement, if applicable (online submission).	MI Dept of Treasury
Feb 1	Deadline for Immunization Record Report – IP100 (Contact Health Dept. for due date). A financial penalty of 5% of a school’s state aid allocation can be assessed if the immunization rate is not at 90% or above.	Local Health Dept.
TBD	Supplemental Student Count for State Aid F.T.E.	No submission required.

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
March	FS-4731-C – Count of Membership Pupils eligible for free/reduced breakfast, lunch or milk (official date TBD).	MDE
March	MEIS/Single Record Student Database (“SRSD”) electronic file (Contact local ISD for due date.)	ISD, CEPI
May 1 – May 31 (as scheduled)	Teacher Certification/ Criminal Background Check/Unprofessional Conduct. This is an onsite review scheduled and conducted by Quality Performance Resource Group. No submission required.	No submission required.
June	MEIS/ Single Record Student Database (“SRSD”) electronic file (Contact local ISD for due date).	ISD, CEPI
June	Registry of Educational Personnel (REP).	CEPI
June	School Infrastructure Database (SID).	CEPI

**SCHEDULE 6**

**INFORMATION TO BE PROVIDED BY ACADEMY AND EDUCATIONAL  
MANAGEMENT COMPANY**

## SCHEDULE 6

### **INFORMATION TO BE PROVIDED BY ACADEMY AND EDUCATIONAL MANAGEMENT COMPANY**

A. The following described categories of information are specifically included within those to be made available to the public and the University Charter Schools Office by the Academy in accordance with Section 11.17(a). Information to be Provided by the Academy, of the Terms and Conditions:

1. Copy of the Contract
2. Copies of the executed Constitutional Oath of public office form for each serving Director
3. List of currently serving Directors with name, address, and term of office
4. Copy of the Academy Board 's meeting calendar
5. Copy of public notice for all Academy Board meetings
6. Copy of Academy Board meeting agendas
7. Copy of Academy Board meeting minutes
8. Copy of Academy Board approved budget and amendments to the budget
9. List of bills paid for amounts of \$10,000.00 or more as submitted to the Academy Board
10. Copy of the quarterly financial reports submitted to the University Charter Schools Office
11. Copy of curriculum and other educational materials given to the University Charter Schools Office
12. Copy of School improvement plan (if required)
13. Copies of facility leases, mortgages, modular leases and/or deeds
14. Copies of equipment leases
15. Proof of ownership for Academy owned vehicles and portable buildings
16. Copy of Academy Board approved management contract with Educational Service Provider
17. Copy of Academy Board approved services contract(s)
18. Office of Fire Safety certificate of occupancy for all Academy facilities
19. MDE letter of continuous use (if required)
20. Local County Health Department food service permit (if required)



21. Asbestos inspection report and asbestos management plan (if required)
22. Boiler inspection certificate and lead based paint survey (if required)
23. Phase 1 environmental report (if required)
24. List of current Academy teachers and school administrators with their individual salaries as submitted to the Registry of Educational Personnel
25. Copies of administrator and teacher certificates or permits for all current administrative and teaching staff
26. Evidence of fingerprinting, criminal back-ground and record checks and unprofessional conduct check required by the Code for all Academy teachers and administrators
27. Academy Board approved policies
28. Copy of the annual financial audit and any management letters issued to the Academy Board as part of the audit
29. Proof of insurance as required by the Contract
30. Any other information specifically required under Public Act 277 of 2011

B. The following information is specifically included within the types of information available to the Academy by the Educational Management Organization (if any) in accordance with Section 11.17(b). Information to be provided by Educational Management Company, of the Terms and Conditions:

1. Any information needed by the Academy in order to comply with its obligations to disclose the information listed under (a) above.

C. In accordance with Section 11.13. Additional Required Provisions for Educational Service Provider Agreements, of the Terms and Conditions, the following categories must be clearly defined within each ESP agreement that the Academy is a party to:

1. Roles and responsibilities of the parties
2. Services and resources provided by the ESP
3. Fee or expense payment structure
4. Financial control, oversight, and disclosure
5. Renewal and termination of the agreement”

## MANAGEMENT AGREEMENT

This Management Agreement is made and entered into as of the 21st day of JUNE, 2018, by and between the **Foundation for Behavioral Resources**, a Michigan non-profit corporation ("FBR"), and **Oakland Academy**, a body corporate and public school academy (the "Academy").

### RECITALS

The Academy is a charter school, organized as a public school academy under the revised Michigan School Code (the "Code"). The Academy has been granted a contract (the "Contract") by the Grand Valley State University Board of Trustees ("GVSU") to organize and operate a public school academy, with GVSU as the authorizing body.

FBR was instrumental in the creation of the Academy, having incorporated the Academy, recruited its initial Board of Directors (the "Board"), prepared the application with GVSU for the Contract (the "Application"), and prepared the curriculum and related documents submitted with the Application and essential for the operation of the Academy.

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

In order to facilitate the commencement of school for the 2018-2019 school year and the continuation of school indefinitely thereafter, and to implement an innovative educational program at the school, the parties desire to establish this arrangement for the management and operation of the Academy.

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

### ARTICLE I

#### CONTRACTING RELATIONSHIP

- A. Authority.** The Academy represents that it is authorized by law to contract with a private entity and for that entity to provide educational management services. The Academy further represents that it has been granted the Contract by GVSU to organize and operate a public school academy. The Academy is therefore authorized by the code and GVSU to supervise and control such academy, and is invested with all powers necessary or desirable for carrying out the educational program contemplated in this Agreement.
- B. Contract.** The Academy hereby contracts with FBR, to the extent permitted by law, for the provision of all labor, materials, facilities, equipment and supervision necessary for

the provision of educational services to students, and the management, operation and maintenance of the Academy in accordance with the educational goals, curriculum, methods of pupil assessment, admission policy and criteria, school calendar and school day schedule, age and grade range of pupils to be enrolled, educational goals, and method to be used to monitor compliance with performance of targeted educational outcomes, all as adopted by the Board of the Academy and included in the Contract between the Academy and GVSU.

- C. Designation of Agents.** The Board designates the employees of FBR's Central Office and Charter School Division as agents of the Academy having a legitimate educational interest such that they are entitled to access to educational records under 20 U.S.C. §1232g, the Family Rights and Privacy Act ("FERPA").
- D. Status of the Parties.** FBR is a non-profit Michigan corporation, and is not a division of or a part of the Academy. The Academy is a body corporate and governmental entity authorized by the Code, and is not a division or part of FBR. The parties to this Agreement intend that the relationship created by this Agreement is that of an independent contractor and not employer – employee. Except as expressly provided in this Agreement, no agent or employee of FBR shall be deemed to be the agent or employee of the Academy. FBR shall be solely responsible for its acts and the acts of its agents, employees and subcontractors. The relationship between FBR and the Academy is based solely on the terms of this Agreement, and the terms of any other written agreements between FBR and the Academy.

## ARTICLE II

### TERM

- A. Term.** This Agreement shall be effective as of July 1, 2018 and shall expire on June 30, 2025. This Agreement shall automatically renew for an additional term of one year, and from year to year thereafter, unless otherwise terminated or renegotiated in accordance with Article VII.

## ARTICLE III

### FUNCTIONS OF FBR

- A. Responsibility.** FBR shall be responsible and accountable to the Board for the administration, operation and performance of the Academy in accordance with the Contract. FBR's responsibility is expressly limited by: (i) the budget FBR and the Academy agree upon pursuant to the terms of this Agreement, and (ii) the availability of state funding to pay for said services. Neither FBR nor the Academy shall be required to expend Academy funds on services in excess of the amount set forth in the Academy budget.

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

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

1. Implementation and administration of the Educational Program, including the selection and acquisition of instructional materials, equipment and supplies, and the administration of any and all extra-curricular and co-curricular activities and programs.
2. Management of all personnel functions, including professional development for the School Administrator and all instructional personnel and the personnel functions outlined in Article VI.
3. Operation of the school building, which FBR shall rent, lease or otherwise provide for the Academy's use, and the installation of technology integral to the school design.
4. All aspects of the business administration of the Academy.
5. All aspects of the accounting operation, including general ledger management and financial reporting.
6. Food service, if any is provided, for the Academy.
7. Before and after school child care, if any is provided, for the Academy through the use of FBR's Child Development Centers.
8. Any other function necessary or expedient for the administration of the Academy.

**D. Purchases.** Purchases made by FBR on behalf of the Academy with Academy monies including, but not limited to, instructional materials, supplies, and equipment will be the property of the Academy.

**E. Subcontracts.** FBR reserves the right to subcontract any and all aspects of all services it agrees to provide to the Academy including, but not limited to transportation and/or food

service. However, FBR shall not subcontract the management, oversight or operation of the teaching and instructional program, except as specifically permitted in this Agreement or with approval of the Board.

- F. Place of Performance.** FBR reserves the right to perform functions other than instruction, such as purchasing, professional development, and administrative functions, off-site, unless prohibited by state or local law.
- G. Educational Facilities.** It is FBR's responsibility to locate facilities to be used by the Academy. The Board agrees that FBR may own the facilities used by the Academy and further agrees that FBR may rent or lease these facilities to the Academy at Fair Market Value. Fair Market Value shall be based on cost/square foot/year for property and shall be charged in either 12 or 9 equal monthly payments. The Board agrees that FBR has fully disclosed its ownership interest in the Educational Facilities and agrees that FBR may select such facilities and construct additional facilities for use by the Academy.
- H. FBR Office Space.** For the term of this Agreement, suitable office space shall be provided at the Academy for FBR personnel and subcontractors. The office space shall be used by FBR for FBR activities related to the Academy. The Academy shall also provide FBR, upon FBR's request, with an additional room to be used for activities related to the Academy. The Academy agrees that FBR may incur, on the Academy's behalf, office and rental expenses associated with off-site central management.
- I. Student Recruitment.** FBR and the Board shall be jointly responsible for the recruitment of students subject to agreement on general recruitment and admission policies. Students shall be selected in accordance with the procedures set forth in the Contract and in compliance with the Code and other applicable law.
- J. Due Process Hearings.** FBR shall provide student due process hearings in conformity with the requirements of state and federal law regarding discipline, special education, confidentiality and access to records, to an extent consistent with the Academy's own obligations. The Academy shall retain the right to provide due process as required by law.
- K. Legal Requirements.** FBR shall provide educational programs that meet federal, state, and local requirements, and the requirements imposed under the Code and the Contract, unless such requirements are or have been waived, but the Academy shall interpret state and local regulations liberally to give FBR flexibility and freedom to implement its educational and management programs.
- L. Rules & Procedures.** FBR shall recommend reasonable rules, regulations and procedures applicable to the Academy and is authorized and directed to enforce such rules, regulations and procedures adopted by the Academy.

- M. School Year and School Day.** The school year and school day shall be as provided in the Contract submitted to and approved by GVSU. FBR reserves the right to modify the school year/day so long as State mandated days and hours of instruction are met.
- N. Pupil Performance Standards and Evaluation.** FBR shall implement pupil performance evaluations which permit evaluation of the education progress of each Academy student. FBR shall be responsible and accountable to the Board for the performance of students who attend the Academy. FBR will utilize assessment strategies required by the terms of the Contract. The Board and FBR will cooperate in good faith, to identify measures of school performance and goals for Academy students including, but not limited to, parent satisfaction.
- O. Services to Disabled Students and Special Education.** FBR shall provide special education services to students who attend the Academy in conformity with the requirements of state and federal law. FBR may subcontract as necessary and appropriate for the provision of services to students whose special needs cannot be met within the Academy's program, subject to approval of the Academy Board. Such services shall be provided in a manner that complies with local, state and federal laws and applicable regulations and policies.
- P. Compliance with Academy's Contract.** FBR agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the Academy's obligations under the Academy's Contract issued by Grand Valley State University Board of Trustees. The provisions of the Academy's Contract shall supersede any competing or conflicting provisions contained in this Agreement.
- Q. Unusual Events.** FBR agrees to timely notify the Board and/or school administrator of any anticipated or known: (i) material health or safety issues, (ii) labor, employee or funding problems, or (iii) problems of any other type that could adversely affect the Academy in complying with its responsibilities hereunder.
- R. Student and Financial Records.** All student and financial information related to the Academy shall be available for inspection at the Academy or at FBR's central office upon reasonable request consistent with applicable federal and state laws.

## ARTICLE IV

### OBLIGATIONS OF THE BOARD

- A. Good Faith Obligation.** The Board shall be responsible for its fiscal and academic policy. The Board shall exercise good faith in considering the recommendations of FBR including, but not limited to, FBR's recommendations concerning policies, rules, regulations and budgets. The Board's failure to adopt FBR's reasonable recommendations with respect to policies, rules and regulations to enable FBR to implement the school design as set forth in the Contract may, at FBR's option, be deemed a material breach of this Agreement by the Academy. The Board shall retain the

authority to make reasonable regulations relative to anything necessary for the proper establishment, maintenance, management, and carrying on of the Academy, including regulations relative to the conduct of pupils while in attendance at the Academy or en route to and from the Academy. The Board shall further retain the obligation, as provided in Section 1274 of the Code, to adopt written policies governing the procurement of supplies, materials and equipment.

- B. Assistance to FBR.** The Academy shall cooperate with FBR in furnishing all information and submitting all forms and reports required in association with this Agreement, including timely notice of all Board meetings. The Academy shall timely furnish FBR all documents and records necessary for FBR to properly perform its responsibilities under this agreement.
- C. Unusual Events.** The Academy agrees to timely notify FBR of any anticipated or known: (i) material health or safety issues, (ii) labor, employee or funding problems, or (iii) problems of any other type that could adversely affect FBR in complying with its responsibilities hereunder.
- D. FBR Office Space.** For the term of this Agreement, suitable office space shall be provided at the Academy for FBR personnel and subcontractors. The office space shall be used by FBR for FBR activities related to the Academy. The Academy shall also provide FBR, upon FBR's request, with an additional room to be used for activities related to the Academy. The Academy agrees that FBR may incur, on the Academy's behalf, office and rental expenses associated with off-site central management.
- E. Retained Authority.** The Board shall retain the authority to make reasonable regulations relative to anything necessary for the proper establishment, maintenance, management, and carrying on of the Academy, including regulations relative to the conduct of pupils while in attendance at the Academy or en route to and from the Academy. The Academy Board shall further retain the obligation, as provided in section 1274 of the Code, to adopt written policies governing the procurement of supplies, materials and equipment.
- F. Building Facility.** It is FBR's obligation to secure a building that complies with all requirements of the Contract. FBR may own, build, purchase or lease a school facility for or on behalf of the Academy.
- G. Educational Consultant.** The Board may retain at its own expense an educational consultant to review the operations of the Academy and the performance of FBR under this agreement. FBR shall cooperate with such consultant in the performance of his or her responsibilities to the Board. Notwithstanding anything contained elsewhere in this agreement, without Board authorization, FBR shall have no authority to select, evaluate, assign, supervise or control any consultant retained by the Board.

## ARTICLE V

### FINANCIAL ARRANGEMENTS

**A. Revenues.** Except as hereinafter provided, all monies received by the Academy Board shall be deposited within three (3) business days with a financial institution acceptable to the Board and FBR. The Academy and FBR shall be named signatories on the account. FBR, as disbursement agent for the Board, is authorized to disburse funds from the account on behalf of the Academy for the purposes and uses authorized pursuant to the terms of this Agreement. Except as specifically excluded by the terms of this Agreement, the term "Revenues" shall include all funds received by on or behalf of the Academy including, but not limited to;

- 1) State Aid Funds.
- 2) Special Education funding provided by Federal or State Governments to the Academy that is directly allocable to special education students in the Academy.
- 3) Gifted and Talented funding provided by Federal and State Governments that is directly allocable to gifted and talented students in the Academy.
- 4) At-Risk funding provided by Federal and State Governments to the Academy that is directly allocable to at-risk students in the Academy.
- 5) Funding provided by Federal and State Governments to the Academy that is directly allocable to students in the Academy with limited English proficiency.
- 6) Federal and State grant sources, including Title 1, which is directly allocable to the Academy.
- 7) Grants and donations received by the Academy (except to the extent FBR is not required or involved in soliciting, administering, or managing such grants and/or donations).
- 8) Fees charged to students for extra services as and to the extent permitted by law.

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

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

#### **B. Budget**

1. Projected Budget. FBR shall provide the Board with an annual projected Budget (the "Budget"). The budget shall be submitted to the Board prior to June 30<sup>th</sup> for the following academic year.
2. Budget Detail. The Budget shall contain reasonable detail as requested by the Board. The Budget shall include all projected expenses and costs reasonably associated with operating the Academy and the FBR school program including, but not limited to, the projected cost of: all services and education programs provided to the Academy,



leasehold and other lease obligations incurred by the Academy, maintenance and repairs to Academy facilities and capital improvements except as otherwise agreed upon, supplies and furnishings necessary to operate the Academy, all taxes of any kind that are assessed or imposed, insurance premiums, utilities, professional fees, and other costs and expenses connected to operating the Academy.

3. **Board Surplus.** The Budget shall provide that the Board shall have a surplus for use by the Board in an amount equal to two (2) percent of Revenues after deducting the percentage paid to GVSU pursuant to its Contract (the "Board Surplus").
  4. **Approval.** The Budget shall be prepared by FBR and submitted to the Board for approval. The Budget may be amended from time to time as deemed necessary by FBR and the Board.
  5. **Expenditures.** FBR shall not expend the Revenues in such a way as to deviate materially from the provisions of the Budget without Board approval (except where the deviation is less than the amount budgeted).
- C. Fee.** FBR shall be entitled to retain as compensation for its services rendered pursuant to this Agreement the difference, if any, between the amount of the Academy's Revenues and the amount of Revenues actually expended by or on behalf of the Academy during its fiscal year after deducting the Board Surplus (the "Fee"). It is anticipated that FBR will be paid its Fee monthly over approximately twelve months. The exact date of each monthly payment and the amount of each monthly payment may vary depending on the timing and the amount of funds received each month by the Academy.
- D. Availability of Funds.** FBR shall only be required to perform its responsibilities upon this Agreement to the extent that the Academy has received and made available to FBR sufficient Revenues to make payments in accordance with the terms of the Budget.
- E. Other Public School Academies.** The Academy acknowledges that FBR may enter into similar management agreements with other public school academies. FBR shall maintain separate accounts for expenses incurred by or on behalf of the Academy and other Public School Academies, and shall only charge the Academy for expenses incurred by or on behalf of the Academy. If FBR incurs authorized reimbursable expenses on behalf of the Academy and other public school academies which are incapable of precise allocation, then FBR shall allocate such expenses among all such academies, including the Academy, on a prorated basis based upon the number of students enrolled at such academies, or upon such other equitable basis as is acceptable to the parties.
- F. Financial Reporting.** FBR shall provide the Board with:
- 1) The projected annual Budget as required by the terms of this Agreement.
  - 2) Detailed statements of all Revenues received, and detailed statements of all direct expenditures for services and or expenses rendered or incurred to or on behalf of the Academy, whether incurred on-site or off-site, upon request.

- 3) Reports on Academy operations, finances, and student performance shall be provided upon request, but not less frequently than two (2) times per year.
- 4) Other information on a periodic basis to enable the Board to monitor FBR's performance and the efficiency of its operation of the Academy and to reconcile the Fee paid to FBR.

**G. Access to Records.** FBR shall keep accurate financial records pertaining to its operation of the Academy, together with all Academy financial records prepared by or in possession of FBR, and shall retain all of these records for a period of seven (7) years from the close of the fiscal year to which such records relate. FBR and the Academy shall maintain the proper confidentiality of personnel, students, and other records as required by law.

**H. Review of Operational Budget.** The Academy Board shall be responsible for reviewing and approving the annual Budget of the Academy as presented by FBR.

**I. Annual Audit.** The Academy Board shall select, retain, and pay for an annual audit in accordance with the Academy's authorizing documents and the School Aid Act.

**J. Start-up Financing.** FBR has and may continue to provide start-up funds for the Academy, including funds for the development of a curriculum, technology system and school operations plan; recruiting, selecting and pre-service training of staff members; and cleaning, fixing and equipping of the academy building as required by this Agreement. FBR advances shall be budgeted and FBR shall be reimbursed from the Revenues as and when funds are available.

**K. Other Financing.** The Board may apply to FBR for financing from time to time. Any such financing shall be subject to written agreement between the parties as to terms, and may cover the cost of funds for the development and on-going operations of any and all aspects of the Academy's program. The Academy shall reimburse FBR for any such financing from state school aid payment and/or other revenue sources.

## ARTICLE VI

### PERSONNEL & TRAINING

**A. Personnel Responsibility.** FBR, subject to Board approval, shall select qualified personnel to perform services at the Academy. FBR shall determine if the staff shall be employees of the Academy or of FBR. The parties anticipate that virtually all staff shall be employees of FBR but such determination may change from time to time with Board approval. Compensation of all employees will be paid in accordance with the budget referenced in Article V. For purposes of this agreement, compensation shall include salary, bonus (if applicable), fringe benefits, and state and federal tax withholdings. FBR shall have the responsibility and authority to determine staffing levels, and to select, evaluate, assign, discipline, transfer and terminate personnel consistent with state and federal law. If FBR executes contracts with administrative or teaching staff that have a

term longer than one (1) year, the Board reserves the right to have the School Administrator or teacher placed elsewhere by FBR if the Board is reasonably dissatisfied with their respective performance at the end of the academic year.

- B. School Administrator.** The school administrator shall be accountable for the performance of the Academy. FBR shall have the authority, consistent with state law, to select, employ, and supervise the school administrator and hold the school administrator accountable for the success of the Academy. The duties of the school administrator, and the terms of the school administrator's employment contract, shall be determined by FBR subject to approval by the Board. FBR shall timely **consult** with the Board with respect to an actual or anticipated change in the individual FBR employs under this Agreement.
- C. Teachers.** FBR shall determine the number of teachers, and the applicable grade levels and subjects, required for the operation of the Academy. FBR shall provide the Academy with such teachers, qualified in the grade levels and subjects required, as are required by the Academy. The curriculum taught by such teachers shall be the curriculum prescribed by FBR for the Academy. Such teachers may, in the discretion of FBR, work at the Academy on a full or part time basis. If assigned to the Academy on a part time basis, such teachers may also work at other schools managed or operated by FBR. Each teacher assigned or retained by the Academy shall hold a valid Michigan teaching certificate issued by the state board of education under the Code, to the extent required under the Code.
- D. Support Staff.** FBR shall determine the number and functions of support staff required for the operation of the Academy. FBR shall provide the Academy with qualified staff to efficiently operate the Academy's school in accordance with the Contract. The support staff may, in the discretion of FBR, work at the Academy on a full or part time basis. If assigned to the Academy on a part time basis, the support staff may also work at other schools managed or operated by FBR.
- E. Training.** FBR shall provide training in its methods, curriculum, program, and technology to all teaching personnel on a regular basis. Non-instructional personnel shall receive such training as FBR determines reasonable and necessary under the circumstances.
- F. Evaluation.** FBR shall conduct annual staff evaluations that are rigorous, transparent, and fair following both federal and state laws and guidelines.

## **ARTICLE VII**

### **TERMINATION OF AGREEMENT**

#### **A. Termination.**

- 1. By FBR.** FBR may terminate this Agreement prior to the end of the terms specified in Article II in the event the Board fails to remedy a material breach

within 30 days after notice from FBR. A material breach includes, but is not limited to, FBR's failure to receive for any reason compensation or reimbursement as required by the terms of this Agreement, or the Academy's loss or suspension of its Contract.

2. **By Academy.** The Academy may terminate this Agreement prior to the end of the terms specified in Article II in the event that FBR shall fail to remedy a material breach within 30 days after notice from the Board. Material breach includes, but is not limited to: (i) failure to account for its expenditures or to pay Academy operating costs (provided funds are available to do so), (ii) failure to follow policies, procedures, rules, regulations or curriculum duly adopted by the Board which are not in violation of the Contract, this Agreement, or law, or (iii) receipt by the Board of unsatisfactory reports from FBR or from an educational consultant retained by the Board about matters concerning FBR's performance or the performance of the staff which are not adequately corrected or explained.
3. **Revocation or Termination of Contract.** If the Academy's Contract issued by the Grand Valley State University Board of Trustees is revoked or terminated, this Agreement shall automatically terminate on the same date as the Academy's Contract is revoked or terminated without further action of the parties.

#### **B. Renewal/Termination/Expiration**

1. **Renewal.** Unless written notice of intent to terminate or renegotiate is given by either party by March 15 of the 7<sup>th</sup> year of the Agreement or any subsequent March 15 if the Agreement has been renewed, this agreement shall automatically renew for an additional term of one year and from year to year, thereafter.
2. **Removal of personal property.** Upon termination of this Agreement, equipment and other assets acquired with Academy revenue and owned by the Academy shall remain the exclusive property of the Academy. Equipment leased by the Academy shall remain subject to the interest of the Lessor/Owner.
3. **Future Advances/Out-of-Pocket Expenses.** Upon termination of this Agreement, for any reason, all future advances or out-of-pocket expenses paid by FBR shall be immediately repaid by the Academy unless otherwise agreed in writing by FBR.

**C. Transition.** In the event of termination of this Agreement for any reason by either party prior to the end of the Agreement's term, FBR shall provide the Academy reasonable assistance for up to 90 days to assist in the transition back to a regular school program.

**D. Amendment Caused By Academy Site Closure or Reconstitution.** In the event that the Academy is required (i) to close an Academy site pursuant to a notice issued by the State School Reform/Redesign Officer under Section 507 of the Code, MCL 380.507; or (ii) to undergo a reconstitution pursuant to Section 507 of the Code, MCL 380.507, and

of the Contract Terms and Conditions, and such closure of an Academy site or reconstitution causes an amendment to or termination of this Educational Service Provider (“ESP”) Agreement, the parties agree that this ESP Agreement shall be amended or terminated to implement the Academy site closure or reconstitution, with no cost or penalty to the Academy, and the ESP shall have no recourse against the Academy or the University Board for implementing such site closure or reconstitution.

## ARTICLE VIII

### INDEMNIFICATION

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

## ARTICLE IX

### INSURANCE

- A. Insurance Coverage.** FBR shall obtain, on behalf of the Academy, insurance in the amount required by the Academy’s Contract with GVSU. The Academy, FBR, and when necessary, GVSU will be named as insured. In addition, the Academy shall maintain an umbrella liability policy of two million dollars (\$2,000,000.00) with FBR listed as an additional insured. The building and related capital facilities remain the responsibility of the FBR and the FBR shall cover its property with insurance. Each party shall, upon request, present evidence to the other that it maintains the requisite insurance in compliance with the provisions of this paragraph. Each party shall comply with any information or reporting requirements required by other party’s insurer(s), to the extent reasonably practicable.

- B. Workers' Compensation Insurance.** Each party shall maintain workers' compensation insurance as required by law, covering their respective employees.

## ARTICLE X

### WARRANTIES AND REPRESENTATIONS

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

## ARTICLE XI

### MISCELLANEOUS

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

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

THE ACADEMY:                      Oakland Academy  
   6325 Oakland Drive  
   Portage, MI 49024

with a copy to:

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Oakland Academy  
Board President

FBR:                                      Foundation for Behavioral Resources  
   600 South Lincoln Street  
   Augusta, MI 49012  
   Telephone: (269) 731-5775  
   Facsimile: (269) 731-5246

- F. Assignment.** FBR may assign this Agreement with the consent of the Academy Board.
- G. Amendment.** This Agreement shall not be altered, amended, modified or supplemented except by memorandum approved by the Board and signed by both the President of the Academy's Board of Directors and an authorized officer of FBR.
- H. Waiver.** No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision. Nor shall such waiver constitute a continuing waiver unless otherwise expressly stated.
- I. Cost and Expenses.** If any party commences an action against another party as a result of a breach or alleged breach of this Agreement, the prevailing party shall be entitled to have and recover from the losing party reasonable attorney's fees and costs of suit.
- J. Delegation of Authority.** Nothing in this Agreement shall be construed as delegating to FBR powers or authority of the Board which are not subject to delegation by the Board under Michigan law.

- K. **Compliance with Law.** The parties to this Agreement agree to comply with all applicable laws and regulations.
- L. **Compliance with Section 503c.** On an annual basis, the ESP agrees to provide the Academy Board with the same information that a school district is required to disclose under section 18(2) of the State School Aid Act of 1979, MCL 388.1618, for the most recent school fiscal year for which the information is available. Within thirty (30) days of receipt of this information, the Academy Board shall make the information available on the Academy's website home page, in a form and manner prescribed by the Michigan Department of Education. The defined terms in section 503c of the Code, MCL 380.503c, shall have the same meaning in this Agreement.
- M. **Compliance with Section 11.23 of Contract Terms and Conditions.** The ESP shall make information concerning the operation and management of the Academy, including without limitation the information described in Schedule 6 of the Contract, available to the Academy as deemed necessary by the Academy Board in order to enable the Academy to fully satisfy its obligations under Section 11.23(a) of the Contract Terms and Conditions.

IN WITNESS WHEREOF, the undersigned have executed this Agreement

FBR

Date: 6/21, 2018

By: *Alesia Gump*  
(Authorized Signature)

Treasurer  
(Title)

Oakland Academy

Date: June 21, 2018

By: *Therese Seales*  
(Authorized Signature)

Board Vice President  
(Title)



**SCHEDULE 7**

**ACADEMY SPECIFIC INFORMATION & EDUCATIONAL PROGRAM**

**SCHEDULE 7-1**

**EDUCATIONAL GOALS AND PROGRAMS**

**SCHEDULE 7-1**

**EDUCATIONAL GOALS**

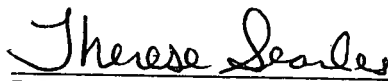
**Academic Achievement**

As measured by the state assessment, the school's percentage of total tested students in all tested grades identified as proficient in all tested subjects or identified as college ready as reported by the Michigan Department of Education will meet or exceed the select peer schools' mean reported percentage of total tested students in all tested grades identified as proficient in all tested subjects or identified as college ready. Select peer schools are the set of school buildings determined annually by GVSU to be the most demographically, socioeconomically, programmatically, and geographically similar to the school.

**Academic Growth**

As measured by the state assessment, the school's mean student growth percentile rank in English language arts and math will meet or exceed the select peer schools' mean student growth percentile rank. Select peer schools are the set of school buildings determined annually by GVSU to be the most demographically, socioeconomically, programmatically, and geographically similar to the school.

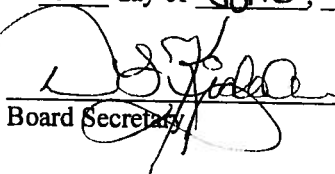
Date: 6-21-18



Board President/Vice President Signature

**Secretary's Certification:**

I certify that the foregoing resolution was duly adopted by the Oakland Academy Board of Directors at a properly noticed open meeting held on the 21 day of June, 2018, at which a quorum was present.

  
Board Secretary

**SCHEDULE 7-2**

**CURRICULUM**

The Academy will comply with the requirements of MCL 380.552(20). The Academy will submit a report to the MDE, in a form or manner prescribed by the MDE, that reports the number of pupils enrolled in an online or distance learning program during the immediately preceding month.

Please see separate folder on Contract CD for full Curriculum

**SCHEDULE 7-3**

**STAFF RESPONSIBILITIES**

Except as otherwise provided by law, the Academy shall use certificated teachers according to state board rule. The Academy may use noncertified individuals to teach as follows:

(a) A classroom teacher in any grade a faculty member who is employed full-time by the state public university and who has been granted institutional tenure, or has been designated as being on tenure track, by the state public university, and

(b) In any other situation in which a school district is permitted under this act to use noncertificated teachers.

All administrators or other person whose primary responsibility is administering instructional programs or as a chief business official shall meet the certification and continuing education requirements as described in MCL 380.1246.



Administrator and Teacher Evaluation Systems. The Academy Board shall adopt and implement for all teachers and school administrators a rigorous, transparent, and fair performance evaluation system that complies with sections 1249 and 1250 of the Code. If the Academy enters into an agreement with an Educational Service Provider, then the Academy Board shall ensure that the Educational Service Provider adopts a performance evaluation system that complies with this section.

Performance Evaluation System Commencing with the 2013-2014 School Year. If the Academy Board adopts and implements for all teachers and school administrators a performance evaluation system that complies with section 1249(7) of the Code, then the Academy Board is not required to implement a performance evaluation system that complies with section 1249(2) and (3). If the Academy enters into an agreement with an Educational Service Provider, then the Academy Board shall ensure that the Educational Service Provider adopts a performance evaluation system that complies with this section.

Parent Notification of Ineffective Teacher Ratings. Beginning with the 2015-2016 school year and continuing on during the term of this Contract, if a pupil is assigned to be taught by a teacher who has been rated as ineffective on his or her 2 most recent annual year-end evaluations under section 1249, the Academy Board shall notify the pupil's parent or legal guardian that the pupil has been assigned to a teacher who has been rated as ineffective on the teacher's 2 most recent annual year-end evaluations. The notification shall be in writing and shall be delivered to the pupil's parent or legal guardian by U.S. mail not later than July 15<sup>th</sup> immediately preceding the beginning of the school year for which the pupil is assigned to the teacher, and shall identify the teacher who is the subject of the notification.

Teacher and Administrator Job Performance Criteria. The Academy Board shall implement and maintain a method of compensation for its teachers and school administrators that includes job performance and job accomplishments as a significant factor in determining compensation and additional compensation earned and paid in accordance with Applicable Law. The assessment of job performance shall incorporate a rigorous, transparent, and fair evaluation system that evaluates a teacher's or school administrator's performance at least in part based upon data on student growth as measured by assessments and other objective criteria. If the Academy enters into an agreement with an Educational Service Provider, then the Academy Board shall ensure that the Educational Service Provider complies with this section.

## **JOB DESCRIPTION**

### **DIRECTOR OF SCHOOLS**

#### **QUALIFICATIONS:**

Master's Degree  
School Administrator Certificate  
Demonstrate success as an educator and administrator  
Demonstrate success working with families and community

**REPORTS TO:** FBR management

**SUPERVISES:** All elementary school personnel

**WORK STATION:** Office at FBR Augusta  
Regular presence charter academies

**WORK SCHEDULE:** 5 days per week – school year and as assigned

**PRIMARY ROLES:** The Director of Schools is a member of the Foundation executive team with delegated responsibilities at the charter schools. The director provides leadership in representing the Foundation and its schools as premier educational establishments to the student body, parents, school boards, community and education organizations through effective communication of goals and objectives.

#### **GENERAL RESPONSIBILITIES:**

1. Supervise operation of all charter elementary schools managed by FBR
2. Provide training and mentoring of school principals
3. With FBR management, design school budgets to utilize resources prudently
4. Maintain budgetary vigilance throughout school fiscal year
5. Provide guidance and assure compliance with all FBR educational program guidelines
6. Maintain frequent and professional communication with authorizer and charter school associations
7. Assure compliance with all authorizer, state and federal requirements
8. Maintain active and supportive school boards
9. Collaborate routinely and effectively with school founder
10. Identify and recommend changes in policies/procedures
11. Enthusiastically participate in development and implementation of FBR's Educational system design

12. Monitor and maintain outstanding performance of teachers and students
13. With FBR management set up and implement systems to reward staff for Performance
14. Maintain no other affiliations which may conflict with these responsibilities
15. Pursue opportunities for expansion of educational system and its components
16. Perform other duties as deemed appropriate by the FBR management

**TERMS OF EMPLOYMENT:**

Twelve month position. One year contract. Non-tenure

**EVALUATION:**

An annual performance review and evaluation will be conducted prior to the end of each school year.

## **JOB DESCRIPTION**

### **ELEMENTARY PRINCIPAL**

#### **QUALIFICATIONS:**

Master's Degree  
School Administrator Certificate  
Demonstrated success as an educator and administrator  
Demonstrated success working with families and community

#### **REPORTS TO:**

Director of Schools, Management Company

#### **SUPERVISES:**

All Elementary School Personnel

#### **WORK STATION:**

Assigned school

#### **WORK SCHEDULE:**

Hours: 7:30a.m.-4:00p.m. days per week. Begin work three weeks prior to the first day of school and continue working two weeks after the last day of school as determined by the Board approved school calendar; additional time as needed and assigned.

#### **PRIMARY ROLES:**

The Principal is a member of the Foundation executive team with the delegated responsibilities at a particular school site. With the advice and consent of the Foundation Executive through the Director of Schools, the Principal acts as a team leader to work effectively with school staff, students, families and community to create a positive learning environment. The Principal provides leadership in representing the Foundation and its Academy as a premier educational establishment to the student body, parents, the School Board and community through effective communication of goals and objectives.

#### **GENERAL RESPONSIBILITIES FOR THE POSITION OF PRINCIPAL:**

1. Administer and supervise all aspects of school personnel and program
2. Facilitate and maintain a cohesive team of professional educators dedicated to the success of the Academy student body
3. Administer a school code of conduct
4. Utilize Foundation administrative procedures consistent with local and State policies and Federal rules and regulations
5. Install and supervise Foundation programs of instruction that reflect a demonstrable relationship to State of Michigan Standards and the Academy's educational goals and objectives
6. Monitor student progress and performance through the use of Foundation Learning Management System program data and technology
7. Utilize Foundation Learning Management System data-bases for reports to parents, the Director of Schools and the School Board
8. Facilitate parent and community involvement with the school

9. Assure equity and non-discriminatory practices in all educational and school-related activities
10. Set high standards and expectations for students, staff, parents and self in the conduct of the educational process
11. Regularly assess teaching methods and strategies
12. Evaluate teacher effectiveness using job description and objective-based data
13. Utilize monetary, personnel and physical resources prudently
14. Maintain a safe and orderly environment
15. Communicate frequently and effectively with parents
16. Collaborate routinely and effectively with Director of Schools on all aspects of school operation
17. Develop and follow plans for effective problem-solving
18. Collaborate on the development of and use of due-process procedures in dealing with disciplinary and dismissal cases
19. Organize and regularly attend school functions
20. Identify and recommend professional development activities for staff
21. Participate in the recruitment, selection, assignment and organization of staff to maximize the accomplishment of the school's mission
22. Assist in the development of and recommendation of a school budget for each fiscal year
23. Provide reports to Director of Schools and/or Board of Education
24. Perform other duties and special assignments as requested

**TERMS OF EMPLOYMENT:**

Twelve (12) month position. One (1) year contract. Non-tenure

**EVALUATION:**

An annual performance review and evaluation will be conducted by the Director of Schools prior to the end of each school year.

**JOB DESCRIPTION  
ELEMENTARY MANAGING TEACHER**

- QUALIFICATIONS:** Current Elementary Teaching Certificate
- REPORTS TO:** Principal, Director of Schools
- SUPERVISES:** Elementary School Students and Associate Teacher as assigned
- WORK STATION:** Assigned classroom
- WORK SCHEDULE:** Hours: 7:30 am – 4:00 pm 5 days per week. Begin work one week prior to the first day of school and continue working one week after the last day of school as determined by the Board approved calendar ; additional time as needed and assigned
- PRIMARY ROLES:** A Managing Teacher must be a dedicated individual capable of providing high quality instruction according to the specifications and curriculum guidelines set forth by the Academy Board of Directors, Management Company, Director of Schools and the Academy Principal

**RESPONSIBILITIES INCLUDE BUT NOT LIMITED TO:**

1. Utilizing Academy goals and objectives, develop and implement a coherent and high quality program of instruction which reflects a demonstrable relationship to State of Michigan Standards and Benchmarks and the Academy's educational goals and objectives
2. Create a positive learning environment
3. Complete responsibilities detailed in staff handbook
4. Work as a team member with Academy staff to maximize mastery learning by all students
5. Facilitate and actively support cohesion and productivity of team function
6. Obtain and maintain attendance and student progress data
7. Establish and utilize student progress data-base for regular reports to parents and supervisors
8. Establish and maintain an orderly and safe classroom environment
9. Implement school code of conduct
10. Establish and maintain an effective classroom management plan which enables and supports the organization and delivery of effective instruction
11. Participate in curriculum development and implementation
12. Initiate frequent contact with parents and facilitate involvement in school activities

13. Assure equity and non-discriminatory practices in all instructional practices and school-related activities
14. Set high standards and expectations for students, parents and self in the conduct of the educational process
15. Regularly assess the effectiveness of teaching methods and strategies
16. Communicate regularly and effectively with Principal and other Academy staff
17. Develop and follow plans for effective problem-solving
18. Develop and utilize due-process procedures in dealing with disciplinary problems
19. Participate in the organization of and regularly attend school functions
20. Identify and recommend professional development activities for staff
21. Participate in the recruitment new students
22. Utilize budgeted funds and other school resources effectively
23. Provide reports to Principal, the Director of Schools and/or Board of Education as requested
24. Complete professional development responsibilities as required
25. Mentors new teachers as assigned
26. Perform other duties as requested

**TERMS OF EMPLOYMENT:**

Twelve (12) month position. One (1) year contract. Non-tenure

**EVALUATION:**

A performance evaluation will be conducted by the Principal at the end of each semester with an annual summary evaluation prepared prior to the end of each school year.

**JOB DESCRIPTION  
ELEMENTARY ASSOCIATE TEACHER**

- QUALIFICATIONS:** Current Elementary Teaching Certificate
- REPORTS TO:** Managing Teacher, Lead Teacher, Principal and Director of Schools, as assigned
- SUPERVISES:** Elementary School Students as assigned
- WORK STATION:** Assigned classroom
- WORK SCHEDULE:** Hours: 7:30 am – 4:00 pm 5 days per week. Begin work one week prior to the first day of school and continue working one week after the last day of school as determined by the Board approved calendar, additional time as needed and assigned
- PRIMARY ROLES:** A Teacher Associate shall perform those duties commonly discharged by teachers as detailed below. This person shall lead all classroom activities when the teacher is not available and otherwise perform teaching activities as assigned. The person must be a dedicated individual capable of providing high quality instruction according to the specifications and curriculum guidelines set forth by the Academy Board of Directors, Management Company, Director of Schools and the Academy Principal

**RESPONSIBILITIES INCLUDE BUT NOT LIMITED TO:**

1. Utilizing Academy goals and objectives, implement a coherent and high quality program of instruction which reflects a demonstrable relationship to State of Michigan Standards and Benchmarks and the Academy's educational goals and objectives
2. Create and foster a positive learning environment
3. Work as a team member with Academy staff to maximize mastery learning by all students
4. Facilitate and actively support cohesion and productivity of team
5. Obtain and maintain attendance and student progress data
6. Establish and utilize student progress data-base for regular reports to parents and supervisors
7. Establish and maintain an orderly and safe classroom environment
8. Implement school code of conduct
9. Establish and maintain an effective classroom management plan which enables and supports the organization and delivery of effective instruction
10. Participate in curriculum development and implementation
11. Initiate frequent contact with parents and facilitate involvement in school activities



12. Assure equity and non-discriminatory practices in all instructional practices and school-related activities
13. Set high standards and expectations for students, parents and self in the conduct of the educational process
14. Regularly assess the effectiveness of teaching methods and strategies
15. Communicate regularly and effectively with Managing Teacher, Lead Teacher, Principal and other Academy staff
16. Develop and follow plans for effective problem-solving
17. Utilize due-process procedures in dealing with disciplinary problems
18. Participate in the organization of and regularly attend school functions
19. Participate in the recruitment new students
20. Provide reports to Managing Teacher, Lead Teacher, Principal and the Director of Schools as requested
21. Complete professional development responsibilities as required
22. Perform other duties as requested

**TERMS OF EMPLOYMENT:**

Twelve (12) month position. One (1) year contract. Non-tenure

**EVALUATION:**

A performance evaluation will be conducted by the Managing Teacher, Lead Teacher and/or Principal at the end of each semester with an annual summary evaluation prepared prior to the end of each school year.

**JOB DESCRIPTION  
OFFICE COORDINATOR**

**QUALIFICATIONS:** Basic computer use skills and familiarity with common office software such as Microsoft Office and be willing to expand competencies in electronic communications and data processing

**REPORTS TO:** School Principal

**WORK STATION:** School office as assigned

**WORK SCHEDULE:** Hours: 7:30a.m.-4:00p.m.-5 days per week. Additional time as needed and assigned

**PRIMARY ROLES:** The primary responsibilities of the Office Manger are to provide daily support and assistance to the Principal, staff and students of the Academy.

**RESPONSIBILITIES:**

1. Develop and maintain efficient office procedures (Faxes, ordering, copies)
2. Do routine clerical and report preparation
3. Manage lunch program-ordering, accounting, Meal Magic, food applications, etc.
4. Develop and maintain a record-keeping system for Academy records
5. Manage student information systems, attendance, MICR, new enrollments, students, and staff, etc.
6. Communicate professionally and courteously with parents, students and others associated with the academy activity
7. Develop efficient procedures and records for inventory of supplies and materials
8. Develop and maintain a system for ordering supplies, accounting for receipt and storage.
9. Learn and demonstrate ability to carry out emergency procedures at the Academy
10. Participate in building meetings when appropriate
11. Follow established procedures in receiving and delivering communications with parents, community and school officials
12. Other activities as assigned

## **JOB DESCRIPTION**

### **Charter Schools Business Manager**

**QUALIFICATIONS:** Bachelor's Degree

**REPORTS TO:** Foundation for Behavioral Resources Business Manager

**SUPERVISES:** Support Staff

Work station FBR main office, Augusta

Work schedule 7:30 am – 4:00 pm; 5 days/week ; additional time as needed or assigned

**PRIMARY ROLES:** The business manager is an FBR team leader who works effectively with FBR and charter school staff, students, families, PSA board of directors and the community to create a positive environment. The business manager provides guidance for the staff and Board of Directors of each academy relating to fiscal and administrative public school academy procedures.

### **GENERAL RESPONSIBILITIES:**

1. Know all school operation laws, regulations and compliance requirements—MDE, CISD, KRESA, GVSU
2. Responsible to FBR for all information relating to school law, budget and compliance.
3. Communicate regularly and effectively with Academy authorizer on all aspects of school operation.
4. Responsible for Board of Directors business including meetings, reports, audit, compliance and fiscal reporting.
5. Assure that FBR and the Board of Directors are knowledgeable of all state, federal and authorizer policies and regulations regarding school operations.
6. Develop yearly school budget for approval.
7. Monitor all financial activity of school operation and year end audit.
8. Coordinate all fiscal information between Management Company and Academy Board of Directors.
9. Learn and administer human resources activities for FBR including knowledge of personnel laws and compliance requirements, overseeing FMLA requests, worker comp claims, and employee benefit programs.
10. Seek, propose and prepare applications and administer grant funds for schools efforts.
11. Manage and supervise all student information systems, student testing systems and accounting systems

12. Manage marketing, advertising and sales to appropriate customer base
13. Oversee customer satisfaction efforts
14. Manage all school employee time reporting and contract compliance
15. Set high standards and expectations for staff and self in conduct of school business.
16. Maintain accurate and complete records as required.
17. Perform additional tasks as requested by school, management company, or authorizer.

**EVALUATION:**

A performance evaluation will be conducted at the end of each year.

**SCHEDULE 7-4**

**METHODS OF ACCOUNTABILITY AND PUPIL ASSESSMENT**

**SCHEDULE 7-4**

Grand Valley State University shall evaluate the success of the Academy by considering multiple areas of performance. A Comprehensive Performance Review (CPR) system will be established by Grand Valley State University Charter Schools Office and shall include, but not be limited to, the performance of the Academy in the areas of student performance, board governance, organizational performance, compliance reporting, facility conditions, fiscal strength and reporting and other pertinent performance data, as required by federal and state law, the authorizing contract, or desired by the authorizer for review.

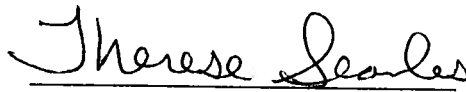
Included in the Comprehensive Performance Review shall be the requirements of Article VI Section 6.5 of the authorizing agreement, which states:

Section 6.5. Methods of Accountability. In addition to those set forth in this Section 6.5, the Academy shall evaluate its pupils' work based on the assessment strategies identified in the Schedules. To the extent applicable, the pupil performance of the Academy shall be assessed using at least the approved state standardized assessment designated under the Code. The Academy shall provide the University Charter Schools Office with copies of reports, assessments and test results concerning the following:

- a) educational outcomes achieved by pupils attending the Academy and other reports reasonably requested by the University Charter Schools Office;
- b) an assessment of the Academy's student performance at the end of each academic school year or at such other times as the University Board may reasonably request;
- c) an annual education report in accordance with the Code;
- d) an annually administered nationally recognized norm-referenced achievement test for the Academy's grade configuration, or a program of testing approved by the University Charter Schools Office Director; and
- e) all tests required under Applicable Law.

The University Board may use such reports, assessments and test results in making its decision to revoke, terminate, or not issue a new contract at the end of the Contract.

Date: 6-21-18

  
Board President/Vice President Signature

Secretary's Certification:

I certify that the foregoing resolution was duly adopted by the Oakland Academy Board of Directors at a properly noticed open meeting held on the 21 day of June, 2018, at which a quorum was present.

  
Board Secretary

**SCHEDULE 7-5**

**ACADEMY'S ADMISSION POLICIES AND CRITERIA**

**OAKLAND ACADEMY  
ADMISSION POLICY AND CRITERIA**

**1. Legal Requirements Relating to Admissions**

- A. The Academy shall not discriminate on the basis of intellectual or athletic abilities.
- B. The Academy shall not discriminate on the basis of “measures of achievement or aptitude.”
- C. The Academy shall not discriminate on the status as a handicapped person or any other basis that would be illegal for an existing school district.
- D. The Academy shall provide for the education of its pupils without discrimination as to religion, creed, race, sex, color or national origin. The Academy shall comply with all state and federal civil rights laws.
- E. The Academy shall not charge tuition (but may charge fees in the same manner as public schools).
- F. The Academy shall not enroll any student who is not a resident of this state, except a foreign exchange student.
- G. The Academy shall comply with all applicable State and Federal laws.

**2. Public Notice and Application/Enrollment Process**

Notice of the enrollment period and application process will be designed to inform the persons most likely to be interested in the school. The time periods offered to those persons interested in enrollment and interview processes will include some evening and weekend times. If the Academy has more applicants than available space, it will select students (from among qualified applicants) using a random selection method. The Academy will give priority admission to siblings of students already enrolled and to students enrolled and admitted in the prior year.

The Academy will accept applications from the first day of school until the last business day in February of each year for the subsequent academic year. Interested parties may obtain applications from the Academy, the Academy website [oneamazingclass.org](http://oneamazingclass.org), or the education service provider, Foundation for Behavioral Resources, at 600 South Lincoln Street, Augusta, MI 49012.

The Academy Board will provide notice of open enrollment by:

- (i) mailing written notice and an application to all families who inquire about Academy enrollment; and
- (ii) posting written notice on the Academy website and at the Academy; and
- (iii) public service announcement on local cable television and/or radio; and/or
- (iv) printing a written notice in the local newspaper.



**3. Student Selection**

The deadline for applications for the succeeding school year shall be the last business day in February of every year. If the number of applicants for a classroom exceeds the number of positions available, the Academy will hold a random selection lottery during or prior to the second week of March. The random selection drawing shall be open to the public, and the Academy will notify all applicants of the time and place. Names will be drawn until all available classroom positions have been filled. Any remaining names will be drawn to establish waiting list priority to be used to fill openings during the school year for which the student applied. After all eligible names have been drawn, the Academy will add the names of applicants received after the last business day in February. All post-deadline applicants will be added in the order in which they are received.

New students may be admitted after the start of the school year if there are classroom openings. If there are no classroom openings in the desired grades, then the applicants' names will be added to the waiting list in the order in which there applications are received.

Approved:

  
Board President

Date:

4/29/14

**SCHEDULE 7-6**

**SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE**

# 2018-2019 Oakland Academy Calendar & Daily Schedule

## First Semester

Tues, September 4 <sup>th</sup> .....	First Day of School
Thurs, November 1 <sup>st</sup> .....	End of 1st Marking Period
Fri, November 2 <sup>nd</sup> .....	No School / Professional Dev. (Staff Report)
Mon – Thurs, November 5 <sup>th</sup> – 8 <sup>th</sup> .....	Parent/Teacher Conferences
Thurs & Fri, November 22 <sup>nd</sup> & 23 <sup>rd</sup> .....	Thanksgiving Break
Fri, December 21 <sup>st</sup> – Friday, Jan 4 <sup>th</sup> .....	Winter Break
Mon, January 7 <sup>th</sup> .....	School Resumes
Fri, January 18 <sup>th</sup> .....	Last Day of First Semester

## Second Semester

Mon, January 21 <sup>st</sup> .....	First Day of Second Semester
Fri, February 22 <sup>nd</sup> .....	No School
Fri, March 22 <sup>nd</sup> .....	End of 3rd Marking Period
Mon – Thurs, March 25 <sup>th</sup> – 28 <sup>th</sup> .....	Parent/Teacher Conferences
Friday, March 29 <sup>th</sup> – Friday, April 5 <sup>th</sup> .....	Spring Break
Mon, May 27 <sup>th</sup> .....	No School – Memorial Day
Thurs, June 13 <sup>th</sup> .....	Last Day of School

## Daily Schedule

School Day..... 8:20 am – 3:30 pm  
Lunch Block ..... 11:30 am – 1:30 pm

*Note: Students who arrive after 9:30 am or leave before 3:00 pm are considered absent. Students who arrive after 8:20 am are tardy.*

**SCHEDULE 7-7**

**AGE/GRADE RANGE OF PUPILS ENROLLED**

Oakland Academy, located at 6325 Oakland Drive, Portage, Michigan offers kindergarten through eighth grades to age-appropriate students. Oakland Academy may add grades with written approval of the Charter Schools Office or the Grand Valley State University Board of Trustees.

**SCHEDULE 7-8**

**ADDRESS AND DESCRIPTION OF PROPOSED PHYSICAL PLANT; LEASE  
OR DEED FOR PROPOSED SITE; OCCUPANCY CERTIFICATE**

Oakland Academy, 6325 Oakland Drive, Portage, Michigan 49024

Oakland Academy's campus has two buildings. Each building is a one story framed building with a stainless steel roof. Each building is equipped with gas, fire and a heating, ventilation and air conditioning system.

FOUNDATION FOR BEHAVIORAL RESOURCES  
AND  
OAKLAND ACADEMY

This lease agreement made and entered by and between the Foundation for Behavioral Resources, 600 South Lincoln Street, Augusta, Michigan 49012, herein after referred to as "landlord", and Oakland Academy, 6325 Oakland Drive, Portage, MI 49024, herein after referred to as "tenant."

NOW, THEREFORE, BE IT AGREED AS FOLLOWS:

1. Description. For and in consideration of the reimbursements and covenants herein contained, landlord does hereby make available buildings located at 6325 Oakland Drive, Portage, MI , including adjacent land, playground and parking. The said buildings, consisting of one building approximately 8,160 square feet and one approximately 9,508 square feet, with the improvements thereon and appurtenances thereto, are hereinafter referred to as the "premises."
2. Term. The term of this Agreement shall commence on July 1, 2018 and terminate on June 30, 2019.
3. Cost Apportionment. The annual cost for space shall be \$263,784.00. Payment shall be made in twelve installments in the amount of \$21,982.00. Payments shall commence on July 1, 2018 and continuing on the 1<sup>st</sup> day of each month thereafter through June 30, 2019.
4. Utilities. Water, gas, electricity and garbage disposal are the responsibility of the tenant.
5. Custodial. Tenant shall maintain the yard in and about the premises in a neat, tidy manner. Tenant shall be responsible for the removal of snow and ice from the sidewalk areas and shall provide janitorial maintenance for the entire building.
6. Use of the Premises. Parties to the agreement shall use the premises for the purpose of operating a public charter school. No other use will occur without the prior written consent of landlord.



Neither party shall permit the premises or any part thereof to be used in any manner, or anything to be done therein, or permit anything to be brought into or maintained in the premises which would in any way:

- A. Violate any law, regulation or requirement of public authorities;
- B. Cause structural injury to the building or any part thereof;
- C. Interfere with the normal operations of the heating, ventilating, plumbing or other mechanical or electrical systems of the building;
- D. Constitute a public or private nuisance;
- E. Alter the appearance of the exterior of the building or any portion of the interior thereof;

7. Maintenance of the Premises. Landlord shall, provided it shall have knowledge of the need thereof, at its own expense, make all necessary structural repairs and maintain in good condition and make all repairs to the walls of the leased premises, the electrical wiring, plumbing, and heating facilities serving the premises, and any other repairs necessary to correct any latent defects. In the event any such repairs are necessitated by the acts, omissions, and/or negligence of the tenant, then, in such event, landlord shall make repair but tenant shall be financially responsible for such repairs and maintenance. All damage to the premises and/or building caused by tenant (normal wear and tear expected) shall be repaired, restored, or replaced promptly by tenant to the reasonable satisfaction of landlord at sole cost and expense of tenant. All such repairs and any restorations or replacements required in connection therewith shall be of a quality and class at least equal to the original work or installations and shall be done in a good and workmanlike manner.

8. Insurance. Tenant shall provide fire, wind, and extended coverage insurance on the building in an amount acceptable to the landlord.

The tenant at its own cost and expense, shall maintain valid and enforceable insurance protecting and indemnifying landlord against any and all claims for injury or damage to persons or property or for the loss of life, or of property occurring upon, in, or about the leased premises. Such insurance shall have minimum limits during the term of this Agreement of not less than 1 million in respect of bodily injury or death of any one

person in respect of any one occurrence or accident and 2 million aggregate. Tenant shall maintain not less than \$1,500,000 insurance for property damage. Landlord shall be named as an additional insured on all policies, and Tenant shall provide an insurance certificate indicative thereof.

Tenant shall be responsible for maintaining such insurance upon its personal property as it shall deem necessary.

9. Waiver of Subrogation In Insured Loss. Each party agrees to include in its insurance policies a waiver of the insurer's right of subrogation against the other party. Each party hereby releases the other party with respect to any claim (including any claim for negligence) which it might otherwise have against the other party for loss, damages, or destruction, with respect to its property by fire or other casualty (including rental value or business interest as the case may be) occurring during the term of this Agreement to the extent loss is covered by an insurance policy maintained by the parties suffering the loss.

10. Improvements. It is agreed by the parties hereto that no modifications or alterations are to be made by tenant nor equipment installed without the express written consent for landlord. All such addition, modifications or alterations consented to by landlord are to be made only at the expense of tenant. Tenant shall save landlord harmless from all liens and encumbrances on the leased premises as a result of improvement installed by tenant.

Upon termination of this Agreement, said modifications or alterations may be removed and the premises in the area of the removal restored to a condition comparable with the area surrounding the removal area.

Any and all such additions, alterations and modifications shall be made in accordance with all laws, ordinances, or regulations applicable to the school premises.

11. Damage to or Destruction of the Premises. In the event the premises shall be destroyed by fire, casualty, or other cause during the term hereof, this Agreement shall terminate and all reimbursements herein provided shall be prorated to the date of destruction. In the event of partial destruction, landlord shall have the option of restoring the premises or terminating this Agreement. In the event of partial destruction, all

reimbursements herein provided shall be prorated for the portion rendered untenable until the same shall have been restored to a tenable condition.

12. Assignment and Subletting. Tenant shall not, by operation of law or otherwise, assign, mortgage, or encumber this Agreement or sublet or permit the premises or any part thereof to be used by others, without landlord's prior written consent in each instance.

13. Access to Premises. Landlord shall have access to enter upon the premises at all reasonable hours for the purpose of inspecting, repairing, and, maintaining.

14. Default. In the event of the default of tenant in the reimbursements specified or any other payment to be made pursuant to this Agreement, or in the performance or observance of any of the conditions, agreements, or covenants of this Agreement, landlord may, at its option, after giving seven (7) days prior written notice thereof in the case of the default in payment of any money or after giving fourteen (14) days written notice thereof in the case of any other default, and in the further event that such default is not corrected within the relevant seven (7) or fourteen (14) day period, terminate this Agreement and re-enter the said premises and remove all persons therefrom pursuant to the statute in such case made and provided.

15. Quiet Enjoyment. Landlord warrants that tenant, upon paying the said reimbursements and performing the covenants herein contained, shall peacefully and quietly have, hold, and enjoy said premises during the term of this Agreement.

16. Notices. Any notices to be served pursuant to this Agreement shall be deemed satisfactorily served if mailed by ordinary mail with first-class postage pre-paid to the address of the party as herein set forth. Service of the notice shall be deemed made on the date following the mailing.

17. Continuity of Agreement. This Agreement shall be deemed binding upon the respective heirs, personal representative, successors and assigns of the parties hereto. It is further agreed that this Agreement supersedes and replaces all prior agreement, verbal or written, between the parties hereto and pertaining to the leased premises.

18. Waiver. The failure of either party to seek redress for violation of, or to insist upon the strict performance of, any covenant or condition of this Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having all the force and effect of an original violation. The receipt by landlord of payments by tenant with knowledge of the breach of any covenant of this Agreement shall not be deemed a waiver of such breach. No provision in this Agreement shall be deemed to have been waived by either party, unless such waiver is in writing signed by such party. No payment by tenant or receipt by landlord of a lesser amount than the monthly reimbursement herein stipulated shall be deemed to be other than on account of the earliest stipulated reimbursement, nor shall any endorsement or statement on any check or any letter accompanying and check or payment be deemed an accord and satisfaction, and landlord may accept such check or payment without prejudice to landlord's right to recover the balance of such reimbursement or pursue any other remedy provided in this Agreement.

19. Severability. If any term or provision of this Agreement shall, to any extent, be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and the balance of the terms and provisions of the Agreement shall be valid and enforceable to the fullest extent either hereunder or as permitted by law.

20. Surrender of Premises. Upon the expiration or the termination of this Agreement for any reason, tenant shall surrender the premises to landlord in like condition as when it took possession thereof, excepting ordinary wear and tear and damage by the elements, within seven (7) days of such expiration or termination. Any personal property not removed from the premises on or before seven (7) days after termination of the Agreement shall be deemed abandoned and landlord may remove said property from the premises without any obligation to reimburse tenant or any other owner thereof for its value.

24. State of Interpretation. This Agreement shall be interpreted under the laws of the State of Michigan.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed the day and year first above set forth.

Executed in the Presence of:

Theresa Brown  
Admin Asst

FOUNDATION FOR BEHAVIORAL  
RESOURCES

By: Aelis Gump  
Its: Treasurer

Executed in the Presence of:

Theresa Brown  
Admin Asst

OAKLAND ACADEMY

By: Theresa Seales  
Its: Vice President

fbragreement

# CERTIFICATE OF USE AND OCCUPANCY

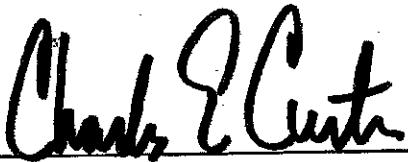
## PERMANENT

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

Building Permit No. B024499  
Oakland Academy  
6325 Oakland Drive  
Portage, Michigan  
Kalamazoo County

The above named building of Use Group E and Construction Type 5A is approved for use and occupancy.

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



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

August 15, 2007