
Type 1 Charter Contract entered into by:

**IDEA Public Schools Louisiana, Inc.
and the East Baton Rouge Parish School Board**

Effective July 1, 2018

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CHARTER SCHOOL CONTRACT
FOR TYPE 1 CHARTER SCHOOLS

THIS AGREEMENT is a Charter School Contract, authorized pursuant to Louisiana Revised Statutes, Title 17, Chapter 42, and executed by and between the East Baton Rouge Parish School Board ("BOARD") and IDEA Public Schools Louisiana, Inc., Inc. ("Charter Operator") effective this, the 1st day of July, 2018.

RECITALS

WHEREAS, the "Charter School Demonstration Programs Law," La. R.S. 17:3971, *et seq.*, authorizes experimentation in the creation of innovative kinds of independent public schools for students; and

WHEREAS, the Louisiana legislature has stated its intention that the best interests of at-risk students shall be the overriding consideration in implementing the provisions of the "Charter School Demonstration Programs Law;" and

WHEREAS, the purposes of the "Charter School Demonstration Programs Law" are to provide opportunities for educators and others interested in educating students to form, operate, or be employed within a charter school designed to accomplish the following objectives, namely: (1) to improve student learning and, in general, the public school system; (2) to increase learning opportunities and access to quality education for students; (3) to encourage the use of different and innovative teaching methods and a variety of governance, management, and administrative structures; (4) to require appropriate assessment and measurement of academic learning results; (5) to account better and more thoroughly for educational results; and (6) to create new professional opportunities for teachers and other school employees, including the opportunity to be responsible for learning programs at the school site; and

WHEREAS, the BOARD finds that the Charter School's application is valid, complete, financially well-structured, educationally sound, and offers potential for fulfilling the purposes of the Charter School Demonstration Programs Law; and

WHEREAS, the BOARD is authorized, pursuant to La. R.S. 17:3971, *et seq.*, to execute Charter Contracts authorizing the operation of charter schools; and

WHEREAS, the BOARD approved the Application of IDEA Public Schools Louisiana, Inc., Inc. to be a Type 1 charter school, subject to completion of prescribed pre-opening activities and execution of a Charter Contract.

NOW, THEREFORE, the parties hereto, intending to be legally bound by the terms and conditions set forth herein, enter into the following Agreement:

AGREEMENT
SECTION 1: ESTABLISHMENT OF
SCHOOL

1.1 Parties

- 1.1.1 This Charter Contract is entered into between IDEA Public Schools Louisiana, Inc., Inc., and its Board of Directors (“Charter Operator”) and the East Baton Rouge Parish School Board (“BOARD”) for the purpose of operating IDEA Baton Rouge Academy and College Prep (collectively, the “Charter School”). This contract will be referred to herein as an “Agreement” or a “Charter Contract,” and such terms may be used interchangeably.
- 1.1.2 The person authorized to sign on behalf of the BOARD is the President of the BOARD.
- 1.1.3 The BOARD shall have jurisdiction over the Charter School pursuant to La. R.S. section 17:3983(A)(4)(a).
- 1.1.4 The person authorized to sign this Agreement on behalf of the Charter Operator is Katia Bowman (“Charter Representative”), who must be an Officer of the Charter Operator’s Board of Directors. The Charter Representative affirms as a condition of this Agreement that the Charter Operator’s Board of Directors has authorized him or her to execute agreements, including this Charter Contract, on behalf of the Charter Operator.
- 1.1.5 The Charter Operator affirms, as a condition of this Charter Contract, that the nonprofit corporation is duly authorized according to the laws of the State of Louisiana, and certifies that all contracts obligating the charter school have been or will be made and undertaken by the Charter Operator as a nonprofit corporation. Failure to act strictly as a nonprofit corporation shall be grounds for rescission of its charter.
- 1.1.6 The Charter Operator affirms, as a condition of this Charter Contract, that the non-profit corporation has a Board of Directors, whose members receive no compensation other than reimbursement of actual expenses incurred while fulfilling duties as a member of such a board.
- 1.1.7 The Charter Operator affirms, as a condition of this Charter Contract, that no more than one person from the same immediate family, as defined in La. R.S. 42:1102(13), serves as a member of the Charter Operator’s Board of Directors.

1.2 Location

- 1.2.1 The Charter Operator shall provide educational services, including the delivery of instruction, at location(s) to be mutually agreed upon and located within the geographical boundaries of the BOARD. The BOARD shall not unreasonably withhold, condition, or delay approval of a location. Said schools and their locations shall be identified in **Exhibit A**.

1.3 Facility

- 1.3.1 The Charter Operator shall maintain either ownership of, a lease for, or other suitable agreement covering the use of all facilities, and shall ensure that the facilities comply with all state and local health and safety standards and other applicable laws, regulations, and rules.
- 1.3.2 The Charter Operator shall provide a copy of the lease, purchase agreement and/or facility agreement upon request by the BOARD.
- 1.3.3 In the event that an adequate facility agreement and/or necessary certificates and permissions are not obtained by the Charter Operator prior to August 31, 2018, and the Charter Operator cannot cure such deficiencies within sixty (60) days or if the nature of such deficiency is such that it cannot be reasonably cured within sixty (60) days or in the event that such facility agreement and/or certificates and permissions are terminated, revoked, suspended, or expire at any subsequent point thereafter, the Charter Operator may not provide instruction at the facility. In such event, the BOARD reserves the right to enforce its revocation rights set forth herein.
- 1.3.4 The Charter Operator shall comply with all applicable local, state, and federal laws and codes regarding school facility maintenance and upkeep.

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SECTION 2: OPERATION OF SCHOOL

2.1 Purpose

- 2.1.1 The Charter Operator shall provide educational services according to the educational standards established by law and this Agreement; measure student progress toward stated goals; and participate in student assessments required by law, regulation, and BOARD policy. The Charter Operator shall manage the charter school in a financially prudent manner and provide the BOARD with timely and accurate reporting.

2.2 Governance

- 2.2.1 The Charter Operator and its Board of Directors are responsible for complying with and carrying out the provisions of this Agreement, including compliance with applicable laws and regulations and all reporting requirements. This provision shall not be construed to give rise to personal liability of individual board members in instances where the law would not impose such personal liability.
- 2.2.2 The Board of Directors of the Charter Operator will act in accordance with its duly adopted by-laws. The Board of Directors of the Charter Operator shall meet the member composition requirements in Bulletin 126.
- 2.2.3 Each member of the Charter Operator's Board of Directors shall complete and submit to the BOARD a Disclosure of Financial Interest and Conflict of Interest Form ("Financial Disclosure") and an Affirmation of Eligibility to Serve ("Board Affirmation"). These documents shall be submitted by each new Charter Operator board member within thirty (30) days of appointment. The Financial Disclosure shall be submitted to the Louisiana Board of Ethics by each board member on or before May 15 of each year after initial submission following appointment.
- 2.2.4 The Charter Operator's by-laws (and any amendments thereto) shall be consistent with the Louisiana Code of Governmental Ethics, including, but not limited to, the adoption of and adherence to a formal conflict of interest policy that is consistent with applicable law.
- 2.2.5 Meetings of the members and directors of the Charter Operator and any committee or subcommittee thereof shall be conducted in accordance with the Louisiana Open Meetings Law, La. R.S. 42:4.1, *et seq.*
- 2.2.6 The Charter Operator and its Board of Directors are responsible for the sound fiscal management of the Charter School. This provision shall not be construed to give rise to personal liability of individual board members in instances where the law would not impose such personal liability.
- 2.2.7 The Charter Operator shall be the final authority in matters affecting the Charter School, including, but not limited to, staffing, financial accountability, and curriculum, except as otherwise provided in this contract and as provided by applicable law and by policies promulgated by the BOARD.

The Charter Operator has entered into a contract with a "management organization,"

as defined in BESE Bulletin 126, to manage the Charter School. A copy of the proposed management organization contract with IDEA Public Schools, a Texas non-profit corporation, has been approved by the BOARD in accordance with the standards set forth in BESE Bulletin 126. The Charter Operator also agrees to submit any other information requested by the BOARD regarding the contractual relationship with the management organization, including, but not limited to, a description of the management organization, with identification of its principals and their backgrounds. The Charter Operator shall not enter into an additional contract with a management organization without the BOARD's approval.

- 2.2.8 The Management Company, IDEA Public Schools, agrees in the Management Services Agreement to perform certain duties and responsibilities under this Agreement as further set forth therein and in a manner consistent with the Charter Operator's obligations set forth in the Agreement.

2.3 Grade Range; Number of Students

- 2.3.1 The Charter Operator shall provide instruction to students in such grades and numbers in each year of operation under the Agreement as described in the Charter School's Enrollment Projection Table incorporated into this Agreement as **Exhibit C**. The Charter School may enroll up to, but no more than, 120% of the total number of students which have been approved (as specified in Exhibit C) without seeking such approval, in accordance with Louisiana Revised Statute 17:3991(C)(1)(c)(4). Additional school openings and enrollment of students beyond those provided for in **Exhibit C**, and as otherwise allowed by this section, shall be mutually agreed upon and determined by certain performance factors as outlined in **Exhibit F**.
- 2.3.2 The Charter Operator may make reasonable modifications within the grade levels approved as set forth in the Charter School's Enrollment Projection Table as to the number of students in any particular grade, and number of students within a class to accommodate staffing exigencies and attrition patterns, but may not without written permission eliminate a grade that the Charter School was scheduled to serve or add a grade that the Charter School was not scheduled to serve.

2.4 Student Recruitment and Enrollment

- 2.4.1 The School Enrollment Policies and Procedures attached as **Exhibit D** must be used as guidance in the creation and modification of the School Recruitment and Enrollment Plan. Enrollment in the school shall be conducted pursuant to the School Recruitment and Enrollment Plan, which was developed by the Charter Operator and which must be in compliance with the School Enrollment Policies and Procedures and applicable state law. In all cases, student recruitment and enrollment decisions shall be made in a nondiscriminatory manner and without regard to race, color, creed, national origin, sex, marital status, religion, ancestry, disability, or need for special education services.
- 2.4.2 The Charter Operator shall enroll the required amount of at-risk students in accordance with La. R.S. 17:3991(B). The Charter Operator shall exercise reasonable efforts to recruit and enroll the percentage of at-risk students as described in the

Charter School's Required At-Risk Percentage Table incorporated into this Agreement as **Exhibit E**.

2.5 Attendance

- 2.5.1 Attendance of students at the Charter School shall be in compliance with Louisiana's applicable Compulsory Attendance Laws.

2.6 Student Handbook

The Charter Operator shall implement a Student Handbook, approved by the Charter Operator, and shall disseminate the Student Handbook to students and parents each school year. The Charter Operator's Student Handbook shall include, but not be limited to the Charter School's Student Code of Conduct, Complaint Policy, and Discipline Management Plan, each of which must be in compliance with applicable federal and state laws, and BESE policy. The Charter School's Student Handbook shall be submitted to the BOARD in accordance with timelines and procedures mutually agreed upon. The Charter School may be evaluated, as outlined in Bulletin 126, based on compliance with the provisions of the Charter School's Student Handbook, to the extent that such provisions do not violate federal or state law or BOARD policy.

2.7 Student Code of Conduct and Discipline Management Plan

- 2.7.1 The Charter Operator shall maintain and implement written rules and procedures for student discipline, including clear guidelines for suspension and expulsion. Such rules and procedures must be consistent with all applicable state and federal law. Those provisions regarding suspension and expulsion must meet all requirements for due process, provision of alternative instruction, and federal laws and regulations governing the placement of students with disabilities.
- 2.7.2 The Charter Operator shall provide and/or pay for alternative education services for any student expelled from its school for disciplinary offenses in accordance with applicable state law.

2.8 Complaint Policy

- 2.8.1 The Charter Operator shall implement and maintain a complaint policy to receive and handle complaints brought against the Charter School and/or the Charter Operator. The Complaint Policy shall be included in the Charter School's Student Handbook. The complaints process implemented by the Charter Operator shall be consistent with applicable law and due process. A copy of the Charter Operator's complaint policy shall be distributed to the parents and/or guardians of students enrolled in the School, and made readily available to all others requesting a copy.

2.9 Pupil Progression Plan

- 2.9.1 The Charter Operator shall implement and adhere to a Pupil Progression Plan ("Pupil Progression Plan") developed in accordance with state laws and BOARD policy. The Charter Operator may adopt the Pupil Progression Plan of the BOARD or it may adopt a School-Specific Pupil Progression Plan, which must be in compliance with

applicable law and state regulation. The Charter Operator shall annually submit its Pupil Progression Plan to the Superintendent's designee.

- 2.9.2 The school's Pupil Progression Plan will include provisions to ensure that the needs of at-risk students are being met, consistent with applicable law and BESE policy.

2.10 Student Welfare and Safety

- 2.10.1 The Charter School shall comply with all applicable federal and state laws concerning student welfare, safety, and health, including, but not limited to, state laws regarding the reporting of child abuse, accident prevention and disaster response, fire safety, and any state regulations governing the operation of school facilities.

2.11 Nonsectarian Status

- 2.11.1 The Charter School shall be nonsectarian in its programs, admission policies, employment practices, and all other operations

2.12 Evaluation

The Charter Operator's performance shall be evaluated in conformity with the standards set forth in BESE Bulletin 126. For purposes of contract extension, renewal, and revocation decisions, and other evaluations of the Charter School's performance, the BOARD will rely primarily on the performance standards set forth in BESE Bulletin 126. The Charter Operator acknowledges that the performance standards set forth in BESE Bulletin 126 are subject to change throughout the term of the Agreement, and agrees to be evaluated by standards in BESE Bulletin 126 at the time of the evaluation.

2.13 Curriculum

- 2.13.1 Subject to the conditions of this Agreement, the Charter Operator shall have the authority and responsibility for refining the design and implementation of its educational program, subject to the conditions of this Agreement, in a manner that is consistent with state law, including but not limited to requirements regarding content standards.

2.14 Student Records

- 2.14.1 The Charter Operator shall comply with any and all record-keeping requirements of BESE and state law and regulation and shall provide, upon request by the BOARD, any reports or student records, including, but not limited to, immunization records, class schedules, records of academic performance, disciplinary actions, attendance, standardized test results, and documentation required under federal and state law regarding the education of students with disabilities.
- 2.14.2 The Charter Operator shall comply with the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C.A §1232g, and La. R.S. 17.3914.
- 2.14.3 If this Charter Contract is terminated, revoked, or surrendered, or the Charter School otherwise ceases to operate, all student records shall be immediately secured and transferred to the BOARD unless prior arrangements have been made between the

Charter Operator and the BOARD. The Charter Operator shall supply in a timely manner all reports, test results, and other information that are required under this Agreement, state law, and BESE policy and regulations in accordance with timelines and processes mutually agreed upon.

2.14.4 The Charter Operator shall provide for the transfer of the education records, including special education records, of any student who was enrolled at the school upon the written request of any authorized person on behalf of an educational facility within or outside of the state of Louisiana, where the student has become enrolled or is seeking enrollment.

2.14.4.1 The transfer of such records, whether by mail or otherwise, shall occur not later than ten (10) business days from the date of receipt of the written request.

2.14.4.2 If a student has been expelled, the transferred records shall include the dates of the expulsion and the reasons for which the student was expelled.

2.14.5 The Charter Operator shall maintain records of all students transferring into the charter school and withdrawing from the Charter School as required by BESE Bulletin 126.

2.15 Reporting

2.15.1 The Charter Operator shall supply in a timely manner all reports, data, test results and other information required under this Agreement, state and federal law or BESE policy and regulations, or requested by the BOARD, in accordance with timelines and processes established by the BOARD.

2.15.2 The Charter Operator agrees to submit all reports and other information in the manner prescribed by the BOARD, which may include the use of a document-storage and management system and an oversight and compliance management system.

2.16 Assessment of Student Performance and Procedures for Corrective Action

2.16.1 The Charter Operator shall implement the plan for assessment of student performance, administration of state-wide assessments, and procedures for corrective action as required by state law, BESE policy, and BOARD. The Charter Operator shall perform all student testing required by state and federal law and BESE policy and regulations.

2.17 Education of Students with Exceptionalities

2.17.1 The Charter Operator will comply with the applicable requirements of federal and state law and BESE policy concerning the education of children with exceptionalities, including the requirements of the Individuals with Disabilities Act ("IDEA"), 20 U.S.C. §1401, *et seq.*, and related provisions of the School Enrollment Policies and Procedures (**Exhibit D**). Pursuant to La. R.S. 17:3995, the Charter School shall be considered an approved public school of the BOARD, and the BOARD shall serve as the local educational agency ("LEA") for purposes of the IDEA, and the BOARD is responsible for ensuring that all federal and state guidelines regarding special education, including (but not limited to) IDEA, are met. The Charter Operator shall

assist the BOARD in meeting such guidelines for students enrolled in the Charter School.

2.18 Volunteer Requirements

2.18.1 Any requirement that parents commit a number of volunteer hours shall be subject to a waiver process that considers individual family circumstances. The Charter Operator shall not condition the enrollment of any student on the commitment of the student's parents to provide any number of volunteer hours or on otherwise donating volunteer hours to the Charter School.

2.19 Parental Involvement Plan

2.19.1 The Charter Operator shall implement a plan to encourage and increase parental involvement.

2.20 Oversight Authority

2.20.1 The BOARD shall have oversight over the Charter School pursuant to this Contract, and to La. R.S. 17:3982. Such oversight authority shall include the right of the BOARD to require the Charter Operator to undertake and complete corrective action in the event that there is a reasonable basis to believe that the Charter Operator may have violated any federal or state laws, BESE policy, BOARD policy or any of the terms or conditions of this Charter Agreement.

All records established and maintained in accordance with the provisions of this Agreement, BESE policies and/or regulations, and federal and state law shall be opened to inspection by the BOARD to the extent allowable by law.

2.21 Site Visits

2.21.1 The Charter Operator shall allow representatives from the BOARD, the Louisiana Legislative Auditor, law enforcement officials, contracted evaluators, or any other federal, state or local regulatory agency to visit the school site at any time to inspect operations and performance and to ensure compliance with all applicable laws and regulations, the terms of this Agreement, and the terms of state and federal grants. During such site visits, to the extent allowable by law, the Charter Operator shall allow the visiting officials full and immediate access to its financial and educational records, reports, files, and documents of any kind.

2.22 Production of Documents

2.22.1 Representatives of the Charter Operator or the administrator of the Charter School shall produce all documentation and information requested by BOARD, the Louisiana Legislative Auditor, law enforcement officials, contracted evaluators, or any other federal, state, or local regulatory agency within three (3) business days of a request, if not prohibited by FERPA or La.R.S. 17:3914. The production of documents requested pursuant to this provision shall be distinguished from requests for documents made during site visits.

2.23 Attendance Required of Charter Operator and/or its Employees

2.23.1 Members and employees of the Charter Operator shall attend all training sessions required by the BOARD.

2.23.2 The Charter Operator, or a representative of the Charter Operator, shall attend all meetings in which the BOARD requests its presence. These meetings shall include, but are not limited to, meetings with the BOARD.

2.24 Health Services and Protections

2.24.1 The Charter Operator shall provide appropriate health services and safety protections to the extent required by applicable federal and state law, BESE policy and BOARD policy.

2.25 Transportation Services and Food Services

2.25.1 The Charter Operator shall contract with EBRPRS, a third party or otherwise provide transportation to all students enrolled and residing within the geographic boundaries of the local school district and more than one mile from the Charter School. The Charter Operator shall also provide transportation services to any student requiring transportation as part of his or her Individualized Education Program (IEP). The Charter Operator shall submit a school transportation plan to the BOARD to ensure compliance according to timelines established by the BOARD. The plan may include alternative options for transportation, including but not limited to buses, vans, carpools or public transportation as permitted by law and BESE policy.

2.25.2 To the extent required by federal and state law, the Charter Operator shall provide food services to students, taking into consideration the nutritional needs of the students.

2.26 Non-Discrimination

2.26.1 The Charter Operator agrees to abide by the requirements of the following as applicable:

Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972; Federal Executive Order 11246; the Federal Rehabilitation Act of 1973, as amended; the Vietnam Era Veteran's Readjustment Assistance Act of 1974; Title IX of the Education Amendments of 1972; the Age Act of 1975; and the Americans with Disabilities Act of 1990.

2.26.2 The Charter Operator agrees not to discriminate in its employment practices and will render services under this contract without regard to race, color, religion, sex, national origin, veteran status, political affiliation, or disabilities.

2.26.3 Any intentional act of discrimination, as found by a court of law with jurisdiction, in violation of state or federal law committed or sanctioned by the Charter Operator's Board of Directors and failure by the Charter Operator to take prompt corrective action when put on notice of a finding of discrimination, shall be grounds for revocation of this contract.

2.27 Notification Requirements

- 2.27.1 The Charter Operator shall notify the BOARD in a timely manner of any material conditions that may cause the school to vary from the terms of its approved charter or from state law, federal law, BESE policy or BOARD policy.
- 2.27.2 The Charter Operator shall notify the BOARD in a timely manner of any circumstances requiring the temporary or permanent closure of the Charter School, including, but not limited to, a natural disaster, such as a hurricane, tornado, storm, flood or other weather related event, other extraordinary emergency, or destruction of or damage to the school facility.
- 2.27.3 The Charter Operator shall notify the BOARD in a timely manner of the arrest of any members of the Charter's Board of Directors, employees, contractors, subcontractors, or any person directly or indirectly employed by the Charter Operator for a crime listed in La. R.S. 15:587.1(C) or any crime related to the misappropriation of funds or theft.
- 2.27.4 The Charter Operator shall notify the BOARD of its default on any obligation, which shall include uncontested debts for which payments are past due by ninety (90) days or more.
- 2.27.5 The Charter Operator shall remain in good standing with the Office of the Louisiana Secretary of State and shall immediately notify the BOARD of any change in its standing.
- 2.27.6 The Charter Operator shall notify the BOARD if its enrollment decreases by ten percent or more compared to the most recent student count submitted to the BOARD.
- 2.27.7 If the Charter Operator has contracted with a management organization and such contract is terminated or not renewed, the Charter Operator shall provide written notification to the BOARD within two (2) business days of the termination of the relationship.
- 2.27.8 Failure to notify the BOARD about loss of the management organization within two (2) business days may be considered a violation of this agreement.
- 2.27.9 The Charter Operator shall notify the BOARD within two (2) business days of any official board action which results in the appointment of a new president of the charter school's governing board.
- 2.28 Compliance with Applicable Law
 - 2.28.1 The Charter Operator shall comply with all federal and state laws and regulations applicable to Type 1 charter schools and all requirements imposed on Type 1 charter schools by BESE policy and regulation.

SECTION 3: SCHOOL FINANCIAL MATTERS

3.1 Funding

- 3.1.1 Prior to the beginning of each new fiscal year, the Charter Operator shall follow procedures required by the BOARD to determine enrollment projections for the upcoming school year.
- 3.1.2 The School shall be considered an approved public school of the BOARD and shall receive a pupil allocation each year pursuant to the most recent legislatively approved minimum foundation program formula resolution, including all levels (MFP), based on the October first membership count of the charter school as set forth in La. R.S. 17:3995.
- 3.1.3 As set forth in La. R.S. 17:3995(A) The local revenue on which the per pupil amount will be based will be from the following sources, excluding any portion which has been specifically dedicated by the legislature or dedicated specifically by voter approval;
 - 3.1.3.1 Sales and use taxes, less any collection fee paid by the school district;
 - 3.1.3.2 Ad valorem taxes, less any tax collection fee paid by the school district;
 - 3.1.3.3 Earnings from sixteenth section lands owned by the school district;All as further set forth in La. R.S. 17:3995.
- 3.1.4 3.1.4 As set forth in La. R.S. 17:3995(C) the Charter School may solicit, accept, and administer donations or any other financial assistance in the form of money, grants, property, loans, or personal services for educational purposes from any public or private person, corporation, or agency and comply with rules and regulations governing grants from the federal government or from any other person or agency, which are not in contravention of the constitution and any other law.
- 3.1.5 Monthly Minimum Foundation Program ("MFP") allocations will be transferred to the Charter Operator within 15 calendar days of receipt by the BOARD each month, and the first Minimum Foundation Program allocation shall occur in July of 2018. The Charter School will report student, staff and financial information in the manner prescribed by the BOARD and allocations may be adjusted during the year, as necessary, to reflect the actual student count, staff count and prior year local revenues.
- 3.1.6 The BOARD is permitted to withhold a percentage of each Charter School's MFP funds for administrative overhead costs incurred by the BOARD for considering the charter application and any amendment thereto, providing monitoring and oversight of the school, collecting and analyzing data of the school, and for reporting on school performance in accordance with La. R.S. 17:3995(A)(4)(a)(i). Such fee shall be no

more than two percent of the total per pupil amount allocated to the Charter School. To the extent that such an amount is withheld, the BOARD shall provide thirty (30) days' notice prior to withholding any such fee, with such notice including the total amount of the fee, and the percentage of the total per pupil amount that it represents.

- 3.1.7 The Charter Operator acknowledges that each year initial funding will be based on the projected student enrollment and projected per student MFP allocation. The amount of funding will be adjusted throughout the school year to reflect actual student counts, the results of any audits, and the final per student MFP allocation.
- 3.1.8 The implementation and/or continuation of the provisions of this Charter Contract are contingent upon a legislative appropriation or allocation of funds necessary to fulfill the requirements of the Charter Contract. If the legislature fails to appropriate sufficient monies to provide for the implementation and/or continuation of the Charter Contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the implementation and/or continuation of the Charter Contract, the Contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.
- 3.1.9 No liability shall accrue to the BOARD should the events described in the preceding paragraph occur. The BOARD shall not be obligated or liable for any future payments or for any damages as a result of termination under the previous paragraph.

3.2 Financial Accounting and Reporting

- 3.2.1 The Charter Operator shall be responsible for the Charter School's operation, including the preparation of a budget.
- 3.2.2 The Charter Operator shall comply with all rules, guidelines, and regulations adopted by BESE and/or the BOARD prescribing forms and practices for budgeting, accounting, and financial reporting.
- 3.2.3 The Charter Operator agrees to submit any amended budgets or other requested financial documents according to the guidelines developed by the BOARD.
- 3.2.4 The Charter Operator shall conduct an annual independent audit and submit it to the Louisiana Legislative Auditor, with copy to the BOARD, said audit to be conducted by a certified public accountant in accordance with La. R.S. 24:513, *et seq.*, and La. R.S.17:3996(F), the cost of which shall be borne by the Charter Operator.
- 3.2.5 The Charter Operator shall maintain records in a manner that reflects compliance with this Charter Contract and generally accepted accounting principles. The Charter Operator is subject to appropriate financial audits in accordance with La. R.S. 24:513 *et. seq.* and La. R.S. 17:3996(F).

3.3 Qualified and Competent Business Professional

- 3.3.1 The Charter Operator shall retain for the duration of this Charter a Qualified and

Competent Business Professional who meets or exceeds the minimum requirements and qualification specified in BESE in Bulletin 1929, the *Louisiana Accounting and Uniform Governmental Handbook*, to produce all financial and accounting information and reporting required by this Charter Contract, state law, and BESE policy and regulation, except the required annual audit, which must be performed by an independent auditor. The Qualified and Competent Business Professional shall affix his or her signature to every document he or she prepares, thereby validating its authenticity as his or her work product and thereby affirming that the information contained therein is true and accurate. All documents and reports submitted pursuant to this Paragraph shall contain the signature of the Qualified and Competent Business Professional, thereby affirming that the information contained therein is true and accurate.

3.3.2 The Charter Operator shall ensure that a Qualified and Competent Business Professional validates all student count reports submitted by the Charter Operator to the BOARD.

3.3.3 The Charter Operator shall ensure that a Qualified and Competent Business Professional is responsible for validating all inventory reports submitted to the BOARD by the Charter Operator.

3.4 Tuition and Fees

3.4.1 The Charter Operator shall not charge any student tuition, an attendance fee, or a fine of any kind. Any other fee shall be subject to a waiver process that considers individual family circumstances. The Charter Operator shall not condition the enrollment, registration, earning of credit, or receipt of grades of any student on the payment or nonpayment of fees.

3.5 Financial and Operational Records

3.5.1 All records of the Charter School are subject to inspection and production as set forth in this Agreement and to the extent required by the Louisiana Public Records Act. If this Agreement is terminated, the Charter is revoked or surrendered, or the school otherwise ceases to operate, the possession of all records of the school shall be immediately transferred to the BOARD.

3.6 Assets

3.6.1 Any assets acquired by the Charter Operator are the property of the Charter School for the duration of this Agreement and any renewal of the Agreement. If this Agreement is terminated, the charter is revoked or surrendered or the school otherwise ceases to operate, all assets purchased with any public funds shall automatically revert to full ownership by the BOARD.

3.6.2 If the Charter School fails to open and serve students or closes for any reason, including the revocation of its Charter, the Charter Operator shall immediately refund all equipment and cash on hand attributable to state funding to the BOARD; shall not pay any debts with such funds, whether incurred before or after the failure to open and serve students or the closure of the charter school; and shall make no other disposition

whatsoever of such funds or equipment.

- 3.6.3 In the event of a voluntary surrender of the Charter, the Charter Operator shall comply with a the BOARD-approved School Closure and Transfer Process regarding the disposal of property and funds.
- 3.6.4 If the charter school fails to open and serve students or closes for any reason, the Charter Operator shall immediately refund all equipment and cash on hand attributable to federal funding to the BOARD.
- 3.6.5 The Charter Operator shall maintain records of any assets acquired with any private funds that remain the property of the Charter Operator. If the Charter Operator's accounting records fail to clearly establish whether a particular asset was purchased with public funds or private funds, ownership of the asset will revert to the BOARD.
- 3.6.6 The Charter Operator shall maintain a complete and current inventory of all school property and shall audit the school property inventory annually.
- 3.6.7 The Charter Operator shall be responsible for adequately safeguarding all assets purchased with any public funds and shall produce evidence of such upon request by the BOARD or its designee.

3.7 Insurance

- 3.7.1 The Charter Operator shall obtain property insurance for buildings being used by the Charter Operator to fulfill the purposes of this contract and any contents purchased by the Charter Operator with state or federal funds. The property insurance obtained by the Charter Operator shall provide the BOARD with the ability to file a claim for any loss of property purchased with state or federal funds.
- 3.7.2 As evidence of compliance with the insurance required by this Charter Contract, the Charter Operator shall retain current certificates of insurance signed by an authorized representative of the insurer(s) for inspection by the BOARD upon request. The certificates shall evidence that policies providing the required coverage, conditions and limits are in full force and effect.

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SECTION 4: PERSONNEL

4.1 Employment Matters

- 4.1.1 The Charter Operator shall employ and/or contract with necessary personnel. It shall implement a personnel policy that addresses such issues as hiring of personnel, terms of employment, and compensation consistent with that contained in the Charter Application. The parties agree that teachers and other staff employed by the Charter Operator are not employees of the BOARD.

4.2 Instructional Providers and Administrators

- 4.2.1 The Charter Operator shall employ or otherwise utilize in instructional positions only those individuals who are credentialed in accordance with applicable federal and state law, rules and regulations.
- 4.2.2 The Charter Operator shall evaluate all administrators and instructional providers as required by applicable state law and BESE policy.

4.3 Paraprofessionals

- 4.3.1 Paraprofessionals employed by the Charter School shall meet all qualification requirements imposed by applicable federal and state law, rules, and regulations.

4.4 Criminal History Review

- 4.4.1 The Charter Operator shall conduct a criminal history review through the Louisiana Department of Public Safety and Corrections, Office of State Police, Bureau of Criminal Identification for each individual the Charter Operator intends to hire, and for each independent contractor who may have supervisory or disciplinary authority over children at the Charter School. The criminal history review shall include a fingerprint check and simultaneous FBI check. All costs associated with the criminal history review shall be the responsibility of the Charter Operator, although the Charter Operator may assign the responsibility to those persons undergoing the criminal history review.
- 4.4.2 The Charter Operator shall not hire a person who has been convicted of or has pleaded *nolo contendere* to a crime listed in La. R.S. 15:587.1(C) as a teacher, substitute teacher, bus driver, substitute bus driver, janitor, school security personnel, cafeteria personnel, or a school employee who might reasonably be expected to be placed in a position of supervisory or disciplinary authority over school children unless approved in writing by a district judge and the district attorney of the parish.
- 4.4.3 No person employed or otherwise associated with the Charter School, including any contact person listed on the charter school application or any member of the management board, who has been convicted of or has pleaded *nolo contendere* to a crime related to misappropriation of funds or theft, shall be engaged in direct processing of charter school funds.
- 4.4.4 The Charter Operator shall adhere to all policies/procedures adopted by BESE concerning criminal history review for public school employees, as well as other persons associated with the charter school who are engaged in direct processing of charter school funds.

SECTION 5: CONTRACT TERM, RENEWAL & REVOCATION

5.1 Four-Year Term.

- 5.1.1 Pursuant to the provisions of La. R.S. 17:3992 A.(1), this Charter School Contract shall be effective upon complete execution for an initial term, beginning July 1, 2018, of four (4) years and may be extended for a maximum initial term of five (5) years, contingent upon the results of a review conducted after the completion of the third year as provided for in La. R.S. 17:3998.

5.2 Extension

- 5.2.1 The BOARD shall conduct an evaluation of the Charter School after the completion of its third year of operation based on the evaluation and extension standards outlined in BESE Bulletin 126 and La. R.S. 17:3998.
- 5.2.2 The Charter Contract shall be reviewed based on academic, financial, and organizational standards set forth in BESE Bulletin 126.
- 5.2.3 If the Charter School fails to meet the extension standards outlined in BESE Bulletin 126, the BOARD may, at the Superintendent's recommendation, terminate the Charter Contract, with such termination taking effect at the end of the Charter School's fourth year of operation.

5.3 Renewal.

- 5.3.1 Prior to the expiration of the current Charter Contract, the Charter Contract may be renewed at the discretion of the BOARD pursuant to applicable provisions of Title 17, Chapter 42, of the Louisiana Revised Statutes and in accordance with the evaluation and extension standards outlined in BESE Bulletin 126, and BOARD policy.

5.4 Revocation.

- 5.4.1 As provided by law, the BOARD may terminate or revoke this Agreement at any time upon a determination and affirmative vote by a majority of the BOARD that the Charter Operator, its board members, officers, or employees did any of the following:
 - 5.4.1.1 Committed a material violation of any of the conditions, standards, or procedures provided for in this Agreement or in BESE policy;
 - 5.4.1.2 Failed to meet or pursue within the agreed timelines any of the academic or other educational results specified in this Agreement or in BESE policy;
 - 5.4.1.3 Failed to meet generally accepted accounting standards of fiscal management;
 - 5.4.1.4 Violated any provision of law or policy applicable to a charter school, its officers, or employees; or
 - 5.4.1.5 If the BOARD determines that the health, safety, or welfare of the students is threatened

5.5 Closure

- 5.5.1 In the event that the Charter School should cease operations for any reason, including termination of this Agreement, surrender, revocation, or non-renewal of the Charter Contract, or dissolution of the Charter Operator, the Charter Operator's Board of Directors shall have direct responsibility for carrying out the dissolution of the school and disposition of assets in accordance with applicable law. The BOARD shall have authority to supervise, oversee, or direct the dissolution of the Charter School and the disposition of assets of the Charter School.
- 5.5.2 Upon the Charter Operator's receipt of written notice of termination, and throughout the period of Charter School operation between the notice of termination and school closure, if any, the Charter Operator shall (i) comply with applicable provisions of law and perform all obligations necessary thereto, (ii) designate a representative of the Charter Operator who shall retain responsibility for the security of and access to all Charter School records, including student records, (iii) provide the means and capability to access Charter School records, including student records, to the BOARD, as designated in writing, and (iv) fully cooperate with the BOARD, who shall have unrestricted and equal access to Charter School records, including student records during the period prior to the closure of the Charter School. Upon termination and closure, Charter Operator shall secure all Charter School records, including student records, in the possession of the Charter School and shall grant to the BOARD access to records requested by the BOARD. The BOARD may take possession of such records, and upon taking possession of such records shall thereafter fulfill any and all statutory and contractual duties concerning the Charter School records, including the student records that are within the BOARD's possession; provided that in performing the Charter Operator's legal or contractual duties, the Charter Operator shall comply with applicable law. The Charter Operator shall take all reasonable steps necessary to collect and assemble in an orderly manner the educational records of each student who is or has been enrolled in the school so that those records may be transmitted to the BOARD.

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SECTION 6. OPERATION OF THE CONTRACT

6.1 Entire Agreement

- 6.1.1 The Charter Operator and the BOARD intend this Agreement, including all of the Exhibits, to represent a final and complete expression of their contract, which shall be considered the school's Charter Contract; except that the parties recognize that amendments to this Agreement may be approved from time to time hereafter. All prior representations, understandings, and discussions are merged herein, and no course of prior dealings between the parties shall supplement or explain any terms used in this document.

6.2 Notice

- 6.2.1 Any notice required or permitted under this Agreement shall be in writing and shall be effective immediately upon personal delivery (subject to verification of service or acknowledgment of receipt) or three (3) days after mailing when sent by certified mail, postage prepaid, to the following:

In the case of the Charter Operator:

IDEA Public Schools Louisiana, Inc.
804 Main Street
Baton Rouge, LA 70802

The address(es) specified in **Exhibit A**.

With Copy to:
IDEA Public Schools
2115 W. Pike Blvd.
Weslaco, TX 78596

In the case of the East Baton Rouge Parish School Board:

School Board President
East Baton Rouge Parish School Board
1050 South Foster Drive
Baton Rouge, LA 70806

6.3 Indemnification and Disclaimer of Liability

- 6.3.1 The parties acknowledge that the Charter Operator is not acting as the agent of, or under the direction and control of the BOARD, except as required by law or this Agreement and that the BOARD does not assume liability for any loss or injury resulting from the acts or omissions of the Charter School, its directors, trustees,

agents, or employees.

- 6.3.2 The Charter Operator acknowledges that it is without authority to extend the faith and credit of the BOARD to any third party. The Charter Operator shall clearly communicate to vendors and other entities and individuals outside the BOARD that the obligations of the Charter Operator under agreement or contract are solely the responsibility of the Charter Operator and are not the responsibility of the BOARD.

To the extent allowable under the Louisiana Constitution and Federal and state law, the Charter Operator shall defend, indemnify, and hold harmless the BOARD and its officers, directors, officials, agents and employees from any and all claims, demands, suits, actions, proceedings, loss, cost, and damages of every kind and description, including, but not limited to, attorneys' fees and/or litigation expenses which may be brought or made against or incurred by the BOARD on account of any action of the Charter Operator, its employees, agents or assigns. The provisions or limits of insurance required under this contract shall not limit the liability of the Charter Operator.

- 6.3.3 This Agreement is not an employment contract. No officer, employee, agent, or subcontractor of the Charter Operator or the School is an officer, employee, or agent of the BOARD.
- 6.3.4 The parties acknowledge that the BOARD is not liable for the debts or financial obligations of the Charter Operator or the Charter School.
- 6.3.5 The parties acknowledge that the BOARD and its members individually are immune from civil liability for any damages arising with respect to all activities related to the operation of any type of charter school they may authorize as a chartering authority, including the Charter School.

6.4 Waiver

- 6.4.1 The parties agree that either party's failure to insist on strict performance of any term or condition of this Charter Contract shall not constitute a waiver of that term or condition, even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

6.5 Assignment

- 6.5.1 No right or interest in this Charter Contract shall be assigned by anyone on behalf of the Charter Operator without prior written approval of the BOARD, and delegation of any contractual duty of the Charter Operator shall not be made without prior written approval of the BOARD, which approval may be given or withheld at the sole discretion of the BOARD. A violation of this provision shall be grounds for immediate termination of this Agreement and revocation of the Charter.

6.6 Applicable Law

- 6.6.1 This Charter Contract shall be governed by and construed in accordance with the laws of the State of Louisiana and all applicable federal laws of the United States.

6.6.2 The Charter Operator shall comply with all federal and state laws and regulations applicable to Type 1 charter schools, and all requirements imposed by state law, BESE policy and regulation. The Charter Operator shall conform, in all respects, with the educational standards contained in this Agreement and in BESE policy, state law and Board policy.

6.6.3 The parties intend that they be bound by, and that this Charter Contract be subject to, any and all future amendments or additions to the statutes, regulations, policies and procedures applicable to Type 1 charter schools. The Charter Operator and the BOARD hereby agree to comply with any such change as if it were specifically set forth herein. Any such change shall supersede any provision within this Agreement that conflicts with it.

6.7 Severability

The provisions of this Charter Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition, and the remainder of the Charter Contract shall remain in effect unless otherwise terminated by the parties.

6.8 No Third Party Beneficiary

6.8.1 The enforcement of the terms and conditions of this Charter Contract, and all rights of action relating to such enforcement, shall be strictly reserved to the BOARD and the Charter Operator. Nothing contained in this Agreement shall give or allow any claim or right of action whatsoever by any other or third person. It is the express intent of the parties to this Agreement that any person receiving services or benefits hereunder shall be deemed an incidental beneficiary only.

6.9 Counterparts; Signature by Facsimile

6.9.1 This Agreement may be signed in counterparts, which shall together constitute the original Contract. Electronic signatures or signatures received by facsimile by either of the parties shall have the same effect as original signatures.

6.10 Material Amendment

6.10.1 Any material amendment to this Agreement will be effective only with approval of both the BOARD, or its designee, and the Charter School's Board of Directors. A Material Amendment shall not become effective and the Charter Operator shall not take action or implement the changes requested in the amendment until the amendment is approved by the BOARD or its designee.

6.10.2 The Charter Operator will submit any proposed Material Amendment to the BOARD for approval. "Material Amendment is defined as an amendment that makes substantive changes to Charter School's governance, operational, or academic structure. Material Amendments include:

- changes in legal status or management, including the structure of the governing board, a corporate partnership, or assignment of or changes in management organization;

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- changes in grade levels served;
- changes in student enrollment which result in enrollment in excess of 120 percent of the total number of students set forth in the school's charter, if applicable;
- changes in admission procedures or criteria, if applicable;
- changes in any option expressed in Exhibit I with respect to collective bargaining; and
- any changes to the charter contract not specifically identified as non-material amendments.

IN WITNESS WHEREOF, the parties have executed this Contract as of the date below.

**EAST BATON ROUGE PARISH SCHOOL
BOARD**

By: 
BOARD PRESIDENT

7/27/17
DATE

IDEA PUBLIC SCHOOLS LOUISIANA, INC.

By: 
CHAIR/PRESIDENT

7/27/17
DATE

TABLE OF EXHIBITS

Exhibit A:	Location
Exhibit B:	Management Services Agreement (if applicable)
Exhibit C:	Enrollment Projection Table
Exhibit D:	School Enrollment Policies and Procedures
Exhibit E:	Required At-Risk Percentage Table
Exhibit F:	Performance Factors
Exhibit G:	Fiscal Oversight Policy
Exhibit H:	Teachers' Retirement System of Louisiana Option Form
Exhibit I:	Collective Bargaining Option Form

Exhibit A

LOCATION

To be provided

Exhibit B

MANAGEMENT SERVICES AGREEMENT

MANAGEMENT SERVICES AGREEMENT

THIS SERVICES AGREEMENT (this "**Agreement**") is made and effective as of the 1st day of _____, 2017 ("**Effective Date**"), by and between IDEA Public Schools, a Texas non-profit corporation or its to-be designated affiliate/single member limited liability company ("**IDEA**"), whose address is 505 Angelita Drive, Suite 9, Weslaco, TX 78599, and IDEA Public Schools Louisiana, Inc., a Louisiana Nonprofit Corporation ("**IPSL**"), whose address is 8550 United Plaza Bldg. II, Ste. 305, Baton Rouge, LA 70809. IDEA and IPSL are sometimes referred to herein individually as a "**Party**" and together as the "**Parties**."

RECITALS:

- A. IPSL has been approved to operate four Type 1 charter schools by East Baton Rouge Parish School Board (also referred to as "**EBRPS**," or "**Charter Authorizer**"), with such schools opening in the 2018-19 school year.
- B. IPSL further represents that it may in the future submit applications to one or more Charter Authorities, including, but not limited to, EBRPS, seeking approval to operate additional charter schools in the State of Louisiana;
- C. IDEA represents that it has expertise in the management and operation of charter schools and provides comprehensive educational and operational support services to charter schools.
- D. IPSL desires that IDEA provide to IPSL "**School Management Services**" (the "**Services**") (all as described in Section 4) in connection with the development and operation of charter schools (individually the "**Charter School**" or collectively, the "**Charter Schools**"), and IDEA is willing to accept such engagement and provide Services to IPSL, pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the terms, conditions and premises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AGREEMENTS:

1. Engagement; Board Authority; Relationship.

1.1 Engagement. IPSL hereby: (i) engages IDEA for the purpose of providing the Services; and (ii) grants IDEA the right, power and authority necessary to perform the Services upon the terms and conditions set forth herein, to the full extent permitted by applicable law and the Charter Contract(s) under which IPSL operates. IDEA hereby accepts such engagement, for the term set forth herein, to act on behalf of IPSL for the purposes set forth

herein, with such authority as delegated to IDEA herein or by subsequent resolutions by IPSL's Board of Directors, subject to the terms and conditions of this Agreement and in compliance with Louisiana Revised Statutes Title 17, Section 3971, *et. seq.*, ("**the Act**"), other applicable law, and each Charter Contract that IPSL (or any affiliate or subsidiary of IPSL) may enter into with any Charter Authorizer in Louisiana (any or all such contracts, regardless of their designation by the applicable governing Charter Authorizer, the "**Charter Contract(s)**"). IPSL agrees to engage IDEA to provide School Management Services, pursuant to this Agreement, with respect to every charter school IPSL is authorized to operate. IPSL further acknowledges that IDEA may unilaterally assign and transfer, by written notice to IPSL, in whole or in part, its obligations under this Agreement to its designated affiliate/single member limited liability company(ies).

1.2 Board Authority. Notwithstanding any provision contained herein, IDEA acknowledges and agrees that IPSL is and shall be governed by its Board of Directors (the "**Board**"). IDEA shall provide the Services to IPSL subject to the Board's direction, oversight and policies, the requirements of this Agreement, the Act, the Charter Contracts, and other applicable law. Nothing in this Agreement shall be construed to interfere with the Board's authority and ability to perform its obligations under the Charter Contract(s), or its statutory and fiduciary responsibilities governing all Charter School and IPSL corporate operations.

1.3 Relationship of the Parties.

1.3.1 The Parties agree that, subject to the Act and applicable laws, regulations, duties and obligations of the Parties, IPSL and IDEA shall carry out their respective rights, duties and obligations under this Agreement working together in good faith, in a cooperative manner and to minimize disruption in the orderly functioning and administration of IPSL.

1.3.2 IPSL designates IDEA and IDEA's teachers, administrators, counselors and staff, as agents of the Charter Schools having a legitimate educational interest for the purpose of entitling such persons, access to education records under The Family Educational Rights and Privacy Act, 20 U.S.C. §1232g ("**FERPA**"), and under applicable Louisiana state law, including, but not limited to, La.R.S. 17:3913 and La.R.S. 17:3914. IDEA shall comply with all applicable FERPA and state law requirements.

1.3.3 There shall be no modification of, addition to, or deletion from the Services, unless set forth in a writing and signed by the Parties.

1.3.4 The relationship between IPSL and IDEA is based upon the terms of this Agreement and any other written agreements between IDEA and IPSL. This Agreement shall create only an independent contractor relationship and shall not be construed or interpreted to create an employer-employee, partnership, joint-venture or other legal relationship or entity between IDEA and IPSL. While performing under this Agreement, neither Party shall represent the other Party in any dealings or transactions except as expressly authorized herein and neither Party shall represent any relationship except for the relationship specified herein. Except in the performance of the Services by IDEA or any of its employees or contractors in accordance with this Agreement, neither Party may enter into, bind or attempt to bind the other Party to any

contractual obligation or duty and each Party shall be solely responsible for its acts and omissions and for the acts and omissions of its directors, officers, employees, agents and contractors. Except in the performance of the Services by IDEA or any of its employees or contractors in accordance with this Agreement, or as IPSL may authorize in writing, IDEA is not authorized to act on behalf of IPSL and any attempt to do so shall be null and void.

1.4 Cooperation. The Parties shall cooperate with each other in promptly furnishing all information and documents and submitting all forms and reports that may be necessary or convenient for each Party to properly perform its responsibilities under this Agreement, subject, in all cases, to any confidentiality obligations a Party may have. Further, the Parties shall cooperate in scheduling and related matters, including IPSL providing timely written notice to IDEA of Board meetings of IPSL where IDEA representatives shall be invited to attend. An IDEA representative shall be entitled to attend any general IPSL Board discussions, but not executive sessions except where permitted by applicable law.

2. Term.

2.1 Agreement. Subject to Section 13 and unless earlier terminated as provided herein, the Term of this Agreement shall commence on October 1, 2016, and shall run through June 30, 2023, unless terminated by either Party to the extent termination rights are provided in this Agreement. IDEA's Services shall cease upon the termination of this Agreement unless the term of this Agreement is renewed or extended as provided herein. Upon expiration or termination of this Agreement, regardless of the reason, IDEA shall be entitled to, and shall promptly receive, all fees and reimbursement of all expenses pursuant to Sections 6 and 7 due and payable through the effective date of expiration or termination.

2.2 Automatic Renewal. This Agreement shall renew automatically pursuant to the terms established in Exhibit "A."

2.3 Additional Charter Contracts and Charter Schools. The initial term of this Agreement relating to any subsequent or additional charter contracts shall be no less than five (5) years from the first Funding Date for each such charter contract(s) respective New School(s).

3. Responsibilities of IPSL.

3.1 Operations of IPSL. IPSL is responsible for overseeing all Charter Schools and all corporate activities and operations of IPSL. In determining IPSL's operations and activities, IPSL shall, in good faith, consider the recommendations of IDEA on issues including, but not limited to, policies, rules, regulations, procedures, curriculum and budgets, subject to the constraints of the Act and applicable law and the requirements of the relevant Charter Contract. If IPSL chooses to adopt one or more policies, rules, regulations, procedures, curricula and/or budgets other than that recommended by IDEA and IDEA believes such adoption to be contrary to the best interest of the Charter Schools or contrary to the maintenance of the high quality standards for the Charter Schools set forth in the Trademark License Agreement dated as of October 1, 2016 ("TM Agreement"), and material to IDEA's management or operations of the Charter Schools, then IDEA may so notify IPSL in writing of

the basis for such position, and request IPSL to reconsider the particular policy, rule, regulation, procedure, curriculum and/or budget item. If after such a request IPSL determines to affirm its prior decision, and IDEA determines IPSL's alternative is not a viable alternative for the Charter Schools' ongoing programs and operational objectives, then IDEA may, in its sole discretion, terminate this Agreement upon sixty (60) days prior written notice to IPSL.

3.2 Facilities. Subject to IDEA's facility acquisition work, IPSL remains ultimately responsible for the lease or acquisition of facilities for the Charter Schools and will cooperate and work with IDEA in good faith to provide such facilities and all materials as well as all equipment and supplies that are necessary and appropriate to provide an adequate learning environment for its students and that comply with all of the requirements of the Charter Contract and applicable law.

3.3 Cooperation. IPSL shall cooperate with IDEA in promptly furnishing all information and documents and submitting all forms and reports that may be necessary or convenient for IDEA to perform its responsibilities under this Agreement properly.

3.4 Legal Counsel. IPSL is responsible for selecting, retaining and payment of fees for its local legal counsel to advise it regarding its rights and responsibilities under the Act, this Agreement and applicable law. IDEA is responsible for selecting, retaining and payment of fees for its legal counsel to advise it regarding its rights and responsibilities under the Act, this Agreement, applicable law and with respect to ongoing School operations.

3.5 Charter Contract. IPSL shall not act, or fail to act, in any manner that may result in a breach of any Charter Contract or applicable law.

3.6 Evaluation of IDEA. At its sole option and expense, IPSL may conduct an annual review of the performance of IDEA in terms of IDEA's compliance with the terms of this Agreement and applicable requirements of the Charter Authorizer(s). If such annual review is conducted, IDEA will be evaluated against a set of metrics to be mutually agreed upon by IPSL and IDEA, subject to change annually as desired and agreed to by both parties. Should IDEA fail to meet the agreed to and required metrics for two consecutive years, IDEA shall prepare and present a corrective action plan to IPSA and if it fails to meet the agreed to metrics and corrective action plan after the third consecutive year, IPSL shall have the option to terminate this agreement immediately and find a new educational services provider, or place IDEA on a probationary term for one additional year. If IDEA fails to meet the required metrics for a fourth consecutive year, this Agreement may be terminated at the sole discretion of IPSL.

3.7 Place of Performance. The Parties shall, by separate agreement, work together in good faith to provide for reasonable and necessary office and administrative space to perform the Services. Except as prohibited by the Charter Contract, the Act or other applicable law, IDEA reserves the right to perform a portion of the Services off-site at other locations and outside the State of Louisiana.

3.8 Charter School Budget. IPSL is responsible for adopting an annual Charter School budget or budgets for each fiscal year for each Charter School in a timely manner

and as required by applicable law (each, or collectively, the “**Annual Budget**”) that has adequate resources to fulfill its obligations under the Charter Contract and this Agreement and in order to sustain the high quality standards set forth in the TM Agreement including, but not limited to, its oversight of IDEA, operations and activities of the Charter Schools, payment for the Services, equipment, insurance, annual financial audits and other expenses, and, with respect to revenues, including equalization payments and Minimum Foundation Program funding, federal funding (if any), local funding, grants, donations, contributions, operational and activities revenues and all other revenues (collectively, the “**Revenues**”). To that end, and subject to any requirements of a particular Charter Contract, or the applicable requirements of a governmental authority, each fiscal year, the Board will adopt a provisional budget for each Charter School pending adoption and approval of an Annual Budget by the governing body of each such Charter School as and when required by applicable law. The Board shall then review and modify, if necessary, and then ratify and approve such budget or budgets within sixty (60) days after the governing body of each Charter School has adopted such Annual Budget. In addition, IPSL is responsible for approving revisions and amendments to such Annual Budget to reflect necessary deviations from the adopted Annual Budget.

3.9 Communication and Notice. IPSL agrees to communicate with IDEA and timely notify IDEA of any anticipated or known: (i) material health or safety issues; (ii) labor, employee or funding problems; and (iii) problems of any other type that could adversely affect IDEA in complying with or performing its obligations and responsibilities hereunder.

4. Responsibilities of IDEA.

4.1 Services.

4.1.1 IDEA shall, subject to IPSL’s authority, manage, administer, oversee and supervise all the operations and activities of the Charter Schools and shall provide IPSL with the “**School Management Services**,” as expressly delineated and defined on Exhibit “B” hereto and incorporated herein by this reference..

4.1.2 IDEA acknowledges that in entering into this Agreement IPSL is relying on IDEA’s expertise, skill and professional competence in the areas of both educational and management services of charter schools. IDEA shall provide the Services in a competent and efficient manner in accordance with the standard of performance within the industry in Louisiana. IDEA agrees that any contractors, faculty or staff provided by IDEA will be skilled and trained in the relevant professional discipline for the Services and compliant with all State and federal requirements.

4.2 Compliance. IDEA acknowledges that this Agreement is subject to the terms of the Charter Contract(s), the Act and other Federal and State laws applicable to charter schools. In providing Services to IPSL, IDEA is responsible for selecting and retaining legal counsel to advise it regarding its responsibilities and obligations under the Act, this Agreement, the Charter Contracts, and applicable law. IDEA agrees that, to the extent applicable to the Services, IDEA will comply with the terms and provisions of the Charter Contract(s), the Act and other federal and State laws applicable to charter schools and the performance of the

Services. If IPSL is, at any time, determined to be out of compliance, IDEA shall promptly cooperate to correct such deficiency and shall participate in any corrective action plan approved by the Charter Authority, the Internal Revenue Service ("IRS") or any other federal or State agency, to remedy such noncompliance to the extent that the noncompliance and corrective action are related to the Services. IDEA shall not act, or fail to act, in any manner that may result in breach of the Act, the Charter Contract(s) or other laws applicable to the Services or operation of the Charter Schools.

4.3 Contracting. Except as expressly prohibited by the Charter Contract(s), the Act or other applicable law, IDEA may contract or subcontract all or any part of the Services required by this Agreement, delegating the performance of, but not the responsibility for, any duties and obligations of IDEA hereunder to a qualified independent contractor, expert or professional advisor. The costs or expenses of such contracts or subcontracts may be treated as a "Pass-Through Expense" or a "Direct Payment" as defined in Exhibit "B", to the extent permitted by the Charter Contract(s), the Act or applicable law, if the expenses are within the "Category Cap" defined in Exhibit "B" or otherwise approved by IPSL through a budget amendment. IDEA will be responsible for any breach of this Agreement by its subcontractors or failure of its subcontractors to comply with the Act, Charter Contract(s) or any applicable law.

4.4 Furnish Information. IDEA is responsible for timely providing IPSL with all of the information that may be necessary (i) to fulfill IPSL's reporting requirements under the Charter Contract(s); (ii) for the applicable Charter Authorizer or State or Federal agency's oversight of Charter School operations or IPSL; and (iii) to comply with the Charter Contract and/or applicable law, including the Internal Revenue Code. Additionally, IPSL may require, upon reasonable notice, IDEA to attend meetings of the Board to provide reports on operations at the Charter School(s), updates on New Schools or materials on other matters related to the Services. Upon termination of this Agreement, IDEA shall cooperate in good faith with IPSL in transitioning all records and materials for continued operation of the Charter Schools to IPSL's designated provider, excluding any intellectual property of IDEA or matters subject to the TM Agreement.

4.5 Acquisitions. If IDEA makes or directs any personal property acquisitions using IPSL funds, which shall not include any Fee or reimbursement paid to IDEA by IPSL, for personalty including, without limitation, instructional materials, equipment, supplies, furniture, computers or other assets, shall be owned by and remain the property of IPSL. IDEA shall not add any administrative charges or fees to the cost of such acquisitions in excess of the fees and charges specified herein. All property or assets acquired by IDEA with its own funds shall be owned by and remain the property of IDEA. IDEA shall maintain records sufficient to establish the ownership of such assets acquired by IDEA with its own funds and those, if any, acquired by IPSL with its funds.

4.6 Communication and Notice. IDEA agrees to communicate with the Board and timely notify the Board of any anticipated or known: (i) material health or safety issues; (ii) labor, employee or funding problems; and (iii) problems of any other type that could adversely affect the Board or IPSL or the Charter Contract(s).

4.7 IDEA Offices. Although IDEA may maintain other offices at other locations, subject to Section 3.7, IDEA shall maintain offices at each Charter School for management and administrative services at such Charter School, as IDEA determines necessary or appropriate.

4.8 Other Services. The Services to be provided by IDEA to IPSL under this Agreement comprise only those duties, responsibilities and obligations of IDEA expressly stated herein. IDEA shall not be obligated to provide any additional or other services to IPSL except as may be mutually agreed in writing between IDEA and IPSL in compliance with Section 16.19.

4.9 Maintenance of 501(c)(3) Status.

4.9.1 Operations. The principal activity of IDEA is serving Kindergarten through 12th grade students by engaging in a full array of educational activities related to operating schools. IDEA operates, and during the entire term of this Agreement shall operate, in a manner that is not materially different from the purposes, character, activities, and methods of operation that formed the basis for the determination by the IRS that IDEA is exempt from federal income taxation as an organization described in section 501(c)(3) of Code and that IDEA is not a private foundation under section 509(a)(1) of the Code. Furthermore, during the entire term of this Agreement, IDEA will:

- a. Not allow more than an insubstantial part of its activities to be:
 - (i) The carrying on of propaganda or otherwise attempting to influence legislation by contacting, or urging any person to contact, any member or members of a legislative body for the purpose of proposing, supporting, or opposing legislation, or some combination thereof; or
 - (ii) Advocating or campaigning for the adoption or rejection of legislation;
- b. Not participate or intervene, directly or indirectly (including the publication or distribution of written or printed statements or the making of oral statements), in any political campaign on behalf of or in opposition to any individual who offered himself or herself, or was proposed by others as a contestant for an elective public office (whether such office was national, state, or local);
- c. Not allow any part of IDEA's net income to inure to the benefit of any private shareholder or individual; and
- d. Timely file or cause to be filed all materials, returns, reports and other documents which are required to be filed with the IRS.

For purposes of this Section 4.9, the term "legislation" includes action by the Congress of the United States, by any state legislature, by any local council or similar governing body, or by the general public in a referendum, initiative, constitutional amendment, or similar procedure.

4.9.2 Unrelated Trade or Business Activities. Notwithstanding any other provision of this Agreement, IDEA will not perform activities under this Agreement that constitute for IDEA an "unrelated trade or business" as defined in Section 513 of the Code.

4.9.3 Notification to the School. IDEA will notify IPSL within three (3) business days if IDEA receives a notice or communication from the IRS indicating that IDEA's 501(c)(3) status is under review or that the IRS has revoked, or proposed revocation of, IDEA's 501(c)(3) status. In addition, IDEA will timely notify the School (i) if IDEA determines that any activities that IDEA is required to perform under this Agreement are activities that constitute an "unrelated trade or business" as defined in Section 513 of the Code and (ii) of any changes in its organizational documents or method of operations to the extent that IPSL does not already have knowledge of such changes.

4.9.4 Modification of Covenants. To the extent that published rulings of the IRS, or amendments to the Code or the Regulations require modification of the covenants of IDEA that are set forth in this Agreement to preserve the excludability from federal gross income of interest on obligations issued for the benefit of IPSL, IDEA and IPSL will comply with such modifications.

5. Representations and Warranties.

5.1 IPSL's Representations and Warranties. IPSL hereby represents and warrants to IDEA that:

5.1.1 it is duly organized and existing as a Louisiana nonprofit corporation and an educational institution or organization established under the Act and is in good standing under the laws of Louisiana; it will maintain, extend and renew its corporate existence under the laws of Louisiana, and it will not do, suffer or permit any act or thing to be done whereby its right to transact its functions might or could be terminated, its activities restricted or its nonprofit 501(c)(3) status rescinded;

5.1.2 it has full authority and power to enter into this Agreement and it has been duly authorized to execute and perform this Agreement;

5.1.3 the execution, delivery, and performance of this Agreement will not conflict with or constitute a breach of or default by IPSL under any other instrument or agreement to which IPSL is a party or by which its property is bound and will not constitute a violation of any order, rule, or regulation of any court or governmental agency having jurisdiction over IPSL;

5.1.4 there are no pending actions, claims, suits or proceedings filed or, 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; and

5.1.5 prior to the Board's approval and IPSL's execution and delivery of this Agreement, each member of the Board and IPSL's legal counsel were given ample opportunity to review and discuss this Agreement.

5.2 IDEA's Representations and Warranties. IDEA hereby represents and warrants to IPSL that:

5.2.1 it is duly organized and existing as a Texas non-profit corporation and is in good standing under the laws of the State and under IRS regulations and registered to transact business in Louisiana; it will maintain, extend and renew its corporate existence under applicable laws, and it will not do, suffer or permit any act or thing to be done whereby its right to transact its functions might or could be terminated or its activities restricted;

5.2.2 it has full authority and power to enter into this Agreement and it has been duly authorized to execute and perform this Agreement;

5.2.3 the execution, delivery, and performance of this Agreement will not conflict with or constitute a breach of or default by IDEA under any other instrument or agreement to which IDEA is a party or by which its property is bound and will not constitute a violation of any order, rule, or regulation of any court or governmental agency having jurisdiction over IDEA;

5.2.4 there are no pending actions, claims, suits or proceedings filed or, 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; and

5.2.5 prior to IDEA's execution and delivery of this Agreement, IDEA and its legal counsel were given ample opportunity to review and discuss this Agreement.

5.3 Disclaimer of Warranty. IDEA makes no expressed or implied warranties as to any matter whatsoever with regard to any equipment, materials or supplies purchased on behalf of or for use at IPSL including, without limitation, the condition of any such item, its merchantability or fitness for any particular purpose. No defect or unfitness of any equipment, materials or supplies shall relieve IPSL of its obligations to pay for use of the item or of any other obligation under this Agreement.

5.4 Warranties. IDEA shall have the right to enforce any existing manufacturer warranties on all equipment, materials or supplies purchased on behalf of or for use at IPSL.

6. **Compensation: Fee.**

6.1 Definitions. For purposes of this Agreement, the following terms shall have the meanings indicated below:

"Funding Date" means, with respect to a New School, the date from which the charter authorizer for such School authorizes governmental funding for educational services.

"New School" or **"School"** means any charter school for which IPSL desires to engage IDEA to provide, and IDEA is willing to provide, School Management Services.

6.2 New School Development Services. [Intentionally deleted and reserved for future potential amendment]

6.3 IDEA's Fees for New Schools. From and after the Funding Date for each School campus opened, IPSL shall pay IDEA a Fee for School Management Services for such School, as set forth below. The Fee shall be equal to the applicable Fee Percentage set forth in Section 6.4 multiplied by the School's total revenues (both governmental and non-governmental) as received during each fiscal year. The Parties may mutually agree to adjust the revenues that fees are based on where required by applicable law.

6.4 Fee Percentage. For each School, the applicable Fee Percentage shall be fifteen percent (15%) of total revenues received by the School.

6.5 Payment of Fee. For each Charter School, IPSL shall pay IDEA's Fee for School Management Services in twelve (12) monthly installments.

6.6 Invoices; Late Fees. IDEA shall submit invoices by the 12th day of each billing month or by such earlier or later date as the independent certified public accountant engaged by IPSL pursuant to Section 7.2.3 determines to be appropriate. All invoiced amounts (other than the Fee) shall be due and payable within five (5) business days or otherwise as specified in the applicable IDEA invoice. If IPSL fails to pay an undisputed invoice in full within ten (10) days after the invoice due date, interest shall accrue on the outstanding balance at a rate of 1.5 percent per month. Without affecting its right to earlier terminate this Agreement under Section 15.1.1, IDEA reserves the right to cease providing the Services if IPSL's account remains past due for more than thirty (30) days until such time as IPSL's account is brought current.

6.7 Reasonable Compensation. The Parties agree that based on a comparison of services to be performed and other management organizations available and reported fees, that the Fee described above is fair, reasonable and not excessive. If and to the extent required by law, IDEA shall select and engage a qualified specialist to determine whether the Fee under this Agreement is reasonable compensation for the Services. If the qualified specialist determines

that the Fee is not reasonable compensation for the Services, the Parties shall negotiate in good faith an adjustment to the Fee that constitutes reasonable compensation for the Services, as confirmed by such qualified specialist. Any Fee paid under this Agreement determined not to be reasonable compensation by the qualified specialist shall be reimbursed by IDEA within thirty (30) days of such determination, and any amount not reimbursed, together with 1.5 percent per month from the date of disbursement until reimbursement, in that time period may be withheld by IPSL from IDEA's future Fee or other payments until the amount owed to IPSL has been recovered. The costs of the qualified specialist's work shall be paid for by IDEA and reimbursed by IPSL if the Fee is found to be reasonable compensation.

7. Financial Obligations

7.1 Annual Audit. IPSL shall be responsible for the cost of the annual audit required by the Charter Contract(s), the Act and applicable law. IDEA shall cooperate in the preparation of the annual audit and any other accounting or financial reviews that are undertaken by independent auditors approved or selected by the Board and paid from IPSL funds. IDEA shall make all of IPSL's financial and other records related to IPSL available to the auditor as required by applicable law. IDEA shall produce such records at IPSL's offices.

7.2 Expenses. IPSL shall also be responsible for all expenses of IPSL (other than expenses that are included in the Fee, as set forth in Exhibit "B") and IDEA shall have no obligation to pay such expenses from its own funds. IDEA may incur and pay "**Pass-Through Expenses**" and "**Direct Payments**", as those terms are defined in Exhibit "B," and in accordance with this Section 7.2.

7.2.1 Without limiting the foregoing, in addition to IDEA's Fee, IPSL shall make Direct Payments or permit Pass-Through Expenses, for all costs and expenses incurred for, without limitation: (i) salaries, wages, benefits and workers' compensation insurance premiums for faculty and staff; (ii) required payroll taxes, withholdings and other amounts due with regard to payroll; (iii) all debt service, including, without limitation, any bond finance debt; (iv) educational services and materials and any other expense that is not included in IDEA's Fee that is necessary for the operation of the Schools in accordance with the high quality standards set forth in the TM Agreement and is within the approved budget levels.

7.2.2 For those expenses that are payable directly by IPSL, IPSL may, consistent with authority granted by the Board, authorize and establish a IPSL account for which appropriate IDEA representatives are permitted signers on the account and shall fund such an account on a quarterly basis with sufficient funds to permit IDEA to make Direct Payments for IPSL's legitimate and ordinary operating expenses, such as utility bills and office supplies.

7.3 Deposits; Banking. IDEA and IPSL shall mutually agree on and select depository institutions and accounts for all Revenues received by IPSL; and all Revenues received by IPSL shall be deposited in such accounts. All interest and investment earnings on IPSL's deposits shall accrue to IPSL. The signatories on such accounts shall be designated by the Board, but may include representatives of IDEA with limits of authority to be set by IPSL where required by applicable law. The depository institutions selected, shall be, to the extent

possible, institutions with branches convenient to both IDEA and IPSL to facilitate its services under this Agreement

7.4 Account Management and Expenditures. IDEA shall supervise, manage, disburse and account for all Revenues consistent with the Annual Budget, the Act, this Agreement, the Charter Contract(s), Louisiana Department of Education and Louisiana Board of Elementary and Secondary Education policy, local Authorizer policy, Board resolutions and applicable law. Revenues shall be used to pay for the fees or expenses associated with IPSL's operation. IDEA shall provide the Board regular, accurate and complete documentation for dispersed fees and expenses review by the Board. The Board retains the authority to disapprove expenditures not within the Approved Budget nor otherwise approved or ratified by the Board. IDEA shall not make any disbursements of IPSL Revenues in excess of authorized limits, the Annual Budget or approved expenditures without the prior authorization of the Board. To the extent such expenditures are made by IDEA and disapproved by the Board, IDEA shall promptly and fully reimburse the unauthorized expenditures from its own funds and pay to IPSL interest on such unauthorized expenditure or portion thereof at the rate of 1.5 percent per month from the date of disbursement until repayment.

7.5 Accurate and Complete Recordkeeping and Reporting. To assure the highest degree of accuracy in recordkeeping, the Acceptable Use Policy ("AUP") will be designed to use a larger sample of transactions than is customary practice and, upon reasonable request of IPSL, but no more frequently than quarterly, IDEA shall provide the Board with records supporting expenditures of IPSL funds made by IDEA during the previous quarter. IPSL may request, at its discretion, monthly financial statements, to be delivered not later than the 15th day of the month after the end of the month covered by the financial statements.

7.6 Quarterly Management Report. IDEA is responsible for implementing reasonable information and reporting systems for IPSL that will enable IPSL to monitor key areas of business, legal and regulatory compliance and risk in its Charter Schools. IDEA will prepare a written management report for presentation at each Board meeting where requested by IPSL with sufficient notice. The report will address academic performance, student enrollment, teaching resources, New Schools activity, legal and regulatory compliance, organizational structure and risk management, providing an overview of what has occurred in each of these areas since the last management report, including any items of concern, improvement or changes in noted items of concern from prior reports, areas needing additional attention or resources from IPSL, steps IDEA has taken to control or mitigate any areas of concern, and other detail material or relevant to the Services and IPSL's operations of the Charter School(s). The Board will be given the opportunity to review and discuss the report with knowledgeable IDEA personnel at a Board meeting and to request additional information and follow up, as deemed necessary.

7.7 Marketing Costs and other Expenses. Marketing and development costs, and other expenses, including office expenses and personnel expenses, paid by or charged to IPSL shall be limited to those costs or expenses specific to IPSL and the Services, and shall not include any costs or expenses for IDEA or IDEA's other clients.

7.8 Availability of Funds. IDEA shall only be required to perform its duties and obligations hereunder to the extent that there are sufficient and timely Revenues available to make payments in accordance with the terms of the Annual Budget, unless such budget shortfalls are caused by or arise from IDEA's own grossly negligent or intentional acts or omissions.

7.9 IDEA's Other Clients. IPSL acknowledges that IDEA may have other school and non-school clients. IDEA shall maintain separate accounts for each client and shall only charge IPSL for expenses incurred by or on behalf of IPSL.

8. Staffing.

8.1 Charter School Staff. IDEA is responsible for hiring, managing, retaining and discharging (as deemed appropriate) all of the faculty, personnel, contractors, professionals, staff and administrators, whether independent contractors to or employees of IDEA, of the Charter School in conformance with applicable law and the Charter Contract ("**Charter School Staff**"). IPSL may make recommendations to IDEA regarding the hiring and discharging of the IDEA Louisiana Executive Director for IDEA's consideration. All of the Charter School Staff shall be employees or contractors of IDEA.

8.2 New Schools Development Staff. [Intentionally deleted and reserved for future potential amendment].

8.3. Other Personnel. IDEA may from time to time recommend assignment to IPSL of a person(s) IDEA deems advisable to perform some Services for IPSL in relation to IPSL's corporate and Charter School operations. Any such person not a Charter School Staff, whether independent contractors to or employees of IDEA, assigned to IPSL by IDEA, or for whom IDEA wishes to be reimbursed by IPSL ("**Other Personnel**"), must be pre-approved by IPSL, including the total compensation to be paid to such person, prior to assignment by IDEA, or no reimbursement will be provided. All of the Other Personnel shall be employees or contractors of IDEA.

8.4 Removal or Replacement. Notwithstanding the foregoing, but subject to and in compliance with IDEA's contractual obligations and labor and employment agreements, the Board shall retain the right to request the removal or replacement of any Charter School Staff or Other Personnel assigned to IPSL or a Charter School by IDEA.

8.5 Compliance; Background Checks; Policies. IDEA will conduct initial and updated criminal background checks through the Louisiana Bureau of Criminal Identification and Information prior to employment of all Charter School Staff or Other Personnel who within the scope of their work will have direct, supervisory or disciplinary authority over students at any Charter School within the scope of their work and/or will handle money, including any such checks that are required by applicable law, including, but not limited to, La.R.S. 15:587.1. IDEA is responsible for developing, implementing and administering (i) payroll policies and procedures; (ii) personnel policies and procedures; and (iii) welfare and

benefit plans, for all employees or others entitled to be covered by such policies and plans, and those who are assigned to IPSL by IDEA.

8.6 IDEA Management and Staff. Subject to IDEA's unfettered rights with respect to management and structure of its own management and staff, site managers shall be employed and paid by IDEA, without reimbursement by IPSL for any wages, salaries, bonuses, benefits, workers' compensation insurance premiums, unemployment insurance, payroll taxes, withholdings or other payroll costs.

8.7 Compensation of Charter School Staff and Other Personnel

8.7.1 All Payroll Costs (as defined below) of the Charter School Staff and Other Personnel, whether full-time or part-time, shall be paid by IDEA, subject to direct reimbursement by IPSL for the Payroll Costs as set forth in Section 8.7.2; provided, however, that for Charter School site managers, IPSL will only reimburse the foregoing amounts incurred by IDEA prior to the Funding Date.

8.7.2 "Payroll Costs" means, subject to the terms of Section 8.7.3 total expense of all such Charter School Staff's or Other Personnel's payments, wages, salaries, benefits, workers' compensation insurance premiums, payroll taxes, unemployment insurance, or other payroll costs (not deducted from gross pay), as applicable to the individual in issue.

8.7.3 IDEA acknowledges that IPSL, as an organization recognized as tax-exempt under Internal Revenue Code Section 501(c)(3), is prohibited from engaging in private benefit or private inurement (as those terms have been interpreted and defined by the Internal Revenue Code, Treasury Regulations, the IRS and/or courts), which includes a requirement for payment of only reasonable compensation for services rendered, and IDEA agrees that IPSL shall only be responsible for reimbursement of Payroll Costs that are reasonable compensation for the services rendered. Upon request, but no more frequently than annually, IDEA shall provide IPSL with a confidential list of employees and the Payroll Costs paid by IDEA for which IDEA has been, or is requesting to be, reimbursed by IPSL for the services rendered by the Charter School Staff or Other Personnel. IDEA shall provide to IPSL upon request the basis for compensation for persons identified in the list. IPSL reserves the right, at its sole cost and expense, to audit the Payroll Costs, including engaging a qualified specialist to determine the reasonableness of the Payroll Costs. Any Payroll Costs reimbursed by IPSL to IDEA determined not to be reasonable compensation by a qualified specialist, by the IRS on audit of IPSL, shall be reimbursed by IDEA within thirty (30) days of such determination, and any amount not reimbursed in that time period may be withheld, together with 1.5 percent per month from the date of disbursement until reimbursement, by IPSL from IDEA's future Fee or other payments until the amount owed to IPSL has been recovered. Notwithstanding any other provision in this paragraph, no Charter School Staff or Other Personnel shall be paid a percentage of net revenues or any other basis that gives rise to private inurement with respect to the staff or personnel member.

8.7.4 IPSL shall promptly notify IDEA if IPSL receives a notice of assessment of, or if IPSL is determined by any governmental authority to owe, any federal or

State excise, unemployment, withholding, income or social security taxes (any or all of the foregoing, "**Taxes**") with respect to Payroll Costs for which IPSL previously reimbursed IDEA. IDEA will cooperate with IPSL in its efforts to obtain information to defend such assessment or determination. IDEA shall promptly take all appropriate action to seek a refund from the appropriate governmental authority(ies) of any such previously reimbursed Taxes it had paid for a similar time or period for the same employees or contractors ("**Refund**"). IPSL will cooperate with IDEA in IDEA's efforts to seek a Refund. IDEA will promptly remit any Refund to IPSL. Additionally, if IPSL can demonstrate that such Taxes, were the result of IDEA's actions or failure to act, IDEA will also reimburse IPSL for any penalties, interest or similar charges due on such Taxes and paid by IPSL.

9. **Insurance.**

9.1 **General Liability Insurance.** Each Party shall, at its own expense, maintain general liability insurance, including, without limitation, bodily injury and property damage insuring itself with a minimum of \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate limit of liability coverage. Each Party shall provide the other Party with a certificate evidencing such insurance and showing the other Party as an additional insured.

9.2 **Workers' Compensation Insurance.** Each Party shall maintain workers' compensation insurance where required by law to cover their respective employees (if any) and shall provide the other Party with a certificate or certificates of such insurance. The cost of such insurance shall be paid as specified herein.

9.3 **Automobile Insurance.** Each Party shall, at its own expense, maintain comprehensive automobile insurance, insuring itself with a minimum of \$1,000,000.00 combined single certificate evidencing such insurance and showing the other Party as an additional insured.

9.4 **Cancellation; Subrogation.** Each insurance policy required herein shall provide for not less than 10 days written notice to the other Party in the event of cancellation or material change of coverage. To the maximum extent permitted by its insurance policies, each Party, for the benefit of the other Party, waives any and all rights of subrogation which might otherwise exist (and the certificate required herein shall indicate such waiver of subrogation).

10. **Indemnification.** Each Party agrees that the fullest extent permitted by law, it will indemnify, defend, save and hold the other Party, and its directors, officers, employees, agents and other representatives harmless for, from and against any and all manner of loss, cost, expense (including attorneys' fees and other costs and expenses of litigation, defense and appeal), damage, injury, liability, claims, actions and causes of action whatsoever arising from or in any way related to the indemnifying Party's: (i) negligent or willful acts or omissions; (ii) breach of this Agreement; or (iii) operation of its own business.

11. **Intellectual Property Rights.**

11.1 **IDEA's Materials.** In connection with the Services, IDEA may furnish IPSL with curriculum, testing, analysis, reports, programs, procedures or other information or materials (collectively, "**Materials**") that have been or will be authored, originated, discovered and invented by or for IDEA and of which IDEA is deemed to be the author and originator. The Parties agree that IDEA shall have and retain all right, title and interest in and to IDEA's Materials that (i) are created on or after October 1, 2016, or (ii) were created prior to October 1, 2016 if and to the extent such Materials were authored, originated, discovered or invented outside the scope of IPSL's operations; and IDEA shall have all rights to sell, assign or otherwise transfer any right, title or interest in such IDEA's Materials and all rights to apply for, register, obtain and own any and all copyrights, trademarks, service marks, trade names, patents and/or other exclusive or proprietary registrations or forms of ownership. IDEA retains the right to sell any of IDEA's Materials, even if IDEA's Materials are derivatives, or incorporate any, of IPSL's Materials. In the event IPSL is held, for any reason, to have any right, title or interest in and to any of IDEA's Materials, regardless of the media and whether or not copyrighted or copyrightable, trademarked or registerable, patented or patentable, IPSL hereby unconditionally and irrevocably transfers and assigns such right, title and interest in and to IDEA as an essential part of the consideration for this Agreement. IPSL further agrees that it shall, within 5 days after receipt of a written request from IDEA, execute a written instrument for the purpose of waiving its rights, if any, to attribution for any of IDEA's Materials under Section 106A(a) of The Copyright Act of 1976 (17 U.S.C. Sec. 101, 1976) or any succeeding law.

12. **Trademarks.** The Parties' respective rights to use IDEA Public Schools marks are set forth in, and governed by, the attached Trademark Licensing Agreement.

13. **Termination.** In addition to termination provisions that may be set forth in School Appendices, this Agreement may be terminated as follows:

13.1 **Agreement.** Without further liability to either Party, either Party has the right to terminate the Agreement:

13.1.1 If, at any time, IPSL determines that this Agreement would serve as grounds for revocation of a Charter Contract, would jeopardize its tax-exempt status as a Section 501(c)(3) tax-exempt organization, would jeopardize the tax exempt status of any debt issued for the benefit of IPSL, would create adverse tax consequences for IPSL, or would cause IPSL to be in violation of applicable law, IPSL may terminate this Agreement in accordance with this Section 13. IPSL shall give IDEA at least ninety (90) days notice of its intent to terminate the Agreement pursuant to this Section 13. In addition, IPSL shall provide IDEA with an analysis as to why such action is necessary. If requested by IDEA, IPSL shall meet and confer with IDEA to determine whether some other course of action could be taken which might satisfy IPSL's concerns and the parties shall work together in good faith to resolve or satisfy any such concerns before a termination is pursued; or

13.1.2 If a Party is in breach of a material provision of this Agreement and has failed (a) to cure the breach within sixty (60) days of notice ("**Cure Period**") from the

non-breaching Party specifying the breach or (b) to take substantial steps toward a cure within the Cure Period if the breach is incapable of cure within the Cure Period.

13.2 Non-Appropriation Clause. Without further notice and without further liability to either Party, this Agreement, with respect to any individual and specific charter contract, shall terminate if:

13.2.1 The legislature of the applicable jurisdiction fails to appropriate funds for the operation of that charter school. In such an event, the obligations of the Parties with respect to the effected School(s) by the non-appropriation shall terminate on the last date that such government funds are appropriated for the operation of Schools covered by that charter contract; or

13.2.2 IPSL's Charter Contract is revoked or not renewed, or is surrendered after receiving a Notice of Intent to Revoke Charter or Notice of Intent to Non-Renew, by or from the charter authorizing jurisdiction. In such an event, the obligations of the Parties with respect to the effected School(s) shall terminate on the date the Charter Contract expires or on the date of revocation, non-renewal, or surrender, as applicable; or

13.2.3 The other Party is in breach of a material provision of the Agreement, or a provision of the Agreement that affects only that particular School, and has failed (a) to cure the breach within the Cure Period from the non-breaching Party specifying the breach, or (b) to take substantial steps toward a cure within the Cure Period if the breach is incapable of cure within the Cure Period.

13.4 Automatic Revocation Upon Loss of 501(c)(3) Status of IDEA. This Agreement shall automatically terminate thirty (30) days after the revocation of the 501(c)(3) status of IDEA by the IRS.

13.5 Breach or termination of this Agreement and services to any particular School shall have no effect on any other Schools serviced hereunder, all of which shall remain in force in accordance with their respective terms.

13.6 If, at any time, IPSL breaches the Trademark License Agreement and/or the Copyright License Agreement between IDEA and IPSL, and fails to remedy such breach(es) in accordance with the terms of the Trademark License Agreement and/or the Copyright License Agreement, IDEA may immediately terminate this Management Services Agreement.

14. Dispute Resolution. In the event of any disagreement, claim, dispute, controversy or other matter (collectively "Dispute") in question between the Parties (including the question of what issues can be mediated and the validity of this Section 14) arising out of, or relating to this Agreement, or any breach of this Agreement, the Parties agree to submit the Dispute first to non-binding mediation and then to arbitration pursuant to Section 14.2.

14.1 Mediation. Any Dispute may be submitted to mediation upon mutual agreement of the Parties prior to arbitration or litigation. If the Parties agree to submit the Dispute to mediation, the Parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in Baton Rouge, Louisiana, unless the Parties mutually agree to another location. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

14.2 Arbitration. In the event the Parties do not agree to engage in mediation or if the Dispute is not resolved through mediation, the Parties may agree to submit the Dispute to binding arbitration. If the Parties mutually agree, in writing, to arbitrate such Dispute, the following terms and conditions shall apply to the arbitration:

14.2.1 The Dispute shall be arbitrated in accordance with the Commercial Arbitration Rules of the AAA as then existing, to the extent such rules are not inconsistent with the provisions of this Section 14, but shall not be arbitrated by an AAA tribunal, or administered by the AAA, unless specifically agreed to, in writing, by the Parties. Each of the Parties shall keep all Disputes and arbitration proceedings strictly confidential, except for disclosures of information required by applicable law or regulation.

14.2.2 Notice of the demand for arbitration shall be given in writing to the other Party in the manner provided for notice by Section 16.8. The demand for arbitration shall be made within a reasonable time after the Dispute has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based on such Dispute would be barred by the applicable statute of limitations. Unless otherwise agreed in writing by the Parties, either the Parties or their legal counsel shall, within thirty (30) days following notification of the arbitration, mutually agree upon, qualify and select an arbitrator. In the event the Parties cannot mutually agree on one arbitrator, an arbitration panel, composed of three (3) arbitrators, shall be selected in the following manner: each of the Parties, or their respective legal counsel, as the case may be, shall, within forty (40) days after one Party notifies the other of his, her or its intent to arbitrate a Dispute, each select an arbitrator and the two (2) arbitrators shall, within fifteen (15) days following notification of their selection, select a third arbitrator. In the event either Party fails to timely select an arbitrator, the arbitrator selected by the other Party shall be the sole arbitrator and shall hear the Dispute. In the event each Party selects an arbitrator, and the selected arbitrators cannot decide upon a third arbitrator for the panel, the Parties shall each select a new arbitrator and the two (2) new arbitrators shall, within fifteen (15) days following notification of their selection select a third arbitrator. This process shall be repeated until a panel of three (3) arbitrators is constituted. To qualify to arbitrate any Dispute under this Section 14, the arbitrator must be a licensed attorney in the jurisdiction wherein the proceedings occur, must have practiced law in such jurisdiction for a minimum of ten (10) years and must have a minimum of five (5) years' experience in the area of the law primarily implicated by the Dispute. If the Parties cannot agree on the "primary" area of law implicated, they shall select arbitrators with a minimum of five (5) years' experience in business and contract law. Once qualified and notified of his or her selection, the arbitrator (or arbitration panel, as applicable) shall hear the Dispute within sixty (60) days and render a written legal opinion and decision, specifying the factual and legal basis for the decision, within twenty (20) days thereafter (or as soon thereafter as is practicable and justified under the circumstances). In

the case of an arbitration panel, the opinion of the majority of the arbitrators shall be adopted as the panel's opinion.

14.2.3 Discovery may be conducted either upon mutual consent of the Parties, or by order of the arbitrator upon good cause being shown. In ruling on motions pertaining to discovery, the arbitrator shall consider that the purpose of arbitration is to provide for the efficient and inexpensive resolution of Disputes, and the arbitrator shall limit, expedite or order discovery whenever appropriate to insure that this purpose is preserved. For the purposes of this section, the term "**Discovery**" shall not limit the absolute right of IPSL to obtain all documents and records held by or in the possession of IDEA that are rightfully and properly the property and records of IPSL. The arbitrator shall not have the authority to limit IPSL's access to or use of any property and records of IPSL that may be held by or in the possession of IDEA, but the arbitrator does have the authority to order IDEA to produce to IPSL all of IPSL's original property and records.

14.2.4 The decision and award rendered by the arbitrator shall be based upon applicable law and judicial precedent and shall be final, conclusive and binding upon each of the Parties. Judgment may be entered upon the arbitrator's decision in accordance with applicable law in a court having jurisdiction thereof. Any such award by the arbitrator shall include recovery by the prevailing Party of the costs and expenses of the proceeding, including reasonable attorneys' fees; provided that, if neither Party prevails, the expenses of arbitration (other than attorneys' fees) shall be borne equally between the Parties. Any such award by the arbitrator shall not include the award of punitive damages in excess of an amount equal to the compensatory damages awarded in the proceeding.

14.3 Litigation. If the parties do not mutually agree, in writing, to submit the Dispute to binding arbitration, either party may bring suit following the arbitration process described above as allowed and contemplated under Section 16.10.

15. Default; Remedies.

15.1 Default. A "**Default**" is defined as the failure by a Party to observe, comply with or perform any of the terms, covenants or conditions applicable to such Party under this Agreement, where such Party fails to cure such Default within the applicable grace period specified herein, and shall entitle the non-defaulting Party to pursue the remedies set forth in Section 14.2. Specific Defaults and cure periods are set forth below:

15.1.1 The failure by IPSL to make any payment of the Fee or to reimburse any cost or expenses as and when due, where such failure continues for a period of 5 calendar days following notice thereof to IPSL by or on behalf of IDEA;

15.1.2 Failure of IDEA to perform any of its obligations under Section 4.9 of this Agreement;

15.1.3 The failure by either Party to observe, comply with or perform any obligation under this Agreement, other than those described in Section 15.1.1, where such

Default continues for a period of 60 days after written notice thereof by or on behalf of the non-defaulting Party to the defaulting Party; provided, however, that if the nature of the Default is such that more than sixty (60) days are reasonably required for its cure, then it shall not be deemed to be a Default of this Agreement if the defaulting Party commences such cure within said sixty (60)-day period and thereafter diligently prosecutes such cure to completion;

15.1.4 The occurrence of any of the following events: (i) the making by a Party of any general arrangement or assignment for the benefit of creditors; (ii) a Party becomes a “debtor” as defined in 11 U.S. Code Section 101 or any successor statute thereto (unless, in the case of a petition filed against such Party, the same is dismissed within ninety (90) days); (iii) the appointment of a trustee or the judicial appointment of a receiver to take possession of substantially all of a Party’s assets, where possession is not restored to such Party within ninety (90) days; or (iv) the attachment, execution or other judicial seizure of substantially all of a Party’s assets, where such seizure is not discharged within ninety (90) days; or

15.1.5 Any action by IPSL to remove or otherwise limit the authority or role of IDEA Public Schools USA LLC under IPSL’s articles of incorporation or bylaws; or

15.1.6 The failure of IPSL to timely pay any of its obligations associated with the construction, acquisition, equipment or renovation of any facilities whether directly financed or leased,

15.2 Remedies. If either Party defaults hereunder, the non-defaulting Party may, at its option (but without obligation to do so), perform such duty or obligation on the defaulting Party’s behalf. The costs and expenses of any such performance shall be due and payable by the defaulting Party to the other Party immediately upon invoice therefor. In the event of a Default of this Agreement by either Party (which is not timely cured), with or without further notice or demand, the non-defaulting Party may pursue any remedy now or hereafter available to such Party under the laws or judicial decisions of the State.

16. General Provisions.

16.1 Incorporation of Recitals. Recitals “A” through “D” above are acknowledged by the Parties to be true and correct and are incorporated herein as a material part of this Agreement.

16.2 IPSL Records. Financial, educational and other records pertaining to the Charter Schools, whether or not generated or maintained by IDEA, are IPSL property, and such records may be subject to inspection and copying under applicable law. IPSL records will be kept and maintained at each Charter School and/or on IPSL property. The physical location and access to all records of the Charter Schools shall fully comply with the Act and other applicable laws. Upon expiration or earlier termination of this Agreement, IDEA shall, within 30 days, turn over to IPSL all IPSL’s records in whatever form (on paper, electronic or otherwise), which shall be retained by IPSL and thereafter maintained by the Board. IDEA may make and keep one copy of all books and records that IDEA is permitted to retain under applicable law.

16.2.1 Student Data Privacy: Personally Identifiable Information

- a. IDEA shall not allow access to, release, or allow the release of student information to any person or entity except as specified in this agreement, or as required by law.
- b. IDEA agrees not to sell, transfer, or process any student information for use in commercial advertising, marketing, or any other commercial purpose, unless otherwise permitted by this agreement, or by federal, state, or local law.
- c. IDEA agrees to create and maintain access and access authentication policies for its computer system(s) that ensure only authorized individuals have access to student information. Authorized individuals include those authorized by IPSL and employees or agents of IDEA who require access to fulfill the intent of this agreement.
- d. IDEA agrees to comply with all federal, state, and local laws and regulations related to privacy compliance standards.
- e. IDEA agrees to provide the results of privacy and security audits on its computer systems that may be required by IPSL.
- f. IDEA agrees to put in place safeguards on its computer systems against the breach of student information privacy. In the event of a breach of the privacy of student information, IDEA agrees to immediately alert IPSL and to work with IPSL to remediate said breach.
- g. IDEA agrees to retain and store student information as required by this agreement with IPSL and to delete all student information from its computer systems upon termination of this agreement. All information removed from Provider's servers upon termination of this agreement will be returned to School.

16.3 Personally Identifiable Information. Under the terms of this Agreement, IDEA may be provided with students' "personally identifiable information" as defined in La. R.S. 17:3913(B)(1). Accordingly, IDEA shall not allow access to, release, or allow the release of student information to any person or entity except as specified below and must take all steps required by applicable law, including the following:

- (i) IDEA agrees to protect and maintain the security of data with protecting security measures that include maintain secure environments that are pathed and up to date with all appropriate security updates as designated by a relevant authority.

(ii) IDEA agrees that any "personally identifiable information" will be stored, processed, and maintained solely on designated servers and that no such data at any time will be process on or transferred to any portable or laptop computing device or any portable storage medium, unless that storage medium is in use as part of the IDEA' designated backup and recovery processes. All servers, storage, backups and network paths utilized in the delivery of the Services shall be the states, districts, and territories of the United States.

(iii) IDEA agrees to implement various forms of authentication to establish the identity of the requester of the information with a level of certainty that is commensurate with the sensitivity of the data.

(iv) IDEA agrees that any and all data exchanged shall be used expressly and solely for the purposes enumerated in this Agreement.

(v) IDEA agrees that, as required by applicable state and federal law, auditors from state, federal or other agencies so designated by IPSL, shall have the option to audit the outsourced service. Records pertaining to the service shall be made available to auditors and IPSL during normal working hours for this purpose.

(vi) IDEA agrees to comply with the Louisiana Database Breach Notification Law (Act 499) and all applicable laws that require the notification of individuals in the event of unauthorized release of personally identifiable information or other event requiring notification. Further, IDEA agrees to notify IPSL immediately and assume responsibility for informing all such individuals in accordance with applicable law and to indemnify, hold harmless and defend IPSL from and against any claims or damages related to a Notification Event.

(vii) IDEA agrees that upon termination of this Agreement, it shall return all data to IPSL in a useable electronic form, and erase, destroy, and render unreadable all data IDEA may have, and certify in writing that these actions have been completed within thirty (30) days of the termination of this Agreement or within seven (7) days of the request of IPSL, whichever shall come first.

(viii) IDEA agrees that unauthorized disclosure of such information may irreparably damage IPSL, such that adequate compensation could not be obtained from damages in an action at law. Accordingly, the actual or threatened unauthorized disclosure of use of any protected information shall give IPSL the right to seek injunctive relief to restrain the disclosure, in addition to any other remedy. IDEA hereby waives the posting of a bond with respect to any action for injunctive relief. IDEA also grants IPSL the right, but not the obligation, to enforce these provisions in IDEA's name.

(ix) IDEA must establish and implement a clear data breach response plan outlining organizational policies and procedures for addressing a potential breach.

(x) IDEA agrees that the confidentiality obligations contained herein shall survive termination of this Agreement for a period of fifteen (15) years or for so long as the information remains confidential, whichever is longer.

16.4 No Delegation of Authority. Nothing in this Agreement shall be construed as: (i) delegating to IDEA any of the powers or authority of IPSL which are not subject to delegation under the Act or other applicable law; or (ii) interfering with IPSL's duty to exercise its statutory, contractual and fiduciary responsibilities governing the operation of IPSL's charter schools. Furthermore, notwithstanding any contrary provision contained herein, no provision of this Agreement shall be construed to prohibit IPSL from acting as an independent, corporate governing body.

16.5 Statutory Requirements. IDEA acknowledges that IPSL must comply with all the financial requirements for its charter schools under applicable State law. In addition to the obligations set forth in Section 7, IDEA agrees to provide such details and documentation related to IDEA's Initial-Year Fee, IDEA's Annual Fee and the Services as are reasonably necessary for IPSL to meet its accounting and reporting obligations. In addition to the rights set forth in Section 7, upon reasonable, written notice, IPSL and its designees shall have the right to review and audit IDEA's books and records as they relate to this Agreement, including the right to make copies.

16.6 Force Majeure. If performance by IDEA or IPSL of any of their respective obligations other than the payment of money, under the terms of this Agreement is interrupted or delayed by an act of God, by acts of war, riot, terrorism or civil commotion, by an act of the State, by fire or flood, or by the occurrence of any other event beyond the control of the Parties, the Parties shall be excused from such performance for the same amount of time as such occurrence lasts or such period of time as is reasonably necessary after such occurrence abates for the effect of the occurrence to have dissipated. The Parties agree to act diligently to remedy the cause of any delay subject to this Section 16.6. Each Party shall notify the other Party promptly after any occurrence subject to this Section 16.6 that may affect the Party's performance of its obligations under this Agreement.

16.7 Assignment. Neither Party may assign any of its rights, duties or obligations under this Agreement without the other Party's prior written consent, provided that, IDEA may assign all of its rights, duties and obligations to a subsidiary organization after providing written notice to IPSL as provided herein.

16.8 IDEA's Business Costs. All expenses or obligations incurred by IDEA in the operation of its business and its performance of duties hereunder including, without limitation, IDEA's business overhead expenses, shall be borne by IDEA and IPSL shall have no obligation or liability for any fees, expenses or losses incurred by IDEA except as expressly provided herein.

16.9 Notices. All notices required or permitted under this Agreement shall be in writing and shall be deemed received upon personal delivery (by hand delivery or courier), 5 days after being sent by registered or certified United States mail, return receipt requested,

postage fully prepaid, or one day after being sent by a reputable, overnight express-mail service, addressed to the respective Party at its address as set forth above, or to such other address as each Party shall, from time to time, specify in the manner provided herein.

16.10 Severability. To the fullest extent possible, each provision of this Agreement shall be interpreted in such fashion as to be effective and valid under applicable law. If any provision of this Agreement is declared void or unenforceable with respect to particular circumstances, such provision shall remain in full force and effect in all other circumstances. If any provision of this Agreement is declared entirely void or unenforceable, such provision shall be deemed severed from this Agreement and this Agreement shall otherwise remain in full force and effect.

16.11 Governing Law. This Agreement shall be deemed to be made under, shall be construed in accordance with, and shall be governed by, the internal, substantive laws of Texas, without reference to any choice-of-law principles or provisions. Suit to enforce any provision of this Agreement or to obtain any remedy with respect hereto shall be brought in a federal or state court of competent jurisdiction in the State of Texas; and each Party hereto expressly and irrevocably consents to the jurisdiction of said court.

16.12 Successors In Interest. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by and against the respective successors and assigns of the Parties.

16.13 Time of Essence; Time Periods. Time is of the essence of this Agreement and each and every provision of this Agreement. Any extension of time granted for the performance of any duty under this Agreement shall not be considered an extension of time for the performance of any other duty under this Agreement. Unless expressly stated otherwise, any computation of time periods permitted or required herein stated in "days" shall mean calendar days. "Business day," when so identified, shall mean normal working days, excluding Saturdays, Sundays and federal or State legal holidays. If the time for performance of any obligation due hereunder or the making of any election permitted hereunder is stated in "days" and expires on a Saturday, Sunday or federal or State legal holiday, then the time for performance of such obligation or for the making of any such election shall be extended to the next day which is not a Saturday, Sunday or legal holiday.

16.14 Survival. The provisions of Sections 1.3.4, 4.4, 5, 8.7.3, 8.7.4, 10, 11, 12, 14, 16.2, 16.17, 16.18, 16.22 and 16.24 shall survive the expiration or termination of this Agreement.

16.15 Waivers. No waiver of any term covenant or condition hereof shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent violation of the same or any other term, covenant or condition hereof. A Party's consent to or approval of, any act of the other Party shall not be deemed to render unnecessary the obtaining of the applicable Party's consent to, or approval of, any subsequent or similar act by the other Party, or be construed as the basis of an estoppel to enforce the provision or provisions of this Agreement requiring such consent.

16.16 Consents and Approvals. Except as otherwise expressly provided herein, wherever in this Agreement the consent or approval of a Party is required to an act by or for the other Party, such consent or approval shall not be unreasonably withheld or delayed.

16.17 Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

16.18 Attorney's Fees. If attorneys are engaged, or any action is brought, by either Party in respect of its rights under this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees, court costs and costs of appeal as determined by the court.

16.19 Counterparts. This Agreement may be executed in any number of counterparts, all such counterparts shall be deemed to constitute one and the same instrument, and each of the executed counterparts shall be deemed an original of this Agreement; provided, however, that this Agreement shall not be effective or enforceable unless and until it is executed by each Party.

16.20 Amendments. This Agreement may be amended or modified only in writing, signed by the Parties in interest at the time of the modification.

16.21 No Third Party Rights. No person or entity who is not a Party to this Agreement shall have any right to performance under this Agreement nor shall any person or entity who is not a Party to this Agreement have any right to enforce this Agreement.

16.22 Captions; Interpretation. Captions and headings are for convenience only and shall not alter the interpretation of any provision or be used in construing this Agreement. If the context requires, the use of the singular or plural (including the use of defined terms) shall also refer to the other. The word "including" is not exclusive; if exclusion is intended, the word "comprising" is used instead. The word "or" shall be construed to mean "and/or" unless the context clearly prohibits that construction. The language in all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning and not strictly for or against any Party. **Each Party warrants and represents that it has read this Agreement in its entirety, that it understands each and every term and condition hereof, and that it has had ample time to seek the advice of its own legal counsel and other professional advisors before signing this Agreement.** Accordingly, any rule of construction to the effect that ambiguities are to be construed against the drafting Party shall not apply to the interpretation of this Agreement or any amendment or exhibit hereof.

16.23 Representative Signatures. Any individual signing in a representative capacity hereby represents and warrants that he or she is duly authorized to execute and deliver this Agreement and has full authority and power to bind his principal to this Agreement. Each Party shall, upon the execution of this Agreement, deliver to the other Party documents evidencing such authority.

16.24 No Disparagement. During the term of this Agreement and for a period of 2 years thereafter, each Party agrees that neither it, nor its directors, officers, employees or

agents, shall defame or disparage the other Party, nor any of the other Party's directors, officers, employees or agents, to any third Party.

16.25 Entire Agreement. This Agreement, including any exhibits or schedules referenced herein, contains the entire agreement and understanding of the Parties with respect to the subject matter of this Agreement and, except for the TM Agreement and the Co-Existence Agreement, all agreements and understandings entered into prior to this Agreement, including those included in any prior agreement between the parties regarding the subject matter of this Agreement, are superseded by this Agreement to the extent they relate to the subject matter of this Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the dates shown below.

**IDEA PUBLIC SCHOOLS, INC.,
a Texas non-profit corporation**

By: _____,
_____, its President
Date _____

**IDEA PUBLIC SCHOOLS LOUISIANA, INC., a
Louisiana non-profit corporation**

By: _____,
_____, its President
Date _____

EXHIBIT A
AUTOMATIC RENEWAL PROVISION

Unless the Management Services Contract is terminated by either party pursuant to any of the clauses contained therein, it shall automatically renew in the event that any Louisiana charter school authorizer, including but not limited to East Baton Rouge Parish School Board, renews any charter school contract with IDEA Public Schools Louisiana, Inc. The renewal term of the Management Services Contract shall run concurrently with the term of each respective renewed charter school contract.

Exhibit A to
Management Services Agreement (IDEA/IPSL)

4825-3528-3260.2
4852-3062-5341 v1
2938546-000001 04/28/2017

EXHIBIT B

SCHOOL MANAGEMENT SERVICES

IDEA shall provide the following 3 categories of services for each School. Except as expressly noted in the list of representative services below, expenses related to these Services (including payroll expenses of site management employed by IDEA) shall be paid by IDEA from IDEA's Fee. This Exhibit B may be amended unilaterally by IDEA in writing from time to time as reasonably determined necessary in order to facilitate or more accurately describe its services under the Agreement.

"Management Services" means and comprises general management services, site management services and supervision of operations.

"Operational Services" means and comprises all teaching and academic services and site administrative services (including enrollment, attendance, etc.).

"Accounts Payable Services" means IDEA's management and supervision of all accounts payable and the New School's bank accounts, including the direct payment of the School's bills and expenses by IDEA on behalf of the School from the School's bank accounts, and management and supervision of the School's bond reserve accounts.

Types of Payment. Reasonable costs and expenses associated with goods and services not covered by IDEA's Fee may be paid by the School by either of two methods, as determined by IDEA: (1) Such expenses may initially be paid by IDEA then passed through IDEA's accounting services and invoiced by IDEA to the School for reimbursement to IDEA ("**Pass-Through Expense**"). All Pass-Through Expenses are in addition to IDEA's Fee; or (2) IDEA may pay such expenses from the School's bank accounts ("**Direct Payment**"). Direct Payments shall be authorized and permitted for any of the School's legitimate and ordinary expenses, including, without limitation, utility bills, supplies, building maintenance and repair, equipment maintenance and repair and all other ordinary or recurring business expenses. All Direct Payments are in addition to and not included in the Services fees and Pass-Through Expenses established in this Agreement.

Management Services

Site Management. Subject to IDEA's right to restructure its management and staff, in its sole and absolute discretion, the typical site management at a school will be comprised of:

1. a Head of School;
2. an Upper-School Director for each upper school; and
3. a Middle-School Director for each middle school and a Head of Operations.
- 4.

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Exhibit B to
Management Services Agreement (IDEA/IPSL)

Site Management also includes:

1. Overall Management of the New School's academic program by the Head of School;
2. Overall Management of the Upper School by the Upper School Director;
3. Overall Management of the Middle School by the Middle School Director; and
4. Overall Management of the New School's physical plant and day-to-day operations by the Head of Operations.

Technology and IT Services:

1. Designing overall technology and IT system and strategy;
2. Assuring alignment of technology purchases with technology strategy;
3. Providing staff training on the technology and IT systems;
4. Designing overall data collection system; selecting and/or creating database systems; assuring compatibility and security of systems;
5. Managing IT staff at all school sites; and
6. Conducting research on future growth of technology and IT services and equipment and implementing changes and improvements.

Costs and expenses of the IT services provided at each School site either by contract or by IDEA employees and other direct costs related to technology and IT systems (e.g., computer and other technology repairs, software installation, internet connection maintenance, etc.) are not included in IDEA's Fee.

Public Relations:

1. Developing the public-relations strategy for the School;
2. Preparing and distributing press releases for the School;
3. Conducting regular outreach efforts for the School; and
4. Engaging firms for PR services as required.

Costs and expenses for services provided by PR firms are not included in IDEA's Fee.

Development:

1. Identifying relevant grant opportunities;
2. Writing and administering of all grants for the School;
3. Managing fundraising for the Master Teacher Programs;
4. Managing fundraising for special projects and needs; and
5. Contracting with outside fundraisers and/or providing fundraising staff at each school as required.

Costs and expenses for (i) services provided by outside fundraisers; (ii) expenses for fundraising staff at the New Schools; and (iii) fundraising costs including, but not limited to the costs of printing brochures, hosting events and travel, are not included in IDEA's Fee.

Other:

1. Negotiating capital equipment purchases and leases for existing sites;
2. Maintaining the School's corporate files and providing support for Board meetings;
3. Preparing State and Charter-Authorizer required annual reports for the School;
4. Providing school calendars that meets State requirements;
5. Providing time schedules for all Charter Schools;
6. Coordinating and supervising building and asset maintenance and repair;
7. Planning staffing levels at each School; and
8. Providing administrative support for the Board under the direction of the Chairman.

Costs and expenses related to building and asset maintenance and repair are not included in IDEA's Fee.

Page B-4
Exhibit B to
Management Services Agreement (IDEA/IPSL)

4825-3528-3260.2
4852-3062-5341 v1
2938546-000001 04/28/2017

Operational Services

Enrollment and Enrollment Maintenance:

1. Supervising operations related to:
 - Enrollment - registration, waiting-list management and withdrawals
 - Attendance
 - Student Records
2. Creating manuals and time lines for policies and procedures and staff training related to:
 - Enrollment - registration, waiting-list management and withdrawals
 - Attendance
 - Student Records
3. Conducting market analysis (demand for the School's services)
4. Conducting student-retention analysis
5. Preparing periodic enrollment reports for the Board

SAIS – Student Automatic Information System

1. Contracting with database-system providers, updating and solving database problems.-

Costs and expenses relating to contracting for database systems are not included in IDEA's Fee.

2. Conducting data-entry training for site staff.
3. Supervising data entry.
4. Supervising data uploads.
5. Reconciling SAIS and School database data.
6. Supervising SAIS legal compliance. Curriculum:

7. Designing and publishing policies and procedures related to Board-approved Middle School grade promotion and High School graduation requirements.
8. Designing and administering the New School's internal syllabi audit system (the audit system includes the curriculum alignment with state standards), managing the system and supervising the process of AP course audits.
9. Designing the School's students' and schools' progress assessment system, managing the system and training the teachers and administrators to use the system.
10. Supervising the administration of required State assessments, including AIMS, TeraNova, etc.

Costs and expenses related to external tests for students including, but not limited to, PSAT, SAT, AP Exams, Cambridge Exams, Latin National Exam, and the costs of external training related to these exams, are not included in IDEA's Fee.

Teachers:

1. Conducting teacher recruiting.
2. Conducting in-house, teacher-training programs in subject content, classroom management, assessment design, developmental psychology and federal and State compliance, including special-education compliance.
3. Arranging training by outside experts and coordinating off-site individual teacher training and professional development activities.
4. Planning instructional staffing levels.

Costs and expenses related to teacher recruitment paid to third parties and the costs of food, lodging and space rental for teacher training as well as the costs and expenses of training or professional development courses for teachers provided and/or organized by other organizations including, but not limited to, AP course training, AIMS training and Cambridge Exams, are not included in IDEA's Fee.

Students:

1. Creating policies and procedures and supervising operations related to:

Identifying and providing services to “**Atypical Learners**” (i.e., students that demonstrate atypical learning behavior: a faster or slower pace of learning than the average student);

Identifying and providing educational services to students with special needs, in compliance with federal and State laws and regulations, including State-required reporting.

2. Finding, contracting and supervising licensed SPED staff at all school sites.
3. Supervising data collection and providing relevant data for State monitoring and SPED audits.

Costs and expenses related to services provided to Atypical Learners and SPED services are not included in IDEA’s Fee.

Accounts Payable Services

Accounting

1. Preparing proposed, adopted and adjusted versions of school budgets.
2. Preparing AFRs for all charter schools operated by the New School.
3. Submitting budgets and AFRs to ADE as required by applicable law.
4. Coordinating, preparing and providing audit data for annual audits.
5. Recording the School’s accounting data.
6. Preparing quarterly financial reports for the Board.
7. Preparing the School’s tax returns.
8. Managing accounts payable and accounts receivable.
9. Maintaining all vendor files.
10. Assuring compliance with GAAP accounting standards.
11. Assuring compliance with existing Bondholder reporting requirements.

Unenumerated Services:

IDEA is authorized to provide reimbursable services and incur expenses not specifically enumerated above that IDEA believes are required to execute IDEA's responsibly to manage, oversee and supervise all the operations and activities of the New Schools so long as the costs incurred for such services do not exceed two percent (2%) of the authorized budget level for the appropriate category of expense ("**Category Cap**") or any higher cap set by the Parties. Within 30 days of incurring expenses under this provision in the aggregate amount of the Category Cap or any higher cap set by IPSL, IDEA will notify the Chairman of IPSL concerning the details of such expenses.

Exhibit C

ENROLLMENT PROJECTION TABLE

Jul. 27. 2017 10:36AM SHAW CENTER OF ARTS

No. 0478 P. 3

CHARTER SCHOOL CONTRACT: EXHIBIT C
Grade Level Enrollment Projection Table

Name of Charter School: IDEA Public Schools Louisiana, Inc.
 Name of Charter Operator: IDEA Public Schools Louisiana, Inc.

Grade Level	Year 1 2018-2019	Year 2 2019-2020	Year 3 2020-2021	Year 4 2021-2022	Year 5 2022-2023
K	232	232	348	464	464
1	232	232	348	464	464
2	232	232	348	464	464
3		232	232	348	464
4			232	232	348
5				232	232
6	240	240	360	480	480
7		240	240	360	480
8			240	240	360
9				240	240
10					240
11					
12					
TOTAL	936	1,408	2,348	3,524	4,236

EAST BATON ROUGE PARISH SCHOOL BOARD

By: 
BOARD PRESIDENT

7/27/17
DATE

IDEA PUBLIC SCHOOLS LOUISIANA, INC.

By: 
CHAIR/PRESIDENT

7/27/17
DATE

CHARTER SCHOOL CONTRACT: EXHIBIT C
Grade Level Enrollment Projection Table

Name of Charter School: **IDEA Public Schools Louisiana, Inc.**

Name of Charter Operator: **IDEA Public Schools Louisiana, Inc.**

Grade Level	Year 1 2018-2019	Year 2 2019-2020	Year 3 2020-2021	Year 4 2021-2022	Year 5 2022-2023
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4			232	232	348
5				232	232
6	240	240	360	480	480
7		240	240	360	480
8			240	240	360
9				240	240
10					240
11					
12					
TOTAL	936	1,408	2,348	3,524	4,236

EAST BATON ROUGE PARISH SCHOOL BOARD

By: _____
BOARD PRESIDENT

DATE

IDEA PUBLIC SCHOOLS LOUISIANA, INC.

By: _____
CHAIR/PRESIDENT

DATE

Exhibit D

SCHOOL ENROLLMENT POLICIES AND PROCEDURES

CHARTER SCHOOL CONTRACT: EXHIBIT D
TYPE 1 Charter School Student Enrollment Policies and Procedures

The East Baton Rouge Parish School Board (EBRPSB) is committed to ensuring that the student enrollment process in the charter schools it authorizes is **fair, transparent and accessible** to all students and families interested in attending a charter school.

The following describes the student enrollment process, both in terms of policies and procedures, for EBRPSB Type 1 charter schools.

ENROLLMENT POLICY

The Board of Directors must adopt a written student enrollment policy. The policy should include:

- Five-year enrollment plan (including expansion plan for additional grades and number of students served);
- A non-discrimination assurance;
- Eligibility and application requirements (including ages/grades at which the school enrolls, or does not enroll, new students);
- Marketing/outreach/recruitment timeline and activities;
- Due dates for application materials;
- Lottery date and process;
- Instructions for accepting admission if chosen in the lottery; and
- Waitlist procedures.

EBRPSB staff will review the school's approved enrollment policy and any application materials (i.e. written application, recruitment flyer) to ensure consistency with the Louisiana charter school law.

Non-Discrimination Requirement

Charter schools authorized by EBRPSB are public schools and are open to all students eligible for enrollment in a public school. Charter schools may **not** discriminate on the basis of race, color, national origin, creed, sex, ethnicity, sexual orientation, mental or physical disability, age, ancestry, athletic performance, special need, proficiency in the English language or in a foreign language, or academic achievement in admitting students, nor may charter schools set admissions criteria that are intended to discriminate or that have the effect of discriminating on any of these bases.

Enrollment of Students with Disabilities

It is expected that charter schools will enroll students with disabilities in compliance with all applicable law. EBRPSB will monitor all schools for compliance with the law to ensure equal access for ALL students. In admitting students in compliance with applicable law, it is anticipated that a charter school will enroll a percentage of students that is reflective of the number of students with disabilities being served in public schools in the parish in which the school is located. This is not a quota or cap on the enrollment of students with disabilities. All students must be admitted in compliance with applicable law.

The percentage of students eligible for special education services who are admitted to the charter school will be reviewed annually based on the percentage of students identified as receiving special education services in schools in the parish in which the charter school is located. In the event that a charter school

does not enroll a percentage of special education students that is reflective of the percentage of special education students in the parish where the charter school is located, EBRPSB may choose to manage recruitment and admissions in subsequent years.

Required Enrollment of At-Risk Students for New Start-Up Type 1 Charter Schools

The percentage of students enrolled in the charter school who are at-risk, as defined in La. R.S. 17:3973, must be equal to the percentage of students who are eligible for free and reduced lunch in the school district(s) from which the charter school draws its students.

Eighty-five percent of the charter school's at-risk students must be eligible for free and reduced lunch. The remaining 15% of the charter school's at-risk students may be at-risk in any of the ways set forth in La. R.S. 17:3973.

ENROLLMENT PERIOD

To initiate the enrollment period, the charter school should:

- Determine the spaces available in each grade based on the school's capacity;
- Set a deadline for accepting student applications. Pursuant to the Louisiana Charter School Law, an application period shall not be less than one month nor more than three months;
- Publicize the application deadline in multiple venues with reasonable notice of at least **one month** before the deadline;
- Set a date for the lottery with reasonable public notice given at least one week prior to the lottery; and
- Set a final date for students to accept enrollment and the actual date of enrollment.

Recommended Practice in Recruiting Students

To meet the requirement of "reasonable notice," a charter school might:

- Send notification to local non-profits advertising the school and its enrollment process;
- Post notices in various locations across the parish(es);
- Hold well-publicized informational meetings for students and families to learn about the school and its enrollment process; and
- Run advertisements in the city's major commercial and community newspapers.

Application Requirements

As stated above, charter schools may not discriminate in their enrollment practices. At the same time, charter schools have an interest in making sure that prospective students and families understand the mission and focus of the school and that they are interest in being a part of that school community. To that end, charter schools may have application requirements, provided those requirements are not designed, intended, or used to discriminate unlawfully. Meetings with parents/guardians, for example, must be designed to inform them about the school rather than to discourage certain types of students from attending the school.

Acceptable Application Requirements

- Charter school **may** require a written enrollment form that includes basic and general information about the prospective student (i.e. name, address, birth date, last grade completed, prior school attended).
- Charter schools **must** require proof of residency in East Baton Rouge parish charter school (such requirement may **not** be made of homeless students).
- Charter schools **may** require students to successfully complete the grade preceding the grade the student plans to enter.
- Charter schools **may** encourage (not require) parents/guardians to attend informational sessions.

Unacceptable Application Requirements

- Charter schools **may not** require written application is intended to assess the student's aptitude (i.e. essay responses, prior test scores, special education and English language learner identification)
- Charter schools **may not** make statements in meetings that are intended to or have the effect of discouraging parents/guardians of students with disabilities, or English language learners, or any other protected group of students from submitting an application to the school.

Eligibility

In order to be eligible to enroll, a student must live within the geographic boundaries of the East Baton Rouge Parish School System.

Recommended Application Materials

Charter schools should make it as easy as possible for students and families to complete the enrollment application. Toward that end, charter schools should:

- Translate the application in languages spoken by the prospective population to the extent possible.
- Make the application available in multiple locations (i.e. school building, neighboring non-profit organizations, internet/website).

Charter schools are expected to make proactive efforts to reach out to students and families throughout the community in recruiting new students, and to administer their enrollment process in a way that is open, inclusive and fair. Failure to do so may indicate that the school is using its enrollment process to discriminate and may result in sanctions by EBRPSB.

CONDUCTING THE LOTTERY

New Type 1 Charter School

In a new charter school's first year of operation, at the conclusion of the application period, if the applications for students do not exceed the slots available, students applying during the application period shall be admitted. If the total number of eligible applicants exceeds the capacity of a program, class, grade level, or school, admission to the program, class, grade level, or school shall be based on an

admissions lottery conducted from among the total number of eligible applicants.

If the percentage of at-risk applicants, as defined herein, does not exceed the required percentage of at-risk students to be enrolled in the charter school, then all those at-risk applicants are to be admitted. If the number of applicants remaining, after enrolling all the at-risk students, exceeds the remaining slots available, then an admissions lottery is to be conducted among all the remaining applicants.

If the percentage of at-risk applicants, as defined herein, exceeds the required percentage of at-risk students to be enrolled in the charter school, then a lottery is to be conducted among the at-risk students until the required percentage of at-risk students has been obtained. Then the remaining at-risk students are to be placed in a lottery with all other applicants, and a lottery is to be conducted among those applicants until all the remaining slots are filled.

Recommended Practice in Conducting Lottery During the First Year of Operation:

- Separate applications by grade level.
- For each grade level, draw names until all slots have been filled.
- If there are more names for a given grade than slots available, continue to pull names and add such names to the school's waitlist in order as pulled.

It is important to note that in subsequent years (Year 2 and thereafter), all charter schools **must**:

- Provide all previously enrolled students (e.g. students that attended the school during its first year of operation) the right to continue to attend the school, provided that the school serves the grade level in which the student should be enrolled.
- Give lottery preferences to siblings of students already enrolled in the charter school.

ENROLLING STUDENTS

Once the lottery is complete, the school should send notifications to each student that submitted an application the status of their application. Students that were chosen in the lottery should be given explicit instructions on how they accept admission to the school and pertinent information regarding the start of the school year.

Acceptance Requirements

Just like the application requirement, the admission acceptance requirement may not in any way discriminate against students and families.

Recommended Acceptance Requirements

The charter school should require a parent or guardian to accept admission to the charter school by notifying the school (providing multiple ways and ample time to do so) of his or her intent to attend.

The charter school must notify EBRPSB of the school's anticipated student enrollment by established deadlines. For each student that has accepted enrollment, provide:

- Name
- Address

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No. 0478 P. 4

- Social Security number
- Birthdate
- Grade
- Previous school attended

A school is only required to hold a slot for a child whose parent has not accepted admission for two weeks. Thus, if an admitted student does not attend school for two consecutive weeks, that slot may be released and given to a student on the waitlist.

In such cases, a charter school is required to:

- Notify the parent/guardian after five days of missing school to discuss their intent to send their child to the school.
- State that in order for the slot to be held, the student must attend school within the next five days.
- If the student does not attend within those five days, the school may release that particular slot and fill it with a child from the waitlist (if no waitlist exists, the school may receive applications for that slot.)

EAST BATON ROUGE PARISH SCHOOL BOARDBy: 

BOARD PRESIDENT

DATE 7/27/17**IDEA PUBLIC SCHOOLS LOUISIANA, INC.**By: 

CHAIR PRESIDENT

DATE 7/27/17

Exhibit E

REQUIRED AT-RISK PERCENTAGE TABLE

To be provided

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No. 0478 P. 5

CHARTER SCHOOL CONTRACT: EXHIBIT E
Required At-Risk Percentage Table

- I.** Required At-Risk Percentage: Pursuant to Louisiana Revised Statute 17:3991(B)(1)(a)(i), the percentage of the total number of pupils enrolled in a Type 1 charter school based on the October first pupil membership who are at-risk, in the manner provided in R.S. 17:3973(1)(a) and (e), shall be equal to not less than eighty-five percent of the average percentage of pupils enrolled in the local public school districts from which the charter school enrolls its students who are eligible to participate in the federal free and reduced lunch program, and shall be equal to not less than eighty-five percent of the average percentage of pupils enrolled in the local public school districts from which the charter school enrolls its students who have been identified as a student with an exceptionality as defined in R.S. 17:1942, not including gifted and talented. The remaining number of pupils enrolled in the charter school which would be required to have the same percentage of at-risk pupils as the percentage of pupils in the district who are eligible to participate in the federal free and reduced cost lunch program or who have been identified as a student with an exceptionality as defined in R.S. 17:1942, not including gifted and talented, may be comprised of pupils who are at-risk as is otherwise provided in R.S. 17:3973(1). For the purposes of fulfilling the provisions of this Section, the at-risk percentage for the city or parish school system shall remain fixed during the term of the approved charter at the percentage which existed during the school year that the charter proposal was approved, unless otherwise specified in the charter that the charter school will reflect the current year's at-risk percentage.
- II.** In the event that the charter school fails to meet each of the required percentages established by Section I of this exhibit in any given year, and to the extent that its percentage of at-risk pupil membership and its percentage of students with exceptionalities fall below the required percentages, the Board may elect to mandate the implementation of a corrective action plan for purposes of complying with applicable law regarding same.

EAST BATON ROUGE PARISH SCHOOL BOARD

By: [Signature]
BOARD PRESIDENT7/27/17
DATE

IDEA PUBLIC SCHOOLS LOUISIANA, INC.

By: [Signature]
CHAIR/PRESIDENT7/27/17
DATE

Exhibit F

PERFORMANCE FACTORS

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CHARTER SCHOOL CONTRACT: EXHIBIT F
School Performance Factors

Student performance is the primary measure of school quality. The BOARD shall use the state's assessment and accountability programs as objective and verifiable measures of student achievement and school performance. Student performance is the primary indicator of school quality; therefore, the BOARD will heavily factor all annual evaluations, contract extensions, renewal and revocation decisions on a school's achievement of the student performance standards

As outlined in the chart provided below, the Charter Operator provided academic goals in its charter application. The Charter School's success in meeting such goals shall be considered as one factor in determining whether the charter school shall be extended, renewed or revoked, in addition to those renewal, extension, and revocation criteria established by state law and BOARD policy. Failure to meet a single measure outlined herein at any point during the charter contract term will not be sole grounds for revocation, nonrenewal, or failure to extend. In every respect, the BOARD will evaluate the totality of the school's performance and make revocation, renewal, or extension decisions pursuant to the provisions of paragraph 5.4 of the charter contract.

Charter Application Goals	
Measure	Goal
Top State Rating	SPS at or above the state average performance score
% of student achieving mastery	30% Mastery or Above on English I and Algebra I EOC exams
	30% Mastery or Above on grades 3-8 LEAP in ELA and math
Average ACT Score	21
% of graduates names AP/IB scholars	35%/25%
% of graduates who are accepted to college or university	100%
% of graduates who matriculate to college or university	100%
% of K-2 students who end year on/above grade level in reading/language/math	75% of students score on/above grade level in ELA and math on end of year benchmark post-test mutually agreed upon by the district and the charter school

EAST BATON ROUGE PARISH SCHOOL BOARD

By: 
BOARD PRESIDENT

7/27/17
DATE

IDEA PUBLIC SCHOOLS LOUISIANA, INC.

By: 
CHARTER PRESIDENT

7/27/17
DATE

Exhibit G

FISCAL OVERSIGHT POLICY



Fiscal Manual

(Fiscal Guide for Charter School Staff)

Revised May 2017



IDEA

Public Schools

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Section 1: General Information

1.1 Introduction

This Fiscal Manual has been prepared to provide general information about several IDEA Public Schools Louisiana business functions. Additional information may be available within the charter school's Administrative Procedures, or other web resources.

IDEA Public Schools Louisiana is a Type I Charter School through the East Baton Rouge Parish.

1.2 Mission Statement

The mission of the IDEA Public Schools Louisiana's Business Office is to provide support to all students, staff, parents, and the community ensuring that all business operations are supportive of the instructional goals and objectives of the charter school.

1.3 Fiscal Year

IDEA Public Schools Louisiana's fiscal year begins July 1st and ends June 30th. All goods and/or services received and invoiced during these dates must be paid from current fiscal year funds. All invoices for goods received before June 30th, shall be submitted to the Business Office by July 1st for processing and payment.

1.4 Records Management & Retention

IDEA Public Schools Louisiana is required under Louisiana R.S. 44:411 to develop and submit a records retention schedule (a listing of their agency's records with the retention requirements to meet their administrative, legal and financial needs) for review and approval by the State Archives. Until a retention schedule has been approved, Louisiana R.S. 44:36 requires charter schools to maintain their records for three years from the date the record is made (unless required longer by specific statute). It is important to note that Louisiana R.S. 44:36 does not exempt charter schools from developing a records retention schedule or getting approval to dispose of records prior to their disposal as required under Louisiana R.S. 44:411.

The Records Management program oversees the records retention schedule review and approval process. Charter Schools wishing to submit a records retention schedule should use form SSARC-932 to format their submission for review and approval. Free training classes are offered to assist charter schools in the development of their schedules. Information on the classes offered, dates and times can be found on the Get Records Management Training page.

Once a charter school's records retention schedule has been approved, the charter school should begin the process to dispose of the records that have met the retention requirements indicated on their schedule. Charter schools are required to get authorization to dispose of records (scheduled or unscheduled) from the State Archives before they actually dispose of the records.

Charter schools should use form SSARC-930 to request permission to dispose of their records. It is important to note that authorization is required even if the records in question appear on an approved records retention schedule. The process provides documentation that the records were disposed of during the normal course of business and in compliance with an approved records retention schedule. This process also allows the State Archives to request records that may have possible archival value to be transferred to their custody for review and possible inclusion in the State Archives collection. Additionally, this process plays an important role in helping charter schools whose records may have been damaged document the damage and assist the State Archives in preventing possible duplicates of damaged records from being disposed of before a request for copies from another agency can be made.

All requests for records shall be directed to the Vice President of Human Resources.

1.5 Board Compliance: Public Laws

Because charter schools are public schools, Charter School Law mandates that Charter School Boards—like traditional public school boards—comply with the following laws applicable to Louisiana’s public entities:

- **Code of Governmental Ethics** – La. R.S. 42:1101 *et seq.*
 - Avoiding conflicts of interests
- **Open Meetings Law** – La. R.S. 42:11 *et seq.*
 - Conducting public business openly
- **Local Government Budget Act** – La. R.S. 39:1301 *et seq.*
 - Openly adopting and amending public budgets
- **Public Records Act** – La. R.S. 44:1 *et seq.*
 - Allowing access to public records and documents
- **Public Bid Law** – La. R.S. 38:2211 *et seq.*
 - Applies to awarding contracts for either food service providers or public works contracts in excess of \$150,000

Note: Violation of these public laws can subject individual Board Members to civil penalties, as well as impact an Authorizer’s decision to extend or renew a school’s Charter Contract.

1.6 Board Compliance: Code of Ethics

Charter School Board Members must abide by the Code of Ethics so as to protect the school from conflicts of interest and undue influence. Compliance with the Code of Ethics ensures that decisions made by the Board are in the school’s (and the greater public’s) best interest.

Note: Board Members should read in full the La. Code of Ethics (La. R.S. 42:1101 *et seq.*) and annually complete any one-hour training program offered by the La. Board of Ethics to stay current on conflicts of interest rules (<http://ethics.la.gov/>).

You should always contact your school’s attorney for ethical issues specific to your school. However, the following rules are common to Charter Schools:

1.6.1 Reporting

- Board Members must **annually file by May 15** a Tier 3 financial disclosure statement with the Board of Ethics as to personal financial information from the previous year, for all years served.
- Board Members must disclose to the Board of Ethics any situation in which they or their immediate family might benefit from a proposed action.
 - *Immediate family* = children, spouses of children, siblings, spouses of siblings, parents, spouse, and parents of spouse.

Source: La. R.S. 42:1102(13)), 42:1124.3

1.6.2 Employment

- Board Members cannot be employees of any school operated by that Board or Operator.

- Board Members are prohibited from being employed by the charter school for 2 years following termination or resignation from the Board.
- Board Members are prohibited from employing any immediate family members – *exception* permitted for classroom teachers.

Source: La. R.S. 17:3991, 42:1111(A)(1), 42:1121(A)(2), 42:1119; 28 La. Adm. Code, Bulletin 126, §§ 2101-2107.

1.6.3 Nepotism

- Number of Board Members from the same immediate family:
 - For *Non-BESE Authorized Schools*: No more than 20% of a charter board can be members of the same immediate family.
 - For *BESE-Authorized Schools*: No Board Members can be members of the same immediate family.
- *Immediate family* = children, spouses of children, siblings, spouses of siblings, parents, spouse, and parents of spouse.

Source: La. R.S. 17:3991, La. R.S. 42:1102(13)); 28 La. Adm. Code, Bulletin 126, §§ 2101-2107.

1.6.4 Compensation

- Board Members cannot receive compensation (anything of economic value) for services to the school other than reimbursement of actual expenses.
 - Board Members cannot solicit or accept personal gifts from any person or entity doing business, or seeking to do business, with the school.
 - Board Members may not accept food and drink at a single event or meeting (as a form of compensation for services or from those doing business, or seeking to do business, with the school) that has a total value greater than *approximately \$50.00*.*

Note: The exact amount may fluctuate every year in accordance with an increase in the unadjusted Consumer Price Index (CPI-U) (Food and Beverage) as published by the U.S. Department of Labor, Bureau of Labor Statistics in January each year. As of 2014, the current food and drink limit is \$57.00.

1.6.5 Recusal

- A Board Member must recuse him or herself from participating in any transaction in which he or she has a personal substantial economic interest. This prohibition also extends to situations in which a Board Member knows any of the following persons has a substantial economic interest in a transaction:
 - Immediate family members; any entity of which the Board Member is an officer, director, trustee, partner, or employee; anyone with whom the Board Member is negotiating with or has an arrangement for prospective employment; any legal entity of which the Board Member controls or owns an interest greater than 25%.
- Board Members may participate in the *discussion* or debate concerning the transaction but must disclose the conflict of interest and are prohibited from voting on the matter.

Source: La. R.S. 42:1112, 42:1120.

Section 2: Audits

Audits may be conducted throughout the fiscal year by business office staff, regulatory agencies and the Internal Auditor. Audits may include the annual financial audit, the Single Audit (federal grant funds), activity accounts, petty cash, payroll, attendance accounting, student data, employee data, or other audits as deemed appropriate. The two most comprehensive audits are noted below.

2.1 Annual Audits

An annual financial audit must be conducted by an independent CPA firm selected by the Board of Directors. IDEA Public Schools Louisiana has engaged the CPA firm of RSM US LLP to conduct the annual financial audit for fiscal year 2016-2017. The role of the CPA firm is to conduct a district-wide audit of the charter school's financial statements, internal control procedures, and to test transactions to determine compliance with local, state and federal regulations.

All financial transactions shall be in accordance with local, state and federal audit guidelines. In addition, the OMB Circular A-133 shall be utilized to ensure awareness of audit compliance areas for all state and federal grant funds.

The Internal Auditor is responsible for coordinating and overseeing the annual financial audit.

2.2 Single Audit

The Single Audit Act and OMB Circular A-133 require charter schools that expend total federal financial assistance (FFA) equal to or in excess of \$750,000 in a fiscal year to have an audit performed in accordance with the Act. Charter schools expending less than \$750,000 in federal financial assistance in a fiscal year are not required to have either an audit under the Single Audit Act and OMB circular A-133 or a program audit, however, they must maintain records to support federal financial assistance programs and must have a financial audit performed under generally accepted auditing standards (GAAS) and Government Auditing Standards (GAS), also referred to as the Yellow Book. The single audit must be conducted in accordance with United States Office of Management and Budget, OMB Circular A-133 and the OMB A-133 Compliance Supplement.

IDEA Public Schools Louisiana has engaged the CPA firm of RSM US LLP to conduct the single audit for fiscal year 2016-2017. The role of the CPA firm is to determine the major program(s) for the fiscal year and to issue an opinion on the federal statement for the federal program(s) and test transactions to determine compliance with internal controls and federal program guidelines.

The Internal Auditor is responsible for coordinating and overseeing the single audit.

2.3 Fraudulent or Other Dishonest Acts

All Board of Directors, employees, vendors, contractors, consultants, volunteers and other parties involved with the charter school shall act with integrity and diligence in duties involving the charter school's financial resources. Fraud and other dishonest acts will not be tolerated. Violators shall be disciplined, may be terminated and may be reported to the appropriate authorities.

Any and all concerns about potential fraudulent activities should be reported to the Internal Auditor. Neither the Board, nor any employee, shall unlawfully retaliate against a person who in good faith perceived fraud or financial impropriety.

Fraudulent acts may include, but are not limited to the following:

1. Forgery or unauthorized alteration of any document or account belonging to the charter school.
2. Forgery or unauthorized alteration of a check, bank draft, or other financial document.

3. Misappropriation of funds, securities, supplies, or other assets, including employee work time.
4. Impropriety in the handling of money or reporting of financial transactions.
5. Profiteering as a result of insider knowledge of charter school information to outside parties.
6. Unauthorized disclosure of confidential or proprietary information.
7. Unauthorized disclosure of investment activities engaged in or contemplated by the charter school.
8. Accepting or seeking anything material value from contractors, vendors, or other persons providing services or materials, except as otherwise permitted by law or local policy.
9. Inappropriately destroying, removing, or using records, furniture, fixtures, or equipment.
10. Failure to provide financial records required by state or local entities.
11. Failure to disclose conflicts of interest as required by law or local policy.
12. Any other dishonest act regarding the finances of the charter school.

The Internal Auditor shall be responsible for conducting all fraud investigations. If an investigation substantiates fraud, the report shall be provided to the Superintendent and the Board of Directors. The report shall include the findings, action(s) taken and/or recommendation(s) for action. If any employee is found to have committed fraud, they shall be subject to disciplinary action, up to and including termination of employment and referral to law enforcement or regulatory agencies, as appropriate.

Section 3: Budget

3.1 Budget Preparation

The budget must be comprehensive and present a complete financial plan for the fiscal year.

- It must include itemized revenues and expenditures.
- Total of proposed expenditures cannot exceed total of estimated funds available for the ensuing fiscal year.

The budget must be prepared by either the school's chief executive or administrative officer.

- It must include a summary of the proposed plan, policies and objectives, assumptions, budgetary basis, *and* a discussion of important features.
- It must be submitted on forms required by the La. Dept. of Ed. and comply with BESE Bulletins 126 and 1929.
- It should include a budget adoption instrument:

This instrument must be an appropriation ordinance, adoption resolution, or other legal instrument necessary to adopt and implement the budget document. The school's chief executive or administrative officer must retain and file certified copies of the adopted budget, budget adoption instrument, duly authorized budget amendments, and copies of supporting schedules and correspondence related to the budget at the domicile of the governing authority (e.g., the principal office of the school or Charter Board).

3.2 Budget Notice and Public Participation

The Board of Directors must give the public an opportunity to comment on the proposed budget before the budget can be approved.

- **15-Day Rule:** The budget must be made available for public inspection at least 15 days *prior to the budget's adoption*.
- **10-Day Rule:** Notice must be published in the Board's official journal (i.e. the local newspaper) at least 10 days *prior to the first meeting* at which the Board will discuss the proposed budget. This notice must include the date, time, and location of where the first meeting on the budget will be held.
 - You can meet both the 15-day public inspection rule and 10-day published notice rule by both publishing and making available all necessary information at least 15 days before the first meeting on the budget is held.
 - All subsequent meetings that include discussion of the budget follow normal Open Meetings Law notice requirements.

A budget *cannot* be adopted the first time it is discussed in a Board meeting. At a minimum, there must be at least one meeting prior to the meeting at which the Board votes to approve the budget.

- You do not have to have a separate meeting to discuss only the budget—other agenda items can be discussed.

Certification Rule: Once the budget is approved, the Board must certify completion of the budget process by publishing notice thereof in the newspaper.

- It is recommended that, at a minimum, published certification should include when the budget was first made available (15-day rule); when notice was first published in the paper (10-day rule); dates of all meetings at which the proposed budget was discussed; and, date budget was adopted.

3.3 Budget Adoption

IDEA Public Schools Louisiana must adopt a budget not later than June 30th of each year; the adopted budget should then be published on the charter school website.

- All actions to adopt, finalize, amend and implement the budget must be discussed and approved in Open Meeting.
- The adopted budget must be balanced.
- Annual operating budgets must be submitted by July 31; general fund budget Form A must be submitted by September 30.

At a minimum, the Board of Directors shall adopt a budget that includes the General Fund, Food Service Fund and Debt Service, if any. The budget shall be adopted at the function code level; therefore, any changes to the budget at the functional level, shall be approved the Board of Directors.

The Budget Director shall be responsible to coordinate the development and adoption of the budget. Every campus and department shall be responsible for monitoring and amending their respective budget to ensure that it meets the identified needs of the campus or department.

3.4 Budget Amendments

Public Funds of the charter school may not be spent in any manner other than as provided for in the budget adopted by the Board of Directors, but the Board may amend a budget or adopt a supplementary emergency budget to cover unforeseen expenses. Any budget amendments need to be approved by the Finance Committee of the Board of Directors, and henceforth placed in the consent agenda for the entire Board of Directors to approve.

Campus and department budget managers are urged to carefully analyze and prepare their annual budget in detail to limit the need to make budget transfers.

3.5 Budget Transfers

A budget transfer is defined as a transfer of funds which is not across different functions. The Budget Director shall approve all budget transfers. To keep budget transfers to a minimum, each budget manager should review his/her budget on at least a monthly basis to determine if any budget transfers are necessary.

Section 4: Purchasing

4.1 Purchase Cards

The charter school is a participant of the Wells Fargo Purchase Card program. Purchasing cards are available for professional staff subject to administrative approval and execution of a Purchase Card Agreement. The P-Card may be used to purchase supplies subject to the terms described in the Purchasing Manual.

The purchasing card is a credit card issued through Wells Fargo. The Purchasing Manual describes the P-Card program and its policies and procedures. Failure to comply with the P-Card policies and procedures may result in revocation of charging privileges, personal liability for inappropriate expenses, and disciplinary action including termination of employment.

4.2 Vendors

Purchases from vendors that operate on a cash basis (do not accept purchase orders) or cash on delivery (COD) will not be allowed. The charter school participates in several cooperative purchasing programs. A list of these programs is available from the Buyer. Priority should be given to these vendors since the goods and/or services have been subjected to the rigor of a competitive bid process.

Requests to add new vendors shall be accompanied with a New Vendor Packet. The packet shall include the following. Other documents may be required based on the services to be performed by the vendor.

- Vendor Maintenance Form
- ACH Vendor Payment Enrollment Form
- W-9 form,
- Other documents may include a Criminal History check and fingerprinting if the vendor will work directly with students, and/or a Certificate of Insurance if the vendor will perform services on charter school property. The Certificate of Insurance shall include the minimum level of insurance in the areas of auto liability, general liability, and workers compensation.

The W-9 Form is essential to add the business or contractor to the vendor database. The name of the vendor, as stated on the W-9 Form, shall be entered on the vendor database. Payments will not be made to vendors without a W-9 Form on file.

In addition to the felony conviction verification, the charter school shall obtain a criminal history background check and/or fingerprinting verification for all vendors that will work directly with students.

4.3 Rental of Facilities

Currently IDEA Public Schools Louisiana does not rent out its facilities.

4.4 Public Bid: Public Work Projects

Public Works are:

- The erection, construction, alteration, improvement, or repair of any public facility or immovable property that is owned, used, or leased by the school.
- The total cost of the project must exceed \$150,000.
 - Total cost includes the cost of labor, equipment, and materials.
 - You cannot divide or separate the project into smaller divisions to avoid public bid law requirements.

- If the project exceeds \$150,000 then the contract must be awarded through the public bid process.

4.5 Public Bids: Public Works Projects less than or equal to \$150,000

Even though projects or contracts less than or equal to \$150,000 are not subject to public bid law, the following is recommended by the Legislative Auditor and LDOE:

- Contracts/Purchases less than \$1,000:
 - Best practice to obtain at least 3 verbal quotes.
- Contracts in excess of \$5,000:
 - Terms of contract should be in writing.
- Contracts/Purchases less than \$10,000:
 - Best practice to obtain at least 3 written quotes.
- Contracts/Purchases between \$10,000 - \$30,000:
 - Best practice to obtain at least 3 telephone or fax quotes and give written confirmation of accepted offer.
 - If a lower quote is available than accepted offer, you should submit reason for rejection to lowest bidder.
- Contracts valued between \$25,000 - \$150,000:
 - Awarded via Request for Proposal and/or solicitation of at least 3 bids.

Note: The Legislative Auditor annually publishes an easy-to-use Public Bid Law summary guide. Be sure to check its website, under Legal Assistance-Public Contracts-Public Bid Law Summary FAQs, for links to the most current version: <http://app1.la.state.la.us/lla.nsf>. The LDOE also provides a Public Bid Law guide for charter schools: <http://www.louisianabelieves.com/resources/library/school-choice>.

4.6 Public Bid: Contracts for School Food Services

The Louisiana Department of Education (LDOE) requires all public schools that participate in the National School Lunch Program (a federal breakfast and lunch program for low-income students) to award contracts for School Food Services through public bid. By requiring this, the LDOE helps schools ensure that the food service providers meet all federal requirements. The LDOE and its Child Nutrition Program Division can assist with this process:

- <http://cnp.doe.state.la.us/>
- http://wwwprd.doe.louisiana.gov/laservices/publicpages/ServiceDetail.cfm?service_id=3297.

Section 5: Financial Reporting

5.1 Month End Close Process

IDEA Public Schools Louisiana closes the books and publishes internal financial statements on the 10th business day of each month. Financial statements are presented to the Budget and Finance Committee for review and approval in accordance with the Open Meetings Law (La. R.S. 42:11).

5.2 Reports to the Louisiana Department of Education (LDE)

Due Date	Financial Report
July 31	Annual Operating Budget Includes actual data for the prior fiscal year ending June 30 along with budgeted data for the current fiscal year starting July 1.
September 30	Adopted Operating Budget Submission is required if July 31 Annual Operating Budget was not adopted in accordance with the Louisiana Local Government Budget Act.
October 31	First Quarter Financial Report Includes budgeted data for the fiscal year along with the YTD actual data through September 30.
January 31	Second Quarter Financial Report Includes budgeted data for the fiscal year along with the YTD actual data through December 31.
April 30	Third Quarter Financial Report Includes budgeted data for the fiscal year along with the YTD actual data through April 30.

Each charter school must submit an Annual Financial Report (AFR) to the Department of Education no later than September 30 each year as required by R.S. 17:25(A)(2) and 17:92. The AFR follows the same general format as the quarterly report, but contains additional line items and fund classifications. AFR instructions and forms are located on the LDE website at the following link: <https://leads13.doe.louisiana.gov/lug/AFR/AFR.htm>

Quarterly and Annual Financial Reports include a statement from IDEA Public Schools Louisiana's lead executive and Board President certifying the accuracy of the reports and the adherence to the Operator's Internal Control procedures.

The IDEA Public Schools Louisiana must maintain records in compliance with Generally Accepted Accounting Principles.

Section 6: Miscellaneous Items

6.1 General Fiscal Procedures

IDEA Public Schools Louisiana shall allow the state officials full access to its financial and educational records, reports, files and documents of any kind.

IDEA Public Schools Louisiana further agrees to timely supply all reports, test results and other information, which are required under its charter, state law and regulations.

Any charter school that receives state and federal money directly from BESE or LDE, the president or chairman of the non-profit corporation (IDEA Public Schools Louisiana) that operates the charter school will be the official contact and duly authorized representative for all notices or inquiries issued by BESE, LDE, or other state or federal agencies. The board of directors of IDEA Public Schools Louisiana may identify and officially designate by board motion, a member of that board of directors other than the president or chairman who will serve as their duly authorized representative. Copies of all notices or inquiries will also be provided to the school principal.

All transactions or requests submitted by IDEA Public Schools Louisiana operator to BESE/LDE must be signed by the duly authorized representative of IDEA Public Schools Louisiana.

6.2 Internal Controls

IDEA Public Schools Louisiana shall complete an internal control and compliance questionnaire prior to beginning operations. This assessment shall be kept on file, with supporting documentation, in the event the school is selected for a fiscal review.

Quarterly and annual financial reports will include certification that the charter school's follows its internal control procedures.

6.3 Donations & Gifts

Donations or gifts of cash or cash equivalents (gift cards), equipment, or materials to individual schools or to the charter school by individuals or organizations shall become property of the charter school. Charter school employees are prohibited by law from intentionally or knowingly offering, conferring, agreeing to confer on another, soliciting, accepting, or agreeing to accept a personal gift or benefit.

Cash donations shall be deposited to the appropriate account in accordance with the cash/check handling procedures.

The Development Department is in charge of keeping record when a sponsor decides to donate an item/service rather than making a monetary gift. These records are then turned in to a Staff Accountant so they may record the in-kind contributions received.

Contributions in-kind are recognized and recorded at estimated fair market value (EFMV) on the date of the donation. Estimated fair market value is determined by the donor of the item/service. A thank you letter is then sent to the donor by the Development Department excluding estimated fair market value amounts (per IRS regulation).

6.4 Grants Management (State, Federal & Philanthropic)

Seeking grant funds such as state, federal or from other sources is very desirable due to the impact of reduced local resources. It is recommended that grant applications be developed through a team approach to ensure that all stakeholders develop the grant goals, strategies and activities. All grant applications shall be reviewed and approved by the Chief Advancement Officer (CAO) prior to submission to the granting agency. Some granting agencies require matching funds, in-kind funds, or other specific requirements that may pose a financial liability to the charter school.

After the charter school has received confirmation that a grant application has been approved, typically through a Notice of Grant Award (NOGA), the Budget Director shall prepare and enter

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the grant budget on the general ledger. No funds may be expended until the grant approval has been received from the granting agency.

The Grant Accountant shall serve as the charter school's grants management administrator. The grants management administrator(s) shall work cooperatively with the CAO to ensure compliance with all grant requirements as they relate to grant activities, expending of funds, supplement versus supplant, submitting reimbursement requests, financial reports, and evaluation reports.

EAST BATON ROUGE PARISH SCHOOL BOARDBy: 

BOARD PRESIDENT

DATE

7/27/17

IDEA PUBLIC SCHOOLS LOUISIANA, INC.By: 

CHAIR PRESIDENT

DATE

7/27/17

Exhibit H

TEACHERS' RETIREMENT SYSTEM OF LOUISIANA OPTION FORM

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No. 0478 P. 8

CHARTER SCHOOL CONTRACT: EXHIBIT K
Teachers' Retirement System of Louisiana OptionName of Charter School: IDEA Public Schools Louisiana, Inc.**TRSL & LSERS Option**

Select one of the options below:

Option 1

_____ The Charter Operator intends to participate in the Teachers' Retirement System of Louisiana and the Louisiana School Employees' Retirement System.

Option 2

_____ The Charter Operator intends to participate in the Teachers' Retirement System of Louisiana only.

Option 3

X The Charter Operator does not intend to participate in the Teachers' Retirement System of Louisiana and the Louisiana School Employees' Retirement System.

[Not applicable. IRS guidance was never obtained. All employees either participate or none participate]

EAST BATON ROUGE PARISH SCHOOL BOARDBy: [Signature]
BOARD PRESIDENT7/27/17
DATE**IDEA PUBLIC SCHOOLS LOUISIANA, INC.**By: [Signature]
CHAIR/PRESIDENT7/27/17
DATE

Exhibit I

COLLECTIVE BARGAINING OPTION FORM

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No. 0478 P. 9

CHARTER SCHOOL CONTRACT: EXHIBIT I**Collective Bargaining Option**Name of Charter School: IDEA Public Schools Louisiana, Inc.

Select one of the options below:

Option 1

_____ The Charter Operator intends that the provisions of the collective bargaining agreement entered into by the local school district in whose jurisdiction this charter school is located shall apply to the Charter School.

Option 2

X The Charter Operator does not intend that the provisions of the collective bargaining agreement entered into by the local school district in whose jurisdiction this charter school is located shall apply to the Charter School.

EAST BATON ROUGE PARISH SCHOOL BOARDBy: 
BOARD PRESIDENTDATE 7/27/17**IDEA PUBLIC SCHOOLS LOUISIANA, INC.**By: 
CHAIR PRESIDENTDATE 7/27/17