

MASTER CONTRACT

**The Community School Contract entered into by the
Governing Authority of DECA PREP and the Thomas B.
Fordham Foundation**

Dated as of July 1, 2012

COMMUNITY SCHOOL CONTRACT

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COMMUNITY SCHOOL CONTRACT

COMMUNITY SCHOOL CONTRACT

**For
DECA PREP**

This Community School Contract (the "Contract") is entered into pursuant to the provisions of Chapter 3314 of the Ohio Revised Code effective July 1, 2012, by and between the Thomas B. Fordham Foundation (hereinafter the "SPONSOR") and the Governing Authority (hereinafter the "GOVERNING AUTHORITY") of DECA PREP, located at 200 Homewood Ave. Dayton, Ohio 45405 (hereinafter the "Community School").

The names and business addresses of the individuals who currently make up the GOVERNING AUTHORITY of the Community School, which is responsible for carrying out the provisions of this Contract, are attached hereto as Exhibit 7.

Article I. Purpose

The purpose of this Contract is to ensure that the Community School provides a high quality education to its students and contributes significantly to Ohio's effort to provide quality education options to needy children via a strong community-school program.

This Contract authorizes the continued operation of the Community School pursuant to Chapter 3314 of the Ohio Revised Code (the "Code"). Such school shall be a public school, independent of the Dayton Public School District and is part of the state education program. Pursuant to Ohio Revised Code Section 3314.01, the Community School may sue and be sued, acquire facilities as needed, and contract for services necessary for the operation of the school. The GOVERNING AUTHORITY of the Community School may carry out any act and ensure the performance of any function that is in compliance with the Ohio Constitution, Ohio Revised Code Chapter 3314, other statutes applicable to community schools and the terms of this Contract. The Community School is educating children in grade or age equivalent grade levels K-6.

In approving this Contract, the SPONSOR voluntarily exercises powers given to it to sponsor community schools. Nothing in this Contract shall be deemed to be any waiver of the SPONSOR'S autonomy or powers.

The Community School may not use the name of the SPONSOR or any assumed name, trademark, division or affiliation of the SPONSOR in any of the Community School's or the GOVERNING AUTHORITY promotional advertising, contracts, or other materials without the SPONSOR'S prior written consent, except that the Community School or the GOVERNING AUTHORITY may include the following statement in such materials, "DECA PREP is sponsored by the Thomas B. Fordham Foundation".

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Article II. Term

The term of this Contract shall be for a period of 5 year(s) commencing July 1, 2012 and ending June 30, 2017 (the "Term"); provided, however, the SPONSOR or GOVERNING AUTHORITY may terminate this Contract prior to its term, pursuant to Article X of this Contract. This Contract may be renewed by the parties hereto in accordance with the requirements of Section 3314.03(E) of the Code. This Contract is not valid and binding until executed by both parties.

No later than November 30 in the calendar year prior to expiration of this Contract, unless such date is waived by the SPONSOR at its sole discretion, the GOVERNING AUTHORITY shall provide to the SPONSOR the application to renew this Contract (the "Renewal Application"). The Renewal Application shall contain:

1. a report of the progress of the Community School in achieving the educational objectives set forth in the charter;
2. a detailed financial statement disclosing the cost of administration, instruction, and other spending categories for the Community School that will allow a comparison of such costs to other schools, both public and private;
3. copies of each of the Annual Reports of the Community School, including the Ohio Department of Education report cards for the Community School and the certified financial statements;
4. evidence of parent and student satisfaction; and
5. such other material and information as is required by the SPONSOR.

When considering Contract renewal, the SPONSOR will examine the Community School's performance during the term of this Contract. The SPONSOR will examine with particularity the Community School's fidelity to Exhibit 1 (Education Plan) and the school's performance against the requirements of Exhibit 4 (Academic Performance Plan).

The renewal or non-renewal of this Contract between the SPONSOR and GOVERNING AUTHORITY shall be subject to Ohio Revised Code §3314.07. In the event of non-renewal of this Contract, and in accordance with Ohio Revised Code § 3314.07, the SPONSOR shall provide to the GOVERNING AUTHORITY a decision on the Renewal Application by February 1 in the year in which the Sponsor intends to take action not to renew the Contract. In the event that renewal is not approved, then the parties to this Contract shall fulfill their respective obligations hereunder to the end of the term pursuant to Articles II and XI of this Contract. Notwithstanding any obligations pursuant to Article X, once the GOVERNING AUTHORITY has received notice of a non-renewal decision, the GOVERNING AUTHORITY is free to contact other sponsors within the state. In the event that the Renewal Application is granted, the SPONSOR may enter into a proposed Contract with the GOVERNING AUTHORITY. Nothing herein shall obligate the SPONSOR to approve a Renewal Application.

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If the Community School does not intend to renew the Contract with the SPONSOR, the Community School shall notify the SPONSOR in writing of that fact at least one hundred eighty (180) days prior to the expiration of the Contract pursuant to Article X of this Contract. The Community School may enter into a Contract with a new SPONSOR in accordance with Ohio Revised Code §3314.03 upon the expiration of this Contract.

Article III. Responsibilities of the GOVERNING AUTHORITY

The GOVERNING AUTHORITY agrees to comply with provisions established under Chapter 3314 of the Ohio Revised Code applicable to community schools. Pursuant to Section 3314.02 all members of the Governing Authority must be eligible to serve in such capacity. In accordance with Section 3314.03 of the Code, the Community School agrees that it will remain in good standing as a non-profit, public benefit corporation pursuant to Chapter 1702 of the Revised Code for the entire term of this Contract.

The Community School shall be located within the Dayton Public School District.

In accordance with Section 3314.05(B)(5) of the Code, the GOVERNING AUTHORITY agrees that any facility used for a community school shall meet all health and safety standards established by law for school buildings and agrees to remain compliant with all health and safety standards established by law for school buildings for the entire term of this Contract. The GOVERNING AUTHORITY agrees, in the event the Community School wishes to change locations and/or facilities, to acquire a new Letter of Approval pursuant to Article VII of this Contract.

The GOVERNING AUTHORITY agrees that it shall notify the SPONSOR immediately as to any of the following: any material change in the availability or condition of the physical plant, such as through flood, fire, or other unanticipated circumstance; any allegation that the GOVERNING AUTHORITY or the lessor has breached any lease, deed or other land use agreement concerning the physical plant; any proposal to move the Community School from its current location specified in this Contract to another location or from its current facility to another.

The GOVERNING AUTHORITY represents that its Commercial General Liability policy expressly covers Corporal Punishment Liability and Athletic Participation Medical Liability. In addition to any existing insurance policies, the GOVERNING AUTHORITY agrees to negotiate in good faith with SPONSOR to determine the types and amounts of other insurance policies that it shall acquire and maintain in place. At a minimum, however, the GOVERNING AUTHORITY agrees to maintain insurance policies for the following types and amounts of coverage: commercial general liability insurance with limits of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate; automobile liability insurance of one million dollars (\$1,000,000); employee dishonesty insurance with limits of five hundred thousand dollars (\$500,000); and educators legal liability insurance (which shall include coverage of trustees and officers of Community School) with limits of one million dollars (\$1,000,000) each claim and two million dollars (\$2,000,000) aggregate. The GOVERNING

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AUTHORITY agrees to take all appropriate action to ensure that the SPONSOR is listed as an additional named insured on each of these insurance policies.

No later than fifteen (15) days following the date of this Contract, the GOVERNING AUTHORITY shall provide the SPONSOR with certificates of insurance or other satisfactory proof evidencing coverage in the types and amounts agreed to. All such insurance policies shall contain a provision requiring notice to the SPONSOR, at least thirty (30) days in advance, of any material change, non-renewal, or termination, to the attention of President, The Thomas B. Fordham Foundation, 1016 16th Street, NW, 8th Floor, Washington, D.C. 20036 or such other address designated by the SPONSOR with copies to Thomas B. Fordham Foundation, 2600 Far Hills Avenue, Suite 216, Dayton, OH 45419, Attn: Director of Community School Sponsorship and to Thomas A. Holton/Charles Y. Kidwell, Porter, Wright, Morris & Arthur LLP, Suite 1600, One South Main Street, Dayton, Ohio 45402-2028.

To the fullest extent permitted by law, the GOVERNING AUTHORITY and Community School shall indemnify, defend and hold harmless the SPONSOR and any successor entity thereto and their respective members, officers, directors, trustees, employees, agents, affiliates and representatives, past and present, (collectively “the Sponsor Indemnitees”), from and against any and all liabilities, losses, penalties, damages and expenses, including costs and attorney fees arising out of all claims, liens, demands, suits, liabilities, injuries (personal or bodily), of every kind, nature and character arising or resulting from or occasioned by or in connection with (i) the possession, occupancy or use of the property by the Community School, GOVERNING AUTHORITY and its faculty, students, patrons, employees, guests or agents; or (ii) any act or omission to act, whether negligent, willful, wrongful or otherwise by the GOVERNING AUTHORITY, Community School, its faculty, officers, students, patrons, employees, guests or agents; or (iii) a violation of any law, statute, code, ordinance or regulation by the GOVERNING AUTHORITY, Community School, its faculty, officers, students, patrons, employees, subcontractors guests or agents and/or any breach, default, violation or non-performance by the GOVERNING AUTHORITY, Community School of any term, covenant, condition, duty or obligation provided in this Contract.

These indemnification, defense and hold harmless obligations shall survive the termination of this agreement. Notwithstanding the expiration, termination or nonrenewal of this Contract, the GOVERNING AUTHORITY and Community School agree that the insurance coverage requirements under this Article and the duty to indemnify described herein, shall continue in force and effect with respect to any claim, action, expense (including attorney fees), damage or liability arising out of, connected with, or resulting from the operation of the Community School by the GOVERNING AUTHORITY until such claim, action, expense (including attorney fees,) damage, or liability is barred by any applicable statute of limitation. Any indemnified parties shall have the right, at its own expense, to participate in the defense of any suit without relieving the indemnifying party of any of its obligations hereunder.

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The GOVERNING AUTHORITY shall request a Bureau of Criminal Identification and Investigation ("BCI&I") criminal records check for each newly elected and/or appointed GOVERNING AUTHORITY member. If any member fails to pass the criminal records check, their appointment to the GOVERNING AUTHORITY shall be void. The results of each criminal records check for the GOVERNING AUTHORITY members shall be provided to the SPONSOR upon request.

In accordance with Section 3319.39 of the Code, the GOVERNING AUTHORITY shall request a BCI&I criminal records check with respect to teachers and any applicant who has applied to the Community School for employment in any position involving the care, custody, or control of a child. Any such applicants shall not be hired until the GOVERNING AUTHORITY receives a favorable criminal records check for that applicant from BCI&I.

Upon request of the SPONSOR, the GOVERNING AUTHORITY shall provide proof of occupancy, fire inspection, health and safety inspection, lease or purchase verification, liability insurance, BCI&I records checks of all staff, and valid teaching certification of staff. Proof of occupancy shall be satisfied by the GOVERNING AUTHORITY providing to the SPONSOR any permanent, interim or temporary certificate of occupancy issued by the government agency having jurisdiction over the same. Proof of teacher certification shall be satisfied by the GOVERNING AUTHORITY providing to the SPONSOR any temporary or permanent teaching certificate/license issued by the Ohio Department of Education.

In accordance with Ohio Revised Code Section 3314.03(A)(10), the GOVERNING AUTHORITY agrees to hire classroom teachers who are licensed in accordance with Sections 3319.22 to 3319.31 of the Ohio Revised Code and may employ other persons as are necessary to carry out and fulfill its mission pursuant to Section 3314.01(B) of the Ohio Revised Code. In accordance with applicable provisions of Ohio law, the GOVERNING AUTHORITY hereby represents that all individuals who teach in the Community School during the term of this Contract shall: (i) hold a license to teach in a public school in Ohio under Sections 3319.22 to 3319.31 of the Ohio Revised Code; or (ii) be in the process of obtaining a license to teach in a public school in Ohio under the conditional or alternative path to licensure set forth under Ohio law. The GOVERNING AUTHORITY represents that any individual teaching at the Community School under this option shall complete the conditional or alternative path to licensure not later than two (2) years after beginning to teach at the Community School. The Community School may engage non-certified persons to teach up to twelve (12) hours per week pursuant to Section 3319.301 of the Ohio Revised Code. The requirement of certification or licensure may be fulfilled by obtaining either a teaching certificate/license or temporary teaching certificate/license issued by the Ohio Department of Education.

In accordance with applicable provisions of Ohio law, the GOVERNING AUTHORITY represents that any individual who provides a service other than teaching to students at the Community School, and for which a license is required under Ohio law, shall have the appropriate license to provide the service in Ohio.

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In accordance with Ohio Revised Code Section 3314.03(A)(6), the GOVERNING AUTHORITY agrees to adopt an attendance policy that includes a procedure for automatically withdrawing a student from the school if the student fails to participate in one hundred five (105) consecutive hours of the learning opportunities offered to the student. Such policy shall provide for withdrawing the student by the end of the thirtieth (30th) day after the student has failed to participate. In accordance with Ohio Revised Code Section 3314.03(A)(11)(a), the Community School shall provide learning opportunities to a minimum of twenty-five (25) students for a minimum of nine hundred twenty (920) hours per school year.

In accordance with Ohio Revised Code Section 3314.03(A)(11)(c), the Community School shall be nonsectarian in its programs, admission policies, employment practices, and all other operations, and will not be operated by a sectarian school or religious institution.

In accordance with Ohio Revised Code Section 3314.03(A)(11)(d), the GOVERNING AUTHORITY shall comply with Sections 9.90, 9.91, 109.65, 121.22, 149.43, 2151.357, 2151.421, 2313.18, 3301.0710, 3301.0711, 3301.0712, 3301.0715, 3313.472, 3313.50, 3313.536, 3313.608, 3313.6012, 3313.6013, 3313.6014, 3313.6015, 3313.643, 3313.648, 3313.66, 3313.661, 3313.662, 3313.666, 3313.667, 3313.67, 3313.671, 3313.672, 3313.673, 3313.69, 3313.71, 3313.716, 3313.718, 3313.719, 3313.80, 3313.814, 3313.816, 3313.817, 3313.86, 3313.96, 3319.073, 3319.321, 3319.39, 3319.391, 3319.41, 3321.01, 3321.041, 3321.13, 3321.14, 3321.17, 3321.18, 3321.19, 3321.191, 3327.10, 4111.17, 4113.52 and 5705.391 and Chapters 117, 1347, 2744, 3365, 3742, 4112, 4123, 4141, and 4167 of the Ohio Revised Code as if it were a school district and comply with Section 3301.0714 of the Revised Code in the manner specified in Section 3314.17 of the Revised Code.

In accordance with Ohio Revised Code Section 3314.03(A)(11)(e), the GOVERNING AUTHORITY shall comply with Chapter 102 and Section 2921.42 of the Ohio Revised Code.

In accordance with Ohio Revised Code Section 3314.03(A)(11)(h), the GOVERNING AUTHORITY shall comply with Section 3313.801, as if it were a school district.

In accordance with Ohio Revised Code Section 3365.15, the Governing Authority shall ensure that academically qualified students be permitted to participate in the Seniors to Sophomores program.

In accordance with Ohio Revised Code section 3314.03(A)(25), the school will open for operation not later than September 30.

The GOVERNING AUTHORITY represents that the school director, principal or the superintendent of the Community School, if a member of the governing authority, is a non-voting member of the Governing Authority.

The GOVERNING AUTHORITY represents that the GOVERNING AUTHORITY will disclose any actual or potential conflict between any member of the GOVERNING AUTHORITY in his/her individual capacity and the Community School.

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The GOVERNING AUTHORITY further represents that the GOVERNING AUTHORITY will disclose any actual or potential conflicts, including, but not limited to, disclosure of any legal obligations such as employment or professional services contracts between any individual employed by or retained as a consultant by the GOVERNING AUTHORITY and the Community School.

The Community School and GOVERNING AUTHORITY will comply with Section 3302.04 of the Code to the extent possible, except any action required to be taken by a school district pursuant thereto shall be taken by the SPONSOR, provided, however, the SPONSOR is not required to take action under Section 3302.04(F) of the Code.

The Community School represents that its name does not violate or infringe upon the intellectual property rights of any third party and has taken appropriate measures to secure the intellectual property rights with respect to its name.

As consideration for the sponsorship of the Community School by the SPONSOR, the GOVERNING AUTHORITY or, as directed, the Community School will pay a 2% sponsorship fee (the "Sponsorship Fee") to the SPONSOR, on or before the 10th day of the month for the term of this Contract. The Sponsorship Fee shall be the specified percentage of the total state foundation payment, based upon student enrollment, received by the Community School. The total state foundation payment is defined under the applicable regulations promulgated by the office of Community Schools of the Ohio Department of Education in accordance with applicable provisions of Ohio law. For purposes of this Contract and calculation of the sponsorship fee payable by the GOVERNING AUTHORITY to the SPONSOR pursuant to this article of the Contract, the components of total state foundation payment are the state formula amount, disadvantaged pupil impact aid (DPIA), parity aid and special education.

The Community School and the GOVERNING AUTHORITY agree to cooperate with and assist the SPONSOR or its designee in providing the access, information, and data the SPONSOR requires at the SPONSOR'S sole discretion. The Community School and the GOVERNING AUTHORITY understand and agree that the SPONSOR may contract with a third party, who will be a third party beneficiary of this Contract, to perform the SPONSOR'S oversight functions pursuant to this Contract.

The Community School may solicit and receive contributions and donations as permitted by law. No solicitation shall indicate that a contribution to the Community School is for the benefit of the SPONSOR.

A. Educational Plan:

The GOVERNING AUTHORITY agrees to comply with the policies and provisions described in the educational plan ("Educational Plan") of the Community School, including but not limited to the school's mission; the ages and grades of students; the characteristics of the students the Community School expects to attract; the focus of the curriculum and academic calendar and instructional schedule for a typical school day.

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In accordance with Section 3314.03(A)(23) of the Code, the GOVERNING AUTHORITY agrees to set forth in Exhibit 1 a description of both classroom-based and non-classroom based learning opportunities in compliance with the criteria set forth in Section 3314.08(L)(2) of the Code. The GOVERNING AUTHORITY represents that the Educational Plan attached hereto as Exhibit 1, and incorporated by reference as if fully written herein, will lead to attainment of the state and federal law requirements for school performance and the achievement and academic requirements specified in Exhibit 4.

In accordance with Ohio Revised Code Section 3314.03(A)(11)(f), the GOVERNING AUTHORITY shall comply with Sections 3313.61, 3313.611 and 3313.614 of the Ohio Revised Code, except that, for students who enter the ninth grade before July 1, 2010, if any, the requirement in Sections 3313.61 and 3313.611 of the Code, that a person must successfully complete the curriculum in any high school prior to receiving a high school diploma, may be met by completing the curriculum adopted by the GOVERNING AUTHORITY of the Community School rather than the curriculum specified in Title XXXIII of the Ohio Revised Code, or any rules of the State Board of Education; and further provided that for students who enter the ninth grade for the first time on or after July 1, 2010, if any, Sections 3313.61 and 3313.611 of the Code shall be met, which require a student to successfully complete the Ohio core curriculum, as prescribed in Section 3313.603(C) of the Code, prior to receiving a high school diploma, unless said student qualifies under division (D) or (F) of that section. The GOVERNING AUTHORITY, if applicable, shall implement the plan for awarding high school credit based on a student's ability to demonstrate subject area competency, as such competency standards are adopted and published pursuant to Section 3313.603(J) of the Code.

B. Financial Plan:

In accordance with Section 3314.03(A)(15), the GOVERNING AUTHORITY agrees to comply with the financial plan ("Financial Plan") of the Community School, which details an estimated school budget for each year of the period of this Contract, specifies the total estimated per pupil expenditure amount for each such year, and describes the financial policies, procedures and internal financial controls of the Community School. The GOVERNING AUTHORITY shall calculate and report the estimated per pupil expenditure amount that will be used for purposes of funding calculations under Section 3314.08 of the Ohio Revised Code. This base formula amount for any year shall not exceed the dollar formula amount defined under Section 3317.02 of the Ohio Revised Code. The GOVERNING AUTHORITY'S financial plan may also specify, for any year, a percentage figure to be used for reducing the per pupil amount of disadvantaged pupil impact aid the Community School is to receive that year under Section 3314.08 of the Ohio Revised Code. Said Financial Plan is attached hereto as Exhibit 2, and is incorporated by reference as if fully written herein.

In accordance with Section 3314.03(A)(8), the GOVERNING AUTHORITY shall require financial records of the Community School to be maintained in the same manner as are financial records of school districts, pursuant to rules of the Auditor of State, and the audits shall be conducted in accordance with Section 117.10 of the Ohio Revised Code. The GOVERNING

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AUTHORITY agrees to comply with the requirements for financial audits by the Auditor of the State.

In accordance with Section 3314.011 of the Code, the GOVERNING AUTHORITY shall have a designated fiscal officer for the Community School who meets all of the requirements set forth in Section 3314.011.

The GOVERNING AUTHORITY shall provide the SPONSOR with financial reports every month. Financial reports will be submitted in the form and format requested by the SPONSOR and, at a minimum, shall include cashflow and income statements and balance sheet information. The GOVERNING AUTHORITY will allow the SPONSOR to monitor the School's operations at the request of the SPONSOR.

The Community School will undergo an annual audit performed by state auditor's office or a certified public accountant and provide a copy of the audit and management letter to the SPONSOR within ten (10) days of receipt of the audit by the school. The GOVERNING AUTHORITY will provide copies of any audits and management letters, upon request, to any other state agency or office that requests a copy of the audit. The GOVERNING AUTHORITY will submit copies of all state issued audits and management letters to SPONSOR within 2 (two) business days of receipt of the same by the GOVERNING AUTHORITY.

The GOVERNING AUTHORITY will annually conduct an inventory of all school assets and their value, as of the date the inventory was conducted, and submit a copy of the inventory to sponsor by September 30.

The GOVERNING AUTHORITY will submit an annual IRS form 990, and provide a copy to the SPONSOR.

The GOVERNING AUTHORITY will submit to the SPONSOR, by the dates set forth in Ohio Administrative Code Section 3301-92-04, the same Five Year Budget Forecasts that are required to be submitted to the Board of Education pursuant to that Section.

C. Governance Plan:

The GOVERNING AUTHORITY agrees to comply with the policies and procedures for the management and administration of the Community School as set forth in the governance and administrative plan ("Governance Plan"), which is attached hereto as Exhibit 3, and incorporated by reference as if fully written herein.

The GOVERNING AUTHORITY agrees that it will be comprised of at least five (5) voting members, and that a quorum of the board will consist of the requisite number of members specified by the GOVERNING AUTHORITY'S Code of Regulations, Bylaws or the Ohio Revised Code. The GOVERNING AUTHORITY agrees that it will not have less than ten (10) regularly scheduled and periodic monthly meetings per year, absent extenuating or extraordinary circumstances, and that voting members will attend scheduled meetings, participate and be engaged as a member of the Governing Authority each year. Additionally, the GOVERNING

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AUTHORITY agrees to comply with the procedures by which the members of the GOVERNING AUTHORITY of the Community School will be selected in the future as set forth in the Governance Plan, which is attached hereto as Exhibit 3, and incorporated by reference as if fully written herein. Failure to maintain at least five (5) voting members on a regular basis may result in SPONSOR taking action under Section D (Accountability) of Article III (Responsibilities of the Governing Authority), Article VIII (Probationary Status), Article IX (Suspension of Operation) or Article X (Expiration/Termination of Contract) of this Contract.

The GOVERNING AUTHORITY agrees that any voting member of the GOVERNING AUTHORITY will recuse him/herself and not participate in any decisions or deliberations involving any spouse, blood relative or business associate who is an employee of the school, any employee of a management organization or a vendor that services the school, or any independent contractor servicing the school. Servicing the school is defined as any work that relates to the educational mission, operations or governance of the school. The approved minutes of the Governing Authority will specifically evidence these recusals and reason therefore.

The GOVERNING AUTHORITY agrees to provide notices to students, parents, employees and the general public indicating that all of the Community School's educational programs are available to its students without regard to race, creed, color, national origin, sex or disability. Further, the Community School shall provide a non-discrimination notice in all newsletters, annual reports, admissions materials, handbooks, application forms and promotional materials other than radio advertisements.

In accordance with Section 3314.03(A)(12), the GOVERNING AUTHORITY agrees to make arrangements for providing health and other benefits to employees as set forth in the Governance Plan, which is attached hereto as Exhibit 3, and incorporated by reference as if fully written herein.

The GOVERNING AUTHORITY agrees to comply with the admission procedures as set forth in Section 3314.06 of the Ohio Revised Code. In accordance with Section 3314.03(A)(19) of the Code, the GOVERNING AUTHORITY agrees to adopt an enrollment policy regarding the admission of students who reside outside the district in which the Community School is located. The policy shall comply with the admissions procedures as specified in Section 3314.06 of the Ohio Revised Code.

In accordance with Section 3314.03(A)(7) of the Code, the GOVERNING AUTHORITY agrees to comply with the portion of its Governance Plan, attached hereto as Exhibit 3 and incorporated by reference as if fully written herein, which sets forth the ways by which the Community School will achieve racial and ethnic balance reflective of the community it serves.

In accordance with Section 3314.03(A)(6) of the Code, the GOVERNING AUTHORITY agrees to comply with the dismissal procedures as set forth in the Governance Plan, which is attached hereto as Exhibit 3, and incorporated by reference as if fully written herein.

In accordance with Section 3314.03(A)(16) of the Code, the GOVERNING AUTHORITY agrees to comply with the requirements and procedures regarding the disposition

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of employees of the Community School in the event this Contract is terminated or not renewed pursuant to Section 3314.07 of the Code, as set forth in the Governance Plan, which is attached hereto as Exhibit 3, and incorporated by reference as if fully written herein.

In accordance with Section 3314.10 of the Code, the GOVERNING AUTHORITY agrees that the employment of teachers and non-teaching personnel by the Community School shall be as set forth in the Governance Plan, which is attached hereto as Exhibit 3, and incorporated by reference as if fully written herein, and said employment shall be subject to either Chapter 3307 or Chapter 3309 of the Ohio Revised Code, whichever is applicable, and the Community School shall carry out all of the duties of an employer specified therein.

The GOVERNING AUTHORITY agrees to participate in the sponsorship information management system (AOIS) developed by the SPONSOR, including but not limited to: (i) the participation of Community School staff in all required training, and (ii) timely response to all information requests related to the sponsorship information management system.

The GOVERNING AUTHORITY agrees to report to the SPONSOR by August 1, any updates to the composition of the board. This report shall include the names, addresses (including electronic mail), and phone numbers of the GOVERNING AUTHORITY members, as well as the identified officers and meeting schedule of the GOVERNING AUTHORITY.

The GOVERNING AUTHORITY agrees to notify the SPONSOR in writing within seven (7) business days that an existing GOVERNING AUTHORITY member resigns or a new GOVERNING AUTHORITY member is appointed.

D. Accountability Plan:

The GOVERNING AUTHORITY agrees to assess student achievement of academic goals using the methods of measurement identified in the Academic Performance Plan (“Academic Performance Plan”), which is attached hereto as Exhibit 4, and incorporated by reference as if fully written herein. Such methods shall include the administration of Ohio's proficiency tests, achievement tests, diagnostic assessments, or any other statutory testing established for Ohio's students. The SPONSOR and GOVERNING AUTHORITY further agree to comply with any and all statutory amendments regarding student achievement and testing governing community school students as if such amendments were specifically set forth in this Contract.

The GOVERNING AUTHORITY agrees to comply with all requirements of the federal No Child Left Behind Act (“NCLB”), and any amendments or reauthorization thereof, including but not limited to highly qualified teacher, public school choice and supplemental education services requirements, and corrective action and restructuring mandates. The GOVERNING AUTHORITY will provide SPONSOR with a written description of all actions it has taken to comply with applicable NCLB requirements by October 31.

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In accordance with Section 3314.03(A)(11)(g) of the Code, the GOVERNING AUTHORITY shall submit to the SPONSOR and to the parents of all students enrolled in the Community School, within four months after the end of each school year an annual report.

The GOVERNING AUTHORITY acknowledges that timely reporting of data and timely response to requests from oversight bodies, including but not limited to the SPONSOR, Ohio Auditor of State and Ohio Department of Education are of paramount importance.

Article IV. Responsibilities of the SPONSOR

Pursuant to Section 3314.015(B) of the Code, the SPONSOR shall perform its obligations under this Contract consistent with its obligations under its written agreement with the Ohio Department of Education as well as Section 3314.03(D) of the Code; specifically, the SPONSOR shall: (1) monitor the community school's compliance with all laws applicable to the school and with the terms of the Contract; (2) monitor and evaluate the academic and fiscal performance and the organization and operation of the community school at least once during the Contract term; (3) report, by November 30, the results of the evaluation conducted under division (D)(2) of this section to the department of education and to the parents of students enrolled in the community school; (4) provide technical assistance to the community school in complying with laws applicable to the school and terms of the Contract; (5) take steps to intervene in the school's operation, to the extent reasonable and within available resources, to correct problems in the school's overall performance, declare the school to be on probationary status pursuant to section 3314.073 of the Revised Code, suspend the operation of the school pursuant to section 3314.072 of the Revised Code, or terminate the Contract of the school pursuant to section 3314.07 of the Revised Code as determined necessary by the sponsor; and, (6) have in place a plan of action to be undertaken in the event the community school experiences financial difficulties or closes prior to the end of a school year.

The Sponsor agrees to comply with the standards by which the success of the Community School will be evaluated as set forth in Exhibit 4, which is attached hereto, and incorporated by reference as if fully written herein. The duties of the SPONSOR shall be in accordance with the written agreement between the SPONSOR and the Ohio Department of Education.

The SPONSOR will not require the GOVERNING AUTHORITY and/or Community School to purchase, contract to purchase or use any supplemental services (treasury services, financial management services, etc.) offered by the SPONSOR or any affiliate of the SPONSOR.

Article V. Compliance with the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973 and the Individuals with Disabilities Education Improvement Act of 2004

The GOVERNING AUTHORITY shall comply with all the provisions set forth in the Americans with Disabilities Act, and shall not exclude a qualified individual with a disability by reason of such disability, from participation in any programs or activities of the Community School, or subject such qualified individual to discrimination by the Community School.

COMMUNITY SCHOOL CONTRACT

The GOVERNING AUTHORITY shall ensure that all facilities meet the requirements of the Americans with Disabilities Act and that all education programs are accessible to individuals with a disability.

The GOVERNING AUTHORITY shall comply with all of the provisions set forth in Section 504 of the Rehabilitation Act of 1973 and shall not exclude a qualified handicapped person, on the basis of such handicap, from participation in any programs or activities of the Community School and shall provide free appropriate public education to such qualified handicapped person.

The GOVERNING AUTHORITY shall comply with all of the provisions set forth in the Individuals with Disabilities Education Improvement Act of 2004 (IDEA) and failure to so comply may result in probation, suspension or termination under this Contract.

Notwithstanding the foregoing, nothing in this Article is, or shall be construed to be, a waiver of any exceptions, exclusions or other rights that the GOVERNING AUTHORITY may have or may avail itself of under the Americans with Disabilities Act, the Rehabilitation Act of 1973 or any other applicable state or federal law.

Article VI. Site Visits

The GOVERNING AUTHORITY agrees to permit the SPONSOR to conduct site visits as determined necessary by the SPONSOR.

Article VII. Letter of Approval to Operate

Should the GOVERNING AUTHORITY elect to move the Community School to a new location, the GOVERNING AUTHORITY shall neither commence school operations nor in the new location begin classes for students until it has received a letter of approval to operate ("Letter of Approval") issued by the SPONSOR, the requirements of which are attached hereto as Exhibit 5, and incorporated by reference as if fully written herein, and any other health and safety certificates or documentation required by the appropriate governmental agency. The SPONSOR shall issue to the GOVERNING AUTHORITY a Letter of Approval within seven (7) business days after receipt of the required documentation. If the GOVERNING AUTHORITY receives no response from the SPONSOR within fourteen (14) business days after receipt of all the required documentation, the GOVERNING AUTHORITY shall be authorized to begin classes.

Once classes begin, the Community School may continue to hold classes for students until such time that its Certificate of Occupancy or Temporary Certificate of Occupancy and/or any other required health and safety certificate is revoked by a governmental agency due to violations of health and safety standards, or until such time as school operations are suspended pursuant to this Contract and Ohio law, or this Contract otherwise terminates or expires pursuant to the provisions herein.

COMMUNITY SCHOOL CONTRACT

The parties to this Contract understand and agree that the provisions of Article VII of this Contract do not restrict or alter the SPONSOR'S authority to suspend the operation of the Community School in accordance with Article IX of this Contract and Ohio law.

Article VIII. Probationary Status

In lieu of termination of the Contract or suspension of the operation of a Community School, the SPONSOR may, after consultation with the GOVERNING AUTHORITY of a Community School under its sponsorship, declare in written notice to the GOVERNING AUTHORITY that the Community School is in a probationary status for the following reasons:

1. The GOVERNING AUTHORITY'S failure to ensure that the Community School delivers the Education Plan specified pursuant to Exhibit 1 of this Contract to all students enrolled in the Community School;
2. The GOVERNING AUTHORITY'S failure to ensure that the Community School meets the performance requirements specified in Exhibit 4 of the Contract;
3. The GOVERNING AUTHORITY'S failure to meet generally accepted standards of fiscal management;
4. The GOVERNING AUTHORITY has violated any provisions of this Contract or applicable state or federal law; or
5. Other good cause.

The notice shall specify the conditions that warrant probationary status. Upon receipt of this notice, the GOVERNING AUTHORITY shall submit in writing reasonable assurances to the satisfaction of the SPONSOR, within ten (10) business days of receipt of the SPONSOR'S notice of the Community School being placed on probation, that the GOVERNING AUTHORITY can and will take actions necessary to remedy the conditions that have warranted such probationary status pursuant to this Article of the Contract. Upon review by the SPONSOR of the assurances, if the assurances provided by the GOVERNING AUTHORITY are not sufficient the Contract may be terminated or operations of the school may be suspended pursuant to Article IX of this Contract.

If the SPONSOR approves the written proposed remedy submitted by the GOVERNING AUTHORITY, then the Community School shall remain on probationary status and the SPONSOR shall monitor the actions taken by the GOVERNING AUTHORITY to remedy the conditions that have warranted probationary status as specified by the SPONSOR and, if the SPONSOR at any time finds that the GOVERNING AUTHORITY is no longer able or willing to remedy those conditions to the satisfaction of the SPONSOR, the SPONSOR may take further action under Section 3314.073, including taking over the operation of the Community School, or suspending the operation of the Community School.

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Except in cases determined by the Sponsor, in its discretion, to be of such an extreme nature so as to require immediate remedy (e.g., financial insolvency or severe education programmatic inadequacy of the Community School) a Community School placed on probation pursuant to Article VIII of this Contract may remain in operation on probation for the remainder of the school year in which the notice of probation was received by the GOVERNING AUTHORITY, unless or until the Community School closes and ceases to operate for ten (10) consecutive business days during the period of probation for reasons other than closures scheduled on the academic calendar or force majeure events.

If such status is declared, the probationary status shall not extend beyond the end of the current school year. The probationary status under this Article VIII and the suspension of operation of the Community School under Article IX are separate and distinct actions available to the SPONSOR under this Contract. Nothing herein shall preclude the SPONSOR from taking action under Article IX for suspension of operation of the Community School during the pendency of any probationary status or period for such imposed on the Community School under Article VIII.

Notwithstanding the foregoing, before taking action under Articles VIII or IX the SPONSOR shall endeavor through reasonable efforts to inform, in the form of a warning, the GOVERNING AUTHORITY and Community School of areas of noncompliance that may warrant probationary status. The SPONSOR shall not have an affirmative legal obligation to provide a warning in lieu of action under Articles VIII or IX but does hereby agree to provide such as an additional form of corrective action where, in the SPONSOR'S sole discretion, circumstances so warrant.

Article IX. Suspension of Operation

If SPONSOR suspends the operation of the Community School pursuant to the procedures set forth in this Article IX, the GOVERNING AUTHORITY shall not operate the Community School while the suspension is in effect.

Upon the GOVERNING AUTHORITY'S receipt of the notice of suspension, the GOVERNING AUTHORITY shall immediately notify the employees of the Community School and the parents of the students enrolled in the Community School of the suspension and the reasons for the suspension, and shall cease all school operations on the next business day. Any such suspension shall remain in effect until the SPONSOR notifies the GOVERNING AUTHORITY that it is no longer in effect.

A. Health and Safety

1. If at any time the conditions at the Community School do not comply with health and safety standards established by law for school buildings, the SPONSOR may immediately suspend the operation of the Community School by sending a written notice of suspension to the GOVERNING AUTHORITY. If the SPONSOR fails to take such action, the Ohio Department of Education may take such action.

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2. If at any time public health and safety officials inspect the facilities of the Community School, such officials have the authority to order the facilities closed for noncompliance.
3. If at any time the SPONSOR determines that conditions at the Community School do not comply with health and safety standards established by law for school buildings and pose an imminent danger to the health and safety of the school's students and employees, the SPONSOR shall immediately suspend the operation of the Community School by sending a written notice of suspension to the GOVERNING AUTHORITY.
4. If the SPONSOR determines to suspend the operation of the Community School pursuant to the terms of this Contract and the provisions of Ohio law, the SPONSOR shall send written notice to the GOVERNING AUTHORITY stating that the operation of the Community School is immediately suspended, and explaining the specific reasons for the suspension. The notice shall state that the GOVERNING AUTHORITY has five (5) business days to submit to the SPONSOR a written proposed remedy to the conditions cited as reasons for the suspension or face potential contract termination.
5. If the SPONSOR approves and accepts the written proposed remedy submitted by the GOVERNING AUTHORITY, then the Community School may reopen following notification by the SPONSOR that such suspension is no longer in effect.

B. Other

The SPONSOR may also suspend the operation of the Community School for the following reasons:

1. The GOVERNING AUTHORITY'S failure to ensure that the Community School delivers the Education Plan specified pursuant to Exhibit 1 of this Contract to all students enrolled in the Community School;
2. The GOVERNING AUTHORITY'S failure to ensure that the Community School meets the performance requirements specified in Exhibit 4 of the Contract;
3. The GOVERNING AUTHORITY'S failure to meet generally accepted standards of fiscal management;
4. The GOVERNING AUTHORITY has violated any provisions of this Contract or applicable state or federal law; or
5. Other good cause.

Prior to suspension for one or more of the five reasons set forth in paragraphs (B)(1) through (B)(5) above, the SPONSOR must first issue to the GOVERNING AUTHORITY written notice of the SPONSOR'S intent to suspend the operation of the Contract. Such notice shall explain the reasons for the SPONSOR'S intent to suspend operation of the Contract and

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shall provide the GOVERNING AUTHORITY with five (5) business days to submit to the SPONSOR a written proposal to remedy the conditions cited as reasons for the suspension. The SPONSOR shall promptly review any proposed remedy timely submitted by the GOVERNING AUTHORITY and either approve or disapprove the proposed remedy.

If the SPONSOR disapproves the remedy proposed by the GOVERNING AUTHORITY, or if the GOVERNING AUTHORITY fails to submit a proposed written remedy in the manner prescribed by the SPONSOR, or if the GOVERNING AUTHORITY fails to implement the remedy as approved by the SPONSOR, the SPONSOR may suspend the operation of the Community School.

If the SPONSOR determines to suspend the operation of the Community School pursuant to the terms of this Contract and the provisions of Ohio law, the SPONSOR shall send written notice to the GOVERNING AUTHORITY stating that the operation of the Community School is immediately suspended, and explaining the specific reasons for the suspension. The notice shall state that the GOVERNING AUTHORITY has five (5) business days to submit to the SPONSOR a written proposed remedy to the conditions cited as reasons for the suspension or face potential Contract termination.

Upon the GOVERNING AUTHORITY'S receipt of the notice of suspension, the GOVERNING AUTHORITY shall; (i) designate a representative of the GOVERNING AUTHORITY who shall retain responsibility for the security of and access to all Community School records, including student records, during the suspension; (ii) provide the means and capability to access Community School records, including student records, to the SPONSOR'S representative, as designated in writing, and (iii) fully cooperate with the SPONSOR'S designated representative, who shall have unrestricted and equal access to Community School records, including student records during the suspension period. During the suspension period, the SPONSOR'S designated representative shall have access to and may remove Community School records, including student records, if, in the sole discretion of the SPONSOR, the representative of the Governing Authority fails to timely provide such records, following a legitimate request, or for any reason if the Community School remains under suspension and is not fully operational for a period of ten (10) weekdays.

C. Termination Resulting from the Suspension of School Operations

In accordance with Article X of this Contract and Ohio law, the SPONSOR may choose to terminate this Contract prior to its expiration if the SPONSOR has suspended the operation of the Contract.

Article X. Expiration/Termination of Contract

The expiration of the Contract between the SPONSOR and the GOVERNING AUTHORITY shall be the date provided in the Contract, provided, however, the GOVERNING AUTHORITY may terminate this Contract upon one hundred eighty (180) days written notice to the Sponsor of its intent to enter into a Community School Contract with a successor sponsor approved to be a sponsor of community schools by the Ohio Department of Education. If the

COMMUNITY SCHOOL CONTRACT

SPONSOR decides to terminate the Contract prior to its expiration, then not later than the first day of February in the year in which SPONSOR intends to terminate this Contract, the SPONSOR shall notify the GOVERNING AUTHORITY in writing of its intent to terminate the Contract pursuant to Ohio Revised Code Section 3314.07. The SPONSOR may choose to terminate this Contract prior to its expiration for any of the following reasons:

1. The GOVERNING AUTHORITY'S failure to ensure that the Community School delivers the Education Plan specified pursuant to Exhibit 1 of this Contract to all students enrolled in the Community School;
2. The GOVERNING AUTHORITY'S failure to ensure that the Community School meets the performance requirements specified in Exhibit 4 of the Contract;
3. The GOVERNING AUTHORITY'S failure to meet generally accepted standards of fiscal management;
4. The GOVERNING AUTHORITY has violated any provisions of this Contract or applicable state or federal law;
5. The Community School is insolvent or is bankrupt;
6. The Community School has insufficient enrollment to successfully operate a community school, or the Community School has lost more than fifty percent (50%) of its student enrollment from the previous school year;
7. The Community School defaults in any of the terms, conditions, promises or representations contained in or incorporated into this Contract or any other agreement entered into between the SPONSOR and the Community School or GOVERNING AUTHORITY;
8. The Community School's applicant(s), directors, officers or employees have provided false or misleading information or documentation to the SPONSOR in connection with the SPONSOR'S issuance of this Contract, Preliminary Agreement or other legally binding document executed by the parties to this Contract, or the Community School's reporting requirements under this Contract or applicable law;
9. The SPONSOR discovers grossly negligent, fraudulent or criminal conduct by the Community School's applicant(s), directors, officers, employees or agents in relation to their performance under this Contract; or
10. Other good cause.

The notice shall include the reason for the proposed termination of the Community School in detail, the effective date of the termination or nonrenewal and a statement that the GOVERNING AUTHORITY may, within fourteen (14) days of receiving the notice, request an informal hearing before the SPONSOR. Such request shall be in writing. The informal hearing

COMMUNITY SCHOOL CONTRACT

shall be held within fourteen (14) days of the receipt of a request for the hearing. Not later than fourteen (14) days after the informal hearing, the SPONSOR shall issue a written decision either affirming or rescinding the decision to terminate the Contract. The expiration, termination, or non-renewal of this Contract between the SPONSOR and GOVERNING AUTHORITY shall be subject to Ohio Revised Code §3314.07.

The termination of this Contract shall be effective upon the occurrence of the later of the following events:

1. The date the SPONSOR notifies the GOVERNING AUTHORITY of its decision to terminate the Contract;
2. If an informal hearing is requested, and as a result of the informal hearing the SPONSOR affirms its decision to terminate this Contract, the effective date of the termination specified in the notice of termination, or if the SPONSOR'S decision is appealed to the State Board of Education (the "State Board"), and the State Board affirms that decision, the date established in the resolution of the State Board affirming the Sponsor's decision.

If the SPONSOR learns that the Community School may receive a designation of "unauditable" from the Ohio Auditor of State, the Community School shall be subject to probationary status, suspension of operations, termination or nonrenewal of the Contract.

Article XI. Contract Termination Contingencies

If the Community School (i) permanently closes and ceases its operation or (ii) closes and ceases to operate, the Community School shall comply with Section 3314.074 of the Revised Code and proceed according to the Contract termination contingencies set forth in the Governance and Administration Plan, Exhibit 3, which is attached hereto, and incorporated by reference as if fully written herein.

The GOVERNING AUTHORITY represents that its governing documents provide that, upon dissolution, (i) all remaining assets, except funds received from the Ohio Department of Education, shall be used for nonprofit educational purposes, and (ii) remaining funds received from the Ohio Department of Education shall be returned to the Ohio Department of Education.

All property personally and/or individually owned by the trained and licensed teachers or staff employed by the Community School, shall be exempt from distribution of property and shall remain the property of the individual teachers and staff. Such property includes, but is not limited to, albums, curriculum manuals, personal mementos and other materials or apparatus that have been personally financed by teachers or staff.

Upon the GOVERNING AUTHORITY'S receipt of written notice of termination, and throughout the period of Community School operation between the notice of termination and school closure, if any, the GOVERNING AUTHORITY shall (i) comply with school closing procedures required by law imposed by or upon the Ohio Department of Education and

COMMUNITY SCHOOL CONTRACT

SPONSOR and perform all obligations necessary thereto, (ii) designate a representative of the GOVERNING AUTHORITY who shall retain responsibility for the security of and access to all Community School records, including student records, (iii) provide the means and capability to access Community School records, including student records, to the SPONSOR'S representative, as designated in writing, and (iv) fully cooperate with the SPONSOR'S designated representative, who shall have unrestricted and equal access to Community School records, including student records during the period prior to the closure of the Community School. Upon termination and closure, the GOVERNING AUTHORITY shall secure all Community School records, including student records, in the possession of the Community School and shall grant to the SPONSOR access to records requested by the SPONSOR. The SPONSOR 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 Community School records, including the student records which are within the SPONSOR'S possession; provided that in performing the Governing Authority's statutory or contractual duties, the Sponsor shall comply with Section 3314.015(E), and any procedural guidances published by the Ohio Department of Education, which correspond thereto. In accordance with Section 3314.44, the GOVERNING AUTHORITY 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 within seven (7) business days of the school closing to the student's school district of residence.

The GOVERNING AUTHORITY further recognizes the authority of the Ohio Department of Education to take over sponsorship of the Community School in accordance with Section 3314.015(C) of the Code.

Article XII. Governing Law

This Contract shall be governed and interpreted according to the laws of the State of Ohio. This Contract is subject to any and all future changes, amendments or additions to the statutes, rules and procedures applicable to community schools. The SPONSOR and the GOVERNING AUTHORITY hereby agree to comply with any such change as if it were specifically set forth herein. Any such change shall supersede any term within this Contract that conflicts with the statutory change.

Article XIII. Limitation on Liability/Disclaimer of Liability/Covenant Against Suit

The SPONSOR of the Community School and the officers, directors or employees of the SPONSOR shall be afforded the protections against liability under Code § 3314.07(E) and (F) or any other statutory immunity granted to SPONSOR, now or hereafter.

The parties expressly acknowledge that the Community School is not operating as the agent or under the direction and control of the SPONSOR except as required by law or this Contract and that the SPONSOR assumes no liability for any loss or injury from: (i) the acts and omissions of the Community School, its directors, trustees, officers, agents, subcontractors, independent contractors, representatives or employees; (ii) the use and occupancy of the building or buildings occupied by the Community School or any matter in connection with the condition

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of such building or buildings; or (iii) any debt or contractual obligation incurred by the Community School. The GOVERNING AUTHORITY acknowledges that it is without authority to and will not extend the faith and credit of the SPONSOR to any third party.

The SPONSOR does not assume any liability with respect to any director, trustee, employee, agent, parent, guardian, student, subcontractor or independent contractor of the GOVERNING AUTHORITY, and no such person shall have the right or standing to bring suit against the SPONSOR or any of its trustees, directors, employees, agents, subcontractor or independent contractors as a result of the issuing, overseeing, suspending, terminating or revoking of this Contract. The GOVERNING AUTHORITY hereby covenants not to sue SPONSOR'S directors, trustees, officers, employees, agents, or representatives for any matters that arise under this Contract. Furthermore, the GOVERNING AUTHORITY agrees to indemnify the SPONSOR for liabilities, causes of action, losses and expenses (including reasonable attorney fees) for acts or omissions of the Community School, the GOVERNING AUTHORITY and the Community School Treasurer to the fullest extent provided for and covered by insurance maintained by the Community School and GOVERNING AUTHORITY pursuant to Article III.

Article XIV. Assignment

Neither this Contract nor any rights, duties or obligations described herein shall be assigned by either party hereto, without the prior written consent of both parties, which consent shall not be unreasonably withheld, and upon such terms and conditions as the parties may agree. Any assignment without the prior written consent of both parties is void. The Governing Authority shall have the authority to subcontract its obligations under this Contract to third parties for the management and daily operations of the Community School.

Article XV. Amendments or Modifications

This Contract, and all amendments hereto, constitute the entire agreement of the parties and may be modified or amended, provided that any such modification is in writing and signed by both parties. The exhibits may be modified by the GOVERNING AUTHORITY and SPONSOR in the interim, pending subsequent approval of all exhibits by the parties. All interim changes and modifications must be necessary for the effective and efficient operation of the Community School and consistent with the purposes and terms of this Contract. Any changes or modifications of this Contract other than as provided herein shall be made and agreed to in writing by the SPONSOR and the GOVERNING AUTHORITY. It is further agreed that any amendments or additions to the laws, rules or regulations cited herein or which are applicable to the operation of a community school will result in a correlative modification of this Contract, without the necessity of a written amendment signed by the parties.

Article XVI. Severability

If any provision of this Contract, or any covenant, obligation or agreement contained herein, is determined by a court of competent jurisdiction to be invalid, unenforceable, and/or contrary to applicable statutory or regulatory provisions under law, such determination shall not

COMMUNITY SCHOOL CONTRACT

affect any other provision, covenant, obligation or agreement, each of which shall be construed and enforced as if such invalid or unenforceable provision were not contained herein.

Article XVII. No Child Left Behind

To the extent applicable to community schools, the Community School will be subject to the federal rules and regulations for publicly funded schools, as outlined in the No Child Left Behind Act of 2001 and its associated regulations.

Article XVIII. Dispute Resolution Procedure

In accordance with the Ohio Revised Code Section 3314.03(A)(18), disputes involving the GOVERNING AUTHORITY of the Community School and the SPONSOR regarding this Contract shall be placed in writing and resolved in the following manner:

- a. Members of the GOVERNING AUTHORITY shall meet with representatives of the SPONSOR;
- b. Members of the GOVERNING AUTHORITY and the SPONSOR will make a good faith effort to define the issues, clarify any miscommunications and resolve contractual differences;
- c. All agreed terms shall be placed in writing and signed by both parties;
- d. The GOVERNING AUTHORITY or the SPONSOR may initiate this process by providing written notice to the other party of their intent to initiate the dispute resolution process.

In the event the representatives are unable to resolve such disputes on their own accord, then the representatives may engage in nonbinding mediation, using a trained, experienced mediator selected by mutual agreement of the representatives of the SPONSOR, and the representatives of the GOVERNING AUTHORITY. In addition to the foregoing, the parties may also engage in a process of notifications relating to noncompliance or corrective actions through the use of written notice, warnings, and other remedial action prior to the Community School being subject to probationary status, suspension of operations, termination or nonrenewal of the Contract. Notwithstanding the foregoing, nothing herein is intended to supersede or modify the procedures set forth under Article VIII for Probationary Status, Article IX for Suspension of Operation or Article X for Expiration/Termination of Contract.

Article XIX. Discrimination Policy

In carrying out this Contract, the GOVERNING AUTHORITY shall not discriminate against any employee or any applicant for employment based upon race, color, religion, national origin, sex, age or disability.

COMMUNITY SCHOOL CONTRACT

Article XX. Entire Agreement

The SPONSOR and the GOVERNING AUTHORITY hereby agree that this Contract, including all exhibits and attachments hereto, constitutes the entire agreement and understanding of the parties and supersedes all prior agreements and understandings, whether oral or written, with respect to the operation of Community School. No course of prior dealing between the parties shall supplement or explain any terms used in this Contract.

Article XXI. Notice

All notices required or permitted by this Contract shall be in writing and shall be either personally delivered or sent by nationally recognized overnight courier, or by registered or certified U.S. mail, postage prepaid, addressed as set forth below (except that a party may from time to time give notice changing the address for this purpose). A notice shall be effective on the date delivered.

If to Community School to:

The Chair of the DECA PREP Governing Authority
200 Homewood Ave.
Dayton, Ohio 45405

Copies to:
The CEO/Superintendent,
300 College Park
Dayton, Ohio 45409

If to Sponsor:

The Thomas B. Fordham Foundation
1016 16th Street, N.W., 8th Floor
Washington, D.C. 20036
Attn. Chester E. Finn, Jr.

Copies to:

The Thomas B. Fordham Foundation
2600 Far Hills Avenue, Suite 216
Dayton, Ohio 45419
Attn. Director of Community School Sponsorship

Porter, Wright, Morris & Arthur LLP
Attn: Thomas A. Holton/Charles Y. Kidwell, Jr.
One South Main Street, Suite 1600
Dayton, Ohio 45402-2028

Article XXII. Non-Waiver

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

Article XXIII. Force Majeure

If any circumstances occur which are beyond the control of the parties, which delay or render impossible the obligations of one or both of the parties, the parties' obligations to perform such services shall be postponed for an equivalent period of time or shall be canceled, if such performance has been rendered impossible by such circumstances.

Article XXIV. No Third Party Rights

This Contract is made for the sole benefit of the GOVERNING AUTHORITY, the Community School and the SPONSOR. Except as otherwise expressly provided, nothing in this Contract shall create or be deemed to create a relationship between the parties hereto, or either of them, and any third person, including a relationship in the nature of a third party beneficiary or fiduciary.

Article XXV. Non-Agency

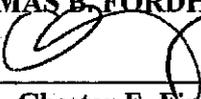
The Community School and GOVERNING AUTHORITY, as one party, and the SPONSOR as the second party shall at all times hereunder be separate and independent parties whose relationship and actions are subject to the applicable provisions of this Contract and Ohio law. Nothing shall be construed or implied to create an agency, partnership, joint venture or any other relationship between the parties except one of sponsorship pursuant to this Contract in accordance with Ohio law and neither party shall (i) have any authority, right or entitlement, express or implied to make any commitments, obligation or contracts, or (ii) incur any liabilities, charges or expenses for or in the name of the other party, except as specifically permitted in this Contract.

Article XXVI. Statement of Assurances for Start-Up Schools

The Community School represents that it has completed a statement of assurances as required as a recipient of funding from the Ohio Public Charter Schools Program. A copy of the executed completed statement of assurances is included as Exhibit 6 of this Contract, Statement of Assurances for Start-up Schools.

COMMUNITY SCHOOL CONTRACT

ON BEHALF OF THE
THOMAS B. FORDHAM FOUNDATION

By: 
Chester E. Finn, Jr.
President

DATE: 3/5/12

THE GOVERNING AUTHORITY OF
DECA PREP

BY: 
Governing Board Representative

DATE: 3/5/12

DAYTON/611169v.10

EXHIBIT 1: EDUCATION PLAN

EXHIBIT 1: EDUCATION PLAN

As new state standards, assessments, and state and federal accountability metrics are implemented by the Ohio Department of Education, the SPONSOR and the GOVERNING AUTHORITY agree to amend, within 45 days of formal state implementation, Exhibits 1 (Education Plan) and 4 (Academic Performance Plan) of this Contract to reflect the changes.

1.1 Mission, Vision and Educational Philosophy

DECA PREP will immerse prospective first generation college students in a personalized, rigorous elementary curriculum to assure they will succeed in high school and college.

DECA PREP will seek to replicate many of the successful early college strategies employed at Dayton Early College Academy (DECA). Based on the successes of DECA, DECA PREP will work to close achievement gaps, affording urban students access to a truly rigorous curriculum. As a starting point for planning the program and curriculum for DECA PREP, one overriding focus is central: the goal of DECA PREP's educational program is college preparation. All children should be expected to achieve success in school and be prepared to achieve success in college. Similar to most urban communities, Dayton faces complex problems in the education of its youth. The DECA PREP philosophy encompasses an understanding of the challenges and the implications for action.

A. Problem: School cultures of low expectations and alienation

For low-income students, a college education is becoming one of the few ways to escape the cycle of insolvency all too familiar to their relatives and friends. It is essential for schools to help these students believe that a demographic characteristic will not predict their fate.

Solutions: Innovative Curriculum and Instructional Practices

DECA PREP must address the cumulative effect of low expectations every day. To counter this, one of the pivotal strategies will be to create a culture of achievement where learning expectations are fixed, but the time to achieve them is variable. In practical terms, students who fail to meet a standards-based assessment are not given a low grade and then pushed onto the next assignment. Instead, work is revised and resubmitted until mastered; skills are re-taught and then reassessed.

From the beginning of students' first year at DECA PREP, a data trail will follow them. Data-driven instruction will be commonplace. When "red flags" are raised, students will be entered into a series of intensive interventions. This process will include before, during, and after-school tutoring.

Equally important is DECA PREP's concerted efforts to create a "college-going" culture through every aspect of the school facility, curriculum, policies and practices, and pedagogy. DECA's absolute focus on preparing students for college has taught DECA PREP's founders the importance of attending to the social, emotional, and financial challenges for first-generation college students. The power of high school students actually attending college classes on the college campus cannot be overstated. Students begin to mirror the academic behaviors of their college classmates, as well as internalize the will to persevere through difficult subject matter and stressful family circumstances. DECA celebrations are centered on academic improvement; extra-curriculars are academic competitions and activities. Community volunteers are recruited to tell their college journeys, including how they managed finances and loans,

roommates from different cultures and levels of wealth, etc. The same focus on creating a community of college going will dictate practice in the K-6 school.

B. Problem: Poor academic results---inadequate preparation to compete in college

Locally, achievement data continue to document the low performance of students in Dayton's lowest socio-economic school districts. The Learn to Earn Project (2010) gathered longitudinal data on the 3,202 students who entered ninth grade in 1998-1999 in the five poorest districts in the Dayton area. By 2001-2002, at the end of twelfth grade, 1,312 students had dropped out. Seven years later, the original pool produced only sixty-two college graduates.

A review of Dayton Public and charter elementary school report cards verifies the lack of solid academic results. In 2009, seventeen of Dayton's 22 elementaries are either in *academic watch* or *academic emergency*. Charters fare only slightly better. Many students entering DECA in the seventh grade are ill-prepared to tackle grade-appropriate content. In some years, fully half of the class has been two or more grade levels behind in math, and 30 percent are similarly behind in reading.

Solution: Rigorous College-Driven Curriculum

DECA PREP will concentrate on bringing students on grade level by third grade for both reading and math and will provide well-prepared students for entry into middle school who already have been exposed to a culture of "I am going to college".

DECA PREP will employ a performance-based curriculum that emphasizes the development of thinking skills rather than the mere acquisition of information. The curriculum uses the core standards, as set forth by the Ohio Department of Education. Science and math curricula are based on recommendations from National Science Teachers Association, the National Council of Teachers of Mathematics, and research from the National Mathematics Advisory Panel. Implementation of DECA PREP's rigorous curriculum is built upon six critical strategies: (1) the attainment of core knowledge and skills builds a base for college prep high school curriculum; (2) student and teacher performance are data-driven; (3) each learner is an individual and should have an individualized plan; (4) each student's ideal pace is different; (5) soundly constructed indicators from a wide range of learning and skill-building components replace arbitrary measures as determinants of learning; and (6) student success is not negotiable. Young students, their families, and their teachers will be held accountable for results in each grade and in each content area.

C. Problem: The prevalence of "the pedagogy of poverty"

It is important to review the seminal work of Martin Haberman when developing an urban school that purports to raise academic expectations to position students for subsequent college readiness. In his explanation of the "The Pedagogy of Poverty Versus Good Teaching," Haberman (1991) describes the classrooms of poverty, based on his observations in thousands of urban schools. He notes:

(It is) a tightly controlled routine in which teachers dispense, then test students on, factual information; assign seatwork; and punish noncompliance. Essentially, it is a pedagogy 'in which learners can *succeed* without becoming either involved or thoughtful (p.4).' He observes that it is 'noticeably different from the questioning, discovering, arguing, and collaborating that is more common among students in suburban and private school' (p. 4).

Haberman (1991) says that two conditions must be exhibited before there can be a serious alternative to the pedagogy of poverty: (1) the whole school faculty and school community, not the individual teacher, must be the unit of change, and (2) there must be patience and persistence of application. Haberman's work will serve as foundational to DECA PREP.

Similarly, in the "Study of Academic Instruction for Disadvantaged Students: Academic Challenge for the Children of Poverty," researchers Knapp, Shields and Turnbull (1992) conclude:

Students extensively exposed to instruction emphasizing meaning and understanding perform better on tests of advanced academic skills at the end of the school year, even after initial differences in student achievement and poverty level are taken into account (p. iii).

In "Breaking the Cycle of Poverty," Lewis argues, "At the core of the problems of those on or nearly on welfare is the inadequacy of the schools' efforts to teach what they should first and foremost—language. Children must learn to read, write, speak, and listen" (p. 186).

Solution: Pedagogy of High Expectation

DECA PREP will redefine the pedagogy of poverty. The K-6 instructional strategies will have the following in common: they emphasize meaning and understanding, embed the teaching of discrete skills in context, and draw connections between academic learning and students' home lives. Specifically, the following practices will frame the K-6 pedagogy:

- *Mathematics*: instruction on multiple mathematical topics with emphasis on non-routine problems as well as skill building
- *Reading*: instruction aimed at maximizing comprehension—explicitly teaching comprehension strategies, integrating reading and writing, increasing the amount of time students read text, and providing opportunities for children to discuss what they are reading
- *Writing*: integrating reading and writing, teaching the writing process and mechanics in context, and writing extended text (e.g. whole stories, reports, poems, and journals). (Lewis, 1996).

D. Problem: Parent disengagement

In her book, "A Framework for Understanding Poverty," researcher Ruby Payne (2005) cites James Comer's assessment of the problem of disengagement: "No significant learning occurs without a significant relationship" (p. 4). The work by Payne (2005) has contributed to the knowledge of the hidden rules for those who live in poverty, in the middle class, or in wealth. Typically, schools operate from middle-class norms and use the hidden rules of the middle class. She reminds educators,

An individual brings with him/her the hidden rules of the class in which he was raised. Even though the income of the individual may rise significantly, many of the patterns of thought, social interaction, cognitive strategies, etc. remain with the individual... Two things that move one out of poverty are education and relationships (p. 3).

Considerable evidence points to a common feeling of disconnect or disengagement from schools among parents in families of generational poverty (Shipler, 2004), (Duncan & Brooks-Gunn, 1997), (Natale, 1992). Yet, for adults from poverty, the primary motivation for their success will be in their relationships. Urban schools must plan relationship-building with their parents. In fact, action plans for school improvement that do not include a concerted and consistent effort to partner with parents in meaningful ways will have slim chances of succeeding.

Solution: Meaningful and Respectful Parental Involvement

Experienced urban educators know they cannot bring about change alone and welcome the contribution of families, community-based organizations, and community volunteers to grow the capacity of their schools. DECA has structured its outreach to parents in unconventional ways. The results have been exceptional and DECA PREP will emulate their success. Upon enrolling their child in DECA PREP, parents will sign a compact with the school indicating they will attend the parent academies tailored to their child's performance milestone conferences. Attendance is taken and parents are reminded of their commitment if they miss meetings. Transportation and babysitting will be offered. Building parent attendance into the performance requirements provides leverage. Even more important than parents coming to school is whether parents provide insistence, expectations, and support at home especially at those times when academic rigor intensifies and students feel exceptionally challenged. DECA PREP's parent sessions will include speakers on how to interact with children in positive ways to foster school success.

E. Operational Philosophy

1. Faculties of both DECA and DECA PREP will meet often to plan activities to create the college-going community. Bold actions to improve student learning will be recognized and supported. Teachers will know their students and students will own their learning.
2. Content cohorts will meet to coordinate curriculum and community experiences. Cross content pollination will be the work of instructional teams consisting of teachers from mixed grades and content.
3. The relentless pursuit of the effective match between individual learners and teaching strategies will rely on data to inform short and long term instructional planning.
4. Teacher and principal evaluation will result from the analysis of multiple data points, with importance placed on student growth and system-wide outcome data.
5. Parent academies will be coordinated, and young parents will be inspired by the results (i.e., DECA graduates enrolling and graduating from college). College-going behaviors will be the common language of parent meetings.
6. Instruction in all classrooms will include a repertoire of common strategies - the school's instructional framework - designed to promote the use of cooperative learning groups and the judicious use of classroom discussion and independent work. Instructional coaches will reinforce a shared pedagogy and align and embed professional development to support it.
7. New teacher selection and induction will be a joint function with faculty from both schools engaged in selection committees, peer coaching, and mentoring.

8. The faculty and support staff of DECA PREP will work with a sense of urgency, whether during direct instruction, computer-based instruction, or any other segment of the instructional day. Instructional time will be regarded as sacred.

1.2 Geographic Boundaries

DECA PREP will enroll students who reside within the geographic boundaries of the Dayton Public Schools.

1.3 Curriculum and Instruction

Focus of the Curriculum

DECA PREP will implement a modified, classroom approach to the research-based Reading Recovery program in classrooms for all students. Both nonfiction and fiction reading, writing; frequent assessment of student progress and teacher support and guidance for student improvement of reading skills, including comprehension, are emphasized. When data indicate instruction has not been successful, frequent feedback to students and their parents is provided regarding progress in literacy and mid-course corrections. All adults at DECA PREP will be engaged in literacy initiatives and collaborative teaching as an everyday practice. The balanced approach to literacy includes guided reading, intensive word study, writer's workshop, and interactive writing and reading. Instructional coaches model techniques, provide additional help for at-risk students, and facilitate collaborative groups to plan and analyze specific pedagogy. It will be essential to replicate DECA's culture of collaborative decision-making, led by a non-authoritative principal to achieve this set of literacy goals. The "cross-pollination" of culture will begin as the K-6 principal with faculty search committees select teachers who have both content experience and desire to work with urban students. The K-6 faculty will interface with their DECA cohorts on a regular basis.

Early science and math experiences require radically different pedagogy from that documented in studies of failing urban schools. DECA has learned that classroom instruction that requires students to actively engage in exploration, inquiry, and problem solving is superior to purely didactic approaches. As a result, fundamentals are applied to the creation of very specific products (e.g., cardstock roller coasters in physics, construction of a robot, etc.) DECA PREP and DECA faculty will plan a continuum of labs and experiments to maximize the relationships between math and science teaching. A review of three preferred mathematics curricula will be selected and implemented with supplemental materials such as manipulatives. and a variety of software programs. Daily attention to vocabulary building, informational text, use of graphics, and scaffolding will ease the understanding of complex STEM concepts for DECA PREP students. DECA PREP's access to the K-12 curriculum and the professional development of the Dayton Regional STEM Center will support both student and faculty.

The social, physical, cognitive and intellectual development of the whole learner is supported every school day, through all areas of the curriculum including social studies, physical education, character education, and the arts. This college preparatory school focuses on academic rigor geared to the developmental needs of younger learners. Students' learning is supported and enhanced by caring teachers who understand and effectively apply the advantages of the most up-to-date digital instruction in DECA PREP's technology-rich environment.

Intervention/extra-help structure

The intervention/extra-help structure at DECA PREP will be comprehensive and designed to maximize personnel and financial resources. Volunteer-led book groups, individual tutoring, vocabulary building clubs, etc. will augment classroom instruction. Additionally, “just-in-time” groups will be used for intensive intervention. Often meeting outside the school day, these flexible groups disband after a set of skills have been remediated.

Curriculum Map

The principal and team of teachers will establish the curriculum map during the Spring of 2012. DECA PREP teachers will create this map, by content area, in collaboration with their DECA colleagues. The curriculum map is an integral tool to the integration of curriculum from one content area to another, in graphic representation. The curriculum maps of high performing suburban and private schools will serve as references to accomplish this task.

Academic Standards

Grades K-6, DECA PREP, will mirror DECA’s singular goal of preparing potential first generation college students through three foci: (1) literacy for ALL students with third-grade reading proficiency by third grade; (2) heavy emphasis on early STEM experiences to create aspiration and confidence to master challenging core content in high school; and (3) preparation for Algebra I content in the eighth grade as the path to college readiness in mathematics. The addition of the K-6 school ultimately strengthens the viability of the early college model in place at the Dayton Early College Academy.

DECA PREP will use national standards articulated by the NCTM, NCTE, NCSS, ACT Quality Core, and the Common Core to augment the specific grade-level expectations of the Ohio Content Standards. Grade level exit criteria will emerge from this cross-examination of national and state standards.

Classroom-based learning opportunities are described throughout this Exhibit, and include but are not limited to instruction in the subjects described herein, tutoring opportunities, student projects, and character education. Non-classroom based learning opportunities include field trips, family/parent events, community relationships and after-school programs.

1.4 Target Population

DECA PREP’s target population are students who reside in the Dayton Public School district, and who are identified as economically disadvantaged or eligible for the federal free and reduced lunch.

1.5 School Calendar and Daily Schedule

A school calendar will be developed annually. Elements may include, but will not be limited to, instruction days (including extended day and year), holidays, testing/assessment days, summer orientation sessions for parents, intervention and acceleration time, weekend instructional opportunities, teacher planning and professional development time, introductory home visits for parents, parent events, and other school-related events. The calendar will offer at least 920 hours of instruction.

1.6 Special Student Populations

Students with Learning Disabilities

DECA PREP will serve all students regardless of ability and will comply with all state and Federal statutes, including Title II of the Americans with Disabilities Act (ADA), the Individuals with Disabilities Education Act (IDEA), and section 504 of the Rehabilitation Act of 1973. Students with special needs will be educated in the least restrictive setting and according to each student's individualized education plan (IEP). DECA PREP will not discriminate in admission and enrollment practices against students having or suspected of having disabilities.

The extended-day and extended-year options planned for all DECA PREP students will afford students with disabilities multiple opportunities for instructional support. DECA PREP's focus on application of skills will expose students with disabilities to creative projects and various assessment strategies. Faculty and staff will participate in professional development to ensure their preparation with the skills and sensitivities needed to maximize all students' capabilities.

For those with physical disabilities, facilities will be designed to facilitate and encourage their participation in all school activities to the students' maximum potential. The school building will be in compliance with ADA, building codes and all other legal requirements. Individual educational plans will be developed and monitored according to IDEA and the Ohio State Performance Plan for Special Education. As an elementary school, DECA PREP will engage in child find activities and make Free and Appropriate Public Education (FAPE) available to any child who enrolls in this charter school. Rule 3301-51-05 of the Operating Standards for Ohio Educational Agencies Serving Children with Disabilities (2008) regarding procedural safeguards for parents will be followed wherein parents receive procedural safeguard notices, provide consent for initial evaluation, participate in meetings and have an opportunity to examine records regarding their child.

Limited English Proficiency (LEP) Program

During the application process, families are asked to identify what language is spoken at home. During home visits and later classroom observations, teachers will gain an understanding of the student's English proficiency. Once identified, LEP students will receive support through additional tutoring and subject-specific support. Clearly, this immersion approach will require a continual review of the LEP students' progress and a flexible approach to intervention. LEP students will receive the same academic content as those who are native English speakers. As much as feasible, interpreters will be secured for parent conferences and parent academies to accommodate the families who do not speak English.

Gifted Students

Although Ohio public community schools are not required to provide gifted services under the requirements of ORC 3324, students who exhibit giftedness in intellectual ability or in subject-specific content will have a modified curriculum and classroom instruction. In collaboration with parents, strategies will be designed to maximize the gifted student's progress through the skills and knowledge of the Ohio Content Standards, as well as augmented experiences to promote higher level thinking. Projects that require application and analysis will be introduced to gifted students. The use of flexible grouping, volunteers and independent digital instruction will be used. Data will be monitored to determine if the expected gains are being achieved for gifted students.

Homeless Students

DECA PREP shall comply with the McKinney Vento Act and, to the extent that the school receives assistance from the Federal Program for Education for Homeless Children and Youth, shall comply with requirements to coordinate services for homeless students with local social service agencies and programs, including those funded under the Runaway and Homeless Youth Act.

1.7 School-Specific Goals and Objectives

By 2015, DECA PREP will have 100% of all third graders proficient on the OAA reading assessment.

1.8 Academic Assessment

DECA PREP will use the Northwest Education Association (NWEA) Measures of Academic Progress (MAP) and state-mandated assessments. Staff will examine MAP scores to draw comparisons to state and national performance.

DECA PREP will define clear formative and summative assessment strategies, and more importantly, focus on the efficacy of instruction based on the data. Cumulative, end-of-year exams and capstone projects will be introduced to fourth graders.

Promotion Policy

DECA PREP will not engage in social promotion. Students will be promoted when they have demonstrated mastery of academic standards and exit goals for each grade level. The use of summer intervention will afford struggling students additional time to meet the standards, as will tutoring and home reinforcement. Strict attendance policies have worked at DECA and will be emulated at DECA PREP. Make-up time requirements have served to hold students and their parents accountable for missed instructional time. Multiple layers of student and family support will be available for all students; however, students who do not demonstrate readiness will not be promoted.

1.9 School Climate and Discipline

School climate is described at 1.1, above. Specific details regarding discipline will be included in The DECA PREP Family Handbook.

EXHIBIT 2: FINANCIAL PLAN

EXHIBIT 2: FINANCIAL PLAN

2.1 Budget

The proposed five-year budget for DECA PREP, subject to change per approval of the DECA PREP governing board, follows.

School: DECA Prep						
5 Year Summary	2012-13	2013-14	2014-15	2015-16	2016-17	Total:
Total Revenue	1,477,499	2,199,966	2,563,341	2,926,715	3,290,090	12,457,611
Total Expenses	1,558,136	1,930,500	2,263,780	2,570,060	2,787,940	11,110,416
Over/(Under)	(80,637)	269,466	299,561	356,655	502,150	1,347,195
Total Enrollment	208	300	346	392	438	
5 Year Projected Budget	2012-13	2013-14	2014-15	2015-16	2016-17	
REVENUE						
State Revenue						
State Foundation	1,023,193	1,543,269	1,803,307	2,063,345	2,323,383	8,756,497
PBA	46,336	69,888	81,664	93,440	105,216	396,544
Special Education	12,308	18,564	21,692	24,820	27,948	105,332
Parity	123,804	186,732	218,196	249,660	281,124	1,059,516
Food Service	131,040	189,000	217,980	246,960	275,940	1,060,920
Other	9,050	13,650	15,950	18,250	20,550	77,450
Total State Revenues	1,345,731	2,021,103	2,358,789	2,696,475	3,034,161	11,456,259
Federal Revenue						
CCIP						
Title I	101,903	153,699	179,597	205,495	231,393	872,087
Title I ARRA	0					0
Title I SI	0					0
Title II-A (PD)	1,629	2,457	2,871	3,285	3,699	13,941
Title II -D (Tech.)	0					0

Title III (LEP & Immigrant)	0					0
Title IV (Safe & Drug Free)	0					0
Title V (Innovative Ed)	0					0
Title VI (Rural Ed)	0					0
IDEA-B (Spec. Ed)	28,236	42,588	49,764	56,940	64,116	241,644
SFSF	0					0
PCSP	0					0
Other	0					0
Total Federal Revenues	131,768	198,744	232,232	265,720	299,208	1,127,672
Total Fundraising Revenues						0
TOTAL REVENUE	1,477,499	2,219,847	2,591,021	2,962,195	3,333,369	12,583,931
EXPENSES						
Administrative Personnel Costs*	2	3	4	5	6	20
Executive Management	0					0
Instructional Management	78,948	78,948	146,617	146,617	146,617	597,747
Deans, Directors & Coordinators	0					0
CFO/Director of Finance	0					0
Operations/Business Manager	0					0
Administrative Staff	33,840	47,368	60,902	74,437	87,970	304,517
Other	0	6,767	13,534	20,301	27,068	67,670
Total Administrative Personnel Costs	112,788	133,083	221,053	241,355	261,655	969,934

Instructional Personnel Costs*	15	19	21	25	27	107
Teachers - Regular	423,504	575,188	651,880	728,571	805,338	3,184,481
Teachers - Special Ed	19,176	19,173	19,173	19,173	19,173	95,868
Substitute Teachers	2,700	2,700	2,700	2,700	2,700	13,500
Teaching Assistants	0					0
Specialty Teachers	115,056	115,038	134,211	191,729	191,729	747,763
Aides	0					0
Therapists & Counselors	0					0
Other	0					0
Total Instructional Personnel Costs	560,436	712,099	807,964	942,173	1,018,940	4,041,612
Non-Instructional Personnel Costs*	1	1	1	1	1	5
Nurse	0					0
Librarian	0					0
Custodian	38,352	33,835	33,835	33,835	33,835	173,692
Security	0					0
Other	0					0
Total Non-Instructional Personnel Costs	38,352	33,835	33,835	33,835	33,835	173,692
Subtotal # personnel*	18	23	26	31	34	132
Subtotal Personnel Costs	711,576	879,017	1,062,852	1,217,363	1,314,430	5,185,238
Payroll Taxes & Benefits						
Payroll Taxes & Benefits	10,318	12,707	15,372	17,613	19,020	75,029
Employee Benefits	124,882	153,794	186,057	213,173	230,209	908,114
Retirement/Pension	0					0
STRS/SERS	99,621	122,684	148,421	170,053	183,642	724,421
Total Payroll Taxes & Benefits	234,820	289,185	349,850	400,839	432,871	1,707,565
Contracted Services						

Accounting/Audit	0	5,000	5,000	5,000	5,000	20,000
Legal	1,800	1,800	1,800	1,800	1,800	9,000
Treasurer	24,000	36,000	36,000	48,000	48,000	192,000
Data Reporting	0			27,000	27,000	54,000
Management Company Fee	0					0
Nurse/Health Services	0					0
Food Service/School Lunch	149,760	216,000	249,120	282,240	315,360	1,212,480
Payroll	0					0
Special Education	0					0
Sponsorship Fee	0	30,865	36,066	41,266	46,467	154,664
Other	137,280	198,000	228,360	258,720	289,080	1,111,440
Total Contracted Services	312,840	487,665	556,346	664,026	732,707	2,753,584
School Operations						
Board Expenses	0					0
Materials Classroom/Teaching Supplies &	0	37,500	43,250	49,000	54,750	184,500
Materials Special Education Supplies &	0					0
Textbooks/Workbooks	0	97,500	112,450	127,400	142,350	479,700
Supplies & Materials Other	12,000	12,000	12,000	12,000	12,000	60,000
Equipment/Furniture	0	30,000	34,600	39,200	43,800	147,600
Telephone	12,000	12,000	12,000	12,000	12,000	60,000
Technology	0	30,000	30,000	30,000	30,000	120,000
Student Testing & Assessment	0			5,000	5,000	10,000
Field Trips	0					0
Transportation	0					0
Student Services (Other)	0					0
Office Expenses	500	500	500	500	500	2,500
Staff Development	0			10,000	10,000	20,000

Staff Recruitment	0					0
Student Recruitment/Marketing	0					0
School Meals	0					0
Travel (Staff)	0	2,000	2,000	1,000	1,000	6,000
Fundraising	0					0
Other	0					0
Total School Operations	24,500	221,500	246,800	286,100	311,400	1,090,300
Facility Operation & Maintenance						0
Insurance	30,000	30,000	30,000	30,000	30,000	150,000
Janitorial	12,000	12,000	12,000	12,000	12,000	60,000
Building and Land Rent/Lease	150,000	150,000	150,000	150,000	150,000	750,000
Repairs & Maintenance	14,000	14,000	14,000	14,000	14,000	70,000
Equipment/Furniture	6,000	6,000	6,000	6,000	6,000	30,000
Security	2,400	2,400	2,400	2,400	2,400	12,000
Utilities	60,000	60,000	60,000	60,000	60,000	300,000
Total Facility Operation & Maintenance	274,400	274,400	274,400	274,400	274,400	1,372,000
TOTAL EXPENSES	1,558,136	2,151,767	2,490,248	2,842,728	3,065,808	12,108,687
UNDER/(OVER)	(80,637)	68,080	100,773	119,467	267,561	475,244

2.2 Financial Management

The DECA PREP Development Board has approved the following financial policies consistent with the recommendations of the Treasurer and Superintendent and Neola (a policy consulting firm used extensively in Ohio). The full policies and their reference numbers are included in this section.

Policy 6105	Authorization to Use Facsimile Signatures
Policy 6110	Federal Funds
Policy 6140	Depository Agreements
Policy 6144	Investments
Policy 6152	Student Fees, Fines, and Charges
Policy 6152.01	Waiver of School Fees for Instructional Materials
Policy 6210	Fiscal Planning
Policy 6213	Appropriations and Spending plan
Policy 6232	Appropriations Implementation
Policy 6233	Amenities for Participants at Meeting and/or Other Occasions
Policy 6320	Purchases
Policy 6350	Prohibition Against Contracting With a Person Against Whom an Unresolved Finding for Recovery Has Been Issued
Policy 6423	Use of Credit Cards
Policy 6460	Vendor Relations
Policy 6510	Payroll Authorization
Policy 6510.01	Retirement Contributions
Policy 6520	Payroll Deductions
Policy 6610	Student Activity Fund
Policy 6620	Petty Cash Funds
Policy 6621	Change Fund
Policy 6670	School Service Fund
Policy 6680	Recognition
Policy 6700	Fair Labor Standards Act (FLSA)

The treasurer shall use the uniform system of accounting (USAS) as prescribed in sections 117-2-02 to 117-2-21.

The treasurer shall have available any time, a current bank balance and/or reports of all expenditures and receipts. All public records shall be promptly prepared and made available to any member of the general public at all reasonable times during regular business hours for inspection.

The treasurer shall have available a monthly financial report for the superintendent, principal and governing authority detailing the cash balances, receipts and expenditures each month (within 14 days of the close of each month).

The treasurer shall have available an annual financial report for the superintendent, principal and governing authority detailing cash balances, receipts and expenditures for each fund (within 30 days of the close of the fiscal year).

Receipts

All cash received on behalf of the school must be delivered to the treasurer (or their designee) within twenty-four hours of receipt.

All cash receipts must be deposited in the bank by the treasurer (or their designee) within 24 hours.

Receipts will be issued for all cash received by treasurer.

Purchasing

The treasurer is responsible for all payments and or obligations made by the schools. Purchases are authorized by the treasurer only after an approved purchase order is submitted including the signatures of both the principal and the treasurer.

Open purchase orders for goods and services shall be valid only for the time period and the amount specified on the purchase order.

Service contracts, leases, and other on-going commitments shall be reviewed and approved by the superintendent and treasurer in writing at the beginning of each fiscal year.

The principal shall determine the most appropriate method of obtaining prices for items that are not subject to the formal bidding procedures (as stipulated in board policy).

Payroll

The superintendent is responsible for recommending (and the governing authority is responsible for approving at a public meeting) the school calendar, compensation amounts, the pay dates, leave time, severance agreements, overtime, insurance and other benefits for each employee.

The employees will provide W-4 Federal Withholding Statement, IT-4 State of Ohio Withholding, I-9, City Tax Deductions, SERS/STRS membership application, BCI Fingerprint Record, Insurance Forms. Transfer of sick leave form previous employer (if applicable), Teaching Certificates/Official College Transcripts (for teachers) and copy of driver's license and social security card.

Employees are required to sign and submit timesheets and/or attendance forms to the treasurer at the end of each pay period (including use of vacation and/or sick leave). Deduction forms shall be given to the treasurer by the employees in a timely manner so there is adequate time to make adjustments to the payroll. Failure to submit timely information may result in the delay of payment to the employee.

All overtime must be pre-approved (documented) by the principal and treasurer.

The treasurer is responsible for withholding and paying all federal, state and local income taxes and STRS/SERS payments.

Petty Cash

The governing board may authorize the treasurer to create petty cash accounts allowing certain administrators to make purchases. Money can be drawn from these accounts by check or debit card. The treasurer designates who can use these accounts, the amount of money that can be placed in the accounts as well as the procedures and requirements for replenishing the accounts.

The debit card and check access is limited to only those individuals who have a job related need to use this payment method. Any person using a debit card or check must keep a written ledger. Any administrator who ignores procedures and allows anyone else to use the card, or who does not take prudent measures to ensure proper security is maintained, may be held personally liable for the losses.

Education Management Information System (EMIS)

The EMIS coordinator shall ensure all school, student and staff data provided by the principal (or their designee) is input in a timely and accurate manner.

The principal shall ensure all student and staff data is made available to the EMIS coordinator in a timely and accurate manner. It is anticipated that DECA PREP will contract with MDECA as the A-site for EMIS transmission to ODE.

School Options Enrollment System (SOES)

The SOES coordinator shall ensure all student enrollment data provided by the principal (or their designees) is input in a timely and accurate manner.

The principal shall ensure all student enrollment data is made available to the SOES coordinator in a timely and accurate manner.

Federal Low Income Count System (FLICS), Ohio Educational Directory System (OEDS), Education Monetary Assistance Distribution Site (EMAD)

The principal shall ensure all FLICS, OEDS and EMAD information is submitted on a timely and accurate basis.

Grants

The superintendent is responsible for identification, when required, board approval for submission, application, updates, board acceptance of grant, and compliance for all local, state, federal, and private grants.

The treasurer will provide budget and final expenditure reporting support when requested by the superintendent or principal.

Audits

The superintendent and treasurer are responsible for the design and implementation of an internal control process that provides reasonable assurance and the integrity of its financial reporting, the safeguarding of its assets, the efficiency and effectiveness of its operation, and its compliance with applicable laws, regulations and contracts.

The treasurer is responsible for providing all financial data and sustaining supporting records for and financial audits. All financial documents shall be stored on school property in a locked cabinet (or other suitable storage) accessible only to the treasurer.

The superintendent and treasurer are responsible for responding to all audit findings and management letter recommendations in a timely manner.

The superintendent will be responsible for forming an audit committee comprised of at least two board members, the principal, and the treasurer.

2.3 Transportation, Food Service, Other Partnerships

Transportation and/or food service, and other partnerships/services, may be provided by school districts, provided by contractors or provided in-house.

2.4 Insurance

DECA PREP will maintain insurance in accordance with this Contract.

EXHIBIT 3: GOVERNANCE PLAN

EXHIBIT 3: GOVERNANCE PLAN

3.1 Governing Body

The governing board of DECA PREP will consist of at least five (5) trustees.

Effective board members will keep children first, believe in and be committed to public schools, maintain high standards of conduct, treat all individuals with respect, manage stress and stressful situations positively, nurture and maintain channels of communication, take responsibility for actions, value and seek challenges, maintain a sense of humor, and have the capacity and eagerness to learn and grow as they recognize the scope of their responsibilities of service and leadership on the Board of Trustees.

The DECA PREP Board will have the powers permitted by law to manage the new school's business and financial affairs. It will establish policy and oversee operations, ensuring that the K-6 school operates according to its authorizing contract and federal, state, and local laws.

In fulfilling its responsibilities, the board adopts an annual budget; appoints and evaluates the superintendent and treasurer; develops, implements, and monitors the school's policies; reports to the sponsor, DECA parents, and the community. The board delegates authority and responsibility for managing day-to-day instructional and administrative operations to the superintendent and principal.

3.2 Governing Board Composition.

The Board of Trustees strives to include leaders from a broad range of disciplines representing professionals, community leaders, and a parent representative. Additional qualifications include, but are not limited to: commitment to advancing the principles and values of the DECA PREP, including the goals and processes which are applicable to the elementary level taken from the early college model of education; willingness to devote the time required; ability to exercise sound judgment; history of involvement in community/civic activities, including active board membership and leadership.

There are currently four officer positions for the Board of Trustees: Chair, Vice Chair, Secretary, and Treasurer. Officer positions are subject to change at the discretion of the board, and any such changes will be reflected in the bylaws of the governing board.

The school will notify the sponsor within thirty (30) days of a board member's resignation or are appointment.

3.3 Management and Operation

The current superintendent earned a doctorate in school leadership and has twenty-five years of administrative experience. She served as superintendent of one of Ohio's highest performing districts (Oakwood City) for seven years. She also founded and led a successful primary school. Her past experiences with grants include successful awards from the Gates Foundation, the US Department of Education, the Mathile Family Foundation, and the Ohio Department of Education. She is currently in her seventh year at DECA.

DECA is currently conducting a search for the DECA PREP K-6 principal. This search has proven very challenging as the optimal candidate not only has the appropriate Ohio licensure and elementary administrative experience, but also has recent experience in an urban setting.

The job description, in part, states: The DECA PREP elementary principal manages all facets of daily school operations. The elementary principal ensures the safety and welfare of both students and staff and provides for a positive learning environment. The principal provides instructional leadership including curriculum planning and implementation, instructional strategies, student accountability, and professional development. Under the guidance of the Board of Directors and the superintendent, the elementary principal develops and implements school policy and operational guidelines. This position reports to the DECA superintendent. The entire job description is attached.

The school leader will be supervised and evaluated by the school superintendent and will provide the appropriate annual reports to the superintendent and Board of School Trustees, including all required state reports. DECA is engaged in the ODE pilot study of the evaluation of teachers and principals. This pilot year will impact the evaluation process and tool used with the DECA PREP principal.

3.4 Staffing and Human Resources

DECA is committed to hiring content-proficient, creative and high energy professionals who relate well to a culturally diverse population. The DECA PREP principal will recruit teachers at colleges and universities that serve traditionally underrepresented groups, as well as network with human resource officers from area districts that frequently have an excess pool of candidates. DECA PREP will also work closely with the University of Dayton's Urban Teacher Academy and Bowling Green State University's SMART program to identify potential candidates who specifically train for the urban setting. The screening and hiring process will include diverse team members and current DECA faculty. Successful interviewees will be asked to conduct a demonstration lesson engaging students. DECA PREP will place great importance on identifying a pool of candidates who reflect the diversity of the student population and who demonstrate intellect, pedagogy, and passion for their content.

DECA has committed to identifying the metrics of successful teaching in our non-traditional setting, both at the teacher level and the school as a unit. DECA has four years of experience with faculty compensation based on school performance and much work is being done to differentiate evaluation used to identify the technical competence (classroom instruction, assessment, discipline, etc.) of entry-level teachers from the more subtle and critically important mastery teacher competencies (classroom control as a consequence of teaching rather than as a prerequisite) developed over time. Using multiple measures and providing classroom-embedded support will translate those metrics into fair evaluations for teachers. The teacher evaluation for DECA PREP will be developed in conjunction with DECA's Race to the Top work on teacher evaluation. The system will be piloted at DECA PREP during the 2012-13 school year.

The teacher compensation system will be patterned after the highly successful plan currently in operation at DECA. Rather than a typical step system with pay based on seniority and education credentials, DECA PREP will employ a base salary merit system plus an annual team bonus. Elements of the compensation system are as follows: 1) multiple salary grades will be established around the differentiated teaching positions (i.e. master teacher/coach, teacher, paraprofessional; etc.); 2) salary grade midpoints will be market competitive to attract and retain a talented staff; 3) each staff member will be evaluated annually

by the Principal; 4) an annual group or team bonus, similar to DECA's, will be awarded annually to be paid the following school year. The purpose of this bonus is to establish an element of variable compensation which reflects school performance and progress. A team bonus is supportive of a highly collaborative culture envisioned for the teaching staff. Both salary actions and bonuses will be reviewed and approved by the Board of Trustees. The Board is charged with responsibility to evaluate/modify the compensation plan periodically to assure that it continues to fulfill its objectives.

The experience at DECA with this particular compensation structure, enhanced by best practices in the private sector convinces us that this compensation plan will reinforce a culture of high expectations, high motivation, teamwork and dedication. In addition, a well-managed merit system with a mix of staff ranging from master teachers to technically savvy young teachers, to paraprofessionals is the most flexible and cost effective structure. Also, DECA has been able to vary teachers' work day to accommodate special needs of students and the same flexible approach will be used at DECA PREP.

Recruitment of teachers who will work with special needs children will follow the same procedures for all DECA PREP teachers. All teachers will be highly qualified in their field and will have professional development to assure competency in working with populations of special needs, including gifted, Limited English Proficient (LEP), and homeless students. The bulk of these services are provided in the regular classroom setting or through extended-day and extended-year programs. Not only are opportunities provided and promoted for all students, by concerted effort is made to assure all students have transportation, needed materials and/or appropriate clothes to participate in community-based learning.

3.5 Professional Development

Faculties of both schools will meet often to plan activities to create the college-going community.

Content cohorts will meet to coordinate curriculum and community experiences. Cross content pollination will be the work of instructional teams consisting of teachers from mixed grades and content.

Professional development to build the capacity of individual teachers to translate the new, more challenging standards into lesson planning and formative assessment will occur.

Instruction in all classrooms K-12 will include a repertoire of common strategies. DECA PREP will utilize DECA's instructional framework, designed to promote the use of cooperative learning groups and the judicious use of classroom discussion and independent work. An instructional coach will reinforce a shared pedagogy and align and embed professional development to support it. Professional development will respond to the needs of the teachers in ways that are more accessible and timely.

New teacher selection and induction will be a joint function with faculty from both schools engaged in selection committees, peer coaching, and mentoring.

DECA PREP's mission requires that the school develop in all students the foundational skills, core content knowledge, critical-thinking ability, and personal characteristics necessary to succeed in high school on the way to college. This will be accomplished through a highly structured and disciplined

environment in which rigorous instruction drives every classroom, and frequent assessments ensure every student is receiving the ongoing academic support necessary for success.

3.6 Student Recruitment and Enrollment

Public Notification

DECA PREP will utilize at least the following venues as means of notifying the Dayton community about enrollment opportunities: distribution of application material to all Dayton area schools as permitted; groups visits hosted onsite or at the location of a requesting organization; onsite hosting of parent information sessions held at various times of the day; distribution of application and school information to area-wide churches, preschools, daycares, and child health clinics; website information/application available; and direct mailing/emailing by individual request.

The application process will require all state mandated vaccinations and other forms (emergency medical, permission for photo, application for free and/or reduced lunch, etc) to be completed prior to official enrollment. Incomplete applications will be moved to the waiting list. Registration will be directly handled by DECA PREP personnel. Enrollment will be subject to a stated period of time of enrollment. For student applications in excess of enrollment limits, DECA PREP will follow the appropriate lottery requirements for selection of students as prescribed by law, except students who attended DECA PREP the previous year or siblings of students attending DECA PREP will be given priority enrollment.

The DECA PREP Board of Trustees shall adopt admission procedures to include the following:

- (1) Admission to DECA PREP shall be in accordance with sections 3313.64 or 3313.65 of the Ohio Revised Code, except that enrollment is limited to students not younger than five and not older than twelve.
- (2) DECA PREP will limit enrollment to students that reside within the geographic boundaries of the Dayton Public Schools.
- (3) That there will be no discrimination in the admission of students to the school on the basis of race, creed, color, disability, or sex.
- (4) That upon admission of any student with a disability, the community school will comply with all federal and state laws regarding the education of students with disabilities.
- (5) DECA PREP will not limit admission to students on the basis of intellectual ability, measures of achievement or aptitude, or athletic ability, except that a school may limit its enrollment to students as described in section (2) of this section.
- (6) That the school will admit the number of students that does not exceed the capacity of the school's programs, classes, grade levels, or facilities, as set forth below.

School Year/Grade Configuration	Maximum Number of Students Per Grade Level
2012-13/ K,1,2,6	K (54) ,1st (54), 2nd (54), 6th (50)
2013-14/ K,1,2,3,6	K (54) ,1st (54), 2nd (54), 3rd (54), 6th (50)
2014-15/ K, 1, 2, 3, 4,6	K (54) ,1st (54), 2nd (54), 3rd (54), 4th (54), 6th (50)
2015-16/ K, 1, 2, 3, 4,5,6	K (54) ,1st (54), 2nd (54), 3rd (54), 4th (54), 5th (54), 6th (50)
2016-17/ K, 1, 2, 3, 4,5,6	K (54) ,1st (54), 2nd (54), 3rd (54), 4th (54), 5th (54), 6th (54)

Per Ohio Revised Code section 3314.03(A)(7), the school will achieve a racial and ethnic balance reflective of the community it serves by enrolling students that reside within the boundaries of the Dayton Public School District.

3.7 Community/Parent Involvement

Parent Involvement Once School is in Session

Urban schools must plan relationship building with their parents. Upon enrolling their child in DECA PREP, parents will sign a compact with the school indicating they will attend the parent academies tailored to their child's grade level. Attendance will be taken and parents will be reminded of their commitment if they miss meetings. Building parent attendance into requirements provides leverage. Even more important is ensuring parents provide insistence, expectations, and support at home, especially at those times when academic rigor intensifies and students feel exceptionally challenged. DECA teacher-advisors communicate diligently with the families of their advisees and are available to them during after school hours. Providing a familiar primary point of contact lessens parent's fears of reaching out to the school. When parents are treated respectfully, and held to their commitments, children see the primary adults in their lives as a unified force. DECA PREP will capitalize on the lessons learned at DECA about meaningful, respectful parent engagement.

Parent cohort meetings will be held every four or five weeks during the school year. Transportation and babysitting will be offered. These meetings will be used to inform parents about DECA PREP news, as well as what's being taught in the classroom and to provide strategies for parents to help their child at home. Meetings are designed to be welcoming and informative, and to hear parent/guardian concerns. Informal surveys will be completed at each meeting to help gauge parent satisfaction with the school.

Parents will receive weekly newsletters from the school to keep them informed. They will have contact information for all DECA PREP staff and can contact them as needed. Conversely, DECA PREP staff will be in frequent communication with parents/guardians. Each student has a teacher-advisor who is ultimately responsible for tracking the data for his/her students. Teacher-Advisors will be the primary point of contact for parents. Parents will be contacted when their child has had success as well as when there may be a problem.

Although still in the design process, opportunities for parents to volunteer at the school will be plentiful. Volunteering may be a one-time event or an ongoing commitment. For example, they may help with a book or reading group, play math or science games, and/or assist with mailings and field trips.

Besides informal surveys conducted at cohort meetings, the "My Voice" survey will be used to gauge parent/guardian satisfaction. ("My Voice" has been used five of the last six years at DECA to survey student satisfaction and staff use the data gleaned to make adjustments for the following school year.)

Community Partnerships

DECA's higher education partners, the University of Dayton, Sinclair Community College, and Wright State University, add critical dimensions to this early college K-6 school. Students from institutes of higher education provide student tutors, student teachers and graduate assistants who provide learning opportunities as well as extra resources to DECA's teaching staff. Having DECA PREP students interact with college students will reinforce the college going culture. University professors collaborate with staff on teaching strategies and on demonstrating effective classroom techniques to pre-service teachers. This

not only hones the skill of the staff but provides opportunities to share effective teaching with those coming into the profession.

The flagship DECA school has developed close ties with area businesses and government/nonprofit agencies to support its requirements that students participate in job shadowing, career planning research, volunteer service, and non-paid internships. The result has been the marked development of students who are poised and self-confident in their abilities to interact effectively with adults in the “real world”. Based on this overwhelmingly positive experience, the DECA PREP will capitalize on the opportunity to reinforce skills in their natural setting and to introduce students to professional careers.

Listed are community partners that the school plans utilize going forward, and a description of how the school benefits from each relationship. This list is not all-inclusive and is subject to change based on the needs of DECA PREP students. DECA PREP plans to develop additional community partners.

- DECA’s Foster Alumni is a group of individual volunteers who support DECA in a variety of ways. Included are: conducting book groups; offering financial backing for special projects; sitting in on students presentations as a community representative; and offering specialized talents or services. This volunteer group will be extended to include the K-6 school.
- Boonshoft Museum of Natural History offers opportunities for field trips and career exploration, but also collaboration on math and science related activities.
- The Dayton Art Institute, Dayton Visual Arts Center and K-12 Gallery offer unique opportunities to explore the community and the arts in downtown Dayton.
- Dayton History is an organization that provides community service and other opportunities for DECA students. Opportunities will be explored to include DECA PREP.
- Dayton Rotary is a DECA supporter. They are available for tutoring, career exploration, etc. A subcommittee, which has been created to support DECA, may include DECA PREP.
- Five Rivers Metro Parks has strong ties to DECA. Students may work at community gardens, and possibly create a school garden. This relationship supports community service, parent collaboration and health.
- Montgomery County Common Pleas Court has been supportive of DECA students and may be a source for field trips and collaboration.
- Premier Health Partners recognizes the importance to connecting to their pipeline early. They may provide career fairs as well as assist with units/activities that are health-related.
- University of Dayton, Sinclair Community College, and Wright State University will have a continued impact on DECA and DECA PREP students and staff, offering many opportunities for collaboration.
- Employees of WPAFB provide opportunities to DECA students in a variety of ways, including community service projects.

EXHIBIT 4: ACADEMIC PERFORMANCE PLAN

EXHIBIT 4: ACADEMIC PERFORMANCE PLAN

As new state standards, assessments, and state and federal accountability metrics are implemented by the Ohio Department of Education, the SPONSOR and the GOVERNING AUTHORITY agree to amend, within 45 days of formal state implementation, Exhibits 1 (Education Plan) and 4 (Academic Performance Plan) of this Contract to reflect the changes.

Pursuant to Article IV of this Contract, the Academic Performance Plan constitutes the agreed-upon assessments, performance indicators and academic expectations that the SPONSOR will use to evaluate the academic performance of the Community School during the one-year term of this contract. Each of these factors may be considered by the SPONSOR to gauge academic success throughout the term of this contract. Each of these factors may also be considered in connection with a decision regarding probation, suspension, termination and renewal or non-renewal of this Contract.

Key Questions used by the SPONSOR in gauging the Community School's Academic Success include:

- 1) **Is the Community School making “adequate yearly progress” under the federal No Child Left Behind (NCLB) act, as implemented in Ohio?** See Section 1 of this Exhibit, Requirements 1-3. In the event there are amendments to, or a reauthorization of, No Child Left Behind, the school will demonstrate results showing better than average performance on any applicable successor standards-and-accountability requirements put in place by Ohio and/or the federal government.
- 2) **Is the Community School rated, at a minimum, “Continuous Improvement” and on a clear trajectory toward “Effective”, “Excellent,” and “Excellent with Distinction” on the state’s academic rating system?** See Section 2 of this Exhibit, Requirement 4.
- 3) **Is the Community School outperforming comparable schools (e.g. local district schools, and similar community schools statewide)?** See Section 3 of this Exhibit, Requirements 5 and 6.
- 4) **Are the students enrolled in the Community School making substantial and adequate academic gains over time, as measured using the state’s value-added analysis?** See Section 4 of this Exhibit, Requirement 7.

INDICATORS OF ACADEMIC SUCCESS

All grades 3-8 public school students must participate in the Ohio Achievement Assessments. Each school must administer all required state achievement assessments in reading, mathematics, and science. These state assessments will serve as the primary indicators of performance for the Community School.

The performance of the Community School on the state assessments will be presented by the Ohio Department of Education on the report card of the Community School, in the SPONSOR'S annual accountability report on sponsored schools, and in the Community School's annual report pursuant to Article III(D) of this Contract.

SECTION 1. ADEQUATE YEARLY PROGRESS PERFORMANCE REQUIREMENTS FOR THE COMMUNITY SCHOOL

IS THE COMMUNITY SCHOOL MAKING “ADEQUATE YEARLY PROGRESS” UNDER THE FEDERAL NO CHILD LEFT BEHIND ACT, AS IMPLEMENTED IN OHIO?

Meeting these requirements is required annually under state and federal law, and will be considered by the SPONSOR in evaluating the performance of the Community School and may also be considered in connection with a decision regarding probation, suspension, termination and renewal or non-renewal of the Contract.

Requirement 1: The Community School will make Adequate Yearly Progress (“AYP”) each year.

Requirement 2: The Community School will make AYP in both Reading Participation and Reading Achievement, as defined by the Ohio Department of Education.

Requirement 3: The Community School will make AYP in both Mathematics Participation and Mathematics Achievement, as defined by the Ohio Department of Education.

SECTION 2. STATE RATING PERFORMANCE REQUIREMENTS FOR THE COMMUNITY SCHOOL

IS THE COMMUNITY SCHOOL RATED AT LEAST “CONTINUOUS IMPROVEMENT” ON THE STATE’S ACADEMIC RATING SYSTEM?

Meeting this requirement is obligatory under the terms of this Contract, and will be considered by the SPONSOR in evaluating the performance of the Community School and may also be considered in connection with a decision regarding probation, suspension, termination and renewal or non-renewal of the Contract.

Requirement 4: The Community School will be rated at least Continuous Improvement and will show marked progress towards a state rating of Effective, Excellent and ultimately Excellent with Distinction as defined by the Ohio Department of Education.

SECTION 3. ACADEMIC PERFORMANCE OF THE COMMUNITY SCHOOL RELATIVE TO COMPARABLE SCHOOLS

IS THE COMMUNITY SCHOOL OUTPERFORMING COMPARABLE SCHOOLS (I.E., LOCAL DISTRICT SCHOOLS, AND SIMILAR COMMUNITY SCHOOLS STATEWIDE)?

Meeting these requirements will be considered by the SPONSOR in evaluating the performance of the Community School and may also be considered in connection with a decision regarding probation, suspension, termination and renewal or non-renewal of the Contract.

Requirement 5: The Community School will outperform the home district average – the district in which it is located – on all reading, mathematics, and science portions of the state’s proficiency/achievement assessments.

Requirement 6: The Community School will outperform the state community school average on all reading, mathematics, and science portions of the state’s proficiency/achievement assessments.

SECTION 4. ACADEMIC PERFORMANCE OF STUDENTS ENROLLED IN THE COMMUNITY SCHOOL OVER TIME

ARE THE STUDENTS ENROLLED IN THE COMMUNITY SCHOOL MAKING SUBSTANTIAL AND ADEQUATE GAINS OVER TIME, AS MEASURED USING VALUE-ADDED ANALYSIS?

Meeting this requirement will be considered by the SPONSOR in evaluating the performance of the Community School and may also be considered in connection with a decision regarding probation, suspension, termination and renewal or non-renewal of the Contract.

Requirement 7: The Community School will receive an overall composite score on the state’s value-added measure that indicates that more than one year of progress has been achieved in both reading and mathematics. In the event there are amendments to, or a successor version of, Ohio’s growth measure (a.k.a. “Value Added”), the school will demonstrate results showing better than average performance on the amended or successor growth measure.

EXHIBIT 5: LETTER OF APPROVAL TO OPERATE

EXHIBIT 5: LETTER OF APPROVAL TO OPERATE

Pursuant to the provisions of Chapter 3314 of the Ohio Revised Code and Article VII of the Community School Contract entered into between the GOVERNING AUTHORITY and the Thomas B. Fordham Foundation (the "SPONSOR"), this letter shall serve as the Letter of Approval to Operate from the SPONSOR, for the (temporary/permanent) facility for located at:

DECA PREP
200 Homewood Ave.
Dayton, OH 45405
IRN number 012924, to begin operations for the 2012-2013 academic year.

This Letter of Approval is issued based upon the following documentation provided to the SPONSOR on _____:

- ___ Certificate of Authority of Non-Profit Status
- ___ Proof of property ownership or property lease
- ___ Certification of Teaching Staff (completed or in process)
- ___ Affidavit of BCI&I/FBI for all Staff (completed or in process)
- ___ Certificate of Occupancy (permanent or temporary)
- ___ Liability Insurance
- ___ Health and Safety Inspection (permanent/final or temporary)
- ___ Fire Inspection (permanent/final or temporary)
- ___ Food Permit (if applicable)

If the Certificate of Occupancy, Health and Safety Inspection, or Fire Inspection is temporary, the GOVERNING AUTHORITY shall provide the SPONSOR, with the documentation of a permanent or final permit within five (5) business days of receipt from the governmental agency. If any teaching certificates or licenses or BCI &I/FBI checks are in process, the GOVERNING AUTHORITY shall provide the SPONSOR with documentation of completion within five (5) business days of receipt from the governmental agency.

If the school opens under a temporary Certificate of Occupancy in which further repairs or modifications to the facility are needed, the school shall have a reasonable period of time to complete the repairs and obtain a permanent Certificate of Occupancy. If the repairs are not completed within a reasonable period of time, the SPONSOR may revoke this Letter of Approval, and the school shall cease operations upon the date specified by the SPONSOR.

If after the GOVERNING AUTHORITY has received a permanent or temporary Certificate of Occupancy and the School is issued a health or safety violation by a governmental agency, the GOVERNING AUTHORITY shall have a reasonable period of time to remedy the circumstances that caused the citation. In the event the GOVERNING AUTHORITY does not correct the violation to the satisfaction of the governmental agency who issued said violation within a reasonable period of time, the SPONSOR shall revoke this Letter of Approval to Operate, and the School shall cease operations until the violations have been satisfactorily corrected and the Letter of Approval has been re-issued by the SPONSOR.

If at any time the GOVERNING AUTHORITY fails to maintain the above-mentioned documentation, the SPONSOR may revoke this Letter of Approval to Operate, and the School shall cease operations until the proper documentation has been obtained and the Letter of Approval has been re-issued by the SPONSOR.

If any of the required documentation that is set forth herein and provided by GOVERNING AUTHORITY, contains false or misleading information, or is in any way fraudulent, the SPONSOR may revoke this Letter of Approval to Operate at any time, and the school shall cease operations upon the date specified by the SPONSOR.

EXHIBIT 6: STATEMENT OF ASSURANCES

EXHIBIT 6: STATEMENT OF ASSURANCES

Pursuant to section 3314.19 of the Ohio Revised Code, the SPONSOR annually shall provide the following assurances in writing to the department of education not later than ten business days prior to the opening of the school:

(A) That a current copy of the contract between the sponsor and the governing authority of the school entered into under section 3314.03 of the Revised Code has been filed with the department and that any subsequent modifications to that contract will be filed with the department;

(B) That the school has submitted to the sponsor a plan for providing special education and related services to students with disabilities and has demonstrated the capacity to provide those services in accordance with Chapter 3323. of the Revised Code and federal law;

(C) That the school has a plan and procedures for administering the achievement and diagnostic assessments prescribed by sections 3301.0710, 3301.0712, and 3301.0715 of the Revised Code;

(D) That school personnel have the necessary training, knowledge, and resources to properly use and submit information to all databases maintained by the department for the collection of education data, including the education management information system established under section 3301.0714 of the Revised Code in accordance with methods and timelines established under section 3314.17 of the Revised Code;

(E) That all required information about the school has been submitted to the Ohio education directory system or any successor system;

(F) That the school will enroll at least the minimum number of students required by division (A)(11)(a) of section 3314.03 of the Revised Code in the school year for which the assurances are provided;

(G) That all classroom teachers are licensed in accordance with sections 3319.22 to 3319.31 of the Revised Code, except for noncertificated persons engaged to teach up to twelve hours per week pursuant to section 3319.301 of the Revised Code;

(H) That the school's fiscal officer is in compliance with section 3314.011 of the Revised Code;

(I) That the school has complied with sections 3319.39 and 3319.391 of the Revised Code with respect to all employees and that the school has conducted a criminal records check of each of its governing authority members;

(J) That the school holds all of the following:

(1) Proof of property ownership or a lease for the facilities used by the school;

(2) A certificate of occupancy;

(3) Liability insurance for the school, as required by division (A)(11)(b) of section 3314.03 of the Revised Code, that the sponsor considers sufficient to indemnify the school's facilities, staff, and governing authority against risk;

(4) A satisfactory health and safety inspection;

(5) A satisfactory fire inspection;

(6) A valid food permit, if applicable.

(K) That the sponsor has conducted a pre-opening site visit to the school for the school year for which the assurances are provided;

(L) That the school has designated a date it will open for the school year for which the assurances are provided that is in compliance with division (A)(25) of section 3314.03 of the Revised Code;

(M) That the school has met all of the sponsor's requirements for opening and any other requirements of the sponsor.

EXHIBIT 7: ROSTER OF GOVERNING AUTHORITY

EXHIBIT 7: ROSTER OF GOVERNING AUTHORITY

Name	Business Address
Matthew O. Diggs	Copeland Corporation 2305 Far Hills Ave. Suite 202 Dayton, OH 45419
Ronald F. Budzik	7395 Cades Cove Centerville, OH 45459
Kevin Scroggins	3 Arnold Place Dayton, OH 45402
Michael E. Carter	Sinclair Community College 444 West Third Street Dayton, OH 45402-1460
Ann Schuerman	40 West Fourth Street, Suite 350 Dayton, OH 45402
Thomas P. Whelley	1100 Courthouse Plaza SW Dayton, OH 45402
David Gasper	2130 Hedge Gate Drive Dayton, OH 45431
Wanda Jolley	3819 Nevada Ave. Dayton, OH 45416
Judy Hennessey (ex officio)	300 College Park Dayton, OH 45469-2930