

**Advance Cyber Charter School  
BOARD MEETING**

Pursuant to the Pennsylvania Open Meeting Laws, notice is hereby given to the members of the Advance Cyber Charter School Board and the general public that the Board will hold a meeting open to the public on:

**Date and Time:**  
Friday, September 4, 2015 at 12:00 p.m.

**Held via teleconference**

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Below is an agenda of all items scheduled to be considered. Unless otherwise stated, items may be taken out of the order presented on the agenda at the discretion of the Chair.

Reasonable efforts will be made to assist and accommodate persons with a disability. Please contact David Taylor at 717-649-6980.

**AGENDA**

- I. Call to Order and Roll Call – D. Taylor
- II. Routine Business – D. Taylor
  - a. Approval of Agenda
- III. Oral Reports
  - a. Overview of Charter Application Process and Timeline – D. Taylor
  - b. Introduction of Board Counsel Candidate, Patricia Hennessy – D. Taylor
  - c. Overview of Charter Choices Services – D. Taylor
- IV. Action Items
  - a. Approval of Appointment of Founding Board Members – D. Taylor
  - b. Approval of Election of Board Officers – D. Taylor
  - c. Approval of Organizational Resolutions (attached) – D. Taylor
  - d. Approval of the Board President to Submit Charter Application and All Other Charter Related Correspondence on Behalf of the Board – D. Taylor
  - e. Approval of Board President to Negotiate, Finalize and Execute an Agreement with Board Counsel – D. Taylor
  - f. Approval of Board Designee to Finalize a Statement of Agreement with Connections Academy of Pennsylvania, LLC for Future Consideration by the Board – D. Taylor
  - g. Approval of Letter of Intent for a School Facility and Board Designee to Work on Facility Matters (attached) – D. Taylor
- V. Information Items
  - a. Legislative Update – D. Taylor
- VI. Adjournment and Confirmation of Next Meeting

**ORGANIZATIONAL RESOLUTIONS  
OF THE BOARD OF DIRECTORS OF THE  
ADVANCE CYBER CHARTER SCHOOL**

**RATIFICATION OF INCORPORATION**

The Directors, having been advised that the Articles of Incorporation of Advance Cyber Charter School were filed in the office of the Secretary of State of Pennsylvania on \_\_\_\_\_.

RESOLVED, that the Directors have reviewed and hereby ratify the Articles of Incorporation that were filed in the office of the Secretary of State of North Carolina and attached hereto as **Exhibit A**; and

RESOLVED FURTHER, that the Secretary of the Corporation is hereby instructed to insert a true copy of the Articles of Incorporation, stamped with the date of filing, in the minute book for the Corporation.

**BYLAWS**

RESOLVED, that the Directors have reviewed and hereby approve the Bylaws attached hereto as **Exhibit B**.

**STATUS OF CORPORATION UNDER INTERNAL REVENUE CODE**

RESOLVED, that the appropriate officers of the Corporation (or any of them) are authorized to expand and refine the purposes of the Corporation as stated in the Articles of Incorporation and are authorized to proceed with obtaining an Internal Revenue Service Letter of Determination for Tax-Exempt Status.

FURTHER RESOLVED, that the Corporation shall operate and otherwise carry on its activities as an exempt organization within the meaning of IRC § 501(c)(3); and

FURTHER RESOLVED, that the appropriate officers of the Corporation (or any of them) shall be, and are, authorized, empowered, and directed to take all necessary or appropriate action, including the execution of all necessary documents, to apply for and obtain exempt status pursuant to IRC § 501(c)(3).

**ENGAGEMENT OF COUNSEL FOR 501C3 FILING**

WHEREAS, the Board has considered possible counsels for filing for 501c3 designation by the Corporation;

RESOLVED, that Procopio, Cory, Hargreaves & Savitch LLC is hereby appointed as the corporation's Counsel for the filing of an application for 501(c)(3) designation with the IRS.

**NUMBER AND ELECTION OF DIRECTORS**

RESOLVED, that the Corporation shall have 6 voting directors, which number may be increased by the Board of Directors via resolution of the Board of Directors; and

RESOLVED, that the following members are elected to the Board of Directors as voting directors, their terms of office to commence immediately and continue until their successors are duly elected and qualified.

Name
Gail Hawkins Bush
Paul Donecker
Joe Harford
Alexander Schuh
Kevin Shivers
David Taylor

**ELECTION OF OFFICERS**

RESOLVED, that the following persons shall be, and are, elected to serve as officers of the Corporation, to hold the following office or offices until the next Annual Meeting of the Board of Directors, until their earlier resignation or removal, or until their successor is chosen and shall qualify:

Office	Name
President	
Treasurer	
Secretary	

**ESTABLISHMENT OF BOARD GOVERNANCE AND ADMINISTRATIVE POLICY MANUAL**

RESOLVED, that the Board has reviewed and hereby approve the establishment of the Board Governance and Administrative Policy manual attached hereto as **Exhibit C**, which may be amended from time to time.

### **AUTHORIZATION FOR OPENING BANK ACCOUNT**

RESOLVED, that the President or Treasurer of the Corporation shall be, and are, authorized to open a bank account or accounts at a federally insured state or federally chartered bank and one or more of its branches, in the name of, and on behalf of, the Corporation, for the deposit of funds belonging to the Corporation; and

RESOLVED FURTHER, that the President and Treasurer are authorized to sign on behalf of the Corporation as described in the preceding resolution, unless changed by a future resolution of the Board of Directors.

RESOLVED FURTHER, that the Board of Directors unanimously adopts the form of resolutions of that Bank (as completed) which appear in the Certification, which is hereby ordered to be inserted in the appropriate place in the Minute Book of the Corporation.

### **CONTRACTS**

RESOLVED, that all contracts and agreements of this Corporation, including, but not limited to, accounts payable, promissory notes, drafts and other negotiable instruments, trust deeds, mortgages, deeds, leases, and all other documents and instruments, shall be executed, entered into, or signed on behalf of the Corporation by the President or by a designated member of the Corporation's Board of Directors; however, in the event of the death, disability, incapacity or temporary unavailability of the aforementioned persons, the Secretary may sign on behalf of the Corporation.

### **ACCOUNTING YEAR**

WHEREAS, the Board has considered the issue of an appropriate accounting year for the corporation; and

WHEREAS, it is deemed to be in the best interests of the corporation to have an accounting year which ends on June 30 of each year;

RESOLVED, that the accounting year of this corporation shall end on June 30 of each year.

### **AGENT FOR SERVICE OF PROCESS**

WHEREAS, the Board has considered possible agents for service of process;

RESOLVED, that Corporation Service Company is hereby appointed as the corporation's agent for the purpose of accepting service of process on the corporation, and (s)he shall serve as such agent until (s)he resigns or a new agent for service of process is designated by the Board.

## **PRE-INCORPORATION EXPENSES AND PAYMENTS**

RESOLVED, that certain expenses and payments for capital assets, including the legal cost of incorporation, have been incurred in the formation of this Corporation and the Corporation will pay said expenses and reimburse those persons who have paid any such expenses and payments from their own funds; and

RESOLVED FURTHER, that the President be directed to pay the expenses incurred in the incorporation and organization of this Corporation, including reimbursing the officers and directors who have paid any such expenses.

## **INSURANCE MATTERS**

RESOLVED, that the President is hereby authorized to review and obtain appropriate Directors and Officers Liability Insurance policies and other such policies as may be necessary for the Corporation and to select an agent/broker for purposes of the same; and

RESOLVED FURTHER, that the individual directors of the corporation are hereby authorized to provide all information necessary to obtain an appropriate Directors and Officers Liability Insurance policy.

## **EMPLOYER IDENTIFICATION NUMBER**

WHEREAS, the Board believes that it is in the corporation's best interests to obtain a federal employer identification number;

RESOLVED, that the corporation's officers are authorized and directed to make such filings and applications as are necessary to secure for the corporation a federal employer identification number.

## **GENERAL AUTHORIZATION**

WHEREAS, the Board desires that the officers of this corporation effectuate all of the foregoing resolutions;

RESOLVED, that any one or more officers of this corporation be, and hereby are, authorized and directed, on behalf of this corporation, to execute and deliver all such documents and to take all such actions as they may deem necessary or appropriate in order to carry out and accomplish all of the purposes of these resolutions, and that any actions taken by officers or staff of the corporation prior to the date of this resolution in order to carry out and accomplish all the purposes of these resolutions is hereby ratified and confirmed.

## **EFFECTIVE DATE OF RESOLUTIONS ADOPTED AT ORGANIZATIONAL MEETING**

The Secretary of this corporation is hereby directed to file these resolutions adopted hereby with the minutes of the proceedings of the Board of Directors.


I, \_\_\_\_\_, as Secretary of the Advance Cyber Charter School, do hereby certify the foregoing to be the minutes of the organizational meeting of said corporation, held on the 4<sup>th</sup> day of September, 2015.

\_\_\_\_\_  
Secretary

**EXHIBIT A**

**ARTICLES OF INCORPORATION  
OF  
ADVANCE CYBER CHARTER SCHOOL**

**PENNSYLVANIA DEPARTMENT OF STATE  
BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS**

<input checked="" type="checkbox"/> <b>Return document by mail to:</b> David Taylor <hr/> Name 3715 Roundtop Road <hr/> Address Elizabethtown                      PA                      17022 <hr/> City    State    Zip Code	Articles of Incorporation-Nonprofit DSCB:15-5306/7102 (rev. 7/2015)   5306
<input checked="" type="checkbox"/> <b>Return document by email to:</b> <u>taylor@pamanufacturers.org</u>	

Read all instructions prior to completing. This form may be submitted online at <https://www.corporations.pa.gov/>.

Fee: \$125

Check one:     Domestic Nonprofit Corporation (§ 5306)     Nonprofit Cooperative Corporation (§ 7102)

In compliance with the requirements of the applicable provisions (relating to articles of incorporation or cooperative corporations generally), the undersigned, desiring to incorporate a nonprofit/nonprofit cooperative corporation, hereby state(s) that:

1. The name of the corporation is:  
Advance Cyber Charter School

2. Complete part (a) or (b) – not both:

(a) The address of this corporation’s current registered office in this Commonwealth is:  
*(post office box alone is not acceptable)*  
Corporation Service Company, 2595 Interstate Drive, Suite 103, Harrisburg, PA 17110 Dauphin County  
 Number and Street                      City                      State                      Zip                      County

(b) The name of this corporation’s commercial registered office provider and the county of venue is:  
c/o:  
 Name of Commercial Registered Office Provider                      County

3. The corporation is incorporated under the Nonprofit Corporation Law of 1988 for the following purpose or purposes.  
Including but not limited to promoting, supporting and representing the interests of, and operating a  
charter school in the Commonwealth of Pennsylvania.

4. The corporation does not contemplate pecuniary gain or profit, incidental or otherwise.

5. Check and complete one:     The corporation is organized on a nonstock basis.  
     The corporation is organized on a stock share basis and the aggregate number of shares authorized is \_\_\_\_\_.



6. For unincorporated association incorporating as a nonprofit corporation only. Check if applicable:  
\_\_\_\_\_ The incorporators constitute a majority of the members of the committee authorized to incorporate such association by the requisite vote required by the organic law of the association for the amendment of such organic law.

7. For Nonprofit Corporation Only:  
Check one:  The corporation shall have no members.  
\_\_\_\_\_ The corporation shall have members.

8. For Nonprofit Cooperative Corporation Only:  
Check and complete one:  
\_\_\_\_\_ The corporation is a cooperative corporation and the common bond of membership among its members is: \_\_\_\_\_.  
\_\_\_\_\_ The corporation is a cooperative corporation and the common bond of membership among its shareholders is: \_\_\_\_\_.

9. The name(s) and address(es) of each incorporator(s) is (are) (all incorporators must sign below):

Name(s)	Address(es)
David N. Taylor	3715 Roundtop Road, Elizabethtown, PA 17022
_____	_____
_____	_____

10. The specified effective date, if any, is:  
\_\_\_\_\_

month          day          year          hour, if any

11. Additional provisions of the articles, if any, attach an 8½ x 11 sheet.

IN TESTIMONY WHEREOF, the incorporator(s) has/have signed these Articles of Incorporation this  
\_\_\_\_\_ day of August, 2015.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

**RIDER TO  
ARTICLES OF INCORPORATION  
OF  
ADVANCE CYBER CHARTER SCHOOL**

*Advance Cyber Charter School elects to include the following optional language in these articles of incorporation.*

**ARTICLE II  
PURPOSES**

a) The organization is organized exclusively for charitable, religious, educational, and/or scientific purposes under section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and for the purpose of engaging in any lawful act or activity not for pecuniary profit for which not-for-profit corporations may be organized, so far as is or may be permitted by the laws of the Commonwealth of Pennsylvania and Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The Corporation shall not engage in any business of a kind ordinarily carried on for profit and nothing in these Articles of Incorporation or in the Bylaws of the Corporation shall authorize the Corporation to, and the Corporation shall not, enter any transaction, carry on any activity, or engage in any business for pecuniary profit, and any income received by the Corporation shall be applied only to the nonprofit purposes and objectives of the Corporation set forth herein.

b) In the event of the dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, distribute all of the assets of the Corporation exclusively to one or more organizations then described in IRC Sections 170(c)(2), 501(c)(3), 2055 (a)(2) and 2522 (a)(2) having purposes substantially similar to those of the Corporation (except that no private foundation as defined by IRC Section 509(a) shall be a recipient) or to one or more units or agencies of federal, state or local government to be used exclusively for public purposes, as the Board of Directors shall determine. Any of such assets not so distributed shall be distributed to one or more of such organizations as determined by the highest court of the county in which the principal office of the Corporation is then located.

c) No part of the net earnings of the organization shall inure to the benefit of, or be distributable to its members, trustees, officers or other private persons, except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof. No substantial part of the activities of the organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the organization shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this document, the organization shall not carry on any other activities not permitted to be carried on (a) by an organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, as amended, or corresponding section of any future federal tax code, or (b) by an organization, contributions which are deductible

under section 170(c)(2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

**ARTICLE III**  
**BOARD OF DIRECTORS**

The affairs of the Corporation shall be managed by a Board of Directors consisting at least three (3) members which shall be constituted and have such powers as provided for in the Bylaws.

**ARTICLE IV**  
**TERM OF EXISTENCE**

The term for which this Corporation shall exist shall be perpetual unless dissolved according to law.

**ARTICLE V**  
**BYLAWS**

The initial Board of Directors of the Corporation shall adopt Bylaws consistent with these Articles of Incorporation. Thereafter, the Bylaws may be altered or rescinded by the Board of Directors in the manner provided by such Bylaws.

**ARTICLE VI**  
**AMENDMENT**

The Corporation reserves the right to alter, amend or repeal any provisions contained in these Articles of Incorporation, or any amendment thereto, according to law.

**Pennsylvania Department of State**  
**Bureau of Corporations and Charitable Organizations**  
P.O. Box 8722  
Harrisburg, PA 17105-8722  
(717) 787-1057  
web site: [www.dos.pa.gov/corps](http://www.dos.pa.gov/corps)

**Instructions for Completion of Form – (Articles of Incorporation–Nonprofit):**

- A. Typewritten is preferred. If handwritten, the form shall be legible and completed in black or blue-black ink in order to permit reproduction. The nonrefundable filing fee for this form is \$125 made payable to the Department of State. Checks must contain a commercially pre-printed name and address.

Enter the name and mailing address to which any correspondence regarding this filing should be sent. This field must be completed for the Bureau to return the filing. If the filing is to be returned by email, an email address must be provided. An email will be sent to address provided, containing a link and instructions on how a copy of the filed document or correspondence may be downloaded. Any email or mailing addresses provided on this form will become part of the filed document and therefore public record.

- B. Under 15 Pa.C.S. § 135(c) (relating to addresses) an actual street or rural route box number must be used as an address, and the Department of State is required to refuse to receive or file any document that sets forth only a post office box address.

- C. The following, in addition to the filing fee, shall accompany this form:
- (1) One copy of a completed form DSCB:15-134A (Docketing Statement).
  - (2) Any necessary copies of form DSCB:19-17.2 (Consent to Appropriation of Name).
  - (3) Any necessary governmental approvals.

- D. *For Domestic Nonprofit Corporation Only:* For general instructions relating to the incorporation of nonprofit corporations see 19 Pa. Code Ch. 41 (relating to nonprofit corporations generally). These instructions relate to such matters as corporate name, stated purposes, term of existence, authorized share structure, inclusion of names of first directors in the Articles of Incorporation, provisions on incorporation of unincorporated associations, etc.

- E. *For Nonprofit Cooperative Corporation Only:* For general instructions relating to the incorporation of cooperative corporations see 19 Pa. Code Ch. 51 (relating to cooperative corporations). Under 15 Pa.C.S. § 7103 (relating to use of term “cooperative” in corporate name) the corporate name in Paragraph 1 must, unless otherwise provided by statute, contain one of the terms “cooperative” or “coop.” See 19 Pa. Code § 17.7 (relating to cooperative names). See also the general instructions relating to the incorporation of nonprofit corporations, 19 Pa. Code Ch. 41 (relating to nonprofit corporations generally). These instructions relate to such matters as corporate name, stated purposes, term of existence, authorized share structure, inclusion of names of first directors in the Articles of Incorporation, provisions on incorporation of unincorporated associations, etc.

Under 15 Pa.C.S. § 7102(a) the articles of the corporation must set forth a common bond of membership among its members or shareholders by reason of occupation, residence or otherwise.

- F. One or more corporations or natural persons of full age may incorporate a nonprofit/nonprofit cooperative corporation.
- G. Per 15 Pa.C.S. § 5307 (relating to advertisement), the incorporators shall advertise their intention to file or the corporation shall advertise the filing of articles of incorporation. Proofs of publication of such advertising should not be submitted to, and will not be received by or filed in, the Department, but should be filed with the minutes of the corporation.
- H. This form and all accompanying documents shall be mailed to the address stated above.

### **NONPROFIT CORPORATIONS ONLY**

Pursuant to 15 Pa.C.S. § 5110, a nonprofit corporation is required to annually notify the Department of State of any change of its officers. If no change of officers has occurred since the last report, the report need not be filed. These annual reports are submitted on form DSCB:15-5110 (Annual Statement-Nonprofit Corporation). No fee is required for this filing.

Please forward annual report to the Department of State, Bureau of Corporations and Charitable Organizations, P.O. Box 8722, Harrisburg, PA 17105-8722.

### **ADDITIONAL INFORMATION REGARDING NONPROFIT CORPORATIONS**

Nonprofit corporations that solicit funds from citizens of the Commonwealth of Pennsylvania must register with the Bureau of Corporations and Charitable Organizations of the Department of State, unless exempt from registration requirements. Please contact the Bureau of Corporations and Charitable Organizations at 207 North Office Building, Harrisburg, PA 17120, (717) 783-1720 or 1-800-732-0999 within Pennsylvania, for more information on registration.

Pennsylvania sales tax exempt status may be obtained from the Department of Revenue, Registration Division, Exemption Unit, Department 280901, Harrisburg, PA 17128-0901. Any other type of exempt status may be obtained or explained by contacting your local Federal Internal Revenue Service.

Please be advised that the date and signature of the Secretary of the Commonwealth indicate the filing in the Department of State. **NO CERTIFICATE OF INCORPORATION IS ISSUED** for nonprofit corporations.

**EXHIBIT B**  
**BYLAWS**  
**OF**  
**ADVANCE CYBER CHARTER SCHOOL**

**EXHIBIT C**

**BOARD GOVERNANCE AND ADMINISTRATIVE POLICY MANUAL  
OF  
ADVANCE CYBER CHARTER SCHOOL**

**DRAFT FOR BOARD REVIEW**

# **Board Governance and Administrative Policy Manual**



## **BACKGROUND**

The School is a non-profit educational institution dedicated to serving the public. The School utilizes public funds in order to provide the best possible learning experience and help each student maximize his or her potential, while meeting the highest performance standards. The ability of the School to reach its goals depends, in large part, on effective governance by the School's Board of Directors (hereinafter referred to as "Board"). Effective governance entails providing the School with objective oversight and assistance in guarding the public investment in the School.

The Board will operate according to the "Policy Board" model of governance. As a Policy Board, the Board will observe several basic tenets: it will exercise its authority with one voice and will not require the School to respond to individual Board members; it will work on behalf of the community stakeholders of the School; it will determine objectives for the School and hold the School Administration accountable for achieving those objectives; it will ensure the delivery of a high-quality School in return for the public's investment; and it will provide the School Administration with the means to manage the School independently and effectively.

The policies contained within this Board Governance and Administrative Policy Manual will provide the fundamental principles underlying actions taken by the Board and Administration. These policies are intended to be reviewed on an annual basis and amended on an as needed basis. Violations of these Policies by Board members may result in removal from the Board

# ACCESS TO PUBLIC RECORDS

Date of Approval:

## Purpose

The School abides by state and federal public records and open meetings laws, to the extent applicable, and makes every effort to provide access to public records as appropriate. The policy sets out the procedures to be followed in response to a request for public records from the School.

## Policy

The business of the Board is discussed and decisions are made in accordance with the Open Meeting Law. The official minutes of the Board, its written policies, its financial records and all other public records, except for those which are confidential, privileged, subject to a right of privacy or otherwise exempt from disclosure, are open for inspection in the School's administrative office during the hours when the administrative office is open. However, if the records are not readily accessible or if portions of the records must be redacted in order to protect exempt material, the School shall determine the reasonable period of time, or as otherwise provided in the state law, needed to perform these functions and inform the requestor in writing of the date and time after which the records will be available for inspection. The release of school-wide information is coordinated by the School's Records Custodian. The School will comply with the state and federal laws, including the Family Educational Rights and Privacy Act, ("FERPA") and the School's Confidentiality Policy, in releasing records.

## Procedure

On receipt of a record request, the School may ask but shall not require the identity of an individual requesting information and the reason the information is sought to be in writing by completing a Public Records Request Form. The School shall also inform the requestor that providing such information in writing enhances the School's ability to identify and locate the records requested.

Any individual who seeks to obtain or inspect a copy of a public record may request that the record be duplicated on paper, on the same medium on which the record is kept or any other medium that the School Records Custodian deems reasonable. Records in an electronic format shall be made available in electronic format upon request, consistent with applicable law. Where necessary to assist a member of the public in making a focused and effective request that reasonably describes an identifiable record or records, the School shall, to the extent reasonable under the circumstances, assist the member of the public in identifying records and information that are responsive to the request and the purpose of the request, if stated, and describe the information technology and physical location in which the records exist.

Individual student records and other confidential records protected by state or federal law may not be released for inspection unless such inspection is allowed pursuant to applicable law. In

general, the School may not disclose personally identifiable information from student records without prior signed and dated written consent from a parent or eligible student. Student information deemed “directory information” pursuant to FERPA may be released without consent under certain circumstances. However, student directory information is only released pursuant to the School’s administrative regulations governing release of such information and applicable law. Student directory information is not released when parents/guardians/students affirmatively withdraw in writing consent to release such information. Student records that consist of personally identifiable information generally are exempt from disclosure.

All records provided in response to a public records request will be made available in a reasonable period of time and within the maximum time periods allowed by law, inclusive of any extensions. Upon receiving a request for a copy of records, the School shall determine, whether the request in whole or in part seeks copies of disclosable public records in the possession of the agency and shall promptly and within the time permitted by law notify the person making of the request of the determination and the reasons therefore. If a public records request is denied in whole or in part, the School shall provide a written explanation with the legal authority for the denial of the request and the name and title or position of each person responsible for such determination, where required by law.

The School’s Records Custodian may transmit the requested records by mail or by other means of delivery request, if the method requested is reasonably available. The School’s Record Custodian may also make the records available for pick-up at the School’s administrative office.

Where permitted by law, a fee may be charged for copies which may not exceed, except in the case of certain electronic records, the direct costs of duplication. Where required by law the school will maintain a list of the fees that it charges at each office where public records are provided and post at that office in a conspicuous place, a sign or notice that states: the fee charged to provide a copy of the public record; or, the location at which a list of each fee charged may be obtained. The direct cost of duplication does not include staff time spent researching, retrieving and mailing the record. The School may require that the fee for copies and/or delivery, if requested, be paid in advance.

The School’s public records policy shall be posted in a conspicuous location in the School’s administrative office and on the public website. The policy is distributed to the School’s Records Custodian and receipt of the policy by the custodian is acknowledged. A copy of the records retention policy will be maintained and readily available to the public in the School’s administrative office.

## **Related Documents**

- Record Retention Policy
- Confidentiality Policy
- Records Request Form

## Public Records Request Form

Complete and submit this form by fax or mail to the address shown above to request public records from \_\_\_\_\_ Connections Academy. After receiving your request, we will contact you within five (5) days to confirm receipt of your request, advise you whether the records are available for public inspection and, if so, when, and let you know as permitted by law if the School will be charging and how much the requested records will cost if you desire that copies be made. All payment must be submitted by mail using a check payable to “\_\_\_\_\_ Connections Academy.” Please write “Records Request” in the notes line of your check.

### Requestor Information

Name		Organization (optional)		
Street Address		City	State	Zip Code
( )	( )	( )	( )	
Home Phone	Work Phone	Cell Phone	Fax	E-mail Address
Preferred method to contact you (check one):		<input type="checkbox"/> Home Phone	<input type="checkbox"/> Work Phone	<input type="checkbox"/> Cell Phone
		<input type="checkbox"/> Fax	<input type="checkbox"/> E-mail	

### Records Request Information

Indicate below the address to which the requested records should be mailed, if different from the address listed above. Records may be made available for pick-up at the School’s administrative office upon request. Then, list the records you are requesting along with a description of each. If you are requesting a record of meeting minutes, please indicate the date of the meeting. Call the school to obtain a complete list of meeting dates. Copies of records shall be made promptly available upon payment of fees covering direct costs of duplication, plus postage or other delivery charge if such delivery is requested.

Address where records should be mailed:  Check here if name and address are the same as those listed above.

Name		Organization (optional)		
Street Address		City	State	Zip Code

Record Type	Description of Record (for meeting minutes, indicate meeting dates)

For Office Use Only (Attach a copy of the check to this form when it is received.)				
Date Request Received	Date Request Reviewed	Date Payment Received	Date Records Mailed	Reviewer’s Name
No of Request Type	No of Photocopies	Total Cost of Request	Notes:	

# BACKGROUND CLEARANCE FOR BOARD MEMBERS

Date of Approval:

## Purpose

The Board is committed to providing a safe environment for its students and the School community, and to protecting the School's funds, property, and other assets. This policy promotes these goals by permitting the Board to make informed choices when recruiting new Board members and protecting the School from potential liability that might result from recruiting Board members without any background screening.

## Policy

In addition to any required fingerprinting or other requirements under state law for Board members, the School will conduct background checks prior to a new Board member being appointed and every three (3) years thereafter.

## Procedure

The Board will use Connections Academy's<sup>1</sup> contracted background check vendor or another Board approved vendor to conduct the following checks:

- State criminal checks for addresses over the last seven (7) years
- Educational credentials check
- Sex offender check or U.S. criminal indicator search
- State Child Abuse Clearance Check

Board members and Board member candidates (prior to official Board approval) will receive an email communication from Connections Academy's contracted background check vendor in order to authorize performance of the background check and to submit information required to process the background check. The Board member candidate shall cooperate as may be necessary to obtain any clearances. The background check will be performed at the expense of the School. Failure or refusal by Board candidates to complete the Background Check Clearance Form shall constitute grounds for denial of approval. All background checks are required to report that there are no findings that would prevent the individual screened from performing the duties of a Board member and that the candidate or Board member meets the required qualifications set forth for members of the Board. Where there is a finding that would indicate a candidate or Board member may not meet these standards, the information will be provided by the individual authorized to conduct the background check (Human Resources employee if being conducted by Connections Academy's contracted vendor) directly to Board Counsel to determine whether the candidate can be approved as a Board Director despite the finding or that the Board member's office may be declared vacant. If Board Counsel determines that the

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<sup>1</sup> As referred to throughout, references to Connections Academy shall mean Connections Academy, LLC, the educational management company contracted with, and/or its affiliates.

candidate cannot be approved as a Board Director or a Board member's office may be declared vacant, the Board shall do the following:

- Provide oral, written, or electronic notice of the determination to the candidate or member;
- Provide the name, address, and telephone number of the vendor who performed the background check to the candidate or member;
- Inform the candidate or member that the vendor who performed the background check did not make the determination and is unable to provide the candidate or member with specific reasons why the determination was made;
- Provide oral, written, or electronic notice of the candidate or member's right to obtain a free copy of the background check report from the vendor if requested in writing within sixty (60) days of being notified of the determination;
- Inform the candidate or member of his or her right to dispute the accuracy or completeness in the background check report with the vendor who performed the background check.

The background checks will be valid for three (3) years and will be reviewed at the annual meeting. In the interim between checks, each Board member has an affirmative obligation to inform the Board chair of any incident that would compromise a clean background check and/or would indicate that the Board member does not meet the qualifications set forth for members of the Board. In the event a candidate or member is successful in disputing the accuracy or completeness of the background check, the candidate or member may request that the Board order another background check to reevaluate the candidate or member's fitness to serve as a member of the Board. The Board may, at its discretion, choose to comply with this request.

## **Related Documents**

Background Check Clearance Form



**NOTICE AND ACKNOWLEDGMENT**  
**IMPORTANT— PLEASE READ CAREFULLY BEFORE SIGNING ACKNOWLEDGMENT**

NOTICE REGARDING BACKGROUND INVESTIGATION	ACKNOWLEDGMENT AND AUTHORIZATION
<p><b>Connections Academy</b> ("the Company" or "Employer") may obtain information about you from a consumer reporting agency for employment purposes. Thus, you may be the subject of a "consumer report" and/or an "investigative consumer report" which may include information about your character, general reputation, personal characteristics, and/or mode of living, and which can involve personal interviews with employers and/or associates. Please be advised that the nature and scope of the most common form of investigative consumer report obtained with regard to applicants for employment is an investigation into your education and/or employment history conducted by Employment Background Investigations, Inc. (EBI), P.O. Box 629, Owings Mills, MD 21117, 1-800-324-7700. These reports may be obtained at any time after receipt of your authorization and, if you are hired, throughout your employment. You have the right, upon written request made within a reasonable time after receipt of this notice, to request disclosure of the nature and scope of any investigative consumer report and a Summary of Your Rights Under the Fair Credit Reporting Act. The scope of this notice and authorization is all-encompassing, however, allowing Employer to obtain from EBI all manner of consumer reports and investigative consumer reports now and, if you are hired, throughout the course of your employment to the extent permitted by law. As a result, you should carefully consider whether to exercise your right to request disclosure of the nature and scope of any investigative consumer report.</p> <p><b>New York applicants or employees only:</b> You have the right to inspect and receive a copy of any investigative consumer report requested by Employer by contacting the consumer reporting agency identified above directly.</p>	<p>I acknowledge receipt of the NOTICE REGARDING BACKGROUND INVESTIGATION and A SUMMARY OF YOUR RIGHTS UNDER THE FAIR CREDIT REPORTING ACT and certify that I have read and understand both of those documents. I hereby authorize the obtaining of "consumer reports" and/or "investigative consumer reports" at any time after receipt of this authorization and, if I am hired, throughout my employment. To this end, I hereby authorize, without reservation, any law enforcement agency, administrator, local, state or federal agency, institution, school or university (public or private), information service bureau, employer, or insurance company to furnish any and all background information (including, but not limited to, driving and/or motor vehicle records, transcripts, grades and attendance records, employment history, salary information and references, drug and alcohol testing results) requested by EBI acting on behalf of Employer, and/or Employer itself. I agree that a facsimile ("Fax") or photographic copy of this Authorization shall be as valid as the original.</p> <p><b>Minnesota and Oklahoma applicants or employees only:</b> Please check this box if you would like to receive a copy of a consumer report if one is obtained by the Company. <input type="checkbox"/></p> <p><b>California applicants or employees only:</b> By signing below you also acknowledge receipt of the NOTICE REGARDING BACKGROUND INVESTIGATION PURSUANT TO CALIFORNIA LAW. Please check this box if you would like to receive a copy of an investigative consumer report or consumer credit report if one is obtained by the Company at no charge whenever you have a right to receive such a copy under California law. <input type="checkbox"/></p>

NOTICE REGARDING BACKGROUND INVESTIGATION PURSUANT TO CALIFORNIA LAW	
<p>Employer (the "Company") intends to obtain information about you from an investigative consumer reporting agency and/or a consumer credit reporting agency for employment purposes. Thus, you can expect to be the subject of "investigative consumer reports" and "consumer credit reports" obtained for employment purposes. Such reports may include information about your character, general reputation, personal characteristics and mode of living. With respect to any investigative consumer report from an investigative consumer reporting agency ("ICRA"), the Company may investigate the information contained in your employment application and other background information about you, including but not limited to obtaining a criminal record report, verifying references, work history, your social security number, your educational achievements, licensure, and certifications, your driving record, and other information about you, and interviewing people who are knowledgeable about you. The results of this report may be used as a factor in making employment decisions. The source of any investigative consumer report (as that term is defined under California law) will be Employment Background Investigations, Inc., P.O. Box 629, Owings Mills, MD 21117, 1-800-324-7700. The source of any credit report will be TransUnion P.O. Box 1000, Chester, PA 19022, 1-800-888-4213.</p> <p>The Company agrees to provide you with a copy of an investigative consumer report when required to do so under California law.</p> <p>Under California Civil Code section 1786.22, you are entitled to find out from an ICRA what is in the ICRA's file on you with proper identification, as follows:</p>	<ul style="list-style-type: none"> <li>• In person, by visual inspection of your file during normal business hours and on reasonable notice. You also may request a copy of the information in person. The ICRA may not charge you more than the actual copying costs for providing you with a copy of your file.</li> <li>• A summary of all information contained in the ICRA's file on you that is required to be provided by the California Civil Code will be provided to you via telephone, if you have made a written request with proper identification, for telephone disclosure, and the toll charge, if any, for the telephone call is prepaid by or charged directly to you.</li> <li>• By requesting a copy be sent to a specified addressee by certified mail. ICRA's complying with requests for certified mailings shall not be liable for disclosures to third parties caused by mishandling of mail after such mailings leave the ICRA's.</li> </ul> <p>"Proper Identification" includes documents such as a valid driver's license, social security account number, military identification card, and credit cards. Only if you cannot identify yourself with such information may the ICRA require additional information concerning your employment and personal or family history in order to verify your identity. The ICRA will provide trained personnel to explain any information furnished to you and will provide a written explanation of any coded information contained in files maintained on you. This written explanation will be provided whenever a file is provided to you for visual inspection.</p> <p>You may be accompanied by one other person of your choosing, who must furnish reasonable identification. An ICRA may require you to furnish a written statement granting permission to the ICRA to discuss your file in such person's presence.</p>

TO BE COMPLETED BY APPLICANT																									
The Following Information Is True And Correct To The Best Of My Knowledge And Will Be Used For Background Screening Purposes Only. Please Use an Ink Pen and Print Clearly. Use "UPPER CASE" Letters, One Letter Per Block.																									
Last Name																									
First Name										Middle Name															
Other Last Names Used																									
Current Address																		St.		Appt.					
City																									
Date of Birth (mm/dd/yyyy)					Social Security No.																				
Driver's License No.																									
Other States and Counties I Have Lived		1		State		County		Zip Code		Fm (Yr)		To (Yr)		3		State		County		Zip Code		Fm (Yr)		To (Yr)	
		2														4									

Applicant Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Para informacion en espanol, visite [www.ftc.gov/credit](http://www.ftc.gov/credit) o escribe a la FTC Consumer Response Center, Room 130 -A 600 Pennsylvania Ave. N.W., Washington, D. C. 20580.**

### **A Summary of Your Rights Under the Fair Credit Reporting Act**

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Here is a summary of your major rights under the FCRA. **For more information, including information about additional rights, go to [www.ftc.gov/credit](http://www.ftc.gov/credit) or write to: Consumer Response Center, Room 130-A, Federal Trade Commission, 600 Pennsylvania Ave. N.W., Washington, D.C. 20580.**

- **You must be told if information in your file has been used against you.** Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment – or to take another adverse action against you – must tell you, and must give you the name, address, and phone number of the agency that provided the information.
- **You have the right to know what is in your file.** You may request and obtain all the information about you in the files of a consumer reporting agency (your “file disclosure”). You will be required to provide proper identification, which may include your Social Security number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:
  - a person has taken adverse action against you because of information in your credit report;
  - you are the victim of identify theft and place a fraud alert in your file;
  - your file contains inaccurate information as a result of fraud;
  - you are on public assistance;
  - you are unemployed but expect to apply for employment within 60 days.

In addition, by September 2005 all consumers will be entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See [www.ftc.gov/credit](http://www.ftc.gov/credit) for additional information.

- **You have the right to ask for a credit score.** Credit scores are numerical summaries of your credit-worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential real property loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score information for free from the mortgage lender.



- **You have the right to dispute incomplete or inaccurate information.** If you identify information in your file that is incomplete or inaccurate, and report it to the consumer reporting agency, the agency must investigate unless your dispute is frivolous. See [www.ftc.gov/credit](http://www.ftc.gov/credit) for an explanation of dispute procedures.
- **Consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information.** Inaccurate, incomplete or unverifiable information must be removed or corrected, usually within 30 days. However, a consumer reporting agency may continue to report information it has verified as accurate.
- **Consumer reporting agencies may not report outdated negative information.** In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.
- **Access to your file is limited.** A consumer reporting agency may provide information about you only to people with a valid need -- usually to consider an application with a creditor, insurer, employer, landlord, or other business. The FCRA specifies those with a valid need for access.
- **You must give your consent for reports to be provided to employers.** A consumer reporting agency may not give out information about you to your employer, or a potential employer, without your written consent given to the employer. Written consent generally is not required in the trucking industry. For more information, go to [www.ftc.gov/credit](http://www.ftc.gov/credit).
- **You may limit “prescreened” offers of credit and insurance you get based on information in your credit report.** Unsolicited “prescreened” offers for credit and insurance must include a toll-free phone number you can call if you choose to remove your name and address from the lists these offers are based on. You may opt-out with the nationwide credit bureaus at 1-888-5-OPTOUT (1-888-567-8688).
- **You may seek damages from violators.** If a consumer reporting agency, or, in some cases, a user of consumer reports or a furnisher of information to a consumer reporting agency violates the FCRA, you may be able to sue in state or federal court.
- **Identity theft victims and active duty military personnel have additional rights.** For more information, visit [www.ftc.gov/credit](http://www.ftc.gov/credit).

**States may enforce the FCRA, and many states have their own consumer reporting laws. In some cases, you may have more rights under state law. For more information, contact your state or local consumer protection agency or your state Attorney General. Federal enforcers are:**

<b>TYPE OF BUSINESS:</b>	<b>CONTACT:</b>
Consumer reporting agencies, creditors and others not listed below	Federal Trade Commission: Consumer Response Center – FCRA Washington, DC 20580 877-382-4357
National banks, federal branches/agencies of foreign banks (word “National” or initials “N.A.” appear in or after bank’s name)	Office of the Comptroller of the Currency Compliance Management, Mail Stop 6-6 Washington, DC 20219 800-613-6743
Federal Reserve System member banks (except national banks, and federal branches/agencies of foreign banks)	Federal Reserve Board Division of Consumer & Community Affairs Washington, DC 20551 202-452-3693
Savings associations and federally chartered savings banks (word “Federal” or initials “F.S.B.” appear in federal institution’s name)	Office of Thrift Supervision Consumer Complaints Washington, DC 20552 800-842-6929
Federal credit unions (words “Federal Credit Union” appear in institution’s name)	National Credit Union Administration 1775 Duke Street Alexandria, VA 22314 703-519-4600
State-chartered banks that are not members of the Federal Reserve System	Federal Deposit Insurance Corporation Consumer Response Center, 2345 Grand Avenue, Suite 100 Kansas City, Missouri 64108-2638 1-877-275-3342
Air, surface, or rail common carriers regulated by former Civil Aeronautics Board or Interstate Commerce Commission	Department of Transportation, Office of Financial Management Washington, DC 20590 202-366-1306
Activities subject to the Packers and Stockyards Act, 1921	Department of Agriculture Office of Deputy Administrator – GIPSA Washington, DC 20250 202-720-7051

# BOARD ATTENDANCE

Date of Approval:

## Purpose

Active involvement and participation of Board members is essential for effective governance of the School. The Board cannot make any decisions or vote on any policy if a quorum is not present at each meeting. This policy promotes active involvement and participation by requiring regular attendance at Board meetings and providing procedures to deal with lapses in attendance.

## Policy

Board members are expected to demonstrate their commitment to the School by regularly attending Board meetings, except when prevented by unforeseeable events.

## Procedure

The Board shall adopt a regular meeting schedule at the annual meeting, or soon thereafter, to confirm the availability of Board members and provide notice to all Board members of the meetings for the year. This schedule may be amended during the year to change dates, times, days and/or hold additional special meetings.

A Board member who is unable to attend a Board Meeting must inform either the Board Chair or the Board designee for logistics of the intended absence.

Participation via teleconference is equivalent to attendance at a regular meeting as allowable by state law.

If the Board determines that the member has violated this policy, the Board shall take appropriate corrective action, which depending on the circumstances may include removal of a member from the Board.

## Attendance requirements

A Board member who is absent for three (3) consecutive Board meetings, without notifying the Chair or the Board designee for logistics as required, has violated this policy. A Board member who is absent for four (4) consecutive Board meetings, notwithstanding notification to the Chair or the Board designee for logistics has violated this policy.

Prospective members of the Board shall be provided with a copy of this Policy and asked to commit to observing its terms.

## Process

- The Board Chair shall monitor the attendance of each member and issue warnings as appropriate.

- The Board Chair shall consult with a member who has violated this policy to attempt to resolve the issue without removal of the member.
- If the Board Chair is unable to resolve the issue, and the Board member wishes to remain on the Board, the issue will be placed on the agenda for the next Board meeting. The Board member of concern may address the entire Board, and the Board will then decide what actions to take regarding that Board member's future membership on the Board.
- If the Board decides that removal of the member is appropriate, the remaining Board members will immediately begin the process to recruit a new Board member. A member who has been removed under this policy may be considered at a later date for appointment to the Board.

## **Related Documents**

Bylaws

# BOARD DELEGATION POLICY

Date of Approval:

## Purpose

The Board is committed to efficiency of processes and often has Board members designated on behalf of the Board to review and work with the School and Connections Academy, LLC<sup>2</sup>, its educational services provider, prior to Board consideration and approval of regularly and annually approved items. Therefore, it is desirable for the Board to adopt a Board Delegation policy through which default Board designees are established (“Board Designee”).

## Policy

In addition to any responsibilities set out in the Bylaws, subject to the Open Meetings Laws, the Board shall delegate additional specific tasks to individuals correlated to the position they are serving in, specifically as an Officer or Parent Representative. This does not prevent other Board members from volunteering to assist on these tasks, however this policy provides for a Board Designee, where one has not been allocated. Any specific motions approved by the Board for a Board Designee shall replace these automatic designations.

## Procedure

At the appointment of an Officer position at the annual meeting, the Officer candidate will be advised of the tasks to be performed as Board Designee, as part of this policy. The Parent Representatives being appointed to the Board will also be informed of the tasks for which a Parent Representative would be a Board Designee. At the relevant time, the Board Designee will begin work on the matter and involve any other Board members who also desire to assist with the specific matter, subject to the Open Meeting Law.

## President

- Charter related matters, including but not limited to, Charter renewal and amendments and related Charter matters on behalf of the Board.
- Renewals, amendments and other tasks related to the Professional Services Agreement on behalf of the Board.
- Renewals, amendments and other matters related to a Sponsor Agreement.
- Board policy development.
- Member of the Recruitment Committee to recruit for additional or replacement Board members as the need may arise.
- Execute contracts of over five thousand (\$5,000) dollars.
- Signer on Bank Account.

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<sup>2</sup> Connections Academy LLC is the current educational services and products provider. This function would be carried out by the new provider upon a change in the provider.

- Liaison with Principal/Chief Executive Officer and Board Counsel.
- Provide approvals on behalf of the Board for summer staffing decisions.
- Complete, finalize and execute D&O Insurance Applications on behalf of the Board.
- Lease related matters, including but not limited to, Lease negotiation, renewals, amendments, or any changes therewith on behalf of the Board.
- Health Insurance renewals, including but not limited to, review of proposals, negotiations, amendments or any changes therewith on behalf of the Board.
- Upon approval of the engagement by the Board, sign the Board Counsel engagement letter on behalf of the Board.

### **Treasurer**

- Budget related matters, including but not limited to, the development of the annual draft budget, review of vendor invoices and review of detail documents supporting the school's financial condition.
- Application for, renewal of and amendments to all grant matters on behalf of the Board.
- Upon acceptance of the Board, sign the Form 990 on behalf of the Board.
- Upon approval of the engagement by the Board, sign the audit engagement letter on behalf of the Board.
- Signer on Bank Account.

### **Secretary**

- Employee related documents including but not limited to the School Employee Handbook.

### **Parent Representative**

- Student enrollment related documents, including but not limited to, the General School Handbook, the State Specific Handbook and the annual enrollment documents.

### **Related Documents**

Bylaws

# CODE OF ETHICS

Date of Approval:

## Purpose

The Board is committed to its role of promoting the mission of the School, overseeing the management of the School, and acting as guardian of the public trust by overseeing School finances. In order to achieve these goals, members of the Board must maintain the highest level of ethical conduct.

This policy establishes the standards of conduct the Board must meet in carrying out its responsibilities to the School and the public.

## Policy

The Board is morally and legally obligated to manage the School in the best interests of the public and the School Community. The Board members must demonstrate professional ethical behavior at all times in their responsibilities to the School, in their professional relationships with each other, and in their professional service to the community, and will be required to adhere to this code of ethics.

Board members shall comply with all laws, including those pertaining to ethics, and shall faithfully promote the School's interests, maintain confidentiality of information, carry out their duties honestly, and adhere to all the other policies in the Board Governance and Administrative Policy Manual.

## Procedure

At all times Board members shall observe the following specific procedures:

- Be diligent, attend Board meetings, and devote sufficient time for adequate Board meeting preparation.
- Maintain the confidentiality of private and or legally privileged information acquired as a result of Board membership.
- Attend Board governance training and conferences when possible to improve the member's ability to serve the Board.
- Meet regularly to monitor the performance of management and the School as a whole.
- Maintain the separation of duties and responsibilities between the Board and School leadership to promote accountable and balanced decision-making.

- Help ensure that the independent views of Board members receive due consideration and weight.
- Work to provide stakeholders with accurate and balanced information regarding the School's performance, including financial and academic measures.
- Conduct regular self-assessments to ensure each member is contributing optimally to the Board, and if the member's contribution is lacking, pursue either training or assistance to improve the member's performance or seek the member's resignation.
- Help protect the School's assets by considering risk management strategies.
- Ensure that financial and other personal interests do not conflict with the member's duty to the Board and the School.

If the Board determines that the member has violated this policy, the Board shall take appropriate corrective action, which depending on the circumstances will include removal of a member from the Board.

### **Related Documents**

Delegation Policy  
Conflict of Interest Policy  
Confidentiality Policy  
Attendance Policy  
Gift Solicitation and Acceptance Policy  
Bylaws



# CONFIDENTIALITY

Date of Approval:

## Purpose

The Board is committed to openness, transparency, and accountability. Its policies shall reflect its desire to balance the release of information while ensuring the protection of individual privacy, the effective management of the School, and compliance with relevant legislation. This policy is intended to regulate the release of confidential information by Board members.

## Policy

Board members shall not be permitted to release any confidential material obtained in the course of their service as a Board member, unless such release is in accordance with the requirements of applicable legislation, and is consistent with the Board's policies on access to public records.

## Procedures

The Board shall endeavor to explicitly mark on the document whether any or all of its minutes, disclosures, or papers, or those of its sub-committees (not otherwise required by legislation, regulation, or its rules to be made public) are confidential. However, the failure to mark a document as confidential shall not waive the status of such document as confidential, privileged or otherwise exempt from disclosure. The Board may seek assistance from Board Counsel, as needed, to review requests for disclosure.

Board members shall be deemed school officials under the Family Educational Rights and Privacy Act (FERPA), however shall only have access to student records where there is a legitimate educational interest. Board members shall be subject to FERPA provisions and shall ensure they comply with FERPA provisions for any disclosures of student records to any third parties.

On those occasions and for those documents and discussions that the Board elects not to make public, Board members shall respect the confidentiality of those documents, and of any discussions of the Board on those matters.

Notwithstanding the above, Board members are not authorized to speak on behalf of the School unless the same has been authorized by a vote of the Board or specifically requested and or reviewed by the School leadership. A Board member in receipt of a request for a public document must refer such request to the School Records Custodian for response in accordance with proper procedures.

In particular, Board members shall not

- disclose to any member of the public any confidential information acquired by virtue of their position as a Board member, such as minutes of closed sessions at which public access is not required by law;

- disclose any privileged attorney-client communications;
- use any confidential information acquired by virtue of their position on the Board for their personal financial or other benefit or for that of any other person;
- disclose to any member of the public any confidential information related to the interests of individuals, groups or organizations acquired by virtue of their position on the Board;
- make statements to the media in the name of the organization except after coordinating all such efforts with the School leadership;
- permit any unauthorized person to inspect or have access to any confidential documents or other information.

Failure to maintain confidentiality may constitute a breach of the Board member's fiduciary duties to the School.

The obligation to protect such confidential matters from disclosure continues even after the individual Board member is no longer serving on the Board.

Unless otherwise restricted or required by law, or contract, the Board shall decide from time to time whether any guests shall be permitted to attend any or all of its closed meetings. Where appropriate, guests who the Board believes are necessary for the Board's consideration of the item or items to be considered may be admitted, subject to their undertaking to maintain confidentiality.

Where appropriate and permissible by law, personally identifiable information about individuals may be redacted from material before consideration by the Board.

It is the responsibility of the Board Chair, with guidance from Board counsel, to ensure that Board materials are appropriately classified as confidential or open to release.

If the Board determines that the member has violated this policy, the Board shall take appropriate corrective action, which depending on the circumstances may include removal of a member from the Board.

## **Related Documents**

Access to Public Records Policy

# CONFLICT OF INTEREST

Date of Approval:

## Purpose

The Board is committed to high standards of ethical conduct. The purpose of the policy is to protect the School when it is contemplating entering into a transaction or arrangement that might impermissibly benefit the private Financial Interest of an Officer or Director of the Board, and to provide the Board with a procedure which, if observed, will allow a transaction or arrangement to be treated as valid and binding even though Board Director has, or may have, a Conflict of Interest with respect to the transaction.

## Policy

The Board places great importance on making clear any existing or potential Conflicts of Interest. All such Conflicts of Interest shall be declared by the member concerned and noted in the minutes.

## Definitions

“Board” means the members of the Board of Directors of the School or any Board committee with Board-delegated powers that is considering the proposed transaction or arrangement.

“Compensation” means direct and indirect remuneration as well as gifts or favors that are substantial in nature.

“Conflict of Interest” means an interest that is likely to impermissibly benefit the private interest of a Board Director. Examples of a conflict of interest include (but are not limited to):

- When a Board member or his/her Immediate Family or business interests stands to gain financially from any business dealings, programs, or services of the organization.
- When a Board member offers to perform a professional service for the organization
- When a Board member stands to gain personally or professionally from any insider knowledge if that knowledge is used to personal advantage.
- When a Board member has a role on the governing body of another organization, and the activities of the other body might directly conflict or compete with the activities of the School.

“Financial Interest” is an interest held by a person, either directly or indirectly, through business, investment, or family, that falls into one or more of the following categories:

- an ownership or investment interest in any entity with which the School has a transaction or arrangement, or
- a compensation arrangement with the School or with any entity or individual with which the School has a transaction or arrangement, or

- a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the School is negotiating a transaction or arrangement.

A Financial Interest is not necessarily a Conflict of Interest. In general, a person with a Financial Interest has a Conflict of Interest only if the Board decides that a Conflict of Interest exists. However, under no circumstances may the School purchase anything from a Board Director or lease a facility from a Board Director.

“Immediate Family” means spouse, children, parents, grandparents and grandchildren of Board member.

“Interested Person” means any Director, Officer, or member of the Board who has a direct or indirect Financial Interest.

## **Procedure**

### **Duty to Disclose**

In connection with any transaction or arrangement that might give rise to a Conflict of Interest, an Interested Person must disclose the existence of his or her Financial Interest and must be given the opportunity to disclose all material facts to the Board. The Interested Person must make this disclosure at the start of the regularly scheduled Board meeting following discovery of the Financial Interest; provided, however, that no action can be taken on such disclosure unless the issue was identified in the posted agenda for the meeting where required by the Open Meetings Law.

### **Determining Whether a Conflict of Interest Exists**

After disclosure of the Financial Interest and all material facts, and after any discussion with the Board, the interested Board member shall not participate in the discussions or vote on the matter. The remaining Board members shall determine whether a Conflict of Interest exists.

### **Procedures for Addressing the Conflict of Interest**

1. If the Board determines that a Financial Interest of a Board member constitutes a Conflict of Interest, the Board Chair (or acting Board Chair if the sitting chair is the Interested Person) shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement giving rise to the conflict of interest.
2. After exercising due diligence, the Board shall determine whether it can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a Conflict of Interest.
3. If a more advantageous transaction or arrangement is not reasonably attainable, and the State’s Ethics Laws do not prohibit or invalidate the proposed transaction, the Board or committee shall determine by a majority vote whether the proposed transaction or arrangement is

in the School's best interest, for its own benefit, and whether the transaction is fair and reasonable to the School. Based on this determination, the Board shall decide whether to enter into the proposed transaction or arrangement.

4. The Board shall make its determination using the Rebuttable Presumption Checklist (Property) as a guide.

### **Violations of the Conflict of Interest Policy**

1. If the Board or committee has reasonable cause to believe that a member has failed to disclose an actual or possible Conflict of Interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

2. If, after hearing the response of the member and making such further investigation as the Board deems warranted under the circumstances, the Board determines that the member has in fact failed to disclose an actual or possible Conflict of Interest, the Board shall take appropriate corrective action.

### **Records of Proceedings**

The minutes of the Board shall document the Conflict of Interest and contain:

- the names of the persons who disclosed or otherwise were found to have a Financial Interest giving rise to an actual or possible Conflict of Interest, the nature of the Financial Interest, any action taken to determine whether a Conflict of Interest was present, and the Board's decision as to whether a Conflict of Interest in fact existed.
- the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken on the subject.

### **Compensation**

1. A voting member of the Board who receives direct or indirect compensation from the School for services that are necessary for carrying out the School's purposes (other than serving as a Board Director), where this is permitted by law or not otherwise prohibited, is precluded from participating in discussions or votes pertaining to that member's compensation.

2. A voting member of any committee whose jurisdiction includes compensation matters and who receives direct or indirect compensation from the School for services is precluded from participating in discussions or votes pertaining to that member's compensation.

3. When setting compensation for any individual, the Board committee with jurisdiction over compensation matters shall set such compensation using the Rebuttable Presumption Checklist (Compensation).

4. No Board member is precluded from providing information to the Board of Directors or any committee of the Board regarding member compensation.

### **Annual Statements**

Each Director and member of the Board shall annually sign the Conflict of Interest Disclosure Statement, which affirms that the Board member:

- has received a copy of the Conflict of Interest Policy,
- has read and understands the Policy,
- has agreed to comply with the Policy, and
- understands that the School is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

### **Periodic Review**

The Board shall conduct periodic reviews to ensure that the School operates in a manner consistent with its charitable purposes and does not engage in activities that could jeopardize its status as an organization exempt from federal income tax.

The periodic reviews shall, at a minimum, address the following subjects:

- Whether compensation arrangements and benefits are reasonable and the result of arm's-length bargaining and do not result in inurement or impermissible private benefit.
- Whether partnership and joint venture arrangements and third party transactions conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further the School's charitable purposes, and do not result in inurement or impermissible private benefit.
- Whether agreements with employees and third-party payers further the School's charitable purposes and do not result in inurement or impermissible private benefit.

In conducting the periodic reviews provided for above, the School may use outside advisors. The use of outside advisors does not relieve the Board of its responsibility for ensuring that periodic reviews are conducted.

### **Related Documents**

Rebuttable Presumption Checklist (Property)  
Rebuttable Presumption Checklist (Compensation)  
Conflict of Interest Disclosure Statement  
Bylaws

**Rebuttable Presumption Checklist (Compensation)**

1. *Interested Person:*

Name: \_\_\_\_\_

Title / Position Description: \_\_\_\_\_

2. Terms of compensation arrangement:

Salary: \_\_\_\_\_

Bonus: \_\_\_\_\_

Deferred compensation: \_\_\_\_\_

Fringe benefits (excluding IRC 132 fringes and expense reimbursements under an accountable plan):

\_\_\_\_\_

\_\_\_\_\_

Liability insurance premiums: \_\_\_\_\_

Foregone interest on loans: \_\_\_\_\_

Other: \_\_\_\_\_

3. Name of *authorized body*: \_\_\_\_\_

4. Date *authorized body* approved compensation arrangement: \_\_\_\_\_

5. Members of *authorized body* on date of approval:

A. \_\_\_\_\_

B. \_\_\_\_\_

C. \_\_\_\_\_

D. \_\_\_\_\_

E. \_\_\_\_\_

6. Titles / Positions:

A. \_\_\_\_\_

B. \_\_\_\_\_

C. \_\_\_\_\_

D. \_\_\_\_\_  
E. \_\_\_\_\_

7. Background (education, experience, etc.):

A. \_\_\_\_\_  
B. \_\_\_\_\_  
C. \_\_\_\_\_  
D. \_\_\_\_\_  
E. \_\_\_\_\_

8. Conflict of interest as to compensation arrangement:

A. \_\_\_\_\_  
B. \_\_\_\_\_  
C. \_\_\_\_\_  
D. \_\_\_\_\_  
E. \_\_\_\_\_

9. Comparable Data:

A. Compensation paid by similar organizations for functionally comparable positions: \_\_\_\_\_

B. Availability of similar services in geographic area: \_\_\_\_\_  
\_\_\_\_\_

C. Current compensation surveys compiled by independent firms: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

D. Actual written offers from similar institutions: \_\_\_\_\_  
\_\_\_\_\_

E. Compensation data paid by three comparable organizations in similar communities for similar services:

i. \_\_\_\_\_  
ii. \_\_\_\_\_  
iii. \_\_\_\_\_

10. Documentation:

Description of records: \_\_\_\_\_

Date records were prepared: \_\_\_\_\_

Date records were approved by *authorized body*: \_\_\_\_\_



Per records:

A. Terms of transaction approved: \_\_\_\_\_  
\_\_\_\_\_

B. Date reviewed and approved by *authorized body* as reasonable, accurate and complete: \_\_\_\_\_

C. Members of *authorized body* present during debate:

- i. \_\_\_\_\_
- ii. \_\_\_\_\_
- iii. \_\_\_\_\_
- iv. \_\_\_\_\_
- v. \_\_\_\_\_

D. Members of *authorized body* who voted on transaction:

- i. \_\_\_\_\_
- ii. \_\_\_\_\_
- iii. \_\_\_\_\_
- iv. \_\_\_\_\_
- v. \_\_\_\_\_

E. Description of comparability data obtained and relied on by *authorized body*: \_\_\_\_\_  
\_\_\_\_\_

F. Description of how comparability data was obtained: \_\_\_\_\_  
\_\_\_\_\_

G. Description of any actions taken as to consideration of transaction by member of *authorized body* who had a conflict of interest: \_\_\_\_\_  
\_\_\_\_\_

H. If value determined differs from comparability data, basis for determination: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

11. For a non-fixed payment subject to a cap:

A. Date authorized body obtained comparability data that a fixed payment would be reasonable compensation: \_\_\_\_\_

B. Amount of such fixed payment: \_\_\_\_\_

C. Maximum amount payable under contract (both fixed and non-fixed payments): \_\_\_\_\_  
\_\_\_\_\_

**Rebuttable Presumption Checklist (Property)**

- 1. Interested Person:  
Name: \_\_\_\_\_  
Title / Position Description: \_\_\_\_\_
  
- 2. Property to be transferred or used:  
Description: \_\_\_\_\_  
Location: \_\_\_\_\_
  
- 3. Name of *authorized body*: \_\_\_\_\_
  
- 4. Date *authorized body* approved property transfer: \_\_\_\_\_
  
- 5. Members of *authorized body* on date of approval:
  - A. \_\_\_\_\_
  - B. \_\_\_\_\_
  - C. \_\_\_\_\_
  - D. \_\_\_\_\_
  - E. \_\_\_\_\_
  
- 6. Conflict of interest as to property transfer:
  - A. \_\_\_\_\_
  - B. \_\_\_\_\_
  - C. \_\_\_\_\_
  - D. \_\_\_\_\_
  - E. \_\_\_\_\_
  
- 7. Comparable Data – Appraisals:
  - A. Appraiser(s) name and address \_\_\_\_\_  
\_\_\_\_\_
  - B. Appraiser(s) qualifications: \_\_\_\_\_  
\_\_\_\_\_
  - C. Date(s) of appraisal(s): \_\_\_\_\_  
\_\_\_\_\_
  - D. Fair market value per appraisal(s): \_\_\_\_\_  
\_\_\_\_\_

E. Appraisal method(s) used (e.g., sales comparison, income analysis, replacement costs, etc.): \_\_\_\_\_  
\_\_\_\_\_

8. Comparable Data – Offers received from open and competitive bidding: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

9. Documentation:

Description of records: \_\_\_\_\_

Date records were prepared: \_\_\_\_\_

Date records were approved by *authorized body*: \_\_\_\_\_

Per records:

A. Terms of transaction approved: \_\_\_\_\_  
\_\_\_\_\_

B. Date reviewed and approved by *authorized body* as reasonable, accurate and complete: \_\_\_\_\_

C. Members of *authorized body* present during debate:

- i. \_\_\_\_\_
- ii. \_\_\_\_\_
- iii. \_\_\_\_\_
- iv. \_\_\_\_\_
- v. \_\_\_\_\_

D. Members of *authorized body* who voted on transaction:

- i. \_\_\_\_\_
- ii. \_\_\_\_\_
- iii. \_\_\_\_\_
- iv. \_\_\_\_\_
- v. \_\_\_\_\_

E. Description of any actions taken as to consideration of transaction by member of *authorized body* who had a conflict of interest: \_\_\_\_\_  
\_\_\_\_\_

F. If value determined differs from comparability data, basis for determination: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



If yes, please describe the proceeding(s) and if a Family Member or entity is involved, the identity of the Family Member or entity and your relationship with that person or entity:

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D. Are you aware of any other events, transactions, arrangements or other situations that have occurred or may occur in the future that you believe should be examined by the School in accordance with the terms and intent of the School's conflict of interest policy?

\_\_\_\_\_YES

\_\_\_\_\_NO

If yes, please describe the situation(s) and if a Family Member or entity is involved, the identity of the Family Member or related entity and your relationship with that person or entity:

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I HERBY CONFIRM that I received a copy of the Conflicts of Interest Policy, read and understand the policy, agree to comply with the policy, and understand that the School is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes. I confirm that my responses to the above questions are complete and accurate to the best of my information and belief. I agree that if I become aware of any information that might indicate that this disclosure is inaccurate or that I did not comply with the policy, I will notify the President of the Board or the Treasurer immediately.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

# DISPUTE RESOLUTION

Date of Approval:

## Purpose

The Board meeting is the final forum under School procedures for resolving disputes between students, parents, staff, and others. This policy sets out the procedures for parties to follow in a dispute, which has not been satisfactorily resolved through the initial resolution procedures provided by the School, to ensure that all parties' rights are protected.

## Policy

The Board places great importance on its role as the final authority under School procedures for any disputes brought forward by students, parents, staff, and other parties and strives to resolve disputes in a manner that protects the interests of all stakeholders. Individuals desiring to address the Board shall do so in compliance with the Public Comment Policy adopted by the Board. Individuals bringing a dispute before the Board may be held personally liable for any libel, slander, defamatory or other similar actions brought against the school and Board for any statements made or documents presented regarding other individuals.

## Procedure

As set out in the School Handbook, students, parents and members of the public have standing to ask the Board to resolve issues that have not been satisfactorily resolved through the initial resolution procedures provided by the School.

Any individual may present a dispute to the Board at a regularly scheduled Board meeting, consistent with the terms of the Public Comment Policy and in accordance with the Open Meetings Law requirements for placing items on an agenda for deliberation, consideration, or taking any action. Parties to a dispute shall have the ability to have the hearing in a closed session where permitted by the state Open Meeting Laws and otherwise set out in the charter and state laws. Where held in open session, Parties will be reminded that the meeting is open to the public and any information disclosed will be a public record.

Once a dispute has been presented, and as allowable pursuant to Open Meeting Laws, the Board shall decide:

1. Whether the dispute presents an urgent matter that must be addressed as soon as possible,
2. Whether the dispute should be referred to School leadership or a Board committee for further steps, and
3. What other procedures the Board should follow to resolve the dispute.

The Board will revisit the dispute at subsequent meetings until the matter has been resolved.

The party presenting the dispute will have an opportunity to submit written submissions and documentation. If the dispute concerns a student, or if a student will provide personally identifiable information in the course of the dispute resolution, the parent or student, as applicable, must execute a Family Educational Rights and Privacy Act (FERPA) Rights Waiver Form acknowledging the potential disclosure of student records and/or personally identifiable information.

## **Related Documents**

Family Educational Rights and Privacy Act (FERPA) Rights Waiver Form  
Public Comment Policy  
School Handbook

Family Educational Rights and Privacy Act (FERPA) Rights Waiver Form

Student's Name:

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Item(s) of information to be released:

Personally identifiable records and FERPA protected student education records

Other \_\_\_\_\_  
\_\_\_\_\_

I hereby understand that the above records and information will be disclosed by school staff, myself, and my student (whichever applicable) to the Board of Directors, guests and members of the public during a meeting of the Board of Directors.

I understand that this is a public forum, minutes are kept of this meeting and in some cases the meeting may be recorded, and that the above information may be released into the public by my engaging the Board of Directors in the meeting in discussion on a specific matter related to myself or my student (whichever applicable).

I hereby understand and agree to waive my or my student's rights to the protection of the above information.

\_\_\_\_\_  
Parent/Eligible Student Signature

\_\_\_\_\_  
Date



# EXPENSE REIMBURSEMENT AND COMPENSATION

Date of Approval:

## Purpose

This policy establishes procedures for reimbursement of expenses incurred by Board members on behalf of the School. These procedures will ensure that expenses are appropriately approved and Board members are reimbursed fairly for all reasonable expenses they incur.

## Policy

The School will reimburse its Board members for any reasonable and authorized expenses incurred on behalf of the School or in the course of conducting School business. This policy covers expenses for travel to and from Board meetings, as well as lodging, meal, and other miscellaneous expenses incurred while conducting Board or School business. This reimbursement is for approved costs incurred by the Board member and is not considered a gift.

All Board expenses other than those specifically mentioned and permitted above, and for amounts over one hundred (\$100) dollars will require Board approval.

Alcohol is not a reimbursable expense.

Other than reimbursement of expenses under this policy and permissible acceptance of gifts under the Gift Acceptance Policy, Board members may not receive any reimbursement or other compensation as a result of their position on the Board.

## Procedure

1. Expense reports should be used to detail expenses. Expense reports should be submitted no later than one month after the expenses are incurred. A School designee will review and approve the expense report prior to submission for payment.
2. Expense reports must be completed with the following guidelines in mind:
  - Forms can be completed in ink or electronically
  - Incorrect information must be crossed off and changes written clearly and initialed. Reports with “white out” will not be accepted
  - For mileage - list date, destination, and mileage. Use of a Board member’s automobile will be reimbursed at the current applicable Internal Revenue Service mileage rate.
  - For Parking costs - substantiate by receipts, or indicate if parking meters are utilized.
  - For hotel expenses - provide a paid, itemized hotel receipt. Only the room charges and any taxes paid should be indicated under the “hotel” expense

heading. All other expenses listed on the hotel bill must be allocated to the appropriate expense heading.

- For meal expenses - attach meal receipts to the expense report, in the order of occurrence, and total meal charges for each day.
  - Indicate if the expense is for a program (for example Board Training).
  - Attach all receipts
  - Signature of member requesting reimbursement (must contain signatures rather than initials to confirm authenticity).
3. Sufficient documentation, including receipts, is required for all expenses. Receipts must be attached to an 8 1/2 x 11” sheet of paper and numbered in the order of occurrence. If a tear-off check stub is used as a receipt, the stub must reflect the date, name of the business, and the amount charged. If no receipt is available, you must indicate “NR” on the expense report. If you use a personal check, a copy of the canceled check will serve as proof of payment.

## **Related Documents**

Gift Acceptance Policy  
Conflict of Interest Policy  
Expense Reimbursement Form  
Bylaws



# FISCAL CONTROLS

Date of Approval:

## Purpose

The Board believes in implementing and following fiscal management practices to ensure that the School's funds are appropriately managed in order to support the School's mission and avoid any liability that could be attributed to the Board resulting from mismanagement.

## Policy

School funds will be budgeted, accounted for, expended, and maintained in an appropriate fashion and in accordance with Federal and State requirements. The following procedures have been established to facilitate this.

## Procedure

### A. Budgets

Working with Connections Academy, LLC<sup>3</sup>, its educational services provider, the School's Treasurer will coordinate the preparation of an annual operating budget with estimated revenue and expenditures in the spring prior to May 1 for the following fiscal year, defined as the twelve-month period ending June 30, unless otherwise required by law or other contract. The Board shall plan to review and approve the budget prior to May 1 of each year. Connections Academy, LLC will prepare a fiscal year forecast based upon updated assumptions before the opening of the new School year. Approved annual operating budgets will be submitted to the all appropriate entities required by law in the format required by statute and/or regulation and by required deadlines.

Approved budgets will be used to monitor the financial activities of the year via the monthly financial reports. In addition, Connections Academy, LLC, as necessary, will prepare cash flow analysis, and budget projections, and budget revisions, for upcoming fiscal years for review.

As part of the budget process, and/or at the time of hiring or increasing the compensation of the Principal of the School, the Board will review a comparison of salaries for chief executives (principal, director, administrator, etc.) at other similar schools and make a determination, to be recorded in the minutes of the Board, that the proposed compensation is reasonable.

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<sup>3</sup> Connections Academy LLC is the current educational services provider. This function would be carried out by the new provider upon a change in the provider.

## **B. Controls, Budget, and Fiscal**

The School will maintain the following principles in its ongoing fiscal management practices to ensure that, (1) expenditures are authorized by and in accordance with amounts specified in the board-adopted budget, (2) the School's funds are managed and held in a manner that provides a high degree of protection of the School's assets, and (3) all transactions are recorded and documented in an appropriate manner:

### **1. Segregation of Duties**

The School will develop and maintain simple check request and purchase order forms to document the authorization of non-payroll expenditures. These expenditures will primarily be those expenditures not covered under the monthly invoice from Connections Academy, LLC. The monthly invoices from Connections Academy, LLC will be approved and/or ratified by action of the Board. All proposed expenditures must be approved by the Principal, who will review to determine whether it is consistent with the Board-adopted budget, and sign the check request form or approve the invoice. All check requests and purchase orders over One Thousand (\$1,000) Dollars must be co-signed by two Board Members who have been approved as a signatory on the School's checking account. Payments for invoices for operational services contracted by the School, and previously approved by the Board, including those for services provided by Connections Academy, LLC, do not need to be countersigned.

All transactions will be posted on an electronic general ledger by a bookkeeper or Treasurer until the school has a bookkeeper. This ledger will be maintained either with a local contracted bookkeeper or Treasurer until the school has a bookkeeper, or with Connections Academy, LLC. To ensure segregation of recording and authorization, the bookkeeper or Treasurer may not co-sign check requests or purchase orders.

### **2. Banking Arrangements/Reconciliation**

The School will maintain its accounts at a federally insured commercial bank or credit union in the State of operation as approved by the Board in compliance with the respective state law. Funds will be deposited in non-speculative accounts including federally insured savings or checking accounts or invested in non-speculative federally backed instruments. For all funds, the Board must appoint and approve all individuals authorized to sign checks in accordance with these policies.

Bank statements from private banking institutions will be sent directly to the School's bookkeeper or Treasurer if none, for reconciliation. A report of the reconciliation will be provided to the Board Treasurer on a monthly basis.

### **3. Purchasing Procedures**

This section applies to purchases made by the School, and does not apply to purchases made by Connections Academy, LLC pursuant to the Professional Services Agreement with the School. All purchases over Five Thousand (\$5,000) Dollars must include documentation of a good faith effort to secure the lowest possible cost for comparable goods or services. The Chair shall not approve purchase orders or check requests lacking such documentation and must

comply with the School's Procurement Policy. Documentation shall be attached to all check and purchase order requests showing that at least two (2) vendors were contacted and such documentation shall be maintained for three (3) years. If specialty goods are not available through multiple vendors, documentation may include this information in lieu of a cost comparison.

No public funds shall be expended for the purchase of alcoholic beverages.

The Principal or designee may purchase supplies, materials, equipment, and services up to the amounts specified in the approved budget or per an approved Board action, while ensuring the above procedures are followed

#### **4. Record Keeping**

Transaction ledgers, invoices, receipts, canceled/duplicate checks, attendance and entitlement records, payroll records, and any other necessary fiscal documents will be maintained by a local contracted bookkeeper or by Connections Academy, LLC, in accordance with state law and as required in the professional services agreement signed by the School in a secure location for at least seven (7) years as set out in the Records Retention Policy, or as long as required by applicable law, whichever is longer. Appropriate back up copies of electronic and paper documentation, including financial and attendance accounting data, will be regularly prepared and stored in a secure off-site location, separate from the School.

#### **5. Fixed Assets**

The local contracted bookkeeper or Connections Academy, LLC shall establish and maintain and regularly update a listing of all computers, equipment and furniture purchased by the School of a value of over One Thousand (\$1,000) Dollars. This list shall include the original purchase price and date, a brief description, serial numbers, and other information appropriate for documenting the School's assets. The School shall maintain a segregated list of assets that were purchased with non-public funds, where applicable.

#### **6. Cash Collections**

All incoming checks or cash will be verified and entered into a deposit log in accordance with any internal control procedures developed by the school. All checks will be restrictively endorsed promptly. Receipts will be issued upon request. When checks are taken for deposit, the person taking the checks will sign a separate log with the date and total amount taken for deposit. The deposit log will be provided to the person reviewing the bank statements for comparison with the deposit record on the bank statements. All cash and checks will be kept locked in the School office prior to deposit. Deposits should be made as soon as possible on receipt of checks and/or cash and with a target of within twenty-four (24) hours of receipt.

#### **7. Attendance Accounting**

The Principal will establish and maintain an appropriate attendance accounting system to ensure the School receives appropriate attendance credit. The annual audit will review actual

attendance accounting records and practices to ensure compliance. The attendance accounting practices will be in conformance with applicable state regulations.

## **8. Annual Audit**

The Board shall annually contract for the services of an independent public accountant to perform an annual fiscal audit in compliance with State law. The audit shall cover the business of the School during the full fiscal year; be a financial audit conducted in accordance with generally accepted auditing standards; and, include, but not be limited to, (1) an analysis of the School's compliance with applicable laws and regulations; (2) any recommendations for improvement by the School; (3) any other comments deemed pertinent by the auditor, including the auditor's opinion regarding the financial statements; (4) an audit of the accuracy of the School's financial statements, (5) an audit of the School's attendance accounting records, and (6) an audit of the School's internal controls practices. If the School receives over Five Hundred Thousand (\$500,000) Dollars from federal sources, the audit shall be prepared in accordance with any relevant Office of Management and Budget audit circulars. The audit shall be completed and submitted to the Board for review at a public meeting as soon as reasonably possible following the close of the fiscal year for which the audit is conducted and as mandated by state, charter or other law. Copies of the Audit will also be forwarded to any entities or public agencies, as required by the respective state's Charter School law, the charter and state regulations.

The Audit engagement and review process may be conducted by the Board's Audit/Finance Committee on behalf of the Board.

## **9. Fiscal Reports**

The following reports will be prepared for the School, maintained by Connections Academy, LLC on a monthly basis, and reported to the Board and/or its Treasurer:

- Revenue and Expense Statement for the current fiscal year – showing actual results for the months already past and forecasts for future months
- Balance Sheet
- Bank Reconciliation – listing all of the deposits and withdrawals for the period under review with descriptive headings
- Accounts Payable Detail – showing the vendor name, the invoice amount, who paid the invoice, and when; in addition, the Board Treasurer will receive a copy of all invoices on this schedule
- Payroll Registers if applicable
- Connections Academy, LLC Invoices – showing the fees for the month, drawn off of the revenue and expense statement and the accounts payable detail report
- Enrollment & Attendance Reports – showing the demographic makeup of the students who have enrolled in the School as well as other related statistical data

## **10. Property and Liability Insurance**

Connections Academy, LLC shall ensure that the School retains appropriate property and liability insurance coverage in accordance with the respective state law. Board Directors and Officers liability insurance shall also be obtained. Insurance will be kept in force at all times with

any minimum limits as outlined in the charter, state law, and professional services agreement between the School and Connections Academy, LLC.

### **11. Contract Signing Authority**

Unless otherwise authorized or designated by the Board, all contracts entered into by the School for a monetary amount over Five Thousand (\$5,000) Dollars shall require the signature of the President. Routine contracts for the operation of the School such as for field trips, state testing proctors and testing sites, janitorial services etc. in a monetary amount of less than Two Thousand (2,000) Dollars will be signed by the two signers. All orders for payment of money to a member of the Board may only be drawn for travel expenses, or subsistence allowances.

### **12. Corporate Tax Returns**

The Board will annually engage someone to prepare and submit the annual tax returns (Form 990) for the corporation. The Board (and/or the Audit/Finance Committee of the Board) will annually review its policies and practices to be sure it is complying with any regulations or requirements of the Internal Revenue Service. Prior to submission of the tax returns, the financial consultants and/or staff of the school will review the tax returns for accuracy. Following completion of a final draft of the tax returns, the Board will review and approve the returns at a meeting prior to the submission deadline. Appropriate extensions may be filed when needed. Typically, an annual extension from the November deadline to February is expected as the annual audit has not been conducted prior to November 15. Other extensions may be filed if necessary to allow for Board review of the tax returns prior to submission.

### **13. Petty Cash**

At the direction of the Board, a petty cash fund, not to exceed Three Hundred (\$300) Dollars, may be established with an appropriate ledger to be reconciled monthly by the independent bookkeeper or Treasurer, who shall not be authorized to expend petty cash.

## **Related Documents**

- Records Retention Policy
- Board Designee Policy
- Check Request Form
- Purchase Order Form
- Conflict of Interest Policy



# Check Request

Department: \_\_\_\_\_

Payee: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State \_\_\_\_ Zip Code: \_\_\_\_\_

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

\$

Amount of Check

Explanation - Use of Funds:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Handling:

U.S. Mail  
 Interoffice Mail  
 Call for Pickup ext.# \_\_\_\_\_  
 Federal Express \*  
 Other

*\* Your Dept. will be charged for FedX Shipping*

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

Budgeted?:  Yes  No

GL Account: \_\_\_\_\_  
Department (s) to Be Charged: \_\_\_\_\_  
Category: \_\_\_\_\_ Location: \_\_\_\_\_

Invoice Attached?  Yes  No  
*Please attach supporting documentation*

Requested By: \_\_\_\_\_  
Phone #: \_\_\_\_\_ Location: \_\_\_\_\_

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

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

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

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

Please forward Check Requests and supporting documents directly to the Accounts Payable Department.



# GIFT SOLICITATION AND ACCEPTANCE

Date of Approval:

## Purpose

The Board is committed to high standards of ethical conduct. The acceptance of personal gifts of significant value by Board members could expose the Board to a Conflict of Interest. The purpose of this policy is to protect the Board from any possible Conflict of Interest or appearance of impropriety by prohibiting Board members from soliciting or accepting personal gifts of significant value.

## Policy

Board members and their immediate family members (as defined in Conflict of Interest Policy) are prohibited from soliciting or accepting any substantial personal gift offered as a result of the member's position on the Board. Unless otherwise prohibited by law, a Board member may accept a personal gift if the value of the gift does not exceed fifty (\$50) dollars. Multiple gifts from a single source in any calendar year are prohibited if their aggregate value exceeds fifty (\$50) dollars.

## Procedure

### Board

Unless prohibited by law, Board members and their immediate family members may accept a personal gift where the value of the gift does not exceed fifty (\$50) dollars. Multiple gifts from a single source in any calendar year are prohibited.

Before a Board member or their immediate family member may accept any personal gift that exceeds the fifty (\$50) dollars set amount, the Board member must submit the matter to Board counsel for review. Acceptance of such gift shall require Board approval and may also require additional disclosures to other state entities based on Board counsel's advice<sup>4</sup>.

## Violations of the Policy

If the Board obtains information that a Board member has violated this policy, the Board shall inform the member and afford the Board member an opportunity to explain the alleged violation.

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<sup>4</sup> For California Schools - Pursuant to the Political Reform Act, California Government Code section 81000 et seq., generally Board members may not accept honoraria. Further, Board members may not accept gifts from a single source in any calendar year with a total value of more than \$420. The gift limit is adjusted biennially, and it has been set at \$420 through December 31, 2010.

If the Board determines that the member has violated this policy, the Board shall take appropriate corrective action, which may include but is not limited to return or repayment of the gift, and depending on the circumstances, potentially removal from the Board.

## **Related Documents**

Conflict of Interest Policy

# PROCUREMENT WITH FEDERAL GRANT FUNDS

Date of Approval:

## Purpose

The Policy sets forth the rules, regulations and procedures governing the financial management systems and procurement in connection with the expenditure of the proceeds of federal grants (“Grant Proceeds”) under the Public Charter Schools Grant Program (“Grant(s)”) for goods and services procured by the School.

## Policy

It is the Board’s policy that all Grant Proceeds under the Public Charter Schools Grant Program shall be accounted for, and all goods and services using the proceeds thereof shall be purchased, in accordance with a written procurement and contracts administration system that complies with the federal regulations that govern contracts and procurement, otherwise known as 34 Code of Federal Regulations 80.36, attached hereto and incorporated by reference.

## Procedure

As part of its procurement and contract standards, the School shall:

- Maintain a copy of a signed contract, agreement, or purchase order for services to be performed.
- Describe the conditions under which the contract or agreement may be terminated, including the basis for settlement, for all contracts in excess of \$10,000.
- Document the rationale and procedure used for selecting the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price, e.g. in the Board meetings’ minutes. Rationale shall include, but not be limited to, consideration of the following factors in selecting contractors and consultants: ability to perform successfully under the terms and conditions of the proposed contract, demonstrated competence, qualifications, experience, and reasonableness of costs, integrity, compliance with public policy, record of past performance, and financial and technical resources.
- Use price as the primary criterion for purchasing all goods and services, when all other factors are equal.
- Contract only with individuals not employed by the School unless otherwise approved by the Board.

- Require that no employee, officer or agent of the School shall participate in the selection, award or administration of a contract where conflicts of interest, real or apparent, are involved.
- Maintain records on the services performed, including but not limited to, the date the service was performed and the purpose of the service, and ensure that the services are consistent and satisfactory with those described in the signed contract/purchase order.
- Make payments only after the service is performed, unless any other payment structure is necessary, and prior approval is obtained from the Board.

## **Related Documents**

Financial Management Systems and Procurement Policies for Federal Grants – Public Charter Schools Grant Program -34 Code of Federal Regulations 80.36

# FINANCIAL MANAGEMENT SYSTEMS AND PROCUREMENT POLICIES FOR FEDERAL GRANTS – PUBLIC CHARTER SCHOOLS GRANT PROGRAM

The School shall establish such fiscal control and accounting procedures with respect to the Grant Proceeds that are sufficient to:

(1) Permit preparation of reports required by this Policy and by the statutes authorizing the Grant; and

(2) Permit the tracing of Grant Proceeds to a level of expenditure adequate to establish that the Grant Proceeds were not used in violation of this Policy, the terms of the Grants or the restrictions and prohibitions of statutes that apply to the Grants.

(b) The School's financial management systems must meet the following standards:

(1) *Financial reporting.* Accurate, current and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the Grant.

(2) *Accounting records.* The School must maintain records that adequately identify the source and application of the Grant Funds provided for financially-assisted activities. These records must contain information pertaining to all Grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income.

(3) *Internal control.* Effective control and accountability must be maintained for all Grant Proceeds, including all real and personal property, and other assets. The School must adequately safeguard all such property and must assure that it is used solely for authorized purposes under the Grant.

(4) *Budget control.* Actual expenditures or outlays must be compared with budgeted amounts for each Grant. Financial information must be related to performance or productivity data, including the development of unit cost information whenever appropriate or specifically required in the Grant agreement. If unit cost data are required, estimates based on available documentation will be accepted whenever possible.

(5) *Allowable cost.* Applicable OMB cost principles (found in OMB Circular A-21), agency program regulations, and the terms of Grant agreements will be followed in determining the reasonableness, allowability, and allocability of costs.

(6) *Source documentation.* Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and any subgrant award documents, etc.

(7) *Cash management.* Procedures for minimizing the time elapsing between the transfer of funds from the U.S. Treasury and disbursement by the School must be followed

whenever advance payment procedures are used. The School shall comply with the procedures established by the respective State Department of Education (“Department”) (i) to ensure the receipt of reports on the School’s cash balances and cash disbursements in sufficient time to enable the Department to prepare complete and accurate cash transactions reports to the awarding agency, (ii) allow the Department to make drawdowns as close as possible to the time of making disbursements, in cases when advances are made by letter-of-credit or electronic transfer of funds methods, and (iii) to allow the Department to monitor cash drawdowns by the School to assure that they conform substantially to the same standards of timing and amount as apply to advances to the Department.

(c) An awarding agency may review the adequacy of the School’s financial management system of as part of a pre-award review or at any time subsequent to award.

## **1. Equipment**

(a) *Title.* Subject to the obligations and conditions set forth in this section, title to equipment acquired under the Grant vests upon acquisition in the School.

(b) *School Obligations.* The School will use, manage, and dispose of equipment acquired under the Grant in accordance with the following paragraphs (c) through (e).

(c) *Use.*

(1) Equipment shall be used by the School in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds. When no longer needed for the original program or project, the equipment may be used in other activities currently or previously supported by a Federal agency.

(2) The School shall also make equipment available for use on other projects or programs currently or previously supported by the Federal Government, providing such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use shall be given to other programs or projects supported by the awarding agency. User fees should be considered if appropriate.

(3) The School must not use equipment acquired with Grant Proceeds to provide services for a fee to compete unfairly with private companies that provide equivalent services, unless specifically permitted or contemplated by Federal statute.

(4) When acquiring replacement equipment, the School may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property, subject to the approval of the awarding agency.

(d) *Management requirements.* The School shall establish procedures for managing equipment (including replacement equipment), whether acquired in whole or in part with Grant Proceeds, until disposition takes place, that will, as a minimum, meet the following requirements:



(1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

(2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two (2) years.

(3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated.

(4) Adequate maintenance procedures must be developed to keep the property in good condition.

(5) If the School is authorized or required to sell the equipment/property, proper sales procedures must be established to ensure the highest possible return.

(e) *Disposition.* When original or replacement equipment acquired under the Grant is no longer needed for the original project or program or for other activities currently or previously supported by a Federal agency, disposition of the equipment will be made as follows:

(1) Items of equipment with a current per-unit fair market value of less than \$5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency.

(2) Items of equipment with a current per unit fair market value in excess of \$5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the equipment.

(3) If the School fails to take appropriate disposition actions, the awarding agency may direct the Department or the School to take excess and disposition actions.

(f) *Federal equipment.* If the School is provided federally-owned equipment:

(1) Title will remain vested in the Federal Government.

(2) The School will manage the equipment in accordance with Federal agency rules and procedures, and submit an annual inventory listing.

(3) When the equipment is no longer needed, the School will request disposition instructions from the Federal agency.

(g) *Right to transfer title.* The Federal awarding agency may reserve the right to transfer title to the Federal Government or a third party named by the awarding agency when such a third party is otherwise eligible under existing statutes. If such a transfer is made, it is subject to the following standards:

(1) The property shall be identified in the Grant or otherwise made known to the Department in writing.

(2) The Federal awarding agency shall issue disposition instruction within 120 calendar days after the end of the Federal support of the project for which it was acquired. If the Federal awarding agency fails to issue disposition instructions within the 120 calendar-day period the grantee shall follow the requirements of Section (e) above.

(3) When title to equipment is transferred, the Department shall be paid an amount calculated by applying the percentage of participation in the purchase to the current fair market value of the property.

## **2. Supplies**

(a) *Title.* Title to supplies acquired under the Grant will vest, upon acquisition, in the School.

(b) *Disposition.* If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate fair market value upon termination or completion of the award, and if the supplies are not needed for any other federally sponsored programs or projects, the School shall compensate the awarding agency for its share.

## **3. Procurement**

(a) *School Obligations.* When procuring property and services under the Grant, the School will follow paragraphs (b) through (i) in this section 3.

(b) *Procurement standards.*

(1) The School will use their own procurement procedures which reflect State and local laws and regulations applicable to the School, provided that the procurements conform to applicable Federal law and the standards identified in this section 3.

(2) The School will maintain a contract administration system, which ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

(3) The School will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the School shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

(i) the employee, officer or agent, (ii) any member of his immediate family, (iii) his or her partner, or (iv) an organization which employs, or is about to employ, any of the foregoing, has a financial or other interest in the firm selected for award. The School's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subagreements. The School may set

minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards or conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the School's employees, or agents, or by contractors or their agents. The awarding agency may in regulation provide additional prohibitions relative to real, apparent, or potential conflicts of interest.

(4) The School shall review all proposed procurements to avoid purchase of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

(5) To foster greater economy and efficiency, the School will, when reasonably appropriate, enter into State and local intergovernmental agreements for procurement or use of common goods and services.

(6) The School will use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

(7) The School will, when reasonably appropriate, use value engineering clauses in contracts or construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

(8) The School will make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

(9) The School will maintain records sufficient to detail the significant history of a procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

(10) The School will use time and material type contracts only (i) after a determination that no other contract is suitable, and (ii) if the contract includes a ceiling price that the contractor exceeds at its own risk.

(11) The School alone will be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the School of any contractual responsibilities under its contracts. Federal agencies will not substitute their judgment for that of the School unless the matter is primarily a Federal concern, and violations of law will be referred to the local, State, or Federal authority having proper jurisdiction.

(12) The School will have protest procedures to handle and resolve disputes relating to their procurements and shall in all instances disclose information regarding the protest to the awarding agency. A protestor must exhaust all administrative remedies with the School (and the State, if applicable) before pursuing a protest with the Federal agency. Reviews of protests by the Federal agency are limited to (i) violations of Federal law or regulations and the standards of this section (violations of State or local law will be under the jurisdiction of State or local authorities), and (ii) violations of the School’s protest procedures for failure to review a complaint or protest. Protests received by the Federal agency other than those specified above will be referred to the School.

(c) *Competition.*

(1) All procurement transactions will be conducted in a manner providing full and open competition consistent with the standards set forth in this Section 3. Some of the situations considered to be restrictive of competition include but are not limited to:

- (i) Placing unreasonable requirements on firms in order for them to qualify to do business,
- (ii) Requiring unnecessary experience and excessive bonding,
- (iii) Noncompetitive pricing practices between firms or between affiliated companies,
- (iv) Noncompetitive awards to consultants that are on retainer contracts,
- (v) Organizational conflicts of interest,
- (vi) Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance of other relevant requirements of the procurement, and
- (vii) Any arbitrary action in the procurement process.

(2) The School will conduct procurements in a manner that prohibits the use of statutorily or administratively imposed in-State or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts State licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criteria, provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

(3) The School will have written selection procedures for procurement transactions. These procedures will ensure that all solicitations:

- (i) Incorporate a clear and accurate description of the technical requirements for the material product, or service to be procured. Such description shall not, in competitive

procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured, and when necessary, shall set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equal” description may be used as a means to define the performance or other salient requirements of a procurement. The specific features of the named brand which must be met by offerors shall be clearly stated; and

(ii) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(4) The School will ensure that all pre-qualified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the School will not preclude potential bidders from qualifying during the solicitation period.

(d) *Methods of procurement to be followed:*

(1) *Procurement by small purchase procedures.* Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the simplified acquisition threshold fixed at 41 U.S.C. 403(11) (currently set at \$100,000). If small purchase procedures are used, price or rate quotations shall be obtained from an adequate number of qualified sources.

(2) *Procurement by sealed bids (formal advertising).* Bids are publicly solicited and a firm fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in Section 3(d)(2)(i) below apply.

(i) In order for sealed bidding to be feasible, the following conditions should be present:

(A) A complete, adequate, and realistic specification or purchase description is available;

(B) Two or more responsible bidders are willing and able to compete effectively and for the business; and

(C) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally based on price.

(ii) If sealed bids are used, the following requirements apply

(A) The invitation for bids will be publicly advertised and bids shall be solicited from an adequate number of known suppliers, providing them sufficient time prior to the date set for opening the bids;

(B) The invitation for bids, which will include any specifications and pertinent attachments, shall define the items or services in order for the bidder to properly respond;

(C) All bids will be publicly opened at the time and place prescribed in the invitation for bids;

(D) A firm fixed-price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

(E) Any or all bids may be rejected if there is a sound documented reason.

(3) *Procurement by competitive proposals.* The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed-price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

(i) Requests for proposals will be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals shall be honored to the maximum extent practical;

(ii) Proposals will be solicited from an adequate number of qualified sources;

(iii) The School will have a method for conducting technical evaluations of the proposals received and for selecting awardees;

(iv) Awards will be made to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and

(v) The School may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

(4) Procurement by *noncompetitive proposals* is procurement through solicitation of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate.

(i) Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids or competitive proposals and one of the following circumstances applies:

(A) The item is available only from a single source;

(B) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;

(C) The awarding agency authorizes noncompetitive proposals; or

(D) After solicitation of a number of sources, competition is determined inadequate.

(ii) Cost analysis, i.e., verifying the proposed cost data, the projections of the data, and the evaluation of the specific elements of costs and profits, is required.

(iii) The School may be required to submit the proposed procurement to the awarding agency for preaward review in accordance with Section (g) below.

(e) *Contracting with small and minority firms, women's business enterprise and labor surplus area firms.*

(1) The School will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.

(2) Affirmative steps shall include:

(i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;

(iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;

(v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and

(vi) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in Section 3(e)(2) (i) through (v) above.

(f) *Contract cost and price.*

(1) The School must perform a cost or price analysis in connection with every procurement action including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the School must make independent estimates before receiving bids or proposals. A cost analysis must be performed when the offeror is required to submit the elements of his estimated cost, e.g., under professional, consulting, and architectural engineering services contracts. A cost analysis will be necessary when adequate price competition is lacking, and for sole source procurements, including contract modifications or change orders, unless price reasonableness can be established on the basis of a catalog or market price of a commercial product sold in substantial quantities to the general public or based on prices set by law or regulation. A price analysis will be used in all other instances to determine the reasonableness of the proposed contract price.

(2) The School will negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

(3) Costs or prices based on estimated costs for contracts under the Grant will be allowable only to the extent that costs incurred or cost estimates included in negotiated prices are consistent with Federal cost principles (see 34 CFR § 80.22 attached). The School may reference its own cost principles that comply with the applicable Federal cost principles.

(4) The "cost plus a percentage of cost" and "percentage of construction" cost methods of contracting shall not be used.

(g) *Awarding agency review.*

(1) The School must make available, upon request of the awarding agency, technical specifications on proposed procurements where the awarding agency believes such review is needed to ensure that the item and/or service specified is the one being proposed for purchase. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the School desires to have the review accomplished after a solicitation has been developed, the awarding agency may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

(2) The School must, on request, make available for awarding agency pre-award review procurement documents, such as requests for proposals or invitations for bids, independent cost estimates, etc. when:



(i) The School’s procurement procedures or operation fails to comply with the procurement standards in this Section 3; or

(ii) The procurement is expected to exceed the simplified acquisition threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation; or

(iii) The procurement, which is expected to exceed the simplified acquisition threshold, specifies a “brand name” product; or

(iv) The proposed award is more than the simplified acquisition threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or

(v) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the simplified acquisition threshold.

(3) The School will be exempt from the pre-award review in Section 3(g)(2) if the awarding agency determines that its procurement systems comply with the standards of this section.

(i) The School may request that its procurement system be reviewed by the awarding agency to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews shall occur where there is a continuous high-dollar funding, and third-party contracts are awarded on a regular basis.

(ii) The School may self-certify its procurement system. Such self-certification shall not limit the awarding agency’s right to survey the system. Under a self-certification procedure, awarding agencies may wish to rely on written assurances from the School that it is complying with these standards. The School will cite specific procedures, regulations, standards, etc., as being in compliance with these requirements and have its system available for review.

(h) *Bonding requirements.* For construction or facility improvement contracts or subcontracts exceeding the simplified acquisition threshold (i.e., \$100,000), the awarding agency may accept the bonding policy and requirements of the School provided the awarding agency has made a determination that the awarding agency’s interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:

(1) *A bid guarantees from each bidder equivalent to five percent of the bid price.* The “bid guarantee” shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.

(2) *A performance bond on the part of the contractor for 100 percent of the contract price.* A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor’s obligations under such contract

(3) *A payment bond on the part of the contractor for 100 percent of the contract price.* A “payment bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

(i) *Contract provisions.* The School’s contracts must contain provisions in this Section 3(i). Federal agencies are permitted to require changes, remedies, changed conditions, access and records retention, suspension of work, and other clauses approved by the Office of Federal Procurement Policy.

(1) Administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate. (Contracts more than the simplified acquisition threshold, i.e., in excess of \$100,000).

(2) Termination for cause and for convenience by the School, including the manner by which it will be effected and the basis for settlement. (All contracts in excess of \$10,000).

(3) Compliance with Executive Order 11246 of September 24, 1965, entitled “Equal Employment Opportunity,” as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60). (All construction contracts awarded in excess of \$10,000 by the School and its contractors).

(4) Compliance with the Copeland “Anti-Kickback” Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR part 3). (All contracts and subgrants for construction or repair).

(5) Compliance with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts in excess of \$2000 awarded by the School when required by Federal grant program legislation).

(6) Compliance with sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts awarded by the School in excess of \$2000, and in excess of \$2500 for other contracts which involve the employment of mechanics or laborers).

(7) Notice of awarding agency requirements and regulations pertaining to reporting.

(8) Notice of awarding agency requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract.

(9) Awarding agency requirements and regulations pertaining to copyrights and rights in data.

(10) Access by the Department, the School, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any

books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.

(11) Retention of all required records for three years after the School make final payments and all other pending matters are closed.

(12) Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368). Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of \$100,000).

(13) Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

(j) *Contracting with faith-based organizations.*

(1) (i) A faith-based organization is eligible to contract with the School on the same basis as any other private organization, with respect to contracts for which such other organizations are eligible.

(ii) In the selection of goods and services providers the School shall not discriminate for or against a private organization on the basis of the organization's religious character or affiliation.

(2) The provisions of 34 CFR §§ 75.532 and 76.532 (attached) applicable to the School apply to a faith-based organization that contracts with the School, unless the faith-based organization is selected as a result of the genuine and independent private choices of individual beneficiaries of the program and provided the organization otherwise satisfies the requirements of the program.

(3) A private organization that engages in inherently religious activities, such as religious worship, instruction, or proselytization, must offer those services separately in the time or location from any programs or services supported by a contract with the School and participation in any such inherently religious activities by beneficiaries of the programs supported by the contract must be voluntary, unless the organization is selected as a result of the genuine and independent private choices of individual beneficiaries of the program and provided the organization otherwise satisfies the requirements of the program.

(4) (i) A faith-based organization that contracts with the School may retain its independence, autonomy, right of expression, religious character, and authority over its governance.

(ii) A faith-based organization may, among other things:

(A) Retain religious terms in its name

(B) Continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs;

(C) Use its facilities to provide services without removing or altering religious art, icons, scriptures, or other symbols from these facilities;

(D) Select its board members and otherwise govern itself on a religious basis; and

(E) Include religious references in its mission statement and other chartering or governing documents.

(5) A private organization that contracts with the School shall not discriminate against a beneficiary or prospective beneficiary in the provision of program services on the basis of religion or religious belief.

(6) A religious organization's exemption from the Federal prohibition on employment discrimination on the basis of religion, in section 702(a) of the Civil Rights Act of 1964, 42 U.S.C. 2000e-1, is not forfeited when the organization contracts with the School.

# PUBLIC COMMENT

Date of Approval:

## Purpose

The Board welcomes public comment at its meetings and is committed to providing meaningful opportunities for members of the public to participate. Given the nature of the School being virtual, the purpose of this policy is to take into account the special logistics of the Board meetings and address telephone access.

## Policy

The Board encourages members of the public to offer comments and express opinions on both specific actions to be taken by the Board, as well as any other issue directly related to the operation of the School. In accordance with this policy, any individual may address the Board on agenda or non-agenda items during the public comment period as long as they meet any legal provisions governing participation at public meetings. Individuals may present either in-person or by telephone.

## Procedure

Individuals are strongly encouraged to discuss their comments and concerns with appropriate school staff members, administrators, and/or Board members before directing such comments to the entire Board during a meeting.

Each Board meeting agenda shall have a time designated for “public comment.”

## In-person participants

To be recognized by the Chair, an individual must provide their name and a short description of the agenda item they wish to comment on to the Chair, along with any materials they want to have distributed to Board members, before the scheduled start of the meeting. The Chair will then announce the individual’s name at the appropriate time during the meeting. Each individual will be granted up to three (3) minutes to make his or her presentation. If requested, the Chair may grant additional time to individuals, circumstances permitting. After completion of any such presentation, the Chair shall ask whether there is any further public comment on the item at which time any member of the public present may come forward and make his or her presentation (which may be limited to three (3) minutes at the Chair’s discretion).

Individuals desiring to make a formal presentation to the Board on an item not on the agenda but desiring it be placed on the agenda must provide notice and written submissions detailing the subject of the presentation to the School Principal at least fourteen (14) days prior to the meeting. Any such presentations shall not exceed fifteen (15) minutes in duration, unless otherwise permitted by the Chair. In addition, an individual may raise the issue during public comment and

request that it be placed on a future agenda. No action can be taken by the Board until such item has been included on an agenda in accordance with the Open Meeting Laws.

### **Teleconference participants**

Individuals who wish to address the Board telephonically should contact the School Principal by phone or by email at least twenty four (24) hours before the scheduled start of the Board meeting. The individual shall provide his/her name, a phone number where he/she may be reached during the meeting, and a short description of the topic he/she wishes to address. If the individual wants to provide any written materials to the Board, these should be emailed to the School Principal at least twenty four (24) hours before the scheduled start of the meeting. The School Principal will list these requests in the order in which they are received and provide them, along with copies of any materials submitted to the Board's Chair before the start of the meeting. Individuals who wish to participate will be called at the number they provided in the order in which they contacted the school, and will be granted up to three (3) minutes to make the presentation. If requested, the Chairperson may grant additional time to individuals, circumstances permitting. After completion of such presentations, the Chair shall ask whether there is any further public comment on the item at which time any member of the public present (telephonically or otherwise) may make his or her presentation (which may be limited to three minutes at the Chair's discretion).

Telephonic participants should be aware that there is no established time when they may be contacted to speak except that they will be called after the scheduled start of the meeting and before the Board considers the items the participant wishes to address. The total time for any individual to present, either in person or via telephone, shall not exceed three (3) minutes (depending upon the number of speakers), unless the Board grants additional time. Individuals who are attending the meeting in person may be given the first preference in speaking and for the duration requested.

In addition to the above, any Board member may ask a member of the public present to answer brief questions or make comments on an agenda item under discussion in order to gather information before deliberating on a decision.

Members of the public who require special accommodations to be able to attend the Board meeting should contact the School Principal or the specific contact person designated on the agenda for that meeting, at least twenty four (24) hours prior to the meeting to make appropriate arrangements for attending the meeting.

### **Related Documents**

None

# RECORD RETENTION

Date of Approval:

## Purpose

The orderly acquisition, storage, and retention of school records are essential for the overall efficient and effective operation of the school. The Board adopts this policy to ensure that the School's records and documents are appropriately retained and only destroyed in accordance with appropriate legal retention periods.

## Policy

School documents and records will be maintained and destroyed in accordance with a document retention schedule. The School's Records Custodian will ensure that the policy is followed and retention schedules are adhered to at the School. The Board shall maintain and destroy records according to the same policy as the School.

## Procedure

All original documents in possession of the Board are the property of the School and are not to be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law, or under the rules adopted by the Board.

Outgoing Board members must deliver any records in their possession to their successors and may not remove, transfer, or destroy any records to which they had access.

A retention schedule will be created to safeguard the various categories of School documents, which include but are not limited to, Board minutes and packages, personnel files, audit reports, student records, attendance records, and financial records. These will be added to this policy as they are developed. The Records Custodian shall maintain a copy of the School's record retention schedule and develop procedures to implement and monitor the policy. The Records Custodian will ensure that the School follows the policy and adheres to the retention schedules.

Additionally, the Records Custodian shall complete a records disposal form that provides notice as to when records are to be disposed of according to the pre-approved record retention schedule ("Certificate of Records Disposal Form").

A copy of each completed Certificate of Records Disposal Form shall be retained by the Records Custodian.

## Related Documents

Records Retention Schedule – Financial Records  
Certificate of Records Disposal Form

## DOCUMENT RETENTION – FINANCIAL RECORDS

FINANCIAL DOCUMENTS	MINIMUM RETENTION REQUIREMENT
<b>Accounts Payable Ledgers and Schedules</b>	7 years
<b>Audit Reports</b>	Permanently
<b>Bank Reconciliations and Statements</b>	7 years and/or until all federal and state audit requirements have been met.
<b>Checks</b> (for important payments and purchases)	7 years or after item purchased is no longer owned.
<b>Correspondence</b> – customers/vendors	Depends on issue in correspondence and whether there is a contract; if potential litigation - until threat of litigation has passed; if contract claim is possible, 4 years or until potential claim or legal statute of limitations has dissipated.
<b>Depreciation Schedules</b>	While active + 3 years
<b>Expenses and Purchases</b> – Documentation can include: cash register tapes, account statements, canceled checks, invoices, credit card sales slips. Separate deductible expenses in the event organization pays unrelated business income tax.	7 years
<b>Gross Receipts</b> -amounts received from all sources. Documents that support gross receipts include: cash register tapes, bank deposit slips, receipt books, invoices, credit card charge slips, and Form 1099-MISC	7 years
<b>Year-end financial statements</b>	If Audit Report is generated by organization- 7 years; if no audit is conducted and year-end financial report is used in place of audit – permanently.





# SOCIAL MEDIA POLICY

Date of Approval:

## Purpose

The Board believes in utilizing online social media sites to foster collaboration and share information about the School, but recognizes the importance of the responsible use of such sites. The purpose of this policy is to provide standards for both professional and personal use of online social media such as blogs, wikis, social networks (Facebook, MySpace, Twitter), virtual worlds, user-generated audio and video (YouTube), or other social media that could impact the School (collectively referred to as “Social Media”).

## Policy

The Board encourages the use of Social Media sites by its members to engage in, learn from, and contribute to the worldwide online dialogue about education. Any such use of Social Media must be responsible, and in accordance with the following procedures.

## Procedure

### General Guidelines

- Individuals should write about what they know. Any statements should be accurate and factual. It is good to be exciting and creative when talking about the School and its program offering, but not to exaggerate or guess. Refer questions to an expert at the School.
- Individuals should always present themselves in a manner consistent with how they want the School to be viewed. Posts are published to the world, and can be seen by colleagues, the School’s students and their parents. Social Media sites tend to blur the lines between personal and professional lives, and public and private information. Communications should be framed accordingly.
- Individuals should restrict access to postings by using privacy settings as appropriate. Because boundaries can be blurred, professional contacts may have access to personal information that is posted if proper filters are not in place.
- Individuals should present the School and its vendors well. Online postings create perceptions about the School, its vendors and its affiliated schools. Any content associated with the School and its vendors should be consistent with the School and vendors’ values and standards of conduct.
- Individuals should be respectful of others. Debate is healthy; disparaging others (including competitors) is not. Outside parties CAN pursue legal action based on content in Social Media.

- Mistakes should be corrected and proper disclosure made of any modifications to postings.
- Individuals should identify themselves by disclosing their role and status. Individuals should clearly state they are speaking for themselves and not on behalf of the School or any of its vendors. Only individuals that have been officially designated by the School or its vendors have the authority to speak on behalf of the School or its vendors.
- Some individuals may have obligations under state law to report child abuse and neglect. Individuals should understand and be aware of any such obligations as they relate to activities related to Social Media.

### **Prohibited Activities**

- The School and its vendors' proprietary and confidential information must be protected and cannot be disclosed. School and vendor financial information, trade secrets, customer information and confidential and personally identifiable information about students shall not be posted.
- Individuals may not violate laws governing copyright and fair use of copyrighted material owned by the School, its vendors or others.
- Official School business should not be conducted on a Social Media site. Board communications should be conducted in accordance with the Open Meeting Laws and Board's policies and practices.
- Individuals should maintain a supervisory, professional, and respectful relationship with all members of the School community.
- Information about students must not be published online. Board members may be privy to student records however need to comply with the Family Rights and Education Privacy Act (FERPA) and cannot disclose such information online.
- Personally identifiable information about colleagues, including photos, must not be posted without their consent.

### **Related Documents**

Confidentiality Policy

## **Familial Relationships between Employees and Members of the Governing Board or Head Administrator**

Advance Cyber Charter School will not employ any person who is a family member of a governing board member or of the head administrator. A family member includes a spouse, father, father-in-law, mother, mother-in-law, son, son-in-law, daughter, daughter-in-law, brother, brother-in-law, sister or sister-in-law.

**Letter of Intent to Lease – Governor’s Plaza North, 2101 North Front Street, Harrisburg, PA**

**TENANT:** Advance Cyber Charter School

**PREMISES:** The suite shall consist of approximately ± <6,000> Rentable Square Feet.

**LEASE TERM:** Five (5) year Initial Lease Term

**LEASE COMMENCEMENT DATE:** August 1, 2016.

**RENTAL RATE:** \$18.00 per square foot Full Service (includes utilities, janitorial and operating expenses)

**TENANT IMPROVEMENT ALLOWANCE:** Landlord shall provide a turn-key build-out based upon a to be determined floor plan and scope of work

**TENANT RENEWAL RIGHTS:** Two (2) consecutive three (3) year renewal options at 95% of the then current Fair Market Terms.

**ASSIGNMENT & SUBLETTING:** Tenant shall have the right to sublease and assign all or any portion of its space, subject to Landlord’s consent, which consent shall not be unreasonably withheld or delayed. There will be no sharing with the Landlord any profits gained from the sublease or assignment of this lease.

**RIGHT OF FIRST REFUSAL** Tenant shall have the Right of First Refusal on all contiguous space that becomes available in the Building (including on floors below or above the Premises). Landlord shall notify Tenant of space availability and the terms related thereto, Tenant shall have ten (10) business days to respond, and Tenant shall have thirty (30) days to lease the space. Notwithstanding the foregoing, Landlord shall lease Tenant the space at Fair Market Rent including a tenant improvement allowance. The term of any contiguous space shall be co-terminus with the Lease Term. Tenant requests that Landlord provide Tenant with a list of any pre-existing rights of other tenants with respect to such contiguous space.

**TERMINATION RIGHT:** Tenant shall have an ongoing right to terminate this Lease if and only if, absent a default by Landlord, if the School District (and all other applicable governmental bodies having jurisdiction over Tenant or the School) in the State of PA, including their respective assigns or successors, the authorizer of the Tenant’s (including its successors and assigns) or School’s right to operate a school (collectively, the “Authorizer”), suspends, revokes, limits, conditions, fails to renew, or takes any other action so that Tenant’s (including its successors and assigns) or Schools’ right to operate a school is suspended, revoked, non-renewed, substantially limited or conditioned as to make Tenant’s or School’s business unviable, voided or terminated. Tenant may invoke the right to an early termination of the Lease upon 180 days’ written notice to Landlord and shall pay to Landlord a termination fee equal to the then unamortized amount of the any initial Tenant Improvements and real estate commissions (amortized over a 60 month period at the rate of 8%

per annum) pursuant to an amortization schedule which will be attached as an exhibit to the Lease.

**SIGNAGE:**

Tenant shall be provided identity signage at Landlord's cost (consistent with building standard signage) which shall include appropriate signage on entrance doors to all space under lease by Tenant. In addition, Tenant shall have the right, pending appropriate county approvals, to install signage on the exterior surface of the building (including any available pylon signage) in a mutually agreeable location by Tenant and Landlord.

Describe any other existing tenant approval rights with respect to signage.

**PARKING:**

Free parking is available at a first come first serve basis

**MUTUAL INDEMNITY;  
PROPERTY DAMAGE  
WAIVER:**

Tenant requires that any indemnification under the Lease be mutual and reciprocal. Landlord and Tenant shall not be required to indemnify each other for the other party's negligence or willful misconduct. Tenant requires that the Lease include a mutual, unconditional waiver of subrogation with respect to property damage.

**SECURITY DEPOSIT:**

One month of rent shall be required for a security deposit.

**HOLDING OVER:**

Landlord to allow Tenant to hold over (at the end of the lease term or renewal) on a month-to-month basis at no greater than one hundred and twenty-five percent (125%) of Tenant's base rent.

**RELOCATION:**

Landlord shall not have the right to relocate Tenant during the term of the lease or any renewal options.

This Letter of Intent is intended solely as a preliminary expression of general intentions to lease. The parties intend that neither shall have any contractual obligations to the other with respect to the matters referred herein unless and until a definitive agreement has been fully executed and delivered by the parties.

Landlord:

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