

# CHARTER SUCCESS PARTNERS

## Service Agreement

This Service Agreement (hereinafter "Agreement") is entered into by and between Charter Success Partners, LLC based in Durham, North Carolina (hereinafter "Charter Success Partners") and The Exploris School (hereinafter "Client"), a  
NC Charter School  
located in Wake County, NC.

### I. SERVICES, FEES AND TERM OF AGREEMENT

A. Services Rendered. Charter Success Partners agrees to provide the services listed on the accepted proposal for services identified as Exhibit A to Client during the Term of this Agreement.

B. Fees. For the services selected in Exhibit A; identified as  
Financial Services, Foundation Accounting Services Client agrees to  
pay Charter Success Partners \$ 33,900 **annually**;  
in accordance with the payment schedule set forth in Section III during the Term of this Agreement.

C. Term. Subject to the Termination provision in Sections IX, this Agreement and the terms and conditions stated herein shall be on a(n) annual term, beginning on  
07/01/2018 and ending on 06/30/2020. Sixty days (60) prior to the end of this Term, the Client shall notify Charter Success Partners in writing if it intends to end this Agreement, otherwise it will automatically renew for the same term defined in this section, for the services listed on Exhibit A. In the event of an automatic renewal the beginning and ending month and day will remain the same, and the beginning and ending year will be revised according to the term defined in this section.

### II. RELATIONSHIP OF PARTIES

A. Charter Success Partners is performing the services as an independent contractor and not the agent or employee of Client. In all matters relating to this agreement each party hereto shall be solely responsible for the acts of its employees and agents, and employees or agents of one party shall not be considered employees or agents of the other party. Except as otherwise expressed provided in this Agreement, no party shall have any right, power, or authority to create any obligation, express or implied, on behalf of any other party. Nothing in this Agreement is intended to create or constitute a joint venture, partnership, agency, trust, or other association of any kind between the parties or persons referred to herein.

### III. PAYMENT FOR SERVICES

A. Payment. Client will pay Charter Success Partners twelve equal installments of the annual contract price. For services rendered during a term less than twelve months, the fee each month will be one twelfth of the total annual fee for services. Payments will be due by the 15th day of the month of service

(the "Due Date"). The first payment due under this Agreement will be on 07/15/2018. In the event that payment is not received within 30 days of the Due Date, Charter Success Partners will temporarily suspend service until payment is received. Furthermore, Client agrees that payment must be made within 30 days of the Due Date in order to preserve the terms of this Agreement for Services.

#### **IV. DATA, RECORDS AND INFORMATION EXCHANGE**

- A. Ownership. All data and records Charter Success Partners maintains for Client will remain the property of Client. Charter Success Partners shall provide Client with all such data and records within three days of a written request from Client.
- B. Records. Charter Success Partners shall keep or cause to be kept accurate and complete records including an adequate filing system. Work and records shall comply with all government record keeping and recording requirements as well as confidentiality and privacy requirements under state or federal law or regulation or Client policies.
- C. Exchange of Information. Client agrees to provide Charter Success Partners with accurate information according to Charter Success Partners' monthly information submission schedule. Client agrees to provide Charter Success Partners with accurate information in response to any request for information by Charter Success Partners within the earlier of either five working days or by the deadline provided by Charter Success Partners, if a deadline is stated.
- D. Cooperation. Charter Success Partners agrees to cooperate and provide information and data to Client's outside auditors or governmental agencies as requested and in a timely manner.
- E. Return of Information. At any time during the term of this Agreement at the Client's request or upon the termination or expiration of this Agreement for any reason, Charter Success Partners shall, and shall instruct all its employees, agents, and authorize persons to, promptly return to the Client all copies, whether in written, electronic or other form or media, of The Information (as defined in Section VI) in its possession or the possession of such individuals, or securely dispose of all such copies, and certify in writing to the Client that The Information has been returned to Client or disposed of securely. Charter Success Partners shall comply with all directions provided by Client with respect to the return or disposal of The Information. In addition, within 20 business days of the termination date of this Agreement for any reason, Charter Success Partners will provide to Client:
1. All data and information owned by Client;
  2. Copies of all paper-file contents upon request;
  3. Client's computerized financial and student information data; and
  4. All other data, information, documents, materials in any form that we provide by, owned by or created for Client except those documents which are proprietary to Charter Success Partners.

#### **V. CONFIDENTIALITY**

A. Confidentiality of Student Information. Charter Success Partners agrees to comply with all state and federal laws and regulations pertaining to the confidentiality of student information and records, including but not limited to FERPA, and shall comply with all Client policies and procedures related to student privacy and confidentiality. Charter Success Partners shall be obligated to keep any and all Client, student, and family data/records/information confidential to the extent required by law or Client policy and procedure even after termination of this Agreement.

B. Additional Confidential Information. Charter Success Partners agrees to comply with all state and federal laws and regulations pertaining to the confidentiality of personnel records, confidential or proprietary information and records, and any sensitive or non-public information, and shall comply with all Client policies and procedures related to such records. Charter Success Partners shall be obligated to keep any and all Client, personnel data/records/information and sensitive or non-public information, confidential to the extent required by law or Client policy and procedure even after termination of this Agreement.

## **VI. SECURITY**

A. Charter Success Partners acknowledges that it will have access to student, family, employee and other non-public, confidential or proprietary information (“The Information”). Charter Success Partners agrees to the following:

1. Charter Success Partners will keep and maintain all of The Information in strict confidence; using such degree of care as is appropriate to avoid unauthorized access, use or disclosure.
2. Charter Success Partners will use and disclose such solely and exclusively for the purposes for which The Information, or access to it, is provided pursuant to the terms and conditions of this Agreement, and not use, sell, rent, transfer, distribute, or otherwise disclose or make available The Information for Charter Success Partners’ own purposes or for the benefit of anyone other than Client, in each case, without Client’s prior written consent.
3. Charter Success Partners shall not, disclose, directly or indirectly, The Information to any person other than its authorized employees/authorized persons, including any subcontractors, agents, or auditors (an “Unauthorized Third Party”), without express written consent from Client unless and to the extent required by government authorities or as otherwise, to the extent expressly required, by applicable law.
4. Charter Success Partners represents and warrants that its collection, access, use, storage, disposal and disclosure of The Information does and will comply with all applicable federal and state privacy and data protection laws, as well as all other applicable laws, regulations and directives.
5. Charter Success Partners shall at all times cause its employees to abide strictly by Charter Success Partners’ obligations under this Agreement.

## **VII. INSURANCE.**

- A. General Insurance. Charter Success Partners shall obtain and maintain general and professional liability insurance, including malpractice insurance, in the amount of not less than \$1,000,000 for each occurrence.
- B. Cyber Insurance. Charter Success Partners shall obtain and maintain a cyber insurance policy in the amount of not less than \$250,000 for each occurrence.
- C. Notifications. Charter Success Partners shall notify Client within ten (10) days of any termination, non-renewal or modification of insurance required under this Agreement.

## **VIII. LICENSING AND CPA REQUIREMENTS**

- A. Licensing. Charter Success Partners represents and warrants that it, its employees and any contractors, shall be in good standing with all appropriate licensing bodies of the State of North Carolina.
- B. CPA Review Required. Charter Success Partners shall ensure that a Certified Public Accountant licensed in North Carolina review Annual preparation of the Financial Statements and Related Note Disclosures, except the 990 as it is completed by the audit firm.

## **IX. TERMINATION OF AGREEMENT**

A. Termination for Breach by Either Party. Subject to Section IX.B. if either party breaches any provision of this Agreement and if such breach is not cured within thirty (30) days after receiving written notice from the other party specifying such breach in reasonable detail, the non-breaching party shall have the right to terminate this Agreement by giving written notice thereof to the party in breach, which termination shall go into effect immediately on receipt.

### **B. Client Termination**

1. Immediate Termination for Breach. Client may terminate this Agreement immediately in the event Charter Success Partners breaches Sections V, VI or VII of this Agreement.
2. Termination When No Breach. Client may terminate this Agreement at any time when there is no breach; however, Client agrees to pay an early termination fee equal to the remainder of fees due through the end of the Agreement. Payment of the early termination fee shall become due within 60 days' notice to Charter Success Partners of Client's intent to terminate.
3. Termination at End of Term. Client agrees to provide 60 days written notice to Charter Success Partners of its intent to end this Agreement prior to the original expiration date set forth in Paragraph IC.

C. Charter Success Partners Termination. Charter Success Partners may terminate this Agreement by providing 60 days written notice delivered to Client.

## **X, OTHER PROVISIONS**

- A. Entire Agreement. This Agreement, including Exhibit A, constitutes and expresses the entire agreement and understanding between the parties concerning the subject matter of this Agreement and supersedes all prior and contemporaneous discussions, promises, representations, agreements and understandings relative to the subject matter of this Agreement.
- B. Modification of Agreement/Amendments. This Agreement may only be modified or amended if approved by the Board of Directors through a vote pursuant to its bylaws and shall be codified in writing signed on behalf of each party to this Agreement.
- C. Governing Law. This Agreement shall be construed under the laws of North Carolina without regard to its conflict of laws.
- D. Assignment. Charter Success Partners shall not assign, subcontract, or otherwise transfer any interest in this Agreement without the prior written approval of the School.
- E. Notices. Any notices required or permitted under this Agreement shall be sufficiently given if sent through a mail service (i.e. postal service, UPS, FedEx) with proof of delivery and sent to the addresses set forth at the beginning of this Agreement.
- F. Savings Clause. In the event that any court or administrative agency with legal jurisdiction declares any clause or portion of this Agreement null and void, all other clauses of this Agreement shall remain in full force and effect.
- G. State Indebtedness Clause. No indebtedness of any kind incurred or created by a charter school shall constitute an indebtedness of the State of North Carolina and/or its political subdivisions, and no indebtedness of a charter school shall involve or be secured by the faith, credit, or taxing power of the State of North Carolina and/or its political subdivisions as required by North Carolina General Statutes Section 115C-238.29H(al). Both Charter Success Partners and Client agree to indemnify and hold harmless the State of North Carolina for any indebtedness related to this Service Agreement.
- H. Compliance with Laws. Each party shall comply in all respects with all applicable legal requirements governing the duties, obligations, and business practices of that party and shall obtain any permits or licenses necessary for its operations. Neither party shall take any action in violation of any applicable legal requirement that could result in liability being imposed on the other party.

I. Cumulative Rights. Any specific right or remedy provided in this Agreement will not be exclusive but will be cumulative of all other rights and remedies

J. Force Majeure. Neither party shall be held responsible for any delay or failure in performance of any part of this agreement to the extent such delay or failure is caused by fire, flood, explosion, war, embargo, government requirement, civil or military authority, act of God, or other similar causes beyond its control and without the fault or negligence of the delayed or non-performing party. The affected party will notify the other party in writing within ten (10) days after the beginning of any such cause that would affect its performance. Notwithstanding, if a party's performance is delayed for a period exceeding thirty (30) days from the date the other party receives notice under this paragraph, the non-affected party will have the right, without any liability to the other party, to terminate this Agreement.

K. Waiver of Liability. To the extent permitted by law, Charter Success Partners releases from liability and holds harmless the School or any of its agents with respect to any harm, damage, or other injury arising from any conduct, activity, or other act or omission not within the Client's or its agents' control.

L. Waiver. No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision nor shall such waiver constitute a continuing waiver unless otherwise expressly stated so in writing.

M. Delegation of Authority. Nothing in this Agreement shall be construed as delegating to Charter Success Partners powers or authority of the Board, which are not subject to delegation by the Board under North Carolina law.

**IN WITNESS WHEREOF**, Charter Success Partners and the Client have executed this Agreement on the day and year first written above.

The Exploris School

Printed Name of Authorized Agent for Ellie Schollmeyer

*Ellie Schollmeyer*

**Signature of Authorized Agent**

*E.S.*

**EXHIBIT A RECEIVED & ACCEPTED:** \_\_\_\_\_ initialed by authorized agent

**Date:** 07/01/2018  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Cory Draughon, CEO, Charter Success Partners

A handwritten signature in black ink, appearing to be 'Cory Draughon', written over a horizontal line.

**Signature - Charter Success Partners**

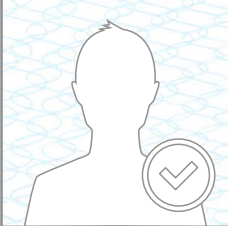


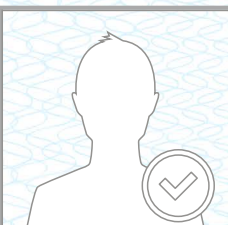


**Date:** 07/01/2018  
\_\_\_\_\_



# Signature Certificate

Document Ref.: AHLRY-WEHS5-TGWUY-EA99V

Document signed by:

	<b>Cory Draughon</b> Verified E-mail: cory@chartersuccesspartners.com  IP: 174.194.32.165      Date: 05 Sep 2019 15:24:08 UTC	 
	<b>Ellie Schollmeyer</b> Verified E-mail: ellie@exploris.org  IP: 24.163.104.191      Date: 08 Sep 2019 12:07:06 UTC	 

Document completed by all parties on:

08 Sep 2019 12:07:06 UTC

Page 1 of 1



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