
CHARTER SCHOOL CONTRACT

Between

IMAGINE PINELLAS COUNTY – LLC

and

THE SCHOOL BOARD OF PINELLAS COUNTY, FLORIDA

for

Imagine Middle School at St. Petersburg

March 24, 2009

CHARTER SCHOOL CONTRACT

IMAGINE PINELLAS COUNTY – LLC

ARTICLE 1.0: GENERAL PROVISIONS

1.1	Recitals.....	5
1.2	Application.....	5
1.3	Effective Date and Renewals.....	5
1.4	Modifications.....	6
1.5	Non-Renewal.....	6
1.6	Procedures for Non-Renewal or Termination.....	6
1.7	Statutory Requirements.....	7
1.8	Dispute Resolution.....	8
1.9	Default.....	8

ARTICLE 2.0: STUDENTS

2.1	Community.....	9
2.2	Racial/Ethnic Balance.....	9
2.3	Non—Discrimination.....	9
2.4	Non-Sectarian.....	9
2.5	Students with Disabilities.....	9
2.6	Enrollment Process.....	10
2.7	Enrollment – Health, Safety & Welfare.....	11
2.8	Discipline.....	11
2.9	Number of Students and Grades Served.....	11
2.10	Records.....	11
2.11	Default.....	11

ARTICLE 3.0: ACADEMIC ACCOUNTABILITY

3.1	Educational Programs Goals.....	11
3.2	Outcome Measurement.....	12
3.3	Student Assessment.....	12
3.4	Records and Grading Procedures.....	12
3.5	Progress Monitoring.....	13
3.6	Default.....	14

ARTICLE 4.0: FINANCIAL ACCOUNTABILITY

4.1	Revenue.....	14
4.2	Cost Accounting.....	15
4.3	Categorical Funding.....	15
4.4	Funding, Calculation Revision.....	15
4.5	Federal Funding.....	15
4.6	Funding Adjustment for Noncompliance.....	15

4.7	Annual Audit.....	16
4.8	Fiscal Monitoring.....	16
4.9	Title I Compliance.....	17
4.10	Reversion Upon Termination.....	18
4.11	Fiscal Year.....	18
4.12	Default.....	18

ARTICLE 5.0: ADMINISTRATIVE MANAGEMENT

5.1	Proof of Start-Up Funding.....	18
5.2	Tuition or Fees.....	18
5.3	Reporting of Students.....	18
5.4	School Food Service.....	19
5.5	Facilities Lease or Ownership.....	20
5.6	Human Resources.....	20
5.7	Transportation.....	21
5.8	Additional Sponsor Services.....	22
5.9	Default.....	22

ARTICLE 6.0: INDEMNIFICATION AND INSURANCE

6.1	Indemnification of Sponsor.....	22
6.2	Limitation of Liability.....	23
6.3	Sovereign Immunity.....	23
6.4	Notice of Claims.....	23
6.5	Evidence of Insurance.....	24
6.6	Acceptable Insurers.....	24
6.7	Commercial General Liability Insurance.....	24
6.8	Automobile Liability Insurance.....	25
6.9	Workers Compensation/Employer's Liability.....	26
6.10	School Leader's Errors and Omission Insurance.....	26
6.11	Property Insurance.....	27
6.12	Applicable to all Coverages.....	27
6.13	Default.....	28

ARTICLE 7.0: GOVERNANCE STRUCTURE

7.1	Not-for-Profit Corporation.....	28
7.2	Governing Body.....	28
7.3	Selection of Directors and Officers.....	28
7.4	Duties of Directors.....	28
7.5	Public Meetings/Minutes.....	28
7.6	Conflict of Interest.....	28
7.7	Contracted Management Services.....	29
7.8	School Administrator/Principal.....	29
7.9	Default.....	30

ARTICLE 8.0: MISCELLANEOUS

8.1	Titles.....	30
8.2	Interference with Performance.....	30
8.3	Entire Agreement.....	30
8.4	Assignment.....	30
8.5	Waiver.....	30
8.6	Warranties.....	30
8.7	Partial Invalidity.....	31
8.8	Third-Party Beneficiary.....	31
8.9	Applicable Law and Venue.....	31
8.10	Notice.....	31
8.11	Legal Representation.....	31
8.12	Law, Rule or Regulation as Amended.....	31
8.13	Counterparts.....	31
8.14	Authorization.....	31
8.15	Other.....	31
8.16	Default.....	32

APPENDIX

I Charter School Application (August 1, 2008)

CHARTER SCHOOL CONTRACT

THIS CHARTER SCHOOL CONTRACT (the "Charter") entered into this 24th day of March, 2009, by and between THE SCHOOL BOARD OF PINELLAS COUNTY, FLORIDA, a body corporate operating and existing under the laws of the State of Florida (hereinafter referred to as the "Sponsor"), and IMAGINE – PINELLAS COUNTY, LLC, a Florida limited liability company doing business as IMAGINE MIDDLE SCHOOL AT ST. PETERSBURG (hereinafter referred to as the "School").

WHEREAS, the Sponsor has the authority pursuant to s. 1002.33, Florida Statutes, to grant to a non-profit organization a charter to operate a charter school with the school district; and

WHEREAS, the School is a not-for-profit organization and desires to operate a charter school within the Sponsor's school district for the purposes set forth in the School's charter school application of August 1, 2008, approved by the Sponsor on September 23, 2008, a copy of which is incorporated herein by reference as Appendix I; and

WHEREAS, the School is approved by the Sponsor to provide educational services in accordance with the terms of a charter school contract; and

WHEREAS, the parties intend that this Charter serve as the agreement for the operation of the School.

NOW, THEREFORE, in consideration of the mutual covenants and terms herein set forth, the parties agree as follows:

ARTICLE 1.0 GENERAL PROVISIONS

- 1.1 **Recitals:** The foregoing recitals are true and correct and are incorporated herein by reference.
- 1.2 **Application:** The School's approved application to operate charter is appended hereto as Appendix I and incorporated herein by reference. If any provision of this Charter is inconsistent with Appendix I, the provision of this Charter shall prevail.
- 1.3 **Effective Date and Renewals:** The effective date of this Charter and renewals shall be as set forth below.
 - 1.3.1 **Effective Date/Term:** This Charter shall become effective upon the signing by both parties, and shall end on June 30, 2014, except as otherwise provided in this Charter.
 - 1.3.2 **Start-Up-Date:** The initial start-up date of the School shall be commensurate with the Sponsor's start of school for the 2009-10 school year, or other time as mutually agreed upon by the parties.

1.3.3 **Timetable:** The timetable for implementation of this Charter is as follows:

September 23, 2008	Sponsor's approval of application
March 24, 2009	Public hearing/ Approval of Charter

The School shall have obtained final facility approval pursuant to s. 1002.33, Florida Statutes, including but not limited to certificates of occupancy and all other applicable zoning, health/safety, and other code approval documentation, at least four (4) weeks prior to the school opening. Independent grants or state or federal planning grant may be available during the 2009-10 school year as approved. Operation of the School for the 2009-10 school year shall be contingent on facility approval. If the School has not secured facility approval by that date by the appropriate licensing or zoning authority, then this Charter will automatically terminate. At the sole discretion of the Sponsor, additional time may be granted and/or the first year of the Charter may be unilaterally designated as a planning year where the School shall not enroll any students or receive any funding from the Sponsor. The School may not move its facilities without the express written consent of the Sponsor in an amendment to this Charter.

1.3.4 **Renewal:** After the initial term of this Charter pursuant to 1.3.1, this Charter may be renewed every five (5) school years or longer by mutual written agreement of the parties, pursuant to Florida law.

1.4 **Modifications:** This Charter may be modified during its term by mutual agreement of the parties, provided such modifications are agreed to in writing and executed by both parties.

1.5 **Non-Renewal:** At the end of the term of the Charter, in accordance with procedures relating to non-renewal found in sections 1.6 et seq. below, the Sponsor may choose not to renew the School's Charter for any of the reasons set forth in s. 1002.33(8), Florida Statutes, which reasons are, as of the date of this Charter, as follows:

- (a) Failure by the School to meet the requirements for student performance stated in this charter;
- (b) Failure by the School to meet generally accepted standards of fiscal management;
- (c) Violation of law by the School;
- (d) Failure of the School to timely meet or satisfy the financial, academic, and safety/security standards established by this Charter, and the School's application, attached as Appendix I, which shall be treated as indicators of the School's success or failure in adhering to its guiding principles and/or in fulfilling its stated purposes; and
- (e) Any other good cause.

1.6 **Procedures for Non-Renewal or Termination:** Termination during the term of the Charter or non-renewal of the Charter shall be permitted in accordance with the procedure below.

-
- 1.6.1 **Grounds:** During the term of the Charter, the Sponsor may terminate the Charter for any of the grounds listed in 1.5(a)-(e) above. This Charter may be terminated upon twenty-four hour notice if the Sponsor determines that good cause has been shown or the health, safety or welfare of the students is threatened or impaired unless an immediate and mutually agreeable cure can be instituted. The Sponsor may assume the operation of the School under these circumstances for a period of time as determined solely and exclusively by the Sponsor.
- 1.6.2 **Notice from Sponsor; Appeal:** Except when terminated immediately pursuant to paragraph 1.6.1 above, the Sponsor shall provide written notification to the School of a proposed non-renewal or termination of this Charter at least ninety (90) days prior to the proposed action. The notice shall state in reasonable detail the grounds for the proposed action and provide that the School's governing body may, within fourteen (14) calendar days of receiving the notice, request an informal hearing before the Sponsor. The Sponsor shall conduct the informal hearing concerning grounds for non-renewal or termination of the charter within thirty (30) days of receiving a written request from the School's governing body. The School's governing body may, within fourteen (14) days after receiving the Sponsor's decision to either terminate or to not renew the Charter, appeal the decision as provided by law.
- 1.6.3 **Notice from School:** The School shall notify the Sponsor in writing at least ninety (90) days prior to the expiration of the Charter as to the School's intent to renew or not renew.
- 1.6.4 **Records:** Upon termination or expiration of this Charter, the School agrees to deliver all school records that it is required by law to deliver. The School may retain copies of delivered records, as it deems necessary or appropriate.
- 1.6.5 **Action upon Termination or Non-Renewal:** Upon termination or non-renewal of this Charter, the School will wind up the School's affairs, collect all sums due to the School, pay its debts and transfer to Sponsor any unencumbered funds that may remain. The Sponsor will not assume the debt from any contracts for services made between the governing body of the School and any third party, except for a debt that is previously detailed and agreed upon by both the Sponsor and the governing board of the School. The parties agree that no member of the Board of Directors shall have personal liability for any of the School's debts unless specifically provided by law.
- 1.7 **Statutory Requirements:** The School will comply with s. 1002.33, Florida Statutes, as it may be amended, and any regulations adopted by the State Board of Education or other state agency, pertaining to charter schools, and all applicable federal, state and local laws pertaining to civil rights and student health, safety and welfare.
- 1.7.1 **Public Records:** The School shall comply with the provisions of Chapter 119, Florida Statutes, in all of its financial, business and membership matters. All the School's records, except personally identifiable student records, shall be public

records and subject to provisions of Chapter 119, Florida Statutes, including those relating to records retention.

- 1.7.2 **Public Meetings:** All meetings of the school's governing body shall be open to the public pursuant to s. 286.011, Florida Statutes. As to all meetings of the School for which minutes are required pursuant to Florida law, the School shall forward a copy of minutes to the Sponsor within thirty (30) days after the meeting.
- 1.8 **Dispute Resolution:** Subject to the applicable provisions of s. 1002.33, Florida Statutes, as amended from time to time, disagreements and disputes relating to or arising out of this Charter which the parties are unable to resolve informally, shall be resolved according to the dispute resolution process below.
- 1.8.1 **Identify Problem:** The grieving party will write to the other party to identify the problem, state the perceived grievance, suggest a proposed resolution and the reasons on which it relies to justify and suggest support for its position.
- 1.8.2 **Response; Informal Meeting:** The other party will respond in writing within fifteen (15) calendar days, accepting the proposed resolution or offering alternative solution(s) to the problem. An informal meeting of representatives of the parties may be held to attempt to reach agreement on the solution and subsequent action if requested by representatives of either party.
- 1.8.3 **Mediation:** If parties are unable to reach agreement, they will jointly appoint Florida Board Certified Civil Mediator, who will meet with the parties separately or together to assist them in resolving the problem. If the parties cannot agree on a mediator, then a Florida Board Certified Civil Mediator will be selected through a neutral mediation service. If free mediation services are available through Florida State Resolution Center or other entity, the parties may mutually agree to use such services. The parties shall share cost of mediation equally.
- 1.8.4 **Resolution:** Upon resolution of the problem, a responsible person for both parties will develop a joint written explanation-indicating resolution. This document will be retained with this Charter. If an amendment to this charter is necessary, both parties will submit the amendment for action.
- 1.8.5 **Legal Remedies:** If all efforts at agreement within a reasonable time are unsuccessful, the parties will have recourse to their available legal remedies or may mutually agree to arbitration of the dispute using the services of the American Arbitration Association.
- 1.9 **Default:** The parties acknowledge and agree that satisfaction of each term of this Article 1.0 is essential to the School's accomplishment of its statutory duties and/or the achievement of its stated educational mission, goals, and objectives. Accordingly, the School's failure to or refusal to fully and timely satisfy or comply with one or more of the terms and conditions of this Article 1.0 shall constitute good cause for the termination or non-renewal of this Charter.

ARTICLE 2.0 STUDENTS

- 2.1 **Community:** The community to be served by this Charter School is defined in Appendix I to this agreement and in specific provisions herein.
- 2.2 **Racial/Ethnic Balance:** Subject to the restrictions of applicable Florida law and federal and state constitutional principles, the School agrees that it shall develop and implement a written plan demonstrating strategies to achieve a racial and ethnic balance reflective of the community it serves. The School shall provide a copy of its written plan to Sponsor upon request.
- 2.3 **Non-Discrimination:** The School agrees that it will not discriminate against students with disabilities who are served in the Exceptional Student Education (ESE) programs and students were served in English for Speakers of Other Languages (ESOL) programs; and that shall not violate the anti-discrimination provisions of s. 1000.05, Florida Statutes, the Florida Educational Equity Act.
- 2.4 **Non-Sectarian:** The School's admissions policies shall be non-sectarian.
- 2.5 **Students with Disabilities:** Students with disabilities who are enrolled in the School shall be provided programs implemented in accordance with federal and state laws and local policies and procedures. Current applicable laws are the Individuals with Disabilities Education Act (IDEA), Section 504 of the Rehabilitation Act of 1973; ss. 1000.05 and 1003.57, Florida Statutes; Chapter 6A-6 of the Florida Administrative Code, the Sponsor's Special Programs and Procedures document; and sections of the Sponsor's policies and Code of Student Conduct dealing with students with disabilities.
- 2.5.1 **Non-Discrimination:** The School shall adopt and implement a nondiscriminatory policy regarding placement, assessment, identification and selection of students.
- 2.5.2 **Free Appropriate Public Education (FAPE):** The School shall provide a FAPE to each exceptional student enrolled in the School.
- 2.5.3 **Individual Education Plans (IEPs):** The School will utilize all of the Sponsor's forms and procedures related to pre-referral activities, referral, evaluation and re-evaluation for ESE eligibility, IEP developments, in placement. The School and the Sponsor will schedule and conduct an IEP meeting with the students' families at mutually agreeable times for each eligible exceptional student enrolled in the School.
- 2.5.4 **Local Education Agency (LEA):** the Sponsor will serve as the LEA at all eligibility staffings and IEP meetings for all students. The School will provide the Sponsor with the names of School representatives who will participate, pursuant to state and federal law, in IEP meetings as School-based personnel.

-
- 2.5.5 **Least Restrictive Environment:** Students with disabilities enrolled in the School will be educated in the least restrictive environment appropriate to their needs, and will be segregated only if the nature and severity of the disability is such the education in regular classes with the use of supplementary aides and services cannot be achieved satisfactorily. In accordance with paragraph 2.5.6 below, School's staff may seek assistance from Sponsor's staff regarding a School student's special education and related services.
- 2.5.6 **Cooperation:** School staff will work closely with the Sponsor's staff to discuss the needed services (including all related services and programs) of the School's students with disabilities. The Sponsor reserves the right to and will provide legal representation to the School in any legal or quasi-legal activity regarding the educational program or placement afforded ESE students attending or admitted to the School, such as mediation, due process hearings, appeal, other court action, or a formal complaint. The School will reimburse the Sponsor for reasonable, at-cost associated legal costs, including but not limited to, reasonable attorney's fees and expert witness fees. The Sponsor may waive such reimbursement if it deems such action to be appropriate.
- 2.5.7 **Procedural Safeguards:** Parents of students with disabilities shall be afforded notice of procedural safeguards in the native language, as provided by the Florida Department of Education.
- 2.5.8 **ESOL/ESE Students:** Students enrolled at the School who are limited proficiency in English will be served by ESOL-certified personnel and who will follow the Sponsor's District Plan for limited English Proficient Students. The School will meet the requirements of the Consent Decree entered in *Lulac, et al. v. State Board of Education* and subsequent amendments thereto.
- 2.5.9 **Federal and State Reports:** Unless otherwise exempted by Florida Statutes, the School will complete federal and state reports in accordance with the time lines and specifications of the Sponsor and the Florida Department of Education. Failure to comply with this provision shall be considered good cause for termination or non-renewal of this Charter.
- 2.6 **Enrollment Process:** The School agrees to enroll eligible students by accepting timely applications, unless the number of applications exceeds the capacity of a grade level or other facility utilized. In such case, all applicants will have an equal chance of being admitted through a random selection process. The School may request and the Sponsor shall conduct such random selection processes using the same database, methods and procedures it uses to conduct random selection processes for non-charter schools.
- 2.6.1 **Preference for Siblings and Children of Employees and Board Members:** Preference may be given to siblings of students enrolled in the School, children of employees of the School, and children of board members of the School.
- 2.6.2 **Access to Students for Recruiting:** The School shall have the same access to students as the Sponsor's magnet and academy programs.

-
- 2.7 **Enrollment; Health Safety & Welfare:** Enrollment is subject to compliance with the provisions of s. 1003.22, Florida Statutes, concerning school entry health examinations and immunizations. The School will ensure that any administration of medication to students by School personnel shall be in compliance with s. 1006.062, Florida Statutes. The School shall offer a suitable physical education program and provide, at the facility, adequate and safe playground space free from traffic and other hazardous conditions. The School will develop a written plan(s) to ensure the safety and security of students and staff, and will send a copy of such plan(s) to the Sponsor by July 15 of each year.
- 2.8 **Discipline:** The School agrees to adopt policies designed to maintain a safe learning environment at all times, and will develop plans to identify, minimize, and protect others from violent or disruptive student behavior. The School will comply with Florida State law and the Sponsor's *Code of Student Conduct*.
- 2.9 **Number of Students and Grades Served:** The School may serve up to 220 students in grade levels (6-8) as set forth in Appendix I and such amendments to these numbers and grade levels as may from time to time be approved by the Sponsor. School shall have and maintain a minimum of 110 students. The School acknowledges and agrees that this minimum is necessary in order to generate sufficient FTE to ensure financial viability of the School, and that failure to maintain this minimum enrollment shall constitute good cause for termination of the Charter.
- 2.10.1 **Records:** The School shall maintain all records on enrolled students and shall provide parents with copies of such records as requested and as required by law. The Sponsor has a right, with reasonable notice, to review any documentation maintained by the School.
- 2.11 **Default:** The parties acknowledge and agree that satisfaction of each term of this Article 2.0 is essential to the School's accomplishment of its statutory duties and/or the achievement of its stated educational mission, goals, and objectives. Accordingly, the School's failure to or refusal to fully and timely satisfy or comply with one or more of the terms and conditions of this Article 2.0 shall constitute good cause for the termination or non-renewal of this Charter.

ARTICLE 3.0 ACADEMIC ACCOUNTABILITY

- 3.1 **Educational Program Goals:** The School agrees to implement educational and related programs as specified in Appendix I. Reading will be a primary focus of the School's curriculum, and the reading curriculum will be based on scientific reading research that is consistent with the Sunshine State Standards. The School will provide adequate resources to identify and address the needs of students who are reading below grade level.
- 3.1.1 **School Calendar:** The School will adopt a calendar to provide instruction for at least the number days required by law for public schools.

-
- 3.1.2 **Class Size:** The School is subject to the limitations on maximum class size set forth in Article IX, section 1 of the Florida Constitution and section 1003.33, Florida Statutes, and will implement all appropriate measures to comply with that law as it applies to charter schools.
- 3.2 **Outcome Measurement:** The Sponsor will provide student academic performance data to the School for each of its students coming from the Sponsor's school system. The Sponsor and the School will annually agree to the following by October 15: the current incoming baseline standard of student academic achievement, the outcomes to be achieved, and the method of measurement that will be used. The criteria shall include a detailed description for each of the following:
- How the baseline student academic achievement levels and prior rates of academic progress will be established;
 - How these baseline rates will be compared to rates of academic progress achieved by these same students while attending the School; and
 - To the extent possible, how these rates of progress will be evaluated and compared with rates of progress of other closely comparable student populations.
- 3.3 **Student Assessment:** Accountability criteria shall be based upon the School's assessment system and appropriate required statewide assessments.
- 3.3.1 **Assessment Programs:** Students in the School will participate in an assessment program that mirrors the countywide assessment of the Sponsor's public-school students enrolled in comparable grades/schools, including assessments required of the public schools by the Florida Department of Education. To facilitate participation, the Sponsor will provide consultation by its applicable district staff and those services/support activities that are routinely provided by the Sponsor's staff regarding implementation of district and state required assessment activities (e.g. staff training, dissemination and collection of materials, scoring, analysis, and summary reporting). The School shall be responsible for giving the test to its students and adhering to procedures published for each test. The School agrees that its students will be assessed within the time frame for the other public schools in the Sponsor's district, if appropriate.
- 3.3.2 **Sponsor Access to Data:** The School agrees to allow the Sponsor reasonable access to review data sources, including collection and reporting procedures, in order to assist the Sponsor in making a valid determination about the degree to which student performance requirements have been met.
- 3.4 **Records and Grading Procedures:** Due to the possibility that students enrolled in the School may transfer to other public schools within Sponsor's school system, the School shall utilize the records and grading procedures that can be transferred to the Sponsor's

current records and grading procedures. The Sponsor shall provide a copy of these procedures by July 1 of the year that the School opens.

- 3.4.1 **Maintain Records:** The School shall maintain both active and archival records for current/former students in accordance with Florida Statutes.
- 3.4.2 **Category A:** All permanent (Category A) records of students leaving the School whether by graduation transfer to the public school system or withdrawal to attend another school shall be promptly transferred and delivered by the School to Central Records at 400 Chestnut Street, Oldsmar, FL 34677.
- 3.4.3 **Category B:** Records of student progress (Category B) shall be promptly transferred and delivered by the School to the appropriate school if a student withdraws to attend another public school within the Sponsor's school system or to another school system. The School may retain copies of the departing student's academic records created at the School during the student's attendance at the School.
- 3.4.4 **Report:** An annual report from the School shall be transmitted and delivered by the School to the Sponsor, listing all students enrolled during the school year and the disposition of each student's permanent records (i.e., stored on site, transmitted to the Sponsor or other disposition, if appropriate). This report for the immediately preceding school year shall be transmitted and delivered each year prior to July 1st.
- 3.5 **Progress Monitoring:** Florida Law requires the Sponsor to monitor and review the progress of the School towards the goals established for the School.
 - 3.5.1 **Annual Progress Reports:** The School shall make annual progress reports to the Sponsor that, upon verification, shall be forwarded to the Commissioner of Education, at the same time as other annual school accountability reports are submitted. The School's annual progress report shall be submitted to the Sponsor no later than September 15 each year for the immediately preceding school year. The report shall contain at least the following items:
 - The School's progress toward achieving the goals outlined in its application;
 - The information required in the annual public school accountability report pursuant to Florida Law;
 - Financial records of the School shall be submitted in accordance with the requirements specified in Article 4.0 below;
 - Salary and benefit levels of the School's employees; and
 - Other elements required by law or desired by the School.

- 3.6 **Default:** The parties acknowledge and agree that satisfaction of each term of this Article 3.0 is essential to the School's accomplishment of its statutory duties and/or the achievement of its stated educational mission, goals, and objectives. Accordingly, the School's failure to or refusal to fully and timely satisfy or comply with one or more of the terms and conditions of this Article 3.0 shall constitute good cause for the termination or non-renewal of this Charter.

ARTICLE 4.0 FINANCIAL ACCOUNTABILITY

- 4.1 **Revenue:** The Sponsor agrees to fund the School for the students enrolled as if they are in a basic program or a special program in a school in the Sponsor's District. The basis for the funding shall be the sum of the Sponsor's operating funds from the Florida Education Finance Program (FEFP) as provided in s. 1011.62, Florida Statutes, and the General Appropriations Act, including gross State and local funds, discretionary lottery funds, and funds from the Sponsor's current District operating discretionary millage levy, divided by the total funded weighted full-time equivalent students (WFTE) in the sponsor's District, multiplied by the WFTE of the School.
- 4.1.1 **Distribution of Funds:** The Sponsor shall make every reasonable effort to ensure that the School receives timely and efficient distribution of funds. The Sponsor's payment to the School shall be issued not later than ten (10) working days after the Sponsor receives a distribution of State or Federal funds. If a warrant for payment is not issued within thirty (30) working days after receipt of funding by the Sponsor, the Sponsor shall pay to the school, in addition to the amount of the scheduled disbursement, interest at a rate of one (1%) percent per month, calculated on a daily basis, on the unpaid balance from the expiration of the thirty-day (30-day) period until such time as the warrant is issued.
- 4.1.1.1 **First Distribution:** The first distribution of funds to the School each fiscal year shall be contingent on the following:
- (a) final facility inspection and approval, pursuant to paragraph 1.3.3 above; and
 - (b) the Sponsor's receipt from the School of copies of all student registration forms, to include the student's name, parent/guardian name and signature, address, telephone number and age of student.
- 4.1.1.2 **Subsequent Distributions:** The results of full-time equivalent student membership surveys will be used in adjusting the amount of funds distributed monthly to the School.
- 4.1.2 **Administrative Fee:** The Sponsor shall retain an administrative fee of five (5%) percent of public revenues to be paid to the School by the Sponsor for Sponsor's administrative costs, including processing the application and the academic and financial monitoring required of the Sponsor by law, contract management services, FTE and data reporting, exceptional student education administration,

test administration, processing of teacher certificate data, and information services. Additional services shall be billed and paid in accordance with paragraph 5.8 below.

- 4.2 **Cost Accounting:** The School agrees that it will submit to the Sponsor, in a timely manner, the information specified in s. 1010.20, Florida Statutes, Cost Accounting and Reporting.
- 4.3 **Categorical Funding:** If the School's students or programs meet the eligibility criteria in law, the School shall be entitled to its proportionate share of categorical program funds included in the total funds available in the FEFP by the Legislature, including transportation. The School shall provide the Sponsor with documentation that categorical funds received by the School were expended for purposes for which the categoricals were established by the Florida Legislature. The School shall reimburse the sponsor for any impermissible expenditure.
- 4.4 **Funding Calculation Revisions:** Total funding for the School shall be recalculated during the year to reflect the revised calculations under the FEFP by the State and the actual WFTE students reported by the School during the full time equivalent survey periods designated by the Commissioner of Education. Additionally, funding for the School shall be adjusted during the year as follows:
 - 4.4.1 **Holdback/Proration:** In the event of a State holdback or proration which reduces the Sponsor's District funding, the School's funding will be reduced proportionately.
 - 4.4.2 **Exceeding State Cap:** In the event the Sponsor's District exceeds the State Cap for WFTE in any expenditure category in any programs established by the Legislature, resulting in unfunded WFTE for the District, then the School's funding shall be reduced to reflect its proportionate share of any unfunded WFTE.
- 4.5 **Federal Funding:** In any programs or services provided by the Sponsor which are funded by Federal funds and for which Federal funds follow the eligible student, the Sponsor agrees, upon adequate documentation from the School, to provide the School with the Federal funds received by the Sponsor's District if the same level of service is provided by the School, provided that no Federal law or regulation prohibits this transfer of funds.
- 4.6 **Funding Adjustment for Noncompliance:** If the Sponsor receives notice of an FTE funding adjustment, or any other State or Federal adjustments, which is attributable to noncompliance by the School, the sponsor shall deduct such assessed amount from the next available payment otherwise due to the School. If the assessment is charged near the end of or after the term of the Charter, where no further payments are due to the School, the Sponsor shall provide prompt notice of the School and the School will reimburse the full amount to the Sponsor within thirty (30) days.

-
- 4.7 **Annual Audit:** The School agrees to obtain an annual financial audit in compliance with Federal, State and School District regulations showing all revenues received, from all sources, and all expenditures. The audit shall be conducted by the Auditor General or by an independent auditor selected and paid for by the School. The School shall provide the Sponsor with a copy of such an audit within four (4) months of the School's fiscal year end, as well as any responses to the auditor's findings. The Sponsor reserves the right to perform additional audits or reviews as part of the Sponsor's financial monitoring responsibilities as it deems necessary, at the Sponsor's expense. The Sponsor will notify the School of this procedure in a timely manner. If an audit indicates a deficient fund balance two consecutive years, it will be cause for termination at the end of the second deficient year.
- 4.7.1 **Compliance Supplement:** In addition to the annual audit, the School's independent auditor shall perform additional procedures in accordance with the Charter School Compliance Supplement. The Charter School Compliance Supplement shall test for the same annual period as the Annual Audit. The additional audit procedures shall be paid for by the School.
- 4.8 **Fiscal Monitoring:** Section 1002.33(5)(b), Florida Statutes, requires the Sponsor to monitor the revenues and expenditures of the school.
- 4.8.1 **Monthly Financial Report:** The School will provide a monthly financial report to the Sponsor, to be delivered to the Sponsor no later than the twentieth (20th) working day of the following month and shall be included in the School's annual progress reports. The School shall utilize the standard State codification of accounts as contained in the Financial and Program Cost Accounting and Reporting for Florida Schools, as the means of codifying all transaction pertaining to its operations.
- 4.8.2 **Annual Financial Report:** Section 1002.33(9)(i), Florida Statutes, requires the School to provide annual financial report and program cost report information in the State-required formats for inclusion in the sponsor reporting in compliance with s. 1011.60(1), Florida Statutes. The School shall provide the Sponsor with an unaudited annual financial report by August 20. The unaudited financial report must be prepared in accordance with Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Government.
- 4.8.3 **Fixed Asset Reporting:** The School shall inventory, register, and tag all tangible personal property purchased with public funds and implement a fixed asset management system recording such inventory as registered and tagged. The School shall develop guidelines for the inclusion and exclusion of items from fixed asset inventory system and identify to the sponsor the person responsible for maintaining the fixed asset inventory system. The School shall update its fixed asset inventory system and provide a written fixed asset inventory (accurate and balanced) to the Sponsor with each annual financial report. The School shall comply with the requirements of Florida Statutes and Rules of the

Auditor General. The School shall not sell, dispose, or trade any property received from the Sponsor without written permission of the Sponsor.

4.8.4 **Financial Emergency:** If the School is deemed to be operating in a state of financial emergency, the Sponsor may take any and all necessary steps to determine if the School will be allowed to continue to operate in such manner. A state of financial emergency is when any one of the following conditions occurs:

- (a) Failure to pay short-term loans from banks within the same fiscal year in which due or failure to make debt service payments when due.
- (b) Failure to transfer at the appropriate time, due to lack of funds:
 - (1) Taxes withheld on the income of employees; or
 - (2) Employer and employee contributions for:
 - (a) Federal Social Security; or
 - (b) Any pension, retirement, or benefit plan of an employee.
- (c) Failure for one pay period to pay, due to lack of funds:
 - (1) Wages and salaries owed to employees;
 - (2) Retirement benefits owed to former employees.
- (d) Operating with a negative fund balance.

The School shall immediately notify the Sponsor in writing when one or more of the conditions of financial emergency have occurred or will occur. Failure to provide required financial reports by their appointed time may result in the Sponsor withholding FEFP funds and/or termination/nonrenewal of the Charter.

4.8.5 **Reports:** The parties agree that the Sponsor, with notice, may request at any time, and the School shall promptly provide, reports on the School's operations and student performance. Such report shall be in addition to those required elsewhere in this Charter. Failure to provide required financial reports by their appointed time may result in the Sponsor withholding FEFP funds, without incurring interest as provided for in paragraph 4.1.1 of this Charter, until such time as the reports are received.

4.9 **Title I Compliance:** The School shall timely and fully comply with and adhere to its Title I Plan and Title I Budget as submitted to and approved by Sponsor. The School shall also adhere to all applicable requirements under the No Child Left Behind Act, implementing regulations, as amended from time to time.

-
- 4.10 **Reversion Upon Termination:** In the event the School ceases operation or is dissolved or this Charter is not renewed or is otherwise terminated, any public unencumbered funds of the School shall revert to the Sponsor. In that event, all of the School's property and improvements, furnishings and equipment purchased with public funds shall be peacefully delivered to the Sponsor and automatically revert to full ownership by the sponsor. If the School's accounting records fail to clearly establish whether a particular asset was purchased with public funds or non-public funds, ownership of the asset will revert to the Sponsor.
- 4.11. **Fiscal Year:** The fiscal year of the School shall be the same as the fiscal year of the Sponsor.
- 4.12 **Default:** The parties acknowledge and agree that satisfaction of each term of this Article 4.0 is essential to the School's accomplishment of its statutory duties and/or the achievement of its stated educational mission, goals, and objectives. Accordingly, the School's failure to or refusal to fully and timely satisfy or comply with one or more of the terms and conditions of this Article 4.0 shall constitute good cause for the termination or non-renewal of this Charter.

ARTICLE 5.0 ADMINISTRATIVE MANAGEMENT

- 5.1 **Proof of Start-up Funding:** The School may file for a federal or state start-up grant. The School's start-up costs may be funded by such grant and funds due from Sponsor. If the federal or state grant is not approved prior to July 15, 2009, the School shall provide to the Sponsor proof of sufficient funds from an alternate source to assure prompt payment of operation expenses associated with the opening of school, including but not limited to the amount of any teacher and other staff salaries and benefits, and other operational expenses from the beginning of the school year through the first projected income distribution from the Sponsor.
- 5.2 **Tuition or Fees:** The School further agrees that it will not charge tuition or fees, except those fees normally charged by the other public schools, or levy taxes or issue bonds secured by tax revenues.
- 5.3 **Reporting of Students:** The School will accurately report its student enrollment to the Sponsor as required in s. 1011.62, Florida Statutes, and in accordance with the definitions in s. 1011.61, Florida Statutes, at the agreed upon intervals and using the method used by the Sponsor when recording and reporting cost data by program. The Sponsor agrees to include the School's enrollment in the Sponsor's district report of student enrollment. In order to receive full funding, the School shall provide all required information within the same schedule required for all other of Sponsor's schools.
- 5.3.1 **Automated Data System:** The Sponsor will utilize its existing automated reporting system to collect data required for various reports required by the Department of Education. The Sponsor agrees to provide necessary training and the School agrees to release appropriate staff for such training at mutually convenient times. Upon request of the Sponsor, the School agrees to enter the

necessary data required for such reports into the Sponsor's automated student data system, via electronic remote access with IBM-compatible hardware. The data elements shall include but not be limited to, the following:

- a. Demographic information;
- b. ESE data;
- c. Grade level assignment;
- d. Required health information;
- e. Required discipline codes/incident data;
- f. Daily attendance;
- g. Transportation;
- h. Student schedules;
- i. Teacher demographics;
- j. Master schedule;
- k. ESOL/migrant codes;
- l. Grades/grading period/grading scale;
- m. ERW (entry, re-entry, withdrawal information);
- n. Test scores;
- o. Academic history and transcripts; and
- p. Student lunch information as required.

- 5.4 **School Food Service:** Food service to the School is the responsibility of the School and must be provided according to applicable District, State and Federal rules and regulations. The School shall make lunch available to all students (and optionally to school staff). Breakfast shall be provided when required by State and Federal guidelines (required for all elementary students). The School is solely responsible for funding any deficits it incurs in such services and programs and the Sponsor shall have no liability for same.

Meals will be distributed to students using a point of sale accountability procedure. The School shall distribute Free and Reduced Price Meal application forms to students and shall certify student eligibility for such programs using required Federal rules and procedures. These records may be used to certify eligibility for participation in other State/Federally-funded programs (i.e., Title I). All records must be accurately completed and maintained for review by State/Federal auditors for three (3) years plus current year.

- 5.4.1 **Meal Service Options and Definitions:** The School shall provide food service to its students by one of the following means:

- a. Enter into an agreement with the Florida Department of Education, Food and Nutrition Management Division, to administer the National School Lunch and National Breakfast Program at the School; and determine if the meals are to be hot or cold, bulk serving or individually packed. Under this option, the School shall complete and submit reimbursement claims to the Department of Education.

- b. Enter into an agreement with a third party vendor to have food service provided either to the site of the School or pick-up, and determine if the meals are to be hot or cold, bulk serving or individually packed. Under this option, the School shall complete and submit reimbursement claims to the Department of Education; or
- c. Request meal service be provided by the Sponsor as an additional site under the Sponsor's existing agreement with the Department of Education. Under this arrangement, the Sponsor would provide the menu pattern (breakfast, lunch or both; hot or cold); the Sponsor would define the delivery system; the Sponsor would establish the per meal charges to the School; the Sponsor would provide the School Free and Reduced Price Meal applications which would be distributed by the School to students for completion after the School's representatives attend a required training program; the School would provide to Sponsor and keep current a master list of students and their eligibility status for free, reduced or fully paid meals; the Sponsor would approve a point of sale meal accountability procedure to be used by the School; the sponsor would provide meal service for pick-up by the School or pre-packaged meal delivery to the School. The Sponsor would complete and submit reimbursement claims to the Department of Education; and the School would pay the Sponsor for the non-reimbursed portion of meals served on a monthly basis, upon receipt of a billing from PCS Finance Department, by the tenth (10th) of each month.

5.5 **Facilities Lease or Ownership:** The School will be located at 1950 First Ave. North, St. Petersburg, Florida, or at an acceptable facility within two (2) miles of the planned location. The lease or proof of ownership of the facilities that will house the School's program will be provided to the Sponsor. For the first year of operation of the School, such lease or proof of ownership shall be provided prior to the pre-school planning period. Thereafter, if applicable, the School shall provide such proof on or before May 15 for the following school year. Separate proof is not required for each year of a multi-year lease or if proof of ownership by the School has been provided. Any change in location must be made through an amendment to this Charter. The School will operate its facility in a safe manner and will ensure that its facility is properly maintained during the term of this Charter.

5.6 **Human Resources:** The parties agree to the provisions relating to Human Resources at the School as set forth below.

5.6.1 **Employees:** The parties to this Charter agree that the School shall select its own employees and that it will be a private employer.

- The School agrees that its employment practices shall be nonsectarian.
- The School shall not violate the anti-discrimination provisions of s. 1000.05, Florida Statutes, The Florida Educational Equity Act.

-
- The School agrees to implement the practices and procedures for hiring and dismissal; policies governing salaries, contracts, and benefit packages; and targeted staff size, staffing plan, and projected student-teacher ratio as described in Appendix I. Modifications to these elements shall be in accordance with paragraph 1.4 of this Charter.
- 5.6.2 **Teacher Certification:** The teachers employed by or under contract to the School shall be certified or qualified, as required by Florida law. The School may employ or contract with skilled, selected non-certified personnel to provide instructional services or to assist instructional staff members as teacher's aides in the manner set forth in s. 1012.55, Florida Statutes, or as otherwise allowed by law. The School may not employ an individual to provide instructional services or to serve as a teacher's aide if the individual's certification or licensure as an educator is suspended or revoked by this or any other state.
- 5.6.3 **Qualifications Disclosure:** The School agrees to annually disclose to the parents of its students and to the Sponsor the qualifications of its teachers.
- 5.6.4 **Fingerprinting:** The School shall require all employees and members of its Board of Directors, as well as all of its "contractual personnel" as defined by the Florida Jessica Lunsford Act (s. 1012.465, et seq., Florida Statutes), to comply with the fingerprinting requirements of s. 1012.32, Florida Statutes, including a level 2 screening. All persons failing to pass the level 2 screening will not be employed, hired, or allowed on school grounds, and, if presently employed or hired, will be immediately removed from school grounds.
- 5.6.5 **Drug-Free:** If the School employs persons to operate commercial motor vehicles, it will comply with the requirements of the Omnibus Transportation Employee Testing Act of 1991 (Pub. L. 102-143, Title V), regulations at 49 CFR Parts 40 and 382 and s. 1012.45, Florida Statutes. The School may establish and maintain an alcohol and drug-free workplace at its own expense.
- 5.7 **Transportation:** The parties agree that transportation shall not be a barrier to equal access for any student residing within a reasonable distance of the school. If the School transports students, it shall do so in a manner consistent with the requirements of applicable state and federal law. Transportation may be arranged under the terms of 5.7.1 or 5.7.2 below, a combination thereof or as otherwise allowed by law.
- 5.7.1 **Transportation reimbursement:** The School may provide transportation for students, in which case, it shall be entitled to any and all state and federal reimbursement for travel costs for such transportation.
- 5.7.2 **Transportation assistance:** The Sponsor may assist in providing transportation to the School under the terms of a mutually acceptable agreement between the parties that may be negotiated prior to the opening of school for the initial school term and thereafter negotiated prior to May 15th each year. This shall not be interpreted as prohibiting a multi-year contract.

5.8 **Additional Sponsor Services:** Unless otherwise agreed, the Sponsor will charge the School for the Sponsor's staff time and other services provided to the School that is not provided pursuant to s. 1002.33(20), F.S., at the following rates:

- For staff time: the Sponsor's actual cost as calculated by multiplying the hourly rate, including benefits, of the Sponsor's personnel performing the service by the number of hours spent for services to the School;
- For warehouse, printing, learning resource center services: the Sponsor's actual cost;
- For copies of documents: the Sponsor's actual cost.

The Sponsor will invoice the School monthly for these services, if any. The School shall issue payment no later than thirty (30) working days after receipt of an invoice. If the Sponsor does not receive payment within forty-five (45) working days after receipt of the invoice by the School, such non-payment shall constitute good cause for termination of this charter.

5.9 **Default:** The parties acknowledge and agree that satisfaction of each term of this Article 5.0 is essential to the School's accomplishment of its statutory duties and/or the achievement of its stated educational mission, goals, and objectives. Accordingly, the School's failure to or refusal to fully and timely satisfy or comply with one or more of the terms and conditions of this Article 5.0 shall constitute good cause for the termination or non-renewal of this Charter.

ARTICLE 6.0 INDEMNIFICATION AND INSURANCE

6.1 **Indemnification of Sponsor:** The School agrees to indemnify, defend, and hold the Sponsor, its members, officers, employees and agents, harmless from any and all claims, actions, costs, expenses, damages, and liabilities, including reasonable attorney's fees, arising out of, connected with or resulting from:

- the negligence, intentional wrongful act, misconduct or culpability of the School's employees or other agents in connection with and arising out of their services within the scope of this Charter;
- the School's material breach of this Charter or law;
- any failure by the School to pay its employees, contractors, suppliers or any subcontractors;
- the failure of the School's officers, directors or employees to comply with any laws, statutes, ordinances or regulations of any governmental authority or subdivision that apply to the operation of the School or the providing of educational services set forth in this Charter. However, the School shall not be obligated to indemnify the Sponsor against claims, damages, expenses or liabilities to the extent these may result from the negligence of the Sponsor, its members, officers, employees, subcontractors or others acting on its behalf.

-
- 6.1.1 The duty to indemnify for professional liability as insured by the School Leaders Errors and Omissions policy described in this Charter shall continue in full force and effect notwithstanding the expiration or early termination of this Charter with respect to any claims based on facts or conditions which occurred prior to termination.
- 6.1.2 In no way shall the School's Errors and Omissions limitation on post-termination claims of professional liability impair the Sponsor's claims to indemnification with respect to a claim for which the School is insured or for which the School should have been insured under Commercial General Liability Insurance, Automobile Liability Insurance or Employer's Liability Insurance.
- 6.1.3 The School shall also indemnify, defend and protect and hold harmless against all claims and actions brought against the Sponsor by reason of any actual or alleged infringement of patent or other proprietary rights in any material, process, software, machine or appliance used by the School.
- 6.2 **Limitation of Liability:** The School acknowledges the following principles codified in s. 1002.33(5), Florida Statutes:
- Sponsor shall not be liable for civil damages under state law for personal injury, property damage, or death resulting from an act or omission of an officer, employee, agent, or governing body of the charter school;
 - Sponsor shall not be liable for civil damages under state law for any employment actions taken by an officer, employee, agent, or governing body of the charter school; and
 - Sponsor's duties to monitor the charter school shall not constitute the basis for a private cause of action.
- 6.3 **Sovereign Immunity/Limitations of Liability:** Notwithstanding anything herein to contrary, neither party waives any of its sovereign immunity nor consents to be sued by any third party. Only the Sponsor and School shall be subject to liability under this agreement. No member of either Sponsor's school board or the School's Board of Directors shall have any personal liability pursuant to or under this Charter, except as permitted or required under Chapter 617, Florida Statutes.
- 6.4 **Notice of Claims:** The School and the Sponsor shall notify each other of the existence of any third party claim, demand or other action giving rise to a claim for indemnification under this provision (a "Third Party Claim") and shall give each other a reasonable opportunity to defend the same as its own expense and with its own counsel, provided that if the School or Sponsor shall fail to undertake or to so defend, the other party shall have the right, but not the obligation, to defend and to compromise or settle (exercising reasonable business judgment) the Third Party Claim for the account and at the risk and expense of the School or Sponsor, which they agree to assume. The School and Sponsor

shall make available to each other, at their expense, such information and assistance as each shall request in connection with the defense of a Third Party Claim.

- 6.5 **Evidence of Insurance:** The School shall, at the School's sole expense, procure, maintain and keep in force the amounts and types of insurance conforming to the minimum requirements set forth in this Article 6. The School shall provide evidence of such insurance in the following manner:

6.5.1 **Time to Submit:** The School shall furnish the Sponsor with fully completed certificates(s) of insurance, signed by an authorized representative of the insurer(s) providing the coverage, before the initial opening day of classes. The insurance shall be maintained in force, without interruption, until this Charter is terminated.

6.5.2 **Notice of Cancellation:** Each certificate of insurance shall provide and require that the Sponsor be given no less than sixty (60) days written notice prior to cancellation or as soon as cancellation is known to School, except when notice of cancellation of one policy is accompanied by notice of a replacement policy, without interruption of coverage.

6.5.3 **Renewal/Replacement:** Until such time as the insurance is no longer required to be maintained by the School, the School shall provide the Sponsor with evidence of the renewal or replacement of the insurance no less than thirty (30) days before the expiration or termination of the required insurance for which evidence was provided.

- 6.6 **Acceptable Insurers:** Insurers providing the insurance required of the School by this Charter must meet the following minimum requirements:

6.6.1 **Insurer's Ratings:** Be authorized by certificates of authority from the Department of Insurance of the State of Florida, or an eligible surplus lines insurer under Florida Statutes. In addition, the insurer must have a Best's Rating of "A" or better and a Financial Size Category of "VI" or better according to the latest edition of Best's Key Rating Guide, published by A.M. Best Company.

6.6.2 **Replacement Insurance:** If, during the period when an insurer is providing insurance required by this Charter, an insurer shall fail to comply with the foregoing minimum requirements, the School shall, as soon as it has knowledge of any such failure, immediately notify the Sponsor and immediately replace the insurance with new insurance from an insurer meeting the requirements.

- 6.7 **Commercial General Liability Insurance:** The School shall, at its sole expense, maintain and keep in force Commercial General Liability insurance which shall conform to the following requirements:

6.7.1 **Liabilities Covered:** The School's insurance shall cover the School for those sources of liability (including, but not limited to, coverage for operations, Products/Completed Operations, independent contractors, and liability

contractually assumed) that would be covered by the latest occurrence form edition of the standard Commercial General Liability Coverage Form (ISO form CG 00 01), as filed for use in the State of Florida by the Insurance Services Office.

- 6.7.2 **Minimum Limits:** The minimum limits to be maintained by the School (inclusive of any amounts provided by an umbrella or excess policy) shall be one million (\$1,000,000) dollars per occurrence/two million (\$2,000,000) dollars annual aggregate.
- 6.7.3 **Deductible/Retention:** Except with respect to coverage for Property Damage Liability, the Commercial General Liability coverage shall apply without application of any deductible or self-insured retention. The coverage for Property Damage Liability may be subject to a maximum deductible or self-insured retention. The coverage for Property Damage Liability may be subject to a maximum deductible of One Thousand (\$1,000) Dollars per occurrence.
- 6.7.4 **Occurrence/Claims:** Subject to reasonable commercial availability, coverage shall be on an occurrence basis. If on a claims-made basis, the School shall maintain, without interruption, the Liability insurance until four (4) years after expiration or termination of this Charter.
- 6.7.5 **Additional Insureds:** The School shall include the Sponsor and its members, officers, and employees and agents as "Additional insured" on the required Liability Insurance. The coverage afforded such Additional Insured shall be no more restrictive than that which would be afforded by adding the Sponsor as Additional Insured using the latest Additional Insured – Owners, Lessees or Contractors (Form B) Endorsement (ISO Form CG20 10). The certificate of insurance shall be clearly marked to reflect "The Sponsor, its members, officers, employees and agents as additional insured."
- 6.8 **Automobile Liability Insurance:** The School shall, at its sole expense, procure, maintain and keep in force Automobile Liability Insurance that shall conform to the following requirements:
 - 6.8.1 **Liabilities Covered:** The School's insurance shall cover the School for those sources of liability which would be covered by Section II of the latest occurrence edition of the standard Business Auto Policy (ISO Form CA 001), including coverage for liability contractually assumed, and filed for use in the State of Florida by the Insurance Services Office. Coverage shall be included on all owned, non-owned and hired autos and buses used in connection with this Charter.
 - 6.8.2 **Occurrence/Claims:** Subject to reasonable commercial availability, coverage shall be on an occurrence basis. If on a claims-made basis, the School shall maintain, without interruption, the Automobile Liability Insurance until four (4) years after termination of this Contract.

- 6.8.3 **Minimum Limits:** The minimum limits to be maintained by the School (inclusive of any amount provided by tan umbrella or excess policy) shall be One Million (\$1,000,000) Dollars per occurrence, and if subject to an annual aggregate, Two Million (\$2,000,000) Dollars annual aggregate.
- 6.9 **Worker's Compensation/Employer's Liability:** The School shall, at its sole expense, provide, maintain and keep in force Worker's Compensation/Employer's Liability Insurance which shall conform to the following requirements:
- 6.9.1 **Coverages:** The School's insurance shall cover the School (and to the extent its subcontractors and its sub-subcontractors are not otherwise insured, its subcontractors and sub-subcontractors) for those sources of liability which would be covered by the latest edition of the Standard Worker's Compensation Policy, as filed for use in Florida by the National Council on Compensation Insurance, without restrictive endorsements. In addition to coverage for the Worker's Compensation Act, where appropriate, coverage is to be included for the Federal Employer's Liability Act and any other applicable federal and state law.
- 6.9.2 **Minimum Limits:** Subject to restrictions found in the standard Worker's Compensation Policy, there shall be no maximum limit on the amount of coverage for liability imposed by the Florida Worker's Compensation Act or any other coverage customarily insured under part One of the standard Worker's Compensation Policy. The minimum amount of coverage for those coverages customarily insured under Part Two of the standard Worker's Compensation Policy (inclusive of any amounts provided by any umbrella or excess policy) shall be One Million (\$1,000,000.00) Dollars per occurrence/Two Million (\$2,000,000.00) Dollars annual aggregate. If the School leases employees, it shall provide certified proof that the corporation from which it leases service maintains appropriate Worker's Compensation Coverage.
- 6.10 **School Leader's Error and Omission Insurance:** Subject to reasonable commercial availability, the School shall, at its sole expense, procure, maintain and keep in force School Leader's Errors and Omissions Liability Insurance which shall conform to the following requirements:
- 6.10.1 **Form of Coverage:** The School Leader's Errors and Omissions Liability Insurance shall be on a form acceptable to the Sponsor and shall cover the School for those sources of liability arising out of the rendering of or failure to render professional services in the performance of this Charter, including all provisions of indemnification which are part of this Charter.
- 6.10.2 **Coverage Limits:** The insurance shall be subject to a maximum deductible not to exceed Five Thousand (\$5,000.00) Dollars per claim. The minimum limits to be maintained by the School (inclusive of any amounts provided by an umbrella or excess policy) shall be one million (\$1,000,000) dollars per claim/two million (\$2,000,000) dollars annual aggregate.

- 6.10.3 **Occurrence/Claims:** Subject to reasonable commercial availability, coverage shall be on an occurrence basis. If on a claims-made basis, the School shall maintain, without interruption, the Liability insurance until four (4) years after expiration or termination of this Charter.
- 6.10.4 **Alternative:** If the School Leader's Errors and Omissions liability insurance is not commercially available, the School shall provide Officers, Directors and Employees Errors and Omissions liability insurance in lieu thereof, with the same minimum limits of coverage as set forth above. Subject to commercial availability, coverage shall be on an occurrence basis. If such insurance is on a claims-made basis, the School shall maintain, without interruption, the insurance until four (4) years after termination of this Charter.
- 6.11 **Property Insurance:** The School shall maintain hazard insurance on its own buildings and property during the term of this Charter. The School will provide proof of such insurance and its renewals to Sponsor if requested.
- 6.12 **Applicable to all Coverages:** The following provisions apply to all insurance coverages required under this Charter.
- 6.12.1 **Other Coverages:** The insurance provided by the School shall apply on a primary basis, and any other insurance or self-insurance maintained by the Sponsor or its members, officers, employees or agents shall be in excess of the insurance provided by or on behalf of the School.
- 6.12.2 **Deductibles/Retention:** Liability and Worker's Compensation Insurance required by this Charter shall apply on a first-dollar basis, without the application of a deductible or self-insurance retention. Reasonable deductibles or self-insurance retention may be allowed on property or other insurance not to exceed one thousand (\$1,000) dollars. The School may provide liability insurance by means of a base policy in one or more umbrella policies.
- 6.12.3 **Liability and Remedies:** Compliance with the insurance requirements of this Charter shall not limit the liability of the School, its subcontractors, its sub-subcontractors, its employees or its agents to the Sponsor or others. Any remedy provided to the Sponsor or its members, officers, employees or agents by the insurance shall be in addition to and not in lieu of any other remedy available under this Charter or otherwise.
- 6.12.4 **Subcontractors:** The School shall require its subcontractors and sub-subcontractors to maintain any and all insurance required by law. Except to the extent required by law, this Charter does not establish minimum insurance requirements for subcontractors or sub-subcontractors.
- 6.12.5 **Approval by Sponsor:** Neither approval by the Sponsor nor failure to disapprove the insurance furnished by the School shall relieve the School of its full responsibility to provide the insurance as required by this Charter.

- 6.12.6 **Combined Coverage:** Combined services coverage under this Charter shall be permitted, subject to approval by the Sponsor's Risk Management Department.
- 6.12.7 **Default Upon Non-Compliance:** The School shall be in material default of this Charter for failure to procure, maintain and keep in effect the insurance as required by this Charter. If the Sponsor becomes aware that the School does not have in effect any required insurance coverage, it shall give written notice to the School, and the School shall procure such insurance and provide a certificate of insurance to the Sponsor, as soon as reasonably possible, but no later than two (2) school days after receipt of such notice.
- 6.13 **Default:** The parties acknowledge and agree that satisfaction of each term of this Article 6.0 is essential to the School's accomplishment of its statutory duties and/or the achievement of its stated educational mission, goals, and objectives. Accordingly, the School's failure to or refusal to fully and timely satisfy or comply with one or more of the terms and conditions of this Article 6.0 shall constitute good cause for the termination or non-renewal of this Charter.

ARTICLE 7.0 GOVERNANCE STRUCTURE

- 7.1 **Not-for-Profit Organization:** As indicated in Appendix I, School is a not-for-profit organization but may contract for management with a separate corporation. The School shall furnish to the Sponsor a copy of its articles of incorporation or articles of organization, bylaws, and any amendments thereto.
- 7.2 **Governing Body:** No members of the School's governing body will receive financial benefit from the School's operations. If a member is an employee of the School, that person's salary shall not be considered a financial benefit.
- 7.3 **Selection of Directors and Officers or Managers:** The selection of the School's directors and officers or managers shall be as set forth in Appendix I. The School shall provide to the Sponsor a current list of the names and addresses of its directors and officers no later than the first day of school each year.
- 7.4 **Duties of Directors or Managers:** The duties of the School's directors or managers shall be as set forth in Appendix I.
- 7.5 **Public Meetings/Minutes:** The governing body will provide reasonable public notice of the date, time and place of its meetings, and will maintain minutes of its meetings. Such meetings will be open to the public, and the minutes shall be available for public review. As to all meetings of the School for which minutes are required pursuant to Florida law, the School shall forward a copy of minutes to the Sponsor within thirty (30) days after the meeting.
- 7.6 **Conflict of Interest:** The School shall use no public funds received from or through the Sponsor to purchase or lease a property, goods or services from any director, officer or employee of the School or the spouse, parent, child, stepchild, or sibling of any director, officer or employee, or from any business in which any officers or employee has an

interest, nor shall the School use any property, goods or services purchased or leased by public funds for the private benefit of any person or entity. The School may establish a policy to reimburse employees and board members for the actual and reasonable out-of-pocket expenses incurred in the performance of services for the School. The School may reimburse a member of the governing body for payment of the School's reasonable contractual or other obligations, and for expenses, incurred before the granting of this Charter.

7.7 **Contracted Management Services:** The School may enter into a contract for management services ("the Contract") with a separate corporation registered to do business in the State of Florida ("the Company"). The School, upon request of the Sponsor, shall provide documentation to the Sponsor demonstrating that any Company the School wishes to hire possesses the professional experience and competence to provide the services at issue.

7.7.1 Terms of the Contract shall specifically require strict compliance with this Charter and amendments thereto.

7.7.2 An executed copy of the Contract shall be provided for Sponsor review prior to July 15, 2009. If the Sponsor's representatives should have questions concerning the contract, representatives of the parties and of the Company shall meet to clarify those issues prior to the School opening. The contract shall not be amended without Sponsor notice and approval of its amended terms.

7.7.3 The School's Board of Directors shall assure that operating officers of the Company shall meet standards applicable to service on the School's Board, including, if required, criminal background checks required by Florida law.

7.7.4 At least sixty (60) days prior to opening of the School, management officials of the Company, including those directly charged with operation of the School, shall meet with Sponsor's representatives to discuss details of the operation of the School and of this Charter.

7.7.5 Should the Sponsor's representative object to any detail of operation of the School by the Company, it shall so inform the School's Board of Directors in writing. Within thirty (30) days the Board of Directors shall respond in writing as to what corrective action(s), if any, will be taken or, if no corrective action is to be taken, the reasons it declines to do so. Failure to correct a substantial objection shall be good cause for immediate termination of this Charter.

7.8 **School Administrator/Principal:** The School will provide the services of a full-time Administrator/Principal at the School during hours students are on the School site except when participating in a reasonable number of training or professional in-service activities. The Administrator/Principal shall stay fully informed of all Sponsor, state, and federal rules and regulations applicable to the operation of the School and the performance of this Charter. The Administrator/Principal shall not accept outside employment that would materially interfere with the performance of his/her duties and obligations under this Charter and all Sponsor, state, or federal rules and regulations.

- 7.9 **Default:** The parties acknowledge and agree that satisfaction of each term of this Article 7.0 is essential to the School's accomplishment of its statutory duties and/or the achievement of its stated educational mission, goals, and objectives. Accordingly, the School's failure to or refusal to fully and timely satisfy or comply with one or more of the terms and conditions of this Article 7.0 shall constitute good cause for the termination or non-renewal of this Charter.

ARTICLE 8.0 MISCELLANEOUS

- 8.1 **Titles:** Any and all titles to Articles and paragraphs are for convenience and reference only and in no way define, limit or describe the scope of the Charter, and shall not be considered in the interpretation of the Charter or any provision hereof.
- 8.2 **Interference with Performance:** Neither party shall be in default of this Charter if the performance of any part or all of this Charter is prevented, delayed, hindered or otherwise made impracticable or impossible by reason of any strike, flood, hurricane, riot, fire, explosion, war, act of God, sabotage, accident or any other casualty or cause beyond either party's control, and which cannot be overcome by reasonable diligence and without unusual expense.
- 8.3 **Entire Agreement:** This Charter and the appendices hereto shall constitute the full, entire and complete agreement between the parties. All prior representations, understandings and agreements are superseded and replaced by this Charter. Except as any Florida or United States statute may change the obligations of either the School or the Sponsor, this Charter may be altered, changed, added to, deleted from or modified only through the voluntary, mutual consent of the parties. Any amendment to this Charter shall require approval of the Sponsor.
- 8.3.1 **Amendment Required:** Notwithstanding any provision of Florida law providing a different procedure, the School will submit to the Sponsor an application to amend this Charter for any change in the provisions of this Charter unless the Charter specifically provides for the change without the need for an amendment.
- 8.4 **Assignment:** This Charter shall not be assigned by either party without the prior written consent of the other party, provided that the School may, without the consent of the Sponsor, enter into contracts for services with a corporation, a limited liability company, an individual or group of individuals organized as a partnership or cooperative, in accordance with paragraph 7.7 and its sub-parts above.
- 8.5 **Waiver:** No waiver of any provision of this Charter shall be deemed to be or shall constitute a waiver of any other provision, unless expressly stated.
- 8.6 **Warranties:** All representations and warranties made herein shall survive termination of this Charter.

- 8.7 **Partial Invalidity:** If any provision or part of this Charter is determined to be unlawful, void or invalid, that determination shall not affect any other provision or part of any other provision of this Charter, and all such provisions shall remain in full force and effect.
- 8.8 **Third Party Beneficiary:** This Charter is not intended to create any rights of a third-party beneficiary.
- 8.9 **Applicable Law and Venue:** This Charter is made and entered into the State of Florida and shall be interpreted according to the laws of that state. Pinellas County, Florida, shall be the proper venue for any litigation arising under this Charter. The School shall adhere to any additional requirements applicable to charter schools under state law or as mandated by the Florida Department of Education or any other agencies regulating the School.
- 8.10 **Notice:** Every notice, approval or consent authorized or required by this Charter shall not be effective unless it is in writing and sent postage prepaid by the United States certified mail, directed to the other party at its address hereinafter provided or such other address as either party may designate by notice from time to time in accordance herewith:

SCHOOL: Imagine Middle School at St. Petersburg
Attention: _____
Address: 1950 First Avenue North
St. Petersburg, FL _____

SPONSOR: The School Board of Pinellas County, Florida
Attention: Steve Swartzel, Director of Governmental Services
Address: 301 4th Street S.W., Largo, Florida 33779-2942

- 8.11 **Legal Representation:** The parties acknowledge that each has been offered the opportunity to be represented by legal counsel in connection with the negotiation and execution of this Charter and each is satisfied with the legal representation received.
- 8.12 **Law, Rule or Regulation as Amended:** Whenever reference is made to a statutory law, rule or regulation herein, such reference shall mean such law, title or regulation as it may be from time to time amended.
- 8.13 **Counterparts:** This Charter may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one Charter.
- 8.14 **Authorization:** Each of the persons executing this Charter has the full power and authority to execute the Charter on behalf of the party for whom he or she signs.
- 8.15 **Other:** The School acknowledges and agrees that it shall abide by and be bound by, to the same extent as the Sponsor, any and all court orders relating to desegregation in the Sponsor's district.

8.16 Default: The parties acknowledge and agree that satisfaction of each term of this Article 8.0 is essential to the School's accomplishment of its statutory duties and/or the achievement of its stated educational mission, goals, and objectives. Accordingly, the School's failure to or refusal to fully and timely satisfy or comply with one or more of the terms and conditions of this Article 8.0 shall constitute good cause for the termination or non-renewal of this Charter.

IN WITNESS WHEREOF, the parties have caused this Charter School Contract to be executed by their duly authorized agents, the day and year first above written.

School:

Sponsor:

BOARD OF MANAGERS OF
IMAGINE - PINELLAS COUNTY, LLC

THE SCHOOL BOARD OF PINELLAS
COUNTY, FLORIDA

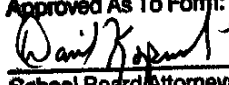
By: JUSTIN H. MITCHELL, Board Chair

By: _____
Chairperson

Attest: 

Attest: _____
Superintendent

Approved As To Form:


School Board Attorneys Office