

CHARTER SCHOOL AGREEMENT

between

The Indiana Charter School Board

and

[ORGANIZER]

for

[SCHOOL]

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CHARTER SCHOOL AGREEMENT

This Charter School Agreement, together with any attachments, addenda, and amendments (the “**Agreement**”) is made and entered into by and between the Indiana Charter School Board (the “**Indiana Charter Board**”), and [ORGANIZER] (the “**Organizer**”), [an Indiana nonprofit corporation][a [STATE] nonprofit corporation registered to do business in Indiana]. The Indiana Charter Board has authorized a designated representative to serve at the Indiana Charter Board’s discretion assisting with the performance of the Indiana Charter Board’s duties herein (the “**Executive Director**”). The Indiana Charter Board may change the Executive Director and shall give written notice of any such change to the Organizer.

RECITALS

WHEREAS, pursuant to Indiana Code (“IC”) § 20-24, *et seq.* (the “**Charter Law**”), the Indiana Charter Board has the authority to charter, monitor, amend, renew and/or revoke charters in a manner consistent with the letter and intent of the Charter Law;

WHEREAS, the Organizer submitted a proposal in accordance with IC § 20-24-3-4 to establish a charter school;

WHEREAS, the Indiana Charter Board has: (i) determined that the proposal satisfies the requirements of IC § 20-24-3-4; and (ii) approved the proposal subject to the execution of this Agreement by the Indiana Charter Board and the Organizer;

WHEREAS, the governing board of the Organizer has decision-making authority over charter school operations, including exclusive control over administration, expenditures, personnel, and instruction methods; and

WHEREAS, the Indiana Charter Board and the Organizer seek to foster a cooperative and responsive relationship;

NOW, THEREFORE, in consideration of the mutual covenants, representations, warranties, provisions, and agreements contained herein, the parties agree as follows:

Section 1

Establishment of Charter School

1.1 **Charter.** Pursuant to the authority granted to the Indiana Charter Board by IC § 20-24-2.1, *et seq.*, the Organizer is hereby given the authority to establish a public charter school (the “**School**”) at the following location: [LOCATION], beginning with the 2018-19 school year (the “**Opening Date**”), and shall operate such School in accordance with this Agreement, the Charter Law, and all other applicable federal and state laws. This Agreement, together with: 1) the Organizer’s Charter Application, and any attachments, addenda, and amendments thereto (the

“**Proposal**”), which is incorporated into and made part of this Agreement as Attachment A; 2) the Indiana Charter Board’s Pre-Opening Checklist (the “**Prior Actions**”), which is incorporated into and made part of this Agreement as Attachment B; 3) the Indiana Charter Board’s performance framework (the “**Accountability System**”), which is incorporated into and made part of this Agreement as Attachment C; and 4) all other Indiana Charter Board policies and procedures, as may be revised from time to time, referenced herein, shall constitute the Organizer’s charter (the “**Charter**”) and shall be binding on the Organizer, the School, and the Indiana Charter Board.

1.2 Amendments. The Organizer shall provide the Executive Director with an informal written request for any proposed changes to the Charter. In accordance with Indiana Charter Board policy, such changes may be approved by the Executive Director, or require additional formal approval by the Indiana Charter Board. The Organizer shall not be required to provide such written request for proposed changes to its Articles of Incorporation, Bylaws, general policies, or operational procedures provided that such proposed changes are communicated to the Executive Director prior to implementation, and are: (i) not otherwise prohibited or circumscribed by applicable law or the Charter, or (ii) are not materially different from those set forth in the Charter, as determined by the Executive Director.

1.3 Legal Status. The School is an Indiana public school and is considered to be a school corporation for such purposes as set forth in the Indiana Code. The School shall be subject to all applicable federal and state laws, in addition to any policies relating to charter schools adopted by the Indiana Charter Board.

1.4 Effective Date. The Charter shall take effect upon the execution of this document by the Indiana Charter Board and a duly authorized representative of the board of directors of the Organizer (the “**Effective Date**”). It is understood that prior to the Effective Date, the proposed Charter is subject to modification or abandonment.

1.5 Prior Actions. Notwithstanding Section 1.4, the Organizer shall not provide instruction to any student attending the School until and unless: (a) the Organizer issues a written statement to the Executive Director, attesting to the Organizer's completion, in a timely manner, of the Prior Actions, and (b) the Executive Director shall have confirmed in writing the completion of such Prior Actions. The Prior Actions are in addition to any other conditions set forth in the Charter.

Section 2 Educational Program

2.1 Mission Statement; School Design. The Organizer shall operate the School in accordance with its mission statement, school design, and implementation plan as set forth in its Proposal. The School shall administer all state tests applicable to each grade as required by Indiana law.

2.2 Grades Served; Number of Students. The Organizer shall provide instruction to pupils in such grade levels and enrollment numbers in each year of operation under the Charter as is set forth in the Proposal (the “**Enrollment Plan**”), as amended.

(a) In accordance with the Prior Actions, the Organizer may submit a one-time request to the Executive Director to amend its Enrollment Plan prior to the Opening Date. The written request must include evidence supporting the requested change and the impact of the request on the School’s budget. All other proposed amendments to the Enrollment Plan must be in accordance with subparagraph (d).

(b) At maximum enrollment, the Organizer may enroll a total number of students different from the Maximum Enrollment set forth in the Enrollment Plan, as long as the total enrollment does not exceed one hundred and ten percent (110%) of the maximum enrollment;

(c) The Organizer may vary the number of students in any particular grade and/or number of students within a class from that provided for in the Enrollment Plan for the purpose of accommodating staffing exigencies, attrition patterns and facilities.

(d) The Organizer may not make a change to the Enrollment Plan that results in or has the effect of (i) eliminating or nearly eliminating a grade or grades the Organizer was scheduled to serve under the Enrollment Plan; (ii) not enrolling any returning students scheduled to be served under the Enrollment Plan; or (iii) eliminating any student’s seat after the student has been admitted. All other proposed amendments to the Enrollment Plan shall be in accordance with the Indiana Charter Board’s Enrollment Plan Amendment Policy.

2.3 Accountability. The School shall be held accountable to the educational, financial, and operational goals and performance indicators set forth in the Indiana Charter Board’s Accountability System. Guidelines for the specific terms, form, and requirements of the Accountability System, including any required goals and measures, are maintained and disseminated by the Indiana Charter Board, and such guidelines shall be binding on the Organizer. The Organizer understands that its success in meeting or exceeding standard for the goals and measures set forth in the Accountability System shall be the criterion by which the success of the school shall be evaluated. The Indiana Charter Board may revise the Accountability System from time to time and will provide such revisions to the Organizer by June 30 prior to the school year in which the changes take effect.

2.4 Annual Performance Review. The Executive Director shall review the Organizer’s performance no less frequently than annually, with the content and scope of each review to be determined by the Executive Director. No later than July 31 following each completed school year, the Organizer and the School shall work with the Executive Director to annually set performance targets designed to help each school meet applicable federal, state, and

Indiana Charter Board expectations. Such performance targets shall become part of the School's Accountability System review for the subsequent year.

2.5 Students with Disabilities. The Organizer shall provide services and accommodations to students with disabilities in accordance with Indiana special education law (511 IAC 7), Part B of the Individuals with Disabilities Education Act (20 U.S.C. §§ 1411 et seq.), the Americans with Disabilities Act of 1990 (42 U.S.C. §§ 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), and any other federal regulations and requirements concerning the education of students with disabilities.

Section 3 Administration and Operation

3.1 Enrollment.

(a) Enrollment in the School shall be open to all students in grades as set forth in the Enrollment Plan who are residents of the State of Indiana. The Organizer's recruitment, admissions, and enrollment policies for the School are subject to all federal and state law and constitutional provisions that prohibit discrimination on the basis of race, disability, gender, religion, national origin, ancestry, or color, except as allowed for a single-gender charter school pursuant to IC § 20-24-5-4(b) and in accordance with the regulations under Title IX for single-gender classes or schools issued by the U.S. Department of Education's Office for Civil Rights. The Organizer shall not limit student admissions in any manner in which a public school is not permitted to limit student admissions.

(b) If the number of applicants for admission exceeds the maximum capacity stated in the Enrollment Plan for any grade, building, or program, the Organizer must comply with the admissions and enrollment requirements of IC § 20-24-5-5, including conduct of a random lottery, giving each timely applicant an equal chance of admission, or, where explicitly permitted, through a publicly verifiable random selection process, subject to allowable exceptions set forth in IC § 20-24-5-5(c).

3.2 School Calendar. The School shall operate in accordance with the school calendar as set forth in the Proposal. The Organizer may alter this calendar only upon express written approval by the Executive Director, which approval or disapproval must be communicated to the Organizer within fifteen (15) business days after the Executive Director receives written notice from the Organizer of its proposed modification to this date. The days and hours of operation shall at all times be sufficient to achieve the academic achievement goals and other goals of the school, and shall be in accordance with IC §§ 20-33-2 et seq., Indiana's compulsory attendance laws.

3.3 Discipline; Student Rights; School Safety.

(a) The Organizer must establish and publicize written discipline rules in compliance with IC § 20-24-5.5. The School shall provide a copy of those policies and procedures to students and parents within the first ten (10) days of the beginning of the school year, and provide a copy to the Indiana Charter Board as part of the Indiana Charter Board's Reporting Requirements as described in Section 10. Such policies and procedures shall be age/grade level appropriate and consistent with applicable law including, but not limited to, state requirements for due process and judicial review as described in IC §§ 20-33-19, -21, and -22, the requirements for provision of alternative instruction, and federal laws and regulations governing the discipline and placement of students with disabilities. No student shall be expelled or transferred involuntarily from the School except in accordance with these provisions and the School's discipline policy.

(b) The Organizer's discipline rules must include a restraint and seclusion plan that meets the requirements of 513 IAC 1.

(c) The Organizer must establish a school safety plan, including an emergency preparedness plan that meets the requirements set forth in 511 IAC 6.1-2-2.5.

3.4 Education Service Providers. The Organizer shall follow the requirements of IC § 20-24-3-2.5 when entering into a contract with a third party for the management, operation, or provision of a significant portion of the managerial or instructional staff to the School. The Organizer shall submit a written request for approval to the Executive Director before executing; canceling; terminating; or materially amending, modifying, or supplementing any contract entered into with a third party for the management of the School. The Executive Director may approve or reject a proposed contract, amendment, modification, or supplement, in whole, or in part.

3.5 Nonsectarian and Nonreligious. The Organizer shall ensure that the School is nonsectarian and nonreligious in its curriculum, programs, admission policies, employment practices, governance, and all other operations. The Organizer shall comply with the requirements of the United States and Indiana Constitutions, including those provided by the establishment clause of the First Amendment of the United States Constitution and Article 1, Section 6 of the Indiana Constitution. The Organizer shall not use any funds to operate the School for the direct benefit of any religious organization or theological institution in a manner inconsistent with the Indiana and the United States Constitutions.

Section 4 Governance

4.1 Status of Organizer.

(a) The Organizer is, and shall remain, a nonprofit corporation formed and organized under the laws of the State of Indiana, or formed and organized under the applicable

laws of the State of its incorporation and registered to do business in Indiana. The Organizer's Articles or Bylaws must contain a dissolution clause that complies with IC § 20-24-3-3.

(b) The Organizer hereby represents that the Internal Revenue Service has: (i) determined it to be tax-exempt, or (ii) is reviewing the Organizer's application for tax-exempt status. The Organizer must receive such tax-exempt determination before the Organizer may provide instruction to students attending the School, unless the Organizer receives express written authorization from the Executive Director that the Organizer may provide instruction to students attending the School pending such determination.

(c) The Organizer shall immediately inform the Executive Director if the Organizer's state or federal tax-exempt status is questioned, modified, or revoked, if its nonprofit corporation status is questioned, modified, or revoked by the State of its incorporation, or if its ability to conduct business in the State of Indiana is questioned, modified, or revoked by the Indiana Secretary of State.

4.2 Board of Directors.

(a) The Organizer's board of directors (the "**Board**") constitute the governing body of the School and shall manage the School's activities in compliance with the Charter and applicable law.

(b) The Organizer represents that it has conducted, or will conduct within ninety (90) days of the Effective Date, expanded background checks on each current and prospective Board member, and any other individual to which the Organizer has delegated some authority regarding the School that meet the definitions of an expanded criminal background check and an expanded child protection index check under IC § 20-26-2-1.5 and IC § 20-26-2-1.3, respectively, after obtaining any necessary consents from such individuals. Any person that has been convicted of the following acts shall be prohibited from serving on the Board or exercising any authority regarding the School unless such prohibition is expressly waived by the Executive Director in writing:

(1) an offense described in IC § 20-26-5-11, whether occurring in Indiana or elsewhere; or

(2) any theft, misappropriation of funds, embezzlement, misrepresentation, or fraud, whether occurring in Indiana or elsewhere.

4.3 Conflict of Interest. Any Board member, officer of the Organizer, or individual who holds a leadership position in the operation of the School, including any administrative position (together, the "**Interested Persons**"), any family member of any Interested Person, or any organization in which the Interested Person has a more than a two-percent (2%) ownership position, which has any direct or indirect financial interest in any party

with which the Organizer contracts for services must disclose to the Board, or to a committee designated by the Board as having the authority to review potential conflicts of interest, the existence of his or her financial interest, and may be given the opportunity to disclose facts material to that interest to the Board or committee. A “financial interest” includes any current or potential ownership interest in, investment interest in, or compensation arrangement with such party. The term “family member” includes any spouse, parent, child, or sibling of the Interested Person. The disinterested members of the Board (that is, all members except for any Interested Person) or committee will evaluate the impact of the Interested Person's financial interest, assess whether a conflict of interest arises from the financial interest, and determine what action, if any, is appropriate with regard to the financial interest and any conflict of interest. The Board or committee shall conduct whatever additional investigation is considered appropriate under the circumstances.

4.4 General Powers. The Organizer may:

- (a) Sue and be sued in its own name.
- (b) For educational purposes, acquire real and personal property or an interest in real and personal property by purchase, gift, grant, devise, or bequest.
- (c) Convey property.
- (d) Enter into contracts in its own name, including contracts for services

4.5 Third-Party Responsibilities. To the extent that applicable law renders any of the Organizer's obligations set forth herein the responsibility of any third party, and to the extent that applicable law allows, the Organizer shall ensure that the responsible entity fulfills the obligations set forth herein in accordance with applicable law and the terms and conditions of the Charter. If the Organizer fails to ensure such obligations are fulfilled in accordance with applicable law and the terms and conditions of the Charter, the Organizer shall: (i) indemnify the Indiana Charter Board and its employees, counsel, and representatives from any and all claims, actions, expenses, damages and liabilities, including costs and attorneys’ fees, for the defense of any of the above, arising out of, connected with, or resulting from such failure; and (ii) be deemed to have committed the act or omission itself for the purposes of determining whether the Indiana Charter Board may revoke the Charter pursuant to Section 9.3.

Section 5 Personnel

5.1 Employee Benefits. Teachers and other staff who work at the School shall be provided health insurance, retirement benefits, liability insurance, and other benefits:

- (a) As described in the Proposal; or

- (b) As otherwise negotiated with their employer.

To the extent that these benefits conflict, benefits provided pursuant to Section 5.1(b) shall govern. The Organizer may participate in the Indiana state teachers' retirement fund, the public employees' retirement fund, or another employee pension or retirement fund, in accordance with IC § 20-24-6-7.

5.2 Teacher Licensing.

(a) The School shall comply with the requirements of IC § 20-24-6-5 in the hiring of teachers and individuals who provide a service to students that is not teaching and for which a license is required under law.

(b) If the Organizer or the School intends to employ an individual as a teacher who holds a substitute teacher permit as defined by IC § 20-28-5-2 and the rules adopted by the State Board of Education (the "**State Board**") and who is not otherwise licensed under another section of IC § 20-28-5 for a period expecting to last more than thirty (30) days, the Organizer or the School must notify the Executive Director within seven (7) days of the employment of the individual. The Organizer shall not employ an individual under this subsection when licensed teachers are available, and shall not employ such individual for a term exceeding ninety (90) days, without prior approval by the Executive Director.

(c) If the Organizer or the School employs an individual as a teacher who does not hold a license or permit in accordance with subsection (a), the Organizer or the School must provide the Executive Director with the name and qualifications of the individual within fifteen (15) days. Individuals qualifying under this subsection may not exceed ten percent (10%) of the full time teaching staff.

5.3 Employment; Background Checks. The Organizer shall create and implement a policy for conducting criminal history background checks in its operation of the School that is consistent with IC § 20-26-5-10. All applicants for employment with the Organizer who intend to provide services for the School shall be required to submit employment applications. All prospective employees of the Organizer, employees of prospective contractors, sub-contractors, or service providers of the Organizer, and school volunteers, who are likely to have direct, ongoing contact with children within the scope of the individuals' service, shall be subject to an expanded criminal background check and an expanded child protection index check, as defined by IC § 20-26-2-1.5 and IC § 20-26-2-1.3, respectively, after obtaining written consent from such individuals, before or not later than three (3) months after the prospective employee's employment or volunteer service to the School. Any person that has been convicted of an offense described in IC § 20-26-5-11, whether occurring in Indiana or elsewhere, shall be prohibited from providing any service to the School unless such prohibition is expressly waived by the Executive Director in writing.

5.4 Collective Bargaining. The provisions of any collective bargaining agreement entered into by the Organizer shall not apply to the Indiana Charter Board.

Section 6
Financial Matters

6.1 Fiscal Agent. The Organizer is the fiscal agent for the School. The Organizer has exclusive control of, and is responsible for, the funds received by the School and the financial matters of the School. The Organizer shall maintain separate accountings of all funds received and disbursed for the School and shall follow applicable law concerning separate maintenance of federal funds.

6.2 Network Funding. If the Organizer operates more than one charter school, the Organizer may receive tuition support distributions for all of the charter schools the Organizer operates by following the procedure set forth in IC § 20-24-7-1. The Organizer may not use any of the money so received for expenses incurred outside Indiana that are not directly related to the School the Organizer operates in Indiana.

6.3 Unified Accounting. The Organizer shall adopt and implement the unified accounting system prescribed by the State Board and State Board of Accounts (the “**SBOA**”). All financial statements shall be in accordance with generally accepted accounting principles then in effect for nonprofit corporations, and the unified accounting system.

6.4 Management and Financial Controls. The Organizer shall at all times maintain appropriate governance and managerial procedures and financial controls. The Organizer shall provide a statement to the Executive Director no later than July 1 of the calendar year in which the school intends to begin serving students concerning the status of management and financial controls (the “**Initial Statement**”). The Initial Statement must address whether the Organizer and the Charter School have documented adequate controls relating to:

- (a) preparing financial statements in accordance with generally accepted accounting principles, and also with the requirements for charter schools established by the SBOA;
- (b) payroll procedures;
- (c) accounting for contributions and grants;
- (d) procedures for the creation and review of quarterly and annual financial statements, which procedures shall specifically identify the individual who will be responsible for preparing and reviewing such financial statements and ensure that such statements contain valid and reliable data;
- (e) appropriate internal financial controls and procedures;

- (f) safeguarding of assets including cash and equipment;
- (g) ensuring that the purchasing process results in the acquisition of necessary goods and services at the best price; and
- (h) following appropriate guidance relating to a code of ethics, budget development and administration, and cash management and investments.

The Initial Statement shall be reviewed and ratified by the Board prior to its submission to the Executive Director. The Organizer shall thereafter retain an independent certified public accountant or independent certified public accounting firm licensed in Indiana to perform an agreed-upon procedures engagement (the “**Independent Accountants’ Report**”) in accordance with attestation standards established by the American Institute of Certified Public Accountants. The purpose of the engagement will be to assist the Board and the Executive Director in evaluating the Initial Statement and the procedures, policies and practices established thereunder. The engagement shall commence within sixty (60) days after the date on which the School has received and disbursed more than \$50,000 in monies from State funding. The resulting Independent Accountants’ Report should be provided to the Board no later than forty-five days (45) after the commencement of such engagement with a copy to the Executive Director. In the event that the Independent Accountants’ Report reveals that any of the above management and financial controls listed in subparagraphs (a) – (h) are not in place, the Organizer shall remedy such deficiencies no later than forty-five (45) days from the date the Independent Accountants’ Report was received by the Board and shall provide to the Executive Director within that forty-five (45) day period a statement that all deficiencies identified in the Independent Accountants’ Report have been corrected. Such statement shall identify the steps undertaken to correct the identified deficiencies. The Executive Director may require additional evidence to verify the correction of all such deficiencies. All documents required to be submitted pursuant to this paragraph shall be submitted electronically in accordance with guidance published by the Indiana Charter Board.

6.5 Audits. Within six (6) months after the end of each fiscal year during the term of the Charter the Organizer shall comply with the annual auditing requirements for charter schools established by the SBOA as required under IC § 20-24-8-5(1). The Organizer shall submit to the Executive Director the audit of the Organizer's financial statements performed by a private examiner in accordance with the SBOA requirements for charter schools within ten (10) business days of receipt, and no later than January 15 after the end of the fiscal year. Any extension to this deadline must be granted in advance in writing by the Executive Director. An Organizer operating more than one School must submit a consolidated audit in accordance with SBOA guidelines and submit any required financial reporting to the Department in a manner prescribed by the state examiner. In the event that the Organizer submits a consolidated audit, the audit must include revenue and expenses for each School operated by the Organizer.

6.6 Fiscal Year. The Organizer shall adopt a July 1 through June 30 fiscal year. If applicable law requires the Organizer to implement a different fiscal year, the Organizer shall comply with both such requirements for all financial reporting purposes.

6.7 No Tuition; Exceptions. The Organizer shall not charge tuition for any student, except that it may charge for preschool or before-and-after-school programs unless prohibited under applicable law.

6.8 Facility Construction. If the Organizer uses public funds for the construction, reconstruction, alteration, or renovation of a public building, then bidding and wage determination law, and any other law relating to such projects, shall apply.

6.9 Escrow. The Organizer shall establish an escrow account in order to facilitate the wind down of operations and audit expenses that would be associated with the dissolution of the School, should it occur. This escrow account shall be established in accordance with the Indiana Charter Board's Escrow Policy, as may be revised from time to time.

6.10 Administrative Fee. The Organizer shall pay an administrative fee to the Indiana Charter Board as a percentage of the total amount the Organizer receives during the calendar year. The Indiana Charter Board may increase or decrease the administrative fee at any time; provided, however, that at no time will the administrative fee be higher than three percent (3%). Any change to the administrative fee will not go into effect until the following school year. A pro rata amount of the fee shall be due and payable to the Indiana Charter Board within thirty (30) days from the date of the Indiana Charter Board's invoice for such fee.

Section 7 Insurance; Indemnification

7.1 Insurance. The Organizer shall maintain a schedule of insurance as set forth in the Indiana Charter Board's Insurance Requirements Policy, as may be revised from time to time.

7.2 Indemnification. The Organizer indemnifies and holds the Indiana Charter Board and its officers, employees, counsel, consultants, and those acting on behalf of the Indiana Charter Board's officers, employees, counsel, consultants, harmless from any claim, action, expense (including attorneys' fees), damage, and liability, arising out of, connected with, or resulting from the Organizer's operation of the School, including:

(a) The negligence, recklessness, intentional wrongful act, misconduct or culpability of the Organizer, the Board, or the School and those acting on behalf of these entities as officers, employees, agents, representatives, contractors, sub-contractors, or lessors;

(b) An act by the Organizer and those acting on behalf of the Organizer as officers, employees, agents, representatives, contractors, sub-contractors, or lessors that would serve as a basis for the Indiana Charter Board's revocation of the Charter pursuant to Section 9.3;

(c) Any failure by the Organizer, the Board, or the School and those acting on behalf of these entities as officers, employees, agents, representatives, contractors, or sub-contractors to pay employees, suppliers, lenders, creditors, contractors, or sub-contractors;

(d) The hiring, supervision, or discipline of any officer, employee, agent, representative, volunteer, or student of the Organizer, the Board, or the School, and those acting on behalf of these entities as officers, employees, agents, representatives, contractors, or sub-contractors;

(e) The obligations of the Organizer, the Board, or the School and those acting on behalf of these entities as officers, employees, agents, representatives, contractors, or sub-contractors under the United States Constitution, the Indiana Constitution, and applicable law;

(f) The infringement of patent or other proprietary rights by the Organizer, the Board, or the School and those acting on behalf of these entities as officers, employees, agents, representatives, contractors, or sub-contractors in any material, process, machine, or appliance used in the operation of the School; or

(g) The Indiana Charter Board's oversight responsibilities set forth in IC § 20-24-9-3.

7.3 Notice of Potential Claims. The Organizer and the Executive Director shall make a good faith effort to notify each other of any actual or potential claims subject to indemnification under Section 7.2, but failure to do so shall not invalidate the Organizer's indemnification duties herein.

Section 8 Compliance

8.1 Applicable Law. The Organizer specifically acknowledges that it understands its obligations under Title 20 of the Indiana Code and IC §§ 20-24 et seq., as may be amended. The Organizer shall comply with the United States Constitution; the Indiana Constitution; all federal and state laws, including the laws governing nonprofit organizations; laws that prohibit discrimination on the basis of age, disability, race, color, gender, national origin, religion or ancestry; and any other applicable law.

8.2 Open Door; Access to Public Records. The Organizer's operation of the School is subject to the requirements of the Open Door Law governing public meetings pursuant to IC § 5-

14-1.5, and records relating to the Organizer's Charter and the operation of the School that are in the possession, custody, or control of the Organizer are subject to inspection and copying to the same extent that records of a public school are subject to inspection and copying pursuant to IC § 5-14-3.

8.3 Access.

(a) The Organizer and the School acknowledge that the Indiana Charter Board and its authorized agents have the right to visit, examine and inspect the School and its records during or outside of school hours, on a scheduled or unscheduled basis to monitor whether the Organizer is operating the School in compliance with applicable laws and regulations and the terms and conditions of the Charter. The Organizer and the School shall cooperate with the Indiana Charter Board and its authorized agents as the Indiana Charter Board considers necessary or appropriate for the purposes of fulfilling its oversight responsibilities, provided that the review or access will not unreasonably interfere with the operation of the School. While advance notice is not required, the Executive Director or designee shall always provide notice upon presentment for an unscheduled visit during school hours and shall provide reasonable notice for any visit that would occur outside of normal school hours.

(b) To the extent permitted under applicable law, the Organizer shall maintain the copies of all records, including those made part of the Indiana Charter Board's Reporting Requirements, as described in Section 10, at the School, and make them available to the Executive Director or designated representative upon request. If the request is made by phone or email, the documents must be made available no later than the second (2nd) business day following such request; or, if the information has not yet been disclosed by a third party, no later than five (5) business days of receipt of such information by the Organizer.

(c) The Organizer shall comply with all applicable state and federal laws relating to the creation and retention of records related to the operation of the School.

8.4 Events Requiring Notice. The Organizer shall provide written notice to the Executive Director within five (5) days of the occurrence of any of the following events:

(a) Being named as a plaintiff or defendant in any court proceeding or as the subject of any administrative enforcement proceeding arising from the operation of the School;

(b) Notice that the Organizer or the School is subject to an investigation by a state or federal agency;

(c) Notice of an investigation by any State or Federal agency of non-compliance with any state or federal law, including, but not limited to, a notice of a due process violation, an educator misconduct investigation, or an investigation related to the use of state or federal funds by any State or Federal agency;

- (d) Any material change in the availability or condition of the facility or physical plant, such as through flood, fire, or other unanticipated circumstance;
- (e) Any allegation that the Organizer or the lessor has breached any lease, deed or other land use agreement concerning the facility or physical plant;
- (f) Any proposal to move the School from its current facility to another or from its current location to another;
- (g) Any information from law enforcement or other official sources for the arrest or charge of a board member or employee for any felony, crime related to theft or funds, acts against minor children or child abuse; and
- (h) Default of sixty (60) days or more on any obligation.

In addition, the Organizer shall promptly report to the Executive Director any notice of default or claim of material breach it receives that seriously jeopardizes the continued operation of the Organizer or the School including: (i) any claim there has been a material breach of any contract that affects the operation of the School; (ii) any claim or notice of a default under any financing obtained by the Organizer; and (iii) any claim that the Organizer has failed to comply with the terms and conditions of any authorizations required to operate the School. The report shall include an explanation of the circumstances giving rise to the alleged default or breach and the Organizer's intended response.

8.5 Dispute Resolution. The Organizer shall not exercise any legal remedy with respect to a dispute arising from the provisions of the Charter without: (i) first providing written notice to the Indiana Charter Board setting forth a description of the dispute, and (ii) thereafter, meeting with the Indiana Charter Board or its designee and attempting in good faith to negotiate a resolution of such dispute. The process shall be governed by the Indiana Charter Board's Appeals and Dispute Resolution Policy, as may be revised from time to time.

Section 9 Term; Renewal; Revocation

9.1 Charter Term. The term of the Charter shall commence on the Effective Date and end forty-five (45) days after completion of the fifth (5th) school year of the School.

9.2 Charter Renewal.

(a) The Charter may be renewed or not be renewed, solely at the discretion of the Indiana Charter Board in accordance with the Indiana Charter Board's Charter Renewal Guidelines and Application, as may be revised from time to time. In considering any renewal, the

Executive Director shall review the Organizer's performance in operating the School, including the progress of the School in achieving the academic, financial, and organizational goals set forth in the Proposal and the Accountability System. Should the Organizer choose not to seek renewal of the Charter, the Organizer shall communicate such intent in writing immediately following a resolution of the Board not to seek renewal.

(b) Pursuant to IC § 20-24-2.2-2, the School may not be eligible for renewal if the School remains in the lowest category or designation of school improvement, including any alternative accountability category or designation, in the third year after initial placement in the lowest category or designation (minimum standards for charter renewal), unless the School requests and receives written permission from the Executive Director.

9.3 Charter Revocation.

(a) Pursuant to IC § 20-24-3-7, the Indiana Charter Board, at its sole discretion, may revoke the Charter or delay the Opening Date of the School if the Organizer fails to commence School operations or to have sufficient students in attendance at the School at the time the School is to commence instruction in accordance with the Proposal.

(b) Subject to the procedures required by IC § 20-24-9-4, the Indiana Charter Board may either revoke the Charter or require the Organizer to implement a Corrective Plan under Section 9.4, if the Indiana Charter Board determines that:

- (1) The Organizer fails to comply with the conditions of the Charter, including any Amendments thereto, or the terms of any Corrective Plan;
- (2) The School fails to meet the educational goals set forth in the Charter;
- (3) The Organizer fails to comply with applicable federal and state laws;
- (4) The Organizer fails to meet generally accepted fiscal management and government accounting principles; or
- (5) One (1) or more grounds for revocation exists as specified in the Charter, including, but not limited to, a failure to meet any of the standards of the Indiana Charter Board's Accountability System.

9.4 Corrective Plan. If the Executive Director determines, in his or her sole discretion, that the School is not progressing toward one or more of the performance goals set forth in the Accountability System, or that the School is not in compliance with the terms and

conditions of the Charter, Indiana Charter Board policy, or any applicable State or Federal law, the Executive Director shall notify the Organizer in writing of, and give the Organizer a reasonable time, which shall not be less than fifteen (15) business days, to show cause why the Charter should not be revoked and/or a written proposal addressing the Organizer's plan to remedy the deficiencies (the "**Corrective Plan**"). The Executive Director may accept or modify the Organizer's proposed Corrective Plan, and/or order any other corrective action that the Executive Director considers necessary. Nothing in this Section may be considered a limitation on the Indiana Charter Board's ability to revoke the Charter in accordance with Section 9.3.

9.5 Nonrenewal; Revocation; Relinquishment. If the Charter is not renewed, is revoked, or is voluntarily relinquished:

(a) the Organizer shall be responsible for winding down the operations of the School, including payment of any and all debts, loans, liabilities (contingent or otherwise) and obligations incurred at any time by the Organizer in connection with the operation of the School. Under no circumstances shall the Indiana Charter Board, or its employees, agents, or representatives, or those acting on behalf of the Indiana Charter Board's employees, agents and representatives, be responsible for such obligations.

(b) the Organizer shall cooperate with the Executive Director to effect the orderly closing of the School as set forth in the Indiana Charter Board's Closure Protocol, including timely notification to parents and staff, orderly transition of student education records in accordance with IC § 20-24-9-4.5(d), and proper disposition of School funds, property, and assets.

9.6 Appeals. Appeals of nonrenewal or revocation decisions shall be governed by the Indiana Charter Board's Appeals and Dispute Resolution Policy, as may be revised from time to time.

Section 10 Reporting

10.1 Reporting Requirements. The Organizer and the School shall comply with the Indiana Charter Board's Reporting Requirements, as may be revised from time to time.

10.2 Additional Information. The Organizer shall submit any additional reports (or supplements to any of the reports herein) as set forth in the Accountability System or requested by the Executive Director.

10.3 Public Inspection. The Executive Director may make any of the reports herein available for public inspection, to the extent permitted under applicable law.

Section 11
General Provisions

11.1 Notice. All notices, reports, and other documents covered by the Charter and required to be sent to one of the parties shall be in writing and shall be delivered by hand or by U.S. Certified Mail, return receipt requested, to the following contacts, as applicable, at the address shown or to such other address as may be provided by notice under this paragraph:
If to the Executive Director:

Executive Director
Indiana Charter School Board
143 W. Market St., Ste 400
Indianapolis, IN 46204

If to the Organizer:

[TITLE]
[ADDRESS]

11.2 Governing Law. The Charter shall be governed by, subject to, and construed under the laws of the State of Indiana without regard to its conflicts of laws provisions.

11.3 Waiver. No waiver of any breach of any provision of the Charter shall be held as a waiver of any other or subsequent breach.

11.4 Counterparts; Electronic Signatures. The Charter may be signed in counterparts, which shall together constitute the original Charter. Signatures received electronically by either of the parties shall have the same effect as original signatures.

11.5 Severability. In the event that any provision of the Charter, or the application thereof, shall be determined to be invalid, unlawful, or unenforceable to any extent, the remainder of the Charter and the application of such provision to persons or circumstances other than those as to which it is determined to be invalid, unlawful or unenforceable, shall not be affected thereby, and each remaining provision of the Charter shall continue to be valid and may be enforced to the fullest extent permitted by law.

11.6 Entire Agreement. This Agreement, together with all attachments and documents incorporated by reference, supersedes and replaces any and all prior agreements and understandings between the Indiana Charter Board (or the Board's officers, employees, counsel, consultants, agents, representatives, and those acting on behalf of the Indiana Charter Board's officers, employees, counsel, consultants, agents and representatives) and the Organizer (or the Organizer's duly authorized representatives). This Agreement may be amended or modified only by written agreement of the parties hereto.

11.7 Failure or Indulgence Not Waiver; Remedies Cumulative. No failure or delay on the part of the Indiana Charter Board in the exercise of any power, right, or privilege hereunder shall impair such power, right, or privilege or be construed to be a waiver of any default or acquiescence therein, nor shall any single or partial exercise of any such power, right, or privilege preclude other or further exercise thereof or of any other power, right, or privilege. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available.

11.8 Construction. The Charter shall be construed fairly as to both parties and not in favor of or against either party, regardless of which party prepared the Charter. Each party has had time to review this Charter. Neither party shall be interpreted as the drafter.

11.9 No Third-Party Beneficiary. No contract entered into by the Organizer with any third party shall amend, alter, or modify any provision of the Charter. Nothing in the Charter expressed or implied shall be construed to give any non-party any legal or equitable rights hereunder.

11.10 Assignment. The Organizer may not transfer or assign any of its rights or obligations under the Charter without the amendment of the Charter.

11.11 Definitions. Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context indicates is appropriate. When a reference is made in the Charter to an introduction, recital, section, paragraph or attachment, such reference shall be to an introduction, recital, section or paragraph of, or an attachment to, the Charter unless otherwise indicated. The words “hereof”, “herein” and “hereunder” and words of similar import shall be deemed to refer to the Charter as a whole and not to any particular provision of the Charter. The headings contained in the Charter are for reference purposes only and shall not affect in any way the meaning or interpretation of the Charter. Whenever the words “include,” “includes” or “including” are used in the Charter, they shall be deemed to be followed by the words “without limitation.” Accounting terms not expressly defined in the Charter shall have the respective meanings given to them under generally accepted accounting principles. The words “applicable law” shall mean any federal, state, or local laws, rules, regulations, ordinances, or other legal authority to which the entity in question is subject.

11.12 Surviving Provisions. Notwithstanding the expiration, non-renewal, or revocation of the Charter, the Organizer agrees that the duties to indemnify as described in Section 4.5 and Section 7.2, the insurance coverage requirements as described in Section 7.1, the nonrenewal, revocation, or relinquishment requirements as described in Section 9.5, the appeals and dispute resolution procedures as described in Section 9.6, and the no third-party beneficiaries clause in Section 11.10 shall continue in force and effect with respect to any claim, action, expense (including attorneys' fees), damage or liability arising out of, connected with, or resulting from

the operation of the School until such claim, action, expense (including attorneys' fees), damage, or liability is barred by any applicable statute of limitations.

11.13 Report Due Dates. If the Organizer is obligated to provide reports or other information on a date that falls on a holiday or weekend, the Organizer may provide such reports or other information on the next business day after the holiday or weekend.

11.14 Order of Precedence. In the event of any inconsistency in or conflict among the document elements of this Charter, such inconsistency or conflict shall be resolved by giving precedence to the law and document elements in the following order: (1) IC §§ 20-24 et seq.; (2) Title 20 of the Indiana Code; (3) the Charter; (4) Attachment A; and (5) Attachment B.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed the Agreement effective as of the ___ day of _____, _____.

Duly Authorized Representative of
[ORGANIZER]

Duly Authorized Representative of
Indiana Charter School Board

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: Executive Director

Date: _____

Date: _____

Attest:

Attest:

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Attachment A

Charter Proposal

Attachment B

Pre-Opening Checklist

Attachment C

Accountability System