



Weston Preparatory Academy Board Packet

**May 21, 2020
4:30 p.m.**

**Weston Preparatory Academy Board of Directors
Regular Meeting
Agenda**

Date: May 21, 2020

Time: 4:30 pm

**Place: Weston Preparatory Academy
22930 Chippewa Rd, Detroit, MI 48219**

- I. Meeting Call to Order & Roll Call
- II. Approval of Agenda
- III. Approval of Minutes
 - a. April 23, 2020 Special Board Meeting Minutes
- IV. Public Comment (Agenda Items)
- V. Board Correspondence
 - a. OU Reauthorization Letter 2-11-20
- VI. Financial Report
 - a. Presentation and Approval of April Financial Statements
 - b. 2020-21 Final Budget Draft
- VII. Budget Hearing
 - a. Suspension of Rules for Public Hearing
 - b. Presentation of Proposed 2020-21 Original Budgets
 1. Public Comment on Proposed Budgets
 2. Motion to end Public Hearing and resume Meeting of Board of Directors
 - c. Resumption of Rules for Approval of Proposed Budgets
- VIII. CS Partners Report
 - a. Director of School Leadership
 1. CS Partners Report
 2. E-Rate Summary
 - b. School Administrator
- IX. Old Business
- X. New Business
 - a. ESP Evaluation
 - b. Appoint Person to Negotiate and Sign Charter Contract
 - c. Audit Engagement Letter Yeo & Yeo
 - d. Ratification of Lease Renewal

- e. Appoint Academy Counsel
- f. Insurance Proposal
- g. Resolution Approving the CLP and COVID-19 Plan as a Charter Contract Amendment
- h. Appoint Person to Sign Terms and Conditions

XI. Oakland University Comments

- a. OU Resource Calendar - May

XII. Discussion Items

XIII. Extended Public Comment

XIV. Next Meeting Date: June 18, 2020 at 4:30 p.m.

XV. Adjournment

Minutes available at: Weston Preparatory Academy 22930 Chippewa Rd, Detroit, MI 48219.
This meeting is a meeting of the Board of Directors in public for the purpose of conducting the Academy's business and is not to be considered a public community meeting. There is a time for public participation during the meeting as indicated in the agenda.

Approval of Minutes

**Weston Preparatory Academy Board of Directors
Special Meeting
Proposed Minutes**

Date: April 23, 2020

Time: 4:30 pm

Place: Virtual Meeting

- I. Meeting Called to Order at 4:32 p.m. by Steve Perakis.

Present: Steve Perakis, Elise Walley, Prussia Hall, Susan Clark, Carney Bradford
Absent: None

Other Attendees: Andrea Pecuch, Ticheal Jones, Yvonne McClean, Shawna Boomgaard

- II. Approval of Agenda

Motion by Elise Walley, seconded by Susan Clark, to approve the agenda. **Roll Call Vote.** Unanimously carried by those present.

- III. Approval of Minutes

Motion by Prussia Hall, seconded by Elise Walley, to approve the February 13, 2020 Regular Meeting Minutes. **Roll Call Vote.** Unanimously carried by those present.

- IV. Public Comment (Agenda Items)

- None

- V. Review and Approve the Continuity of Learning and COVID-19 Response Plan

- Presented by Yvonne McClean
- Making sure all students have access to enrichment learning – either online or with packets
- Teachers have been in touch with students either virtually or by telephone

Motion by Elise Walley, seconded by Carney Bradford, to approve the Continuity of Learning Plan and COVID-19 Response Plan. **Roll Call Vote.** Unanimously carried by those present.

- VI. Extended Public Comment

- Shawna Boomgaard wanted to note what a great job the WPA team has been doing during this time
- OU will send the Continuity of Learning Plan approval letter to the State

VII. Next Meeting Date: May 21, 2020 at 4:30 p.m.

Adjournment: Motion by Carney Bradford, seconded by Carney Elise Walley to adjourn the meeting at 5:10 p.m. **Roll Call Vote.** Unanimously carried by those present.

Proposed minutes respectfully submitted,

Andrea Pecuch
Recording Secretary

4/24/20
Date

Approved minutes respectfully submitted,

Board Secretary

Date

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Board Correspondence



Office of the Vice President for Legal Affairs, General Counsel and
Secretary to the Board of Trustees

BOARD ACTION

February 11, 2020

The Board of Trustees at its meeting of February 10, 2020, approved the following resolution:

WHEREAS, the University has received the Weston Preparatory Academy's application requesting that the Board renew its charter and authorize the Academy to continue as a public school academy; and

WHEREAS, the University has determined it is in the best interest of the University and the State of Michigan to continue to authorize the Academy as a public school academy; now, therefore, be it

RESOLVED, that the application submitted by Weston Preparatory Academy meets the requirements of the Board and of applicable law; and, be it further

RESOLVED, that the Board approves the Academy's application to renew its charter authorizing the Academy to continue as a public school academy; and, be it further

RESOLVED, that the University administration shall negotiate and finalize an Agreement with the Academy in a form that incorporates the standardized requirements of the Michigan Department of Education and with such provisions as shall be required or authorized by the Michigan Revised School Code of 1976 as amended; and, be it further

RESOLVED, that the term of the Agreement with the Academy shall expire no later than June 30, 2023; and, be it further

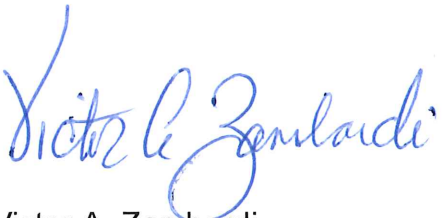
BOARD ACTION

February 11, 2020

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RESOLVED, that the Agreement shall be reviewed and approved by the Office of the Vice President for Legal Affairs and General Counsel prior to execution, and shall be in compliance with the law and University policies and regulations and shall conform to the legal standards and policies of the Vice President for Legal Affairs and General Counsel; and, be it further

RESOLVED, that the Board of Trustees authorizes the President, the Senior Vice President for Academic Affairs and Provost, and their respective designees, to perform all acts and deeds and to execute and deliver all contracts, instruments and documents that are necessary, expedient and proper in connection with the Academy and the ongoing administration of Oakland University's oversight function.



Victor A. Zambardi
Vice President for Legal Affairs,
General Counsel and
Secretary to the Board of Trustees

VAZ/cmh

Attachment

RENEWAL OF CHARTER FOR WESTON PREPARATORY ACADEMY

A Recommendation

1. **Division and Department:** Academic Affairs - Public School Academies, School of Education and Human Services.
2. **Introduction:** In 2017, The Oakland University ("University") Board of Trustees ("Board") authorized the charter of Weston Preparatory Academy ("Academy") as a public school academy under the Michigan Revised School Code, for a 3-year term expiring on June 30, 2020 ("Agreement").

The Academy has submitted an application to the University to renew its charter, and the University's Office of Public School Academies ("PSA Office") supports the renewal. The PSA Office reviewed the application, and found it to be consistent with the Michigan Department of Education ("MDE") requirements and the University's educational mission. During the 3-year term of the Agreement, the Academy has demonstrated academic growth and proficiency and has maintained steady student enrollment and strong leadership and governance. The PSA Office recommends and seeks the Board's approval to renew the Academy's charter for a term of 3 years, through June 30, 2023.

If approved by the Board, a new charter agreement will be prepared for the Academy that incorporates standardized MDE requirements. The University will be able to terminate that agreement upon any breach, the Academy's failure to fulfill any of the statutory requirements applicable to public school academies, or without cause at the discretion of the University at the end of the Academy's current academic school year.

3. **Previous Board Action:** On October 5, 1995, the Board approved Oakland University's Policy on Public School Academies and Criteria for the Evaluation of Applications. On April 2, 1998, the Board approved the Academy's application. On October 4, 2000, the Board approved the Academy's resolution to add sixth grade to the Academy's curriculum. On June 7, 2006, the Board approved the Academy's resolution to add kindergarten through fifth grades to the Academy's curriculum. On May 2, 2007, the Board approved the amendment of the Criteria for the Evaluation of Applications. On May 2, 2007, the Board approved the reauthorization of the Academy. On August 6, 2012, the Board approved a second amendment of the Criteria for the Evaluation of Applications.

**Renewal of Charter for Weston Preparatory Academy
Oakland University
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4. **Budget Implications:** Oakland University receives three percent (3%) of the state school funding received by the Weston Preparatory Academy as an administrative fee for performing oversight.
5. **Educational Implications:** The philosophy of Weston Preparatory Academy is aligned with that of Oakland University's School of Education and Human Services ("School") and will be able to strengthen the mission of the School. Furthermore, Weston Preparatory Academy will educate a well rounded and high achieving student body, which in turn may become future Oakland University students.
6. **Personnel Implications:** There are no personnel implications associated with this resolution.
7. **University Reviews/Approvals:** The Academy's request for renewal of its charter was reviewed and recommended by the PSA Office. The recommendation was approved by the Dean of the School of Education and Human Services and the Senior Vice President for Academic Affairs and Provost.
8. **Recommendation:**

WHEREAS, the University has received the Weston Preparatory Academy's application requesting that the Board renew its charter and authorize the Academy to continue as a public school academy; and

WHEREAS, the University has determined it is in the best interest of the University and the State of Michigan to continue to authorize the Academy as a public school academy; now, therefore, be it

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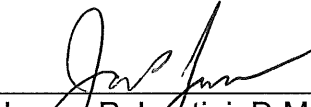
**Renewal of Charter for Weston Preparatory Academy
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RESOLVED, that the Agreement shall be reviewed and approved by the Office of the Vice President for Legal Affairs and General Counsel prior to execution, and shall be in compliance with the law and University policies and regulations and shall conform to the legal standards and policies of the Vice President for Legal Affairs and General Counsel; and, be it further

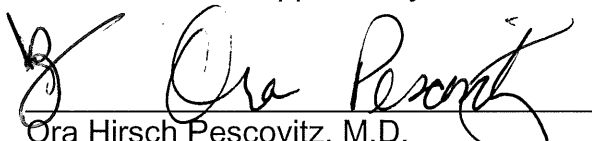
RESOLVED, that the Board of Trustees authorizes the President, the Senior Vice President for Academic Affairs and Provost, and their respective designees, to perform all acts and deeds and to execute and deliver all contracts, instruments and documents that are necessary, expedient and proper in connection with the Academy and the ongoing administration of Oakland University's oversight function.

9. **Attachments:** None.

Submitted to the President
on 2/7, 2020 by


James P. Lentini, D.M.A.
Senior Vice President for
Academic Affairs and Provost

Recommended on 2/7, 2020
to the Board for Approval by


Ora Hirsch Pescovitz, M.D.
President

Financial Report



Memo

To: Weston Preparatory Academy Board of Directors
From: Sandy Jenkin and Laura Blankenship
CC: Yvonne McClean and Ticheal Jones
Date: 5/5/2020
Re: April 2020 Financial Report

Attached are the following documents for your review:

- Budget vs. Actual for General Fund and Lunch Fund that compares the YTD income and expenses against the Revision 2019-20 Budget
- Balance Sheet
- Cash Flow Statement for 2019-20
- Detailed Check Register

Financial Highlights

- Work continues on both your final FY20 budget as well as your original FY21 budget with school leadership.
- Please note the Budget YTD column formula reflects the number of months reporting on a particular set of financials. The formula for April is set at ten months. Please know when looking at this number it would not be expected to be at 83% of budget in all line items as some revenues and expenses are incurred during specific times of the year. For instance, the majority of your teaching supplies are purchased at the beginning of the school so you are likely to see these lines over 83%.

Notes still applicable from last month:

- *Line item 261-3830 water and sewer is showing over budget due to credits that have yet to be applied.*
- *Line item 111-5110 Teaching Supplies (OU Grant) is showing over budget at this time. Please note the revenue and expense for the Oakland University Grant will tie out for year-end.*

Please review the attached information and feel free to contact me at sjenkin@charterschoolpartners.com or call us at 810-206-3242 with any questions or comments regarding these reports.

WESTON PREPARATORY ACADEMY
Statement of Revenues, Expenditures & Fund Balance
For the Ten Months Ending Thursday, April 30, 2020
General Fund

						\$	
		Month To				Difference	
Account		Date	Year To Date	Budget YTD	Budget	YTD vs. Budget	Current %
Revenue							
Revenue from Local Sources							
192-9990-	O.U. Grant	-	25,532	16,667	20,000	5,532	127.7%
199-0000-	Miscellaneous Income	-	499	2,083	2,500	(2,001)	20.0%
Revenue from State Sources							
311-0000-	State Aid Foundation	205,335	1,879,313	1,935,825	2,322,990	(443,677)	80.9%
312-0000-	Headlee Data Collection	661	6,044	6,288	7,546	(1,502)	80.1%
312-0020-	At Risk	19,308	173,532	177,954	213,545	(40,013)	81.3%
312-0120-	Special Education	3,143	26,351	33,579	40,295	(13,944)	65.4%
312-0009-	Early Literacy Targeted Grant	408	5,017	3,739	4,487	530	111.8%
312-0001-	Computer Adaptive Testing	-	541	-	-	541	0.0%
Revenue from Federal Sources							
414-0120-	IDEA	-	30,886	55,000	66,000	(35,114)	46.8%
414-0140-	Title I A	-	98,868	142,558	171,070	(72,202)	57.8%
414-0210-	Title II A	-	9,307	20,371	24,445	(15,138)	38.1%
414-7530	Title IV	-	-	19,106	22,927	(22,927)	0.0%
513-0000	Revenue From ISD - Act 18	10,447	10,447	10,000	12,000	(1,553)	87.1%
Total Revenues & Other Transactions		239,302	2,266,337	2,423,171	2,907,805	(641,470)	77.9%
Expenditures							
Elementary Expenditures							
111-3110-	Purchased Services - Salaries	35,807	316,333	326,127	391,352	(75,019)	80.8%
111-3110-	Purchased Services - Substitutes	620	6,879	20,833	25,000	(18,121)	27.5%
111-3110-	Purchased Serv - Benefits	7,791	74,239	87,485	104,982	(30,743)	70.7%
111-3110-	Purchased Serv - Taxes	3,751	34,018	30,505	36,606	(2,588)	92.9%
Total Purchased Staffing		47,969	431,469	464,950	557,940	(126,471)	77.3%
111-4220-	Copier Lease	654	6,591	18,333	22,000	(15,409)	30.0%
111-5110-	Teaching Supplies	-	6,896	7,583	9,100	(2,204)	75.8%
111-5110-	Teaching Supplies - OU Grant	-	38,787	16,667	20,000	18,787	193.9%
111-5210-	Textbooks	-	18,431	22,500	27,000	(8,569)	68.3%
111-7910-	Miscellaneous	-	173	208	250	(77)	69.2%
Total		48,623	502,347	530,242	636,290	(133,944)	78.9%
Middle School Expenditures							
112-3110-	Purchased Services - Salaries	19,455	193,356	201,573	241,888	(48,532)	79.9%
112-3110-	Purchased Serv - Benefits	2,313	24,162	25,623	30,747	(6,585)	78.6%
112-3110-	Purchased Serv - Taxes	1,566	16,690	18,151	21,781	(5,091)	76.6%
Subtotal		23,334	234,208	245,347	294,416	(60,208)	79.6%
112-5110-	Teaching Supplies	-	6,729	6,667	8,000	(1,271)	84.1%
Total		23,334	240,937	252,013	302,416	(61,479)	79.7%
Added Needs							
122-3110-	Purchased Serv - Salaries	-	34,771	45,833	55,000	(20,229)	63.2%
122-3110-	Purchased Serv - Salaries (IDEA)	5,190	51,918	55,000	66,000	(14,082)	78.7%
122-5110-	Teaching Supplies	-	258	417	500	(242)	51.5%
Total		5,190	86,947	101,250	121,500	(34,553)	71.6%

WESTON PREPARATORY ACADEMY
Statement of Revenues, Expenditures & Fund Balance
For the Ten Months Ending Thursday, April 30, 2020
General Fund

						\$	
		Month To				Difference	
Account		Date	Year To Date	Budget YTD	Budget	YTD vs. Budget	Current %
Compensatory Education							
125-3110-	Purchased Serv - Salaries (At Risk)	14,554	143,637	161,288	193,545	(49,908)	74.2%
125-3110-	Purchased Serv - Salaries (Title IA)	7,830	62,948	71,856	86,227	(23,279)	73.0%
125-3110-	Purchased Serv - Salaries (Title IV)	-	-	1,802	2,162	(2,162)	0.0%
125-5110-	Supplies (Title IA)	-	230	5,748	6,898	(6,668)	3.3%
125-5110-	Supplies (Title IV)	-	-	17,304	20,765	(20,765)	0.0%
	Total	22,384	206,815	257,998	309,597	(102,782)	66.8%
Support Services							
213-3130	Purchased Serv - OT	-	5,252	5,833	7,000	(1,748)	75.0%
214-3130	Purchased Serv - Psychological	-	5,371	7,500	9,000	(3,629)	59.7%
215-3130-	Purchased Serv - Speech	-	22,770	25,000	30,000	(7,231)	75.9%
216-3130-	Purchased Serv -SW (At Risk)	-	11,465	16,667	20,000	(8,535)	57.3%
	Total	-	44,858	55,000	66,000	(21,143)	68.0%
Instructional Staff							
221-3220-	Workshops & Conferences	-	3,953	4,167	5,000	(1,047)	79.1%
221-3220-	Workshops & Conferences - Title II	-	4,675	7,066	8,479	(3,804)	55.1%
221-3110-	Title IIA Improvement of Instruction	578	5,789	13,305	15,966	(10,178)	36.3%
221-3220-	Title IA Coordinator	6,147	61,432	62,037	74,444	(13,012)	82.5%
	Total	6,725	75,849	86,574	103,889	(28,040)	73.0%
General Administration - Board of Education							
231-3170-	Legal Fees	-	7,500	8,333	10,000	(2,500)	75.0%
231-3180-	Audit Fees	-	9,250	8,958	10,750	(1,500)	86.0%
231-7410-	Dues & Fees	-	10,170	8,333	10,000	170	101.7%
231-3510-	Advertising	-	4,630	7,917	9,500	(4,870)	48.7%
	Total	-	31,550	33,542	40,250	(8,699)	78.4%
General Administration - Executive Administration							
232-3150-	Purchased Management Services - CSP	18,016	192,187	193,583	232,299	(40,112)	82.7%
232-3150-	University Oversight Fee	6,879	48,473	64,609	77,531	(29,058)	62.5%
	Total	24,895	240,660	258,192	309,830	(69,171)	77.7%
School Administration							
241-3150-	Purchased Serv - Administrators	19,706	197,100	196,638	235,966	(38,866)	83.5%
241-3150-	Purchased Serv - Administrative Assistants	8,532	75,662	79,674	95,609	(19,947)	79.1%
241-3150-	Purchased Serv - Benefits	3,496	34,919	40,545	48,654	(13,735)	71.8%
241-3150-	Purchased Serv - Taxes	2,291	22,349	24,122	28,946	(6,597)	77.2%
241-3430-	Mail/Postage	-	499	1,667	2,000	(1,501)	24.9%
241-5910-	Office Supplies	189	6,077	5,833	7,000	(923)	86.8%
241-6420-	Furniture & Equipment	-	299	1,667	2,000	(1,701)	14.9%
241-7410-	Dues & Fees	-	-	417	500	(500)	0.0%
	Total	34,214	336,905	350,563	420,675	(83,770)	80.1%

WESTON PREPARATORY ACADEMY
Statement of Revenues, Expenditures & Fund Balance
For the Ten Months Ending Thursday, April 30, 2020
General Fund

						\$	
		Month To				Difference	
Account		Date	Year To Date	Budget YTD	Budget	YTD vs. Budget	Current %
Business Support Services							
259-7210-	Interest	2,629	20,842	27,708	33,250	(12,408)	62.7%
259-7410-	Bank Charges, Dues & Fees	-	1,106	1,000	1,200	(94)	92.2%
	Total	2,629	21,948	28,708	34,450	(12,502)	63.7%
Operations & Maintenance							
261-3190-	Purchased Serv - Janitorial	6,815	64,416	60,510	72,612	(8,196)	88.7%
261-3190-	Purchased Serv - Benefits	1,592	15,036	15,343	18,412	(3,376)	81.7%
261-3190-	Purchased Serv - Taxes	756	7,095	9,418	11,302	(4,207)	62.8%
261-3410-	Telephone	655	1,256	10,000	12,000	(10,744)	10.5%
261-3490	Internet Services	2,023	4,060	10,125	12,150	(8,090)	33.4%
261-3830-	Water & Sewer	2,002	10,349	5,000	6,000	4,349	172.5%
261-3840-	Waste & Trash Disposal	-	2,089	8,333	10,000	(7,911)	20.9%
261-3910-	Insurance	1,399	13,990	16,583	19,900	(5,910)	70.3%
261-4110-	Building Maintenance & Repair	-	18,998	25,000	30,000	(11,002)	63.3%
261-4220-	Alarm	423	1,269	1,500	1,800	(531)	70.5%
261-4230-	Lease	18,737	186,447	187,374	224,849	(38,402)	82.9%
261-5510-	Heat	-	4,702	12,500	15,000	(10,298)	31.3%
261-5520-	Electric	3,615	23,578	25,000	30,000	(6,422)	78.6%
261-5990-	Supplies & Materials	-	4,488	14,167	17,000	(12,512)	26.4%
261-6410	Capital Outlay > \$1,000	-	7,081	8,333	10,000	(2,919)	70.8%
	Total	38,017	364,854	409,188	491,025	(126,173)	74.3%
Transportation							
271-0000	Transportation Set Aside (Title I)	-	-	417	500	(500)	0.0%
	Total	-	-	417	500	(500)	0.0%
Central Services							
284-3190-	Purchased Serv - IT Provider	-	16,987	24,267	29,120	(12,133)	58.3%
284-5990-	Supplies & Materials	-	6,319	10,833	13,000	(6,681)	48.6%
284-3450-	Software	-	13,984	12,500	15,000	(1,016)	93.2%
	Total	-	37,290	47,600	57,120	(19,830)	65.3%
Community Activities							
331-5110-	Parental Involvement	-	169	2,500	3,000	(2,831)	5.6%
	Total	-	169	2,500	3,000	(2,831)	5.6%
Building Improvements							
456-6220	Building	-	-	1,667	2,000	(2,000)	0.0%
	Total	-	-	1,667	2,000	(2,000)	0.0%
Total Expenditures & Other Transactions		206,012	2,191,125	2,415,452	2,898,542	(707,417)	75.6%
Revenues & Other Financing Sources Over							
(Under) Expenditures and Other Uses		33,290	75,210	7,719	9,263		

WESTON PREPARATORY ACADEMY
Statement of Revenues, Expenditures & Fund Balance
For the Ten Months Ending Thursday, April 30, 2020
General Fund

Account		Month To			\$	
		Date	Year To Date	Budget YTD	Budget	Difference YTD vs. Budget
						Current %
711-0000	Beginning Fund Balance	-	361,810	301,508	361,810	
	Ending Fund Balance	33,290	437,020	309,228	371,073	

WESTON PREPARATORY ACADEMY
Statement of Revenues, Expenditures & Fund Balance
For the Ten Months Ending Thursday, April 30, 2020
Food Service Fund
School Service Fund (Lunch)

		\$					
Account		Month To Date	Year To Date	Budget YTD	Budget	Difference YTD vs. Budget	Current %
Revenue							
25-312-0000	State Lunch Revenue	234	2,767	3,942	4,730	(1,963)	58.5%
25-414-0000	Federal Lunch Revenue	-	96,601	138,333	166,000	(69,399)	58.2%
Total Revenues & Other Transactions		234	99,368	142,275	170,730	(71,362)	58.2%
Expenditures							
25-297-5610	Food	12,790	91,623	121,250	145,500	(53,877)	63.0%
25-297-3110	Aides	1,705	12,629	11,025	13,230	(601)	95.5%
25-297-3910	Custodial			10,000	12,000	(12,000)	0.0%
Total Expenditures & Other Transactions		14,495	104,252	142,275	170,730	(66,478)	61.1%
Revenues & Other Financing Sources Over (Under)							
Expenditures & Other Uses		(14,261)	(4,884)	-	-		
25-711-0000	Beginning Fund Balance	-	2,651	-	-		
Ending Fund Balance		(14,261)	(2,233)	-	-		

WESTON PREPARATORY ACADEMY
Combined Balance Sheet - All Funds
Thursday, April 30, 2020

	<i>General Fund</i>	<i>Food Service Fund</i>	<i>Total</i>
Assets			
Checking	457,739		457,739
Due From Other Funds	2,233		2,233
Due From State	478,278		478,278
Prepaid Expenditures	103,601		103,601
Total Assets	1,041,851		1,041,851
Liabilities			
Accounts Payable	10,891		10,891
Due to Other Funds		2,233	2,233
Short Term Notes Payable	593,940		593,940
Total Liabilities	604,831	2,233	607,064
Fund Balance			
Fund Balance	361,810	2,651	364,461
Net Income	75,210	(4,884)	70,326
Total Liabilities and Fund Balance	1,041,851	-	1,041,851

Weston Preparatory Academy
Cash Flow - July 2019 to June 2020

Operating Funds	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019
Beginning Cash Balance (Including Investments)	\$ 172,152	\$ 102,516	\$ 776,968	\$ 565,996	\$ 457,308	\$ 395,978
Estimated Receipts						
State Aid	232,010	232,265		229,601	231,348	218,264
Federal and Local Aid	43,962	20,662				
Other Revenue					3,641	18,713
Financing Activities						
Cash Flow Note Proceeds		900,000				
Total Cash Available	\$ 448,125	\$ 1,255,443	\$ 776,968	\$ 795,597	\$ 692,297	\$ 632,955

Expenditures						
Payroll	144,424	128,255	135,381	144,743	148,601	142,953
Other Operating Expenses	19,367	168,401	75,591	111,728	65,900	89,749
Debt Service/Lease Expense						
Financing Activities						
CF Note Payment: Principal	181,818	181,819		81,818	81,818	81,818
Ending Cash Balance	\$ 102,516	\$ 776,968	\$ 565,996	\$ 457,308	\$ 395,978	\$ 318,435

Operating Funds	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020
Beginning Cash Balance (Including Investments)	\$ 318,435	\$ 399,771	\$ 666,103	\$ 599,509	\$ 457,739	\$ 282,277
Estimated Receipts						
State Aid	248,703	228,045	230,502	229,412	239,006	239,006
Federal	23,926.60	15,903	108,174	10,447	22,525	22,525
Local		5,989				
Financing Activities						
Cash Flow Note Proceeds		400,000				
Total Cash Available	\$ 591,064	\$ 1,049,708	\$ 1,004,779	\$ 839,368	\$ 719,271	\$ 543,808

Expenditures						
Payroll	71,469	221,745	147,288	155,699	144,057	144,057
Other Operating Expenses	38,006	80,042	106,294	44,112	111,119	111,119
Debt Service/Lease Expense						
Financing Activities						
CF Note Payment: Principal	81,818	81,818	151,688	181,818	181,818	181,818
Ending Cash Balance	\$ 399,771	\$ 666,103	\$ 599,509	\$ 457,739	\$ 282,277	\$ 106,814

CHECKBOOK BALANCE INQUIRY REPORT

Weston Preparatory Academy

Bank Reconciliation

Checkbook ID:	CHECKING	Current Checkbook Balance:	\$456,339.59
Description:	Checking	Current Cash Account Balance:	\$456,339.59

Ranges: Date	From: 4/1/2020	To: 4/30/2020
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* Voided transaction ^ Cleared amount is different than posted amount

Number	Date	Type	Paid To/Rcvd From	Payment	Deposit	Balance
Reconciled	Cleared	Description				
3596 No	4/2/2020 0/0/0000	CHK	Absopure	\$24.00		\$667,615.99
3597 No	4/2/2020 0/0/0000	CHK	Detroit Institute for Children	\$8,174.56		\$659,441.43
3598 No	4/2/2020 0/0/0000	CHK	Integrity Business Solutions	\$184.95		\$659,256.48
3599 No	4/2/2020 0/0/0000	CHK	Schoolhouse Facilities, LLC	\$18,737.42		\$640,519.06
3600 No	4/2/2020 0/0/0000	CHK	Unique Food Management	\$831.30		\$639,687.76
3601 No	4/2/2020 0/0/0000	CHK	Level One Bank	\$68,130.89		\$571,556.87
ACH040320 No	4/3/2020 0/0/0000	CHK	Detroit, City of Manual EFT	\$130.00		\$571,426.87
ACH041420 No	4/14/2020 0/0/0000	CHK	CSP Management dba Partner Solutions Manual EFT	\$74,383.65		\$497,043.22
FEB. & MAR LUNCH DEP No	4/14/2020 0/0/0000	IAJ	Feb. & Mar. Lunch Deposit		\$17,560.70	\$514,603.92
3602 No	4/17/2020 0/0/0000	CHK	Absopure	\$75.50		\$514,528.42
3603 No	4/17/2020 0/0/0000	CHK	Grant Consulting Services	\$655.11		\$513,873.31
3604 No	4/17/2020 0/0/0000	CHK	Integrity Business Solutions	\$70.99		\$513,802.32
3605 No	4/17/2020 0/0/0000	CHK	LEAF	\$654.43		\$513,147.89
3606 No	4/17/2020 0/0/0000	CHK	Unique Food Management	\$5,226.74		\$507,921.15
ACH 308003458054 No	4/17/2020 0/0/0000	CHK	Comcast Business Manual EFT	\$2,023.00		\$505,898.15
ACH ANAD2D25CC2B No	4/17/2020 0/0/0000	CHK	Clear Rate Communications, Inc. Manual EFT	\$520.43		\$505,377.72
ACH032720 No	4/17/2020 0/0/0000	CHK	Edustaff Manual EFT	\$619.50		\$504,758.22
IAJ000000912 No	4/17/2020 0/0/0000	IAJ	Wayne RESA Act 18		\$10,447.00	\$515,205.22
APRIL STATE AID No	4/22/2020 0/0/0000	IAJ	April State Aid		\$71,303.58	\$586,508.80
3607 No	4/29/2020 0/0/0000	CHK	Absopure	\$24.00		\$586,484.80
3608 No	4/29/2020 0/0/0000	CHK	Allstar Alarm Inc.	\$423.00		\$586,061.80
3609 No	4/29/2020 0/0/0000	CHK	CS Partners	\$18,016.24		\$568,045.56
3610 No	4/29/2020 0/0/0000	CHK	Detroit, City of	\$130.00		\$567,915.56
3611 No	4/29/2020 0/0/0000	CHK	Integrity Business Solutions	\$89.90		\$567,825.66
3612 No	4/29/2020 0/0/0000	CHK	Schoolhouse Facilities, LLC	\$18,737.42		\$549,088.24
3613 No	4/29/2020 0/0/0000	CHK	Unique Food Management	\$6,419.37		\$542,668.87
ACH042920 No	4/29/2020 0/0/0000	CHK	CSP Management dba Partner Solutions Manual EFT	\$81,315.75		\$461,353.12
ACH 100016108786 No	4/30/2020 0/0/0000	CHK	DTE Energy 000 1 5 Manual EFT	\$3,614.51		\$457,738.61

28 Total Transaction(s)

Balance As Of 4/30/2020 \$457,738.61

Budget Hearing

WESTON PREPARATORY ACADEMY**FY20 Final Budget Summary**

	2019-20 Revision	2019-20 Final	2020-21 Original
Total Revenue	\$ 2,907,805	\$ 3,009,877	\$ 2,903,652
Total Expenses	(2,898,542)	(2,958,630)	(2,876,088)
Surplus/(Deficit)	9,263	51,247	27,564
Enrollment	286.40	281.37	286.80
Foundation Allowance	8,111	8,111	8,111
Projected Fund Balance	371,073	413,057	440,621
<i>Fund Balance as % Revenue</i>	12.76%	13.72%	15.17%

Fiscal Year 2019-20 Final Budget Notes:

- * Enrollment is represented at 281.37
- * Overall revenue increases of \$102,072
 - Decrease in State revenue of \$49,796
 - Increase in local revenue of \$23,250
 - Federal Revenue for CARES Act Stimulus funds of \$128,618
- * Overall expense decreases of \$60,088
 - Decrease in overall purchased services of \$54,678
 - Decrease in building maintenance of \$12,976

Fiscal Year 2020-21 Original Budget Notes:

- * Enrollment is represented conservatively at 286.80
- * State funding is represented at \$8,111
- * This budget represents a 3% increase in health benefits

**WESTON PREPARATORY ACADEMY
EXECUTIVE SUMMARY**



	19-20 REVISION 1	19-20 PROJECTED FINAL	Variance Rev 1 & Final	20-21 PROJECTED ORIGINAL
<i>Enrollment Blend / Funding Per Pupil</i>	286.40 @ \$8,111	281.37 @ \$8,111		286.80 @ \$8,111
Revenue				
Local Sources	\$ 22,500	\$ 45,750	23,250	\$ 20,750
State Sources	2,588,863	2,539,067	(49,796)	2,586,460
Federal Sources	284,442	413,133	128,691	284,442
	12,000	12,000		12,000
Total Revenue	\$ 2,907,805	\$ 3,009,950	102,145	\$ 2,903,652
Expenditures				
Basic Programs	\$ 938,705	\$ 883,350	(55,355)	\$ 905,961
Added Needs	431,098	562,950	131,852	437,160
Pupil Services	66,000	66,000	-	66,000
Improvement of Instruction	103,889	104,889	1,000	105,399
General Administration	350,080	339,378	(10,702)	342,833
School Administration	420,675	426,944	6,269	436,466
Business Services	34,450	34,450	0	34,450
Operations & Maintenance	491,025	478,049	(12,976)	492,199
Transportation	500	500		500
Support Services Technology	57,120	57,120	-	50,120
Community Services	3,000	3,000		3,000
Transfers & Other Transactions	2,000	2,000	-	2,000
Total Expenditures	\$ 2,898,540	\$ 2,958,630	60,090	\$ 2,876,088
Revenue and Other Financing Sources Over (Under)				
Expenditures and Other Uses	\$ 9,265	\$ 51,320		\$ 27,564
Beginning Fund Balance	\$ 361,810	\$ 361,810		\$ 413,130
Ending Fund Balance	\$ 371,075	\$ 413,130		\$ 440,694
<i>Fund Balance as % of Revenue:</i>	<i>12.76%</i>	<i>13.73%</i>		<i>15.18%</i>

20-21 Budget Scenarios - Possible Foundation Allowance Decreases

Foundation Allowance Assumption	\$8,111	\$7,786	\$7,461	\$7,136
	Current	\$325 Reduction	\$650 Reduction	\$975 Reduction
Enrollment	286.60	286.60	286.60	286.60
Revenue	\$2,903,652	\$2,810,442	\$2,717,232	\$2,624,022
Expenditures	\$2,876,088	\$2,876,088	\$2,876,088	\$2,876,088
Budget Surplus/(Deficit)	\$27,564	(\$65,646)	(\$158,856)	(\$252,066)
Use of Fund Balance Recommended	\$0	\$53,529	\$53,529	\$53,529
Operation Gain (Loss) to be Balanced	\$27,564	(\$12,117)	(\$105,327)	(\$198,537)
CARES Act Funding Spent in 19-20	\$28,618			
Carryover Estimated for 20-21	\$100,000	\$100,000	\$100,000	\$100,000

Key Points:

- ** Each \$500 million of State Tax Revenue reduction = \$325 reduction per pupil
- ** Guidance now shows worst case scenario is \$1.5 billion in lost State Tax Revenue
- ** CSP Recommends relying on Fund Balance to cover loss to the extent a 12% Fund Balance can still be maintained.

2019-20 Funding Update

We understand there is a chance funding this year may be reduced. We are managing information as it comes in. It is our recommendation that any loss be absorbed first by net income from the current fiscal year and subsequently, by fund balance.

CS Partners Report



CS Partners

Weston Preparatory Academy – May 2020

School Performance Team

- Sara Fields provided an update and guidance regarding updated requirements for school improvement plans during this COVID-19 closure. Schools can use the same plans that were submitted for the 2019-2020 school year.
- The Director of Special Education continues to work with the special education coordinators with updated information from MDE, Catamaran, and the US Department of Education.

Budget and Accounting

- As we enter the budget season full-swing, there is much uncertainty surrounding state funding. Since many details for 20-21 are not expected until late summer or early fall, the budget analyses we share with you now will cover a few funding scenarios. As more information becomes available in the coming months, the CS Partners team will be working with school leadership to develop detailed contingency plans that address funding reductions.
- Day to day, the B&A Team is operating almost as normal in these chaotic times. We continue to pay bills regularly and work with vendors on any issues. The accounting and budget processes continue on schedule as well. Laura Carpenter and Nancy Stebbins are regularly attending MAPSA webinars to assure we are aware of the most recent guidance regarding financial topics.
- The MDE has released the Elementary and Secondary School Emergency Relief funding (also known as CARES funding) to all schools that qualified. The funding amount was based off of the schools Title I allocation for the 2019-2020 school year but is a separate grant from Title I and does not follow the same rules. The CARES funding is used to support the school in educational areas that have been affected due to the current pandemic. The School Operations and Budget and Accounting Teams will be working with the School Leader to maximize this funding.

Compliance and Facilities

- Andrea Pecuch, SOS - Specialist, placed the proper legal notice for the 2020-21 Budget Hearing.
- Renae Behr, Food Service and Facility Manager, has been assisting the Academy with compliance for the application for Fresh Fruit and Vegetable Program and the application for Vendor renewal.
- Todd Dryer, SOS-Facilities: Had a good virtual facility visit this month with the team. We made some plans for some work that can be accomplished after the "stay at home" is lifted.

Memo

To: WPA Academy Board of Directors

From: John Vandersteen, Project Coordinator

Date: 5-13-20

Re: 2020-2021 E-rate contracts

I have been working with WPA's contracted E-rate consultant, Valerie Nelson from Grant Consulting Services, on the 2020-2021 E-rate application. E-rate is a federal program that provides discounts to schools and libraries for internet, phone services, and basic maintenance of technology.

The percent of discount is determined by the number of students enrolled at the school and those that qualify for free and reduced lunch. At this time, beyond the extended filing window provided due to COVID-19 shutdown, we do not believe the global pandemic or the governments' responses have affected the availability or amount of E-rate funding available for the Academy.

The E-rate application process includes requesting bids from vendors which are scored by our e-rate consultant to choose the best option within the E-rate eligible guidelines. As we have worked with your board designee for these agreements, this is simply an estimate of costs both before and after the E-rate discounts.

Your school leaders have received these agreements and will be reminded at the beginning of the new E-rate year in July to follow up with scheduling any equipment installation as needed.

Service Type	Annual Price	Expected Cost to the School after E-rate Discount
Comcast Internet	\$8,040	\$805
Charter Tech Installation -Installation of wireless hotspots and assorted licenses req'd	\$4,786	\$718
Charter Tech Maintenance	\$8,450	\$4,322
Totals	\$21,276	\$5,845

Please feel free to email me with questions. jvandersteen@charterschoolpartners.com

New Business



1. CS Partners was responsive to the board's comments, questions, and concerns--

☐ Strongly Agree ☐ Agree ☐ Neither Agree nor Disagree ☐ Disagree ☐ Strongly Disagree

2. CS Partners was transparent and provided information to the board sufficient for data-driven decision making--

☐ Strongly Agree ☐ Agree ☐ Neither Agree nor Disagree ☐ Disagree ☐ Strongly Disagree

3. CS Partners helped provide and maintain an environment conducive to learning for the Academy--

☐ Strongly Agree ☐ Agree ☐ Neither Agree nor Disagree ☐ Disagree ☐ Strongly Disagree

4. CS Partners guided the Academy to use its money wisely and responsibly--

☐ Strongly Agree ☐ Agree ☐ Neither Agree nor Disagree ☐ Disagree ☐ Strongly Disagree

5. CS Partners helped the Academy show progress towards achieving its mission and goals--

☐ Strongly Agree ☐ Agree ☐ Neither Agree nor Disagree ☐ Disagree ☐ Strongly Disagree

6. CS Partners helped the Academy create an environment conducive to student and teacher satisfaction and student retention--

☐ Strongly Agree ☐ Agree ☐ Neither Agree nor Disagree ☐ Disagree ☐ Strongly Disagree

7. The board is satisfied with CS Partners' service to the Academy this year--

☐ Strongly Agree ☐ Agree ☐ Neither Agree nor Disagree ☐ Disagree ☐ Strongly Disagree

8. Do you have any other comments, questions, or concerns?

Resolution of the Weston Preparatory Academy Board of Directors

Negotiation and Execution of Charter Contract

WHEREAS, the Oakland University Board of Trustees (the “University Board”) and the Board of Directors of Weston Preparatory Academy (the “Academy Board”) are authorized to enter into a Contract to Charter a Public School Academy (“Contract”), pursuant to Part 6A of Public Act No. 451 of 1976, as amended; and

WHEREAS, the Academy Board as agreed by majority vote that _____ has full authority of the Academy Board to negotiate the Contract and Board member _____ has full authority of the Academy Board to execute and bind the Academy to the Contract.

BE IT RESOLVED, that the Academy Board approves _____ to negotiate the Contract and Board Member _____ to execute the Contract on behalf of the Academy; and

BE IT FURTHER RESOLVED, that the Academy Board authorizes and directs the performance of the terms of the Contract by all applicable directors, officers, employees and agents of the Academy.

Secretary’s Certification:

I certify that the foregoing resolution was adopted by the Weston Preparatory Academy Board of Directors at a properly noticed open meeting held on 21st day of May, 2020, at which a quorum was present.

By: _____
Board Secretary



February 26, 2020

Board of Directors
Weston Preparatory Academy
22930 Chippewa St
Detroit, MI 48219

Dear Board of Directors:

Enclosed is the engagement letter for Weston Preparatory Academy for the years ending June 30, 2020, June 30, 2021, and June 30, 2022. Generally Accepted Auditing Standards and *Government Auditing Standards* require that we communicate, during the planning stage of an audit, certain information to the Board of Directors. This information includes the auditors' responsibilities in a financial statement audit, including our responsibilities for testing and reporting on compliance with laws and regulations and internal control, and the planned scope and timing of the audit. The engagement letter includes the items which must be communicated to the Board of Directors.

Therefore, please make copies of the attached engagement letter and forward the copies to the Superintendent and each member of the Board of Directors.

Please sign and return the enclosed copy of the attached engagement letter to us at your earliest convenience.

If you have any questions, please call me.

Sincerely,

Jacob Sopczynski, CPA
Yeo & Yeo, P.C.
CPAs & Business Consultants

Enclosures

February 26, 2020

Board of Directors
Weston Preparatory Academy
22930 Chippewa St.
Detroit, MI 48219

We are pleased to confirm our understanding of the services we are to provide Weston Preparatory Academy for the year ended June 30, 2020, June 30, 2021, and June 30, 2022. We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of Weston Preparatory Academy as of and the year ended June 30, 2020, June 30, 2021, and June 30, 2022. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Weston Preparatory Academy's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Weston Preparatory Academy's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- Management's Discussion and Analysis
- Budgetary Comparison Schedules

We have also been engaged to report on supplementary information other than RSI that accompanies Weston Preparatory Academy's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

- Nonmajor governmental funds combining statements (if necessary)
- Schedule of expenditures of federal awards (if necessary)

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation

to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of Weston Preparatory Academy and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Weston Preparatory Academy's financial statements. Our report will be addressed to management and the Board of Directors of Weston Preparatory Academy. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that Weston Preparatory Academy is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain

other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Weston Preparatory Academy's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also provide the following services, some of which may be covered by separate engagement letters, which cover the terms of each separate engagement. These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

- Assist in preparing financial statements, related notes and supplementary financial information, in accordance with U.S. Generally Accepted Accounting Principles (U.S. GAAP)
- Assist in preparing the government-wide conversion

We will perform the services in accordance with applicable professional standards. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for designing, implementing, and maintaining effective internal controls, relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements related notes, required supplementary information, other supplementary information, the non-audit services listed above, and any other non-audit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the non-audit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them. At the conclusion of the audit, you agree to retain all work products provided to you as part of our engagement in order to maintain complete records to support the audited financial

statements. Under the AICPA Code of Professional Conduct, we cannot serve as custodian of your data under the independence rule.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

With regard to using the auditors' report, if you request our written consent to reproduce or use our report in a bond offering, official statements, or other documents, additional procedures will be required, at an additional cost to be determined.

However, you are not required to request or obtain our consent. If you use the auditors' report without our written consent, the following statements must be included in the bond offering, official statements, or other documents:

INDEPENDENT AUDITORS

The financial statements of Weston Preparatory Academy, as of June 30, 2020, and for the year then ended, included in this Official Statement, have been audited by Yeo & Yeo, P.C., CPAs & Business Consultants, independent auditors, as stated in their report appearing herein.

Yeo & Yeo, P.C., CPAs & Business Consultants has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Yeo & Yeo, P.C., CPAs & Business Consultants also has not performed any procedures relating to this official statement.

You acknowledge that as a condition of our agreement to perform an audit, you agree to the best of your knowledge and belief to be truthful, accurate, and complete in the representations you make to us during the course of the audit and in the written representations provided to us at the completion of the audit.

Engagement Administration, Fees, and Other

We may from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to Weston Preparatory Academy and the Michigan Department of Education; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Yeo & Yeo, P.C. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Michigan Department of Education,

the U.S. Department of Education or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Yeo & Yeo, P.C. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the U.S. Department of Education. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately June 2020 and to issue our reports no later than October 31, 2020. Jacob Sopczynski is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Professional standards require us to be independent with respect to the Organization in the performance of our services. Any discussions that management has with personnel of Yeo & Yeo regarding employment could pose a threat to our independence. Therefore, we request that management inform the engagement principal prior to any such discussions so that we can implement appropriate safeguards to maintain our independence.

Neither party shall, during the term of this engagement and for one year after its termination, solicit for hire as an employee, consultant or otherwise, any of the other party's personnel without such other party's express written consent. If the Organization desires to offer employment to a Yeo & Yeo employee and the employee is hired in any capacity by the Organization, a compensation placement fee of 25% of their salary may apply.

Any litigation arising out of this engagement, except actions by us to enforce payment of our professional invoices, must be filed within one year from the completion of the engagement, notwithstanding any statutory provision to the contrary. In the event of litigation brought against us, any judgment you obtain shall be limited in amount, and shall not exceed the amount of the price charged by us, and paid by you, for the services set forth in this engagement letter.

You acknowledge that we may collect your employees' personally identifiable information as part of the services that we are engaged to perform. We agree to indemnify you for any covered damages or claim expenses that may result from a data breach at Yeo & Yeo, P.C. as part of the terms of this contract.

Our price for these services will be \$10,750 for the year ended June 30, 2020, \$11,250 for the year ended June 30, 2021, and \$11,750 for the year ended June 30, 2022. The above prices do not include the pricing of a single audit as it is not deemed necessary at this time. If a single audit is necessary per federal guidelines, then additional pricing will be discussed and agreed upon at that time. Our invoices for these services will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes past due and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above price is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If additional time becomes necessary to complete your engagement, we will discuss the issues with you and arrive at a new price estimate, which may or may not occur before we incur the additional time.

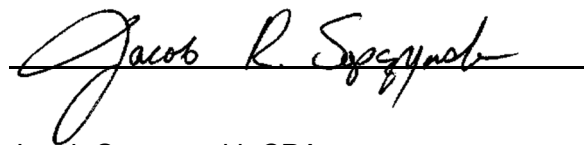
Our price quoted above is also contingent on all items on the assistance list being completed by the due dates indicated and the audit being performed during the dates scheduled. If the dates are not met and the engagement needs to be rescheduled due to things in your control, then an additional price of 20% could apply. The reason for this is that we schedule our client work well in advance. When the job has to be rescheduled it causes a domino effect, as we likely have other clients scheduled in the new requested time slot, and our staff are likely scheduled on another client. As a result we may have to put you at the end of the line, and/or change staff. When our staff members finishing the work are not the same as those who started it, the audit is less efficient and more disruptive to your staff.

Our engagement will end upon delivery of your audited financial statements and our report thereon for the year set forth above. Any additional services that may be required will be part of a separate and new engagement. Should you wish to engage us to audit your financial statements for any other year, and should we accept such engagement, such engagement will be a separate and new engagement. A new engagement letter for any services beyond the scope of this engagement will govern the terms and conditions of the new engagement.

We appreciate the opportunity to be of service to Weston Preparatory Academy and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

Yeo & Yeo, P. C.
CPAs & Business Consultants



Jacob Sopczynski, CPA
Principal

RESPONSE:

This letter correctly sets for the understanding of
Weston Preparatory Academy.



Board President

Name, Title

Weston Preparatory Academy
Board Resolution

Legal Counsel

BE IT RESOLVED, that the Academy Board ratifies the decision to retain and appoints
_____ to represent the Academy in all ongoing business matters.

Secretary's Certification:

I certify that the foregoing resolution was duly adopted by the Weston Preparatory Academy Board of Directors at a properly noticed open meeting held on the 21st day of May 2020 at which a quorum was present.

By: _____
Board Secretary



Weston Preparatory Academy

Proposal for Legal Services

James M. Crowley | (313) 496-7606 | crowley@millercanfield.com

Alan D. Szuma | (313) 496-7604 | szuma@millercanfield.com

May 7, 2020



CONTENTS

<u>Tab No.</u>	<u>Description</u>
1.	Introduction
2.	Individual Attorney Profiles
3.	Summary of Education Law Practice Areas of Expertise
4.	Professional Fees
5.	Firm References
6.	Confirmation of Professional Liability Insurance
7.	Form of Engagement Letter



Tab 1

INTRODUCTION

Miller, Canfield, Paddock and Stone, P.L.C.
150 West Jefferson, Suite 2500
Detroit, Michigan 48226
www.millercanfield.com

Principal Contacts:

James M. Crowley
(313) 496-7606
(313) 496-8453 (fax)
crowley@millercanfield.com

Alan D. Szuma
(313) 496-7604
(313) 496-8453 (fax)
szuma@millercanfield.com

OUR PHILOSOPHY

Our Firm can give the Academy the advantages of large-firm representation and experience which are vital to the efficient provision of general counsel services. However, we are no different from a small firm in our commitment to establishing, nurturing and maintaining our client relationships. We listen to our clients; we work together within our Firm to be sure we can counsel our public school clients in every substantive area of law affecting them; we pledge top-quality, prompt, responsive, customized and attentive service, and we take that pledge seriously.

OUR QUALIFICATIONS

As a major Michigan law firm with decades of experience representing public school clients, we are well-qualified to provide the Academy with the expertise you require. We represent dozens of Michigan's public school academies throughout the State on the broad range of school law issues which are confronted by public schools in the 21st Century.

Our lawyers have expertise in the areas of law that present public schools with their most pressing legal issues today: school finance, construction, real estate, Open Meetings and FOIA compliance, student conduct and discipline, school finance, private use, sports equity, expulsion and weapons issues, immigration, state and pupil accounting concerns, telecommunications, intellectual property and technology, religion in schools, interlocal agreements, special education, labor negotiations, personnel conduct and discipline, tenure issues, employee benefits, and the whole range of issues that public school academies face with respect to its authorizing body and charter contract. As you are aware, we have served as your note counsel relating to operational cash flow notes for more than 4 years. We look forward to expanding our role with the Academy.

Miller Canfield is a professional domestic limited liability company and is the State's oldest law firm, and has been a major presence in downtown Detroit for more than 150 years.

The Firm's Michigan offices are in Detroit, Troy, Ann Arbor, Lansing, Grand Rapids and Kalamazoo. Our firm has 413 employees, including 224 attorneys, 42 paralegals and 147 administrative support staff.

Lawyers in virtually all of our practice groups represent or have represented public school academies, school districts, intermediate school districts or regional educational service agencies, community colleges, colleges and universities. All of the services of the Firm are available through any of our Michigan offices. We are well-situated to provide you with responsive service from our Detroit and Ann Arbor offices; additionally, of course, we have excellent technology capabilities and are well-connected to our clients. We understand that schools do not always operate according to a nice, neat schedule, so our clients know they can reach us by mobile phone and at home whenever necessary.

Jim Crowley and Alan Szuma, principals in the Firm who specialize in general school and finance law, and will primarily serve as the Academy's legal counsel. Included under **Tab 2** are "Individual Attorney Profiles" for several attorneys in the Firm to provide a sample of some of our backgrounds and experience. **Tab 3** contains a summary of the public school related legal areas regularly handled by attorneys in the Firm. We believe this breadth of expertise to be of particular importance to all public schools, given the increasing complexity of laws impacting public schools. Included under **Tab 4** is our Fee Schedule and **Tab 5** includes a list of the Firm's public school academy clients.

RECENT LEGAL PROJECTS FOR OUR ACADEMY CLIENTS

The following is a list of some of the recent legal assignments we have handled for our academy clients.

1. We represented the Grand Traverse Academy in a complex construction litigation filed by a local construction company arising out of the construction of an addition to their school facility which was resolved without a trial and resulted in a favorable settlement outcome for the Academy;
2. We represented both the Old Redford Academy and the Grand Traverse Academy in their transition to a self-management model which has enhanced the local control of the academies and also saved a considerable amount of money;
3. Over the years we have established Educational Foundations for several of our academy clients to provide additional resources to these academies including mostly recently the RSA Foundation for the Rising Star Academy and the Mission and Purpose Foundation for the Orchard Academy.
4. We assisted both the Voyageur Academy and the Bay County Academy with the restructuring of their outstanding Bonds resulting in reduced debt service to improve the financial condition of these academies;

5. We assisted the American International Academy with the negotiation of its Partnership Agreement with MDE under the MDE Partnership Program for low performing schools;

6. We assisted several of our academy clients with their contract renewals in 2019 and 2020. As part of the renewal process we also assisted many of these schools with the renewal of their ESP Agreement and/or the renewal of the Lease for their school facility; and

FINANCIAL PROFILE/PROFESSIONAL LIABILITY INSURANCE

The Firm remains fiscally sound and economically diverse.

The Firm is not the subject of any investigation by the IRS, the SEC or other State or federal taxing or securities regulatory body or court. There is no pertinent litigation regarding the conduct of our Firm, its management or any of its attorneys. The Firm and certain of its attorneys are, from time to time, the subject of malpractice claims (often in counterclaims to actions or efforts to collect disputed fees). None of these claims are expected to have a material adverse effect on the financial condition of the Firm or its ability to provide quality and timely legal services.

The following is a summary of the Firm's professional liability insurance policies.

Company: Attorneys' Liability Assurance Society, Inc.

Policy Limits: \$40,000,000 per claim

\$80,000,000 aggregate

A letter confirming the above professional liability insurance is attached as **Tab 6**.

CONCLUSION

Miller Canfield has a long record of bringing creativity and innovation to our school practice. We work to keep our clients informed of current developments in areas of law in which they may have an interest. For example, we provide – free of charge – a variety of newsletters and other written communications on breaking issues. We issue letters to clients on new law or important developments in existing law. We also regularly provide seminars to school groups and associations or, on request, in-service sessions to our clients. For public school clients, our mini-seminars on school law topics – which a client tailors to its needs by choosing from a menu of topics – have been very well received.

We are eager to have an opportunity to meet with the Academy Board to further talk about how Miller Canfield can assist the Academy in fulfilling its educational mission.

Tab 2

**MILLER CANFIELD PLC
SCHOOL LAW PRACTICE
INDIVIDUAL ATTORNEY PROFILES**

The type and number of staff assigned to the Academy will depend on the school's needs at any particular point in time. Therefore, the resumes of the primary attorneys who may be assigned to work with the Academy are included. Jim Crowley and Alan Szuma will be the primary contacts. Additional team members are listed below:

James Crowley
Alan Szuma
Ronald Liscombe
Ashley Higginson
Sean Rucker

DETROIT

150 West Jefferson
Suite 2500
Detroit, Michigan 48226
T: +1.313.496.7606
O: +1.313.963.6420
F: +1.313.496.7500

crowley@millercanfield.com

Services

Public Finance

Education Finance

K-12

Higher Education Finance

Related Government Services

Industries

Education

Education

Michigan State University, B.A.
Accounting, 1981

Wayne State University, J.D., 1984

Bar Admissions

Michigan



James M. Crowley

Principal

Jim Crowley is a member of the Firm's Public Finance Practice Group and concentrates his practice in the areas of school finance, election and general school business law.

Jim has extensive experience in school finance and regularly serves as bond counsel, note counsel and disclosure counsel for public schools, public school academies, and other issuers. In these capacities, he has served as counsel relating to general obligation, unlimited and limited tax bond financings, energy conservation project financings, tax-credit bond financings, installment purchase agreements, finance leases and operating cash-flow borrowings including state aid notes, tax anticipation notes, and lines of credit.

In addition to serving as bond and note counsel in school financing transactions, Jim also focuses on such areas as elections, campaign finance compliance, state and federal tax issues, general school finance (budgets, revenue sources and cash flow), general school business matters and employee benefits.

With respect to school elections, Jim has extensive experience with elections for school bond, operating tax (i.e. renewals, increases and Headlee restorations) and sinking fund proposals.

Jim regularly assists public schools with the establishment and maintenance of tax-exempt organizations which include educational foundations, boosters clubs and other organizations affiliated with the public school.

James M. Crowley

Professional Activities

National Association of Bond Lawyers

American Bar Association

The Incorporated Society of Irish American Lawyers

Speeches

"GASB 84: Legal Considerations," Michigan School Business Officials Workshop, June 5, 2019

"Establishing a School Foundation Under IRC 501(c)(3)," Michigan School Business Officials 2019 Annual Conference, May 2, 2019

"Legal Update," Michigan School Business Officials 2019 Annual Conference, May 1, 2019

"Legal Update," Grand Valley School Business Officials, March 15, 2019

"Michigan Campaign Finance Act School District Do's and Don'ts," May 29, 2018

"School Election Update: Operating, Bond and Sinking Fund Millage Proposals," Michigan School Business Officials 2018 Annual Conference, April 19, 2018

"School Building and Site Sinking Fund Update," Michigan School Business Officials 2017 Annual Conference, May 4, 2017

"Permissible Expenditures and Compliance Strategies," Michigan School Business Officials 2017 Annual Conference, May 4, 2017

"Legal Update," Michigan School Business Officials 2017 Annual Conference, May 3, 2017

Articles

COVID-19: Continuity of Learning for K-12 Students under Executive Order 2020-35

COVID-19: Contributing School District Equipment and Supplies to Local Health Care Providers

Designation of Public Education Employees as Critical Infrastructure and Essential Employees Pursuant To Governor Whitmer's Executive Order No. 2020-21 (COVID-19)

Operating Cash Flow Options for Michigan Public Schools

Comparison of the Allowable Use of Bond and Sinking Fund Proceeds for Michigan Public School Districts

GASB 84: Legal Considerations for Public Schools in Michigan

2019 School Election Update

James M. Crowley

Time to Review §403(b) Plans for Compliance with IRS Requirements

What Do the SEC's New Continuing Disclosure Requirements Mean for Governmental Borrowers?

Sinking Fund and Other Capital Improvement Financing Options for Michigan Public School Districts

Election Do's and Don'ts for School Districts

Supreme Court Upholds Authority of Michigan School Districts to Ban Firearms on School Property and at School Functions

Standard & Poor's Increases Credit Rating for the State of Michigan from AA- to AA

Legislature Repeals Prevailing Wage Law

Recent Legislation Further Limits School District Options in Connection with the Sale of Excess Property

The Impact of Tax Reform on Michigan Municipalities and School Districts

The Effect of Tax Reform on Michigan Charter Schools

Sinking Fund Legislation Approved by Senate, November 2, 2016

DETROIT

150 West Jefferson
Suite 2500
Detroit, Michigan 48226
T: +1.313.496.7604
O: +1.313.963.6420
F: +1.313.496.7500

szuma@millercanfield.com

Services

Public Finance

Education Finance

Higher Education Finance

K-12

Governmental Facilities and
Equipment

Industries

Education

Education

J.D., University of Notre Dame,
2002

B.A., Economics, University of
Michigan, 1992

Bar Admissions

Michigan

Alan D. Szuma

Principal



Alan Szuma is a member of the Public Finance Practice Group in Miller Canfield's Detroit office.

He concentrates his practice in the areas of school and municipal finance, and general school business law. Alan has extensive experience in school and municipal finance and regularly serves as bond counsel, note counsel, underwriter's counsel and disclosure counsel for public schools and other municipal issuers.

In these capacities, he has served as counsel relating to tax-exempt and taxable financings, fixed and variable rate financings, general obligation and revenue financings, unlimited and limited tax financings, conduit financings, installment purchase agreements and finance leases and operating cash-flow borrowings, including state aid notes, tax anticipation notes and lines of credit.

He is also well versed in all aspects of the Michigan School Bond Qualification and Loan program available to public school districts, including pre- and final qualification for participation in the program.

Alan also has a wealth of experience in general business law as it relates to public schools including school finance matters under the School Code and the State School Aid Act, employee benefit matters (i.e. MPSERS, 403(b) and 457 plans, etc.) and tax law matters.

Military

United States Marine Corps, Captain, 1994-1999

Alan D. Szuma

Professional Activities

Michigan Bar Association

National Association of Bond Lawyers

Articles

COVID-19: Contributing School District Equipment and Supplies to Local Health Care Providers

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DETROIT

150 West Jefferson
Suite 2500
Detroit, Michigan 48226
T: +1.313.496.7906
O: +1.313.963.6420
F: +1.313.496.7500

LANSING

120 N. Washington Square Suite
900 - One Michigan Avenue
Building
Lansing, Michigan 48933
T: +1.517.483.4906
O: +1.517.487.2070
F: +1.517.374.6304

liscombe@millercanfield.com

Ronald C. Liscombe

Principal



Services

Public Finance

- Cash Flow and Working Capital
- Governmental Facilities and Equipment
- Public-Private Partnerships
- Related Government Services

Education

University of Detroit Mercy Law School, J.D., 2003
Michigan State University, B.A., 1998

Bar Admissions

Michigan

Court Admissions

U.S. District Court

- Eastern District of Michigan

Ronald C. Liscombe assists public sector clients with a range of issues, including public finance and governance matters.

Ron has deep knowledge of state and local government, having worked in a variety of policy and program management roles prior to joining the firm. He is able to counsel and provide direction to public entities to develop innovative and effective strategies in response to challenging policy issues.

His experience includes advising and counseling two start-up public entities in all general legal matters, including the development of policies and procedures, contracts, and providing advice on Open Meetings Act and Freedom of Information Act issues. He has advised clients on the operational impact of proposed legislation and assisted them with developing strategies to eliminate or reduce potentially adverse effects.

Before joining Miller Canfield, Ron was the Chief Sustainability Officer for the City of Lakeland, FL, policy counsel in the Executive Office of the State of Michigan, and an associate attorney at a local law firm representing public and private sector clients.

Representative Matters

Public Infrastructure Upgrade

Counsel to local governmental authority for large public infrastructure upgrade.

Governmental Debt Restructuring

Counsel to local government involved in massive debt and operational restructuring.

Ronald C. Liscombe

School District FOIA Counsel

Represented a local school district in response to a high-profile and voluminous Freedom of Information Act request.

Honors

University of Detroit Mercy School of Law, cum laude

University of Detroit Mercy Law Review, Member

Justice Frank Murphy Honor Society

Dean's Scholarship for Academic Excellence

CALI Awards, International Business Transactions and Constitutional Law

Professional Activities

American Bar Association

Detroit Metropolitan Bar Association

Civic, Cultural & Social Activities

Michigan State Council for the Interstate Commission for Adult Offender Supervision, former Executive Office

Representative appointed by former Gov. Jennifer Granholm

Publications

The Open Meetings Act Chapter, *Michigan Public Employment And Labor Relations Law*, Michigan Public Employer Labor Relations Association, 2016 Online Edition (Co-authored with Steven Mann)

The Freedom of Information Act Chapter, *Michigan Public Employment And Labor Relations Law*, Michigan Public Employer Labor Relations Association, 2016 Online Edition (Co-authored with Steven Mann)

Wayne County Board of Commissioners v. Wayne County Airport Authority, Case Digest, 81 U. DET. MERCY L. REV. 391

Articles

UPDATE (APRIL 15): Governor Whitmer Extends Authorization for Remote Participation in Public Meetings

CARES Act: Municipalities

COVID-19: Contributing School District Equipment and Supplies to Local Health Care Providers

Operating Cash Flow Options for Michigan Public Schools

Comparison of the Allowable Use of Bond and Sinking Fund Proceeds for Michigan Public School Districts

Ronald C. Liscombe

2019 School Election Update

Sinking Fund and Other Capital Improvement Financing Options for Michigan Public School Districts

SEC Adds Two New Material Events to Continuing Disclosure Requirements

Supreme Court Upholds Authority of Michigan School Districts to Ban Firearms on School Property and at School Functions

New Law Consolidates Tax Increment Authorities, Imposes New Reporting Requirements

Candidates, Committees May Directly Solicit Unlimited Contributions to 'Super PACs'

Transformational Brownfield Projects Eligible for Substantial Tax Incentives Under Recently Enacted Legislation

Court Holds School Districts Not Barred by State Law from Prohibiting Firearms on School Property

Court of Appeals Holds Email Deliberations Among a "Quorum" of a Public Body Violates the Open Meetings Act

Court Clarifies Public Bodies Requirement to Provide Documents Under FOIA

New Law Limits Ability of Local Governments and School Districts to Communicate Regarding Ballot Questions

LANSING

120 N. Washington Square Suite
900 - One Michigan Avenue
Building
Lansing, Michigan 48933
T: +1.517.483.4912
O: +1.517.487.2070
F: +1.517.374.6304

higginson@millercanfield.com

Services

Employment and Labor

Industries

Education

Education

Rutgers University School of Law,
J.D., cum laude

Princeton University, B.A.

Bar Admissions

New Jersey

New York

Michigan (admission pending)

Languages

English

Polish

Ashley N. Higginson

Associate



Ashley Higginson's practice focuses on employment and labor issues, with particular experience in education matters.

Ashley has extensive experience working with public school districts, charter and private schools, and schools for students with disabilities. Her work includes matters involving boards of education, the Open Public Records Act, FERPA, teacher tenure, special education and 504 accommodations, teacher tenure charges, harassment and discrimination claims, public bidding and union negotiation.

Ashley has also assisted with real estate and land use matters for public and private clients. She has helped clients obtain and appeal land use approvals and denials for commercial and mixed use projects, and has assisted with commercial real estate leasing, sale, acquisition and litigation.

Teaching

Seton Hall Law School, guest lecturer

Honors

Middle distance runner: U.S. Olympic Alternate, Pan-American & NACAC Gold Medalist, 3-time Collegiate All-American, 5-time National Champion

Ashley N. Higginson

Civic, Cultural & Social Activities

AthleteBiz, Board Member

Covenant House, Board Member

Publications

"Abbott Gets an F; Courts Can Provide Extra Credit," 16 Rutgers Race & L. Rev. 289 (2015)

Articles

COVID-19: Continuity of Learning for K-12 Students under Executive Order 2020-35

COVID-19: DOE Guidelines on Student Privacy

Designation of Public Education Employees as Critical Infrastructure and Essential Employees Pursuant To Governor Whitmer's Executive Order No. 2020-21 (COVID-19)

Comparison of the Allowable Use of Bond and Sinking Fund Proceeds for Michigan Public School Districts

DETROIT

150 West Jefferson
Suite 2500
Detroit, Michigan 48226
T: +1.313.496.7671
O: +1.313.963.6420
F: +1.313.496.7500

rucker@millercanfield.com

Services

Public Finance

Education

Wayne State University Law
School, J.D.

University of Detroit Mercy, B.A.

Bar Admissions

Michigan

Sean C. Rucker

Associate



Sean Rucker is an associate in Miller Canfield's Public Finance Group. He is a graduate of Wayne State University Law School and previously interned with the General Motors Student Corps and the Detroit Police Department Board of Commissioners. He also worked as a law clerk for the Honorable Victoria A. Roberts in the United States District Court for the Eastern District of Michigan.

Honors**Wayne State University Law School**

Board of Governors Scholar

Black Law Students Association, Treasurer

University of Detroit Mercy

Student Government Association, Vice President

Presidential Ambassador for the University

Articles

CARES Act: Municipalities

Operating Cash Flow Options for Michigan Public Schools

Tab 3

SUMMARY OF EDUCATION LAW PRACTICE AREAS OF EXPERTISE

The subject areas listed below are examples of the legal practice areas most commonly encountered by the Firm's public school academy clients:

1. *Academic Performance and the Accountability Systems under ESSA and Recently Enacted State Law*

Our school attorneys have been working with our public school clients regarding the implications of the accountability system under the State's federally mandated ESSA Plan and the new accountability system under Act 601, Public Acts of Michigan, 2018, which requires the establishment of a new academic accountability system for Michigan public schools in addition to the requirements under the ESSA Plan.

2. *Appropriate Use Policies*

We draft Network and Internet policies, including blogging policies and social media use policies for public school academies and many other public entities and counsel these clients on the implementation and interpretation of these policies. We are well prepared to assist in policy drafting, implementation and enforcement from the perspective of a public school academy.

3. *Bond Counsel and School Finance*

The Firm's Public Finance attorneys regularly assist our public school academy clients with all legal aspects of their financial and borrowing needs. Our attorneys regularly serve as bond counsel and note counsel to academies and have worked extensively with academies on the issuance of bonds, notes, finance leases and installment purchase agreements used to finance various capital projects which have included the acquisition, construction and renovation of school facilities and the purchase of furniture, equipment and technology. Our Firm is identified in the *Bond Buyer's Municipal Marketplace* as "Recognized Bond Counsel" and is thus fully capable of serving as bond/note counsel with respect to any type of capital financing for a public school academy. The Firm continues to explore new and innovative financing techniques for Michigan public school academies. Our Public Finance attorneys also have extensive experience representing our public school clients with the financing of their operating cash flow needs. This includes the issuance of State Aid notes through the Michigan Finance Authority ("MFA") and directly with local banks, underwriters and other lenders. We have also assisted many of our public school clients with the establishment of lines of credit to finance their operating cash flow needs.

4. *Charter School Authorizer Agreements*

The Firm attorneys have successfully negotiated charter school authorizer agreements on behalf of our public school academy clients. Notwithstanding our breadth of negotiation skills and school law knowledge, a key to the Firm's success in this area is our excellent working

relationship with most authorizers coupled with our ethical and professional approach for negotiations.

5. *Charter School Management Agreements*

The Firm's attorneys also regularly negotiate educational service provider (ESP) agreements on behalf of our public school academy clients. The results obtained by our attorneys in negotiating ESP agreements reflect the need to form practical guidelines to deliver the highest quality services to students, parents, and the school community.

6. *Corporate and Municipal By-laws*

As education, municipal and corporate law attorneys, we are very familiar with the choices that public school academies have with respect to their organization and governance.

7. *Creditors' Rights*

When the economy is weak, contracts are tested. Increasingly over the last decade, we have assisted education clients in filing or enforcing claims against sureties and contractors, and recovering funds when investments go bad or turn out to be fraudulent. Prevention and risk management, through careful contract drafting and vetting of vendors, tenants and other contracting partners is always preferred, though when the unforeseen happens (or creditors are concerned that it may happen) our Bankruptcy-Workout Practice Group is available and broad-based with a variety of skills and areas of expertise. We represent secured and unsecured creditors, creditors' committees, trustees, debtors, and other interested parties in their debtor-creditor relationships with others. Our representation of these different constituencies significantly enhances our ability to understand and anticipate the varied philosophies and motivations of the parties in their debtor-creditor dealings. Our skills lie not only in bankruptcy and other judicial proceedings, out-of-court restructuring and liquidations, but also in the transactional side of the practice. We pride ourselves on being litigators, negotiators, theoreticians, practitioners and draftsmen – attorneys and counselors in the truest sense of the words. We are problem solvers. Our bankruptcy lawyers work frequently with other lawyers in the Firm to address the specialized needs inherent in public and private sector transactions.

8. *Environmental Regulation*

Members of our Environmental and Regulatory Practice Group are experienced in the intricacies of government regulation, which facilitates their representation of clients over a wide variety of environmental matters including air quality and Clean Air Act amendments, asbestos abatement issues, environmental compliance audits, environmental site assessments, insurance coverage for environmental risk and remediation, MIOSHA, and hazardous waste and wetlands matters.

9. *Civil Rights and Affirmative Action*

Our Labor and Employment Practice Group attorneys regularly represent employers in both the public and private sectors before the Michigan Department of Civil Rights ("MDCR") and the Equal Employment Opportunity Commission ("EEOC"). We have defended charges

against employers alleging discrimination based upon national origin, religion, disability, gender, race, and age. We prepare position statements, respond to discovery and informational requests from agencies, as well as attend mediation sessions and fact-finding conferences with employer representatives. We believe that it is extremely important for public school academies to be represented by counsel in MDCR and EEOC proceedings because unresolved charges can and often do result in civil litigation, thus making it imperative for the district's personnel actions to be clearly and accurately stated before the administrative agency.

We have extensive experience advising clients and drafting affirmative action plans and policies for both public and private sector employers. Advising clients on affirmative action policies and procedures requires up-to-the minute tracking of relevant court decisions, executive/regulatory actions, and legislative developments, to avoid difficulties in subsequent litigation.

10. *Employee Benefits*

The Firm specializes in employee benefit issues as they relate to public school academies. With respect to retirement plans, this representation includes not only MPSERS issues, but also IRC Section 403(b)(3) tax-sheltered annuities and IRC Section 457 deferred compensation arrangements. In addition, the Firm also has a wealth of experience in advising our public school academy clients with respect to non-retirement plan benefits, including health-care insurance, cafeteria plans, child and dependent care plans and other fringe benefits. Our employee benefits attorneys are also at the forefront of all issues related to the Affordable Care Act, and have written and presented on those topics extensively. The Firm routinely presents seminars to our public school clients relating to changes in the law in these areas, as well as retirement planning.

11. *Employee Discipline (If applicable to the Academy)*

The nature and severity of employee discipline can differ dramatically between teachers and non-instructional employees. We advise our educational institution clients on discipline issues for both teaching and non-teaching staff. Employee discipline is an ongoing aspect of contract administration for those employees covered by a collective bargaining agreement and is therefore three-dimensional (employer, employee and union interests are at play). We regularly advise clients on employee discipline and discharge issues in an effort to minimize claims of unlawful discrimination while at the same time seeking to affirm management ability to enforce needed employee discipline policies and codes of conduct. We work closely with administration to try to ensure that any discipline or discharge decisions are ultimately upheld by an arbitrator, the MDCR, EEOC or a reviewing court.

12. *Employment Policies (If applicable to the Academy)*

We have reviewed, drafted and finalized employee handbooks and personnel manuals covering a wide range of policies and benefits that help define and describe the employment relationship and a school's expectations of its personnel. Often, these documents must be aligned with collective bargaining agreements covering certified and non-instructional employees. In addition to collective bargaining agreements, many public school academies adopt adjunct policies that describe benefits and requirements of the Family Medical Leave Act ("FMLA") and

federal and state wage and hour hours. We assist education employers in preparing those policies as well as many others, and we regularly advise districts on a wide range of questions pertaining to eligibility, qualifications, medical certification, fitness for duty evaluations and other provisions of the FMLA. For non-teaching personnel, we advise districts on wage-hour and overtime questions involving part-time employees and coaching staff.

For over 20 years, our Labor and Employment Practice Group has drafted the Michigan Chamber of Commerce's best-selling publication called the "Employment Law Handbook," which serves as a comprehensive employment law guide for employers and HR professionals. Miller Canfield attorney Scott Eldridge of our Lansing office serves as "Editor in Chief" of the publication.

13. Freedom of Information Act and Open Meetings Act

We regularly advise our public sector clients, including public school academies, on matters relating to the Open Meetings Act ("OMA") and Freedom of Information Act ("FOIA"), as well as on governance issues. We count among our school and public law attorneys several who have specific experience as "in house" attorneys for public entities, and they provide invaluable practical, as well as legal, insights into OMA and FOIA issues. Equally important, we help our clients comply with OMA and FOIA so that they can minimize litigation risk, expense and public controversy. One of our FOIA and OMA experts, Steven Mann, writes and updates the chapter on these "sunshine laws" for Michigan's Institute of Continuing Education ("ICLE").

14. Government Regulations

Members of our Public Law, Labor and Employment, and Environmental and Regulatory Practice Groups have a wealth of experience in dealing with specific issues over a broad range of administrative matters including occupational health and safety, insurance, remediation obligations, real estate transactional issues, election law, eminent domain and others. We have advised many public school academies and other public entities on various aspects of regulations affecting State funding and District operations.

15. Institutional Agreements and Contract Law

All contractual relationships, including those outside the employment arena, become increasingly important when financial resources are limited, as is often the case with public school academies. Our attorneys understand the coordination required among architects, construction management and general contractor agreements; they grasp the intricacies of private sector agreements for investments, food service and other management services, purchasing, alternative energy suppliers, technology, the use of school buildings and other shared service arrangements; and they have comprehensive understanding of the potential benefits, risks and cost allocations in consortium and other intergovernmental agreements. We have developed a variety of shared services agreements customized to meet the disparate needs of our diverse public sector client base. Where appropriate, we have also developed a template intergovernmental agreement to speed the negotiation process and minimize the need for legal review. We understand the balancing act between attracting private sector resources to district

coffers without triggering negative tax consequences for bonds issued to finance capital improvements.

16. Insurance

Miller Canfield has extensive experience in the field of insurance law, including regulatory work, litigation, coverage disputes and a substantial number of transactions involving the formation, financing, merger and acquisition activities of private and public organizations, as well as the privatization of quasi-public organizations. The latter involved the sale of the Insurance Fund, a state-operated insurance carrier. We have advised many of our public school academy clients with respect to insurance coverage and risk management issues, and regularly present and speak to clients about alternative risk-sharing options that may apply to various entities depending upon their status.

Our understanding of insurance law is based on representation of a wide variety of clients whose interests are varied, enabling us to bring a more comprehensive perspective to bear on the client's insurance needs. Miller Canfield has advised insurance companies and other entities providing insurance-like coverage with respect to numerous substantive matters. The Firm has been involved in negotiations with the Michigan Department of Insurance and Financial Services ("DIFS") on such diverse matters as disputes over insurance policy language and reinsurance transactions, to risk-based capital disputes surrounding changes in control by foreign insurance companies. Miller Canfield has had extensive experience not only in the insurance arena, including negotiations and litigation with the DIFS, but we have also had extensive experience in advising both private and public clients on insurance matters, including coverage issues and risk-sharing alternatives.

17. Intellectual Property/Cyber Security

In the 21st Century, software, internet use and access and intellectual property issues from copyright to programming and on-line learning are a constant source of novel legal issues for public school academies. Our intellectual property and telecom lawyers provide counseling and advice to governmental entities, agencies, public libraries, public schools, colleges and universities on a variety of intellectual property matters, including software licensing, maintenance, support and other technology services; copyright policies and avoidance of infringement; trademark advice and registration; network acceptable use policy drafting and enforcement; Internet filtering and the interplay between the Children's Online Protection Act and eRate funding. We have also represented many public entities in litigation pertaining to the validity and enforcement of intellectual property rights, including trademark infringement actions. We offer regular electronic briefings in this area with our "Information Technology Updates."

The education industry is regularly among the top sectors experiencing data breaches year after year. The personally identifiable information and protected health information that public schools collect and maintain about their students and employees remains incredibly valuable to criminals. Our lawyers regularly advise our public school clients about the threats, common attack methods and best practices to protect information to prevent breaches and limit

these risks. We also advise our clients when a breach occurs and steps to mitigate damages from such a breach.

18. Law Enforcement

Our Firm's litigation practice includes white-collar criminal defense attorneys who have assisted our clients in dealing with matters as diverse as the investigation into embezzlement by a high-level school administrator and the theft of a manuscript from a teacher's locker. We also advise education clients on such issues as drug "sweeps" of school property, student criminal conduct and other matters with criminal law implications. Two of our attorneys are former police officers, which provide our public-sector clients, in particular, with unique insight and expertise.

19. Litigation

When you are faced with a legal dispute, you have an overriding goal--to resolve the issue quickly and economically. Litigation is expensive, and cases move through our court system at an exceedingly slow pace. You want attorneys who are concerned about controlling costs, and committed to a timely resolution. You need attorneys who will assess your position fairly and deal with your opponents firmly. In short, you must have expert advisors and skillful advocates on your side.

While our attorneys are experienced advocates for public schools in the State and federal courts, administrative agencies and other settings (we do not represent parents, employees or unions against an education employer) we also focus on problem solving collaboration, dispute resolution and prevention so as to avoid the cost and expense of litigation.

20. Public School Legislation and Laws

Our attorneys have well-honed expertise in the full range of public school legislation and laws that confront you and all public school academies. We have written legislation, helped revise existing laws, drafted Board policies from the ground up, and revised existing policies for many of our public school academy clients.

21. Real Estate and Development

Miller Canfield's public law and real estate attorneys provide services in a wide spectrum of real estate legal issues. Our representation of governmental entities on real estate-related matters throughout Michigan includes acquisition and disposition of property, new construction, intergovernmental and public/private projects and the implications for bond-financed property, construction, including disputes during construction or after the construction is completed, acquisition, leasing and sales, including multi-party development agreements, land swaps and condominium ownership, zoning and land use, title and environmental review, including deed restrictions, condemnation, property tax appeals and exemption, assistance with protocols and documentation for disposition of surplus property and cell tower leases.

22. *Roberts Rules of Order*

We have had numerous opportunities, in our representation of public schools, colleges and other public and private deliberative bodies, to interpret and advise on proper parliamentary procedure, including where adopted, the Roberts Rules of Order. We can provide a distillation of the Roberts Rules of Order for use in assisting in the identification and clarification of the Board's internal procedures

23. *Special Education*

Our attorneys have worked with public school clients in all aspects of special education, including developing and revising policies to ensure compliance with Section 504, IDEA, Michigan statutes and other relevant Special Education law. We provide in-service training for administrators, faculty and support staff on special education plans, disciplinary procedures and manifestation determinations. We attend problematic IEP sessions to advise and support administrators and staff. We assist our clients in preparing their own presentations for due process hearings. We serve as advocates for our clients at due process hearings. We work with our clients to mediate special education matters. We assist our clients when federal or state agencies have investigated complaints of violations of special education law or procedures. We represent our clients in state and federal courts, on special education and related matters. We assist our clients in sorting through the very complex issues related to discipline of special education students. We interpret student and family privacy rights in the context of special education matters, and help our clients to comply with the law.

24. *Student and Employee Privacy Rights*

Student-related privacy issues usually arise under the Family Rights and Privacy Act ("FERPA") or in connection with searches of lockers, backpacks, purses or cars on educational campuses. Generally, we find fewer privacy-based issues relating to employees, but when they do arise, we find they are most likely to occur in the areas of searches--of work areas, lockers and belongings--or of drug and alcohol testing. In either situation, our attorneys regularly advise clients and have practical, as well as legal, experience in dealing with the issues.

25. *Student Due Process, Discipline and Suspensions*

The Firm's attorneys have mastered the ins and outs of student discipline, as this area of education law has developed and become more complex in recent years. Our attorneys have drafted and advised schools on board policies and codes of conduct. They are available to promptly respond to questions as situations arise in the field. Additionally, they have frequently and successfully defended our school clients in court in cases arising from disciplinary actions.

26. *Technology Acquisition and Ownership*

We have extensive experience with negotiating and drafting transactions and counseling public school academy clients on all areas involving technology, including hardware, software and technology services agreements for all types of technology; privacy regulation compliance; information security counseling; preserving intellectual property rights; onsite security as well as

vendor personnel screening; and disaster recovery and backup services. We have negotiated agreements with an entire spectrum of technology vendors, always keeping the best interests of the public school academies as a priority.

27. *501(C)(3) and Other Educational Foundations*

With State funding flat or declining and underfunded, most public school academies are looking for other revenue sources to supplement traditional funding. Between the lawyers in our public sector practice and those in our tax and corporate practices, we are regularly called upon by education clients to counsel with respect to the development, oversight or management of trusts, special purpose scholarship funds, educational foundations, and other related charitable activities including the establishment of donor advised education-focused funds at community foundations, which avoid the administrative burden that a separate foundation requires. We are well familiar with the application, oversight and compliance/reporting requirements of the Attorney General and the IRS, as well as the interactions between the education client and the charitable entity. We have created and successfully obtained §501(c)(3) charitable status for numerous organizations.

Tab 4

PROFESSIONAL FEES

There was a time when it was fairly easy for a law firm to quote fees for legal services: the quote was simply, "X dollars per hour, times hours worked." That approach worked fine for some lawyers, and for some clients, for a long time.

We have found, however, that legal issues are ever-more complex today. This complexity comes at a time when you are trying to manage resources better, operate leaner and continue to develop top-flight students in your schools.

We have responded to other clients' similar challenges in a wide variety of ways. By our suggestions below, we are affirming our conviction that there is more opportunity for creative and flexible fee arrangements between clients and their attorneys than is represented by simple hourly rates. We recognize that our hourly rates are not low, but it is important for the Academy to recognize that this does not necessarily mean that we are expensive. There is a tremendous value for a client in receiving its legal services from a firm with deep, as well as broad, expertise. That client would not have to pay for several hours of research at even an associate's hourly rate, when a more senior attorney could answer the client's question in 15 minutes. Clearly, hourly rates are not the sole consideration for the Academy, or any other client, in deciding which firm will provide legal service. At Miller Canfield, we are committed to helping you to reach your goal of obtaining the best legal services at the best price.

Some of the alternatives we would be happy to discuss with you include:

- A. **Retainer.** This helps a client to budget and allocate legal expenses over a period of time. If, for example, we worked with you to predict your need for routine general counsel, advice, a cost value could be applied and then prorated to a monthly sum, payment of which would entitle you to *unlimited routine advice*. When needs can be approximated, retainers can be an attractive alternative for a client.

Until we have a full understanding of the range and types of services in which you are interested, it would be difficult to make an informed suggestion as to a retainer amount. However, we would be happy to work with you to develop a specific retainer per month which would afford you the unlimited lawyer access that could help to prevent legal problems from arising, or to resolve them at the earliest possible moment.

- B. **Hourly rates with a "Cap."** In certain instances, clients prefer to be charged by the hour, but also want some certainty as to a maximum cost they will pay for a

legal project. While these arrangements vary, one form would be the attorney's hourly rate with total charges not to exceed a specified amount. This can work for a client who anticipates a particular matter (a lawsuit, perhaps) continuing over some time, and who wants to put a "ceiling" on its legal costs for the matter.

- C. **Project Fees.** These are "lump sum" amounts for discrete projects you may need to have accomplished. For example, the preparation of a student code of conduct, or revision of a Policy and Procedure, or a district-wide audit of Title IX compliance, might be done as projects. Bond and other financing projects are traditionally billed on such a fixed fee basis, and other transactions may be handled in a similar fashion.
- D. **"Traditional" hourly rates.** In our Firm, all attorneys and legal assistants have hourly rates for their services, and these rates continue to be used for many matters. As you would expect, our rates are very competitive with those of lawyers in other top-quality firms in Michigan.

The Firm offers a discounted hourly rate to our public school academy clients. The Firm's hourly school rate for principals (i.e. partners) and senior counsel is \$325 per hour and for associates is \$255 per hour.

Tab 5

MILLER CANFIELD PLC CLIENT REFERENCES

Public School Academy Clients

Academy for Business and Technology
19625 Wood Street
Melvindale, MI 48122
(313) 382-3422

Advanced Technology Academy
7265 Calhoun St.
Dearborn, MI 48126
(313) 582-4500

American International Academy
300 Henry Ruff Road
Westland, MI 48186
(734) 895-7974

American Montessori Academy
14800 Middlebelt Road
Livonia, MI 48154-4031
(734) 525-7100

Arts & Technology Academy of Pontiac
888 Enterprise
Pontiac, MI 48341-3167
(248) 452-9309

Arts Academy in the Woods
32101 Caroline Street
Fraser, MI 48026
(586) 228-3362

Bay County Public School Academy
1110 State Street
Bay City, MI 48706
(989) 684-6484

Byron Center Charter School
9930 Burlingame Avenue SW
Byron Center, MI 49315-8631
(616) 878-4852

Charyl Stockwell Academy
9758 E. Highland Rd.
Howell, MI 48843-9098
(810) 632-2200

Commonwealth Community Development Academy
13477 Eureka Street
Hamtramck, MI 48212
(313) 366-9470

Cole Academy
1915 West Mt. Hope Road
Lansing, MI 48910
(517) 372-0038

Conner Creek Academy East
16911 Eastland
Roseville, MI 48066
(586) 779-8055

Crescent Academy
17570 W. Twelve Mile Road
Southfield, MI 48076-1905
(248) 423-4581

David Ellis Academy - West
19800 Beech Daly Road
Redford, MI 48240
(313) 450-0300

Detroit Community Schools
12675 Burt Road
Detroit, MI 48223
(313) 537-3570

Detroit Public Safety Academy
1250 Rosa Parks Blvd.
Detroit, MI 48216
(313) 965-6916

FlexTech High School
7707 Conference Center Dr.
Brighton, MI 48114
(810) 844-3366

FlexTech High School – Novi
24245 Karim Blvd.
Novi, MI 48375
(248) 426-8530

Grand Traverse Academy
12145 Hammond Rd. E.
Traverse City, MI 49686
(231) 995-0665

Hillsdale Preparatory School
160 W Mechanic Rd.
Hillsdale, MI 49242
(517) 437-4625

Hope of Detroit Academy
4443 N Campbell Street
Detroit, MI 48210
(313) 897-8720

Huron Academy
11401 Metropolitan Pkwy
Sterling Heights, MI 48312-2937
(586) 446-9170

Kensington Woods High School
3700 Cleary Dr.
Howell, MI 48843-8542
(517) 545-0828

Kingsbury Country Day School
5000 Hosner Road
Oxford, MI 48370
(248) 628-2571

Lakeside Charter School
3921 Oakland Drive
Kalamazoo, MI 49008
(269) 381-4760

Landmark Academy
4800 Lapeer Road
Kimball, MI 48074
(810) 982-7210

Leelanau Montessori Public School Academy
310 S Elm St.
Suttons Bay, MI 49682
(231) 271-8609

Merritt Academy
59900 Haven Ridge Rd.
New Haven, MI 48048
(586) 749-6000

Michigan Collegiate Middle/High School
31300 Ryan Road
Warren, MI 48092
(586) 777-5792

Michigan Mathematics and Science Academy
27300 Dequindre Road
Warren, MI 48092
(586) 920-2163

Mildred C. Wells Preparatory Academy
248 9th St.
Benton Harbor, MI 49022
(269) 926-2885

New Bedford Academy
6315 Secor Road
Lambertville, MI 48144
(734) 854-5437

NexTech High School of Lansing
2175 University Park Dr #100
Okemos, MI 48864
(517) 347-7793

Northridge Academy
4100 Coldwater Rd, Flint, MI 48504
(810) 785-8811

Old Redford Academy
18470 W. 10 Mile Rd., Suite 100
Southfield, MI 48075
(248) 799-2780

Orchard Academy
8904 Woodward Avenue
Detroit, MI 48202
(248) 495-8875

Relevant Academy
512 E Lovett Street
Charlotte MI 48813
(517) 541-8949

Renaissance Public School Academy
2797 S Isabella Road
Mt. Pleasant, MI 48858
(989) 773-9889

Trillium Academy
15740 Racho Blvd.
Taylor, MI 48180
(734) 374-8222

Voyageur Academy
4321 Military Street
Detroit, MI 48210
(313) 361-4180

West Michigan Academy of Environmental Science
4463 Leonard NW
Walker, MI 49534
(616) 79-7454

West Michigan Aviation Academy
5363 44th Street SE
Grand Rapids, MI 49512
(616) 446-8886

Weston Preparatory Academy
22930 Chippewa St.
Detroit, MI 48219
(313) 387-6038

Will Carleton Charter School Academy
2001 West Hallett Road
Hillsdale, MI 49242
(517) 437-2000

William C. Abney Academy
1435 Fulton Street SE
Grand Rapids, MI 49503
(616) 327-0700

Woodland Park Academy
2083 E Grand Blanc Road
Grand Blanc, MI 48439
(810) 695-4710

Tab 6



ALAS
Attorneys'
Liability
Assurance
Society

December 11, 2019

Miller, Canfield, Paddock and Stone, P.L.C.
150 West Jefferson Avenue
Suite 2500
Detroit, MI 48226-4415

To Whom It May Concern:

CONFIRMATION OF INSURANCE

We hereby confirm that Miller, Canfield, Paddock and Stone, P.L.C. has Professional Liability Coverage under Policy ALA#1449 with an annual limit of \$40,000,000 per claim and \$80,000,000 in the aggregate with the right, under stated conditions, to purchase extended reporting rights upon termination of such Policy by ALAS.

The self-insured retention under such Policy is \$1,000,000 each claim up to an aggregate of \$2,000,000 and \$100,000 each claim thereafter.

The Policy effective date is from January 1, 2020 to January 1, 2021.

Such Policy is subject to the terms, conditions, limitations and exclusions stated therein.

ATTORNEYS' LIABILITY ASSURANCE SOCIETY LTD., A RISK RETENTION GROUP

By: Nancy Montroy Date: 12/11/2019

Nancy J. Montroy
Vice President - Director of Underwriting

Tab 7

35839924.1\088888-04621

Founded in 1852
by Sidney Davy Miller



JAMES M. CROWLEY
TEL (313) 496-7606
FAX (313) 496-8453
E-MAIL crowley@millercanfield.com

Miller, Canfield, Paddock and Stone, P.L.C.
150 West Jefferson, Suite 2500
Detroit, Michigan 48226
TEL (313) 963-6420
FAX (313) 496-7500
www.millercanfield.com

MICHIGAN
ILLINOIS
NEW YORK
OHIO
WASHINGTON, D.C.
CANADA
CHINA
MEXICO
POLAND
QATAR

Engagement Letter (Sign and Return)

May 7, 2020

Board of Directors
Weston Preparatory Academy
22930 Chippewa Street
Detroit, MI 48219

Re: **Engagement as General Legal Counsel**

Dear Board Members:

We appreciate the opportunity to represent the Weston Preparatory Academy (the "Academy") as its general legal counsel. I ask that you review this letter and the enclosed **Standard Terms of Engagement** and return a signed copy of this letter to me.

Scope of Engagement. We have been engaged to represent the Academy as its general legal counsel in connection with the Academy's operation as a Michigan public school academy.

Staffing. I will be principally responsible for managing this engagement. We will apply hourly rates for principals and senior counsel of \$325 per hour and associates and staff attorneys of \$255 per hour which are our preferred rates consistent with our engagements by other public schools. The staffing on this matter is subject to change, based on cost considerations, the workloads of our professional staff members, and the specific tasks to be performed. The firm periodically adjusts the rates of its professional personnel as described in the attached **Standard Terms of Engagement**.

Billing and Payment. We customarily send invoices for fees and expenses each month. We expect payment of our invoices within 30 days. Please contact me if these payment arrangements are not acceptable to you.

Standard Terms of Engagement. Attached to this letter is a copy of a document that contains the **Standard Terms of Engagement** that apply to all engagements undertaken by the Firm. I encourage you to read this document carefully, as it is an integral part of our agreement

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

Western Preparatory Academy

-2-

May 7, 2020

with you regarding this engagement and contains important provisions governing our relationship.

I look forward to working with the Academy. Please acknowledge your agreement to the terms of this letter and the enclosed **Standard Terms of Engagement** by signing the enclosed copy of this letter and returning it in the enclosed envelope. If you have any questions about this engagement or any aspect of our work or charges, please contact me at your convenience.

Very truly yours,

Miller, Canfield, Paddock and Stone, P.L.C.

By _____
James M. Crowley

JMC:lam

AGREED AND ACCEPTED:

WESTON PREPARATORY ACADEMY

By: _____

Its: _____

Dated: _____

35840756

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

STANDARD TERMS OF ENGAGEMENT

Includes information provided in accordance with the Michigan Rules of Professional Conduct

This statement sets forth certain standard terms of our engagement as your lawyers in this matter. It supplements our engagement letter with you and is an integral part of our agreement. Therefore, you should review this statement carefully and contact us promptly if you have any questions. Unless modified in writing by mutual agreement, these terms and those in the engagement letter will control our relationship. We suggest that you retain this statement and our engagement letter in your file. Our engagement is also subject to and governed by the applicable rules of professional conduct.

How We Approach Our Work for You

We will perform our legal services for you in accordance with our professional judgment. Any expressions by us concerning the outcome of your legal matters are expressions of that judgment but are not guarantees. Such opinions are necessarily limited by the facts that you and others disclose to us and the state of the law at the time our opinions are expressed.

The person or entity we represent is the person or entity identified in our engagement letter, and the word “you” in this statement means that person or entity only. Unless we agree with you in writing, our engagement does not include representation of any affiliates of such person or entity. For example, if you are a corporation, a partnership, or a limited liability company, our representation of you does not include representation of any parents, subsidiaries, employees, officers, directors, shareholders, members or partners. If you are a trade association or other voluntary organization, our engagement does not include representing any of your members. If you are an individual, our representation does not include your spouse or other family members. If you believe this engagement includes additional entities or persons as our clients, you should inform us immediately and ask us to include those persons in our engagement letter.

Who Will Provide the Legal Services

Customarily, each client of the firm is served by a principal attorney contact. The principal attorney should be someone in whom you have confidence and with whom you enjoy working. You are free to request a change of principal attorney at any time. Subject to the supervisory role of the principal attorney, your work or parts of it may be performed by other lawyers and legal assistants in the firm. Such delegation may be for the purpose of involving lawyers or legal assistants with special expertise in a given area or for the purpose of providing services on the most efficient and timely basis.

How Our Fees Will Be Set

Generally, our fees are based on the time spent by the lawyers and paralegal personnel who work on your matter. We will charge for all time spent performing professional services for you including, by way of illustration, telephone and office conferences with you, your representatives, consultants, opposing counsel, and others; conferences among our legal and paralegal personnel; factual investigation; legal research; drafting letters, agreements, pleadings, briefs, and other documents; responding to requests by your auditors; and travel. We will keep accurate records of the time we devote to your work. If you have insurance relating to the matter on which you have engaged us, and your insurance carrier pays less than the rates on which we have agreed or declines to pay for any matter on which you have engaged us, you agree to pay the difference.

The hourly rates of our lawyers and legal assistants are reviewed and adjusted periodically on a firm-wide basis to reflect current levels of legal experience, changes in overhead costs, and other factors. Because these changes are made on a firm-wide basis, we customarily do not inform each client of the specific changes in the hourly rates of the personnel working on their matters. However, the rates charged by our personnel will be reflected on the invoices we send you, and we encourage you to raise promptly any questions you may have regarding our rates and any changes to them.

From time to time you may request and we may furnish estimates of legal fees and other charges that we anticipate will be incurred in representing you. Due to a wide range of variables, many of which are unforeseeable, these estimates are by their nature inexact and cannot be considered as limitations on the fees we will charge. The actual fees and charges ultimately billed may vary from such estimates.

With your advance written agreement, the fees ultimately charged may be based upon a number of factors, including: the time and effort required, the novelty and complexity of the issues presented, the value of the services to you, the amount of money or value of property involved, the results obtained, and the time constraints imposed by you and other circumstances, such as an emergency closing or the need for injunctive relief from a court.

For certain well-defined services and special circumstances, we will, if requested, quote a flat fee. In all such situations, both the amount of the fee and the scope of the services to be provided must be expressed in the engagement letter. In appropriate circumstances, we may agree to provide legal services on a contingent fee basis. The terms of any contingent fee representation must be set forth in the engagement letter.

Additional Charges

In addition to our fees, our invoices will include charges for expenses incurred in the performance of our legal services. Generally, charges which reflect the use of resources provided by outside vendors (courier services, court reporters, etc.) are charged at the vendor's charge to us without markup. Certain other charges reflect the utilization of firm resources or involve an integral combination of firm's resources and outside vendors (photocopying, computer research, etc.). These services are charged at standard rates which encompass both the direct vendor charge and an amount equal to the firm's estimate of an appropriate charge for the firm resources allocated to the service. While these charges may not match the firm's exact cost of providing these services in each instance, we believe that these charges are fair and generally comparable to the charges made by other firms for similar services. The current basis for these charges is set forth below. The firm will review this schedule of charges on an annual basis and adjust them to take into account changes in the firm's costs and other factors.

Photocopying: The firm charges \$.10 per page.

Computer Research: The firm uses computer assisted research services such as Westlaw. We charge for computer research at 80% of the retail rates published by the computer assisted research services. We believe that this charge compensates the firm for providing support and ancillary services, yet provides these services to our clients at a discount from retail prices.

Mail: Clients are charged the actual cost of postage for the U.S. Postal Service and foreign postal carriers, as well as the actual cost of air express couriers.

Overtime: Staff overtime is charged only when required by the time constraints of the specific project.

Facsimile: The firm reserves the right to charge up to \$1.00 per page for outgoing faxes, which includes all telephone costs. There is no charge for incoming faxes.

Telephone Calls: The firm does not charge for local or long-distance calls made or received at our office locations via land line. In cases in which a substantial number of cellular telephone calls are required in an engagement, the firm may pass on the cost of such calls charged to the subscriber.

Travel-Related Expenses: Airfare, meals, and related travel expenses are charged to you at the firm's actual, out-of-pocket cost. Automobile mileage is charged at the IRS approved rate. Credits earned under the Frequent Flyer Programs accrue to the individual traveler and not to the firm or you.

Firm Messengers: Walking messenger trips are charged at a flat rate per delivery. Driving messenger trips are charged at the firm's standard automobile mileage charge plus parking and toll charges if imposed.

Other Costs: The firm charges actual disbursements for third-party services like court reporters, expert witnesses, database services, and the like.

Unless special arrangements are otherwise made, payment of the fees and expenses charged by others (such as experts, investigators, consultants and court reporters) will be your responsibility and billed directly to you. All invoices in excess of \$1000 will be forwarded to you for direct payment unless other payment arrangements are made with us in advance.

Payment

Our billing rates are based on the assumption of prompt payment. Consequently, unless other arrangements are made, fees for services and other charges will be billed monthly and are payable within thirty days of receipt. We reserve the right to charge interest at the maximum legally permissible rate up to 1% per month or 12% per annum on amounts past due.

Representation in Other Matters

We are a relatively large law firm and we represent many other companies and individuals. It is possible that, during the time that we are representing you or afterward, the interests of another client of the firm may require the assertion in litigation, business transactions, or other legal matters of positions which conflict with yours. Additionally, subject to the requirements of the rules of professional conduct which govern us, you agree that our representation of you in this matter will not disqualify the firm from opposing you in other matters, including litigation or other dispute resolution proceedings, that are unrelated to the subject matter of this representation. You waive any conflict of interest with respect to the assertion of positions and the undertaking of unrelated, but adverse, representations described in the previous sentences. You also agree that we may disclose to prospective clients the general nature of this engagement with you and the fact that you have acknowledged our ability to undertake engagements of the type described above. We will not, of course, use to your disadvantage any proprietary or confidential information we acquire from you as a result of our representation of you in this or other matters.

Attorney-Client Privilege

Sometimes in the course of our representation of clients, we confront ethical or other legal issues that require that we seek the advice of an attorney, either one of our own attorneys or an attorney from another firm. As part of our agreement regarding your representation by the firm, you agree that such discussions, whether they occur during or after our engagement, are protected by the attorney-client privilege.

Termination of Engagement

Our engagement as your attorneys terminates upon our completion of the services you have retained us to perform, whether or not our final invoice has been rendered or paid. If you later retain us to perform further or additional services, our attorney-client relationship will begin again with the signing of a new engagement letter.

You may terminate our engagement with or without cause at any time on by notifying us of your decision to do so. Termination of our services will not affect your responsibility to pay for services rendered and expenses and other charges incurred up to the date when we receive notice of termination, and for any further work required of us in order to facilitate an orderly turnover of matters in process at the time of termination.

We may terminate our engagement for any of the reasons permitted under the rules of professional conduct which govern us, including: your failure to pay our invoices promptly, misrepresentation of (or failure to disclose) any material facts, action taken contrary to our advice, or any other conduct or situation that in our judgment impairs an effective attorney-client relationship between us or presents conflicts with our professional responsibilities. Subject to the rules of professional conduct which govern us, we may also terminate our engagement by reason of your failure to abide by your consent to our representation of a client in accordance with the terms of the section entitled "Representation in Other Matters" above. If required, we will request a stipulation executed by you allowing us to withdraw as attorney of record in any judicial, arbitration, or similar proceedings. We may also apply for a court order approving our withdrawal from representing you, and you agree in advance to our withdrawal.

Subsequent Engagements

If, during this engagement or thereafter, you retain us for an additional engagement, it will be presumed, absent a written agreement between us to the contrary, that the terms and conditions contained in this document will apply to such subsequent engagements.

Alternative Dispute Resolution: Mandatory Arbitration

Should any dispute arise concerning the services provided to you by us or the charges we make for those services and related expenses, you and we shall first try in good faith to settle the dispute directly. If the dispute is not resolved, it shall be submitted to third party neutral facilitation in accordance with the mediation rules of the American Arbitration Association. If the dispute is not resolved through mediation, the dispute shall be settled by binding arbitration in accordance with the laws of the State of Michigan. The arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association except as modified here. Judgment upon the award rendered by the arbitrators may be entered in any court of record having jurisdiction thereof. The mediation and arbitration proceedings, including any hearings, shall be held in the Detroit metropolitan area. Both you and we agree that neither of us is entitled to or shall request or claim punitive or exemplary damages and that the arbitrators shall not have the authority to award punitive or exemplary damages or any other damages in excess of actual pecuniary damages.

Client Documents

We will maintain any documents you furnish to us in our client file (or files) for this matter. At the conclusion of the matter (or earlier, if appropriate), it is your obligation to advise us as to which, if any, of the documents in our files you wish us to turn over to you. These documents will be delivered to you within a reasonable time after receipt of payment for outstanding fees and costs. We will retain any remaining documents in our files for a certain period of time and ultimately destroy them in accordance with our record retention program schedule then in effect.

We are not advising you with respect to this statement of the terms of our engagement. If you wish advice, you should consult independent counsel of your choice.

35840756.1\088888-04621



409 E. Jefferson Ave., Fifth Floor
Detroit, Michigan 48226
Main: 248.258.2850
LuskAlbertson.com

April 30, 2020

Via Electronic Mail

Direct Dial: (248) 988-5662
Email: RLusk@LuskAlbertson.com

Ms. Elise Walley
Board of Education
Weston Preparatory Academy
22930 Chippewa Street
Detroit, Michigan 48219
ewalley@fitnessthings.com

Re: Retainer Letter

Dear Ms. Walley:

Thank you for your call today. Lusk Albertson PLC (LA), is pleased Weston Preparatory Academy (the Academy) is considering retaining us as legal counsel. You may find additional information about LA and its attorneys on our website, www.luskalbertson.com. You may also arrange a virtual meeting, if you believe that would be helpful.

LA's standard hourly rates range from \$245.00, for the firm's most experienced attorneys, to \$145.00, for paralegals. Our clients also reimburse us for out-of-pocket expenses incurred in the course of representation, such as filing fees, transcripts, expert witnesses, etc. LA does *not* charge clients for routine overhead expenses, such as copying, postage, mileage, electronic legal research, etc.

LA sends monthly invoices, by email, payable upon receipt. Our invoices are detailed to the degree required by the client and will, at a minimum, reflect the matter on which work was performed, a detailed summary of the work performed, the time spent performing the work (in .10 hour increments), the attorney or paralegal who performed the work, and the attorney or paralegal's hourly rate.

Typically, LA maintains client files, partially on paper and partially electronically. LA retains client files for at least three years from the date a matter is completed, after which they may be destroyed without further notice to the client.

If these terms are satisfactory, please counter-sign this letter and return it to me. Thank you for your attention to this matter. Please feel free to call with questions or comments.



Very truly yours,

LUSK ALBERTSON PLC

A handwritten signature in black ink, appearing to read 'Robert A. Lusk', written over a horizontal line.

Robert A. Lusk

Countersigned:

WESTON PREPARATORY ACADEMY

By: _____

Its: _____

Dated: _____

Clark Hill Education Overview

The Clark Hill Education Law Practice Group has extensive experience counseling public school districts, charter schools, intermediate school districts, independent schools, and universities on legal issues which impact all facets of school operations. With this experience, our school law attorneys and other professionals are able to assist with any of the numerous issues your school district may face. Our group stays on top of the ever evolving world of education law and proactively serves our clients through providing legal updates and in-services on pertinent legal developments that impact their district and students.

The depth and breadth of Clark Hill's Education Law Practice Group, as well as its geographic reach and state of the art technology, enables us to offer the specific legal advice and service your school district needs to successfully manage its operations.

Education Law Group Areas of Practice

General School Law Compliance

- Board Policies & Administrative Guidelines
- Board Governance
- Public School Legislation and Laws
- Michigan Revised School Code
- Freedom of Information Act
- Open Meetings Act
- Robert's Rules of Order
- Family Educational Rights and Privacy Act
- Health Insurance Portability and Accountability Act
- Conflicts of Interest and Compatibility of Offices
- Fingerprinting and Criminal Background Checks
- School Election Laws
- Crisis Management and Response
- Safety and Security

School Business

- Purchasing and Competitive Bidding
- School Construction and Related Professional Services Contracts
- Real Estate Issues
- Leasing
- Land Use Regulation
- Cell Tower Leasing
- Telecommunications
- Retirement and Employee Benefits
- Technology
- School Election Laws
- Contract Drafting
- Outsourcing of Non-Instructional Services
- Pupil Transportation
- Food Services
- Facility Operations and Management, including Custodial, Grounds and Facility Maintenance
- Intellectual Property
- Environmental Regulations
- Energy and Utilities
- Educational Foundations & Charitable Giving

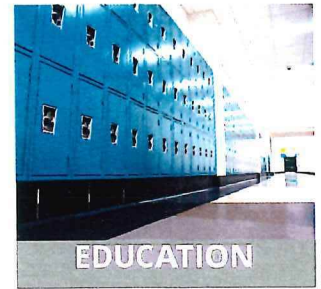
Tenure

- Compliance with the Michigan Teachers' Tenure Act
- Filing of Teacher Tenure Charges
- Representation in all proceedings before the Michigan Teacher Tenure Commission and any subsequent appeals

Students

- Enrollment
- Pupil Accounting
- Student Discipline
- Special Education and IDEA Compliance
- Internet Privacy Protection Act

www.clarkhill.com



Practice Leader



John L. Gierak
248.988.5845
jlgierak@clarkhill.com

Education Professionals

Dana L. Abrahams
Katie Anderson
John R. Axe
Jordan M. Bullinger
Lauren K. Burton
Jeffrey J. Butler
Vickie L. Coe
Joseph W. Colaianne
Peter S. Ecklund, Jr.
Marshall W. Grate
Douglas R. Kelly
Mark W. McInerney
Jeremy S. Motz
Nancy L. Mullett
Kara T. Rozin
Barbara A. Ruga
Joseph E. Turner, Jr.
Joseph B. Urban
Ann L. VanderLaan

CLARK HILL

Clark Hill Education Overview Cont.

Labor Law

- Collective Bargaining
- Administration of Collective Bargaining Agreements
- Grievance Arbitrations
- Mediation & Fact Finding
- Unfair Labor Practice Charges and Other Legal Proceedings before the Michigan Employment Relations Commission
- Union Campaigns & Elections

Employment Advice

- Compliance with Federal and State Equal Employment Opportunity Laws
- Employee Handbooks and Personnel Policy Manuals
- Employment Contracts
- Severance Agreements
- Employment Counseling and Training
- Family & Medical Leave Act
- Disability Accommodations
- Criminal Background Checks
- Fair Labor Standards Act and State Wage & Hour Laws
- Social Media
- Record Retention
- Unemployment Compensation
- Teacher and Staff Evaluations
- Employee Discipline and Investigations
- Harassment/Bullying
- Freedom to Work
- Weapons in Schools
- First Amendment and Establishment Clause
- Occupational Safety & Health Investigations
- Employee Discipline & Investigations

Employment Defense/Education Law Litigation

- Whistleblowers' Protection Act
- Civil Rights Litigation under Federal and State Civil Rights Laws, including alleged discrimination based on race, color, age, sex, national origin, disability, religion, pregnancy, marital status, height and weight
- Compliance Audits by the Office of Civil Rights
- Individual and Class Actions under Wage and Hour Laws and the Fair Labor Standards Act
- Michigan Employment Relations Commission, Equal Employment Opportunity Commission, Michigan Department of Civil Rights, Teacher Tenure Commission, Michigan Wage/Hour Division, U.S. Department of Labor, Occupational Safety & Health Administration, U.S. Department of Education, and Other Administrative Proceedings

Employment Benefits & Compensation

- Patient Protection and Affordable Care Act Compliance
- Public Acts 54 and 152 of 2011
- 403(b) Plans
- Section 125 Cafeteria Plan Compliance

School Finance

- Bond Financing
- Bond Elections
- Michigan School Bond Qualifications and Loan Program
- Installment Purchase Agreements/Finance Leases
- Energy Conservation Improvement Bonds
- Qualified Zone Academy Bonds
- Operating Cash-Flow Borrowings: State Aid Note and Lines of Credit
- Refunding Bonds
- Building and Site Sinking Fund Millage

869 S. Old U.S. 23, Ste. 500
Brighton, MI 48114
(810) 229-5145 phone
(810) 229-5402 fax

CS Partners

Memo

To: WPA Board of Directors
From: John Vandersteen, Project Coordinator
CC: Andrea Pecuch
Date: 5/13/2020
Re: Insurance Proposal

Board Members:

Attached you will find the Insurance Renewal Proposal provided by General Agency on behalf of EMC Insurance for your review.

The insurance summary on page 25 indicates a proposed premium of \$17,541, which represents a 4 percent increase and is consistent with increasing property limits in line with inflation. The proposed policy has equal or greater limits and provides the same deductibles and coverage from the expiring policy.

EMC has also offered a few optional coverages, all of which are small adjustments. First is in the Cyber Liability policy – EMC has offered to increase limits from \$50,000 to \$100,000 on data compromise response for an additional 159 dollar premium. As much of the Academy's operations have gone virtual, I believe this is a sound idea to increase coverage against this new potential for cyber liability exposure.

Secondly, the Academy has quite a low deductible for its crime policy; should the board look to save insurance premiums, EMC will increase the deductible on this policy from \$2,500 to \$5,000 for a savings of \$109. This is not an oft-used policy but the premium savings are minimal- I would not be interested in removing the advantageous premium at this cost.

Lastly, the General Liability policy currently has \$500,000 on violent response limit and EMC has opened new limits of \$1,000,000 and offers this at a \$30 premium. The board may elect to heighten limits for this increase.

We ask that the Board review the insurance proposal and have the Board President sign and date the proposal premium summary on page 26 along with its elections on these three optional coverage adjustments (each will require a choice between two options listed on the pg. 26 table)

If you have any questions or comments about the Proposal or the insurance coverage for the Academy, please do not hesitate to contact me at (810) 229-5145 or by email at jvandersteen@charterschoolpartners.com.

Insurance Proposal for

Weston Preparatory Academy

Presented by:

Jennifer Reinhardt
525 East Broadway
Mount Pleasant, MI 48858
989.773.6985



Insurance since 1915

Knowledgeable. Committed. Trusted.

April 23, 2020

This proposal gives an overview of the insurance program recommended for your business. It presents a general summary of your insurance needs and should not be construed as a legal interpretation of your insurance coverage. Please consult your specific insurance policies for details on coverage, conditions and exclusions. Also, in the event that your company may enter into a contractual relationship, or currently have a contract with another company – please be advised that the coverages proposed herein may NOT satisfy the requirements imposed by such contracts.

Agency Introduction	3
Service Team.....	4
Commercial Property	5
General Liability	8
Commercial Auto	12
Equipment Floater.....	15
Crime	18
Cyber Liability	19
Linebacker	20
Workers Compensation.....	22
Umbrella / Excess Liability	24
Premium Summary	26
Acceptance of Proposal	27

Established in 1915, the General Agency Co. is one of the area's oldest continuous businesses. Often regarded as Central Michigan's largest independent agency, the General Agency Co. is committed to growth, education, automation and the Independent Insurance Agency System.

We specialize in finding markets for difficult to place commercial risks. We also develop and handle several Group and Association programs. While we can handle complex commercial insurance programs, we also provide the personal service necessary on all types of businesses and personal lines coverage. With over 30 different companies to choose from to cover your personal, commercial or employee benefit needs.

As Independent Agents our principal employer is YOU! Our objective is to provide you with financially sound insurance carriers that feature the best possible coverage, price and service combination available. We are committed to excellent service and to treat you with the respect you deserve.



Jennifer Reinhardt
Producer

Phone: (989) 817-4266
Fax: (989) 772-1855
Email: jreinhardt@ga-ins.com



Jennifer Reinhardt began with the agency in 2014 as a Commercial Lines Select Agent and is now an agent in our Commercial Lines Department. Jennifer is a graduate of the Olivet College Insurance and Risk Management Program, holds her Michigan Property and Casualty Agents License as well as being a Certified Automobile Subrogation Arbitrator. She also received her Associate in General Insurance and Associate in Insurance Services designation from the national Institute. Jennifer is currently pursuing her Associate in Claims and Chartered property Casualty Underwriter designations and brings our agency and client base a strong background in risk assessment, coverage interpretation, and claims adjusting.

Beverly Weeks
Account Executive

Phone: (989) 817-4236
Fax: (989) 772-1855
Email: bweeks@ga-ins.com



Bev Weeks joined the General Agency in July of 2018 in the Commercial Lines as an Account Executive. Bev has extensive experience in Health Care. She is a graduate from Mid-Michigan College in Applied Health and completed the Michigan Property & Casualty insurance licensing in November 2018.

Ronda Weber
Claims Executive

Phone: (989) 817-4234
Fax: (989) 772-1855
Email: rweber@ga-ins.com



Ronda Weber joined the General Agency Company in July of 2015. Ronda enjoys working with customers and sales having experience working in retail as an Assistant Manager for over 13 years. Ronda holds a Certificate in Floral Design from Michigan State University and will pursue her insurance agents license this year.

Company	Policy Number	Eff Date	Exp Date
EMC Property & Casualty Co	5A13374	7/1/2020	7/1/2021

Named Insureds

First Named Insured
Weston Preparatory Academy

Additional Named Insureds
Weston Technical Academy

Coverage Detail

Subject	Amount	Val	Co-Ins %	Cause of Loss	Ded
Loc #: 0 Bldg #: 0 Blanket Coverages					
Blanket Business Personal Property	\$619,489	RC/AV	90%	Special	\$250

Loc #: 1 Bldg #: 1 22930 Chippewa St • Detroit, MI 48219-1161					
Business Personal Property	\$596,046	RC/AV	100%	Special	\$250

Loc #: 1 Bldg #: 2 22930 Chippewa St • Detroit, MI 48219-1161					
Business Personal Property	\$61,516	RC/AV	100%	Special	\$250

Loc #: 1 Bldg #: 3 22930 Chippewa St • Detroit, MI 48219-1161					
Business Personal Property	\$10,253	RC/AV	100%	Special	\$250

Loc #: 1 Bldg #: 4 22930 Chippewa St • Detroit, MI 48219-1161					
Business Personal Property	\$20,506	RC/AV	100%	Special	\$250

Definitions		
Val = Valuation	Co-Ins% = Coinsurance Percentage	Ded = Deductible
R = Replacement Cost	AV/RC = Agreed Value/Replacement Cost	AA = Agreed Amount
ACV = Actual Cash Value	ALS = Actual Loss Sustained	AV = Agreed Value

Additional Interests

Loc # / Bldg #	Name & Address
----------------	----------------

Forms & Endorsements

Form #	Description
CP0090	Commercial Property Conditions
CP0120	Michigan Changes
CP0140	Exclusion of Loss Due to Virus or Bacteria
CP1218	Loss Payable Provisions
CP7001A	Commercial Property Schedule
CP7003A	Schedule of Locations
CP7123	Building and Personal Property Coverage <i>Personal Property – included in BPP limit if within 1,000 ft. of premises</i> <i>Synthetic Athletic Tracks or Surfaces – included in building limit</i> <i>Signs and fences – included in building limit if within 1,000 ft of building</i> <i>Debris Removal - \$250,000</i> <i>Preservation of Property – 90 days</i> <i>Fire Department Service Charge - \$50,000</i> <i>Pollutant Clean-up and Removal - \$100,000</i> <i>Ordinance or Law – included in building limit</i> <i>Electronic Data & Interruption of Computer Operations - \$100,000</i> <i>Collapse – included as a covered peril</i> <i>Limited Coverage for Fungus, Wet Rot, Dry Rot and Bacteria - \$15,000</i> <i>Business Income/Extra Expense-Actual Loss Sustained - \$2,000,000</i> <i>Sewer Backup - \$100,000</i> <i>Fire Extinguishing System Recharge – no limit if discharged by accident or to fight fire</i> <i>Spoilage - \$50,000</i> <i>Arson Reward - \$25,000</i> <i>Cost of Taking Inventory \$50,000</i> <i>Legal Liability - \$250,000</i> <i>Utility Services – Direct Damage/Time Element/Utility Supply Services - \$100,000</i> <i>Changes or Extremes in Temperature or Humidity - \$15,000</i> <i>Lock Replacement and Rekeying - \$25,000</i> <i>Newly Acquired or Constructed Property</i> <i> Building - \$2,000,000 up to 120 days</i> <i> Business Personal Property - \$2,000,000 up to 120 days</i> <i>Personal Effects and Property of Others - \$100,000</i> <i>Valuable Papers & Records - \$500,000</i> <i>Outdoor Property - \$500,000 but not more than \$1,000 for any one tree/shrub/plant</i> <i>Non-Owned Detached Trailers - \$15,000</i> <i>Accounts Receivable - \$250,000</i> <i>Monies & Securities - \$10,000</i> <i>Fine Arts - \$100,000</i> <i>Building Foundations & Pilings – 10% of Building Limit up to \$1,000,000</i> <i>Underground Fiber Optic Cable - \$2,500</i> <i>Appurtenant Building and Structures - \$100,000</i>

Form #	Description
	<i>Expediting Expenses - \$50,000</i>
CP7123.10	Schools Flood Coverage <i>If eligible for coverage under National Flood Insurance Program (NFIP), this coverage is excess of the maximum limit that could be insured by NFIP whether you purchased the NFIP insurance or not.</i>
CP7123.11	Schools Earthquake/Volcanic Eruption
CP7358	Equipment Breakdown Coverage <i>Expediting Expenses - \$100,000</i> <i>Hazardous Substances - \$100,000</i> <i>Service Interruption – Up to Business Income Limit</i> <i>Spoilage for Perishable Stock - \$100,000 (only \$50,000 for power outage)</i> <i>Data Restoration - \$100,000</i> <i>Fungus/Wet Rot/Dry Rot/Bacteria - \$15,000</i> <i>Public Relations - \$5,000 up to 30 days</i> <i>Resultant Damage to Animals - \$25,000</i> <i>Business Income & Extra Expense extended to Equipment Breakdown</i>
CP8106	Advisory Notice to Policy Holders
IL0952	Cap on Losses from Certified Acts of Terrorism
IL7130A	Named Insured Endorsement
IL7131A	Commercial Policy Endorsement Schedule
IL7306	Exclusion of Certain Computer-Related Losses
IL8383.5A	Disclosure Pursuant to Terrorism Risk Insurance Act
IL8384A	Terrorism Notice
IL8532	Important Notice to Policyholders-Michigan
CP7123.4	School Quick Reference
CP8011	Policyholder Notice

Company	Policy Number	Eff Date	Exp Date
EMC Property & Casualty Co	5D13374	7/1/2020	7/1/2021

Named Insureds

First Named Insured
Weston Preparatory Academy

Additional Named Insureds
Weston Technical Academy

Coverage Detail

Coverage	Limits
General Aggregate	\$3,000,000
Products / Completed Operations Aggregate	\$3,000,000
Each Occurrence	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Fire Damage (Any One Fire)	\$300,000
Medical Expense (Any One Person)	\$5,000

Exposures & Location

Description	Exposure	Premium Basis
Loc #: 1 Bldg #: 1 22930 Chippewa St• Detroit, Michigan 48219-1161		
Schools-Faculty Liability for Corporal Punishment of Pupils	32	Faculty
Schools-Public-Elementary, Kindergarten or Jr High	285	Students
Primary Additional Insured (CG7166)	2	Additional Insureds
Waiver of Transfer of Rights of Recovery Against Others to Us	1	Each Waiver
Additional Insured - Designated Person/Org - Vicarious Liability (G7501)	4	Additional Insureds
Abuse or Molestation Liability	285	Students
Schools-Violent Event Response Coverage	285	Students

The policy is subject to annual audit

Additional Coverages

Description	Limit
Violent Event Response Coverage	\$500,000

Additional Interests

Name	Address
Oakland University Charter School Office	405G Pauley Hall • Rochester, MI 48309-4401
CS Partners LLC, CSP Management Inc	869 S US Hwy 23 • Brighton, MI 48114

Forms & Endorsements

Form #	Description
CG0001	Commercial General Liability Coverage Form
CG0168	Michigan Changes
CG2106	Exclusion-Access/Disclosure of Confidential/Personal Info
CG2147	Employment-Related Practices Exclusion
CG2153	Exclusion-Designated Ongoing Operations-Daycare Operations
CG2170	Cap on Losses from Certified Acts of Terrorism
IL7338	Earlier Notice of Cancellation Provided by Us-Designated Entity See Remarks
IL8384A	Terrorism Notice
IL8440	Important Notice to Policyholders

IL8532	Important Notice to Policyholders-Michigan
IL8576	Medicare Important Notice to Policyholders
CG2404	Waiver of Transfer of Rights of Recovery Against Others to Us See Remarks
IL0021	Nuclear Energy Liability Exclusion (Broad Form)
IL0286	Michigan Changes-Cancellation & Non-Renewal
IL7028	Asbestos Exclusion
IL7130A	Named Insured Endorsement
IL7131A	Commercial Policy Endorsement Schedule
IL8383.5A	Disclosure Pursuant to Terrorism Risk Insurance Act
CG7166	Additional Insured-Designated Person/Org-Primary & Noncontributory
CG7255	General Liability Essential Extension/Schools Automatic Additional Insured - Specified Relationships when required in written contract Manager/Lessor of Premises Any State or Political Subdivision Any Person/Organization from which you lease equipment <i>Corporal Punishment included for bodily injury</i> <i>Pollution liability arising out of usual classroom instructions on premise</i> <i>Non-owned watercraft liability</i> <i>Unmanned aircraft operations as a result of school activities</i> <i>Mobile equipment exclusion removed for any battery or solar powered vehicles owned by the school & operated by the school or students in school approved events</i> <i>Property damage due to elevator use</i> <i>Removal of contractual liability exclusion for Personal & Advertising injury</i> <i>Medical Payments coverage extended from 1 year to 3 years</i> <i>Extended Supplementary Payments</i> <i>Bail Bonds – up to \$3,000</i> <i>Reasonable Expenses - \$350 loss of earnings</i> <i>Attorney Fees - \$100,000 per Occurrence</i> <i>Employees providing health care services included as an insured</i> <i>Newly formed or acquired organizations – 180 days</i> <i>Safety patrol students & their parents are included as an additional insured</i> <i>Leased workers & substitute teachers included in definition of employee</i> <i>Broadened notice of occurrence</i> <i>Mental anguish is included in definition of bodily injury</i> <i>Extended Property Damage - \$100,000 for Care, Custody, and Control</i> <i>Unintentional failure to disclose exposures</i> <i>Damage to Premises Rented You – limit increased to \$300,000</i> <i>Automatic Additional Insured – Specified Relationships</i>

CG7501	Additional Insured-Designated Person/Org-Vicarious Liability <ul style="list-style-type: none"> • City of Southfield & Its Elected or Appointed Officials • Wayne County Parks & Recreation • WCCC-Northwest Campus • City of Oak Park
CG7551	Abuse or Molestation Liability
CG7604	Michigan Cancellation
CG2176	Exclusion Punitive Damages Acts of Terrorism
CG2272	Colleges or Schools
CG7001A	General Liability Schedule
CG7003	GL Quick Reference (Occurrence)
CG7114	Trampoline Exclusion
CG7117.11	Tort Liability of Governmental Subdivisions-Michigan
CG7614	School Violent Event Response Coverage
CG7699	General Liability Elite Extension/School
CG8290	Important Notice to Policyholders

Company	Policy Number	Eff Date	Exp Date
Employers Mutual Casualty Co	5E13374	7/1/2020	7/1/2021

Named Insureds

First Named Insured
Weston Preparatory Academy

Additional Named Insureds
Weston Technical Academy

Coverage Detail

Description	Coverage Symbol	Limits
Bodily Injury & Property Damage Liability	8, 9	\$1,000,000
Hired / Borrowed Auto Liability	8	Included
Non-owned Auto Liability	9	Included

COVERED AUTO SYMBOLS:

- [1] ANY AUTO
- [2] ALL OWNED AUTOS
- [3] OWNED PRIVATE PASSENGER AUTOS
- [4] OWNED AUTOS OTHER THAN PRIVATE PASSENGER
- [5] ALL OWNED AUTOS WHICH REQUIRE NO-FAULT COVERAGE
- [6] OWNED AUTOS SUBJECT TO COMPULSORY U.M. LAW
- [7] AUTOS SPECIFIED ON SCHEDULE
- [8] HIRED AUTOS
- [9] NON-OWNED AUTOS

Vehicles- None Listed

Drivers- None Listed

Additional Interests

Name	Address
Oakland University Charter School Office	405G Pauley Hall • Rochester, MI 48309-4401

Forms & Endorsements

Form #	Description
CA0001	Business Auto Coverage Form
CA0110	Michigan Changes
CA7002A	Commercial Auto Declarations-Items 4 & 5
CA7007	Quick Reference Business Auto Form
CA7209.11	Tort Liability for Governmental Subdivisions-Michigan
CA7266	Designated Insured-Primary and Noncontributory
CA7313	Prejudgement Interest
CA9941	Michigan Property Damage Liability Coverage Buyback
IL0021	Nuclear Energy Liability Exclusion (Broad Form)
IL0286	Michigan Changes-Cancellation & Non-Renewal
IL7130A	Named Insured Endorsement
IL7131A	Commercial Policy Endorsement Schedule
IL8532	Important Notice to Policyholders-Michigan

IL8576	Medicare Important Notice to Policyholders
CA7317	<p>Commercial Auto Essential Extension Schools Includes blanket additional insured if required by written contract.</p> <p><i>Officers, Employees, Volunteers, & Elected Officials included as insureds</i></p> <p><i>Blanket Additional Insured when required by written contract/agreement</i></p> <p><i>Newly Formed or Acquired Organizations included for 180 days</i></p> <p><i>Subsidiaries included as insureds</i></p> <p><i>Supplementary Payments</i></p> <p><i>Bail Bonds - \$3,000</i></p> <p><i>Reasonable Expenses - \$350 a day</i></p> <p><i>Fellow Employee exclusion removed</i></p> <p><i>Racing exclusion removed for battery or solar powered automobiles owned by school</i></p> <p><i>Towing - \$100 for private passenger vehicles. \$500 for all other vehicles</i></p> <p><i>Transportation Expense - \$75 per day up to \$1,000 maximum</i></p> <p><i>Hired Auto Physical Damage - \$75,000</i></p> <p><i>Personal Property of Others - \$1,000</i></p> <p><i>Personal Auto Physical Damage Recovery – deductible or \$1,000 maximum</i></p> <p><i>Locksmith Services - \$50 per occurrence</i></p> <p><i>Rental Reimbursement - \$50 per day, subject to a \$1,500 limit, up to 30 days</i></p> <p><i>Airbag coverage</i></p> <p><i>Audio, Visual, & Data Electronic Equipment - \$1,000</i></p> <p><i>Lease & Loan Gap coverage</i></p> <p><i>Replacement Cost coverage extension for vehicles scheduled with RC limits</i></p> <p><i>Single deductible applies for loss of 2 or more vehicle from one accident</i></p> <p><i>Waiver of Deductible – Glass Repair or Replacement</i></p> <p><i>Broadened Notice of Occurrence</i></p> <p><i>Unintentional Failure to Disclose</i></p> <p><i>Liberalization Clause</i></p> <p><i>Mental Anguish included in definition of bodily injury</i></p> <p><i>Extended Property Damage Coverage - \$100,000 for Care, Custody, or Control</i></p>
CA8331	Important Notice to Policyholders
CA8334	Important Notice to Policyholders

Company	Policy Number	Eff Date	Exp Date
Employers Mutual Casualty Co	5C13374	7/1/2020	7/1/2021

Named Insureds

First Named Insured
Weston Preparatory Academy

Additional Named Insureds
Weston Technical Academy

Coverage Detail

Description	Value
Coverage type	Scheduled
Coverage Form	All risks
Valuation	
Contractors Equipment	Actual Cash Value
EDP Equipment	Replacement Cost
Coinurance	80%
Deductible	\$500

Scheduled Equipment

Item #	Type	Description	ID/Serial #	Limit
1	Location 1:	22930 Chippewa St, Detroit, MI 48219		
2	EDP	Hardware		\$150,000
3	EDP	Software		\$25,000
4	EDP	Income Coverage (Extra Expense Only)		\$7,500
5	EDP	Telecommunications Equipment		\$22,000
6	EDP	Reproduction Equipment		\$40,000
7	Scheduled Prop Fltr	Viper 28" Traction Drive Scrubber	EQPFANG28T195	\$7,808
8	Scheduled Prop Fltr	Viper Venom 20" 175R Low Speed Buffer	EQPVN2015	\$718
9	Scheduled Prop Fltr	Viper Dragon 20" 2000 RPM Burnisher Dust Contr	EQPDR2000DC	\$1,114

Item #	Type	Description	ID/Serial #	Limit
10	Scheduled Prop Fltr	ProTeam ProGen 12 12" Upright Vacuum	EQP107329	\$349
11	Scheduled Prop Fltr	Bissell Bissell Upright Extractor Deep Clean	EQPBG10	\$475
12	Scheduled Prop Fltr	Viper Shovelnose Wet/Dry Vacuum w/Tools	EQPSN18WD	\$685

Forms & Endorsements

Form #	Description
CL0100	Common Policy Conditions
CL0200	Amendatory Endorsement Michigan
CL0600	Certified Terrorism Loss
CL0700	Virus or Bacteria Exclusion
CM7001A	Commercial Inland Marine Schedule
CM7004	Quick Reference
CM7021	Loss Payable Endorsement
IL7130A	Named Insured Endorsement
IL7131A	Commercial Policy Endorsement Schedule
IL7306	Exclusion of Certain Computer-Related Losses
IL8383.5A	Disclosure Pursuant to Terrorism Risk Insurance Act
IL8532	Important Notice to Policyholders-Michigan
IM2111	Amendatory Endorsement Michigan
IM7200	EDP Equipment Coverage-Scheduled <i>Additional Debris Removal - \$10,000</i> <i>Electrical and Power Supply Disturbance – included</i> <i>Emergency Removal Coverage – 365 days</i> <i>Emergency Removal Expenses - \$2,500</i> <i>Fraud & Deceit - \$2,500</i> <i>Mechanical Breakdown – included</i> <i>Acquired Locations - \$500,000 up to 60 days</i> <i>Earthquake – included</i> <i>Newly Purchased or Leased Hardware - \$500,000 up to 60 days</i> <i>Off-Site Computers – up to scheduled hardware & software combined limit</i> <i>Pollution Cleanup & Removal - \$10,000</i> <i>Property in Transit - up to scheduled hardware & software combined limit</i> <i>Protection & Control Systems - \$10,000</i> <i>Recharge of Fire Extinguishing Equipment - \$15,000</i> <i>Reproduction Equipment - \$10,000 (unless higher limits are scheduled)</i> <i>Rewards - \$2,500</i> <i>Software Storage - \$50,000</i> <i>Telecommunications Equipment - \$10,000 (unless higher limits are scheduled)</i>

Form #	Decription
	<i>Virus & Hacking - \$25,000 each occurrence/\$75,000 annually</i>
IM7215	EDP Income Coverage <i>Interruption by civil authority - 30 Days</i> <i>Period of loss extension - 30 Days</i> <i>Acquired Locations - \$50,000</i> <i>Earthquake - included</i> <i>Off Premises Utility Service Interruption - \$25,000 including overhead lines w/24-hr waiting period</i> <i>Property in Transit - \$10,000</i> <i>Virus and Hacking - \$25,000 any one occurrence/\$75,000 annually w/24-hr waiting period</i>
IM7219	Hardware and Software Exclusion-Medical Equipment
IM7227	Reproduction Equipment
IM7228	Telecommunications Equipment
IM7234	Calendar Date or Time Failure Exclusion
IM7238	Earthquake, Flood, and Sewer Backup Endorsement
IM7500	Scheduled Property Floater
CL0811	Cannabis Items and Activities Exclusion
CM8068	Advisory Notice to Policyholders
CM9905	Cannabis Exclusion

Company	Policy Number	Eff Date	Exp Date
Employers Mutual Casualty Co	5N13374	7/1/2020	7/1/2021

Named Insureds

First Named Insured
Weston Preparatory Academy

Additional Named Insureds
Weston Technical Academy

Coverage Detail

Description	Limit	Deductible
Employee Dishonesty	\$500,000	\$500
Clients' Property	\$500,000	\$500
Inside the Premises Theft of Money & Securities	\$500,000	\$500
Outside the Premises Theft of Money & Securities	\$500,000	\$500

Forms & Endorsements

Form #	Form / Endorsement Name
CR0020	Commercial Crime Coverage Form-Discovery Form
CR0110	Michigan Changes-Duties
CR0401	Clients' Property
CR0750	Amendment-Delete Provisions Regarding Certain Acts of Terrorism
CR2509	Include Volunteer Workers as Employees
CR7001A	Commercial Crime Schedule
CR7002.2	Commercial Crime Quick Reference (Discovery)
CR7004A	Commercial Crime Declarations
CR7114	Include Board of Education as Employees
IL0286	Michigan Changes-Cancellation & Non-Renewal
IL7130A	Named Insured Endorsement
IL7131A	Commercial Policy Endorsement Schedule
IL7306	Exclusion of Certain Computer-Related Losses
IL8532	Important Notice to Policyholders-Michigan

Company	Policy Number	Eff Date	Exp Date
Employers Mutual Casualty Co	5Q13374	7/1/2020	7/1/2021

Named Insureds

First Named Insured
Weston Preparatory Academy

Additional Named Insureds
Weston Technical Academy

Coverage Detail

Description	Limits	Deductible
Cyber Coverage Computer Attack	\$100,000	\$1,000
Data Compromise Response Expense	\$50,000	\$1,000
Data Compromise Defense & Liability	\$50,000	\$1,000
Identity Recovery with Expense Reimbursement	\$25,000	\$0
Network Security Defense & Liability Limit	\$100,000	\$1,000
Electronic Media Liability	\$100,000	\$1,000

Forms & Endorsements

Form #	Form / Endorsement Name
DC7001	Cybersolutions Coverage Form
DC7068	Michigan Changes
IL7120	Michigan Changes-Cancellation and Nonrenewal
IL7130A	Named Insured Endorsement
IL7131A	Commercial Policy Endorsement Schedule
IL7149	Common Policy Conditions
IL7326	Calculation of Premium
IL8383.5A	Disclosure Pursuant to Terrorism Risk Insurance Act
DC8005	Important Notice to Policyholders

Company	Policy Number	Eff Date	Exp Date
Employers Mutual Casualty Co	5K13374	7/1/2020	7/1/2021

Named Insureds

First Named Insured
Weston Preparatory Academy

Additional Named Insureds
Weston Technical Academy

Coverage Detail

Description	Limits
Each Occurrence	\$1,000,000
General Aggregate	\$3,000,000
Self-Insured Retention (Deductible)	\$1,000

Coverage is Claims Made, with a Retro Date of 8/24/1998

Additional Interests

Name	Address
Oakland University Charter School Office	405G Pauley Hall • Rochester, MI 48309-4401

Forms & Endorsements

Form #	Form / Endorsement Name
CL7110	Nuclear Energy Liability Exclusion
CL7124.1	Additional Insured-Designated Person/Entity Primary & Noncontributory
CL7128	Tort Liability Endorsement
CL7156	Cap on Losses from Certified Acts of Terrorism
CL7161	Exclusion of Punitive Damages Related to a Certified Act of Terrorism
CL8322	Advisory Notice to Policyholders
IL7120	Michigan Changes-Cancellation and Nonrenewal
IL7130A	Named Insured Endorsement
IL7131A	Commercial Policy Endorsement Schedule
IL7149	Common Policy Conditions
IL7326	Calculation of Premium
IL8383.5A	Disclosure Pursuant to Terrorism Risk Insurance Act

IL8384A	Terrorism Notice
IL8532	Important Notice to Policyholders-Michigan
CL7001	Linebacker Public Officials/EPLI Coverage Form
CL7202	Data Compromise & Cyber Liability Exclusion

Company	Policy Number	Eff Date	Exp Date
Employers Mutual Casualty Co	5M13374	7/1/2020	7/1/2021

Named Insureds

First Named Insured
Weston Preparatory Academy

Additional Named Insureds
Weston Technical Academy

Coverage Detail

Description	Limits
Employers Liability: Each Accident	\$1,000,000
Employers Liability: Disease – Policy Limit	\$1,000,000
Employers Liability: Disease – Each Employee	\$1,000,000
Workers Compensation: Statutory Benefit	Included

Locations & Class Codes

State	Code	Description	Estimated Payroll
Loc #: 1		22930 Chippewa St• Detroit, MI 48219-1161	
MI	8868	School: Professional Employees	

Audit Information

The Policy is Subject to Audit at Expiration

Included / Excluded Individuals

Name
None Listed

Forms & Endorsements

Form #	Description
0417A	Special Interest/Additonal Named Insureds
WC000000C	Workers Compensation and Employers Liability Insurance Policy
WC000322	Employee Leasing Client Exclusion Endorsement

WC210303A	Michigan-Notice to Policyholder Endorsement
WC210304	Michigan Law Endorsement
WC210402B	Terrorism Risk Insurance Program Reauthorization Act Disclosure
WC7003A	Workers Compensation Schedule
WC7005	WC Quick Reference
WC7144	Michigan Cancellation Endorsement
WC8130	Important Notice
IL7004	Mutual Policy Provision
IL7130A	Named Insured Endorsement
IL7131A	Commercial Policy Endorsement Schedule
IL8383.5A	Disclosure Pursuant to Terrorism Risk Insurance Act
IL8576	Medicare Important Notice to Policyholders
WC000425	Experience Rating Modification Factor Revision Endorsement
WC000424	Audit Noncompliance Charge Endorsement
WC000404	Pending Rate Change Endorsement

Company	Policy Number	Eff Date	Exp Date
Employers Mutual Casualty Co	5J13374	7/1/2020	7/1/2021

Named Insureds

First Named Insured
Weston Preparatory Academy

Additional Named Insureds
Weston Technical Academy

Coverage Detail

Description	Limits
General Aggregate	\$4,000,000
Products / Completed Operations	\$4,000,000
Each Occurrence	\$4,000,000
Self-Insured Retention (SIR)	\$10,000

Underlying Insurance Information

Coverage	Underlying Limit	
Automobile Liability Employers Mutual Casualty Co 5E13374 7/1/2020 to 7/1/2021	\$1,000,000	Combined Single Limit
General Liability EMC Property & Casualty Co 5D13374 7/1/2020 to 7/1/2021	\$1,000,000 \$3,000,000 \$3,000,000 \$1,000,000	Each Occurrence General Aggregate Products Aggregate Personal Injury
Employers Liability EMC Property & Casualty Co 5M13374 7/1/2020 to 7/1/2021	\$1,000,000 \$1,000,000 \$1,000,000	Each Accident Disease Each Employee Disease Policy Limit
Linebacker Employers Mutual Casualty Co 5K13374 7/1/2020 to 7/1/2021	\$1,000,000 \$3,000,000	Each Loss Aggregate

Additional Interests

Name	Address
Oakland University Charter School Office	405G Pauley Hall • Rochester, MI 48309-4401
CS Partners LLC, CSP Management Inc	869 S US Hwy 23 • Brighton, MI 48114

Forms & Endorsements

Form #	Form / Endorsement Name
IL8532	Important Notice to Policyholders-Michigan
IL8384A	Terrorism Notice
IL8383.5A	Disclosure Pursuant to Terrorism Risk Insurance Act
IL7131A	Commercial Policy Endorsement Schedule
IL7130A	Named Insured Endorsement
CU7464	Law Enforcement Liability
CU7443	Additional Insured-Primary & Non-Contributory
CU7404.1	Umbrella Liability Amendment-Follow Form
CU7293	Foreign Exposure Following Form
CU7290.1	Linebacker Public Officials/EPL End Public Off Wrongful Act & EPLI
CU7276	Commercial Umbrella Amendment of Coverage
CU7275	Colleges and Schools Restrictive Endorsement
CU7272	Asbestos Exclusion
CU7268.2	Abuse or Molestation-Follow Form
CU7001A	Schedule of Primary Insurance-Automated
CU2423	Coverage for Professional Services
CU2219	Corporal Punishment
CU2186	Exclusion-Access/Disclosure of Confidential/Personal Info
CU2171	Exclusion-Unmanned Aircraft
CU2136	Exclusion of Punitive Damages Related to a Certified Act of Terrorism
CU2130	Cap on Losses form Certified Acts of Terrorism
CU2123	Nuclear Energy Liability Exclusion (Broad Form)
CU2116	Exclusion-Designated Ongoing Operations-Daycare Operations
CU0001	Commercial Liability Umbrella Coverage Form
CU0116	Michigan Changes
CU0221	Michigan Changes-Cancellation and Nonrenewal
CU7441	Exclusion-Violent Event Response Coverage

Line of Business	Current Premium	Proposed Premium
Property	\$3,929	\$4,419
General Liability	\$3,510	\$3,687
Business Auto	\$699	\$1,104
Equipment Floater	\$776	\$775
Crime	\$978	\$978
Cyber Liability	\$514	\$514
Linebacker	\$2,619	\$2,334
Workers' Compensation	\$400	\$368
Commercial Umbrella	\$2,619	\$3,362
Grand Total	\$16,788	\$17,541

A.M. Best Rating

Employers Mutual Casualty Co: A (Excellent)
 EMC Property & Casualty Co: A (Excellent)

Additional Coverage Options

Cyber-

Increase limits to- \$100,000 Data Compromise Response Expense/ Data Compromise Defense and Liability (\$159 Additional)

Crime

\$5,000 Deductible (\$109 Savings)

General Liability-

Increase Violent Event Response Limit to \$1,000,000 (\$30 Additional)

Proposal accepted	Accepted?	Rejected?
Property		
General Liability as proposed OR		
• Increase Violent Event Response limits to \$1,000,000		
Business Auto		
Equipment Floater		
Crime as Proposed OR		
• Increase deductible to \$5,000		
Cyber Liability as proposed OR		
• Increase Data compromise to \$100,000		
Linebacker		
Workers' Compensation		
Commercial Umbrella		

Comments:

I agree to and accept the proposal as quoted, subject to the above changes, if any. I understand that this proposal is a general summary of the coverages offered and should not be construed as a legal interpretation of the coverages being offered.

Client's Signature

Date

Producer's/Witness' Signature

Date

**RESOLUTION APPROVING THE CONTINUITY OF LEARNING AND COVID-19
PLAN (“PLAN”) AS A CHARTER CONTRACT AMENDMENT**

WESTON PREPARATORY ACADEM (the “Academy”)

A regular meeting of the Academy Board of Directors was held on the 21st day of May, 2020, at 4:30 p.m.

The meeting was called to order at _____ p.m. by Board Member _____:

Present: _____

Absent: _____

The following preamble and resolution were offered by Board Member _____ and supported by Board Member _____:

BACKGROUND

On April 2, 2020, in response to the novel coronavirus (COVID-19) pandemic affecting our state, Governor Gretchen Whitmer issued Executive Order 2020-35 (the “Order”) that, except as provided in section III of the Order, suspends in-person instruction for pupils in kindergarten through grade 12 (“K-12”) for the remainder of the 2019-2020 school year and requires that school buildings used for the provision of K-12 education remain closed for the purpose of providing K-12 education in person for the remainder of the 2019-2020 school year, unless restrictions on public gatherings and use of school buildings are lifted before the end of the 2019-2020 school year.

In order to receive continued state school aid funding for the remainder of the 2019-2020 school year, the Order suspends certain state law provisions that, as reflected in the Order, are associated with in-person instruction, requires that public school academies continue to provide alternative modes of instructions for all pupils, as reflected in a Plan, for the remainder of the 2019-2020 school year, and requires that each public school academy submit their Plan to their authorizing body for approval.

On April 16, 2020, the Academy submitted its Plan to Oakland University (“Authorizer”) for approval.

On April 20, 2020 the Authorizer approved the Academy’s Plan as reflected in the attached letter (“Authorizer Approval Letter”). As set forth in the Authorizer Approval Letter, the Academy Board of Directors (“Academy Board”) is required to approve the Academy’s Plan as a charter contract (“Contract”) amendment at its next scheduled board meeting.

THE ACADEMY BOARD THEREFORE RESOLVES THAT:

1. The Academy's Plan approved by the Authorizer is approved.
2. The Plan approved by the Authorizer as Contract amendment number one to the Contract is approved by the Academy Board as Contract amendment number one to the Contract. This Contract amendment shall remain in effect as long as the Plan remains in effect.
2. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.
4. The Academy will deliver from time to time such information regarding the implementation of the Academy's Plan as the Authorizer or Michigan Department of Education may reasonably request.
5. Any actions or actions taken by authorized Academy representatives in the development, submission and implementation of the Plan are (to the extent such actions or actions are not inconsistent with the delegation of authority provided under this resolution) ratified and confirmed in all respects.

Ayes: _____

Nays: _____

Resolution declared adopted.

Print Name: _____
Secretary, Academy Board



Office of Public School Academies

School of Education and Human Services
456 Pioneer Drive
Pawley Hall Room 420J
Rochester, MI 48309-4482
Tel: (248) 370-4596; Fax: (248) 370-4239

TRANSMITTED VIA ELECTRONIC MAIL

April 20, 2020

Andrea Pecuch
Weston Preparatory Academy
22930 Chippewa
Detroit, MI 48219

Re: Approval of Continuity of Learning and COVID-19 Response Plan (“Plan”)

Dear Ms. Pecuch:

I am pleased to inform you that the Plan for Weston Preparatory Academy (“Academy”) has been approved by Oakland University and will be transmitted by our office to the State Superintendent of Public Instruction and the State Treasurer. The Plan is effective as of April 23, 2020. You may proceed with Plan implementation for the remainder of the 2019-2020 school year and, if applicable, other elements that affect the 2020-2021 school year.

Please also proceed with the following next steps:

- To fulfill one of the required assurances, immediately add a copy of the approved Plan, assurances document, and budget outline to the Academy’s website. An approved copy of the Plan is attached, and can be found in Epicenter.
- Present the Plan to the Academy’s Board of Directors (“Academy Board”) at its next scheduled meeting. At that meeting, the Academy Board should approve any necessary amendments to the Academy’s 2019-2020 budget or other relevant agreements needed to implement the Plan. In accordance with the Terms and Conditions of the Academy’s charter contract (“Contract”), the approved Plan, to be known as the Covid-19 Learning Plan Amendment, shall constitute Contract amendment number one to the Contract upon approval by the Academy Board. This Contract amendment will remain in effect as long as the Plan remains in effect.

If the Academy requires an amendment to the Plan, please contact Majela Morris in the PSA Office to initiate that process.

Thank you for all your efforts to keep student learning moving forward in these trying times. If you have any further questions or need additional support, please do not hesitate to contact us.

Sincerely,

Judeen Bartos

Executive Director
Oakland University

Attachments:

Final Continuity of Learning Plan - signed

Cc: Steve Perakis, Board President

TERMS AND CONDITIONS

OF CONTRACT

DATED: JULY 1, 2020

ISSUED BY

THE OAKLAND UNIVERSITY BOARD OF TRUSTEES

TO

**WESTON PREPARATORY ACADEMY
(A PUBLIC SCHOOL ACADEMY)**

**CONFIRMING THE STATUS OF
WESTON PREPARATORY ACADEMY**

AS A

PUBLIC SCHOOL ACADEMY

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Exhibit A

Schedules

WHEREAS, the People of Michigan through their Constitution have provided that schools and the means of education shall forever be encouraged and have authorized the Legislature to maintain and support a system of free public elementary and secondary schools; and

WHEREAS, all public schools are subject to the leadership and general supervision of the State Board of Education; and

WHEREAS, the Michigan Legislature has authorized an alternative form of public school designated a “public school academy” to be created to serve the educational needs of pupils and has provided that pupils attending these schools shall be eligible for support from the State School Aid Fund; and

WHEREAS, the Michigan Legislature has delegated to the governing boards of state public universities, community college boards, including tribally controlled community college boards, intermediate school district boards and local school district boards, the responsibility for authorizing the establishment of public school academies; and

WHEREAS, the Oakland University Board of Trustees has considered the authorization of the Academy and has approved the issuance of a contract to the Academy.

NOW, THEREFORE, pursuant to the Revised School Code, the Oakland University Board of Trustees grants a contract conferring certain rights, franchises, privileges, and obligations of a public school academy and confirms the status of a public school academy in this state to the Academy. In addition, the parties agree that the granting of this Contract is subject to the following terms and conditions:

ARTICLE I

DEFINITIONS

Section 1.1. Certain Definitions. For purposes of this Contract, and in addition to the terms defined throughout this Contract, each of the following words or expressions, whenever initially capitalized, shall have the meaning set forth in this section:

- (a) “Academy” means the Michigan nonprofit corporation named Weston Preparatory Academy which is established as a public school academy pursuant to this Contract.
- (b) “Academy Board” means the Board of Directors of the Academy.
- (c) “Applicable Law” means all local, state and federal law applicable to public school academies, regulations promulgated thereunder, and any directives issued by applicable governmental agencies including, without limitation, the Governor, the Michigan Department of Education, the Superintendent of Public Instruction and the State Board of Education, that are applicable to public school academies and comport with enacted state and federal law; all as may be issued and amended from time-to-time.

- (d) “Application” means the public school academy application and supporting documentation submitted to the University Board for the establishment of the Academy and supplemented by material submitted pursuant to the University Board’s requirements for reauthorization.
- (e) “Authorizing Resolution” means the Resolution(s) adopted by the University Board on February 10, 2020 approving the issuance of a Contract to the Academy.
- (f) “Public Schools Academy Office Executive Director” or “PSAO Executive Director” means the person designated by the University Board to administer the operations of the Public Schools Academy Office.
- (g) “Public Schools Academy Office” or “PSAO” means the office designated by the University Board as the initial point of contact for public school academy applicants and public school academies authorized by the University Board. The PSAO is also responsible for administering the University Board’s responsibilities with respect to the Contract.
- (h) “Code” means the Revised School Code, Act No. 451 of the Public Acts of 1976, as amended, being Sections 380.1 to 380.1852 of the Michigan Compiled Laws.
- (i) “Community District” means a community school district created under part 5B of the Code, MCL 380.381 et seq.
- (j) “Conservator” means an individual appointed by the University President in accordance with Section 10.9 of these Terms and Conditions.
- (k) “Contract” means, in addition to the definition set forth in the Code, these Terms and Conditions, Exhibit A containing the Authorizing Resolution, and the Resolution, the Master Calendar, the ESP Policies, the Lease Policies, the Schedules, and the Application.
- (l) “Director” means a person who is a member of the Academy Board of Directors.
- (m) “Educational Service Provider” or “ESP” means an educational management organization as defined under section 503c of the Code, MCL 380.503c, that has entered into a contract or agreement with the Academy Board for operation or management of the Academy, which contract has been submitted to the PSAO Executive Director for review as provided in Section 11.11 and has not been disapproved by the PSAO Executive Director, and is consistent with the PSAO’s Educational Service Provider Policies, as they may be amended from time to time, and Applicable Law.
- (n) “Educational Service Provider Policies” or “ESP Policies” means those policies adopted by the PSAO that apply to a Management Agreement. The

PSAO Executive Director may, at any time and at his or her sole discretion, amend the ESP Policies. The ESP Policies in effect as of this date are incorporated into and part of this Contract Upon amendment, changes to the ESP Policies shall automatically be incorporated into this Contract and shall be exempt from the amendment procedures under Article IX of these Terms and Conditions.

- (o) “Fund Balance Deficit” means the Academy has more liabilities than assets at the end of any given school fiscal year, and includes any fiscal year where the Academy would have had a budget deficit but for a financial borrowing by the Academy or a monetary contribution by an Educational Service Provider or other person or entity to the Academy. If the Academy receives a gift or grant of money or financial support from an Educational Service Provider or other person or entity that does not require repayment by the Academy, and is not conditioned upon the actions or inactions of the Academy or the Academy Board, then such gift or grant shall not constitute a financial borrowing or contribution for purposes of determining a Fund Balance Deficit.
- (p) “Lease Policies” means those policies adopted by the PSAO from time-to-time that apply to real property lease agreements entered into by the Academy. The PSAO Executive Director may, at any time and at his or her sole discretion, amend the Lease Policies. The Lease Policies in effect as of this date are incorporated into and part of this contract. Upon adoption or amendment, new or revised Lease Policies shall automatically be incorporated into this Contract and shall be exempt from the amendment procedures under Article IX of these Terms and Conditions.
- (q) “Management Agreement” or “ESP Agreement” means an agreement as defined under section 503c of the Code, MCL 380.503c, that has been entered into between an ESP and the Academy Board for the operation and/or management of the Academy, which has been submitted to the PSAO Executive Director for review as provided in Section 11.11 and has not been disapproved by the PSAO Executive Director.
- (r) “Master Calendar” or “MCRR” means the Master Calendar of Reporting Requirements developed and administered by the Public Schools Academy Office setting forth a reporting timeline for certain financial, administrative, facility, Academy Board and educational information relating to the Academy. The PSAO Executive Director may, at any time and at his or her sole discretion, amend the Master Calendar. Upon amendment, changes to the Master Calendar shall automatically be incorporated into this Contract and shall be exempt from the amendment procedures under Article IX of these Terms and Conditions.
- (s) “President” means the President of Oakland University or his or her designee.

- (t) “Resolution” means the resolution adopted by the University Board on August 6, 2012, establishing the standard method of selection, length of term and number of members format for public school academies issued a Contract by the University Board, as amended from time to time.
- (u) “Schedules” means the following Contract documents of the Academy: Schedule 1: Articles of Incorporation, Schedule 2: Bylaws, Schedule 3: Fiscal Agent Agreement, Schedule 4: Oversight Agreement, Schedule 5: Description of Staff Responsibilities, Schedule 6: Physical Plant Description, Schedule 7 and Required Information for Public School Academies.
- (v) “State Board” means the State Board of Education, established pursuant to Article 8, Section 3 of the 1963 Michigan Constitution and MCL 388.1001 et seq.
- (w) “State School Reform/Redesign Office” means the office created within the Michigan Department of Technology Management and Budget by Executive Reorganization Order 2015-02, codified at MCL 18.445, and transferred from the Michigan Department of Technology Management and Budget to the Michigan Department of Education by Executive Reorganization Order 2017-02, codified at MCL 388.1282.
- (x) “Superintendent” means the Michigan Superintendent of Public Instruction.
- (y) “Terms and Conditions” means this document entitled “Terms and Conditions of Contract, Dated July 1, 2020, issued by the Oakland University Board of Trustees to Weston Preparatory Academy Confirming the Status of Weston Preparatory Academy as a Public School Academy.”
- (z) “University” means Oakland University, a state public university, established pursuant to Article VIII, Sections 4 and 6 of the Michigan Constitution of 1963 and MCL 390.151, et seq.
- (aa) “University Board” means the Oakland University Board of Trustees, an authorizing body as designated under Section 501 of the Code, MCL 380.501.
- (bb) “University Board Chairperson” means the Chairperson of the Oakland University Board of Trustees or his or her designee.

Section 1.2. Captions. The captions and headings used in this Contract are for convenience only and shall not be used in construing the provisions of this Contract.

Section 1.3. Gender and Number. The use of any gender in this Contract shall be deemed to be or include the other genders, including neuter, and the use of the singular shall be deemed to include the plural (and vice versa) wherever applicable.

Section 1.4. Statutory Definitions. Statutory terms defined in Part 6A of the Code shall have the same meaning in this Contract.

Section 1.5. Schedules. All Schedules to this Contract are incorporated into, and made part of, this Contract.

Section 1.6. Application. The Application submitted to the University Board for the establishment of the Academy is incorporated into, and made part of, this Contract. Portions of the Applicant's Application have been incorporated into this Contract. In the event that there is an inconsistency or dispute between materials in the Application and the Contract, the language or provisions in the Contract shall control.

Section 1.7. Conflicting Contract Provisions. In the event that there is a conflict between language contained in the provisions of this Contract, the Contract shall be interpreted as follows: (i) the Resolution shall control over any other conflicting language in the Contract; (ii) the Authorizing Resolution shall control over any other conflicting language in the Contract with the exception of language in the Resolution; (iii) the Terms and Conditions shall control over any other conflicting language in the Contract with the exception of language in the Resolution and the Authorizing Resolution; and (iv) the Articles of Incorporation shall control over any other conflicting language in the Contract with the exception of language in the Resolution, Authorizing Resolution and these Terms and Conditions.

ARTICLE II
RELATIONSHIP BETWEEN
THE ACADEMY AND THE UNIVERSITY BOARD

Section 2.1. Constitutional Status of Oakland University. Oakland University is a constitutionally established body corporate operating as a state public university. In approving this Contract, the University Board voluntarily exercises additional powers given to the University Board under the Code. Nothing in this Contract shall be deemed to be any waiver of the University Board's constitutional autonomy and powers and the Academy shall not be deemed to be a part of the University. If applicable, the University Board has provided to the Department the accreditation notice required under Section 502 of the Code, MCL 380.502.

Section 2.2. Independent Status of the Academy. The Academy is a body corporate and governmental entity authorized by the Code. The Academy is organized and shall operate as a public school academy and a nonprofit corporation. The Academy is not a division or part of Oakland University. The relationship between the Academy and the University Board is based solely on the applicable provisions of the Code and the terms of this Contract or other agreements between the University Board and the Academy, if applicable.

Section 2.3. Financial Obligations of the Academy Are Separate From the State of Michigan, the University Board and the University. Any contract, agreement, note, mortgage, loan or other instrument of indebtedness entered into by the Academy and a third party shall not in any way constitute an obligation, either general, special, or moral, of the State of Michigan, the University Board, or the University. Neither the full faith and credit nor the taxing power of the State of Michigan or any agency of the State, nor the full faith and credit of the University Board or the University shall ever be assigned or pledged for the payment of any Academy contract, agreement, note, mortgage, loan or other instrument of indebtedness.

Section 2.4. Academy Has No Power To Obligate or Bind State of Michigan, University Board or the University. The Academy has no authority whatsoever to enter into any contract or other agreement that would financially obligate the State of Michigan, University Board or the University, nor does the Academy have any authority whatsoever to make any representations to lenders or third parties, that the State of Michigan, University Board or the University in any way guarantee, are financially obligated, or are in any way responsible for any contract, agreement, note, mortgage, loan or other instrument of indebtedness entered into by the Academy.

ARTICLE III

ROLE OF THE UNIVERSITY BOARD AS AUTHORIZING BODY

Section 3.1. University Board Resolutions. The University Board has adopted the Resolution providing for the method of selection, length of term, number of Directors and the qualification of Directors. The University Board has adopted the Authorizing Resolution which approves the issuance of this Contract. The Resolution and the Authorizing Resolution are hereby incorporated into this Contract as Exhibit A. At any time and at its sole discretion, the University Board may amend the Resolution. Upon University Board approval, changes to the Resolution shall automatically be incorporated into this Contract and shall be exempt from the amendment procedures under Article IX of these Terms and Conditions.

Section 3.2. University Board as Fiscal Agent for the Academy. The University Board is the fiscal agent for the Academy. As fiscal agent, the University Board assumes no responsibility for the financial condition of the Academy. The University Board is not liable for any debt or liability incurred by or on behalf of the Academy, or for any expenditure approved by or on behalf of the Academy Board. Except as provided in the Oversight Agreement and Article X of these Terms and Conditions, the University Board shall promptly, within ten (10) business days of receipt or as otherwise required by Applicable Law, forward to the Academy all state school aid funds or other public or private funds received by the University Board for the benefit of the Academy. The responsibilities of the University Board, the State of Michigan, and the Academy are set forth in the Fiscal Agent Agreement incorporated herein as Schedule 3.

Section 3.3. Oversight Responsibilities of the University Board. The University Board has the responsibility to oversee the Academy's compliance with the Contract and all Applicable Law. The responsibilities of the Academy and the University Board are set forth in the Oversight Agreement executed by the parties and incorporated herein as Schedule 4.

Section 3.4. Reimbursement of University Board Expenses. The Academy shall pay the University Board an administrative fee to reimburse the University Board for the expenses associated with the execution of its authorizing body and oversight responsibilities. The terms and conditions of the administrative fee are set forth in Schedule 4.

Section 3.5. University Board Approval of Condemnation. In the event that the Academy desires to acquire property pursuant to the Uniform Condemnation Procedures Act or other applicable statutes, it shall obtain express written permission for such acquisition from the University Board. The Academy shall submit a written request to the PSAO describing the proposed acquisition and the purpose for which the Academy desires to acquire the property. The PSAO Executive Director will generate a recommendation for consideration by the University Board with regard to the proposed acquisition. The request and the PSAO Executive Director's recommendation will be submitted by the PSAO Executive Director for the University Board's consideration in accordance with the University Board's generally applicable timelines and policies for the agendas of regularly-scheduled University Board committee meetings and formal sessions of the University Board. No acquisition may be made until the approval of the University Board is obtained by resolution adopted at a formal session of the University Board.

Section 3.6. Authorization of Employment. The University Board authorizes the Academy to employ or contract directly with personnel according to the position information outlined in Schedule 5. However, the Academy Board shall prohibit any individual from being employed by the Academy, an Educational Service Provider or an employee leasing company involved in the operation of the Academy, in more than one (1) full-time position and simultaneously being compensated at a full-time rate for each of these positions. Additionally, the Academy Board shall require each individual who works at the Academy to disclose to the Academy Board any other public school or Educational Service Provider at which that individual works or to which that individual provides services. An employee hired by the Academy shall be an employee of the Academy for all purposes and not an employee of the University for any purpose. With respect to Academy employees, the Academy shall have the power and responsibility to (i) recruit, select and engage employees; (ii) pay their wages; (iii) evaluate performance; (iv) discipline and dismiss employees; and (v) control the employees' conduct, including the method by which the employee carries out his or her work. The Academy Board shall be responsible for carrying workers' compensation insurance and unemployment insurance for its employees. The Academy shall ensure that the term or length of any employment contract or consultant agreement does not extend beyond the term of this Contract and shall terminate in the event this Contract is revoked or terminated. In no event may an Academy employee's employment contract term, inclusive of automatic renewals, extend beyond the term of this Contract.

Section 3.7. PSAO Executive Director Review of Certain Financing Transactions. If the Academy proposes to (i) finance the acquisition, by lease, purchase, or other means, of facilities or equipment, or renovation of facilities, in excess of \$150,000, pursuant to arrangements calling for payments over a period greater than one (1) year, and which include a pledge, assignment or direction to one or more third parties of a portion of the funds to be received by the Academy from the State of Michigan pursuant to the State School Aid Act of 1979, as amended, being MCL 388.1601 et seq., or (ii) direct that a portion of its State School Aid Payments be forwarded by the University Board to a third party account for the payment of Academy debts and liabilities, the Academy shall submit the transaction for prior review by the PSAO Executive Director, as designee of the University Board, in the manner provided herein. The Academy shall, not later than thirty (30) days prior to the proposed closing date of the transaction, submit a written request to the PSAO Executive Director describing the proposed transaction and the facilities or equipment to be acquired with the proceeds thereof (if any), and in the case of a transaction described in subparagraph (ii) of this Section, (a) a copy of the Academy Board's resolution authorizing the direct intercept of State School Aid Payments; (b) a copy of a State School Aid Payment Agreement and Direction document that is in a form acceptable to the PSAO; and (c) copies of such other documentation regarding the transaction which is the subject of the proposed direct intercept as the PSAO may request. Unless the PSAO Executive Director extends the review period, within thirty (30) days of receiving a written request in compliance with this Section, the PSAO Executive Director shall notify the Academy if the proposed transaction is disapproved. The PSAO Executive Director may disapprove the proposed transaction if, in his or her judgment, the proposed transaction violates this Contract or Applicable Law. If the proposed transaction is disapproved, such disapproval may, but shall not be required to, state one or more conditions which, if complied with by the Academy and any lender, lessor, seller or other party, would cause such disapproval to be deemed withdrawn. No transaction described in this Section may be entered into that is disapproved by the PSAO Executive Director. By not disapproving a proposed

transaction, the PSAO Executive Director is in no way giving approval of the proposed transaction, or any of the terms or conditions thereof.

Section 3.8. Authorizing Body Contract Authorization Process. Pursuant to the Code, the University Board is not required to issue a contract to the Academy. This Contract is for a fixed term and will terminate at that end of the Contract Term set forth in Section 12.9 without any further action of either the Academy or the University Board. The Academy shall seek a new contract by making a formal request to the PSAO Executive Director in writing at least one year prior to the end of the current Contract Term. The PSAO Executive Director shall provide to the Academy a description of the timeline and process by which the Academy may be considered for issuance of a new contract. The timeline and process for consideration of whether to issue a new contract to the Academy shall be solely determined by the University Board. The standards for the issuance of a new contract shall include increases in academic achievement for all groups of pupils as measured by assessments and other objective criteria established by the University Board as the most important factor of whether to issue or not issue a new contract. The University Board, at its own discretion, may change its timeline and process for issuance of a new contract at any time, and any such changes shall take effect automatically without the need for any amendment to the Contract. Consistent with the Code, the University Board may elect, at its sole discretion, not to consider the issuance of a contract, consider reauthorization of the Academy and elect not to issue a contract, or consider reauthorization of the Academy and issue a contract for a fixed term.

Section 3.9. University Board's Invitation to Academy to Apply For Conversion to Schools of Excellence. If the University Board is interested in accepting applications to issue contracts to charter Schools of Excellence under Part 6E of the Code, and the University Board determines that the Academy meets the University Board's and the Code's eligibility criteria for applying to convert the Academy to a School of Excellence, then the University Board may invite the Academy to submit an application to apply for a contract to convert the Academy to a School of Excellence. In accordance with the Code, the University Board shall establish its own competitive application process and provide the necessary forms and procedures to eligible public school academies.

ARTICLE IV

REQUIREMENT THAT THE ACADEMY ACT SOLELY AS GOVERNMENTAL ENTITY

Section 4.1. Limitation on Actions in Performance of Governmental Functions. The Academy shall act exclusively as a governmental entity and shall not undertake any action inconsistent with its status as a governmental entity authorized to receive state school aid funds pursuant to Section 11 of Article IX of the State Constitution of 1963.

Section 4.2. Other Permitted Activities. Consistent with the provisions of this Contract, the Academy is permitted to engage in lawful activities that are not in derogation of the Academy's mission and status of operating a public school academy or that would not jeopardize the eligibility of the Academy for state school aid funds.

Section 4.3. Academy Board Members Serve In Their Individual Capacity. All Directors of the Academy Board shall serve in their individual capacity, and not as a representative or designee of any other person or entity. A person who does not serve in their individual capacity, or who serves as a representative or designee of another person or entity, shall be deemed ineligible to continue to serve as a Director of the Academy Board. A Director who violates this Section shall be removed from office, in accordance with the removal provisions found in the Resolution or Contract Schedule 2: Bylaws. As set forth in the Resolution, a Director serves at the pleasure of the University Board, and may be removed with or without cause by the University Board or its designee(s) at any time.

Section 4.4. Incompatible Public Offices and Conflicts of Interest Statutes. The Academy shall comply with the Incompatible Public Offices statute, being MCL 15.181 et seq. of the Michigan Compiled Laws, and the Contracts of Public Servants with Public Entities statute, being MCL 15.321 et seq. of the Michigan Compiled Laws. The Academy Board shall ensure compliance with Applicable Law relating to conflicts of interest. Notwithstanding any other provision of this Contract, the following shall be deemed prohibited conflicts of interest for purposes of this Contract:

- (a) An individual simultaneously serving as an Academy Board member and as an owner, officer, director, employee or consultant of or independent contractor to an Educational Service Provider or an employee leasing company, or a subcontractor to an Educational Service Provider or an employee leasing company that has an ESP Agreement with the Academy;
- (b) An individual simultaneously serving as an Academy Board member and an Academy employee;
- (c) An individual simultaneously serving as an Academy Board member and an independent contractor to the Academy;
- (d) An individual simultaneously serving as an Academy Board member and a member of the governing board of another public school;
- (e) An individual simultaneously serving as an Academy Board member and a University official, employee, or paid consultant, as a representative of the University; and
- (f) An individual simultaneously serving as an Academy Board member and having an ownership or financial interest in any real or personal property leased or subleased to the Academy.

Section 4.5. Prohibition of Identified Family Relationships. The Academy Board shall prohibit specifically identified family relationships pursuant to Applicable Law and the Terms and Conditions of this Contract. Notwithstanding any other provision of this Contract, the following shall be deemed prohibited familial relationships for the purposes of this Contract:

- (a) No person shall be appointed or reappointed to serve as an Academy Board member if the person's mother, mother-in-law, father, father-in-law, son,

son-in-law, daughter, daughter-in-law, sister, sister-in-law, brother, brother-in-law, spouse or same-sex domestic partner:

- (i) Is employed by the Academy;
 - (ii) Works at or is assigned to work at the Academy;
 - (iii) Has an ownership, officer, policymaking, managerial, administrative non-clerical, or other significant role with the Academy's ESP or employee leasing company; or
 - (iv) Has an ownership or financial interest in any school building lease or sublease agreement with the Academy.
- (b) The Academy Board shall require each individual who works at the Academy to annually disclose any familial relationship with any other individual who works at, or provides services to, the Academy. For purposes of this subsection, familial relationship means a person's mother, mother-in-law, father, father-in-law, son, son-in-law, daughter, daughter-in-law, sister, sister-in-law, brother, brother-in-law, spouse or same-sex domestic partner.

Section 4.6. Dual Employment Positions Prohibited. Any person working at the Academy is prohibited by law from being employed at the Academy in more than one full-time position and simultaneously being compensated for each position.

Section 4.7. Oath of Public Office. Academy Board members are public officials. Before entering upon the duties of a public school board member, each Academy Board member shall take, sign and file the constitutional oath of office at the Academy and file the same with the Public Schools Academy Office.

Section 4.8 Academy Counsel. The Academy Board shall select, retain, and pay legal counsel to represent the Academy. The Academy shall not retain any attorney to represent the Academy if the attorney or the attorney's law firm also represents the Academy's Educational Service Provider or any person or entity leasing real property to the Academy, if any.

ARTICLE V

CORPORATE STRUCTURE OF THE ACADEMY

Section 5.1. Nonprofit Corporation. The Academy shall be organized and operated as a public school academy corporation organized under the Michigan Nonprofit Corporation Act, as amended, Act No. 162 of the Public Acts of 1982, being Sections 450.2101 to 450.3192 of the Michigan Compiled Laws. Notwithstanding any provision of the Michigan Nonprofit Corporation Act, as amended, the Academy shall not take any action inconsistent with the provisions of Part 6A of the Code or other Applicable Law.

Section 5.2. Articles of Incorporation. The Articles of Incorporation of the Academy, as set forth in Schedule 1, shall be the Articles of Incorporation of the Academy. Upon filing, the

Articles of Incorporation shall automatically be incorporated into this Contract. Any subsequent amendments to the Academy's Articles of Incorporation shall only be incorporated into this Contract pursuant to Article IX of these Terms and Conditions.

Section 5.3. Bylaws. The Bylaws of the Academy, as set forth in Schedule 2, shall be the Bylaws of the Academy. Amended Bylaws shall automatically be incorporated into this Contract. Any subsequent amendments to the Academy's Bylaws shall only be incorporated into this Contract pursuant to Article IX of these Terms and Conditions.

Section 5.4. Quorum. Notwithstanding any document in the Contract that is inconsistent with this Section, including the Academy's Articles of Incorporation and Bylaws, a quorum of the Academy Board that is necessary to transact business and to take action shall be a majority of the Academy Board member positions set by the Resolution and/or Authorization Resolution.

ARTICLE VI

OPERATING REQUIREMENTS

Section 6.1. Governance Structure. The Academy shall be organized and administered under the direction of the Academy Board and pursuant to the Governance Structure as set forth in Schedule 7a. The Academy shall have four officers: President, Vice-President, Secretary and Treasurer. The officer positions shall be filled by persons who are members of the Academy Board. A description of their duties is included in Schedule 2.

Section 6.2. Educational Goals. The Academy shall pursue the educational goals identified in Schedule 7b. The educational goals shall include demonstrated improved pupil academic achievement for all groups of pupils.

Section 6.3. Educational Programs. The Academy shall deliver the educational programs identified in Schedule 7c.

Section 6.4. Curriculum. The Academy shall implement and follow the curriculum identified in Schedule 7d.

Section 6.5. Method of Pupil Assessment. The Academy shall evaluate pupils' work based on the assessment strategies identified in Schedule 7e. To the extent applicable, pupil performance at the Academy shall be assessed using the Michigan Student Test of Educational Progress ("M-STEP") or the Michigan Merit Examination ("MME") designated under the Code. The Academy shall provide the PSAO with copies of reports, assessments and test results concerning the following:

- (a) educational outcomes achieved by pupils attending the Academy and other reports reasonably requested by the PSAO;
- (b) an assessment of the student performances at the end of each academic school year or at such other times as the University Board may reasonably request;
- (c) an annual education report in accordance with the Code;

- (d) an annually administered nationally recognized norm-referenced achievement test for the Academy's grade configuration, or a program of testing approved by the PSAO; and
- (e) all tests required under Applicable Law.

Section 6.6. Application and Enrollment of Students. The Academy shall comply with the application and enrollment policies identified in Schedule 7f. With respect to the Academy's pupil admissions process, the Academy shall provide any documentation or information requested by the PSAO that demonstrates the following:

- (a) The Academy has made a reasonable effort to advertise its enrollment efforts to all pupils; and
- (b) The Academy's open enrollment period was for a duration of at least 2 weeks and permitted the enrollment of pupils at times in the evening and on weekends.

Section 6.7. School Calendar and School Day Schedule. The Academy shall comply with the school calendar and school day schedule guidelines as set forth in Schedule 7g.

Section 6.8. Age or Grade Range of Pupils. The Academy shall comply with the age and grade ranges as stated in Schedule 7h.

Section 6.9. Collective Bargaining Agreements. Collective bargaining agreements, if any, with employees of the Academy shall be the responsibility of the Academy.

Section 6.10. Accounting Standards. The Academy shall at all times comply with generally accepted public sector accounting principles and accounting system requirements that comply with the Code, this Contract, the State School Aid Act of 1979, as amended, and applicable State Board of Education and Department of Education rules.

Section 6.11. Annual Financial Statement Audit. The Academy shall conduct an annual financial statement audit prepared and reviewed by an independent certified public accountant. The Academy Board shall select, retain and pay the Academy's independent auditor. The Academy Board shall not approve the retention of any independent auditor if that independent auditor or the auditor's firm is also performing accounting and/or auditing services for the Academy's Educational Service Provider, if applicable. In accordance with timeframes set forth in the Master Calendar, the Academy shall submit one (1) copy of the annual financial statement audit, auditor's management letters and any responses to auditor's management letters to the PSAO.

Section 6.12. Address and Description of Physical Plant; Process for Expanding Academy's Site Operations. The address and description of the physical plant for the Academy is set forth in Schedule 6. With the approval of the University Board, the Academy Board may operate the same configuration of age or grade levels at more than one (1) site if each configuration of age or grade levels and each site identified in Schedule 6 are under the direction and control of the Academy Board.

The University Board's process for evaluating and approving the same configuration of age or grade levels at more than one (1) site is as follows:

By formal resolution, the Academy Board may request the authority to operate the same configuration of age or grade levels at more than one site. The Academy Board shall submit to the PSAO a contract amendment, in a form and manner determined by the PSAO. The contract amendment shall include all information requested by the PSAO, including detailed information about the site, the Academy's proposed operations at the site and the information provided in Contract Schedules 4, 5, 6 and 7. Upon receipt of a complete contract amendment, the PSAO Executive Director shall review the contract amendment and make a recommendation to the University Board on whether the Academy's request for site expansion should be approved. A positive recommendation by the PSAO Executive Director of the contract amendment shall include a determination by the PSAO Executive Director that the Academy is operating in compliance with the Contract and is making measureable progress toward meeting the Academy's educational goals. The University Board may consider the Academy Board's site expansion request contract amendment following submission by the PSAO Executive Director of a positive recommendation. If the University Board approves the Academy Board's site expansion request contract amendment, the Contract shall be amended in accordance with Article IX of these Terms and Conditions. The University Board reserves the right to modify, reject or approve any site expansion request contract amendment in its sole and absolute discretion.

Section 6.13. Contributions and Fund Raising. The Academy may solicit and receive contributions and donations as permitted by law. No solicitation shall indicate that a contribution to the Academy is for the benefit of the University or the University Board.

Section 6.14. Disqualified Organizational or Contractual Affiliations. The Academy shall comply with all state and federal law applicable to public schools concerning church-state issues. To the extent disqualified under the state or federal constitutions, the Academy shall not be organized by a church or other religious organization and shall not have any organizational or contractual affiliation with or constitute a church or other religious organization. Nothing in this Section shall be deemed to diminish or enlarge the civil and political rights, privileges and capacities of any person on account of his or her religious belief.

Section 6.15. Method for Monitoring Academy's Compliance with Applicable Law and Performance of its Targeted Educational Outcomes. The Academy shall perform the compliance certification duties required by the University Board and outlined in the Oversight Agreement set forth as Schedule 4. In addition to the University Board's oversight responsibilities and other reporting requirements set forth in this Contract, the Academy's compliance certification duties shall serve as the method for monitoring the Academy's compliance with Applicable Law and its performance in meeting its educational goals.

Section 6.16. Matriculation Agreements. Before the Academy Board approves a matriculation agreement with another public school, the Academy shall provide a draft copy of the agreement to the PSAO for review. Any matriculation agreement entered into by the Academy shall be incorporated into Schedule 7f by contract amendment pursuant to Article IX of these Terms and Conditions.

Section 6.17. Postings of Accreditation Status. The Academy shall post notices to the Academy's homepage of its website disclosing the accreditation status of each school as required by the Code.

Section 6.18. New Public School Academies Located Within The Boundaries of A Community District. If the Academy is a new public school academy and either of the circumstances listed below in (a) or (b) apply to the Academy's proposed site(s), the Academy represents to the University Board, intending that the University Board rely on such representation as a precondition to issuing this Contract, that the Academy has a substantially different governance, leadership and curriculum than the public school previously operating at the site(s):

- (a) The Academy's proposed site is the same location as a public school that (i) is currently on the list under Section 1280c(1), MCL 380.1280c(1) or Section 1280g(3), MCL 380.1280g(3), as applicable; or (ii) has been on the list under MCL 380.1280c(1) or MCL 380.1280g(3), as applicable, during the immediately preceding 3 school years.
- (b) The Academy's proposed site is the same location of another public school academy, urban high school academy, school of excellence or strict discipline academy whose contract was revoked or terminated by an authorizing body under the applicable part or section of the Code.

ARTICLE VII

TUITION PROHIBITED

Section 7.1. Tuition Prohibited; Fees and Expenses. The Academy shall not charge tuition. The Academy may impose fees and require payment of expenses for activities of the Academy where such fees and payments are not prohibited by Applicable Law.

ARTICLE VIII

COMPLIANCE WITH APPLICABLE LAW

Section 8.1. Compliance with Applicable Law. The Academy shall comply with all applicable state and federal laws, including, but not limited to, to the extent applicable, the Code, the State School Aid Act of 1979, the Open Meetings Act, the Freedom of Information Act ("FOIA"), the Public Employees Relation Act, the Uniform Budgeting and Accounting Act, the Revised Municipal Finance Act of 2001, the Elliott-Larsen Civil Rights Act, the Persons with Disabilities Civil Rights Act, and Subtitle A of Title II of the Americans with Disabilities Act of 1990, Public Law 101-336, 42 USC & 12101 et seq. or any successor law. The Academy agrees to participate in state assessments, data collection systems, state level student growth models, state accountability and accreditation systems, and other public comparative data collection required for public schools. Additionally, the Academy shall comply with other state and federal laws which are applicable to public school academies as they are amended from time-to-time. Nothing in this Contract shall be deemed to apply any other state or federal law to the Academy.

ARTICLE IX

AMENDMENT

Section 9.1. Amendments. The University Board and the Academy acknowledge that the operation and administration of a public school academy and the improvement of educational outcomes over time will require amendment of this Contract. In order to assure a proper balance between the need for independent development of the Academy and the statutory responsibilities of the University Board as an authorizing body, the parties have established a flexible process for amending this Contract.

Section 9.2. Process for Amendment Initiated by the Academy. The Academy, by a majority vote of its Board of Directors, may, at any time, propose specific changes in this Contract or may propose a meeting to discuss potential revision of this Contract. The proposal will be made to the University Board through its designee. Except as provided in Section 6.12 of these Terms and Conditions, the University Board delegates to the President of the University or his or her designee the review and approval of changes or amendments to this Contract. In the event that a proposed change is not accepted by the President, the University Board may consider and vote upon a change proposed by the Academy following an opportunity for a presentation to the University Board by the Academy.

Section 9.3. Process for Amendment Initiated by the University Board. The University Board, or an authorized designee, may, at any time, propose specific changes in this Contract or may propose a meeting to discuss potential revision of this Contract. The University Board delegates to the President of the University or his or her designee review and approval of changes or amendments to this Contract. The Academy Board may delegate to an officer of the Academy the review and negotiation of changes or amendments to this Contract. The Contract shall be amended as requested by the University Board upon a majority vote of the Academy Board.

Section 9.4. Final Approval of Amendments. Amendments to this Contract take effect only after they have been approved by the Academy Board and by the University Board or its designee. If the proposed amendment conflicts with any of the University Board's general policies on public school academies, the proposed amendment shall take effect only after approval by the Academy and the University Board.

Section 9.5. Change in Existing Law. If, after the effective date of this Contract, there is a change in Applicable Law which alters or amends rights, the responsibilities or obligations of either the Academy or the University Board, this Contract shall be altered or amended to reflect the change in existing law as of the effective date of such change. To the extent possible, the responsibilities and obligations of the Academy and the University Board shall conform to and be carried out in accordance with the change in Applicable Law.

Section 9.6. Emergency Action on Behalf of University Board. Notwithstanding any other provision of this Contract to the contrary, the contents of this Section shall govern in the event of an emergency situation. An emergency situation shall be deemed to occur if the PSAO Executive Director, in his or her sole discretion, determines that the facts and circumstances warrant that emergency action take place. Upon the determination that an emergency situation

exists, the PSAO Executive Director may temporarily take action on behalf of the University Board with regard to the Academy or the Contract, so long as such action is in the best interest of the University Board and the PSAO Executive Director consults with the President and the University Board Chairperson prior to taking the intended actions. When acting during an emergency situation, the PSAO Executive Director shall have the authority to act on behalf of the University Board, and such emergency action shall only be effective in the interim before the earlier of (a) rejection of the emergency action by the Chairperson of the University Board; or (b) the next meeting of the University Board. The PSAO Executive Director shall immediately report such action to President and the University Board Chairperson for confirmation at the next meeting so that the emergency action continues or, upon confirmation by the University Board, becomes permanent.

ARTICLE X

CONTRACT TERMINATION, SUSPENSION, AND REVOCATION

Section 10.1. Statutory Grounds for Revocation. In addition to the other grounds for revocation in Section 10.2 and the automatic revocation in Section 10.3 of these Terms and Conditions, the University Board may revoke this Contract, pursuant to the procedures set forth in Section 10.6, upon a determination by the University Board in its sole and absolute discretion that one or more of the following has occurred:

- (a) Failure of the Academy to demonstrate improved pupil academic achievement for all groups of pupils or meet the educational goals and related measures set forth in this Contract;
- (b) Failure of the Academy to comply with all Applicable Law;
- (c) Failure of the Academy to meet generally accepted public sector accounting principles and demonstrate sound fiscal stewardship; or
- (d) The existence of one or more other grounds for revocation as specified in this Contract.

Section 10.2. Other Grounds for Revocation. In addition to the statutory grounds for revocation set forth in Section 10.1 and the grounds for an automatic revocation set forth in Section 10.3, the University Board may revoke this Contract, where the Academy fails to fulfill in proper manner its obligations under the Contract, or the Academy's violation of any of the explicit or implicit terms, conditions, covenants, promises, agreements, representations, requirements or warranties contained or incorporated into the Contract as determined by the University in its sole and absolute discretion.

In addition, the Contract may be revoked by the University Board, pursuant to the procedures set forth in Section 10.6, upon a determination by the University Board in its sole and absolute discretion that one or more of the following has occurred:

- (a) The Academy fails to achieve or demonstrate measurable progress toward achieving the educational goals and related measures identified in this Contract;

- (b) The Academy fails to properly implement, consistently deliver, and support the educational programs or curriculum identified in this Contract;
- (c) The Academy is insolvent, has been adjudged bankrupt, or has operated for two or more school fiscal years with a fund balance deficit;
- (d) The Academy has insufficient enrollment to successfully operate a public school academy, or the Academy has lost more than fifty percent (50%) of its student enrollment from the previous school year;
- (e) The Academy fails to fulfill the compliance and reporting requirements or defaults in any of the terms, conditions, promises or representations contained in or incorporated into this Contract or, during the term of this Contract, it is discovered by the PSAO that the Academy failed to fulfill the compliance and reporting requirements or there was a violation of a prior Contract issued by the University Board;
- (f) The Academy files amendments to its Articles of Incorporation with the Michigan Department of Licensing and Regulatory Affairs, Bureau of Commercial Services without first obtaining the PSAO's approval;
- (g) The PSAO or the PSAO Executive Director discovers negligent, fraudulent or criminal conduct by the Academy's applicant(s), directors, officers, employees or agents in relation to their performance under this Contract;
- (h) The Academy's applicant(s), directors, officers, employees or agents have provided false or misleading information or documentation to the PSAO in connection with the University Board's approval of the Application, the issuance of this Contract, or the Academy's reporting requirements under this Contract or Applicable Law; or
- (i) The Academy violates the site restrictions set forth in the Contract or the Academy operates at a site or sites without the prior written authorization of the University Board;
- (j) The University, its Trustees, officers, employees, agents or representatives are not included as third party beneficiaries under any Management Agreement entered into by the Academy for purposes of indemnifying such parties in accordance with Section 11.10 of the Terms and Conditions;
- (k) The Academy loses accreditation with the State; or
- (l) The Academy is in default of any current or future purchase agreement or lease for the site.

Section 10.3. Automatic Amendment of Contract; Automatic Termination of Contract If All Academy Sites Closed; Economic Hardship Termination. Except as otherwise provided in this Section 10.3, if the University Board is notified by the Department that either an Academy site is subject to closure under section 507 of the Code, MCL 380.507 (“State’s Automatic Closure Notice”), then this Contract shall automatically be amended to eliminate the Academy’s authority to operate certain age and grade levels at the site or sites identified in the State’s Automatic Closure Notice. If the State’s Automatic Closure Notice or State’s Reform District Notice includes all of the Academy’s existing sites, then this Contract shall automatically be terminated at the end of the current school year in which either the State’s Automatic Closure Notice is received without any further action of the University Board or the Academy. The University Board’s revocation procedures set forth in Section 10.6 do not apply to an automatic revocation initiated by the State.

Following receipt of the State’s Automatic Closure Notice , the PSAO Executive Director shall forward a copy of the notice to the Academy Board and may request a meeting with the Academy Board representatives to discuss the Academy’s plans and procedures for the elimination of certain age or grade levels at the identified site or sites, or if all of the Academy’s existing sites are included in that notice, then wind-up and dissolution of the Academy corporation at the end of the current school year. All Academy inquiries and requests for reconsideration of the State’s Automatic Closure Notice , including the granting of any hardship exemption rescinding the State’s Automatic Closure Notice, (“Pupil Hardship Exemption”), shall be directed to the Department in a form and manner determined by the Department.

If the Department r rescinds the State’s Automatic Closure Notice for an Academy site or sites by granting a Pupil Hardship Exemption, the Academy is not required to close the identified site(s), but shall present to the PSAO a proposed Contract amendment incorporating the Department’s school improvement plan, if applicable, for the identified site(s).

If the Department elects not to issue a Pupil Hardship Exemption and the PSAO Executive Director determines, in his or her discretion, that the closure of one or more sites as directed by the Department creates a significant economic hardship for the Academy as a going concern or the possibility of a mid-year school closure, then the PSAO Executive Director may recommend to the University Board that the Contract be terminated at the end of the current school year (hereinafter “Economic Hardship Termination”). If the University Board approves the Economic Hardship Termination recommendation, then this Contract shall terminate at the end of the current school year without any further action of the parties.

The University Board’s revocation procedures set forth in Section 10.6(c) do not apply to an automatic termination initiated by the State’s Automatic Closure Notice or an Economic Hardship Termination under this Section 10.3.

Section 10.4. Grounds and Procedures for Academy Termination of Contract. The Academy Board, by majority vote of its Directors, may, at any time and for any reason, request termination of this Contract. The Academy Board’s request for termination shall be made to the PSAO Executive Director not less than six (6) calendar months in advance of the Academy’s proposed effective date of termination. Upon receipt of an Academy request for termination, the PSAO Executive Director shall present the Academy Board’s request for termination to the University Board. A copy of the Academy Board’s resolution approving of the Contract termination,

including a summary of the reasons for terminating the Contract, shall be included with the Academy Board's request for termination. Upon receipt of the Academy Board's request for termination, the University Board shall consider and vote on the proposed termination request. The University Board may, in its sole discretion, waive the six (6) month advance notice requirement for terminating this Contract.

Section 10.5. Grounds and Procedures for University Termination of Contract. The University Board, in its sole discretion, also reserves the right to terminate the Contract before the end of the Contract Term (i) for any reason or for no reason provided that such termination shall not take place prior to the earlier of the end of the school year in which the Contract termination is requested or six (6) months from the date of the University Board's action; or (ii) if there is a change in Applicable Law that the University Board, in its sole discretion, determines impairs its rights and obligations under the Contract or requires the University Board to make changes in the Contract that are not in the best interest of the University Board or the University, then such termination shall take effect at the end of the current Academy fiscal year. Following University Board approval, the PSAO Executive Director shall provide notice of the termination to the Academy. If during the period between the University Board action to terminate and the effective date of termination, the Academy has violated the Contract or Applicable Law, the Contract may be revoked or suspended sooner pursuant to this Article X. If this Contract is terminated pursuant to this Section 10.5, the revocation procedures in Section 10.6 shall not apply.

Section 10.6. University Board Procedures for Revoking Contract. The University Board's process for revoking the Contract is as follows:

(a) Notice of Intent to Revoke. The PSAO Executive Director, upon reasonable belief that grounds for revocation of the Contract exist, shall notify the Academy Board of such grounds by issuing the Academy Board a Notice of Intent to Revoke for non-compliance with the Contract or Applicable Law. The Notice of Intent to Revoke shall be in writing and shall set forth in sufficient detail the alleged grounds for revocation.

(b) Academy Board's Response. Within thirty (30) days of receipt of the Notice of Intent to Revoke, the Academy Board shall respond in writing to the alleged grounds for revocation. The Academy Board's response shall be addressed to the PSAO Executive Director, and shall either admit or deny the allegations of non-compliance. If the Academy's response includes admissions of non-compliance with the Contract or Applicable Law, the Academy Board's response must also contain a description of the Academy Board's plan and time line for correcting the non-compliance with the Contract or Applicable Law. If the Academy's response includes a denial of non-compliance with the Contract or Applicable Law, the Academy's response shall include sufficient documentation or other evidence to support a denial of non-compliance with the Contract or Applicable Law. A response not in compliance with this Section shall be deemed to be non-responsive. As part of its response, the Academy Board may request that a meeting be scheduled with the PSAO Executive Director prior to a review of the Academy Board's response.

(c) Plan of Correction. Within fifteen (15) days of receipt of the Academy Board's response or after a meeting with Academy Board representatives, the Charter Schools PSAO Executive Director shall review the Academy Board's response and determine whether a

reasonable plan for correcting the deficiencies can be formulated. If the Charter Schools PSAO Executive Director determines that a reasonable plan for correcting the deficiencies set forth in the Notice of Intent to Revoke can be formulated, the Charter Schools PSAO Executive Director shall develop a plan for correcting the non-compliance ("Plan of Correction") which may include reconstitution pursuant to Section 10.6(d) of these Terms and Conditions. In developing a Plan of Correction, the Charter Schools PSAO Executive Director is permitted to adopt, modify or reject some or all of the Academy Board's response for correcting the deficiencies outlined in the Notice of Intent to Revoke. The Notice of Intent to Revoke shall be closed if the Charter Schools PSAO Executive Director determines any of the following: (i) the Academy Board's denial of non-compliance is persuasive; (ii) the non-compliance set forth in the Notice of Intent to Revoke has been corrected by the Academy Board; or (iii) the Academy Board has successfully completed the Plan of Correction.

(d) University Board's Contract Reconstitution Provision. The PSAO Executive Director may reconstitute the Academy in an effort to improve student educational performance or to avoid interruption of the educational process. Reconstitution may include, but is not limited to, one of the following actions: (i) removal of 1 or more members of the Academy Board; (ii) termination of at-will board appointments of 1 or more Academy Board members in accordance with the Resolution; (iii) withdrawing approval of a contract under Section 506 of the Code; (iv) the appointment of a new Academy Board of Directors or a conservator/trustee to take over operations of the Academy or (v) closure of an Academy site(s). Reconstitution of the Academy does not prohibit the Department from issuing an order under section 507 of the Code, MCL 380.507, directing the automatic closure of the Academy's site(s).

(e) Effective Date of Revocation. If the University Board votes to revoke the Contract, the revocation shall be effective on the date of the University Board's act of revocation, or at a later date as determined by the University Board.

(f) Disposition of State School Aid Funds. Notwithstanding any other provision of the Contract, any state school aid funds received by the University Board after a decision by the University Board to revoke the Contract, may be withheld by the University Board or returned to the Michigan Department of Treasury upon request. The University Board may also direct that a portion of the Academy's state school aid funds be directed to fund the Academy's Dissolution account established under Section 10.10 of these Terms and Conditions.

Section 10.7. Contract Suspension. The University Board's process for suspending the Contract is as follows:

(a) The PSAO Executive Director Action. If the PSAO Executive Director determines, in his or her sole discretion, that reasonable cause exists to believe that the Academy Board:

- (i) has placed staff or students at risk;
- (ii) is not properly exercising its fiduciary obligations to protect and preserve the Academy's public funds and property;

(iii) has lost its right to occupancy of the physical facilities described in Schedule 6, and cannot find another suitable physical facility for the Academy prior to the expiration or termination of its right to occupy its existing physical facilities;

(iv) has failed to secure or has lost the necessary fire, health, and safety approvals as required by Schedule 6;

(v) has willfully or intentionally violated this Contract or Applicable Law; or

(vi) has violated Section 10.2(g) or (h), then the PSAO Executive Director may immediately suspend the Contract, pending completion of the procedures set forth in Section 10.6.

(b) Disposition of State School Aid Funds. Notwithstanding any other provision of the Contract, any state school aid funds received by the University Board after a decision by the PSAO Executive Director to suspend the Contract, may be retained by the University Board for the Academy until the Contract is reinstated, or may be returned to the Michigan Department of Treasury upon the State's request.

Section 10.8 Venue; Jurisdiction. The parties agree that all actions or proceedings arising in connection with this Contract will be tried and litigated only in the Circuit Court of Oakland County, Michigan, the Michigan Court of Claims or the Federal District Court for the Eastern District of Michigan. The parties hereby irrevocably accept for themselves and in respect of their property, generally and unconditionally, the jurisdiction of such courts. The parties irrevocably consent to the service of process out of any such courts in any such action or proceedings by the mailing of copies thereof by registered or certified mail, postage prepaid, to each such party, at its address set forth for notices in this Contract, such service to become effective ten (10) days after such mailing. The parties irrevocably waive any right they may have to assert the doctrine of forum non conveniens or to object to venue to the extent any proceedings is brought in accordance with this Section . This Section 10.8 shall not in any way be interpreted as an exception to the Academy's covenant not to sue contained in Section 11.3 of these Terms and Conditions.

Section 10.9. Conservator; Appointment By University President. Notwithstanding any other provision of the Contract, in the event that the University President, in his or her sole discretion, determines that the health, safety and welfare of Academy students, property or funds are at risk, the University President, after consulting with the University Board Chairperson, may appoint a person to serve as the Conservator of the Academy. Upon appointment, the Conservator shall have all the powers of a Board of Directors of a Public School Academy and act in the place and stead of the Academy Board. The University President shall appoint the Conservator for a definite term which may be extended in writing at his or her sole discretion. During the appointment, the Academy Board members and their terms in office are suspended and all powers of the Academy Board are suspended. All appointments made under this provision must be presented to the University Board for final determination at its next regularly scheduled meeting. During their appointment, the Conservator shall have the following powers:

(a) take into his or her possession all Academy property and records, including financial, board, employment and student records;

(b) institute and defend actions by or on behalf of the Academy;

- (c) continue the business of the Academy including entering into contracts, borrowing money, and pledging, mortgaging, or otherwise encumbering the property of the Academy as security for the repayment of loans. However, the power shall be subject to any provisions and restrictions in any existing credit documents;
- (d) hire, fire, evaluate and discipline employees of the Academy;
- (e) settle or compromise with any debtor or creditor of the Academy, including any governmental or taxing authority;
- (f) review all outstanding agreements to which the Academy is a party and to take those actions which the Academy Board may have exercised to pay, extend, rescind, renegotiate or settle such agreements as needed; and
- (g) perform all acts necessary and appropriate to fulfill the Academy's purposes as set forth under the Code or this Contract or Applicable Law.

If this section has been implemented and the University Board determines the revocation to be appropriate, the revocation shall become effective immediately upon such decision.

Section 10.10 Academy Dissolution Account. If the University Board terminates, revokes or fails to issue a new Contract to the Academy, the PSAO Executive Director shall notify the Academy that, beginning thirty (30) days after notification of the University Board's decision, the University Board may direct up to \$10,000 from each subsequent state school aid fund payment, not to exceed a combined total of \$30,000, to a separate Academy account ("Academy Dissolution Account") to be used exclusively by the Academy to pay the costs associated with the wind up and dissolution responsibilities of the Academy. Within five (5) business days of the PSAO Executive Director's notice, the Academy Board Treasurer shall provide the PSAO Executive Director, in a form and manner determined by the PSAO, with account detail information and authorization to direct such funds to the Academy Dissolution Account. The Academy Dissolution Account shall be under the sole care, custody and control of the Academy Board, and such funds shall not be used by the Academy to pay any other Academy debt or obligation until such time as all the wind-up and dissolution expenses have been satisfied. An intercept agreement entered into by the Academy and a third party lender or trustee shall include language that the third party lender or trustee acknowledges and consents to the funding of the Academy's dissolution account in accordance with this Contract. Any unspent funds remaining in the Academy's dissolution account after payment of all wind up and dissolution expenses shall be returned to the Academy.

ARTICLE XI

PROVISIONS RELATING TO PUBLIC SCHOOL ACADEMIES

Section 11.1. The Academy Budget; Transmittal of Budgetary Assumptions; Budget Deficit; Enhanced Deficit Elimination Plan.

The Academy agrees to comply with all of the following:

- (a) The Academy Board is responsible for establishing, approving, and amending an annual budget in accordance with the Uniform Budgeting and Accounting Act, MCL 141.421 et seq.
- (b) Within ten (10) days after adoption by the Academy Board (but not later than July 1st) each year, the Academy Board shall submit to the PSAO a copy of its annual budget for the upcoming fiscal year. The budget must detail budgeted expenditures at the object level as described in the Michigan Department of Education's Michigan School Accounting Manual. In addition, the Academy Board is responsible for approving all revisions and amendments to the annual budget. Within 10 days after Academy Board approval, revisions or amendments to the Academy's budget shall be submitted to the PSAO.
- (c) Unless exempted from transmitting under section 1219 of the Code, MCL 380.1219, the Academy, on or before July 7th of each school fiscal year, shall transmit to the Center for Educational Performance and Information ("CEPI") the budgetary assumptions used when adopting its annual budget pursuant to the Uniform Budgeting and Accounting Act, MCL 141.421 et seq.
- (d) The Academy shall not adopt or operate under a deficit budget, or incur an operating deficit in a fund during any fiscal year. At any time during the term of this Contract, the Academy shall not have an existing deficit fund balance, incur a deficit fund balance, or adopt a current year budget that projects a deficit fund balance. If the Academy has an existing deficit fund balance, incurs a deficit fund balance in the most recently completed school fiscal year, or adopts a current year budget that projects a deficit fund balance, all of the following apply:
 - (i) The Academy shall notify the Superintendent and the State Treasurer immediately upon the occurrence of the circumstance, and provide a copy of the notice to the PSAO.
 - (ii) Within 30 days after making notification under subdivision (d)(i), the Academy shall submit to the Superintendent in the form and manner prescribed by the Department an amended budget for the current school fiscal year and a deficit elimination plan approved by the Academy Board, with a copy to the State Treasurer. The Academy shall transmit a copy of the amended budget and the deficit elimination plan to the PSAO.
 - (iii) After the Superintendent approves the Academy's deficit elimination plan, the Academy shall post the deficit elimination plan on the Academy's website.

- (e) If the Academy is required by the State Treasurer to submit an enhanced deficit elimination plan under section 1220 of the Code, MCL 380.1220, the Academy shall do all of the following:
- (i) The enhanced deficit elimination plan shall be approved by the Academy Board before submission.
 - (ii) After the State Treasurer approves an enhanced deficit elimination plan for the Academy, the Academy shall post the enhanced deficit elimination plan on the Academy's website.
 - (iii) Submit to the Superintendent and State Treasurer an enhanced monthly monitoring reports in a form and manner prescribed by the State Treasurer and post such monthly reports on the Academy's website.

Section 11.2. Insurance. The Academy Board shall secure and maintain in its own name as the "first named insured" at all times the following insurance coverages:

M.U.S.I.C. INSURANCE COVERAGE REQUIREMENTS for Public School Academies (PSA), Strict Discipline Academies (SDA) Urban High Schools (UHS) & Schools of Excellence (SOE) <small>NOTE: Insurance carriers must have an AM Best Rating of "A - VII" or better</small> EFFECTIVE DATE: 07/01/12 -- MUSIC Board Approval Date: 12/15/2011	
COVERAGE	REQUIREMENTS
General or Public Liability (GL)	<p>Must be Occurrence form</p> <p>Must include Sexual Abuse & Molestation coverage which can be Occurrence or Claims Made. If this coverage is Claims Made the Retroactive Date must be the same or before date of original University PSA/SDA/UHS/SOE contract. If this coverage is Claims Made, and the PSA/SDA/UHS/SOE goes out of business, the PSA/SDA/UHS/SOE needs to purchase the longest-available tail coverage. This requirement could be stated in the exit language of the Charter Contract with the PSA/SDA/UHS/SOE.</p> <p>Must include Corporal Punishment coverage.</p> <p>\$1,000,000 per occurrence & \$2,000,000 aggregate.</p> <p>In the event of name changes, mergers, etc., every past and present PSA/SDA/UHS/SOE name must be listed on the policy with the new entity as the First Named Insured.</p> <p>University must be included as an Additional Insured with Primary and Non-Contributory Coverage.</p> <p>NOTE: SDA must also have Security/Police Professional Liability coverage with MINIMUM of \$1,000,000 limit which can be Occurrence or Claims Made. If this coverage is Claims Made, and the SDA goes out of business, the SDA needs to purchase the longest-available tail coverage. This requirement could be stated in the exit language of the Charter Contract with the SDA.</p>

COVERAGE	REQUIREMENTS
Errors & Omissions (E&O)	Must include Employment Practices Liability.
	Must include Corporal Punishment coverage.
	Must include Sexual Abuse & Molestation coverage.
	Must include Directors' & Officers' coverage.
	Must include School Leaders' E&O.
	Can be Claims Made or Occurrence form.
	If Claims Made, retroactive date must be the same or before date of original University-PSA/SDA/UHS/SOE Charter Contract. If this coverage is Claims Made, and the PSA/SDA/UHS/SOE goes out of business, the PSA/SDA/UHS/SOE needs to purchase the longest-available tail coverage. This requirement could be stated in the exit language of the Charter Contract with the PSA/SDA/UHS/SOE.
	\$1,000,000 per occurrence & \$3,000,000 aggregate.
	In the event of name changes, mergers, etc., every past and present PSA/SDA/UHS/SOE name must be listed on the policy with the new entity as the First Named Insured.
	University must be included as an Additional Insured with Primary and Non-Contributory Coverage.

M.U.S.I.C. INSURANCE COVERAGE REQUIREMENTS
for Public School Academies (PSA), Strict Discipline Academies (SDA)
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EFFECTIVE DATE: 07/01/12 -- MUSIC Board Approval Date: 12/15/2011

COVERAGE	REQUIREMENTS
Automobile Liability (AL) for Owned and Non-Owned Autos	\$1,000,000 per accident.
	In the event of name changes, mergers, etc., every past and present PSA/SDA/UHS/SOE name must be listed on the policy with the new entity as the First Named Insured.
	University must be included as Additional Insured with Primary and Non-Contributory Coverage.
See Umbrella section for higher limit requirements.	Higher limits are required if PSA/SDA/UHS/SOE has its own buses.

COVERAGE	REQUIREMENTS
Workers' Compensation	Must be Occurrence form. Statutory Limits with \$1,000,000 Employers Liability Limits.
Requirement for PSA/SDA/UHS/SOE when leasing employees from Educational Service Provider (ESP) or Management Firm (MF)	NOTE: Must have Alternate Employer Endorsement from ESP/MF. Schedule PSA/SDA/UHS/SOE location on the ESP/MF Contract.
	NOTE: If PSA/SDA/UHS/SOE is leasing employees from ESP/MF and the PSA/SDA/UHS/SOE name does not have payroll, PSA/SDA/UHS/SOE still must carry Workers' Compensation coverage including Employers' Liability

COVERAGE	REQUIREMENTS
	Must include Employee Dishonesty coverage.
	Must include third party coverage.

Crime	\$500,000 limit.
COVERAGE	REQUIREMENTS
Umbrella	<p>Can be Claims Made or Occurrence form. If this coverage is Claims Made, and the PSA/SDA/UHS/SOE goes out of business, the PSA/SDA/UHS/SOE needs to purchase the longest-available tail coverage. This requirement could be stated in the exit language of the Charter Contract with the PSA/SDA/UHS/SOE.</p> <p>Umbrella is acceptable with a \$4,000,000 limit and aggregate. Also, an Umbrella policy with an unlimited aggregate is acceptable at a \$2,000,000</p> <p>If PSA/SDA/UHS/SOE has its own buses AND/OR has more than 1,000 students, must have MINIMUM \$5,000,000 per occurrence.</p> <p>If PSA/SDA/UHS/SOE purchases additional Umbrella limits to meet the \$1,000,000/\$3,000,000 for E&O then they must be in addition to the required Umbrella limit.</p> <p>In the event of name changes, mergers, etc., every past and present PSA/SDA/UHS/SOE name must be listed on the policy with the new entity as the First Named Insured.</p> <p>University must be included as Additional Insured with Primary and Non-Contributory Coverage.</p> <p>All coverages have to be included in the Umbrella that are in General Liability, Automobile and E&O.</p>

M.U.S.I.C. INSURANCE COVERAGE REQUIREMENTS
for Public School Academies (PSA), Strict Discipline Academies (SDA)
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ADDITIONAL RECOMMENDATIONS

COVERAGE	RECOMMENDATION
Property	Limits to cover replacement for PSA/SDA/UHS/SOE's property exposures, including real and personal, owned or leased.
Cyber Risk Coverage	Cyber Liability addresses the first- and third-party risks regarding Internet business, the Internet, networks and other assets. Cyber Liability Insurance coverage offers protection for exposures from Internet hacking and notification requirements.
Automobile Physical Damage	Coverage for damage to the owned or used vehicle.

DISCLAIMER:

By requiring such minimum insurance, the University and M.U.S.I.C. shall not be deemed or construed to have assessed the risks that may be applicable to every PSA/SDA/UHS/SOE's operation and related activities. Each PSA/SDA/UHS/SOE should assess its own risks and if it deems appropriate and/or prudent, maintain higher limits and/or broader coverage.

Insurance carrier(s) must have an AM Best Rating of "A - VII" or better.

The insurance must be obtained from a licensed mutual, stock, or other responsible company licensed to do business in the State of Michigan. The Academy may join with other public school academies to obtain insurance if the Academy Board finds that such an association provides economic advantages to the Academy, provided that each Academy maintains its identity as first named insured. The Academy shall have a provision included in all policies requiring notice to the University Board, at least thirty (30) days in advance, upon termination or non-renewal of the policy. In addition, the Academy shall submit within ten (10) days of insurance renewal “Acord” copies of the insurance certificate of liability insurance and public school academy insurance verification document to the PSAO Executive Director, or upon request, submit copies of insurance policies binder sheets evidencing all insurance required by the Contract, and proof of naming University as additionally insured. The Academy shall properly maintain the necessary insurance certificates evidencing the insurance required by the Contract.

When changing insurance programs or carriers, the Academy must provide copies of the proposed policies to the University Board, or its designee, at least thirty (30) days prior to the proposed change. The Academy shall not cancel its existing coverage without the prior approval of the PSAO.

The Academy may expend funds for payment of the cost of participation in an accident or medical insurance program to insure protection for pupils while attending school or participating in a school program or activity. Other insurance policies and higher minimums may be required depending upon academic offerings and program requirements.

If the Academy utilizes an Educational Service Provider, the following insurance requirements apply to the Educational Service Provider and such coverages must be secured prior to providing any services or personnel to the Academy:

COVERAGE	REQUIREMENTS
General or Public Liability (GL)	Must be Occurrence form
	Must include Sexual Abuse & Molestation coverage
	Must include Corporal Punishment coverage
	\$1,000,000 per occurrence & \$2,000,000 aggregate
	PSA must be included as First Named Insured
	University must be included as Additional Insured with Primary Coverage
	NOTE: Strict Disciplinary Academies must also have Security/Police Professional Liability coverage with MINIMUM of \$1,000,000 per occurrence
COVERAGE	REQUIREMENTS
Errors & Omissions (E&O)	Must include Employment Practices Liability
	Must include Directors' and Officers' coverage
	Must include School Leaders' E&O
	Can be Claims Made or Occurrence form
	If Claims Made, Retroactive Date must be the same or before date of original University-PSA contract
	\$1,000,000 per occurrence & \$3,000,000 aggregate
	PSA must be included as First Named Insured

	University must be included as Additional Insured with Primary Coverage
COVERAGE	REQUIREMENTS
Automobile Liability (AL) for Owned and Non-Owned Autos	\$1,000,000 per accident
	PSA must be included as First Named Insured
	University must be included as Additional Insured with Primary Coverage
	Higher limits may be required if PSA has its own buses
COVERAGE	REQUIREMENTS
Workers' Compensation	Must be Occurrence Form
	Statutory Limits
	NOTE: If PSA is leasing employees from ESP, ESP must have Employers' Liability with \$1,000,000 per occurrence AND Alternate Employer Endorsement naming PSA.
	PSA must be included as First Named Insured
COVERAGE	REQUIREMENTS
Crime	Must include Employee Dishonesty coverage
	Must be Occurrence form
	\$500,000 per occurrence
	PSA must be included as First Named Insured
COVERAGE	REQUIREMENTS
Umbrella	Can be Claims Made or Occurrence form
	\$2,000,000 per occurrence & \$4,000,000 aggregate
	If PSA has its own buses AND/OR has more than 1,000 students, must have MINIMUM \$5,000,000 per occurrence
	PSA must be included as First Named Insured
	University must be included as Additional Insured with Primary Coverage
ADDITIONAL RECOMMENDATIONS	
COVERAGE	REQUIREMENTS
Property	Limits to cover replacement for PSA's property exposures, including real and personal, owned or leased
COVERAGE	REQUIREMENTS
Performance Bond (or Letter of Credit with Indemnification)	\$1,000,000 per claim/aggregate

Insurance carrier(s) must have an AM Best Rating of “A - VII” or better.

The University’s insurance carrier periodically reviews the types and amounts of insurance coverages that the Academy must secure in order for the University to maintain insurance coverage for the authorization and oversight of the Academy. In the event that the University’s insurance carrier requests additional changes in coverage identified in this Section 11.2, the Academy agrees to comply with any additional changes in the types and amounts of coverage requested by the University’s insurance carrier within thirty (30) days after notice of the insurance coverage change.

Section 11.3. Legal Liabilities and Covenant Against Suit. The Academy acknowledges and agrees that it has no authority to extend the full faith and credit of the Oakland University Board of Trustees, Oakland University or any other authorizing body, or to enter into a contract that would bind the Oakland University Board of Trustees or Oakland University. The Academy also is limited in its authority to contract by the amount of funds obtained from the state school aid fund, as provided hereunder, or from other independent sources. The Academy hereby agrees and covenants not to sue the Oakland University Board of Trustees, Oakland University, or any of their Trustees, officers, employees, agents or representatives for any matters that arise under this Contract. The Oakland University Board of Trustees and Oakland University do not assume any obligation with respect to any person, be it Director, employee, agent, parent, guardian, student, or independent contractor of the Academy, and no person shall have the right or standing to bring suit against the Oakland University Board of Trustees or Oakland University, or any of their Trustees, employees, agents, or independent contractors as a result of the issuing, overseeing, suspending, terminating or revoking of this Contract, or as a result of not issuing a new Contract at the end of the term of this Contract.

Section 11.4. Lease or Deed for Proposed Single Site. Prior to entering into any lease agreement for real property, the Academy shall provide to the PSAO copies of its lease or deed for the premises in which the Academy shall operate in a form and manner consistent with any existing or future Lease Policies, which are incorporated into and be deemed part of this Contract. A copy of the final executed lease agreement shall be included in this Contract under Schedule 6. The PSAO may, from time to time during the term of this Contract, or amend Lease Policies and such adopted and/or amended Lease Policies shall automatically apply to the Academy without the need for a Contract amendment under article IX of these Terms and Conditions. The PSAO may disapprove the proposed lease agreement submitted by the Academy if the lease agreement is contrary to this Contract, the Lease Policies, or Applicable Law. Any subsequent amendment to a lease agreement shall be submitted for review by the PSAO in the same form and manner as a new lease agreement.

Any lease agreement entered into by the Academy shall include a termination provision permitting the Academy to terminate the lease, without cost or penalty to the Academy, in the event that the Academy is required to close an Academy site covered by the lease (i) pursuant to a notice issued by the Department under Section 507 of the Code, MCL 380.507; or (ii) pursuant to a reconstitution by the University pursuant to Section 507 of the Code, MCL 380.507 and these Contract Terms and Conditions. The provision shall also provide that the lessor/ landlord shall have no recourse against the Academy or the University Board for implementing the site closure or reconstitution. Nothing in this paragraph shall prevent the lessor/ landlord from receiving lease payments owed prior to site closure or reconstitution, or relieve the Academy from paying any costs or expenses owed under the lease prior to site closure or reconstitution.

A copy of the Academy's amended lease or deed shall be incorporated into this Contract under Schedule 6. Any subsequent amendments to any Academy real estate leasing agreement shall only be incorporated into this Contract pursuant to Article IX of these Terms and Conditions.

Section 11.5. Occupancy and Safety Certificates. The Academy Board shall: (i) ensure that the Academy's physical facilities comply with all fire, health and safety standards applicable

to schools; and (ii) possess the necessary occupancy and safety certificates for the Academy's physical facilities. The Academy Board shall not conduct classes until the Academy has complied with this Section 11.5. Copies of these certificates shall be incorporated into this Contract under Schedule 6.

Section 11.6. Criminal Background and History Checks; Disclosure of Unprofessional Conduct. The Academy shall comply with the Code concerning criminal background and criminal history checks for its teachers, school administrator(s), and for any other position requiring State Board approval. In addition, the Academy shall comply with the Code concerning the disclosure of unprofessional conduct by persons applying for Academy employment. This Section 11.6 shall apply to such persons irrespective of whether they are employed by the Academy or employed by an educational service provider contracting with the Academy.

Section 11.7. Special Education. Pursuant to Section 1701a of the Code, the Academy shall comply with Article III, Part 29 of the Code, MCL 380.1701 et seq., concerning the provision of special education programs and services at the Academy. Upon receipt, the Academy shall notify the PSAO of any due process or state complaint filed against the Academy.

Section 11.8. Deposit of Public Funds by the Academy. The Academy Board agrees to comply with Section 1221 of the Revised School Code, being MCL 380.1221, regarding the deposit of all public or private funds received by the Academy. Such deposit shall be made within three (3) business days after receipt of the funds by the Academy. Only Academy Board members or designated Academy employees may be a signatory on any Academy bank account.

Section 11.9. Nonessential Elective Courses. If the Academy Board elects to provide nonessential elective courses to part-time pupils at a nonpublic school building, the Academy shall comply with Section 166b of the State School Aid Act of 1979, as amended, MCL 388.1166b. Prior to providing instruction, the Academy Board shall ensure that the Academy has sufficient documentation to qualify for part-time pupil funding under the State School Aid Act. The provision of nonessential elective courses by the Academy shall be incorporated into Schedule 7c of this Contract by amendment pursuant to Article IX of these Terms and Conditions.

Section 11.10. Required Provisions for ESP Agreements. Any Management Agreement with an ESP entered into by the Academy must contain the following provisions:

"Indemnification of Oakland University and the University Board. The parties acknowledge and agree that the Oakland University Board of Trustees, Oakland University and its members, officers, employees, agents or representatives are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, the **CS Partners** hereby promises to indemnify, defend and hold harmless Oakland University, Oakland University Board of Trustees and its members, and their respective officers, employees, agents or representatives in their official and personal capacities (collectively, the "University Indemnified") from and against all claims, demands, actions, suits, causes of action, losses, judgments, damages, fines, penalties, forfeitures, or any other liabilities or losses of any kind, including costs, attorney fees, and related expenses imposed upon or incurred by any of the University Indemnified, on account of injury, loss or damage, including, without limitation, claims

arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of Oakland University, which arise out of or are in any manner connected with Oakland University Board of Trustees' approval of the Academy's application, Oakland University Board of Trustees' consideration of or issuance of a Contract, **CS Partners** preparation for and operation of the Academy, or which are incurred as a result of the reliance by any of the University Indemnified upon information supplied by the **CS Partners**, or which arise out of the failure of the **CS Partners** to perform its obligations under the Contract or Applicable Law. The parties expressly acknowledge and agree that any of the University Indemnified may commence legal action against **CS Partners** to enforce its rights as set forth in this Agreement."

"Agreement Coterminous With Academy's Contract. If the Academy's Contract issued by the Oakland University Board of Trustees is suspended, revoked or terminated, or a new charter contract is not issued to the Academy after expiration of the Contract, this Agreement shall automatically be suspended or terminated, as the case may be, on the same date as the Academy's Contract is suspended, revoked, terminated or expires without further action of the parties."

"Compliance with Academy's Contract. CS Partners agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the Academy's obligations under the Academy's Contract issued by the Oakland University Board of Trustees. The provisions of the Academy's Contract shall supersede any competing or conflicting provisions contained in this Agreement."

"Compliance with Section 503c. On an annual basis, the [insert name of ESP] agrees to provide the Academy Board with the same information that a school district is required to disclose under section 18(2) of the State School Aid Act of 1979, MCL 388.1618, for the most recent school fiscal year for which the information is available. Within thirty (30) days of receipt of this information, the Academy Board shall make the information available on the Academy's website home page, in a form and manner prescribed by the Department . The defined terms in section 503c of the Code, MCL 380.503c, shall have the same meaning in this agreement."

"Amendment Caused By Academy Site Closure or Reconstitution. In the event that the Academy is required (i) to close an Academy site pursuant to a notice issued by the Department under Section 507 of the Code, MCL 380.507; or (ii) to undergo a reconstitution pursuant to Section 507 of the Code, MCL 380.507, and the Contract Terms and Conditions, and such closure of an Academy site or reconstitution causes an amendment to or termination of this ESP Agreement, the parties agree that this ESP Agreement shall be amended or terminated to implement the Academy site closure or reconstitution, with no cost or penalty to the Academy, and [insert name of Educational Service Provider] shall have no recourse against the Academy or the University Board for implementing such site closure or reconstitution."

"Compliance with Section 12.18 of Contract Terms and Conditions. **CS Partners** shall make information concerning the operation and management of the Academy,

including without limitation the information described in Schedule 4 of the Contract, available to the Academy as deemed necessary by the Academy Board in order to enable the Academy to fully satisfy its obligations under Section 12.18(a) of the Contract Terms and Conditions.”

Section 11.11. Management Agreements. The Academy may enter into a Management Agreement with an ESP to contract out its administrative and/or educational functions and personnel. If instructed by the University, the Academy will put out for bid its ESP Management Agreement twelve (12) months before its current Management Agreement expires. For purposes of this Contract, an employee leasing agreement shall be considered a Management Agreement, and an employee leasing company shall be considered an ESP. Any Management Agreement shall state that the ESP must acquire insurance in addition to the insurance the Academy must obtain under the Contract. The coverage must be similar to the insurance coverage required for the Contract and the Management Agreement must detail the type and amount of such required coverage. Prior to entering any Management Agreement with an ESP, the Academy shall submit a copy of the final draft Management Agreement to the PSAO in a form and manner consistent with the ESP policies. A copy of the final executed Management Agreement shall be included in this Contract under Schedule 5. The PSAO may, from time to time during the term of this Contract, amend the ESP policies and the amended ESP policies shall automatically apply to the Academy without the need for a Contract amendment under Article IX of these Terms and Conditions. The PSAO may disapprove the proposed Management Agreement submitted by the Academy if the Management Agreement is contrary to this Contract or Applicable Law. Any subsequent amendment to a Management Agreement shall be submitted for review by the PSAO in the same form and manner as a new Management Agreement.

Section 11.12. Administrator and Teacher Evaluation Systems. The Academy Board shall adopt and implement for all individuals employed by or contracted for the Academy as teachers or school administrators a rigorous, transparent, and fair performance evaluation system that complies with Applicable Law. If the Academy enters into an agreement with an Educational Service Provider, the Academy Board shall ensure that the Educational Service Provider complies with this section.

Section 11.13. K to 3 Reading. If the Academy offers kindergarten through third grade, the Academy Board shall comply with section 1280f of the Code, MCL 380.1280f. The Academy shall ensure that all required actions, notices and filings required under section 1280f, MCL 380.1280f, are timely completed. The Master Calendar shall be updated to include the requirements set forth in section 1280f, MCL 380.1280f.

ARTICLE XII

GENERAL TERMS

Section 12.1. Notices. Any and all notices permitted or required to be given hereunder shall be deemed duly given: (i) upon actual delivery, if delivery is by hand; or (ii) upon receipt by the transmitting party of confirmation or answer back if delivery is by email, facsimile or telegram; or (iii) upon delivery into United States mail if delivery is by postage paid first class mail. Each such notice shall be sent to the

respective party at the address indicated below or to any other address or person as the respective party may designate by notice delivered pursuant hereto:

If to the Oakland University Board of Trustees: PSAO Executive Director
Oakland University
456 Pioneer Drive
Pawley Hall, Room 420J
Rochester, Michigan 48309-4482

If to the University General Counsel: General Counsel
Oakland University
Wilson Hall, Room 203
371 Wilson Boulevard
Rochester, MI 48309-4454

If to the Academy: Academy Board President
Weston Preparatory Academy
22930 Chippewa St
Detroit, MI 48210

Section 12.2. Severability. If any provision in this Contract is held to be invalid or unenforceable, it shall be ineffective only to the extent of the invalidity, without affecting or impairing the validity and enforceability of the remainder of the provision or the remaining provisions of this Contract. If any provision of this Contract shall be or become in violation of Applicable Law, such provision shall be considered null and void, and all other provisions shall remain in full force and effect.

Section 12.3. Successors and Assigns. The terms and provisions of this Contract are binding on and shall inure to the benefit of the parties and their respective successors and permitted assigns.

Section 12.4. Entire Contract. Except as specifically provided in this Contract, this Contract sets forth the entire agreement between the University Board and the Academy with respect to the subject matter of this Contract. All prior contracts, representations, statements, negotiations, understandings, and undertakings are superseded by this Contract.

Section 12.5. Assignment. This Contract is not assignable by either the Academy or the University Board.

Section 12.6. Non-Waiver. Except as provided herein, no term or provision of this Contract shall be deemed waived and no breach or default shall be deemed excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. No consent by any party to, or waiver of, a breach or default by the other, whether expressed or

implied, shall constitute a consent to, waiver of, or excuse for any different or subsequent breach or default.

Section 12.7. Governing Law. This Contract shall be governed and controlled by the laws of the State of Michigan as to interpretation, enforcement, validity, construction, and effect, and in all other respects.

Section 12.8. Counterparts. This Contract may be executed in any number of counterparts. Each counterpart so executed shall be deemed an original, but all such counterparts shall together constitute one and the same instrument.

Section 12.9. Term of Contract. This Contract shall commence on the date first set forth above and shall remain in full force and effect for **three years until June 30, 2023**, unless sooner revoked or terminated according to the terms hereof.

Section 12.10. Indemnification. As a condition to receiving a grant of authority from the University Board to operate a public school pursuant to the terms and conditions of this Contract, the Academy agrees to indemnify, defend and hold the Oakland University Board of Trustees, Oakland University and its Board of Trustees members, officers, employees, agents, representatives, students and volunteers, in their official and personal capacities, harmless from and against any and all claims, demands, suits, damages, judgments or liabilities, losses or expenses, including attorney fees, and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of the University, which arise out of or are in any manner connected with the University Board's receipt, consideration or approval of the Application, the University Board's approval of the Resolution or Authorizing Resolution, legal challenges to the validity of Part 6A of the Code or actions taken by the University Board as an authorizing body under Part 6A of the Code, the University Board's consideration of or issuance of a Contract, the Academy's preparation for and operation of a public school, or which are incurred as a result of the reliance of the University Board, the University and its Board of Trustees members, officers, employees, agents or representatives upon information supplied by the Academy, or which arise out of the failure of the Academy to perform its obligations under this Contract. The foregoing provision shall not be deemed a relinquishment or waiver of any kind of governmental immunity provided under Section 7 of the Governmental Liability for Negligence Act, being MCL 691.1407 of the Michigan Compiled Laws.

Section 12.11. Construction. This Contract shall be construed fairly as to both parties and not in favor of or against either party, regardless of which party prepared the Contract.

Section 12.12. Force Majeure. If any circumstances occur which are beyond the control of the parties, which delay or render impossible the obligations of one or both of the parties, the parties' obligations to perform such services shall be postponed for an equivalent period of time or shall be canceled, if such performance has been rendered impossible by such circumstances.

Section 12.13. No Third Party Rights. This Contract is made for the sole benefit of the Academy and the University Board and no other person or entity, including without limitation, the

Educational Service Provider. Except as otherwise provided, nothing in this Contract shall create or be deemed to create a relationship between the parties hereto, or either of them, and any third person, including a relationship in the nature of a third party beneficiary or fiduciary.

Section 12.14. Non-agency. It is understood that the Academy is not the agent of the University.

Section 12.15. Reliance on Warranties. The Academy represents and warrants, intending the University to rely thereon, that it is and will remain in compliance with Applicable Law and each provision of this Contract. The Academy further represents and warrants, intending the University to rely thereon, that it has obtained and will maintain all the licenses, authorizations and permits necessary in connection with the performance of its obligations under this Contract.

Section 12.16. University Board or PSAO General Policies on Public School Academies Shall Apply. Notwithstanding any provision of this Contract to the contrary, and with the exception of existing University Board or PSAO policies regarding public school academies which shall apply immediately, any general policies clarifying procedure and requirements applicable to public school academies under this Contract, as from time to time adopted or amended, will automatically apply to the Academy, provided they are not inconsistent with provisions of this Contract. If reasonable, before issuing general policies under this Section, the University Board or the PSAO shall provide a draft of the proposed policies to the Academy Board. The Academy Board shall have at least thirty (30) days to provide comment to the PSAO on the proposed policies before such policies shall become effective.

Section 12.17. Survival of Provisions. The terms, provisions, and representations contained in Section 11.2, Section 11.3, Section 12.10, Section 12.13 and any other provisions of this Contract that by their sense and context are intended to survive termination of this Contract shall survive.

Section 12.18. Information Available to the Public.

- (a) Information to be provided by the Academy. The Academy shall make information concerning its operation and management, including without limitation the information described in Schedule 4, available to the public in the same manner and to the same extent as is required for public schools and school districts under Applicable Law.
- (b) Information to be provided by Educational Service Providers. If the Academy enters into an agreement with an Educational Service Provider for operation or management of the Academy, the Management Agreement shall contain a provision requiring the Educational Service Provider to make information concerning the operation and management of the Academy, including without limitation the information described in Schedule 4, available to the Academy as deemed necessary by the Academy Board in order to enable the Academy to fully satisfy its obligations under subparagraph (a).

Section 12.19. Termination of Responsibilities. Upon termination or revocation of the Contract, the University Board or its designee shall have no further obligations or responsibilities under this Contract to the Academy or any other person or persons in connection with this Contract. Upon termination or revocation of the Contract, the Academy may amend its articles of incorporation or bylaws as necessary to allow the Academy Board to: (a) take action to appoint Academy Board members in order to have a quorum necessary to take Academy Board action; or (b) effectuate a dissolution, provided that the Academy Board may not amend any provision in the Academy's articles of incorporation or bylaws regarding the disposition of assets upon dissolution.

Section 12.20. Disposition of Academy Assets Upon Termination or Revocation of Contract. Following termination or revocation of the Contract, the Academy shall follow the applicable wind-up and dissolution provisions set forth in the Academy's articles of incorporation, Part 6A of the Code and Applicable Law.

Section 12.21. Student Privacy. In order to protect the privacy of students enrolled at the Academy, the Academy Board shall not:

(a) sell or otherwise provide to a for-profit business entity any personally identifiable information that is part of a pupil's education records. This subsection does not apply to any of the following situations:

(i) for students enrolled in the Academy, providing such information to an educational management organization that has a contract with the Academy and whose contract has not been disapproved by the University;

(ii) providing the information as necessary for standardized testing that measures a student's academic progress and achievement; or

(iii) providing the information as necessary to a person that is providing educational or educational support services to the student under a contract with either the Academy or an educational management organization that has a contract with the Academy and whose contract has not been disapproved by the University.

(b) The terms "education records" and "personally identifiable information" shall have the same meaning as defined in MCL 380.1136.

Section 12.22. Disclosure of Information to Parents and Legal Guardians.

(a) Within thirty (30) days after receiving a written request from a student's parent or legal guardian, the Academy shall disclose without charge to the student's parent or legal guardian any personally identifiable information concerning the student that is collected or created by the Academy as part of the student's education records.

(b) Except as otherwise provided in this subsection (b) and within thirty (30) days after receiving a written request from a student's parent or legal guardian, the Academy shall disclose to a student's parent or legal guardian without charge any personally identifiable information provided to any person, agency or organization. The Academy's disclosure shall include the specific information that was disclosed, the name and contact information of each person, agency,

or organization to which the information has been disclosed; and the legitimate reason that the person, agency, or organization had in obtaining the information. The parental disclosure requirement does not apply to information that is provided:

- (i) to the Department or CEPI;
- (ii) to the student's parent or legal guardian;
- (iii) by the Academy to the University Board, University, PSAO or to the educational management organization with which the Academy has a management agreement that has not been disapproved by the University;
- (iv) by the Academy to the Academy's intermediate school district or another intermediate school district providing services to Academy or the Academy's students pursuant to a written agreement;
- (v) to the Academy by the Academy's intermediate school district or another immediate school district providing services to pupils enrolled in the Academy pursuant to a written agreement;
- (vi) to the Academy by the University Board, University, PSAO
- (vii) to a person, agency, or organization with written consent from the student's parent or legal guardian, or from the student if the student is 18 years of age;
- (viii) to a person, agency, or organization seeking or receiving records in accordance with an order, subpoena, or ex parte order issued by a court of competent jurisdiction;
- (ix) to a person, agency, or organization as necessary for standardized testing that measures a student's academic progress and achievement; or
- (x) in the absence of, or in compliance with, a properly executed opt-out form, as adopted by the Academy in compliance with section 1136(6) of the Code, pertaining to uses for which the Academy commonly would disclose a pupil's "directory information."

(c) If the Academy considers it necessary to make redacted copies of all or part of a student's education records in order to protect personally identifiable information of another student, the Academy shall not charge the parent or legal guardian for the cost of those redacted copies.

(d) The terms "education records," "personally identifiable information," and "directory information" shall have the same meaning as defined in MCL 380.1136.

Section 12.23. List of Uses for Student Directory Information; Opt Out Form; Notice to Student's Parent or Legal Guardian.

- (a) The Academy shall do all of the following:
 - (i) Develop a list of uses (the "Uses") for which the Academy commonly would disclose a student's directory information.
 - (ii) Develop an opt-out form that lists all of the Uses and allows a student's parent or guardian to elect not to have the student's directory information disclosed for 1 or more Uses.

- (iii) Present the opt-out form to each student's parent or guardian within the first thirty (30) days of the school year and at other times upon request.
- (iv) If an opt-out form is signed and submitted to the Academy by a student's parent or guardian, then the Academy shall not include the student's directory information in any of the Uses that have been opted out of in the opt-out form.

(b) The terms "directory information" shall have the same meaning as defined in MCL 380.1136.

Section 12.24. Partnership Agreement. If the Department and State Reform Office imposes a partnership agreement on the Academy, the Academy shall work collaboratively with the Department, the State Reform Office and other partners to implement the partnership agreement. In the event that a provision in the partnership agreement is inconsistent with a provision in this Contract, this Contract shall control.

Section 12.25. Statewide Safety Information Policy. The Academy shall adopt and adhere to the statewide school safety information policy required under section 1310 of the Code, MCL 380.1310. The statewide school safety information policy may also address Academy procedures for reporting incidents involving possession of a dangerous weapon as required under section 1313 of the Code, MCL 380.1313.

Section 12.26. Criminal Incident Reporting Obligation. Within twenty-four (24) hours after an incident occurs, the Academy shall provide a report to the Michigan State Police, in a form and manner prescribed by State Police, either of the following: (i) an incident involving a crime that must be reported under section 1310A(2) of the Code, MCL 380.1310A(2); or (ii) an incident, if known to the Academy, involving the attempted commission of a crime that must be reported under section 1310A(2) of the Code, MCL 380.1310A(2). Failure to comply may result in the Academy being ineligible to receive any school safety grants from the Michigan State Police for the fiscal year in which the noncompliance is discovered by State Police.

Section 12.27. Academy Emergency Operations Plan. (a) Beginning in the 2019-2020 school year, and at least biennially thereafter, the Academy shall, in conjunction with at least 1 law enforcement agency having jurisdiction over the Academy, conduct either (i) a review of the Academy's emergency operations plan, including a review of the vulnerability assessment; or (ii) a review of the Academy's statewide school safety information policy, as applicable.

(b) Not later than January 1, 2020, the Academy shall either (i) develop an emergency operations plan for each school building, including recreational structure or athletic field, operated by the Academy with input from the public; or (ii) adopt a statewide school safety information policy under section 1308 of the Code, MCL 380.1308. The emergency operations plan or statewide school safety information policy shall comply with section 1308B(3) of the Code, MCL 380.1308B(3). Within thirty (30) days, the Academy shall provide to the Department, in a form and manner determined by the Department, notice of the adoption of an emergency operations plan or the completion of an emergency operations plan review, as applicable.

Section 12.28. School Safety Liaison. The Academy Board shall designate a liaison to work with the School Safety Commission created under Section 5 of the Comprehensive School Safety Plan Act created under Public Act 548 of 2018, MCL 28.805 at sect and the Office of School Safety created under MCL 28.681. The Liaison shall be an individual employed or assigned to regularly and continuously work under contract in the school operated by the Academy. The Liaison shall work with the School Safety Commission and the Office of School Safety to identify mode practices for determining school safety measures.

Section 12.29. New Building Construction or Renovations. The Academy shall not commence construction on a new school building or the major renovation of an existing school building unless the Academy consults on the plans of the construction or major renovation regarding school safety issues with the law enforcement agency that is or will be the first responder for that school building. School building includes either a building intended to be used to provide pupil instruction or a recreational or athletic structure or field used by pupils.

Section 12.30. Annual Expulsion Report and Website Report on Criminal Incidents. On an annual basis, the Academy Board shall do the following:

(i) prepare and submit to the Superintendent, in a form and manner prescribed by the Superintendent, a report stating the number of pupils expelled from the Academy during the immediately preceding school year, with a brief description of the incident causing each expulsion;

(ii) post on its website, in a form and manner prescribed by the Superintendent, a report on the incidents of crime occurring at schools operated by the Academy. Each school building shall collect and keep current on a weekly basis the information required for the website report, and must provide that information, within seven (7) days upon request; and

(iii) make a copy of the report on the incidents of crime, disaggregated by school building, available to the parent or legal guardian of each pupil enrolled in the Academy.

As the designated representative of the Oakland University Board of Trustees, I hereby issue this Contract to the Academy on the date set forth above.

OAKLAND UNIVERSITY BOARD OF TRUSTEES

By: _____
Ora Pescovitz, President

Date: _____

As the authorized representative of the Academy, I hereby certify that the Academy is able to comply with the Contract and all Applicable Law, and that the Academy, through its governing board, has approved and agreed to comply with and be bound by of the terms and conditions of this Contract.

Weston Preparatory Academy

By: _____
_____, Academy Board Designee

Date: _____

Oakland University



Office of
Public
School
Academies

Board Resource Calendar

May 2020

Recommended Monthly Action and/or Informational Items for Board Consideration

- Did the Board hold a budget hearing and approve the budget for next year?
- What might be the return on investment for the allocated resources and initiatives being implemented in the school?
- Has the Board approved the Annual Engagement Letter?
- Has the Board evaluated its committee structure? What committees in addition to the academic, fiscal and governance committees may be necessary based on your strategic plan?
- What activities are being planned to honor the graduates at your school?
- How are leadership supporting the students, families and staff during this unprecedented time?

MASB.org

SUN MON TUE WED THU FRI SAT

**Due to Epicenter:
5/28/2020:**

- Notice of Public Hearing for Annual Operating Budget
- Boiler Inspection

5/29/20:

- Academy Achievement Report
- Annual Education Report

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Happy Teacher Appreciation Week! May 4-8

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**HAPPY
MOTHER'S
DAY!**

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**Memorial
Day**

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"Education is the movement from darkness to light."

- Allan Bloom

