

Charter School Authorizer Agreement

This Charter School Authorizer Agreement (the “Agreement”) is entered into between Innovative Quality Schools (“IQS”) and Duluth Public Schools Academy (hereinafter the “School”) to be effective from July 1, 2017 through June 30, 2022

This Agreement is entered into for the purposes of defining the responsibilities and obligations of each party with respect to the authorization of a Minnesota Charter School to be operated by School. It is the intention of the parties that this Agreement will comply with all requirements of the Minnesota Charter School Law (Minnesota Statutes Section 124E.10. *et. seq.*) as the law may be amended from time to time. Both parties acknowledge their responsibility to abide by all applicable provisions of Applicable Law and the Charter Law (as defined below) regardless of whether they are delineated in this Agreement.

Section 1. DEFINITIONS.

1.1 Definitions. For purposes of this Agreement, and in addition to the terms in this Agreement, each of the following words or expressions has the meaning as defined in this section:

- a) “Addendum” means a document that is referenced as an addendum to this Agreement. All Addenda to this Agreement are hereby incorporated herein and made a part of this Agreement.
- b) “Agreement” means this Charter School Authorizer Agreement as required by the Charter Law.
- c) “Applicable Law” means all state and federal law applicable to Minnesota charter schools governing the organizational, programmatic and financial requirements, and any regulations implemented pursuant to those laws.
- d) “Charter Law” means the Minnesota Statutes Chapter 124E. *et seq.*, as amended, and any rules adopted by the Commissioner relating to this law.
- e) “Charter School Board” means the Board of Directors that governs the School, as provided under Minnesota Statutes §124E.07 and the Bylaws of the School.
- f) “Commissioner” means the Commissioner of the Minnesota Department of Education.
- g) “Department” means the Minnesota Department of Education.
- h) “School” means Duluth Public Schools Academy which is established as a charter school pursuant to this Agreement and which is incorporated pursuant to Minnesota Statutes §317A. The official address of the School is: 3301 Technology Drive, Duluth Minnesota 55811
- i) “School information” includes all educational data, as defined in Minnesota Statutes §13.32; any and all data related to employees of the School; any and all complaints filed by the School as required by law, and all complaints filed against the School; any and all investigative files and the results of any investigations; and any and all financial information as required to be disclosed in this Agreement.
- j) “School ScoreCard” means the School ScoreCard described in Section 2.2(c) of this Agreement that is used to evaluate the performance of the School.
- k) “IQS” means “Innovative Quality Schools,” PO Box 40219, St. Paul Minnesota 55104.

Section 2. PURPOSE OF THE SCHOOL; DESCRIPTION OF THE PROGRAM; PERFORMANCE INDICATORS AND EVALUATION.

2.1 Purpose of the School/Description of the Program. The School will be organized and operated to improve all pupil learning and all student achievement, and to achieve the following additional purposes as provided in the Charter Law:

- a) increase learning opportunities for all pupils;
- b) encourage the use of different and innovative teaching methods;
- c) measure learning outcomes and create different and innovative forms of measuring outcomes;
- d) establish new forms of accountability for schools; or
- e) create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the School site.

The School will report on the achievement of its purposes in its annual report, as provided in Section 2.2 (d) of this Agreement.

The School is a Grade Pre-K through 12 school that will provide students with:

- a) a safe place to learn and grow while being provided an individualized learning opportunity that addresses their academics and their emotional and social needs
- b) caring adults who have an in-depth knowledge and understanding of the subject matter and innovative instructional models that best meets the needs of their students
- c) small class environments that assures each student will receive individualized attention and assistance
- d) an innovative model of learning that is consistent with its vision and mission
- e) a pre-K program that will focus on teaching the whole child through an emphasis on thematic based learning, instruction in short bursts, play-based learning, vocabulary development and oral language development
- f) a K-8 program which includes daily Spanish beginning in third grade, a research-based reading and math curriculum, sciences, literature and the arts and character education
- g) a multi-tiered systems of support (MTSS) model which utilizes both Title I and ADSIS intervention specialists in reading, math and behavior and when possible Ameri-Corp volunteers in math and reading,
- h) an opportunity for students to be awarded high school credit for intermediate algebra and Spanish for successfully completing high school standards as validated by a Duluth district high school.

After students are enrolled for kindergarten, the school conducts preschool screenings on any admitted students who have not yet had a screening completed to ensure we are meeting the full needs of all of our students.

2.2 Performance Indicators and Evaluation. The School must provide instruction for the minimum number of hours required by Applicable Law, with the School having the option of providing additional programs after the regular day, in the summer or through other means.

- a) Student/School Performance Standards. The School will comply with the requirements of the Minnesota Learning/Graduation Standards, as defined by Minnesota Statutes

§§120B.02; 120B.024; and Minnesota Rules parts 3501.0010 – 3510.0280 and will document the levels of student performance in terms of students meeting those graduation standards.

- b) Every School Succeeds Act (ESSA). The School will comply with the responsibilities and obligations of the Title I, Part A accountability provisions as specified under the federal ESSA and its implementing regulations established by the U.S. Department of Education including, but not limited to, i) participating in statewide assessments, ii) meeting the state adequate yearly progress definition, iii) meeting public and parent reporting requirements, iv) implementing school sanctions if the School is identified for improvement, and/or failing to meet disparities in teacher and paraprofessional requirements. This section shall automatically be modified to reflect changes in ESSA, or when the Department is granted waivers from ESSA by the United States Department of Education.
- c) Specific Academic and Non-academic Performance Indicators. The School will identify and attain the goals and measurable performance indicators for: (1) program model and mission of the School; (2) governance of the School; (3) specific student academic and nonacademic outcomes that pupils must achieve as well as outcomes which are indicative of school performance; (4) financial management; and (5) operation of the School. These goals will be outlined in the School ScoreCard to be mutually agreed upon by School and IQS, a copy of which is attached as Addendum 1, as the same may be modified from time to time by IQS. These performance indicators are intended to specifically assure that the student learning requirements as defined in Charter Law and other Applicable Law, and will be included with the academic standards to which the School will be held accountable. The academic performance indicators will include multiple achievement indicators including the state tests required of all students, a nationally normed reference test, and/or other professionally recognized measurement systems and other methods as provided for in this Agreement.
- d) Annual Report. The School will file an Annual Report with the Commissioner that is consistent with the provisions of the Charter Law at §124E.16 subd.2.
- e) School Improvement Plan (SIP). Based on the results specified in the Annual Report, the School will develop an annual School Improvement Plan (SIP) that identifies the action to be taken by the School to continuously improve the performance of the School. If the School has not made its designated performance targets as identified in its School ScoreCard, the School will include a description of the School's plans to implement any of the responsive and/or corrective requirements in the following school year.
- f) Annual Report/SIP Dissemination. As required under the Charter Law, the School will disseminate the Annual Report to the parents and legal guardians of students enrolled at the School, IQS and School employees. The SIP will also be disseminated to these parties. The Annual Report and complete SIP must be placed on the website of the School.

Section 3. LEGAL STRUCTURE AND AUTHORITY OF THE SCHOOL.

3.1 Legal Structure. The School must adhere to all legal requirements as defined in Minnesota Statute 124E as identified below.

- a) Nonprofit Status. The School is organized and operated as a nonprofit corporation under Minnesota Statutes Chapter 317A, as amended.
- b) Articles of Incorporation. The School's Articles of Incorporation are on file with the State of Minnesota and with IQS, a copy of which is attached as Addendum 2.
- c) Bylaws. The School has in place a set of Bylaws, a copy of which is attached as Addendum 3. The School will notify IQS of any proposed amendments to the Bylaws prior to adopting any changes. At its discretion, IQS may provide review and comment on the proposed amendments at or before the regularly-scheduled Board meeting at which the proposed amendments are to be discussed and voted upon. The School shall not adopt Bylaw amendments affecting the governance structure of the School or Board without prior approval of IQS. If IQS does not issue its comments on Bylaw amendments affecting the governance structure of the School or Board within 30 days following notice to IQS by the School, the School may proceed with its proposed amendment unless IQS requests an additional 15 days for the review, which additional time shall be granted by the School.
- d) Lease Space. The School may lease space from any public or nonsectarian private organization as it deems reasonable. If the School intends to lease from a private sectarian organization, it will comply with the provisions of the Charter Law at Section 124E, including providing the assurances set forth in Addendum 4, attached hereto. Prior to finalizing a lease for space, the School will submit the lease to the Department for review and comment. The School will also provide the lease to IQS for review and comment.
- e) Authorized Grades. The School is authorized for grades PreK through 12.
- f) Enrollment/Grade Level Expansion. The School will not expand its grade levels beyond that specified in Section 2.1 without application to and approval by IQS and the Commissioner in a manner consistent with the Charter Law.

Section 4. OPERATING REQUIREMENTS.

4.1 Governance. The governance, management and administration plan for the School shall be as described in this section.

- a) Board of Directors. The School will be governed by a board of directors in accordance with its Bylaws and with all Applicable Laws. The School will file changes in the membership of the Charter School Board with IQS. Prior to the time such persons are seated as members of the Charter School Board, the School will conduct a criminal background check identical to those required by Minnesota Statutes §123B.03 subd 1. The Charter School Board will certify to IQS that background checks have been completed and, consistent with data practices law, will provide to IQS any adverse information that is revealed as part of the background checks and will evaluate, on a case-by-case basis, membership on the Charter School Board where the background check revealed adverse information. Each director will submit to IQS a signed agreement in the form of Addendum 5, as the same may be revised from time to time by IQS stating they will comply with all Applicable Laws.
- b) Conflict of Interest. The provisions of Section 124E.14 of the Charter Law relating to conflicts of interest shall be followed by each director.
- c) Powers. The Charter School Board will provide policy leadership including, but not limited to long range planning and goal-setting for the School consistent with the

School's approved mission; holding the School accountable for meeting the goals; approving an annual budget and providing oversight of the budget; employing appropriate staff or contracting with organizations that do employ appropriate staff; setting expectations and reviewing the performance of the School director at least annually; and other policies regarding the operation of the School. The Charter School Board will adopt all required policies as provided by law. In addition, the Charter School Board will adopt policies as required assuring the School will operate in a non-sectarian manner.

- d) Board Election. Charter School Board elections and director qualifications will be as provided in the Charter Law and in the School's Bylaws.
- e) Open Meeting Law. Charter School Board will comply with the Minnesota Open Meeting Law, Minnesota Statutes §13D.
- f) Frequency of Meetings. The Charter School Board will meet as provided in the Bylaws. All meeting agendas must be posted in accordance to Minnesota Statute 13D and on the School's website. Minutes from meetings must be posted within ten (10) days of their approval by the Charter School Board.
- g) IQS Report to the Board. Following the review of the Annual Report as provided for in Section 2.2 (d), IQS will provide the Charter School Board with its written analysis of how well the School is meeting the provisions of this Agreement.
- h) Authorization of Employment. The Charter School Board will either directly employ, contract with individuals, contract with an organization or a combination of these options, necessary teachers, as defined by Minnesota Statutes §122A.15, subdivision 1, who hold valid licenses to perform the particular instruction or services at the School.
- i) Non-licensed Personnel. The Charter School Board or its delegate may employ necessary employees who are not required to hold teaching licenses to perform duties other than teaching and may contract for other services.
- j) Collective Bargaining. If the School engages in collective bargaining, the School will comply with Minnesota Statutes chapter 179A, the Public Employment Relations Act.
- k) Board Training. The Charter School Board will participate in training regarding board governance, the board's role and responsibilities, financial management and employment policies in accordance with Section 124E.07 subd. 7 of the Charter Law. A director who does not begin the required training within six months of being seated, and complete the required training within 12 months of being seated, is ineligible to continue to serve as a director. In addition, the Charter School Board will submit its plan for training to IQS, if requested by IQS, and attend training reasonably required by IQS.

4.2 Management and Administration Plan. The Charter School Board may choose to appoint a director to manage and administer the School. Annually, the Charter School Board will prepare performance expectations to be accomplished by the director. The Charter School Board will review the director's performance at least annually. The teachers will provide written feedback to the Charter School Board regarding the director's performance. The teachers may report to the director. Annually, each teacher and the director will prepare performance expectations to be accomplished by the teacher. The director will review the performance of the teachers at least annually. Professional teacher teams may also be established to provide professional observations and feedback to each other. The teachers may participate in site committees

including School model oversight which includes curriculum; budget; and professional development. Each committee will operate under the guidance and direction of the director.

The School's performance criteria, as identified in the School ScoreCard, must be met with respect to regarding the governance, management and administration of the School.

4.3 Financial Management. The Charter School Board may engage a third party to provide financial management of the School. If they choose to engage a third party, the Charter School Board will request and review the bids for such services and make decisions to assure no conflicts of interest exist and that the agreement is in the best interests of the School.

- a) Financial Reports. The School will provide IQS a copy of the annual budget for review and comment at least ten (10) business days prior to its approval by the Charter School Board. The School shall also provide IQS periodic reports of the financial status of the School as requested. All financial data must be placed on the School website within ten (10) days of the Charter School Board's approval.
- b) UFARS. The School will utilize the UFARS financial accounting principles and methods. Student accounting will comply with MARSS requirements. All accounting records will be audited annually by a public accounting firm engaged by the Charter School Board.
- c) Audits. The School will comply with the same financial audits, audit procedures, and audit requirements of district schools (Minnesota Statutes §§123B.75 to 123B.83) except when deviations are necessary because of the program of the School. The School will provide IQS with a final audit and any management letters provided by the auditor as requested. As provided by the Charter Law at Section 124.E.16, if the audit includes findings that a material weakness exists in the financial reporting systems of the School, the School must submit a written report to the Commissioner explaining how the material weakness will be resolved in accordance with the procedures set by the Commissioner. The report to the Commissioner will also be provided to IQS.
- d) Creditors. If the School has any payments to creditors for which there is an outstanding liability of over 60 days, the School will provide IQS a written statement explaining the reasons for this and a proposal for payment of the outstanding liability.

4.4 Non-sectarian. The School will be nonsectarian in its programs, admission policies, employment practices and all other purposes and will operate consistent with state and federal law.

4.5 Tuition. The School will not charge Minnesota resident's tuition for admission to the School. The School may impose fees and require payment of expenses for activities of the School where such fees and payments are not prohibited by Applicable Law. The School will comply with the Minnesota Public Schools Fee Law, Minnesota Statutes §§123B.34-.39, which governs authorized and prohibited student fees.

4.6 Home School. The School will not be used as a method of providing education or generating revenue for students who are being home schooled pursuant to Minnesota Statutes §120A.22.

4.7 Admissions. When considering admission of new students, the School will adhere to all provisions listed below.

- a) Limits. The School will not limit admission to pupils on the basis of intellectual ability, measures of achievement or aptitude, or athletic ability, nor may it condition admission on criteria or take any action that would violate the Minnesota Human Rights Act, Minnesota Statutes § 363A.
- b) Applications. The School will enroll an eligible pupil who submits a timely application, unless the number of applicants exceeds the capacity of the program, class, or grade level. In such cases, selection shall be by lot. A student continuing for the next year remains enrolled for the next year without re-application. The School will give preference for enrollment to a sibling of an enrolled pupil and to a foster child of that pupil's parents and may give preference for enrolling children of the School's teachers before accepting other pupils by lot. The School shall develop and follow an admissions policy that is consistent with this Section 4.7 and Applicable Law. The School will provide IQS with a copy of such policy.

4.8 Reports and Communications. In meeting IQS's reporting requirements, the School will adhere to all provisions listed below.

- a) Reports. The School will file reports with IQS regarding the program and financial status of the School. IQS will provide a format and a timeline for these reports.
- b) Access to Information. Consistent with the provisions of Minnesota Statutes Section 13.05 subd. 6(c), the School will provide IQS with and permit prompt and reasonable access to any School information requested by IQS.
- c) Other Reports. The School and IQS will file all reports with the Commissioner consistent with the procedures established by the Commissioner.
- d) Violations of Law. The School will promptly notify IQS of all complaints that allege that a violation of Applicable Law has been committed by the School unless such reporting would be in non-compliance with a state or federal law. The School will provide IQS with copies of all documents regarding the investigations, findings, conclusions, required actions or any other information regarding such complaints.

4.9 Transportation. Transportation for students enrolled at the School will be provided consistent with the Charter Law as it relates to student transportation.

4.10 Health and Safety. In meeting the state's health and safety requirements, the School will adhere to all provisions listed below.

- a) Same as school district requirements. The School will comply with the same health and safety requirements as a school district.
- b) Immunization. The School will comply with Minnesota Statutes §121A.15, requiring proof of student immunization against measles, rubella, diphtheria, tetanus, pertussis, polio, mumps, and haemophilus influenza type b and hepatitis B.

4.11 Human Rights. The School will comply with the Minnesota Human Rights Act, Chapter 363A, which prohibits unfair discriminatory practices in employment, public accommodations,

public services, or education; and comply with Minnesota Statutes §121A.04, which governs provision of equal opportunities for members of both genders to participate in athletic programs.

4.12 Student Dismissal. The School will comply with the Minnesota Pupil Fair Dismissal Act (MPFDA), Minnesota Statutes §§121A.40-.56. The School Board shall maintain a discipline policy and procedure consistent with MPFDA prior to enrolling students.

4.13 Students with Disabilities. In addressing the State's requirements for meeting the needs of students with disabilities, the School will adhere to all provisions listed below.

- a) Compliance. The School shall comply with Minnesota Statute Section 125A.02, 125A.03 to 125A.24 and 125A.65, concerning the provision of education services to students with a disability at the School.
- b) Special Education Director. The School shall employ or contract with a special education director who shall be responsible for program development, coordination and evaluation; planning for professional development and general programmatic and fiscal supervision and administration.
- c) Systems and Services. The School shall implement at least the minimum requirements of Applicable Law regarding service to students with disabilities, including:
 - i. A child-find system to identify students with disabilities and students who are suspected of having disabilities; such system will include a procedure for receiving referrals from parents, teachers, outside agencies and physicians.
 - ii. A system for conducting comprehensive initial and re-evaluations to determine eligibility for special education and related services.
 - iii. A full range of special service education services to ensure that all students with disabilities are provided with the specially-designed instruction and related services based on their disability-related needs.
 - iv. A system for monitoring appropriate and proper due process procedures to ensure effective and efficient child study procedures and methods of providing special education services for identified students.
- d) Financial Parameters. The School is entitled to access state special education funds for salaries, supplies/equipment, contracted services, and student transportation costs. The School is permitted to bill certain special education costs not paid by state special education funds to the student's resident district. The combination of state special education funds and the ability to bill the district certain special education costs enable the School to adequately provide special education services to such children. The School may also access federal special education funds.

4.14 Students whose First Language is Other than English. The School will comply with the provisions of Applicable Law regarding teaching children who are English language learners.

4.15 Insurance. Notwithstanding anything to the contrary in this Agreement, the School will be considered a school district for the purposes of tort liability under Minnesota Statutes chapter 466. The School will acquire and keep in full force the types and amounts of insurance coverage required by Applicable Law, including but not limited to:

- a) Workers' Compensation Insurance, covering claims from employees for compensation or benefit in respect of injury, sickness, disease or death, in the minimum limit required by Applicable Law.
- b) Employer's liability insurance for employee bodily injury or death arising out of the employer-employee relationship, with a limit of not less than One Million Dollars (\$1,000,000).
- c) Education and general liability insurance, including contractual liability and completed operations coverage, with limits in each case of not less than One Million Dollars (\$1,000,000) combined single limit per occurrence, and not less than Two Million Dollars (\$2,000,000) general aggregate, for personal injury (including death) and property damage.
- d) Automobile Liability Insurance, with minimum limits of not less than One Million Dollars (\$1,000,000) combined single limit or One Million Dollars (\$1,000,000) bodily injury and One Million Dollars (\$1,000,000) property damage, all per accident and irrespective of whether vehicles are owned, hired or non-owned.'
- e) Umbrella/Excess liability, with minimum limits of not less than Two Million Dollars (\$2,000,000) per occurrence and annual aggregate limit.

IQS will be named as an additional insured on such policies. The School agrees to provide IQS with certificates of insurance. The Charter School Board must provide written notice of changes in its insurance carrier or coverage to IQS at least 20 business days prior to the effective date of the change.

Section 5. IQS DUTIES.

5.1 Oversight Plan. IQS will implement a plan to provide ongoing oversight to determine whether the School is complying with the terms of this Agreement and to meet its responsibilities under the Charter Law. IQS will use the following five criteria in determining the School's compliance with this Agreement.

- a) Mission and Program Model Implementation. IQS will evaluate whether the School has complied with the terms of this Agreement, including the implementation of the School's design and the learning standards as reflected in the School ScoreCard.
- b) Governance. IQS will evaluate whether the Charter School Board is performing its governance responsibilities.
- c) Student and School Performance. IQS will evaluate whether the performance of the students and the School meet the expectations as provided in Section 2.1 and 2.2.
 - i. The number one factor, for oversight and renewal of this Agreement, is whether the School meets the primary purpose of improving all pupil learning and all student achievement, as identified in Section 2.1 of this Agreement.
 - ii. For purposes of oversight and renewal of this Agreement, IQS will also evaluate how the School is achieving the additional purposes as identified in Section 2.1 (a) through (e) of this Agreement.
- d) Finance. IQS will evaluate whether the School is using its resources in compliance with the Applicable Law and is planning for the future.
- e) Operation of the School. IQS will evaluate whether the School is meeting the administrative requirements of the Applicable Law relating to charter schools.

5.2 Additional Duties of IQS. In addition to the oversight duties referred to in Section 5.1, above, the duties of IQS shall include the following:

- a) IQS will provide information and advice to School on best practices, especially as such practices relate to the areas of school administration, board operation, fiscal management, and data analysis.
- b) IQS will assist in developing and facilitating collaborative relationships between charter schools authorized by IQS as a means of sharing best educational and operating practices and creative thinking about interests shared in common by some or all of these schools.

5.3 Performance Evaluation Prior to Agreement Renewal. A performance evaluation is a prerequisite under the Charter Law for renewing this Agreement. The IQS performance evaluation will be consistent with Minnesota Statute 124E.10 subd 1(13), “...*the specific conditions for contract renewal that identify performance of all students under the primary purpose of section 124.E.01 subdivision 1, as the most important factor in determining contract renewal...*” and at least one purpose identified in subd. 1. Additional IQS review criteria and procedures will be to, “...evaluate the fiscal, operational, and academic performance consistent with subdivision 3, paragraphs (a) and (b)...” of Minnesota statute 124E.10.

- a) Prior to renewing this Agreement, IQS will conduct a performance evaluation specifically addressing each of the performance indicators contained within this Agreement. The School must demonstrate satisfactory performance on these performance indicators in order for the Agreement to be renewed. Not later than September 1 of the year in which the Agreement renewal evaluation is to be conducted, IQS will provide the School with the specific details of the renewal process, which procedures will be generally consistent with Addendum 6. This evaluation process will include visits to the School by a cadre of IQS professionals. It may also include interviews with the Charter School Board, the director of the School, teachers, parents, students and others involved with the School as deemed necessary and appropriate. It will include a review of the School governance, the financial status of the School, a review of the student progress and a review of the operations of the School. The School ScoreCard will be the standard used to determine whether the Agreement will be renewed and if so, the term of the renewal.

5.4 IQS Capacity. IQS assures the School that it has the capacity to carry out its duties as the authorizer of the School. In order to address the provisions of this Section 5, IQS will engage a cadre of competent professionals. IQS assures the School that it will carry out its duties in a professional and ethical manner, in compliance with Applicable Law.

5.5 Fees. The School shall pay IQS the fees for authorizing a charter school consistent with the fee formula provided in the Charter Law. The authorizing fee will be paid to IQS within 30 days of receipt of an invoice from IQS. The payment of fees will be due quarterly with an adjustment made after the final student count is determined by the Department.

5.6 Liaison. In addition to the assigned Cadre, IQS will designate a liaison for the School who will meet at least twice annually with School leadership to review the progress of the School. IQS will inform the School annually of the name of this person.

5.7 Communication of Areas of Concern. In the event that the review of the School performance raises concerns, the following practices will be followed:

- a) It is the intent of the parties to address areas of concern in a non-adversarial process whenever possible. To that end, the parties agree to communicate areas of concern and to address those concerns in a professional manner.
- b) IQS will provide the Charter School Board feedback at least annually regarding the performance of the School. The School will address the concerns of IQS in its School Improvement Plan provided for in Section 2.3.
- c) If IQS has areas of concern regarding the performance of the School, it will follow its protocol: "Range of Possible Interventions" as set forth in Addendum 7, attached hereto, as the same may be reused from time to time.

Section 6. NON-RENEWAL OR TERMINATION FOR GOOD CAUSE.

6.1 Grounds. IQS may determine not to renew this Agreement at the end of the term for good cause. In addition, IQS may unilaterally terminate the Agreement during the term of the Agreement for good cause. The grounds for non-renewal or termination for good cause include:

- a) Failure to meet the requirements for pupil performance contained in Section 2 of this Agreement;
- b) Failure to meet generally accepted standards of fiscal management;
- c) Substantial deviation from the School's mission and program model without prior approval from IQS;
- d) Insufficient enrollment to provide the revenue necessary to meet the School's budget;
- e) Failure of the Charter School Board to perform its governance responsibilities, including but not limited to the requirements set out in this Agreement;
- f) Failure to operate the School effectively, including but not limited to issues of personnel, filing of compliance reports and facilities issues;
- g) For violations of Applicable Law;
- h) For breach of this Agreement; or
- i) For other good cause shown.

6.2 Procedure for Non-renewal or Termination. The School may wish to contest the decision by IQS to terminate the Agreement. If it chooses to do so, the following steps must be taken by both parties:

- a) Notice to School. At least 60 days before the final decision regarding renewal of this Agreement, or termination of this Agreement for cause, IQS will notify the School in writing of the proposed action. The notice will state in reasonable detail the grounds for the proposed action. The notice will state that the Charter School Board may request, in writing, an informal hearing before the IQS within fifteen (15) days of receiving notice of non-renewal or termination of this Agreement.
- b) Request for a Hearing. Within 15 business days of receipt of the notice of termination or non-renewal, the Charter School Board may request an informal hearing before IQS. Failure by the Charter School Board to make a written request for a hearing within the 15-business day period will be treated as acquiescence to the proposed non-renewal or termination. If the Charter School Board requests an informal hearing

within the 15-day period, the Charter School Board will provide documentation or other evidence in writing to IQS that addresses the issues raised in the notice for termination or non-renewal.

- c) Schedule for Hearing. Upon receipt of the documentation from the Charter School Board, IQS will give at least 10 days' prior written notice to the Charter School Board of the hearing date.
- d) Hearing. The parties agree that the hearing will not be subject to the requirements of Minnesota Statutes Chapter 14. The hearing will be informal and will be open to the public. Should any part of the hearing include the discussion of private data, that part of the hearing must be closed. Both the Charter School Board and IQS may be represented by legal counsel and may have witnesses provide testimony or other evidence. The hearing will be video recorded at the expense of the School.
- e) IQS Decision. IQS will take final action to renew or not renew the Agreement no later than 20 business days before the expiration of the Agreement or the proposed date for terminating the Agreement. This final action will be in writing and will be provided to the Charter School Board. A copy will be filed with the Commissioner.

6.3 Dissolution. If this Agreement is terminated or not renewed based on the criteria in paragraph 6.2 above, or if the School ceases to operate for any reason, the School will be dissolved according to the applicable provisions of Minnesota Statutes Chapter 317A. The "Charter School Closure Plan" will be followed that is consistent with Addendum 8, attached hereto.

6.4 Distribution of Property upon Dissolution. In the event of dissolution of the School, all property that it might lease, borrow or contract for use, will be promptly returned to those organizations or individuals from which the School has leased or borrowed the materials.

6.5 Property Owned by School. All property that has been purchased by the School will remain its own property. In the event of subsequent dissolution of the School, after all financial obligations are met, the property purchased with Federal CSP funds will be distributed to other charter schools consistent with Federal law, and property purchased with State funds will be liquidated and any remaining proceeds will be returned to the State.

6.6 Property Owned by Teachers or Staff. All property personally and/or individually owned by the trained and licensed teachers or staff employed by the School will be exempt from distribution of property and will remain the property of the individual teachers and staff. Such property includes, but is not limited to, albums, curriculum manuals, personal mementos and other materials or apparatus which have been personally financed by teachers or staff.

Section 7: NON-RENEWAL FOR REASONS OTHER THAN GOOD CAUSE.

7.1 Non-renewal; Notice. The parties may mutually agree not to renew the Agreement, or IQS may elect to withdraw as an authorizer of the School, at the expiration of the Term. The party initiating this action will provide notice to the other party and the Commissioner not later than 150 days prior to the expiration of the Agreement of such party's intent to not renew the Agreement. This timeline may be waived with mutual agreement of the parties.

7.2 Mutual Termination. The parties may mutually agree to terminate the Agreement at any time, in which case the School will be required to either close or secure a replacement authorizer.

7.3 Effect of Non-Renewal or Termination. If the Agreement is not renewed or is terminated under the provisions of either 7.1 or 7.2, and if another authorizer has not agreed to serve as the new authorizer, the School must be dissolved according to the provisions of Section 6 of this Agreement and pursuant to Applicable Law.

7.4 Information to New Authorizer. If the School requests a transfer to a new authorizer, IQS will provide the new authorizer information about the fiscal, operating and student performance of the School as required by Minnesota Statutes §124E.10

Section 8. GENERAL TERMS.

8.1 Term and Applicable Law. The term of this Agreement is from July 1, 2017 through June 30, 2023. The conditions of this Agreement require the School and IQS to comply with all requirements of Applicable Law, as the same may be amended from time to time. Both parties acknowledge their responsibility to abide by all applicable provisions of Applicable Law regardless of whether or not they are delineated in this Agreement.

8.2 Amendments. This Agreement may be amended only by a written agreement executed by both parties. If the authority of the School or IQS is altered by Applicable Law, the Applicable Law is controlling and this Agreement is automatically amended to reflect the change in law as of the effective date of such change.

8.3 IQS Authority/Autonomy. Except as otherwise provided by this Agreement or Applicable Law, IQS has no authority, control, power, or administrative or financial responsibility over the School. In carrying out its oversight responsibilities, when IQS has identified areas of concern relative to School performance, it may make recommendations to the School to encourage improvement. Such recommendations are not considered directives that impinge upon the autonomy of the School.

8.4 Arbitration. Any claims which might arise between the School and IQS under this Agreement will be submitted to binding arbitration through the American Arbitration Association and not pursued through a court of law.

8.5 Waiver. No waiver by either party or any breach of any covenant or provision of this Agreement will be deemed to be a waiver of any succeeding breach of the same or any other covenant or provision.

8.6 Severability. If any provision in this Agreement is held to be invalid or unenforceable, it will be ineffective only to the extent of the invalidity, without affecting or impairing the validity and enforceability of the remainder of the Agreement will be or become in violation of any local, state or federal law, such provision will be considered null and void, and all other provisions will remain in full force and effect.

8.7 Survival of Provisions. The terms, provisions and representations contained in this Agreement that by their sense and context are intended to survive termination of this Agreement will survive.

8.8 Legal Liability. IQS does not assume any obligation with respect to any director, employee, agent, parent, guardian, student or independent contractor of the School. The parties acknowledge and agree that the Commissioner, IQS, members of the Board of IQS, and employees or contract staff of IQS, are immune from civil and criminal liability with respect to all activities related to the School, pursuant to the Charter Law at Section §124E.09 and nothing in this Agreement is intended to affect such immunity.


8.9 Indemnification of IQS. Notwithstanding anything to the contrary in this Agreement, the School agrees to indemnify and hold IQS and the Department and their employees, agents and representatives harmless from all claims, demands, or liability, including attorney's fees, and related expenses, which arise out of or are in any manner connected with the School's operations or which are incurred as a result of the reliance of IQS upon information supplied by the School, or which arise out of the failure of the School to perform its obligations under this Agreement. In the event that a complaint is filed against the School that requires IQS, in the process of investigation, to acquire the services of an outside professional advisor(s), the School agrees to reimburse IQS for all costs associated with the investigation.

8.10 Non-agency. It is understood by the parties that the School is not an agent of IQS.

8.11 Complete Agreement. This Agreement represents the complete agreement between the parties, and supersedes and replaces all prior written and oral agreements, with respect to the authorization of the School as a charter school.


DATED: This 10th day of November, 2017

INNOVATIVE QUALITY SCHOOLS

By: 
(Signature)
Dan Mott
(Print Name)

IQS Board Chair
(Title)

[School]

By: 
(Signature)
Neil Byce
(Print Name)

DPSA Board President
(Title)


(Signature)

Bonnie Jorgenson
(Print Name)
Head of School
(Title)

CHARTER SCHOOL AGREEMENT: LIST OF ADDENDA

- Addendum 1:** School ScoreCard
- Addendum 2:** School Articles of Incorporation
- Addendum 3:** School Bylaws
- Addendum 4:** Assurances Regarding Non-sectarian Operations
- Addendum 5:** Conflict of Interest
- Addendum 6:** Agreement Renewal Evaluation Form
- Addendum 7:** Range of Possible Interventions
- Addendum 8:** Charter School Closure Plan