

## Attachment B.3.1

### Innovative Quality Schools Contract Agreement

**Terms and Conditions of the Contract:** Innovative Quality Schools, (hereinafter referred to as the “Authorizer” of “IQS”) and \_\_\_\_\_ (hereinafter from which is effective from July 1, 2016 through June 30, 20\_\_\_\_ for the purposes of defining the responsibilities and obligations of each party. 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 law 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) “Agreement” means this Authorizer/Charter School Agreement or contract between the Authorizer and the School as required by Minnesota Charter School Law Section 124E.10 Contract.
- b) “Applicable Law” means all state and federal law applicable to Minnesota charter schools and any regulations implemented pursuant to those laws.
- c) “Charter Law” means the Minnesota Statutes 124E. *et seq.*, as amended, and any rules adopted by the Commissioner relating to this law.
- d) “Charter School Board” means the Board established to govern the School, as provided under Minnesota Statutes §124E.07.
- e) “Commissioner” means the Commissioner of the Minnesota Department of Education.
- f) “Department” means the Minnesota Department of Education.
- g) “School” means \_\_\_\_\_ which is established as a charter school pursuant to this Agreement and which is incorporated pursuant to either Minnesota Statutes §317A or Minnesota Statutes §308A. The official address of the School is: \_\_\_\_\_
- h) “School information” includes all educational data, as defined in Minnesota Statutes §13.32; any and all data related to employees; 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.
- i) “Authorizer” means “Innovative Quality Schools” or “IQS” PO Box 40219 St. Paul Minnesota 55104. IQS assures that it is an organization approved by the commissioner to authorize chartered schools and that such approval was originally granted to IQS on December 1, 2010.

- j) "Appendix" means a document that is referenced as an attachment to this Agreement.  
All appendices are considered as being part of the terms of this Agreement.

## **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 achieve the following purpose(s) as provided for in the Charter Law including:

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

Per (a) through (f) above, the School will report on its implementation of its primary purpose, *to improve all pupil learning and all student achievement* (a), and on the additional purposes (b) through (f) in its annual report, as provided in section 2.2 (d) of this agreement.

The School is a Grade \_\_\_\_\_ school which will enroll a maximum of \_\_\_\_\_ students. The School will provide students:

- a) a safe place to learn and grow while being provided an individualized learning opportunity that addresses their academics and also 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) TBD- Unique to each school (Note: a-d are minimum expectations of IQS for all schools. Additional expectations will be added at the time of negotiations to reflect the unique elements of each school.)

2.2 Performance Indicators and Evaluation. The School year will be minimum of 170 days 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 when ESSA is changed in any way 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, with IQS, 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 non academic 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. **[Addendum 1]** These performance indicators are intended to specifically assure that the student learning requirements as defined in Minnesota law and in the rules of the Commissioner 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 as defined in section 2.2 (c), 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 section 3 of its 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, commissioner, authorizer 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.**

3.1.1 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. **[Addendum 2]**
- c) Bylaws. The School has in place a set of by-laws. **[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 By-Law amendments affecting the governance structure of the School or Board without prior approval of IQS. If IQS does not issue its review of By-Law amendments affecting the governance structure of the School or Board within 30 days, the School may proceed with its proposed amendment unless IQS requests an addition 15 days for the review which shall be granted by the School.

- d) Lease Space. The School may lease space from any public or nonsectarian private organization as it deems necessary. If the School intends to lease from a private sectarian organization, it will comply with the provisions of the Charter Law at section 124E. **[Addendum 4]**. Prior to finalizing a lease for space, the School will submit it to the Department for review and comment. The School will also provide it to IQS for review and comment.
- e) Authorized Grades. The school is authorized for grades and will not serve more than \_\_\_\_\_ students unless mutually agreed to by IQS.
- f) Enrollment/ grade level expansion. The School will not expand its grade levels beyond that specified in the Section 2.1 without application to and approval by IQS and the Commissioner consistent with the Charter School 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 consistent with its By-Laws and with all applicable laws and rules. 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 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 Board where the background check revealed adverse information. Each board member will submit to IQS a signed agreement stating they will comply with all federal and state laws governing organizational, programmatic, and financial requirements applicable to charter schools. **[Addendum 5]**
- b) Conflict of Interest. The provisions of the Charter Law at section 124E.14 relating to conflicts of interest shall be followed by each member of the board.
- 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) School Board Election. Charter School Board elections and School Board director qualifications will be as provided in the Charter Law and in the Board's By-laws.
- 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 its website. Minutes from meetings must be posted within ten (10) days of their approval by the 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 Board in writing with its analysis of how well the School is meeting the provisions of this Agreement.
- h) Authorization of employment. The 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) Charter School Board Training. The Board will participate training regarding board governance, board's role and responsibilities, financial management and employment policies consistent with the Charter Law at § 124E.07 subd. 7. A board member who does not begin the required training within six months of being seated and complete the required training within 12 months of being seated on the board is ineligible to continue to serve as a board member. In addition, the 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 Board may choose to appoint a director to manage and administer the school. Annually, the board will prepare performance expectations to be accomplished by the director. The board will review the director's performance at least annually. The teachers will provide written feedback to the 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 performance criteria, as identified in the ScoreCard, must be met regarding the Governance, Management and Administration.

4.3 Financial Management. The board may request bids for the financial management of the school. If they choose to do so, the board will review the bids and make decisions

regarding the award to assure no conflicts of interest exist and that the contract is in the best interests of the School.

- a) Financial reports. If requested by IQS, the School will provide IQS a copy of the annual budget for review and comment prior to its approval by the 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 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 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.

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 state or federal law or regulation 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 a minimum:
  - a. 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.
  - b. A system for conducting comprehensive initial and re-evaluations to determine eligibility for special education and related services.
  - c. 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.
  - d. 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.
- e) 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 Minnesota and federal 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 liability coverage required by law. IQS will be named as an additional insured on such policies for general liability in amounts not less than: Each occurrence: \$1 million; Medical: \$5,000; Personal injury: \$1 million; General Aggregate: \$2 million; and, Products: \$2 million. The School agrees to provide IQS and the commissioner with certificates of insurance.- The charter board must submit changes in its insurance carrier or policy to IQS and the commissioner within 20 business days of the change.

## **Section 5. AUTHORIZER 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 law regarding its authorizing duties. 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 been faithful to the terms of this Agreement regarding the implementation of the School's design and the learning standards of the Commissioner.
- b) Governance. IQS will evaluate whether the 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.
  - a. The number one factor, for oversight and contract renewal, is the School meeting the primary purpose, *to improve all pupil learning and all student achievement*, as identified in Section 2.1 of this contract.
  - b. For oversight and contract renewal, the School is also responsible for meeting the additional purposes as identified in Section 2.1 (b) through (f) of this contract.
- d) Finance. IQS will evaluate whether the School is using its resources in compliance with the 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 law relating to charter schools.

5.2 Performance Evaluation Prior to Contract Renewal. A performance evaluation is a pre-requisite for renewing this contract between the parties under Minnesota law. 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 124E.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 the contract with the School, IQS will conduct a performance evaluation specifically addressing each of the performance indicators contained within this contract. The School must demonstrate satisfactory performance on these performance indicators in order for the contract to be renewed. Not later than September 1 of the year in which the contract renewal evaluation is to be conducted, IQS will provide the School with the specific details of the renewal process. **[Addendum 6]** This evaluative process will include visits to the school by a cadre of IQS professionals. It may also include interviews with board, 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 standards used to determine whether the contract will be renewed and if so, for the number of years.

5.3 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 5.1 and 5.2 above, 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.

5.4 Fees. The School shall pay IQS the fees for authorizing a charter school consistent with the fee formula provided for 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.

5.4 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.

5.5 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 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." **[Addendum 7]**

## **Section 6. AUTHORIZER TERMINATION DURING TERM OF AGREEMENT OR AT END OF AGREEMENT 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 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 law
- h) For other violations of the Agreement: and/or
- i) For other good cause shown.

6.2 IQS processes/Charter School Board's Response. The school may wish to contest the decision by IQS to terminate the contract. 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 or termination of this Agreement for cause, IQS will notify the School of the proposed action, in writing. The notice will state the grounds for the proposed action in reasonable detail. The notice will state that the Board may request, in writing, an informal hearing before the IQS Board or designee within fourteen (14) days of receiving notice of non-renewal or termination of this Agreement.
- b) Board's Response. Within 15 business days of receipt of the notice of termination or non-renewal for good cause, the Board may request an informal hearing before IQS. Failure by the 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 Board requests an informal hearing, within 15 business days of receipt of the notice of termination or non-renewal for good cause, the 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 Board, IQS will give 10 days' notice to the 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) Authorizer decision. IQS will take final action to renew or not renew a contract no later than 20 business days before the proposed date for terminating the contract. This final action will be in writing and will be provided to the 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 308A and 317A. The "Charter School Closure Plan" will be followed and is applicable for 6.3 –

#### 6.6. **[Addendum 8]**

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 will be distributed to other charter schools consistent with the guidelines of the Commissioner.

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. Either party may determine that it will not renew the Agreement when the rationale for non-renewal is other than those provided for in Section 6 above. Each party agrees to act in good faith and cooperate in all manners to implement the intent of the other party. The party initiating this action will provide notice to the other party and the Commissioner not later than 150 days prior to the end of the Agreement period of their intent to not renew the Agreement. This timeline may be waived with mutual agreement of the parties.

7.2 Mutual termination. If one party determines that it wishes to terminate this agreement during the term of the Agreement, both parties must agree to this discontinuation or the current Agreement shall remain in effect unless otherwise terminated or not-renewed under section 6 of this Agreement. The School and IQS will make reasonable efforts to identify and effectively resolve those circumstances causing IQS and the School to mutually agree to terminate the contract.

7.3 Authorizer continuation. If a non-renewal action is being taken under the provisions of either 7.1 or 7.2, and if another authorizer has not agreed to serve as the new authorizer by the end of the Agreement period, IQS will continue to serve as the authorizer until a new authorizer is identified and approved by the Commissioner, but not longer than one additional year. If a new authorizer is not approved by the Commissioner after one additional year, 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. Prior to approval of a new authorizer by the Commissioner, the IQS will provide the new authorizer information about the fiscal, operating and student performance of the School as required by Minnesota Statutes §124E.10

7.4 Not for cause. The transfer of authorization from IQS to a different authorizer under Section 7 of this Agreement is not considered to be a termination or non-renewal for cause as defined in Section 6 of this Agreement.

## **Section 8. GENERAL TERMS.**

8.1 Terms and Conditions. The term of the contract is from July 1, through June 30, \_\_\_\_\_. The conditions of this agreement require the school to 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 law regardless of whether they are delineated in this agreement.

8.2 Amendments. This Agreement may not be amended without a written agreement executed by both parties. If the authority of the School or IQS is altered by legislative act, this Agreement is automatically amended to reflect the change in law as of the effective date of such change.

8.3 Authorizer 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 Indemnification, Covenant Not to Sue, Immunity from Suit. The School will assume full liability for its activities and indemnifies and holds harmless the Commissioner and IQS, its officers, and their agents and employees from any suits, claims, or liability arising under this Agreement. The School and IQS acknowledge and agree that the Commissioner, the IQS, members of the Board of IQS and employees or contractors 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.10 and nothing in this Agreement is intended to affect such immunity. Any civil 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. 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), all costs associated with the investigation will be reimbursed to IQS.

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. Consistent with the provisions of 8.3 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 paragraph 8.7 above, the School agrees to indemnify and hold IQS and the Department and their employees, agents or

representatives harmless from all claims, demands, or liability, including attorneys 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.

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

DATED: This \_\_\_\_ day of \_\_\_\_, 20\_\_.

**[INNOVATIVE QUALITY SCHOOLS]**

By:

\_\_\_\_\_  
(Signature  
Tom Tapper  
\_\_\_\_\_  
(Print Name)  
Managing Director on Behalf of IQS

**[School]**

By:

_____ (Signature)	_____ (Signature)
_____ (Print Name)	_____ (Print Name)
_____ (Title)	_____ (Title)

**CHARTER SCHOOL AGREEMENT: LIST OF ADDENDA**

- Addendum 1:** School ScoreCard
- Addendum 2:** School Articles of Incorporation
- Addendum 3:** School By-Laws
- Addendum 4:** Assurances regarding non-sectarian operations
- Addendum 5:** Background Checks
- Addendum 6:** Contract Renewal Evaluation Form
- Addendum 7:** Range of Interventions
- Addendum 8:** Charter School Closure Plan