The City of Aventura

City Commission
Susan Gottlieb, Mayor

Enbar Cohen
Teri Holzberg
Billy Joel
Michael Stern
Howard Weinberg
Luz Urbáez Weinberg

City Manager
Eric M. Soroka, ICMA-CM

City Clerk
Teresa M. Soroka, MMC

City Attorney
Weiss Serota Helfman
Pastoriza Cole & Boniske

CITY COMMISSION MEETING
AGENDA
APRIL 18, 2013 - 9 AM

Aventura Government Center
19200 West Country Club Drive
Aventura, Florida 33180

1. **CALL TO ORDER\ROLL CALL**

2. **PRESENTATIONS:**
   - **A. NORTHEAST BRANCH COUNTY LIBRARY UPDATE**
   - **B. LEHMAN CAUSEWAY BIKEPATH UPDATE**

3. **CITY COMMISSION, IN ITS CAPACITY AS THE AVENTURA CITY OF EXCELLENCE SCHOOL BOARD OF DIRECTORS:**

   A. RESOLUTION:

   A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF AVENTURA, FLORIDA AUTHORIZING THE CITY MANAGER TO EXECUTE AND OTHERWISE ENTER INTO THAT CERTAIN ADMINISTRATIVE AND EDUCATIONAL SERVICES AGREEMENT BETWEEN CHARTER SCHOOLS USA, INC., CHARTER SCHOOLS USA AT AVENTURA, L.C. AND THE CITY OF AVENTURA; AUTHORIZING THE CITY MANAGER TO DO ALL THINGS NECESSARY TO CARRY OUT THE AIMS OF THIS RESOLUTION; AND PROVIDING AN EFFECTIVE DATE.

   B. ORDINANCE – FIRST READING – PUBLIC INPUT:

   AN ORDINANCE OF THE CITY OF AVENTURA, FLORIDA, ADOPTING THE ATTACHED CHARTER SCHOOL OPERATING AND CAPITAL BUDGET FOR THE AVENTURA CITY OF EXCELLENCE SCHOOL FOR FISCAL YEAR 2013/14 (JULY 1 – JUNE 30), PURSUANT TO SECTION 4.05 OF THE CITY CHARTER; AUTHORIZING EXPENDITURE OF FUNDS ESTABLISHED BY THE BUDGET; PROVIDING FOR BUDGETARY CONTROL; PROVIDING FOR PERSONNEL AUTHORIZATION; PROVIDING FOR GIFTS AND GRANTS; PROVIDING FOR AMENDMENTS; PROVIDING FOR ENCUMBRANCES; PROVIDING FOR SEVERABILITY AND PROVIDING FOR AN EFFECTIVE DATE.

4. **MOTION TO APPROVE CITY MANAGER'S PERFORMANCE EVALUATION AS OUTLINED ON EXHIBIT "A".**

5. **ADJOURNMENT.**

The meeting is open to the public. In accordance with the Americans with Disabilities Act of 1990, all persons who are disabled and who need special accommodations to participate in this meeting because of that disability should contact the Office of the City Clerk, 305-466-8901, not later than two days prior to such proceeding. Anyone wishing to appeal any decision made by the City of Aventura Commission with respect to any matter considered at such meeting or hearing will need a record of the proceedings and, for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. Agenda items may be viewed at the Office of the City Clerk, City of Aventura Government enter, 19200 West Country Club Drive, Aventura, Florida, 33180. Anyone wishing to obtain a copy of any agenda item should contact the City Clerk at 305-466-8901. One or more members of the City of Aventura Advisory Boards may also be in attendance.

CITY OF AVENTURA

OFFICE OF THE CITY MANAGER

MEMORANDUM

TO: City Commission

FROM: Eric M. Soroka, ICMA-CM, City Manager

DATE: March 13, 2013

SUBJECT: **Resolution Authorizing Execution of New Administrative and Educational Services Agreement with Charter Schools USA Inc. for Aventura City of Excellence School**

April 18, 2013 Commission Meeting Agenda Item 3-A

RECOMMENDATION

It is recommended that the City Commission authorize the execution of the new Administrative and Educational Services Agreement (Agreement) for the Aventura City of Excellence School between the City and Charter Schools USA, Inc. (CSUSA).

BACKGROUND

In 2001, after a formal Request for Proposal process, the Commission approved a Resolution selecting the firm of CSUSA to design, operate and maintain a Charter Elementary School for the City. In 2002, the CITY entered into a Management Agreement with CSUSA for the Aventura Charter Elementary School that opened for the 2003-2004 school year. In December of 2004, the City and CSUSA agreed to amend the Elementary Agreement, to incorporate the new requirements of the Charter granted by Miami-Dade County School Board, add the middle school component and align CSUSA's responsibilities in connection with the Charter School to reflect those it performed at that time. The current Agreement expires on June 30, 2013. Both parties wish to extend the Agreement, based on the long term success of the School in order to continue to provide stability to the teachers and staff and update the Agreement to reflect the current operations.

The following is the major points of the Agreement:

- The duties and responsibilities were updated to actually reflect current practices that exist at the School and revisions contained in the most recent Charter granted by Miami-Dade County School Board.
- The Technology Management component was revised whereby the City's IT Department will assume additional services currently performed by CSUSA such as email service, onsite support and troubleshooting, maintenance of network

infrastructure, purchasing hardware and software and maintenance of a mass parent communication vehicle. It was determined that it was more efficient and cost effective to realign these functions to the City's IT Department as they currently provide the same support to all other City departments.

- The initial term of the Agreement is for five years. The Agreement may be extended for an additional term up to five years upon agreement of both parties and provided the Miami-Dade County School Board extends the Charter granted to the City.
- In light of the realignment of certain duties outlined above the fee structure has been modified as follows:

  Current Agreement
  6% of the sum of student enrollment

  Proposed Agreement

7/1/2013 to 6/30/2014	$281,000
7/1/2014 to 6/30/2018	4.3% of the sum of student enrollment
7/12018 and thereafter	To be negotiated

  In no any event shall the sum of student enrollment exceed $300 per student

It should be pointed out, that although CSUSA's fee for the 2012/13 fiscal year should be $344,000 based on the 6% figure, they agreed to a reduction of fees to $326,000. This was based on the recession and loss of State funding. The reduction in fees under the new Agreement addresses the additional responsibilities and realignment of duties to be assumed by the City.

The Agreement was been reviewed by the City Attorney's Office and the School Administration. I have included a clean version and a redlined version of the Agreement that tracks the revisions.

I want to take this opportunity to commend CSUSA for being a partner in the success of ACES over the years, for their ongoing concern for the School and their willingness to negotiate a fair agreement to all parties.

If you have any questions, please feel free to contact me.

EMS/act

Attachment

RESOLUTION NO. 2013-__

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF AVENTURA, FLORIDA AUTHORIZING THE CITY MANAGER TO EXECUTE AND OTHERWISE ENTER INTO THAT CERTAIN ADMINISTRATIVE AND EDUCATIONAL SERVICES AGREEMENT BETWEEN CHARTER SCHOOLS USA, INC., CHARTER SCHOOLS USA AT AVENTURA, L.C. AND THE CITY OF AVENTURA; AUTHORIZING THE CITY MANAGER TO DO ALL THINGS NECESSARY TO CARRY OUT THE AIMS OF THIS RESOLUTION; AND PROVIDING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF AVENTURA, FLORIDA, THAT:

Section 1. The City Manager is authorized to execute and otherwise enter into that certain Administrative and Educational Services Agreement between Charter Schools USA, Inc., Charter Schools USA at Aventura, L.C., and the City of Aventura attached hereto.

Section 2. The City Manager is authorized to do all things necessary to carry out the aims of this Resolution.

Section 3. This Resolution shall become effective immediately upon its adoption.

The foregoing Resolution was offered by Commissioner ___, who moved its adoption. The motion was seconded by Commissioner ____, and upon being put to a vote, the vote was as follows:

Commissioner Enbar Cohen	___
Commissioner Teri Holzberg	___
Commissioner Billy Joel	___
Commissioner Michael Stern	___
Commissioner Howard Weinberg	___
Commissioner Luz Urbaez Weinberg	___
Mayor Susan Gottlieb	___

PASSED AND ADOPTED this 2nd day of April, 2013.

_____
SUSAN GOTTLIEB, MAYOR

ATTEST:

_____
TERESA M. SOROKA, MMC
CITY CLERK

APPROVED AS TO LEGAL SUFFICIENCY:

_____
CITY ATTORNEY

ADMINISTRATIVE AND EDUCATIONAL SERVICES AGREEMENT

among

CHARTER SCHOOLS USA, INC.,

and

CHARTER SCHOOLS USA AT AVENTURA, L.C.,

and

CITY OF AVENTURA

for the

AVENTURA CITY OF EXCELLENCE SCHOOL

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ADMINISTRATIVE AND EDUCATIONAL SERVICES AGREEMENT FOR THE AVENTURA CITY OF EXCELLENCE SCHOOL

THIS ADMINISTRATIVE AND EDUCATIONAL SERVICES AGREEMENT (the "Agreement") is made and entered into as of the ____ day of _____, 2013, by and among **CHARTER SCHOOLS USA, INC.**, a Delaware corporation; **CHARTER SCHOOLS USA AT AVENTURA, L.C.**, a Florida limited liability company (collectively "CSUSA"); and **CITY OF AVENTURA** ("CITY"), a Florida municipal corporation.

W I T N E S S E T H:

WHEREAS, at the July 3, 2001, City Commission meeting, the Commission approved a Resolution selecting the firm of CSUSA to design, operate and maintain a Charter Elementary School for the CITY; and

WHEREAS, the CITY entered into the July 2, 2002 Management Agreement for the Aventura Charter Elementary School to organize, manage, staff, operate and maintain the Charter Elementary School that opened for the 2003-2004 school year; and

WHEREAS, in December of 2004 the City and CSUSA agreed to amend the Elementary Agreement with CSUSA, to incorporate the requirements of the Charter and First Amendment (hereinafter referred to as the "Charter, as amended"), add the middle school component and align CSUSA's responsibilities in connection with the Charter School to reflect those it performed at that time.; and,

WHEREAS, the current Agreement (the" Current Agreement") with CSUSA expires on June 30, 2013 and both parties wish to extend the Agreement, which is in the best interests of the School, in order to continue to provide stability to the teachers and staff and update the Agreement to reflect the current operations; now therefore,

IN CONSIDERATION of the mutual covenants and undertakings and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties do mutually covenant and agree as follows:

1. **Recitals.** The recitals set forth above are true and correct and are incorporated herein by reference. All exhibits to this Agreement are hereby deemed to be a part hereof.

2. **Definitions.** Wherever used in this Agreement, the following terms have the meanings indicated which are applicable to both the singular and plural thereof:

2.1 **Agreement** - The written agreement between CITY and CSUSA covering the Services to be performed..

2.2 **CITY** - The City of Aventura with whom CSUSA has entered into the Agreement and for whom the Services are to be provided.

2.3 **City Manager** - The City Manager or his designee (hereinafter referred to as " City Manager") of the City of Aventura, who has the authority on behalf of the CITY to grant or deny approvals and perform the CITY's responsibilities required by this Agreement.

2.4 **Administrative and Educational Services Agreement Documents** - The Administrative and Educational Services Agreement Documents consist of the Certificate(s) of Insurance, all applicable provisions of State, Federal, Chartering Entity or local laws, ordinances, regulations, rules or policies (incorporated herein by reference); the Charter and all amendments thereto, , and any additional documents which are required to be submitted under this Agreement, and all amendments, modifications and supplements issued or to take effect on or after the Effective Date of the Agreement.

2.5 **CSUSA** - Where CSUSA is indicated as the responsible party to perform an obligation pursuant to this Agreement, the parties acknowledge and agree that Charter Schools USA, Inc. and Charter Schools USA at Aventura, L.C. shall have joint and several liability and responsibility to perform such obligation.

2.6 **Effective Date of the Agreement.**

2.6.1 This Agreement shall become effective upon the date of execution or, if no such date is indicated, the effective date shall be the date on which the Agreement is signed and delivered by the last of the two parties to sign and deliver. This Agreement shall be applicable for all Services, as hereinafter defined, activities and obligations necessary to, required by, or associated with the Charter School for the 2013-2014 school year and thereafter.

2.6.2 The Current Agreement shall be applicable for all Services, as defined in the Current Agreement, activities and obligations necessary to, required by, or associated with the Charter School and the Charter, as amended, until the Agreement becomes effective, and shall thereafter remain in effect for those obligations and requirements that survive the Current Agreement.

2.7 **School** – Aventura City of Excellence School or Charter School.

2.8 **Services** – Those activities that must be performed in connection with the Charter School as set forth in this Agreement.

2.9 **Written Amendment** - A written amendment of the Agreement and/or the Administrative and Educational Services Agreement Documents, signed by CITY and CSUSA to take effect on or after the Effective Date of the Agreement.

3. **Term.** The CITY agrees to contract with CSUSA, and CSUSA agrees to be contracted with, for the purpose of providing the Services in connection with the Charter School in accordance with the terms of this Agreement. The term of this Agreement shall commence as of the Effective Date of this Agreement and shall terminate on June 30, 2018, unless terminated earlier pursuant to the provisions of this Agreement, subject to any further obligations (including payment obligations) of the parties that survive termination. The Agreement may be extended for an additional term up to five (5) years upon agreement of both parties and provided the Miami-Dade County School Board extends the Charter granted to the City.

4. **Charter School.** The Charter School is a K-8 school. CSUSA shall perform its responsibilities regarding the Charter School in accordance with the Charter, as amended, and all applicable federal, state, local and Chartering Entity laws, ordinances, rules and regulations.

5. **Services To Be Provided By CSUSA.** CSUSA's fees hereunder shall compensate it for the performance of the Services, as further specified herein. Any funds required or expenditures to be made by CSUSA in the performance of these responsibilities shall be substantially in conformance with the Administrative and Educational Services Agreement Documents and the approved Charter School Annual Budget (as hereinafter defined). It is the specific intent of the parties that the costs associated with CSUSA's responsibilities (and fees), shall not be shifted from CSUSA into the Charter School's operating budget. Responsibilities of CSUSA shall include, but are not limited to, the following areas:

5.1 **Education Consulting Services**

5.1.1 **Curriculum, Accountability and Testing and Sustainable Performance.** CSUSA shall:

5.1.1.1 Assist the School in the implementation of City-approved curriculum for the Charter School that incorporates the performance-based State adopted Standards and complies with the Administrative and Educational Services Agreement Documents.

5.1.1.2 Assist the School in implementing appropriate programs for Exceptional Student Education (ESE) students and Limited English Proficient (LEP)

students, in accordance with federal and state laws, local policies and procedures, and the Administrative and Educational Services Agreement Documents.

5.1.1.3 Upon the request of the School may assist in implementing a viable assessment program for mapping student progress and provide for the administration of all tests/assessments to the students, excluding state-required or Chartering Entity standard tests/assessments provided to the Charter School by or through the Chartering Entity, that are required by or associated with CSUSA's curriculum, educational programs, the School Improvement Plan, , or other reporting or evaluation requirements.

5.1.1.4 Assist the School in Evaluating the Charter School's success in achieving the objectives stated in the Administrative and Educational Services Agreement Documents and the School Improvement Plan on at least an annual basis.

5.1.1.5 Assist the School in complying with the requirements delineated in Florida State Board of Education Administrative Rule 6A-1.09981, *Implementation of Florida's System of School Improvement and Accountability,* as may be amended from time to time.

5.1.1.6 Assist the School in ensuring that the Charter School's program is consistent with the state education goals established by Florida Statute 1000.03(5).

5.1.1.7 Assist the School in making every reasonable effort to ensure that student performance increases from year to year, assess the possible reasons for such performance and take all reasonable steps to enable the students to continually progress and improve their academic performance.

5.1.2 <u>Parent Activities.</u>

5.1.2.1 At the request of the CITY, appropriate CSUSA staff shall attend meetings of the School Advisory Committee to provide reports or information about the Charter School. In order to facilitate scheduling, the CITY will periodically provide CSUSA with schedules of the anticipated meeting dates of such organizations, to the extent available, as set forth in Section 6.1.2 of this Agreement.

5.1.2.2. A Parent Survey substantially similar to that attached as Exhibit "A" shall be conducted in the spring of each year.

5.2 <u>Development and Operations Management.</u>

5.2.1 <u>Public Relations</u>. Any public relations performed by CSUSA for the Charter School including, without limitation, community outreach, press releases and media relations, shall be coordinated with and approved by the City Manager's Office. All

media relations initiated by CSUSA, including press releases, shall require the prior written approval of the City Manager. Press releases shall contain the name of the CITY and its seal as designated by the City Manager. Where media contact to CSUSA is not initiated by CSUSA, CSUSA shall notify the City Manager.

5.2.2 Contracted Services and Contract Administration.

5.2.2.1 Contract Administration. CSUSA shall coordinate, negotiate and administer those contracts for CSUSA Services to be performed or provided by third parties and which must be entered into by the Charter School during the term of this Agreement to ensure the efficient operation of the Charter School. Said contracts shall comply with the provisions of Section 32 of this Agreement and said contracts and services shall comply with all applicable federal, State, local and Chartering Entity laws, ordinances, rules and regulations.

5.2.2.2 Cafeteria Management and Food Service. CSUSA shall coordinate, negotiate and administer , in compliance with the provisions of Section 32 of this Agreement, with public or private entities or individuals for the provision of food service and shall provide management services for the Charter School's cafeteria which enables the Charter School to comply with all applicable federal, state, local and Chartering Entity, laws, ordinances, rules, and regulations, and the Charter, as amended, regarding the provision of food service to all students attending the Charter School. The costs associated with such service shall be included in the approved Charter School Annual Budget and paid for from the Charter School Fund. The City shall serve as the Food Service Sponsor as defined by the Florida Department of Education (DOE) for the purpose of filing an application with the DOE to participate in the National School Lunch Program (NSLP). The Food Service Sponsor shall appoint a designee to be responsible for maintaining student applications and processing monthly reimbursements through the DOE. CSUSA shall assist in the preparation of the NSLP application and distribution of student applications. CSUSA shall assist the Food Service Sponsor in the collection of data to be provided in accordance with NSLP policy and procedure.

5.2.3 Student Lottery.

5.2.3.1 CSUSA shall be responsible for conducting any lotteries, and shall ensure that the Charter School's enrollment , registration and lottery processes are in compliance with Florida Statutes, the Administrative and Educational Services Agreement Documents, and the Charter, as amended. As permitted by Florida Statute, ACES will give preference to children of CITY residents.

5.2.4 Staff Recruitment.

CSUSA shall assist the School in recruitment efforts to target well-qualified and enthusiastic administrative personnel, teachers and staff Notwithstanding the requirements of this

paragraph, the CITY may conduct its own marketing, public relations and recruitment efforts to attract personnel for Charter School employment.

5.2.5 State, Local and School Board Compliance.

5.2.5.1 Coordination with the Chartering Entity. The CITY shall be responsible for coordinating any and all activities of the Charter School with the requirements of the Chartering Entity and for complying with all reasonable requests of the Chartering Entity regarding the Charter School. CSUSA shall be responsible for providing the CITY, in a timely manner, with any and all information, data, materials, documents, records, and submittals for or associated with the Services performed by CSUSA, that are requested by or necessary for the CITY to coordinate with the requirements of or comply with all reasonable requests of the Chartering Entity.

5.2.5.2 Compliance with Applicable Law. CSUSA acknowledges that the CITY is entering into this Agreement based, in part, on CSUSA's expertise in the business of developing, organizing, managing, staffing, operating and maintaining charter schools in the State of Florida and with the Chartering Entity. CSUSA shall be responsible for ensuring that the Services performed by CSUSA comply, and shall provide advice and assistance to the CITY to ensure the Charter School complies with all applicable federal, state, local and Chartering Entity laws, ordinances, rules and regulations.

5.2.5.3 Charter Renewal Services. CSUSA acknowledges that CITY and the Chartering Entity entered into a Charter School contract dated April 18, 2002 and covers a term of 15 years commencing July 1, 2003 and ending on June 30, 2018. CSUSA acknowledges and agrees to complete all tasks necessary to obtain a charter renewal from the Chartering Entity for the CITY, including but not limited to planning, developing, writing an application for renewal of the Charter in order for the City to successfully obtain the School's Charter renewal. The parties agree that a draft of the application shall be submitted to the City not later than ninety (90) days prior to the due date for submittal to the Chartering Entity. The draft shall be submitted in the agreed upon format between the City and CSUSA so that the City may review and edit as required for final submittal to the Chartering Entity.

5.2.6 Annual Financial Report and School Improvement Plan.

5.2.6.1 CSUSA shall provide to the CITY on a timely basis any information required to prepare the Annual Financial Report and the School Improvement Plan as required by Florida Law and the Charter as amended from time to time

5.2.7 Records Retention; Public Records.

5.2.7.1 CSUSA shall provide, protect, preserve, and maintain all books, records and related documents of or affecting the Charter School, resulting from,

required by, relative to or associated with the Services performed by CSUSA, that are not proprietary to CSUSA (the "Public Records"), pursuant to the provisions of the Charter, as amended, and Chapter 119, F.S. as amended from time to time.

5.2.7.2 In the event of termination of this Agreement, CSUSA shall, pursuant to Section 15, deliver any and all Public Records in its possession to the CITY within thirty (30) calendar days of such termination.

5.2.8 **Insurance**. CSUSA shall obtain liability policies that provide for educator professional liability insurance and auto liability. The costs associated with such insurance shall be included in the approved Charter School Annual Budget and paid for from the Charter School Fund; provided, however, that CSUSA's corporate insurance requirements as outlined in Section 11 of this Agreement herein, shall be separate and distinct from the insurance requirements of the Charter School. CSUSA shall obtain worker's compensation insurance for all CSUSA employees that are employed at the Charter School, in compliance with the Administrative and Educational Services Agreement Documents and all applicable federal, state, local and Chartering Entity laws, ordinances, rules and regulations.

The liability policy to be obtained by CSUSA will provide liability coverage for all Services and programs at the Charter School provided, offered or held by CSUSA. All insurance to be obtained by CSUSA will be with financially responsible insurance companies licensed to do business in the State of Florida with a rating of A or better; will name as insureds CSUSA and CITY, as their respective interests may appear; and will require written notice of any cancellation or change to be sent to CSUSA and CITY at least thirty (30) days prior to cancellation termination or material change. Within five (5) days of the Effective Date, CSUSA will deliver to the CITY copies of all insurance certificates and policies required under this Agreement, along with receipts evidencing payment the premiums for such insurance. CSUSA shall also provide the CITY with the foregoing information relative to the renewal of any required insurance policy prior to the expiration of any such policy. Each insurance policy required to be obtained by CSUSA under this Agreement must also provide that the insurer waives all rights of subrogation which the insurer might have against CITY. CSUSA acknowledges and agrees that the insurance required by this Agreement and any proceeds paid in connection with any claim thereunder shall in no way limit CSUSA's responsibilities and liabilities as set forth in this Agreement.

5.3 **Financial Management.**

5.3.1 **Annual Budget.** CSUSA shall assist the City Manager in the preparation of a detailed annual budget (the "Charter School Annual Budget"). The Charter School Annual Budget shall be finalized by April 30 of each year for presentation to the City Commission.

The CITY shall ensure that the Charter School Annual Budget is submitted to the Chartering Entity in a timely manner consistent with the Charter.

5.3.2 **Audits.** CSUSA shall accommodate all required audits of the Charter School and shall provide information and ensure access to all school records and source documents required by, relative to, or associated with the Services to be performed by CSUSA in a timely manner.

5.4 **Human Resource Management.**

5.4.1 **Payroll Administration.** CSUSA shall prepare, maintain, administer, and report all payroll of CSUSA's employees hired to work at the Charter School, including, without limitation, processing and issuing all checks, maintaining all reports and payroll records and filing all necessary forms and returns, including worker's compensation compliance, unemployment insurance compliance, withholding and social security taxes and all tax and other forms relating to employment as may be required by any federal, state or municipal authority during the term of this Agreement. All payroll and other financial or operational records for the Charter School shall be segregated and separated from all other CSUSA payroll records and shall be reported in a manner allowing the payroll costs to be traced directly to the financial expenditures of the Charter School. CSUSA shall deposit such payroll taxes as may be required by the Internal Revenue Service for the payment of payroll taxes for the employees referenced herein. All penalties incurred by reason of late filing, failure to file or failure to pay shall be borne by CSUSA and shall be the sole obligation and responsibility of CSUSA. CSUSA shall be responsible for submitting to the City Manager reimbursement for CSUSA employees employed at the Charter School in a form acceptable to both parties.

5.4.2 **Personnel Administration, Employee Benefits, and Personnel Policies and Procedures.** Except as provided below, CSUSA shall employ sufficient qualified full-time and part-time personnel to operate the Charter School (as is necessary and appropriate during the Term of this Agreement), including without limitation, administrators, teachers, clerical, cafeteria, and other staff to enable the Charter School to be operated in conformance with the Administrative and Educational Services Agreement Documents and the Charter School budget. CSUSA shall determine, in its sole discretion, the benefits that will be provided to such personnel and shall administer the provision of such benefits. However, the City Manager reserves the right to develop a pay plan annually for the teachers and staff provided by CSUSA and is obligated to fund same from the Charter School fund Budget. No disciplinary action shall be initiated by the CITY against any CSUSA employee assigned to the Charter School without the prior written approval of CSUSA, or as otherwise established in written CSUSA-approved procedures, provided however that the City Manager shall have the right, at any time, to make recommendations to CSUSA regarding disciplinary matters, including possible termination, of the full-time and part-time personnel assigned to the Charter School. CSUSA will consider such recommendations of the City Manager and act in accordance with their responsibilities. At

the end of each school year, the CITY shall have the right to have any CSUSA employee not reassigned to the Charter School for the subsequent school year, and such non-renewal of assignment shall not be considered a disciplinary action subject to the approval of CSUSA. Any and all employment agreements shall provide for the immediate assignability to the CITY, at its option, upon the expiration of the term of this Agreement or in the event that this Agreement is terminated as provided herein. In the event of such assignment, CSUSA and the CITY shall be responsible for their respective duties under the terms of this Agreement until the date of assignment. CSUSA shall indemnify the CITY for the acts and omissions of CSUSA occurring prior to the date of assignment, and the CITY shall indemnify CSUSA for the acts and omissions of the CITY following the occurrence of the date of assignment. CSUSA shall provide the CITY with copies of all employment agreements to ensure they comply with the foregoing.

The Charter School Principal and other key personnel (Key City Personnel), as determined in the CITY's sole judgment, shall be employees of the CITY and selected by the City Manager. The CITY will establish job descriptions, salaries and benefits for the Charter School Principal and Key City Personnel. At the CITY's option, CSUSA shall recruit qualified personnel for the Charter School Principal and Key City Personnel, and the CITY may conduct its own recruiting efforts for qualified personnel for these positions, for selection by the City Manager. The parties agree that the Charter School Principal and CSUSA will work together to perform their respective responsibilities for the day-to-day operations of the Charter School and for carrying out the mission of the Charter School based on the goals and objectives as stated in the Administrative and Educational Services Agreement Documents.

In order to attract and compensate teachers and administrators necessary to achieve the performance criteria set forth in this Agreement, CSUSA agrees that, in the event additional funds are necessary to attract and compensate such teachers and administrators, as determined by CSUSA after consultation with the City Manager, CSUSA shall commit such funds from its Administrative and Educational Services Fee as are necessary to accomplish this goal.

The parties acknowledge that the school personnel are crucial to the operation of the school. CSUSA shall not, in any fashion, or for any reason whatsoever, act to preclude personnel from working their required and designated days and hours. Additionally, CSUSA shall use its best efforts to prevent work stoppages caused by the absence of school personnel. The parties further acknowledge that the CITY shall be irreparably harmed should school personnel fail to work their required and designated days and hours for such reasons as labor and/or economic disputes. In the event of such work stoppages, the CITY shall be entitled to seek any available legal or equitable remedies, including, but not limited to, injunctive relief from a court of appropriate jurisdiction, to best protect the interests of the CITY incident to its obligation to provide education for the students of the Charter School. CSUSA shall ensure that all personnel that it employs for the Charter

School are subject to the terms of this paragraph.

5.4.3 Training and Professional Development.

CSUSA shall ensure that the Charter School's teachers are encouraged to participate in professional development opportunities sponsored by the Chartering Entity in order to increase teachers' content knowledge and pedagogy. The training, continuing education, and on-going professional development to be provided by CSUSA shall not be scheduled or provided during normal work hours or in a manner that would interrupt the educational process, unless otherwise authorized by the CITY.

5.5 Technology Management.

5.5.1 Management Information Systems. On behalf of the Charter School and with input from the CITY, CSUSA shall provide the following components and functions of the Management Information System ("MIS") to be utilized at the Charter School, provided however, that such MIS will comply with the terms of this Section:

- Student Information System that provides for a lottery program, student registration, maintenance of a waitlist, student scheduling, parent contact information, reporting and discipline tracking.

This system, in conjunction with the applications required by the Chartering Entity, shall include business applications that meet, on an ongoing basis, any and all Federal, State, County, CITY, or Chartering Entity reporting mandates, applicable for the Charter School or the CITY CSUSA agrees during the first year of this Agreement that CSUSA IT staff will be available to the CITY as a resource during the transition of various IT functions to the CITY. Both parties agree that the IT individual employed by CSUSA at the School shall report to the City's Information Technology Director. The City Manager, with reasonable notice to CSUSA and except as provided for in Chapter 119, F.S., shall have full and unlimited access to the Charter School-based MIS system with assistance from a representative of CSUSA. Upon termination of this Agreement, all hardware, software, business applications (including password and configuration information) and other intellectual property purchased by the CITY shall remain the property of the CITY. The MIS system shall be and remain the property of the CITY, except as proprietary to CSUSA as set forth in this Agreement. Responsibility for maintaining all data and records stored and used by the Charter School shall be with CSUSA and shall be in accordance with the Charter, as amended. The cost associated with any design, license, implementation, and administration shall be included in the approved Charter School Annual Budget and paid from the Charter School Fund. The CITY shall be responsible for the design, development, implementation and maintenance of the Charter School's web site, to which CSUSA shall be allowed to link.

5.6 Performance Criteria. The CITY and CSUSA shall agree to the following minimum performance criteria:

5.6.1 Education Services

5.6.1.1 For each year of operation, the Charter School shall attain the following:

a) All students will maintain a portfolio demonstrating and charting improvement and mastery of skills required at that grade level.

b) The State of Florida A+ Plan Grade shall be no lower than a "B".

c) Meet the requirements delineated in Florida State Board of Education Administrative Rule 6A-1.09981, *Implementation of Florida's System of School Improvement and Accountability,* as may be amended from time to time.

d) Achieve the measurable objectives specified in the annual School Improvement Plan.

5.6.2 Development and Operations Management.

5.6.2.1 The number of enrolled students, as defined in Section 10, shall be 95% of the number of students allowed under the Charter, as amended.

5.6.2.2. The percentage of parents who on the Parent Survey agree or strongly agree to the statement that "I would recommend the Charter School to a friend" is 90% for each year.

5.6.3. Financial Management.

5.6.3.1. The audits if any required by State Law and the Charter, as amended, shall indicate that the financial statements are presented fairly and that tests of compliance with laws and regulations and consideration of the internal control over financial reporting disclose no instances of non-compliance, nor any material weaknesses, relative to or associated with the Services to be performed by CSUSA, as applicable.

5.6.4 Human Resources Management.

5.6.4.1. Class size and student/classroom teacher ratios shall be maintained throughout the school year in accordance with the requirements of applicable federal or state law (e.g., Class Size Amendment), if any, Any vacancy in a

classroom teacher position that results in an increase to the student/classroom teacher ratio shall be filled with a permanent qualified teacher as soon as possible, provided however, that no such vacancy shall remain unfilled by a permanent qualified teacher for more than four weeks from the date of the vacancy, unless authorized by the City Manager, unless the lack of such authorization would contradict applicable local, state or federal law.

5.6.4.2. Upon request by the School, CSUSA shall make every reasonable effort to provide a pool of applicants who meet the State certification requirements.

5.6.4.3. The year-to-year retention rates for CSUSA permanent staff and for CSUSA classroom teachers, excluding staff or teachers whose contracts are not renewed, who the CITY elects to have not reassigned, or who are dismissed for cause and as adjusted for mobility, shall be 80%.

5.7 Other.

5.7.1 Provision of Liaison Services. CSUSA shall designate a member of senior management personnel to be the point of contact for the City Manager for all issues.

5.7.2 Other Activities. CSUSA shall be responsible for ensuring that the Services comply with the terms and conditions of the Charter, as amended, and shall, in a timely manner, provide information and perform all other activities required of CSUSA during the term of this Agreement to perform its responsibilities hereunder.

5.7.3 Legal Services. If requested by the City Manager, CSUSA shall provide legal representation from the firm of Tripp Scott, P.A. on behalf of the School in dealing with matters before the Miami-Dade County School Board. The City shall be responsible for the costs associated with such representation requested by the City Manager. However, The City acknowlesges that Tripp Scott, P.A. is counsel for CSUSA and herein waives any conflict for legal services provided pursuant to this paragraph.

6. Responsibilities of the CITY. The CITY shall be responsible for the following:

6.1 Education Management

6.1.1 Except as provided in Section 5.1.1.3 of this Agreement, the School shall administer all standard tests/assessments to the students that are required by law or Chartering Entity policy, and shall ensure that students at the Charter School participate in all assessment programs in which the Chartering Entity's students in comparable grades/schools participate. The School will administer all such required tests/assessments in a timely fashion consistent with the State's and Chartering Entity's testing schedule and in conformance with the State's and Chartering Entity's policies and

procedures related to test security and test administration. The Charter School's testing administrator will attend all test administration training sessions provided by the Chartering Entity and shall follow all Florida Department of Education Testing Guidelines specified in the Test Administration Manuals, as well as, the District Standards for Test Administration and Security.

6.1.2 Parent Activities. The CITY shall coordinate and oversee all organized parental involvement, shall work with the approved School Advisory Commitee and any parent-teacher organization established for the purposes of furthering the goals of the Charter School, and shall coordinate parent, teacher and student organizations. As provided in Section 5.1.2.1 of this Agreement, at the request of the CITY, appropriate CSUSA staff shall attend meetings of the School Advisory Committe or other parent-teacher/community organization to provide reports or information about the Charter School. In order to facilitate scheduling, the CITY will periodically provide CSUSA with schedules of the anticipated meeting dates of such organizations, to the extent available.

6.1.3 Extracurricular Program/Activities. The CITY shall determine, establish, staff, operate and administer the extracurricular programs/activities that will be offered at the Charter School, including but not limited to, before and after school programs/activities.

6.1.4 Summer School. The CITY shall determine, establish, staff, operate and administer the summer school program, if any, that will be offered at the Charter School.

6.2 Development and Operations Management

6.2.1 Public Relations. The CITY shall coordinate all official public relations for the Charter School including, without limitation, community outreach, press releases and media relations.

6.2.2 Transportation. The CITY shall be responsible for contracting with public or private entities or individuals for the provision of transportation.

6.2.3 State, Local and School Board Compliance.

6.2.3.1 Coordination with the Chartering Entity. The CITY shall be responsible for coordinating any and all activities of the Charter School with the requirements of the Chartering Entity and for complying with all reasonable requests of the Chartering Entity regarding the Charter School. Unless otherwise authorized by the City Manager, the CITY shall be responsible for submitting all documents and reports requested or required by the Chartering Entity, the Charter, as amended, and all applicable federal, state, local and Chartering Entity laws, ordinances, rules and regulations, including, but not limited to the School Improvement Plan, Annual Report, Annual Budget and Annual Audit.

In accordance with Section 5.2.5.1 of this Agreement, CSUSA shall be responsible for providing the CITY, in a timely manner, with any and all information, data, materials, documents, records, and submittals for or associated with the Services performed by CSUSA, that are requested by or necessary for the CITY to coordinate with the requirements of or comply with all reasonable requests of the Chartering Entity.

6.2.3.2 **Compliance with Applicable Law.** Except as provided in Section 5.2.5.2 of this Agreement, the CITY shall be responsible for ensuring that the Charter School complies with all applicable federal, state, local and Chartering Entity laws, ordinances, rules and regulations.

6.2.3.3 **Maintenance of Charter.** The CITY shall do, or cause to be done, all things necessary to ensure that all legal requirements applicable to the CITY, and all such conditions as may have been imposed on the CITY by the Chartering Entity, are fully complied with at all times. If the CITY or CSUSA shall at any time receive notice from any public authority or other person that the Charter School is or may be in violation of the Charter, the rules of the Chartering Entity or any provision of any applicable law or regulation, the party receiving such notice shall immediately notify the other party of the asserted violation and shall thereafter work diligently together to determine whether such asserted violation in fact exists, to correct any violation found to exist, and vigorously contest the asserted violation if the same is found not to exist. No changes will be made by the CITY to the approved Charter, as amended, between the CITY and the Chartering Entity that directly impact CSUSA's performance of its Services without CSUSA's consent and approval; such consent and approval shall not be unreasonably withheld.

6.2.4 **Furniture, Fixtures, Equipment and Technology ("FFE&T").** The CITY shall be responsible for obtaining, ordering and purchasing any FFE&T to be utilized in or by the Charter School during the term of this Agreement. CSUSA shall provide written instructions to the CITY for obtaining, ordering and purchasing any FFE&T necessary for the performance of CSUSA's Services. At the CITY's option, the CITY may request CSUSA's assistance and input into the process of obtaining any FFE&T to be utilized in or by the Charter School or that CSUSA order some or all of the FFE&T CSUSA deems necessary for the performance of the Services. Regardless of whether the CITY or CSUSA orders the FFE&T, order(s) for FFE&T necessary for the performance of CSUSA's Services shall be in compliance with the written instructions from CSUSA unless mutually agreed otherwise.

6.2.5 **Books and Supplies.** The CITY shall be responsible for obtaining, ordering and purchasing the books and supplies to be utilized in or by the Charter School during the term of this Agreement. CSUSA shall provide written instructions to the CITY for obtaining, ordering and purchasing any books and supplies necessary for the performance of CSUSA's Services. At the CITY's option, the CITY may request CSUSA's assistance and input into the process of obtaining any books and supplies to be

utilized in or by the Charter School or that CSUSA order some or all of the books and supplies that CSUSA deems necessary for the performance of the Services. Regardless of whether the CITY or CSUSA order the books and supplies, order(s) for books and supplies necessary for the performance of CSUSA's Services shall be in compliance with the written instructions from CSUSA unless mutually agreed otherwise.

6.2.6 Records Retention; Public Records. The CITY shall provide, protect, preserve, transfer and maintain both active and archival records for current/former students in accordance with Florida Statutes and the provisions of the Charter, as amended.

6.2.7 Insurance. Except as indicated in Section 5.2.8 of this Agreement, the CITY shall ensure that the Charter School complies with all insurance requirements set forth by the Chartering Entity.

6.2.8 Facility Maintenance. The CITY shall be responsible for custodial services and ordinary repair and maintenance concerning the day-to-day operation of the Charter School, and shall be responsible for all other repair and maintenance, including but not limited to ground maintenance and maintenance of the physical plant. CSUSA shall be responsible for, and pay for, any and all repairs or replacements necessary relative to the FFE&T and the books and supplies that arise due to the intentional acts or willful misconduct of CSUSA, its employees, agents, contractors, guest and invitees.

6.2.9 School Uniform Procurement Services. The CITY shall be responsible for contracting with public or private entities or individuals for the purpose of providing student uniforms to be purchased by students in conformance with the criteria established by the Charter School.

6.2.10 Technology Management. The CITY shall be responsible for the following Technology functions at the School:

- The design, development, implementation and maintenance of the Charter School's web site, to which CSUSA shall be allowed to link.
- Email service for all school staff and employees.
- Oversee and provide onsite IT support and troubleshooting including network infrastructure, wireless management, hardware web filter management and phone system.
- Recommending and purchasing all hardware and software required by the School.
- Maintain a mass parent communication vehicle.

6.3 Financial Management.

6.3.1 Annual Budget. The City Manager, with assistance and cooperation of CSUSA as specified in Section 5.3.1 of this Agreement, shall prepare and submit to the City Commission the "Charter School Annual Budget" by May 10 of each year. The budgets shall include, as appropriate, the total number of student stations for the coming academic year, all capital purchase requests, lease payments, debt repayments and/or cash loans required, operating revenues and operating expenditures for the respective school year.The parties shall work cooperatively together on any and all budgetary matters and issues prior to the submission of the proposed budget to the Aventura City Commission. The final proposed Charter School Annual Budget shall be submitted to the Aventura City Commission for approval no later than May 10 of each year. The CITY shall ensure that the Charter School Annual Budget is submitted to the Chartering Entity in a timely manner consistent with the Charter, as amended.

6.3.2 Fund Raising Activities. The CITY shall be responsible for fund raising activities on behalf of the Charter School, during the term of this Agreement,.

6.3.3 Audits. The CITY shall ensure that required audits are performed by the CITY's auditors in accordance with the Charter, as amended. As specified in Section 5.3.2 of this Agreement, CSUSA shall accommodate all required audits of the Charter School and shall provide information and ensure access to all school records and source documents required by, relative to, or associated with the Services to be performed by CSUSA, in a timely manner. The CITY shall ensure that the annual audit is submitted to the Chartering Entity in a timely manner consistent with the Charter, as amended.

6.3.4 Payroll Administration. The CITY shall prepare, maintain, administer, and report all payroll of CITY employees hired to work at the Charter School, including, without limitation, processing and issuing all checks, maintaining all reports and payroll records and filing all necessary forms and returns, including worker's compensation compliance, unemployment insurance compliance, withholding and social security taxes and all tax and other forms relating to employment as may be required by any federal, state or municipal authority during the term of this Agreement.

6.3.5 Tax Exempt Fund Raising Activities. If the CITY concludes it is appropriate to do so, the Charter School may seek to establish a separate tax-exempt organization to conduct fund raising activities and receive tax deductible contributions in support of the Charter School and/or of education generally. CSUSA shall cooperate with such tax-exempt organization as necessary and appropriate.

6.3.6 Funding For Charter School Costs and Expenses. The CITY shall maintain a Charter School Fund to account for expenditures and revenues associated with the Charter School. It is understood by CSUSA and the CITY, that any and all funds expended by the CITY, including costs and expenses associated with the planning and development of the Charter School such as, start up funding, land acquisition and capital improvements including construction of the facility and CSUSA Fees, professional services

contract fees and other out-of-pocket costs and expenses, shall be reimbursed to the CITY from Charter School revenues. The reimbursement schedule shall be included in the proposed Charter School Annual Budget.

6.3.6.1 **Procedure for Payment.** In order to receive funds from the CITY pursuant to this Section, CSUSA shall prepare and submit invoices to the City Manager, CSUSA shall submit to the CITY a schedule for payroll at the beginning of the academic year. This schedule may be amended from time to time, as appropriate. The CITY shall be required to wire or ACH transfer payment from the Charter School Fund for the payroll at least five (5) business days prior to a schedule payroll date or other set due date, as applicable. For all other Charter School expenses for which CSUSA is seeking payment, CSUSA shall submit invoices to the City Manager and such other expenses shall be deemed due, subject to the provisions of Section 10 for Administrative and Educational Services Fees, upon approval by the City Manager after receipt by the CITY of the invoices and such source documents, supporting schedules, summaries and explanations as may reasonably be requested by the City Manager from time to time ("approved expenditures"). The City Manager shall direct payment from the Charter School Fund to CSUSA for all approved expenditures within seven (7) business days. CSUSA agrees to provide the CITY, within ten (10) business days, source documents, supporting schedules, summaries and explanations as may reasonably be requested by the City Manager from time to time. CSUSA shall immediately reimburse the CITY for any unallowable Charter School expenditures as determined by a licensed auditor of the CITY, the Chartering Entity, or any Department or Division of the State of Florida or Federal Government.

6.4 **Human Resource Management.**

6.4.1 **Personnel Administration, Employee Benefits, and Personnel Policies and Procedures.** As specified in Section 5.4.2 of this Agreement, the Charter School Principal and Key City Personnel, as determined in the CITY's sole judgment, shall be employees of the CITY and selected by the City Manager. The CITY will establish job descriptions, salaries and benefits for the Charter School Principal and Key City Personnel. At the CITY's option, CSUSA shall recruit qualified personnel for the Charter School Principal and Key City Personnel, and the CITY may conduct its own recruiting efforts for qualified personnel for these positions, for selection by the City Manager. The parties agree that the Charter School Principal and CSUSA will work together to perform their respective responsibilities for the day-to-day operations of the Charter School and for carrying out the mission of the Charter School based on the goals and objectives as stated in the Administrative and Educational Services Agreement Documents.

6.5 **Charter School Department.** The CITY has established a Charter School Department which is responsible to the City Manager. CSUSA shall be accountable to the City Manager. Neither the City Commission nor its members shall give orders to CSUSA, its employees or employees of the City Charter School Department, either publicly

or privately. Recommendations for improvements in Charter School operations by Commissioners shall be made solely to and through the City Manager.

6.6 **Annual Review of Performance Criteria.** No later than October 31st of each year, the CITY and CSUSA shall review the minimum performance criteria established in Section 5.6, including measurement methodology and assumptions, to jointly verify and/or modify the criteria, requirements, measurement methods and assumptions to accurately and appropriately evaluate the performance and effectiveness of CSUSA and the Charter School as contemplated in the Administrative and Educational Services Agreement Documents. The CITY may, at its sole option, modify the measurement methods and/or assumptions should it determine that such modifications are necessary to more accurately and appropriately evaluate the performance and effectiveness of CSUSA and the Charter School as contemplated in the Administrative and Educational Services Agreement Documents. During the annual review, CSUSA and the CITY shall additionally determine the specific tests/instruments upon which the minimum performance criteria delineated in Section 5.6.1 shall be based for the subsequent school year.

6.7 **Other Activities.** The CITY shall be responsible for providing all information and performing all other activities required of the CITY during the term of this Agreement to maintain a fully operational Charter School.

7. **Cooperation**. The parties shall, in good faith, share all information received from the Chartering Entity necessary to comply with mutual obligations herein. Any information, whether written or oral, which is transmitted by the Chartering Entity to the parties shall be shared between the parties promptly.

8. **Additional Mutual Obligations.** The parties hereto shall actively and diligently coordinate responsiveness and response to compliance to all federal, state, and local rules and regulations; and any other operational activities or functions occasioned by the relationship set forth in this Agreement in a concerted effort to meet the goals and objectives established in the Administrative and Educational Services Agreement Documents.

9. **Charter Schools Funding Resources.** All revenues, grants, and revenue allocations received by or targeted to the Charter School, shall be directed to and retained in the Charter School Fund, as established by the CITY.

10. **Administrative and Educational Services Fees.** Subject to annual appropriations by the City Commission, the CITY shall pay CSUSA annual Administrative and Educational Services fees for the performance by CSUSA of its responsibilities as provided in this Agreement as follows:

10.1 **Administrative and Educational Services Fee.** The annual Administrative and Educational Services Fee shall be as follows:

July 1, 2013 to June 30, 2014: $279,000

July 1, 2014 to June 30, 2018: 4.3% of the sum of student enrollment

July 1, 2018 and thereafter: To be negotiated

The funding for student enrollment, as adjusted, shall be the sum of district operating funds from the Florida Education Finance Program (FEFP), including gross state and local funds, discretionary lottery funds, and discretionary operating millage funds divided by total district funded weighted full-time equivalent (WFTE) students times the weighted full-time equivalent students of the Charter School and the Charter School's proportionate share of categorical program funds included in the FEFP, less 5 %, and as may be adjusted for factors including, but not limited to, changes in the number of enrolled students, state holdbacks and state prorations, and a proportional share of any unfounded WFTE for Group 2 programs. The calculation for the student enrollment shall include Capital Outlay dollars but shall not include Race to the Top funds, A+ State Recognition funds, MAP funding or transportation funding. The formula to determine sum of student enrollment shall be Florida Education Finance Program + Capital Outlay less 5% School Board Administration Charge. The sum of student enrollment fee shall not exceed $300 per student.

All payments to CSUSA for the Administrative and Educational Services Fee shall be paid on a monthly basis, with each payment representing 1/12 of the annual Administrative and Educational Services Fee.

For the purposes of this Agreement, the number of "enrolled students" shall be equal to the Chartering Entity's FTE student count used to determine FTE Funding for the Charter School.

10.2 In order to supplement and enhance the County, State or Federal funds that are normally associated with the operation and development of a school, the CITY and CSUSA shall endeavor to obtain revenues from other sources, including grants and donations (the "Additional Revenues").

11. **Insurance.** CSUSA shall maintain comprehensive general liability insurance in the amount of Five Million and no/100 Dollars ($5,000,000.00) per occurrence combined single limit and Five Million and no/100 Dollars ($5,000,000.00) in the aggregate, insuring against property damage and personal injury and death occurring in connection with the Charter School. In addition, CSUSA shall maintain workers compensation insurance in the amount of the greater of Fifty Thousand and no/100 Dollars ($50,000.00) or the minimum amount required by law.

`12. **Indemnification.**

12.1 CSUSA agrees to indemnify, defend with counsel (reasonably acceptable to the CITY) and hold the CITY, and its elected officials, officers, employees, and agents (the "Indemnified Parties"), harmless from any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorney's fees and costs at both the trial and appellate levels, arising out of, connected with or resulting from (a) the negligence, intentional wrongful act or misconduct of CSUSA, its officers, employees and agents, in connection with the Agreement, (b) CSUSA's breach of this Agreement or any applicable federal, state, local or Chartering Entity law, ordinance, rule or regulation and/or (c) any failure by CSUSA to pay its suppliers or subcontractors. The duty to indemnify will continue in full force and effect notwithstanding the expiration or termination of the Agreement with respect to any claims based on acts or conditions that occurred or accrued prior to such expiration or termination.

12.2 Subject to the provisions and monetary limitations of F.S. 768.28, as amended or superseded, the CITY agrees to indemnify, defend with counsel (reasonably acceptable to CSUSA) and hold CSUSA, its officers, employees, and agents (the "CSUSA Indemnified Parties"), harmless from any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorney's fees and costs at both the trial and appellate levels, arising out of, connected with or resulting from (a) the negligence, intentional wrongful act or misconduct of the CITY, its employees and agents, in connection with the Agreement, (b) the CITY's breach of this Agreement or any applicable federal, state, local or Chartering Entity law, ordinance, rule or regulation, and/or (c) any failure by the CITY to pay its suppliers or subcontractors. The duty to indemnify will continue in full force and effect notwithstanding the expiration or termination of the Agreement with respect to any claims based on acts or conditions that occurred or accrued prior to such expiration or termination.

12.3 Upon becoming aware of the potential for a claim hereunder, the party seeking indemnification shall promptly notify the other party in writing of the existence of such claim, demand or other action giving rise to a claim for indemnification under this provision (a "Third Party Claim") and shall give such other party a reasonable opportunity to defend the same at its own expense and with its own counsel, provided however that the CITY or CSUSA shall at all times have the right to participate in such defense at its own expense.

12.4 If, within a reasonable amount of time after receipt of notice of a Third Party Claim, the CITY or CSUSA shall fail to undertake to so defend, the party seeking indemnification shall have the right, but not the obligation, to defend and to compromise or settle (exercising reasonable business judgment) the Third Party Claim for the account and at the risk and expense of the party responsible for indemnification hereunder. Each party agrees to cooperate and to make available to the other party, such information and assistance as may be reasonably requested in connection with the defense of a Third Party Claim.

13. **Default.** A default shall be deemed to have occurred for certain events or conditions (each, an "Event of Default"), which include, but are not limited to the following:

13.1 Any action, inaction or creation of circumstances that put the Charter, as amended, in jeopardy of non-renewal or termination pursuant to the Charter, as amended, or any applicable federal, state, local or Chartering Entity law, ordinance, rule or regulation; or

13.2 Failure to pay any amount due hereunder within thirty (30) days after written notice to the defaulting party that such amount is due; or

13.3 Failure to remedy a material breach of this Agreement, including, but not limited to, a default in the due and punctual observance or performance of any provision contained herein, within thirty (30) days after written notice to the defaulting party; or

13.4 If CSUSA shall under such law as shall be applicable to it commence any case or proceeding, or file any petition in bankruptcy, or for reorganization, liquidation or dissolution, or be adjudicated, insolvent or bankrupt, or shall apply to any tribunal for a receiver, intervenor, conservator or trustee for itself or for any substantial part of its property; or if there shall be commenced against it any such action and the same shall remain un-dismissed; or if by any act it shall indicate its consent to, approval of, or acquiescence in any such proceeding, or the appointment of any receiver, intervener, conservator or trustee for it or any substantial part of its property or shall suffer any of the same to continue undischarged; or if it shall become subject to any intervention whatsoever that shall deprive it of the management of the aggregate of its property or any substantial part thereof; or if it shall wind up or liquidate its affairs or there shall be issued a warrant of attachment, execution, or similar process against any substantial part of its property, and such warrant, execution or process shall remain un-dismissed, unbounded or undischarged for a period of ninety (90) days, this Agreement shall be deemed immediately terminated upon the occurrence of such event; or

13.5 If the ownership of CSUSA shall be transferred or assigned, directly or indirectly, without the prior written consent of the CITY, in violation of Section 36; or

13.6 If CSUSA uses funds not in accordance with the terms of this Agreement including both negligent and fraudulent use of funds, or if CSUSA fails to obtain or maintain any license, including the revocation of such license by an administrative or judicial body, that may be required for CSUSA to carry on its business and perform its obligations and functions under this Agreement. For purposes hereof, any fraudulent use of funds shall include the use of funds by misrepresentation, concealment, nondisclosure, misleading conduct, devices, or contrivance; or

13.7 If any representation, statement, or warranty made in the Agreement by CSUSA or the CITY is false, misleading, or breached in any material respect.

Upon the occurrence of an Event of Default, the non-defaulting party shall be entitled to pursue all remedies available under law or equity, and in addition to such remedies, may immediately terminate this Agreement with Cause in accordance with Section 14.1.

14. Termination of this Agreement. This Agreement may be terminated by the parties as follows:

14.1 Termination with Cause or for Nonperformance. Upon the occurrence of an Event of Default beyond applicable grace, notice and cure periods, the non-defaulting party shall be entitled to terminate this Agreement with cause or for nonperformance (hereinafter referred to as "Termination with Cause"), prior to the end of the term, with seven (7) days prior written notice.

14.1.1 Termination with Cause may include, but is not limited to, failure for CSUSA to account for its expenditures or to pay operating costs; failure to follow the policies, procedures, rules, regulations or City-approved curriculum as adopted by CSUSA.

14.1.2 Notwithstanding the foregoing, the failure to obtain any one of the performance criteria in Section 5.6 of this Agreement, shall be cause for the CITY to terminate this Agreement with cause, unless CSUSA, within thirty (30) days from receipt of written notice from the CITY, presents and agrees to implement an action plan, acceptable to the City Manager, detailing the actions to be taken by CSUSA to raise the performance level to acceptable standards, provided however that the revocation of the Charter, as amended, by the Chartering Entity, shall be cause for the CITY to terminate with cause this Agreement, without providing CSUSA an opportunity to cure.

14.1.3 Upon Termination with Cause, the parties shall immediately end their performance of obligations pursuant to this Agreement and shall have no further obligations or responsibilities to each other as of the date of such termination, including any payment obligations (except reimbursement of authorized expenses incurred by CSUSA on behalf of the CITY or the Charter School and unpaid earned Fees), except as otherwise indicated in this Agreement, and the non-defaulting party shall be entitled to pursue all remedies available under law or equity in addition to the termination of this Agreement.

14.2 Termination without Cause. This Agreement may be terminated without cause (hereinafter referred to as "Termination without Cause"), as follows:

14.2.1 This Agreement shall terminate on June 30, 2018, unless terminated earlier in accordance with the provisions of Section 14 or as otherwise provided for in this Agreement.

14.2.2 By the CITY, upon thirty (30) days advanced written notice, due to a change in federal, state or local or Chartering Entity law, ordinance, policy, rule, regulation or appropriations during the term of this Agreement which would materially impact the ability to staff, operate or maintain the Charter School substantially in conformance with the Administrative and Educational Services Agreement Documents, including the Charter Application and the Charter, as amended. Such changes could include, but not be limited to, a charter school capital outlay funds appropriation that does not provide for the Charter School to receive funding substantially in accordance with the Administrative and Educational Services Agreement Documents, including the Charter Application and the Charter, as amended, or a modification that would substantially impact the ability to limit the enrollment process to target the children of the CITY.

14.2.3 By the CITY, at any time and for any reason or no reason, upon one (1) year advance written notice.

14.2.4 Upon Termination without Cause, the parties shall have no further obligations or responsibilities to each other as of the date of such termination, including any payment obligations (except reimbursement of authorized expenses incurred by CSUSA on behalf of the CITY or the Charter School and unpaid earned Fees), except as otherwise indicated in this Agreement.

15. **Transfer of Functions Upon Termination.** In recognition of the paramount importance of maintaining the integrity and continuing operations of the Charter School, upon the expiration of the term of this Agreement, or in the event this Agreement is terminated pursuant to Section 14, or as otherwise indicated in this Agreement, CSUSA agrees to cooperate with the CITY during the transition of operations of the Charter School and for the transfer, within thirty (30) calendar days of such termination, of the documents which relate to the planning, design, development and operating functions of the Charter School (to the extent such documents are owned by the CITY) from CSUSA to the CITY or an entity selected by the CITY. Such cooperation shall include, but is not limited, to:

15.1 Assignment, in accordance with Section 5.4.2 of this Agreement, of all employees and employment contracts of the Charter School and the transfer of employee records to the CITY or an entity selected by the CITY.

15.2 Transfer of all student records, then current curriculum programs and class syllabi of the Charter School (unless the same is proprietary to CSUSA), if any, to the CITY or an entity selected by the CITY.

15.3 Assignment, at the CITY's sole option and in accordance with the provisions of Section 32 of this Agreement, of all contracts, subcontracts and/or agreements, if any, entered into by CSUSA for the Charter School, to the CITY or an entity selected by the CITY, if such contracts or subcontracts are assignable.

15.4 CSUSA shall provide the CITY, or an entity selected by the CITY, all hardware, software, business applications and other intellectual property (with password and configuration information) purchased by CITY. If CSUSA uses software or applications for the operation of the Charter School that is not owned by CITY or the Charter School, the CITY, at its sole option, may continue to use such software or applications. If the CITY elects to continue to utilize CSUSA software or applications to operate the Charter School, the CITY shall execute a license agreement with CSUSA for the use of the same for a reasonable license fee (based upon the then existing market value) to be negotiated in good faith by the parties.

15.5 Transfer of all property including, but not limited to, furniture, fixtures, equipment, materials, software and hardware acquired for the Charter School by the CITY and purchased by the CITY or through the use of funds designated for the Charter School, to the CITY or an entity selected by the CITY.

15.6 The delivery of any and all Public Records in CSUSA's possession to the CITY or an entity selected by the CITY.

15.7 Transfer of any and all other information owned by the CITY, or provision of assistance, to ensure the least disruption of the continuing operations of the Charter School as a result of the termination of this Agreement.

15.8 The provisions of Section 15 shall survive the termination of this Agreement.

16. Entire Agreement. This Agreement and all documents contemplated herein including the Administrative and Educational Services Agreement Documents, represent the entire understanding and agreement between the parties with respect to the subject matter hereof, and supersedes all other negotiations, understandings, and representations (if any) made by and between such parties. The provisions of this Agreement may not be amended, supplemented, or waived orally, but only by a writing signed by the parties and making specific reference to this Agreement.

17. Assignments. No party shall assign or pledge its rights or obligations hereunder without the prior written consent of the other party to this Agreement, which consent may be withheld by such party in its sole discretion except as otherwise provided for in this Agreement.

18. Further Assurances. The parties hereby agree from time to time to execute and deliver such further and other assurances, assignments and documents and do all matters and things that may be convenient or necessary to more effectively and completely carry out the intentions of this Agreement.

19. Relationship of Parties. The relationship between the parties hereto shall be solely as set forth herein as independent contractors and neither party shall be deemed to be an employee, agent, partner, or joint venturer of the other.

20. Interpretations. This Agreement shall not be construed more strictly against one party than against the other merely because it may have been prepared by counsel for one of the parties, it being recognized that both parties have contributed substantially and materially to its preparation.

21. Time of the Essence. Time of performance by either party of each and every provision or covenant herein contained is of the essence of this Agreement. CSUSA shall be responsible for ensuring the timely performance of all activities and responsibilities required during the term of this Agreement, including the production of documents, in compliance with all applicable federal, state, local and Chartering Entity laws, ordinances, rules and regulations, to ensure that the Charter School is maintained as a fully operational Charter School in compliance with the Administrative and Educational Services Agreement Documents and the Charter, as amended, during the term of this Agreement. For the purpose of this Agreement, "timely" shall include a reasonable time for review, consideration, and/or modification by the City Manager, and, whenever deemed necessary by the City Manager, shall include the appropriate time necessary for submission, consideration and/or approval by the Aventura City Commission.

22. Binding Effect. All of the terms and provisions of this Agreement, whether so expressed or not, shall be binding upon, inure to the benefit of, and be enforceable by the parties and their respective legal representatives, successors, and permitted assigns.

23. Notices. All notices and other communications required or permitted under this Agreement shall be in writing and given by:

23.1 hand delivery;

23.2 registered or certified mail, return receipt requested;

23.3 overnight courier, or

23.4 facsimile with a hard copy followup pursuant to Sections 23.1, 23.2 or 23.3 to:

If to CSUSA: Charter Schools USA at Aventura, L.C.
6245 N. Federal Highway, Suite 500
Fort Lauderdale, Florida 33308
Attention: Mr. Jonathan K. Hage, President
Fax: (954) 202-2047

With a copy to: Tripp Scott, P.A.
110 S.E. 6th Street, 15th Floor
Fort Lauderdale, Florida 33301
Attn: Edward J. Pozzuoli, Esq.
Fax: (954) 761-8475

If to the City: Eric M. Soroka
City Manager
City of Aventura
19200 West Country Club Drive
Aventura, Florida 33180
Fax: (305) 466-8919

With a copy to: Weiss Serota Helfman Pastoriza Cole & Boniske, P.L.
200 E. Broward Blvd.
Suite 1900
Fort Lauderdale, FL 33301
Attn: David Wolpin, Esq.
Fax: 954-764-7770

or to such other address as any party may designate by notice complying with the terms of this Section. Each such notice shall be deemed delivered:

23.4.1 on the date delivered if by hand delivery or overnight courier,

23.4.2 on the date upon which the return receipt is signed or delivery is refused or the notice is designated by the postal authorities as not deliverable, as the case may be, if mailed; and

23.4.3 on the date of transmission with confirmed answer if by fax.

24. **Headings.** The headings contained in this Agreement are for convenience of reference only, and shall not limit or otherwise affect in any way the meaning or interpretation of this Agreement.

25. **Severability.** If any part of this Agreement or any other agreement entered into pursuant hereto is contrary to, prohibited by or deemed invalid under applicable law or regulation, such provision shall be inapplicable and deemed omitted to the extent so contrary, prohibited or invalid, but the remainder hereof shall not be invalidated thereby and shall be given full force and effect so far as possible.

26. **Waivers.** The failure or delay of any party at any time to enforce this Agreement shall not affect such party's right to enforce this Agreement at any other time.

Any waiver by any party of any breach of any provision of this Agreement shall not be construed as a waiver of any continuing or succeeding breach of such provision, a waiver of the provision itself, or a waiver of any right, power, or remedy under this Agreement. No notice to or demand on any party in any case shall entitle such party to any other or further notice or demand in any other circumstance.

27. **Outside Business.** Nothing contained in this Agreement shall be construed to restrict or prevent, in any matter, CSUSA or its representatives or principals from providing services to any third-party similar to the services provided pursuant to this Agreement.

28. **Third Parties.** Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies on any person other than the parties hereto and their respective legal representatives, successors, and permitted assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third person to any party to this Agreement, nor shall any provision give any third person any right to subrogation or action over or against any party to this Agreement.

29. **Jurisdiction and Venue.** The parties acknowledge that a substantial portion of the negotiations, anticipated performance and execution of this Agreement occurred or shall occur in Miami-Dade County, Florida, and that, therefore, without limiting the jurisdiction or venue of any other federal or state courts, each of the parties irrevocably and unconditionally:

29.1 agrees that any suit, action or legal proceeding arising out of or relating to this Agreement may be brought in the courts of record of the State of Florida in Miami – Dade County or the court of the United States, Southern District of Florida in Miami –Dade County.

29.2 consents to the jurisdiction of each such court in any suit, action, or proceeding; and

29.3 waives any objection which it may have to the laying of venue of any such suit, action, or proceeding in any of such courts.

30. **Enforcement Costs.** In the event of any controversy arising under or relating to the interpretation or implementation of this Agreement or any breach thereof, the prevailing party shall be entitled to recover all court costs, expenses, and reasonable attorneys' fees (including, without limitation, all pre-trial, trial and appellate proceedings) incurred in that action or proceeding, in addition to any other relief to which such party or parties may be entitled.

31. **Remedies Cumulative.** No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be

cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law, in equity, by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

32. **Contracts and Subcontracts** CSUSA may contract and/or subcontract for the performance of any of its responsibilities set forth in this Agreement, subject to notice to the CITY, such notice to indicate if the contract and/or subcontract will provide for assignment to the CITY in the event of the termination of this Agreement, and the CITY's opportunity to review any and all proposed contracts and/or subcontracts in connection with the performance of the duties, functions, and responsibilities under this Agreement. CSUSA shall be responsible for the management of all contractors and/or subcontractors in the performance of their work. Nothing herein shall create any relationship, contractual or otherwise, between CITY and any contractor or subcontractor. Notwithstanding the rights of CSUSA to enter into such contracts, subcontracts and agreements and the contractual obligations of contractor or subcontractor to CSUSA, CSUSA shall remain liable to the CITY for the performance of Services under this Agreement.

Any and all contracts, subcontracts and agreements entered into by CSUSA pursuant to this Agreement shall (i) contain insurance and indemnity requirements in favor of the CITY consistent with Sections 5.2.8 and 12 of this Agreement, (ii) if possible, provide that the CITY is a third part beneficiary of such contract, subcontract or agreement, and (iii) if possible, include provisions that provide for the assignment of these contracts, subcontracts or agreements, at the CITY's sole option, to the CITY, or an entity of the CITY's selection, upon the expiration of the term of this Agreement or in the event this Agreement with CSUSA is terminated pursuant to the terms herein. In the event of such assignment, CSUSA and the CITY shall be responsible for their respective duties under the terms of this Agreement until the date of assignment. CSUSA shall indemnify the CITY for the acts and omissions of CSUSA occurring prior to the date of assignment, and the CITY shall indemnify CSUSA for the acts and omissions of the CITY following the occurrence of the date of assignment. CSUSA shall provide CITY with copies of all contracts, subcontracts and agreements to ensure they comply with the foregoing.

33. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

34. **Governing Law.** This Agreement and all transactions contemplated by this Agreement shall be governed by, construed, and enforced in accordance with the internal laws of the State of Florida, without regard to principles of conflicts of laws.

35. **Proprietary Information.** The CITY agrees that CSUSA shall own all copyrighted and other proprietary rights to all instructional materials, training materials, curriculum and lesson plans, or any other materials created and developed by CSUSA, its

employees, agents or subcontractors, or by any individual working for or supervised by CSUSA, which is specifically identified by CSUSA in writing as being copyrighted or proprietary, provided however that any such materials prepared or developed by Charter School staff as a responsibility of their school position, during normal work hours, or during time for which the individual is being paid from Charter School funds shall not be copyrighted or proprietary to CSUSA unless authorized by the City Manager.. CSUSA shall have the sole and exclusive right to license such materials for use by other school districts, other public schools, or other customers, or to modify and/or sell such materials for use by school districts, other public schools or other customers. Notwithstanding the same, in the event of expiration or termination of this Agreement, the CITY shall have the right to use such materials during the life of the Charter School provided the CITY pays a reasonable license fee (based upon the then existing market value) to CSUSA; however, the CITY shall have no rights to use such materials beyond the life of the Charter School. During the term of this Agreement, CSUSA may disclose such proprietary information, including that which is currently in existence as well as that which may be created in the future. The CITY, to the extent permitted by law, shall treat all proprietary information specifically identified in writing by CSUSA as though it were a trade secret and copyrighted and shall use efforts as may be reasonably requested by CSUSA so as not to disclose, publish, copy, transmit, modify, alter or utilize such proprietary information during the Term of this Agreement or at any time after its expiration other than to the extent necessary for implementation of this Agreement or as licensed from CSUSA for the continuing planning, design, development and operation of the Charter School ; provided, however, that CSUSA acknowledges that any information provided to the CITY may be a public record under Florida law and may be subject to disclosure.

36. **Sale or Transfer of Interest in CSUSA.** This Agreement is made by the CITY with CSUSA in its current ownership form and in reliance on the expertise of the current principals and owners of CSUSA, including Jonathan Hage. No substantial change in ownership or any other form of control of CSUSA shall be transferred, pledged, mortgaged or assigned, directly or indirectly, without the prior written consent of the CITY, through the City Manager. For purposes of this Agreement "substantial change in ownership" shall be defined as when a majority of CSUSA ownership is not maintained by Jonathan Hage. In determining whether to approve of any such transfer, pledge, mortgage or assignment, the City Manager may consider, without limitation:

36.1 whether the now current individual principals and managers of CSUSA will continue to retain total responsibility for the performance of CSUSA Services for the Charter School;

36.2 the qualifications and character of the individuals or entities that are to receive the transferred or assigned interest from CSUSA.

The CITY, upon considering the approval of the transfer or assignment, shall not unreasonably withhold approval of such based upon the foregoing criteria.

37. **Additional Audits**. In addition to the audits required pursuant to Section 5.3.2 of this Agreement, the CITY shall have the right, at any time during business hours, at the CITY's sole expense, and with reasonable notice to CSUSA, to inspect and audit, or caused to be inspected and audited by a certified public accounting firm selected by the CITY, the business records, bookkeeping and accounting records, tax records and returns and other records of CSUSA with respect to this Charter School and this Agreement. CSUSA shall cooperate with CITY and the certified public accounting firm. If any of the foregoing business records are retained by CSUSA following the expiration or earlier termination of this Agreement and not delivered to the CITY, CSUSA shall maintain and make available to the CITY such books and records for a period of six (6) years following the expiration or earlier termination of this Agreement.

38. **Police/Regulatory Powers**. CITY cannot, and hereby specifically does not, waive or relinquish any of its regulatory approval or enforcement rights and obligations as it may relate to regulations of general applicability which may govern the Charter School and the facility, and any improvements or operations relative thereto. Nothing in this Agreement shall be deemed to create an affirmative duty of CITY to abrogate its sovereign right to exercise its police powers and governmental powers by approving or disapproving or taking any other action in accordance with its zoning and land use codes, administrative codes, ordinances, rules and regulations, federal laws and regulations, state laws and regulations, and grant agreements.

[SIGNATURES APPEAR ON THE NEXT PAGE]

IN WITNESS WHEREOF, CITY and CSUSA have signed this Agreement in triplicate. One counterpart each has been delivered to CITY and CSUSA.

ATTEST:

By:_____
Teresa M Soroka, MMC
City Clerk

APPROVED AS TO FORM:

By:_____
City Attorney

CITY OF AVENTURA, FLORIDA

By:_____
Eric M. Soroka, City Manager

WITNESSES:

_____
Signature

_____
Print Name

_____
Signature

_____
Print Name

CHARTER SCHOOLS USA AT AVENTURA, L.C.

By:_____
Jonathan K. Hage, President

CHARTER SCHOOLS USA, INC.

By: _____
Jonathan K. Hage, President

ADMINISTRATIVE AND EDUCATIONAL SERVICES AGREEMENT

among

CHARTER SCHOOLS USA, INC.,

and

CHARTER SCHOOLS USA AT AVENTURA, L.C.,

and

CITY OF AVENTURA

for the

AVENTURA CITY OF EXCELLENCE SCHOOL

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ADMINISTRATIVE AND EDUCATIONAL SERVICES AGREEMENT FOR THE AVENTURA CITY OF EXCELLENCE SCHOOL

THIS ADMINISTRATIVE AND EDUCATIONAL SERVICES AGREEMENT (the "Agreement") is made and entered into as of the ____ day of _____, ~~2004~~2013, by and among **CHARTER SCHOOLS USA, INC.**, a Delaware corporation; **CHARTER SCHOOLS USA AT AVENTURA, L.C.**, a Florida limited liability company (collectively "CSUSA"); and **CITY OF AVENTURA** ("CITY"), a Florida municipal corporation.

W I T N E S S E T H:

~~**WHEREAS,** there are no Miami-Dade County Public (MDCPS) schools within the CITY'S municipal boundaries, MDCPS has indicated that the MDCPS schools that serve the CITY have been and continue to be overcrowded, and there is insufficient school capacity to accommodate the impacts of new residential development; and~~

~~**WHEREAS**, the CITY, in response to the growth in its school age population, including that growth specifically resulting from the development of new residential dwellings, issued RFP #01-06-01-2 to design, build, operate and maintain a Charter Elementary School for the City of Aventura at 3333 N. E. 188th Street, Aventura, Florida; and~~

WHEREAS, at the July 3, 2001, City Commission meeting, the Commission approved a Resolution selecting the firm of CSUSA ~~in association with Charter Schoolhouse Developers, Inc. (hereinafter referred to as the "DEVELOPER"),~~ to design, ~~build,~~ operate and maintain a Charter Elementary School for the CITY; and

WHEREAS, the CITY entered into the July 2, 2002 Management Agreement for the Aventura Charter Elementary School ~~(hereinafter referred to as "Elementary Agreement")~~ to organize, manage, staff, operate and maintain the Charter Elementary School that opened for the 2003-2004 school year; and

~~**WHEREAS**, the CITY, having created and built new elementary student stations in response to the growth resulting from the development of new residential dwellings, thereby providing educational choice to its residents and assisting MDCPS in alleviating its growing school capacity needs, now wishes to further preserve the quality of life for its residents by the creation of a middle school component to the Charter Elementary School that will provide additional public school capacity to mitigate the impact of new residential development; and~~

~~**WHEREAS**, the CITY issued RFP #03-12-12-2 to design and build a middle school wing addition to the Charter Elementary School; the City Commission, at its February 3,~~

~~2004 meeting, approved a Resolution selecting the DEVELOPER to design and build the middle school wing addition; and the CITY has entered into the DEVELOPMENT AGREEMENT between CHARTER SCHOOLHOUSE DEVELOPERS, INC. and THE CITY OF AVENTURA FOR DESIGN AND BUILD MIDDLE SCHOOL WING ADDITION TO CHARTER SCHOOL; and~~

~~**WHEREAS**, the CITY and The School Board of Miami-Dade County, Florida (hereinafter referred to as "Chartering Entity") entered into a Charter School Contract that was approved by the Chartering Entity on April 17, 2002 for the Charter Elementary School (hereinafter referred to as the "Charter",) and have entered into the FIRST AMENDMENT TO THE CHARTER SCHOOL CONTRACT approved by the Chartering Entity on July 14, 2004 (hereinafter referred to as the "First Amendment") to provide for the addition of a middle school component, permit the Charter School to serve up to 900 students in grades Kindergarten through 8, and reflect changes in state law or as otherwise desired by the CITY and the Chartering Entity; and~~

WHEREAS, in December of 2004 the City and CSUSA agreed ~~it is in the best interests of the CITY~~ to amend the Elementary Agreement with CSUSA, to incorporate the requirements of the Charter and First Amendment (hereinafter referred to as the "Charter, as amended"), add the middle school component and align CSUSA's responsibilities in connection with the Charter School to reflect those it ~~currently performs~~ performed at that time.~~(hereinafter referred to as "Agreement")~~; ~~now, therefore~~and,

WHEREAS, the current Agreement (the" Current Agreement") with CSUSA expires on June 30, 2013 and both parties wish to extend the Agreement, which is in the best interests of the School, in order to continue to provide stability to the teachers and staff and update the Agreement to reflect the current operations; now therefore,~~.~~

IN CONSIDERATION of the mutual covenants and undertakings and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties do mutually covenant and agree as follows:

1. **Recitals.** The recitals set forth above are true and correct and are incorporated herein by reference. All exhibits to this Agreement are hereby deemed to be a part hereof.

2. **Definitions.** Wherever used in this Agreement, the following terms have the meanings indicated which are applicable to both the singular and plural thereof:

2.1 **Agreement** - The written agreement between CITY and CSUSA covering the Services to be performed.~~, including the Elementary Agreement; the Agreement; and the Administrative and Educational Services Agreement Documents, as hereinafter defined, and that are attached to this Agreement or made a part thereof~~.

2.2 **CITY** - The City of Aventura with whom CSUSA has entered into the Agreement and for whom the Services are to be provided.

2.3 **City Manager** - The City Manager or his designee (hereinafter referred to as " City Manager") of the City of Aventura, who has the authority on behalf of the CITY to grant or deny approvals and perform the CITY's responsibilities required by this Agreement.

2.4 **Administrative and Educational Services Agreement Documents** - The Administrative and Educational Services Agreement Documents consist of the Certificate(s) of Insurance, all applicable provisions of State, Federal, Chartering Entity or local laws, ordinances, regulations, rules or policies (incorporated herein by reference); ~~the RFP Response (as hereinafter defined), the Charter School Application for the Charter School as approved by the Chartering Entity on December 12, 2001 and as amended by the November 2003 submittal of the CITY adding the middle school component (hereinafter referred to as "Charter Application"), applicable and/or surviving terms and conditions of the Elementary Agreement and associated Management Agreement Documents,~~ the Charter and all amendments thereto, ~~the First Amendment~~, and any additional documents which are required to be submitted under this Agreement, and all amendments, modifications and supplements issued or to take effect on or after the Effective Date of the Agreement.

2.5 **CSUSA** - Where CSUSA is indicated as the responsible party to perform an obligation pursuant to this Agreement, the parties acknowledge and agree that Charter Schools USA, Inc. and Charter Schools USA at Aventura, L.C. shall have joint and several liability and responsibility to perform such obligation.

2.6 **Effective Date of the Agreement.**

2.6.1 This Agreement shall become effective upon the date of execution or, if no such date is indicated, the effective date shall be the date on which the Agreement is signed and delivered by the last of the two parties to sign and deliver. This Agreement shall be applicable for all Services, as hereinafter defined, activities and obligations necessary to, required by, or associated with the Charter School for the ~~2004~~2013-~~2005~~ 2014 school year and thereafter.

2.6.2 The ~~Elementary~~ Current Agreement shall be applicable for all Services, as defined in the ~~Elementary~~ Current Agreement, activities and obligations necessary to, required by, or associated with the Charter School and the Charter, as amended, until the Agreement becomes effective, and shall thereafter remain in effect for those obligations and requirements that survive the ~~Elementary~~ Current Agreement.

2.7 **School** – Aventura City of Excellence School or Charter School.

2.~~7~~8 Services – Those activities that must be performed in connection with the Charter School as set forth in this Agreement.

~~**2.8 RFP Response** - The June 1, 2001 submittal by Charter Schools USA, Inc. in association with DEVELOPER in response to RFP #01-06-01-2 to design, build, operate and maintain a Charter Elementary School for the City of Aventura, which is hereinafter incorporated by reference, and as further represented or clarified by Charter Schools USA, Inc. to the CITY during the selection process.~~

2.9 Written Amendment - A written amendment of the Agreement and/or the Administrative and Educational Services Agreement Documents, signed by CITY and CSUSA to take effect on or after the Effective Date of the Agreement.

3. Term. The CITY agrees to contract with CSUSA, and CSUSA agrees to be contracted with, for the purpose of providing the Services in connection with the Charter School in accordance with the terms of this Agreement. The term of this Agreement shall commence as of the Effective Date of this Agreement and shall terminate on June 30, ~~2013~~ 2018, unless terminated earlier pursuant to the provisions of this Agreement, subject to any further obligations (including payment obligations) of the parties that survive termination. The Agreement may be extended for an additional term up to five (5) years upon agreement of both parties and provided the Miami-Dade County School Board extends the Charter granted to the City.

4. Charter School. The Charter School ~~shall be~~is a K-8 school ~~comprised of the elementary school that opened for the 2003-2004 school year and the middle school commencing for the 2005-2006 school year~~. CSUSA shall perform its responsibilities regarding the Charter School in accordance with the Charter, as amended, and all applicable federal, state, local and Chartering Entity laws, ordinances, rules and regulations.

5. Services To Be Provided By CSUSA. CSUSA's fees hereunder shall compensate it for the performance of the Services, as further specified herein. Any funds required or expenditures to be made by CSUSA in the performance of these responsibilities shall be substantially in conformance with the Administrative and Educational Services Agreement Documents and the approved Charter School Annual Budget (as hereinafter defined). It is the specific intent of the parties that the costs associated with CSUSA's responsibilities (and fees), shall not be shifted from CSUSA into the Charter School's operating budget. Responsibilities of CSUSA shall include, but are not limited to, the following areas:

5.1 Education ~~Management.~~Consulting Services

5.1.1 Curriculum, Accountability and Testing and Sustainable Performance. CSUSA shall:

5.1.1.1 Assist the School in ~~Plan, provide for~~ the implementation of~~, and oversee a~~ City-approved curriculum for the Charter School that incorporates the performance-based ~~Florida Sunshine~~ State adopted Standards and complies with the Administrative and Educational Services Agreement Documents.

5.1.1.2 Assist the School in implementing ~~Provide for~~ appropriate programs for Exceptional Student Education (ESE) students and Limited English Proficient (LEP) students, ~~implemented~~ in accordance with federal and state laws, local policies and procedures, and the Administrative and Educational Services Agreement Documents.

5.1.1.3 Upon the request of the School may assist in implementing~~Ensure~~ a viable assessment program for mapping student progress and provide for the administration of all tests/assessments to the students, excluding state-required or Chartering Entity standard tests/assessments provided to the Charter School by or through the Chartering Entity, that are required by or associated with CSUSA's curriculum, educational programs, the School Improvement Plan, ~~the Annual Report~~, or other reporting or evaluation requirements. ~~CSUSA shall ensure that the Charter School is supplied with all required or necessary test materials including, as appropriate, test booklets, answer sheets, calculators, practice materials, materials for special populations (e.g., large print, Braille), rulers, administration manuals, and scoring/norming information. CSUSA shall provide for such tests/assessments to be administered in a timely fashion consistent with the publisher's specifications or the requirements of the curriculum, educational programs, the School Improvement Plan, the Annual Report, or other reporting or evaluation requirements and in conformance with state law and appropriate policies and procedures related to test security and test administration, as applicable. CSUSA shall ensure that Charter School personnel are provided with appropriate training on test security and test administration policies and procedures.~~

5.1.1.4 Assist the School in ~~Evaluate~~ Evaluating the Charter School's success in achieving the objectives stated in the Administrative and Educational Services Agreement Documents and the School Improvement Plan on at least an annual basis.

5.1.1.5 Assist the School in ~~Be responsible for the Charter School's compliance~~ complying with the requirements delineated in Florida State Board of Education Administrative Rule 6A-1.09981, *Implementation of Florida's System of School Improvement and Accountability,* as may be amended from time to time.

5.1.1.6 Assist the School in ~~Ensure~~ ensuring that the Charter School's program is consistent with the state education goals established by Florida Statute 1000.03(5).

5.1.1.7 Assist the School in ~~Make~~ making every reasonable effort to ensure that student performance increases from year to year, assess the possible reasons for such performance and take all reasonable steps to enable the students to continually progress and improve their academic performance. ~~CSUSA shall be required to meet or exceed all performance criteria as set forth in the Administrative and Educational Services Agreement Documents and perform to the satisfaction of the CITY, as herein after defined in Section 5.6 of this Agreement.~~

5.1.2 Parent Activities.

5.1.2.1 At the request of the CITY, appropriate CSUSA staff shall attend meetings of the School Advisory ~~Board~~ Committee ~~or other parent-teacher/community organization~~ to provide reports or information about the Charter School. In order to facilitate scheduling, the CITY will periodically provide CSUSA with schedules of the anticipated meeting dates of such organizations, to the extent available, as set forth in Section 6.1.2 of this Agreement.

5.1.2.2. A Parent Survey substantially similar to that attached as Exhibit "A" shall be conducted in the spring of each year.

5.2 Development and Operations Management.

5.2.1 Public Relations. Any public relations performed by CSUSA for the Charter School including, without limitation, community outreach, press releases and media relations, shall be coordinated with and approved by the City Manager's Office. All media relations initiated by CSUSA, including press releases, shall require the prior written approval of the City Manager. Press releases shall contain the name of the CITY and its seal as designated by the City Manager. Where media contact to CSUSA is not initiated by CSUSA, CSUSA shall notify the City Manager.

5.2.2 Contracted Services and Contract Administration.

5.2.2.1 Contract Administration. CSUSA shall coordinate, negotiate and administer those contracts for CSUSA Services to be performed or provided by third parties and which must be entered into by the Charter School during the term of this Agreement to ensure the efficient operation of the Charter School. Said contracts shall comply with the provisions of Section 32 of this Agreement and said contracts and services shall comply with all applicable federal, State, local and Chartering Entity laws, ordinances, rules and regulations.

5.2.2.2 Cafeteria Management and Food Service. CSUSA shall coordinate, negotiate and administer ~~CSUSA shall be responsible for contracting~~, in compliance with the provisions of Section 32 of this Agreement, with public or private entities or individuals for the provision of food service and shall provide management services for the Charter School's cafeteria which enables the Charter School to comply with all applicable federal, state, local and Chartering Entity, laws, ordinances, rules, and regulations, and the Charter, as amended, regarding the provision of food service to all students attending the Charter School. The costs associated with such service shall be included in the approved Charter School Annual Budget and paid for from the Charter School Fund. The City shall serve as the Food Service Sponsor as defined by the Florida Department of Education (DOE) for the purpose of filing an application with the DOE to participate in the National School Lunch Program (NSLP). ~~Once approved, the Food Service Sponsor shall ensure that all federal guidelines and procedures are followed with regard to the administration of NSLP as outlined by the United States Department of Agriculture and DOE.~~ The Food Service Sponsor shall appoint a designee to be responsible for maintaining student applications and processing monthly reimbursements through the DOE. CSUSA shall assist in the preparation of the NSLP application and distribution of student applications. CSUSA shall assist the Food Service Sponsor in the collection of data to be provided in accordance with NSLP policy and procedure.

5.2.3 Student ~~Recruitment, Registration and Enrollment~~ Lottery.

~~**5.2.3.1** CSUSA shall conduct marketing, public relations and recruitment efforts throughout the CITY in order to attract a sufficient pool of applicants to achieve and maintain the targeted student population of the Charter School. Such efforts will include informational meetings to inform interested parents of the mission of the Charter School, the registration process and required contractual obligations.~~

5.2.3.~~2~~ 1 CSUSA shall be responsible for conducting ~~the enrollment and registration processes of the Charter School, including but not limited to processing of applications and conducting~~ any lotteries, and shall ensure that the Charter School's enrollment ~~and~~ registration and lottery processes are in compliance with Florida Statutes, the Administrative and Educational Services Agreement Documents, and the Charter, as amended. As permitted by Florida Statute, ~~CSUSA~~ ACES will give preference to children of CITY residents.

5.2.4 Staff Recruitment.

CSUSA shall assist the School in ~~conduct marketing, public relations and~~ recruitment efforts to target well-qualified and enthusiastic administrative personnel, teachers and staff ~~in order to attract and employ sufficient Charter School personnel to maintain staffing and experience levels, class sizes and student/classroom teacher ratios in accordance with the Administrative and Educational Services Agreement Documents.~~ Notwithstanding the

requirements of this paragraph, the CITY may conduct its own marketing, public relations and recruitment efforts to attract personnel for Charter School employment.

5.2.5 State, Local and School Board Compliance.

5.2.5.1 Coordination with the Chartering Entity. The CITY shall be responsible for coordinating any and all activities of the Charter School with the requirements of the Chartering Entity and for complying with all reasonable requests of the Chartering Entity regarding the Charter School. CSUSA shall be responsible for providing the CITY, in a timely manner, with any and all information, data, materials, documents, records, and submittals for or associated with the Services performed by CSUSA, that are requested by or necessary for the CITY to coordinate with the requirements of or comply with all reasonable requests of the Chartering Entity.

5.2.5.2 Compliance with Applicable Law. CSUSA acknowledges that the CITY is entering into this Agreement based, in part, on CSUSA's expertise in the business of developing, organizing, managing, staffing, operating and maintaining charter schools in the State of Florida and with the Chartering Entity. CSUSA shall be responsible for ensuring that the Services performed by CSUSA comply, and shall provide advice and assistance to the CITY to ensure the Charter School complies with all applicable federal, state, local and Chartering Entity laws, ordinances, rules and regulations.

5.2.5.3 Charter Renewal Services. CSUSA acknowledges that CITY and the Chartering Entity entered into a Charter School contract dated April 18, 2002 and covers a term of 15 years commencing July 1, 2003 and ending on June 30, 2018. CSUSA acknowledges and agrees to complete all tasks necessary to obtain a charter renewal from the Chartering Entity for the CITY, including but not limited to planning, developing, writing an application for renewal of the Charter in order for the City to successfully obtain the School's Charter renewal. The parties agree that a draft of the application shall be submitted to the City not later than ninety (90) days prior to the due date for submittal to the Chartering Entity. The draft shall be submitted in the agreed upon format between the City and CSUSA so that the City may review and edit as required for final submittal to the Chartering Entity.

5.2.6 Annual Financial Report and School Improvement Plan.

5.2.6.1 CSUSA shall provide to the CITY on a timely basis any information required to prepare the Annual Financial Report and the School Improvement Plan as required by Florida Law and the Charter as amended from time to time ~~prepare and submit an annual report to the CITY by August 5th of each year. The annual report shall include the following sections:~~

~~(a) Section 1 shall be those components of the Annual Report required by Florida Law, the Charter, as amended, and shall include, but shall not be~~

~~limited to, pertinent financial reports; performance reports, including the Charter School's progress toward achieving the goals outlined in the Charter; information required in the annual school report pursuant to Section 1008.345, F.S.; financial records of the Charter School, including revenues and expenditures; salary and benefit levels of the Charter School's employees; recap of previous school year and plans and projections for the upcoming school year and shall be in accordance with the Charter, as amended, and~~

~~(b) Section 2 shall include, but shall not be limited to, the additional reports and information required by this Agreement, as may be amended from time to time, including, but not limited to the documentation, information and reports (including measurement methodology and assumptions), necessary to determine the Charter School's compliance with the minimum performance criteria pursuant to Section 5.6.~~

~~The CITY shall ensure that Section 1 is submitted to the Chartering Entity in a timely manner consistent with the Charter, as amended.~~

~~**5.2.6.2** Each year, CSUSA and the Charter School Principal shall cooperatively develop a proposed School Improvement Plan, in compliance with the requirements of the Chartering Entity, that will contain the measurable objectives that will be pursued by the Charter School during that school year. The measurable objectives specified in the School Improvement Plan shall be substantially as indicated in the Administrative and Educational Services Agreement Documents unless otherwise authorized by the CITY. CSUSA shall provide the City Manager with the proposed School Improvement Plan at least one week prior to the due date established by the Chartering Entity (currently the 3rd Monday in September). The CITY shall ensure that the final School Improvement Plan is submitted to the Chartering Entity in a timely manner consistent with the Charter, as amended, and shall provide a copy to CSUSA.~~

5.2.7 <u>Records Retention; Public Records.</u>

5.2.7.1 CSUSA shall provide, protect, preserve, and maintain all books, records and related documents of or affecting the Charter School, resulting from, required by, relative to or associated with the Services performed by CSUSA, that are not proprietary to CSUSA (the "Public Records"), pursuant to the provisions of the Charter, as amended, and Chapter 119, F.S. as amended from time to time.

5.2.7.2 In the event of termination of this Agreement, CSUSA shall, pursuant to Section 15, deliver any and all Public Records in its possession to the CITY within thirty (30) calendar days of such termination.

5.2.8 <u>Insurance</u>. CSUSA shall obtain liability policies that provide for educator professional liability insurance and auto liability. The costs associated with such insurance shall be included in the approved Charter School Annual Budget and paid for

from the Charter School Fund; provided, however, that CSUSA's corporate insurance requirements as outlined in Section 11 of this Agreement herein, shall be separate and distinct from the insurance requirements of the Charter School. CSUSA shall obtain worker's compensation insurance for all CSUSA employees that are employed at the Charter School, in compliance with the Administrative and Educational Services Agreement Documents and all applicable federal, state, local and Chartering Entity laws, ordinances, rules and regulations.

The liability policy to be obtained by CSUSA will provide liability coverage for all Services and programs at the Charter School provided, offered or held by CSUSA. All insurance to be obtained by CSUSA will be with financially responsible insurance companies licensed to do business in the State of Florida with a rating of A or better; will name as insureds CSUSA and CITY, as their respective interests may appear; and will require written notice of any cancellation or change to be sent to CSUSA and CITY at least thirty (30) days prior to cancellation termination or material change. Within five (5) days of the Effective Date, CSUSA will deliver to the CITY copies of all insurance certificates and policies required under this Agreement, along with receipts evidencing payment the premiums for such insurance. CSUSA shall also provide the CITY with the foregoing information relative to the renewal of any required insurance policy prior to the expiration of any such policy. Each insurance policy required to be obtained by CSUSA under this Agreement must also provide that the insurer waives all rights of subrogation which the insurer might have against CITY. CSUSA acknowledges and agrees that the insurance required by this Agreement and any proceeds paid in connection with any claim thereunder shall in no way limit CSUSA's responsibilities and liabilities as set forth in this Agreement.

5.3 Financial Management.

5.3.1 Annual Budget. CSUSA shall assist the City Manager in the preparation of a detailed annual budget (the "Charter School Annual Budget"). The Charter School Annual Budget shall be finalized by ~~May~~ April ~~10~~ 30 of each year for presentation to the City Commission. ~~The budgets shall be substantially in accordance with the Administrative and Educational Services Agreement Documents and shall include, as appropriate, the total number of student stations for the coming academic year, all capital purchase requests, lease payments, debt repayments and/or cash loans required, operating revenues and operating expenditures for the respective school year.~~

The CITY shall ensure that the Charter School Annual Budget is submitted to the Chartering Entity in a timely manner consistent with the Charter.

~~**5.3.2 Grants** During the term of this Agreement, CSUSA shall actively and aggressively pursue grants and other funding sources and resources subject to the prior written approval of the City Manager for the application of same. For purposes of this section "grants and other funding sources and resources" shall be defined as funds, services or supplies procured by CSUSA other than FTE, PECO, or other County, State or~~

~~Federal funds that are normally associated with the operation and development of a charter school. Notwithstanding the above, CSUSA shall be responsible for preparing not less than two (2) grant applications per calendar year during the term of this Agreement. Charter School staff shall not be required, as a responsibility of their school position or during normal work hours, to prepare or assist in the preparation of CSUSA's grant applications unless authorized by the City Manager, whose authorization shall not be unreasonably withheld. The CITY and/or CSUSA, with mutual agreement, may apply for and receive grant money in the name of the other party. The CITY and CSUSA shall comply with each others reasonable requests for information necessary for the preparation of grant applications.~~

~~**5.3.3 Accounting, Budgeting & Financial Reporting**. CSUSA shall perform all accounting, financial management, and reporting functions for the Charter School required by or associated with the Services to be performed by CSUSA, in accordance with the Charter, as amended. CSUSA shall not commingle its corporate funds with the funds of the Charter School. Upon request by the CITY, CSUSA shall prepare and submit to the CITY financial statements, information or reports relative to or associated with the Services performed by CSUSA within twenty (20) days after the request is made. CSUSA shall ensure that financial statements, information, or reports regarding or associated with the Services to be performed by CSUSA that are necessary to develop or complete the Charter School's quarterly financial statements are submitted to the CITY in a timely manner to be incorporated in the overall quarterly financial statements for submittal by the CITY to the Chartering Entity in accordance with the Charter, as amended.~~

~~Upon request by the City, CSUSA shall additionally prepare or provide an annual financial report, information, or alternate report, in a manner and format as determined by the City Manager, as of June 30th of each year relative to or associated with the Services to be performed by CSUSA. CSUSA shall ensure that the annual financial reports, information or alternate reports are prepared in a timely manner, with such financial reports, information or alternate reports needed for the Unaudited Statements to be provided to the City Manager no later than July 15th of each year and the financial reports, information or alternate reports needed for the Audited Statements to be provided to the City Manager no later than September 1st of each year. The annual financial reports, information or alternate reports provided by CSUSA shall be incorporated into the Charter School's overall annual financial reports and, upon authorization of the City Manager for the Unaudited Statements and authorization of the Aventura City Commission for the Audited Statements, the CITY shall ensure that the Unaudited and Audited Statements are submitted to the Chartering Entity in a timely manner consistent with the Charter, as amended.~~

5.3.4~~2~~ Audits. CSUSA shall accommodate all required audits of the Charter School and shall provide information and ensure access to all school records and source documents required by, relative to, or associated with the Services to be performed by CSUSA in a timely manner.

5.4 Human Resource Management.

5.4.1 Payroll Administration. CSUSA shall prepare, maintain, administer, and report all payroll of CSUSA's employees hired to work at the Charter School, including, without limitation, processing and issuing all checks, maintaining all reports and payroll records and filing all necessary forms and returns, including worker's compensation compliance, unemployment insurance compliance, withholding and social security taxes and all tax and other forms relating to employment as may be required by any federal, state or municipal authority during the term of this Agreement. All payroll and other financial or operational records for the Charter School shall be segregated and separated from all other CSUSA payroll records and shall be reported in a manner allowing the payroll costs to be traced directly to the financial expenditures of the Charter School. CSUSA shall deposit such payroll taxes as may be required by the Internal Revenue Service for the payment of payroll taxes for the employees referenced herein. All penalties incurred by reason of late filing, failure to file or failure to pay shall be borne by CSUSA and shall be the sole obligation and responsibility of CSUSA. CSUSA shall be responsible for submitting to the City Manager reimbursement for CSUSA employees employed at the Charter School in a form acceptable to both parties.

5.4.2 Personnel Administration, Employee Benefits, and Personnel Policies and Procedures. Except as provided below, CSUSA shall ~~recruit and~~ employ sufficient qualified full-time and part-time personnel to operate the Charter School (as is necessary and appropriate during the Term of this Agreement), including without limitation, administrators, teachers, clerical, cafeteria, and other staff to enable the Charter School to be operated in conformance with the Administrative and Educational Services Agreement Documents and the Charter School budget. CSUSA shall determine, in its sole discretion, the benefits that will be provided to such personnel and shall administer the provision of such benefits. However, the City Manager reserves the right to develop a pay plan annually for the teachers and staff provided by CSUSA and is obligated to fund same from the Charter School fund Budget. No disciplinary action shall be initiated by the CITY against any CSUSA employee assigned to the Charter School without the prior written approval of CSUSA, or as otherwise established in written CSUSA-approved procedures, provided however that the City Manager shall have the right, at any time, to make recommendations to CSUSA regarding disciplinary matters, including possible termination, of the full-time and part-time personnel assigned to the Charter School. CSUSA will consider such recommendations of the City Manager and act in accordance with their responsibilities. At the end of each school year, the CITY shall have the right to have any CSUSA employee not reassigned to the Charter School for the subsequent school year, and such non-renewal of assignment shall not be considered a disciplinary action subject to the approval of CSUSA. Any and all employment agreements shall provide for the immediate assignability to the CITY, at its option, upon the expiration of the term of this Agreement or in the event that this Agreement is terminated as provided herein. In the event of such assignment, CSUSA and the CITY shall be responsible for their respective

duties under the terms of this Agreement until the date of assignment. CSUSA shall indemnify the CITY for the acts and omissions of CSUSA occurring prior to the date of assignment, and the CITY shall indemnify CSUSA for the acts and omissions of the CITY following the occurrence of the date of assignment. CSUSA shall provide the CITY with copies of all employment agreements to ensure they comply with the foregoing.

The Charter School Principal and other key personnel (Key City Personnel), as determined in the CITY's sole judgment, shall be employees of the CITY and selected by the City Manager. The CITY will establish job descriptions, salaries and benefits for the Charter School Principal and Key City Personnel. At the CITY's option, CSUSA shall recruit qualified personnel for the Charter School Principal and Key City Personnel, and the CITY may conduct its own recruiting efforts for qualified personnel for these positions, for selection by the City Manager. The parties agree that the Charter School Principal and CSUSA will work together to perform their respective responsibilities for the day-to-day operations of the Charter School and for carrying out the mission of the Charter School based on the goals and objectives as stated in the Administrative and Educational Services Agreement Documents.

In order to attract and compensate teachers and administrators necessary to achieve the performance criteria set forth in this Agreement, CSUSA agrees that, in the event additional funds are necessary to attract and compensate such teachers and administrators, as determined by CSUSA after consultation with the City Manager, CSUSA shall commit such funds from its Administrative and Educational Services Fee as are necessary to accomplish this goal.

The parties acknowledge that the school personnel are crucial to the operation of the school. CSUSA shall not, in any fashion, or for any reason whatsoever, act to preclude personnel from working their required and designated days and hours. Additionally, CSUSA shall use its best efforts to prevent work stoppages caused by the absence of school personnel. The parties further acknowledge that the CITY shall be irreparably harmed should school personnel fail to work their required and designated days and hours for such reasons as labor and/or economic disputes. In the event of such work stoppages, the CITY shall be entitled to seek any available legal or equitable remedies, including, but not limited to, injunctive relief from a court of appropriate jurisdiction, to best protect the interests of the CITY incident to its obligation to provide education for the students of the Charter School. CSUSA shall ensure that all personnel that it employs for the Charter School are subject to the terms of this paragraph.

5.4.3 <u>Training and Professional Development.</u> ~~CSUSA shall be responsible for the training and continuing education of its educational faculty, including CSUSA administrators and State of Florida certified teachers associated with the Charter School. CSUSA shall be responsible for implementing and monitoring professional development activity requirements applicable to CSUSA administrative and instructional~~

~~personnel associated with the Charter School. CSUSA shall also be responsible for providing the Charter School Principal and Key City Personnel the training, continuing education, and on-going professional development necessary for their successful implementation and operation of CSUSA's educational programs, curricula, academic design, and other CSUSA Services. The training, continuing education, and on-going professional development to be provided by CSUSA shall not be scheduled or provided during normal work hours or in a manner that would interrupt the educational process, unless otherwise authorized by the CITY.~~

~~Insofar as is possible,~~ CSUSA shall ensure that the Charter School's teachers are encouraged to participate in professional development opportunities sponsored by the Chartering Entity in order to increase teachers' content knowledge and pedagogy. The training, continuing education, and on-going professional development to be provided by CSUSA shall not be scheduled or provided during normal work hours or in a manner that would interrupt the educational process, unless otherwise authorized by the CITY.~~CSUSA shall be responsible for exploring the development of an affiliation with an accredited college or university in the State of Florida for the purpose of teacher training, education, recruitment and development of curriculum.~~

~~**5.4.4 Administrator and Teacher Evaluation and Assessment.** CSUSA shall provide the Charter School with an Administrator and Teacher Evaluation and Assessment system, in accordance with the Administrative and Educational Services Agreement Documents, that shall be used by the Charter School Principal for the evaluation and assessment of CSUSA employees employed by or associated with the Charter School. Any modifications to the CSUSA-provided Administrator and Teacher Evaluation and Assessment system shall be jointly approved by CSUSA and the CITY.~~

5.5 Technology Management.

5.5.1 Management Information Systems. On behalf of the Charter School and with input from the CITY, CSUSA shall provide the following components and functions ~~determine~~ of the Management Information System ("MIS") to be utilized at the Charter School, provided however, that such MIS will comply with the terms of this Section: ~~and the Administrative and Educational Services Agreement Documents.~~

- Student Information System that provides for a lottery program, student registration, maintenance of a waitlist, student scheduling, parent contact information, reporting and discipline tracking.

~~CSUSA shall, in coordination and cooperation with the CITY and in accordance with Sections 6.2.4 and 6.2.5 of this Agreement, design, install, implement and administer a MIS for the Charter School, consistent with the Charter School's purpose and goals.~~ This system, in conjunction with the applications required by the Chartering Entity, shall include business applications that meet, on an ongoing basis, any and all Federal, State, County,

CITY, or Chartering Entity reporting mandates, applicable for the Charter School or the CITY ~~for the following functions: Payroll/Personnel, Admissions, Scheduling, Registration, Records, and Reporting.~~ CSUSA agrees during the first year of this Agreement that CSUSA IT staff will be available to the CITY as a resource during the transition of various IT functions to the CITY. Both parties agree that the IT individual employed by CSUSA at the School shall report to the City's Information Technology Director. The City Manager, with reasonable notice to CSUSA and except as provided for in Chapter 119, F.S., shall have full and unlimited access to the Charter School-based MIS system with assistance from a representative of CSUSA. Upon termination of this Agreement, all hardware, software, business applications (including password and configuration information) and other intellectual property purchased by the CITY shall remain the property of the CITY. The MIS system shall be and remain the property of the CITY, except as proprietary to CSUSA as set forth in this Agreement. Responsibility for maintaining all data and records stored and used by the Charter School shall be with CSUSA and shall be in accordance with the Charter, as amended. The cost associated with any design, license, implementation, and administration shall be included in the approved Charter School Annual Budget and paid from the Charter School Fund. The CITY shall be responsible for the design, development, implementation and maintenance of the Charter School's web site, to which CSUSA shall be allowed to link.

5.6 Performance Criteria. The CITY and CSUSA shall agree to the following minimum performance criteria:

5.6.1 Education ~~Management.~~Services

5.6.1.1 For each year of operation, the Charter School shall attain the following:

a) ~~a)~~ All students will maintain a portfolio demonstrating and charting improvement and mastery of skills required at that grade level. ~~This portfolio will be part of the Personal Learning Plan (PLP) that is the compendium of parent, student and teacher conferences. Each PLP will establish academic goals for each individual student in relation to his/her performance and progress.~~

~~b) The median percentile by each grade level for the Reading and Mathematics subtests of the State or Chartering Entity-required norm-referenced test shall be no lower than the median percentiles achieved by the Miami-Dade County Public Schools that the students of the CITY would otherwise attend based on established attendance boundaries (currently, Highland Oaks and Ojus Elementaries, and Highland Oaks Middle). For purposes of this Section, the standard measurement of error for the norm-referenced test shall be three (3) percentile points. This section will be automatically amended on an annual basis to include additional subtests required by the State or Chartering Entity-required norm-referenced tests, if any.~~

~~c~~b) ~~Beginning in the 2004-2005 school year,~~ T~~t~~he State of Florida A+ Plan Grade shall be no lower than a "B".

~~d~~c) Meet the requirements delineated in Florida State Board of Education Administrative Rule 6A-1.09981, *Implementation of Florida's System of School Improvement and Accountability,* as may be amended from time to time.

~~e~~d) Achieve the measurable objectives specified in the annual School Improvement Plan.

5.6.2 Development and Operations Management.

5.6.2.1 The number of enrolled students, as defined in Section 10, shall be 95% of the number of students allowed under the Charter, as amended.

~~**5.6.2.2** The year-to-year student retention rate shall be 85% from the 2004-2005 school year to the 2005-2006 school year, and 90% for each year-to-year period thereafter. The year-to-year student retention rate shall be determined by expressing the number of students who were enrolled in the Charter School at both the beginning of the earlier school year (October enrollment period) and at the beginning of the subsequent school year (October enrollment period), as a percentage of the number of students who were enrolled in the Charter School at the beginning of the earlier school year (October enrollment period). For purposes of retention rate calculation, a student shall not be included in either the earlier or subsequent enrollment counts if he/she has left the school for non-causal reasons, as determined by an exit survey. Non-causal reasons shall be: a change of residence, change in transportation requirements, articulation beyond the Charter School's exit grade level, failure of the parent/guardian to fulfill contracted parent volunteer hours, repeated discipline issues or expulsion. The non-causal identifiers may be reviewed annually and revised by mutual agreement between CSUSA and the CITY. The exit survey to be used shall be approved by the City Manager; whose approval shall not be unreasonably withheld.~~

5.6.2.3~~2~~. The percentage of parents who on the Parent Survey agree or strongly agree to the statement that "I would recommend the Charter School to a friend" is 90% for each year.

5.6.3. Financial Management.

5.6.3.1. The audits if any required by State Law and the Charter, as amended, shall indicate that the financial statements are presented fairly and that tests of compliance with laws and regulations and consideration of the internal control over financial reporting disclose no instances of non-compliance, nor any material

weaknesses, relative to or associated with the Services to be performed by CSUSA, as applicable.

5.6.4 Human Resources Management.

5.6.4.1. Class size and student/classroom teacher ratios shall be maintained throughout the school year in accordance with the requirements of applicable federal or state law (e.g., Class Size Amendment), if any, ~~but not to exceed 20:1 for Kindergarten and 25:1 for Grades 1 through 8.~~ Any vacancy in a classroom teacher position that results in an increase to the student/classroom teacher ratio shall be filled with a permanent qualified teacher as soon as possible, provided however, that no such vacancy shall remain unfilled by a permanent qualified teacher for more than four weeks from the date of the vacancy, unless authorized by the City Manager, unless the lack of such authorization would contradict applicable local, state or federal law.

5.6.4.2. Upon request by the School, CSUSA shall make every reasonable effort to provide a pool of applicants who meet the State certification requirements.

~~with experience levels such that the Charter School's instructional staff can be substantially distributed such that at least 1/3 are categorized as "Veterans" (teachers with more than 7 years of teaching experience) and at least 2/3 are categorized as "Veteran" or "Mid-Level" (Teachers with three to seven years of teaching experience). In determining experience levels, advance degrees and other relevant work experience may be considered. If the experience levels of the Charter School's instructional staff are not substantially in compliance with this section, CSUSA shall provide reasonable documentation and information to the City Manager detailing the recruiting efforts that were made to attract experienced instructional staff, explanations and/or special circumstances and actions planned to achieve substantial compliance with this section.~~

5.6.4.3. ~~Beginning in the 2005-2006 school year, the~~ The year-to-year retention rates for CSUSA permanent staff and for CSUSA classroom teachers, excluding staff or teachers whose contracts are not renewed, who the CITY elects to have not reassigned, or who are dismissed for cause and as adjusted for mobility, shall be 80%.

5.7 Other.

5.7.1 Provision of Liaison Services. CSUSA shall designate a member of senior management personnel to be the point of contact for the City Manager for all issues.

5.7.2 Other Activities. CSUSA shall be responsible for ensuring that the Services comply with the terms and conditions of the Charter, as amended, and shall, in a timely manner, provide information and perform all other activities required of CSUSA during the term of this Agreement to perform its responsibilities hereunder.

5.7.3 Legal Services. If requested by the City Manager, CSUSA shall provide legal representation from the firm of Tripp Scott, P.A. on behalf of the School in dealing with matters before the Miami-Dade County School Board. The City shall be responsible for the costs associated with such representation requested by the City Manager. However, The City acknowlesges that Tripp Scott, P.A. is counsel for CSUSA and herein waives any conflict for legal services provided pursuant to this paragraph.

6. Responsibilities of the CITY. The CITY shall be responsible for the following:

6.1 Education Management

6.1.1 Except as provided in Section 5.1.1.3 of this Agreement, the ~~CITY~~ School shall administer all standard tests/assessments to the students that are required by law or Chartering Entity policy, and shall ensure that students at the Charter School participate in all assessment programs in which the Chartering Entity's students in comparable grades/schools participate. The ~~CITY~~ School will administer all such required tests/assessments in a timely fashion consistent with the State's and Chartering Entity's testing schedule and in conformance with the State's and Chartering Entity's policies and procedures related to test security and test administration. The Charter School's testing administrator will attend all test administration training sessions provided by the Chartering Entity and shall follow all Florida Department of Education Testing Guidelines specified in the Test Administration Manuals, as well as, the District Standards for Test Administration and Security.

6.1.2 Parent Activities. The CITY shall coordinate and oversee all organized parental involvement, shall work with the approved School Advisory ~~Board~~ Commitee and any parent-teacher organization established for the purposes of furthering the goals of the Charter School, and shall coordinate parent, teacher and student organizations. As provided in Section 5.1.2.1 of this Agreement, at the request of the CITY, appropriate CSUSA staff shall attend meetings of the School Advisory ~~Board~~ Committe or other parent-teacher/community organization to provide reports or information about the Charter School. In order to facilitate scheduling, the CITY will periodically provide CSUSA with schedules of the anticipated meeting dates of such organizations, to the extent available.

6.1.3 Extracurricular Program/Activities. The CITY shall determine, establish, staff, operate and administer the extracurricular programs/activities that will be offered at the Charter School, including but not limited to, before and after school programs/activities.

6.1.4 Summer School. The CITY shall determine, establish, staff, operate and administer the summer school program, if any, that will be offered at the Charter School.

6.2 Development and Operations Management

6.2.1 Public Relations. The CITY shall coordinate all official public relations for the Charter School including, without limitation, community outreach, press releases and media relations.

6.2.2 Transportation. The CITY shall be responsible for contracting with public or private entities or individuals for the provision of transportation.

6.2.3 State, Local and School Board Compliance.

6.2.3.1 Coordination with the Chartering Entity. The CITY shall be responsible for coordinating any and all activities of the Charter School with the requirements of the Chartering Entity and for complying with all reasonable requests of the Chartering Entity regarding the Charter School. Unless otherwise authorized by the City Manager, the CITY shall be responsible for submitting all documents and reports requested or required by the Chartering Entity, the Charter, as amended, and all applicable federal, state, local and Chartering Entity laws, ordinances, rules and regulations, including, but not limited to the School Improvement Plan, Annual Report, Annual Budget and Annual Audit. In accordance with Section 5.2.5.1 of this Agreement, CSUSA shall be responsible for providing the CITY, in a timely manner, with any and all information, data, materials, documents, records, and submittals for or associated with the Services performed by CSUSA, that are requested by or necessary for the CITY to coordinate with the requirements of or comply with all reasonable requests of the Chartering Entity.

6.2.3.2 Compliance with Applicable Law. Except as provided in Section 5.2.5.2 of this Agreement, the CITY shall be responsible for ensuring that the Charter School complies with all applicable federal, state, local and Chartering Entity laws, ordinances, rules and regulations.

6.2.3.3 Maintenance of Charter. The CITY shall do, or cause to be done, all things necessary to ensure that all legal requirements applicable to the CITY, and all such conditions as may have been imposed on the CITY by the Chartering Entity, are fully complied with at all times. If the CITY or CSUSA shall at any time receive notice from any public authority or other person that the Charter School is or may be in violation of the Charter, the rules of the Chartering Entity or any provision of any applicable law or regulation, the party receiving such notice shall immediately notify the other party of the asserted violation and shall thereafter work diligently together to determine whether such asserted violation in fact exists, to correct any violation found to exist, and vigorously contest the asserted violation if the same is found not to exist. No

changes will be made by the CITY to the approved Charter, as amended, between the CITY and the Chartering Entity that directly impact CSUSA's performance of its Services without CSUSA's consent and approval; such consent and approval shall not be unreasonably withheld.

6.2.4 Furniture, Fixtures, Equipment and Technology ("FFE&T"). The CITY shall be responsible for obtaining, ordering and purchasing any FFE&T to be utilized in or by the Charter School during the term of this Agreement. CSUSA shall provide written instructions to the CITY for obtaining, ordering and purchasing any FFE&T necessary for the performance of CSUSA's Services. At the CITY's option, the CITY may request CSUSA's assistance and input into the process of obtaining any FFE&T to be utilized in or by the Charter School or that CSUSA order some or all of the FFE&T CSUSA deems necessary for the performance of the Services. Regardless of whether the CITY or CSUSA orders the FFE&T, order(s) for FFE&T necessary for the performance of CSUSA's Services shall be in compliance with the written instructions from CSUSA unless mutually agreed otherwise.

6.2.5 Books and Supplies. The CITY shall be responsible for obtaining, ordering and purchasing the books and supplies to be utilized in or by the Charter School during the term of this Agreement. CSUSA shall provide written instructions to the CITY for obtaining, ordering and purchasing any books and supplies necessary for the performance of CSUSA's Services. At the CITY's option, the CITY may request CSUSA's assistance and input into the process of obtaining any books and supplies to be utilized in or by the Charter School or that CSUSA order some or all of the books and supplies that CSUSA deems necessary for the performance of the Services. Regardless of whether the CITY or CSUSA order the books and supplies, order(s) for books and supplies necessary for the performance of CSUSA's Services shall be in compliance with the written instructions from CSUSA unless mutually agreed otherwise.

6.2.6 Records Retention; Public Records. The CITY shall provide, protect, preserve, transfer and maintain both active and archival records for current/former students in accordance with Florida Statutes and the provisions of the Charter, as amended.

6.2.7 Insurance. Except as indicated in Section 5.2.8 of this Agreement, the CITY shall ensure that the Charter School complies with all insurance requirements set forth by the Chartering Entity.

6.2.8 Facility Maintenance. The CITY shall be responsible for custodial services and ordinary repair and maintenance concerning the day-to-day operation of the Charter School, and shall be responsible for all other repair and maintenance, including but not limited to ground maintenance and maintenance of the physical plant. CSUSA shall be responsible for, and pay for, any and all repairs or replacements necessary relative to the FFE&T and the books and supplies that arise due

to the intentional acts or willful misconduct of CSUSA, its employees, agents, contractors, guest and invitees.

6.2.9 School Uniform Procurement Services. The CITY shall be responsible for contracting with public or private entities or individuals for the purpose of providing student uniforms to be purchased by students in conformance with the criteria established by the Charter School.

6.2.10 Technology Management. The CITY shall be responsible for the following Technology functions at the School:

- The design, development, implementation and maintenance of the Charter School's web site, to which CSUSA shall be allowed to link.
- Email service for all school staff and employees.
- Oversee and provide onsite IT support and troubleshooting including network infrastructure, wireless management, hardware web filter management and phone system.
- Recommending and purchasing all hardware and software required by the School.
- Maintain a mass parent communication vehicle.

6.3 Financial Management.

6.3.1 Annual Budget. The City Manager, with assistance and cooperation of CSUSA as specified in Section 5.3.1 of this Agreement, shall prepare and submit to the City Commission the "Charter School Annual Budget" by May 10 of each year. The budgets shall include, as appropriate, the total number of student stations for the coming academic year, all capital purchase requests, lease payments, debt repayments and/or cash loans required, operating revenues and operating expenditures for the respective school year.—The parties shall work cooperatively together on any and all budgetary matters and issues prior to the submission of the proposed budget to the Aventura City Commission. The final proposed Charter School Annual Budget shall be submitted to the Aventura City Commission for approval no later than May 10 of each year. The CITY shall ensure that the Charter School Annual Budget is submitted to the Chartering Entity in a timely manner consistent with the Charter, as amended.

~~The parties shall work cooperatively together on any and all budgetary matters and issues prior to the submission of the proposed budget to the Aventura City Commission. The parties agree that it is the intent of this provision that they jointly prepare and submit a balanced budget and that any and all budgetary issues and matters be resolved between CSUSA and the City Manager prior to the Aventura City Commission's review and consideration of same.~~

~~The final agreed proposed Charter School Annual Budget shall be submitted to the Aventura City Commission for approval no later than May 10 of each year. The CITY shall ensure that the Charter School Annual Budget is submitted to the Chartering Entity in a timely manner consistent with the Charter, as amended.~~

6.3.2 Fund Raising Activities. The CITY shall be responsible for fund raising activities on behalf of the Charter School, during the term of this Agreement, ~~and CSUSA shall coordinate and cooperate with the CITY with such fund raising efforts~~.

6.3.3 Audits. The CITY shall ensure that required audits are performed by the CITY's auditors in accordance with the Charter, as amended. As specified in Section 5.3.4~~-~~2 of this Agreement, CSUSA shall accommodate all required audits of the Charter School and shall provide information and ensure access to all school records and source documents required by, relative to, or associated with the Services to be performed by CSUSA, in a timely manner. The CITY shall ensure that the annual audit is submitted to the Chartering Entity in a timely manner consistent with the Charter, as amended.

6.3.4 Payroll Administration. The CITY shall prepare, maintain, administer, and report all payroll of CITY employees hired to work at the Charter School, including, without limitation, processing and issuing all checks, maintaining all reports and payroll records and filing all necessary forms and returns, including worker's compensation compliance, unemployment insurance compliance, withholding and social security taxes and all tax and other forms relating to employment as may be required by any federal, state or municipal authority during the term of this Agreement.

6.3.5 Tax Exempt Fund Raising Activities. If the CITY concludes it is appropriate to do so, the Charter School may seek to establish a separate tax-exempt organization to conduct fund raising activities and receive tax deductible contributions in support of the Charter School and/or of education generally. CSUSA shall cooperate with such tax-exempt organization as necessary and appropriate.

6.3.6 Funding For Charter School Costs and Expenses. The CITY shall maintain a Charter School Fund to account for expenditures and revenues associated with the Charter School. It is understood by CSUSA and the CITY, that any and all funds expended by the CITY, including costs and expenses associated with the planning and development of the Charter School such as, start up funding, land acquisition and capital improvements including construction of the ~~Facility~~ facility and CSUSA Fees, professional services contract fees and other out-of-pocket costs and expenses, shall be reimbursed to the CITY from Charter School revenues. The reimbursement schedule shall be included in the proposed Charter School Annual Budget.

6.3.6.1 Procedure for Payment. In order to receive funds from the CITY pursuant to this Section, CSUSA shall prepare and submit invoices to the City

Manager, ~~which shall include the fund(s) for which CSUSA is seeking payment.~~ CSUSA shall submit to the CITY a schedule for payroll at the beginning of the academic year. This schedule may be amended from time to time, as appropriate. The CITY shall be required to wire or ACH transfer payment from the Charter School Fund for the payroll at least five (5) business days prior to a schedule payroll date or other set due date, as applicable. For all other Charter School expenses for which CSUSA is seeking payment, CSUSA shall submit invoices to the City Manager and such other expenses shall be deemed due, subject to the provisions of Section 10 for Administrative and Educational Services Fees, upon approval by the City Manager after receipt by the CITY of the invoices and such source documents, supporting schedules, summaries and explanations as may reasonably be requested by the City Manager from time to time ("approved expenditures"). The City Manager shall direct payment from the Charter School Fund to CSUSA for all approved expenditures within seven (7) business days. CSUSA agrees to provide the CITY, within ten (10) business days, source documents, supporting schedules, summaries and explanations as may reasonably be requested by the City Manager from time to time. CSUSA shall immediately reimburse the CITY for any unallowable Charter School expenditures as determined by a licensed auditor of the CITY, the Chartering Entity, or any Department or Division of the State of Florida or Federal Government.

6.4 Human Resource Management.

6.4.1 Personnel Administration, Employee Benefits, and Personnel Policies and Procedures. As specified in Section 5.4.2 of this Agreement, the Charter School Principal and Key City Personnel, as determined in the CITY's sole judgment, shall be employees of the CITY and selected by the City Manager. The CITY will establish job descriptions, salaries and benefits for the Charter School Principal and Key City Personnel. At the CITY's option, CSUSA shall recruit qualified personnel for the Charter School Principal and Key City Personnel, and the CITY may conduct its own recruiting efforts for qualified personnel for these positions, for selection by the City Manager. The parties agree that the Charter School Principal and CSUSA will work together to perform their respective responsibilities for the day-to-day operations of the Charter School and for carrying out the mission of the Charter School based on the goals and objectives as stated in the Administrative and Educational Services Agreement Documents.

6.5 Charter School Department. The CITY has established a Charter School Department which is responsible to the City Manager. CSUSA shall be accountable to the City Manager. Neither the City Commission nor its members shall give orders to CSUSA, its employees or employees of the City Charter School Department, either publicly or privately. Recommendations for improvements in Charter School operations by Commissioners shall be made solely to and through the City Manager.

6.6 Annual Review of Performance Criteria. No later than October 31st of each year, the CITY and CSUSA shall review the minimum performance criteria

established in Section 5.6, including measurement methodology and assumptions, to jointly verify and/or modify the criteria, requirements, measurement methods and assumptions to accurately and appropriately evaluate the performance and effectiveness of CSUSA and the Charter School as contemplated in the Administrative and Educational Services Agreement Documents. The CITY may, at its sole option, modify the measurement methods and/or assumptions should it determine that such modifications are necessary to more accurately and appropriately evaluate the performance and effectiveness of CSUSA and the Charter School as contemplated in the Administrative and Educational Services Agreement Documents. During the annual review, CSUSA and the CITY shall additionally determine the specific tests/instruments upon which the minimum performance criteria delineated in Section 5.6.1 shall be based for the subsequent school year.

6.7 Other Activities. The CITY shall be responsible for providing all information and performing all other activities required of the CITY during the term of this Agreement to maintain a fully operational Charter School.

7. Cooperation. The parties shall, in good faith, share all information received from the Chartering Entity necessary to comply with mutual obligations herein. Any information, whether written or oral, which is transmitted by the Chartering Entity to the parties shall be shared between the parties promptly.

8. Additional Mutual Obligations. The parties hereto shall actively and diligently coordinate ~~grant writing; community involvement;~~ responsiveness and response to compliance to all federal, state, and local rules and regulations; and any other operational activities or functions occasioned by the relationship set forth in this Agreement in a concerted effort to meet the goals and objectives established in the Administrative and Educational Services Agreement Documents.

9. Charter Schools Funding Resources. All revenues, grants, and revenue allocations received by or targeted to the Charter School, shall be directed to and retained in the Charter School Fund, as established by the CITY.

10. Administrative and Educational Services Fees. Subject to annual appropriations by the City Commission, the CITY shall pay CSUSA annual Administrative and Educational Services fees for the performance by CSUSA of its responsibilities as provided in this Agreement as follows:

10.1 Administrative and Educational Services Fee. The annual Administrative and Educational Services Fee shall be as follows:

July 1, 2013 to June 30, 2014:$279,000

July 1, 2014 to June 30, 2018: 4.3% of the sum of student enrollment

July 1, 2018 and thereafter: To be negotiated

The funding for student enrollment, as adjusted, shall be the sum of district operating funds from the Florida Education Finance Program (FEFP), including gross state and local funds, discretionary lottery funds, and discretionary operating millage funds divided by total district funded weighted full-time equivalent (WFTE) students times the weighted full-time equivalent students of the Charter School and the Charter School's proportionate share of categorical program funds included in the FEFP, less 5 %, and as may be adjusted for factors including, but not limited to, changes in the number of enrolled students, state holdbacks and state prorations, and a proportional share of any unfounded WFTE for Group 2 programs. The calculation for the student enrollment shall include Capital Outlay dollars but shall not include Race to the Top funds, A+ State Recognition funds, MAP funding or transportation funding. The formula to determine sum of student enrollment shall be Florida Education Finance Program + Capital Outlay less 5% School Board Administration Charge. The sum of student enrollment fee shall not exceed $300 per student.

~~The base Administrative and Educational Services Fee shall be as follows:~~

~~July 1, 2004 through December 31, 2004~~	~~11% of the funding for student enrollment, as adjusted.~~
~~January 1, 2005 through June 30, 2005~~	~~9% of the funding for student enrollment, as adjusted.~~
~~July 1, 2005 through June 30, 2006~~	~~7% of the funding for student enrollment, as adjusted.~~
~~July 1, 2006 and thereafter~~	~~6% of the funding for student enrollment, as adjusted.~~

~~The funding for student enrollment, as adjusted, shall be the sum of district operating funds from the Florida Education Finance Program (FEFP), including gross state and local funds, discretionary lottery funds, and discretionary operating millage funds divided by total district funded weighted full-time equivalent (WFTE) students times the weighted full-time equivalent students of the Charter School and the Charter School's proportionate share of categorical program funds included in the FEFP, less 5 %, and as may be adjusted for factors including, but not limited to, changes in the number of enrolled students, state holdbacks and state prorations, and a proportional share of any unfounded WFTE for Group 2 programs.~~

All payments to CSUSA for the ~~base~~ Administrative and Educational Services Fee shall be paid ~~and deemed earned pro-rata by CSUSA~~ on a monthly basis, ~~beginning July 1, 2004,~~ with each payment representing 1/12 of the annual ~~base~~ Administrative and Educational Services Fee. ~~Payments to CSUSA shall not begin until the operating funding for student enrollment, as adjusted, in the Charter School are received by the CITY from the Chartering Entity, provided however, that the first payment to CSUSA shall include retroactive payments to July 1, 2004, if any, and provided further,~~

~~that the final monthly payment of each year shall be paid upon the Chartering Entity's acceptance of year-end financial reports demonstrating that the Charter School completed the year with no deficit.~~

For the purposes of this Agreement, the number of "enrolled students" shall be equal to the Chartering Entity's FTE student count used to determine FTE Funding for the Charter School.

10.2 In order to supplement and enhance the County, State or Federal funds that are normally associated with the operation and development of a school, the CITY and CSUSA shall endeavor to obtain revenues from other sources, including grants and donations (the "Additional Revenues"). ~~CSUSA shall be entitled to an amount equal to ten percent (10%) of all revenues received from Additional Revenues attained from non-governmental entities that are directly attributable to CSUSA's efforts.~~

11. Insurance. CSUSA shall maintain comprehensive general liability insurance in the amount of Five Million and no/100 Dollars ($5,000,000.00) per occurrence combined single limit and Five Million and no/100 Dollars ($5,000,000.00) in the aggregate, insuring against property damage and personal injury and death occurring in connection with the Charter School. In addition, CSUSA shall maintain workers compensation insurance in the amount of the greater of Fifty Thousand and no/100 Dollars ($50,000.00) or the minimum amount required by law.

`12. Indemnification.

12.1 CSUSA agrees to indemnify, defend with counsel (reasonably acceptable to the CITY) and hold the CITY, and its elected officials, officers, employees, and agents (the "Indemnified Parties"), harmless from any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorney's fees and costs at both the trial and appellate levels, arising out of, connected with or resulting from (a) the negligence, intentional wrongful act or misconduct of CSUSA, its officers, employees and agents, in connection with the Agreement, (b) CSUSA's breach of this Agreement or any applicable federal, state, local or Chartering Entity law, ordinance, rule or regulation and/or (c) any failure by CSUSA to pay its suppliers or subcontractors. The duty to indemnify will continue in full force and effect notwithstanding the expiration or termination of the Agreement with respect to any claims based on acts or conditions that occurred or accrued prior to such expiration or termination.

12.2 Subject to the provisions and monetary limitations of F.S. 768.28, as amended or superseded, the CITY agrees to indemnify, defend with counsel (reasonably acceptable to CSUSA) and hold CSUSA, its officers, employees, and agents (the "CSUSA Indemnified Parties"), harmless from any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorney's fees and costs at both the trial and appellate levels, arising out of, connected with or resulting from (a) the negligence,

intentional wrongful act or misconduct of the CITY, its employees and agents, in connection with the Agreement, (b) the CITY's breach of this Agreement or any applicable federal, state, local or Chartering Entity law, ordinance, rule or regulation, and/or (c) any failure by the CITY to pay its suppliers or subcontractors. The duty to indemnify will continue in full force and effect notwithstanding the expiration or termination of the Agreement with respect to any claims based on acts or conditions that occurred or accrued prior to such expiration or termination.

12.3 Upon becoming aware of the potential for a claim hereunder, the party seeking indemnification shall promptly notify the other party in writing of the existence of such claim, demand or other action giving rise to a claim for indemnification under this provision (a "Third Party Claim") and shall give such other party a reasonable opportunity to defend the same at its own expense and with its own counsel, provided however that the CITY or CSUSA shall at all times have the right to participate in such defense at its own expense.

12.4 If, within a reasonable amount of time after receipt of notice of a Third Party Claim, the CITY or CSUSA shall fail to undertake to so defend, the party seeking indemnification shall have the right, but not the obligation, to defend and to compromise or settle (exercising reasonable business judgment) the Third Party Claim for the account and at the risk and expense of the party responsible for indemnification hereunder. Each party agrees to cooperate and to make available to the other party, such information and assistance as may be reasonably requested in connection with the defense of a Third Party Claim.

13. **Default.** A default shall be deemed to have occurred for certain events or conditions (each, an "Event of Default"), which include, but are not limited to the following:

13.1 Any action, inaction or creation of circumstances that put the Charter, as amended, in jeopardy of non-renewal or termination pursuant to the Charter, as amended, or any applicable federal, state, local or Chartering Entity law, ordinance, rule or regulation; or

13.2 Failure to pay any amount due hereunder within thirty (30) days after written notice to the defaulting party that such amount is due; or

13.3 Failure to remedy a material breach of this Agreement, including, but not limited to, a default in the due and punctual observance or performance of any provision contained herein, within thirty (30) days after written notice to the defaulting party; or

13.4 If CSUSA shall under such law as shall be applicable to it commence any case or proceeding, or file any petition in bankruptcy, or for reorganization, liquidation or dissolution, or be adjudicated, insolvent or bankrupt, or shall apply to any tribunal for a

receiver, intervenor, conservator or trustee for itself or for any substantial part of its property; or if there shall be commenced against it any such action and the same shall remain un-dismissed; or if by any act it shall indicate its consent to, approval of, or acquiescence in any such proceeding, or the appointment of any receiver, intervener, conservator or trustee for it or any substantial part of its property or shall suffer any of the same to continue undischarged; or if it shall become subject to any intervention whatsoever that shall deprive it of the management of the aggregate of its property or any substantial part thereof; or if it shall wind up or liquidate its affairs or there shall be issued a warrant of attachment, execution, or similar process against any substantial part of its property, and such warrant, execution or process shall remain un-dismissed, unbounded or undischarged for a period of ninety (90) days, this Agreement shall be deemed immediately terminated upon the occurrence of such event; or

13.5 If the ownership of CSUSA shall be transferred or assigned, directly or indirectly, without the prior written consent of the CITY, in violation of Section 36; or

13.6 If CSUSA uses funds not in accordance with the terms of this Agreement including both negligent and fraudulent use of funds, or if CSUSA fails to obtain or maintain any license, including the revocation of such license by an administrative or judicial body, that may be required for CSUSA to carry on its business and perform its obligations and functions under this Agreement. For purposes hereof, any fraudulent use of funds shall include the use of funds by misrepresentation, concealment, nondisclosure, misleading conduct, devices, or contrivance; or

13.7 If any representation, statement, or warranty made in the Agreement by CSUSA or the CITY is false, misleading, or breached in any material respect.

Upon the occurrence of an Event of Default, the non-defaulting party shall be entitled to pursue all remedies available under law or equity, and in addition to such remedies, may immediately terminate this Agreement with Cause in accordance with Section 14.1.

14. <u>Termination of this Agreement.</u> This Agreement may be terminated by the parties as follows:

14.1 <u>Termination with Cause or for Nonperformance.</u> Upon the occurrence of an Event of Default beyond applicable grace, notice and cure periods, the non-defaulting party shall be entitled to terminate this Agreement with cause or for nonperformance (hereinafter referred to as "Termination with Cause"), prior to the end of the term, with seven (7) days prior written notice.

14.1.1 Termination with Cause may include, but is not limited to, failure for CSUSA to account for its expenditures or to pay operating costs; failure to follow the policies, procedures, rules, regulations or City-approved curriculum as adopted by CSUSA.

14.1.2 Notwithstanding the foregoing, the failure to obtain any one of the performance criteria in Section 5.6 of this Agreement, shall be cause for the CITY to terminate this Agreement with cause, unless CSUSA, within thirty (30) days from receipt of written notice from the CITY, presents and agrees to implement an action plan, acceptable to the City Manager, detailing the actions to be taken by CSUSA to raise the performance level to acceptable standards, provided however that the revocation of the Charter, as amended, by the Chartering Entity, shall be cause for the CITY to terminate with cause this Agreement, without providing CSUSA an opportunity to cure.

14.1.3 Upon Termination with Cause, the parties shall immediately end their performance of obligations pursuant to this Agreement and shall have no further obligations or responsibilities to each other as of the date of such termination, including any payment obligations (except reimbursement of authorized expenses incurred by CSUSA on behalf of the CITY or the Charter School and unpaid earned Fees), except as otherwise indicated in this Agreement, and the non-defaulting party shall be entitled to pursue all remedies available under law or equity in addition to the termination of this Agreement.

14.2 **Termination without Cause.** This Agreement may be terminated without cause (hereinafter referred to as "Termination without Cause"), as follows:

14.2.1 This Agreement shall terminate on June 30, ~~2013~~2018, unless terminated earlier in accordance with the provisions of Section 14 or as otherwise provided for in this Agreement.

14.2.2 By the CITY, upon thirty (30) days advanced written notice, due to a change in federal, state or local or Chartering Entity law, ordinance, policy, rule, regulation or appropriations during the term of this Agreement which would materially impact the ability to staff, operate or maintain the Charter School substantially in conformance with the Administrative and Educational Services Agreement Documents, including the Charter Application and the Charter, as amended. Such changes could include, but not be limited to, a charter school capital outlay funds appropriation that does not provide for the Charter School to receive funding substantially in accordance with the Administrative and Educational Services Agreement Documents, including the Charter Application and the Charter, as amended, or a modification that would substantially impact the ability to limit the enrollment process to target the children of the CITY.

14.2.3 By the CITY, at any time and for any reason or no reason, upon one (1) year advance written notice.

14.2.4 Upon Termination without Cause, the parties shall have no further obligations or responsibilities to each other as of the date of such termination, including any payment obligations (except reimbursement of authorized expenses incurred

by CSUSA on behalf of the CITY or the Charter School and unpaid earned Fees), except as otherwise indicated in this Agreement.

15. Transfer of Functions Upon Termination. In recognition of the paramount importance of maintaining the integrity and continuing operations of the Charter School, upon the expiration of the term of this Agreement, or in the event this Agreement is terminated pursuant to Section 14, or as otherwise indicated in this Agreement, CSUSA agrees to cooperate with the CITY during the transition of operations of the Charter School and for the transfer, within thirty (30) calendar days of such termination, of the documents which relate to the planning, design, development and operating functions of the Charter School (to the extent such documents are owned by the CITY) from CSUSA to the CITY or an entity selected by the CITY. Such cooperation shall include, but is not limited, to:

15.1 Assignment, in accordance with Section 5.4.2 of this Agreement, of all employees and employment contracts of the Charter School and the transfer of employee records to the CITY or an entity selected by the CITY.

15.2 Transfer of all student records, then current curriculum programs and class syllabi of the Charter School (unless the same is proprietary to CSUSA), if any, to the CITY or an entity selected by the CITY.

15.3 Assignment, at the CITY's sole option and in accordance with the provisions of Section 32 of this Agreement, of all contracts, subcontracts and/or agreements, if any, entered into by CSUSA for the Charter School, to the CITY or an entity selected by the CITY, if such contracts or subcontracts are assignable.

15.4 CSUSA shall provide the CITY, or an entity selected by the CITY, all hardware, software, business applications and other intellectual property (with password and configuration information) purchased by CITY. If CSUSA uses software or applications for the operation of the Charter School that is not owned by CITY or the Charter School, the CITY, at its sole option, may continue to use such software or applications. If the CITY elects to continue to utilize CSUSA software or applications to operate the Charter School, the CITY shall execute a license agreement with CSUSA for the use of the same for a reasonable license fee (based upon the then existing market value) to be negotiated in good faith by the parties.

15.5 Transfer of all property including, but not limited to, furniture, fixtures, equipment, materials, software and hardware acquired for the Charter School by the CITY and purchased by the CITY or through the use of funds designated for the Charter School, to the CITY or an entity selected by the CITY.

15.6 The delivery of any and all Public Records in CSUSA's possession to the CITY or an entity selected by the CITY.

15.7 Transfer of any and all other information owned by the CITY, or provision of assistance, to ensure the least disruption of the continuing operations of the Charter School as a result of the termination of this Agreement.

15.8 The provisions of Section 15 shall survive the termination of this Agreement.

16. Entire Agreement. This Agreement and all documents contemplated herein including the Administrative and Educational Services Agreement Documents, represent the entire understanding and agreement between the parties with respect to the subject matter hereof, and supersedes all other negotiations, understandings, and representations (if any) made by and between such parties. The provisions of this Agreement may not be amended, supplemented, or waived orally, but only by a writing signed by the parties and making specific reference to this Agreement.

17. Assignments. No party shall assign or pledge its rights or obligations hereunder without the prior written consent of the other party to this Agreement, which consent may be withheld by such party in its sole discretion except as otherwise provided for in this Agreement.

18. Further Assurances. The parties hereby agree from time to time to execute and deliver such further and other assurances, assignments and documents and do all matters and things that may be convenient or necessary to more effectively and completely carry out the intentions of this Agreement.

19. Relationship of Parties. The relationship between the parties hereto shall be solely as set forth herein as independent contractors and neither party shall be deemed to be an employee, agent, partner, or joint venturer of the other.

20. Interpretations. This Agreement shall not be construed more strictly against one party than against the other merely because it may have been prepared by counsel for one of the parties, it being recognized that both parties have contributed substantially and materially to its preparation.

21. Time of the Essence. Time of performance by either party of each and every provision or covenant herein contained is of the essence of this Agreement. CSUSA shall be responsible for ensuring the timely performance of all activities and responsibilities required during the term of this Agreement, including the production of documents, in compliance with all applicable federal, state, local and Chartering Entity laws, ordinances, rules and regulations, to ensure that the Charter School is maintained as a fully operational Charter School in compliance with the Administrative and Educational Services Agreement Documents and the Charter, as amended, during the term of this Agreement. For the purpose of this Agreement, "timely" shall include a reasonable time for review, consideration, and/or modification by the City Manager, and, whenever deemed necessary

by the City Manager, shall include the appropriate time necessary for submission, consideration and/or approval by the Aventura City Commission.

22. **Binding Effect.** All of the terms and provisions of this Agreement, whether so expressed or not, shall be binding upon, inure to the benefit of, and be enforceable by the parties and their respective legal representatives, successors, and permitted assigns.

23. **Notices.** All notices and other communications required or permitted under this Agreement shall be in writing and given by:

23.1 hand delivery;

23.2 registered or certified mail, return receipt requested;

23.3 overnight courier, or

23.4 facsimile with a hard copy followup pursuant to Sections 23.1, 23.2 or 23.3 to:

If to CSUSA: Charter Schools USA at Aventura, L.C.
6245 N. Federal Highway, Suite 500
Fort Lauderdale, Florida 33308
Attention: Mr. Jonathan K. Hage, President
Fax: (954) 202-2047

With a copy to: Tripp Scott, P.A.
110 S.E. 6th Street, 15th Floor
Fort Lauderdale, Florida 33301
Attn: Edward J. Pozzuoli, Esq.
Fax: (954) 761-8475

If to the City: Eric M. Soroka
City Manager
City of Aventura
19200 West Country Club Drive
Aventura, Florida 33180
Fax: (305) 466-8919

With a copy to: Weiss Serota Helfman Pastoriza Cole & ~~Guedes~~Boniske, P.~~A~~L.
200 E. Broward Blvd.
Suite 1900
Fort Lauderdale, FL 33301

~~2665 South Bayshore Drive~~
~~Suite 420~~
~~Miami, Florida 33133~~
Attn: ~~Steven W. Zelkowitz~~David Wolpin, Esq.
Fax: 954-764-7770
~~(305) 854-2323~~

or to such other address as any party may designate by notice complying with the terms of this Section. Each such notice shall be deemed delivered:

23.4.1 on the date delivered if by hand delivery or overnight courier,

23.4.2 on the date upon which the return receipt is signed or delivery is refused or the notice is designated by the postal authorities as not deliverable, as the case may be, if mailed; and

23.4.3 on the date of transmission with confirmed answer if by fax.

24. Headings. The headings contained in this Agreement are for convenience of reference only, and shall not limit or otherwise affect in any way the meaning or interpretation of this Agreement.

25. Severability. If any part of this Agreement or any other agreement entered into pursuant hereto is contrary to, prohibited by or deemed invalid under applicable law or regulation, such provision shall be inapplicable and deemed omitted to the extent so contrary, prohibited or invalid, but the remainder hereof shall not be invalidated thereby and shall be given full force and effect so far as possible.

26. Waivers. The failure or delay of any party at any time to enforce this Agreement shall not affect such party's right to enforce this Agreement at any other time. Any waiver by any party of any breach of any provision of this Agreement shall not be construed as a waiver of any continuing or succeeding breach of such provision, a waiver of the provision itself, or a waiver of any right, power, or remedy under this Agreement. No notice to or demand on any party in any case shall entitle such party to any other or further notice or demand in any other circumstance.

27. Outside Business. Nothing contained in this Agreement shall be construed to restrict or prevent, in any matter, CSUSA or its representatives or principals from providing services to any third-party similar to the services provided pursuant to this Agreement.

28. Third Parties. Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies on any person other than the parties hereto and their respective legal representatives, successors, and permitted assigns, nor is anything in

this Agreement intended to relieve or discharge the obligation or liability of any third person to any party to this Agreement, nor shall any provision give any third person any right to subrogation or action over or against any party to this Agreement.

29. **Jurisdiction and Venue.** The parties acknowledge that a substantial portion of the negotiations, anticipated performance and execution of this Agreement occurred or shall occur in Miami-Dade County, Florida, and that, therefore, without limiting the jurisdiction or venue of any other federal or state courts, each of the parties irrevocably and unconditionally:

29.1 agrees that any suit, action or legal proceeding arising out of or relating to this Agreement may be brought in the courts of record of the State of Florida in Miami –Dade County or the court of the United States, Southern District of Florida in Miami –Dade County.

29.2 consents to the jurisdiction of each such court in any suit, action, or proceeding; and

29.3 waives any objection which it may have to the laying of venue of any such suit, action, or proceeding in any of such courts.

30. **Enforcement Costs.** In the event of any controversy arising under or relating to the interpretation or implementation of this Agreement or any breach thereof, the prevailing party shall be entitled to recover all court costs, expenses, and reasonable attorneys' fees (including, without limitation, all pre-trial, trial and appellate proceedings) incurred in that action or proceeding, in addition to any other relief to which such party or parties may be entitled.

31. **Remedies Cumulative.** No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law, in equity, by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

32. **Contracts and Subcontracts** CSUSA may contract and/or subcontract for the performance of any of its responsibilities set forth in this Agreement, subject to notice to the CITY, such notice to indicate if the contract and/or subcontract will provide for assignment to the CITY in the event of the termination of this Agreement, and the CITY's opportunity to review any and all proposed contracts and/or subcontracts in connection with the performance of the duties, functions, and responsibilities under this Agreement. CSUSA shall be responsible for the management of all contractors and/or subcontractors in the performance of their work. Nothing herein shall create any relationship, contractual or otherwise, between CITY and any contractor or subcontractor. Notwithstanding the

rights of CSUSA to enter into such contracts, subcontracts and agreements and the contractual obligations of contractor or subcontractor to CSUSA, CSUSA shall remain liable to the CITY for the performance of Services under this Agreement.

Any and all contracts, subcontracts and agreements entered into by CSUSA pursuant to this Agreement shall (i) contain insurance and indemnity requirements in favor of the CITY consistent with Sections 5.2.8 and 12 of this Agreement, (ii) if possible, provide that the CITY is a third part beneficiary of such contract, subcontract or agreement, and (iii) if possible, include provisions that provide for the assignment of these contracts, subcontracts or agreements, at the CITY's sole option, to the CITY, or an entity of the CITY's selection, upon the expiration of the term of this Agreement or in the event this Agreement with CSUSA is terminated pursuant to the terms herein. In the event of such assignment, CSUSA and the CITY shall be responsible for their respective duties under the terms of this Agreement until the date of assignment. CSUSA shall indemnify the CITY for the acts and omissions of CSUSA occurring prior to the date of assignment, and the CITY shall indemnify CSUSA for the acts and omissions of the CITY following the occurrence of the date of assignment. CSUSA shall provide CITY with copies of all contracts, subcontracts and agreements to ensure they comply with the foregoing.

33. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

34. Governing Law. This Agreement and all transactions contemplated by this Agreement shall be governed by, construed, and enforced in accordance with the internal laws of the State of Florida, without regard to principles of conflicts of laws.

35. Proprietary Information. The CITY agrees that CSUSA shall own all copyrighted and other proprietary rights to all instructional materials, training materials, curriculum and lesson plans, or any other materials created and developed by CSUSA, its employees, agents or subcontractors, or by any individual working for or supervised by CSUSA, which is specifically identified by CSUSA in writing as being copyrighted or proprietary, provided however that any such materials prepared or developed by Charter School staff as a responsibility of their school position, during normal work hours, or during time for which the individual is being paid from Charter School funds shall not be copyrighted or proprietary to CSUSA unless authorized by the City Manager.. CSUSA shall have the sole and exclusive right to license such materials for use by other school districts, other public schools, or other customers, or to modify and/or sell such materials for use by school districts, other public schools or other customers. Notwithstanding the same, in the event of expiration or termination of this Agreement, the CITY shall have the right to use such materials during the life of the Charter School provided the CITY pays a reasonable license fee (based upon the then existing market value) to CSUSA; however, the CITY shall have no rights to use such materials beyond the life of the Charter School. During the term of this Agreement, CSUSA may disclose such proprietary information,

including that which is currently in existence as well as that which may be created in the future. The CITY, to the extent permitted by law, shall treat all proprietary information specifically identified in writing by CSUSA as though it were a trade secret and copyrighted and shall use efforts as may be reasonably requested by CSUSA so as not to disclose, publish, copy, transmit, modify, alter or utilize such proprietary information during the Term of this Agreement or at any time after its expiration other than to the extent necessary for implementation of this Agreement or as licensed from CSUSA for the continuing planning, design, development and operation of the Charter School ; provided, however, that CSUSA acknowledges that any information provided to the CITY may be a public record under Florida law and may be subject to disclosure.

36. Sale or Transfer of Interest in CSUSA. This Agreement is made by the CITY with CSUSA in its current ownership form and in reliance on the expertise of the current principals and owners of CSUSA, including Jonathan Hage. No substantial change in ownership or any other form of control of CSUSA shall be transferred, pledged, mortgaged or assigned, directly or indirectly, without the prior written consent of the CITY, through the City Manager. For purposes of this Agreement "substantial change in ownership" shall be defined as when a majority of CSUSA ownership is not maintained by Jonathan Hage. In determining whether to approve of any such transfer, pledge, mortgage or assignment, the City Manager may consider, without limitation:

36.1 whether the now current individual principals and managers of CSUSA will continue to retain total responsibility for the performance of CSUSA Services for the Charter School;

36.2 the qualifications and character of the individuals or entities that are to receive the transferred or assigned interest from CSUSA.

The CITY, upon considering the approval of the transfer or assignment, shall not unreasonably withhold approval of such based upon the foregoing criteria.

37. Additional Audits. In addition to the audits required pursuant to Section 5.3.24 of this Agreement, the CITY shall have the right, at any time during business hours, at the CITY's sole expense, and with reasonable notice to CSUSA, to inspect and audit, or caused to be inspected and audited by a certified public accounting firm selected by the CITY, the business records, bookkeeping and accounting records, tax records and returns and other records of CSUSA with respect to this Charter School and this Agreement. CSUSA shall cooperate with CITY and the certified public accounting firm. If any of the foregoing business records are retained by CSUSA following the expiration or earlier termination of this Agreement and not delivered to the CITY, CSUSA shall maintain and make available to the CITY such books and records for a period of six (6) years following the expiration or earlier termination of this Agreement.

38. **Police/Regulatory Powers**. CITY cannot, and hereby specifically does not, waive or relinquish any of its regulatory approval or enforcement rights and obligations as it may relate to regulations of general applicability which may govern the Charter School and the ~~Facility~~facility, and any improvements or operations relative thereto. Nothing in this Agreement shall be deemed to create an affirmative duty of CITY to abrogate its sovereign right to exercise its police powers and governmental powers by approving or disapproving or taking any other action in accordance with its zoning and land use codes, administrative codes, ordinances, rules and regulations, federal laws and regulations, state laws and regulations, and grant agreements.

[SIGNATURES APPEAR ON THE NEXT PAGE]

IN WITNESS WHEREOF, CITY and CSUSA have signed this Agreement in triplicate. One counterpart each has been delivered to CITY and CSUSA.

ATTEST:

By:_____
Teresa M Soroka, ~~CMC~~MMC
City Clerk

APPROVED AS TO FORM:

By:_____
City Attorney

CITY OF AVENTURA, FLORIDA

By:_____
Eric M. Soroka, City Manager

WITNESSES:

_____
Signature

_____
Print Name

CHARTER SCHOOLS USA AT AVENTURA, L.C.

By:_____
Jonathan K. Hage, President

_____
Signature

_____
Print Name

CHARTER SCHOOLS USA, INC.

By: _____
Jonathan K. Hage, President

3-B

2013/2014
FISCAL YEAR

CITY OF AVENTURA
Charter School Budget

AVENTURA CITY OF EXCELLENCE SCHOOL

CITY OF AVENTURA 1995 FLORIDA

The City of Excellence

AVENTURA CITY OF EXCELLENCE SCHOOL

3333 NE 188TH Street
Aventura, Florida 33180
Telephone: 305-466-1499
Fax: 305-466-1339
Website: www.aventuracharter.org

Board of Directors

Mayor Susan Gottlieb
Commissioner Enbar Cohen
Commissioner Teri Holzberg
Commissioner Billy Joel
Commissioner Michael Stern
Commissioner Howard Weinberg
Commissioner Luz Urbaez Weinberg

City Manager
Eric M. Soroka, ICMA-CM

Principal
Julie Alm

Assistant Principals
Leslie Lee
Jorge Paz

Administrative and Educational Services Provided by:
Charter Schools USA

CITY OF AVENTURA
CHARTER SCHOOL FUND
FISCAL YEAR 2013/14

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City of
Aventura
Government Center
19200 West Country Club Drive
Aventura, Florida 33180

Office of the City Manager

April 2013

The Honorable Mayor and City Commission
Aventura City of Excellence School Board of Directors
City of Aventura
Aventura, Florida 33180

RE: 2013/14 Charter School Fund Budget Message

Members of the City Commission:

In accordance with Article IV, Section 4.05 of the Charter of the City of Aventura, I hereby submit the proposed Budget for the Charter School Fund for the fiscal year beginning July 2013, for your review and consideration. This budget document represents the 11th year of operation of the Aventura City of Excellence School. Our goal in the development and preparation of a realistic balanced budget was to provide the funding levels to maintain the quality education services for our students.

Budget Format

The format of the budget is in accordance with guidelines adopted by the State and School Board of Miami-Dade County, Florida and utilizes the school system's account codes as well. The proposed budget was prepared with input from the school's administrative staff and Charter Schools USA (CSUSA).

Significant Factors Affecting Budget Preparation

The 2013/14 school year represents the 11th year of operations of the school. Our past has shown that we can continue to operate the school at a high level and provide quality education for our students, within the school-based revenues. We have also been fortunate to have a strong business community and involved parents that participate in fund raising activities for school improvements.

Based on proposals submitted at the State level the FTE revenues are expected to increase by 2%. As approved last year, the departmentalization of the fourth grade will increase the school enrollment by 12 more students this upcoming year. Over the next three years, as the additional students move up in grade, this will increase each grade by 12 students. The school's capacity enrollment will increase from 984 to 996 students for the 2013/14 school year.

As the state shifts to the rigorous Common Core Standards, there are more students in need of additional support. A new full-time position was included in the budget who will be a Response to Intervention Specialist to monitor and provide instruction for at risk learners and oversee instructional strategies for professional development for teachers.

Based on the new Agreement between the City and Charter Schools USA (CSUSA), the City will be assuming more responsibilities as it relates to technology management at the school. These costs are included in the budget. In addition, based on the new Agreement, the fee for CSUSA will be $47,000 less compared to last year's budget.

The following items represents other important highlights:

- Revenue in the amount of $100,000 from the Intersection Safety Camera Program is included to assist in funding the contingency line item in the budget.
- Teacher salary increases will reflect a step increase based on the revised pay plan. In addition returning teachers will be rewarded with a service award based on years of service. The pay plan continues to exceed Miami-Dade County Schools' current plan.
- A Math Specialist teacher position will be re-classified to (Science, Technology, Engineering and Math (STEM) Coordinator to oversee the school's efforts to expand program offerings throughout the school. During the first year, initiatives of the ACES STEM program will include a nine week course for all sixth grade students that will provide an introduction to Computer Programing. Students in grades K – 5 will participate in activities that teach engineering and design concepts. In grades sixth through eighth students will experience interdisciplinary project-based learning.
- A laptop classroom pilot program designed to increase achievement and engagement of at risk readers in grades sixth to eighth is included.
- Funds have been budgeted to provide for computer replacements and expanding the use of iPads in the classroom.

The overall budget increased by 3.0% or $228,513, largely due to the addition of one new postion and employee salary increases. The budget includes funding for lease payments to the Debt Service Fund to pay annual costs associated with the long term debt borrowed for the construction of the elementary school wing. It is important that we continue to maximize the school dollars as much as possible and maintain efficient use of budgeted funds

Summary of All Budgetary Funds

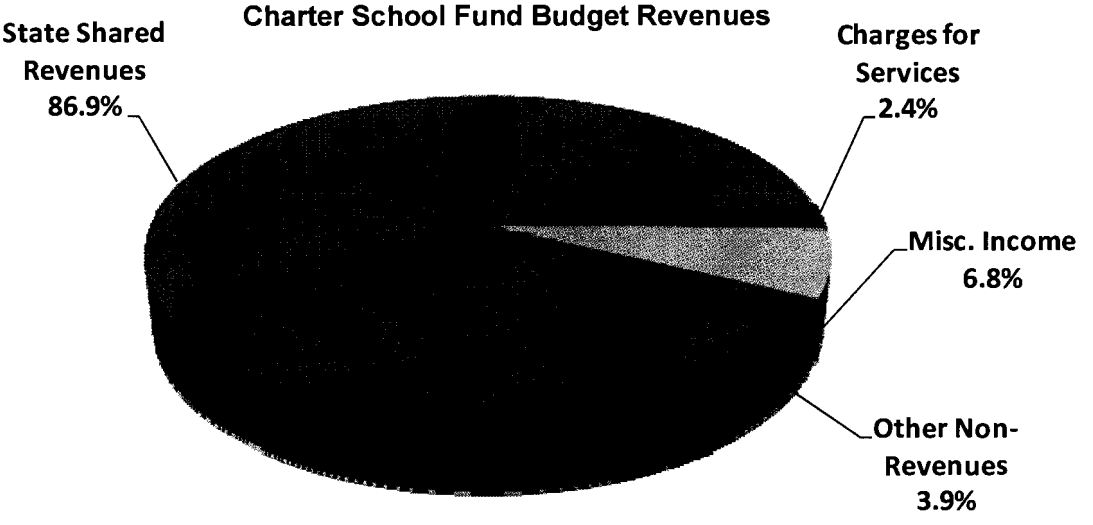
The total proposed budget for 2013/14, including all operating and capital outlay, is $7,913,409. The majority of the budget is Personnel Services at $5,350,282. Operating expenditures total $1,870,627. Other Uses expenditures, which primarily represent lease payments to the Debt Service Fund to cover school construction debt payments and a contingency, account total $532,000. Capital Outlay expenditures are $160,500. The following chart shows a comparison of the department's budgets for the past two years. Total costs increased by 3.0%.

Budget Category Summary

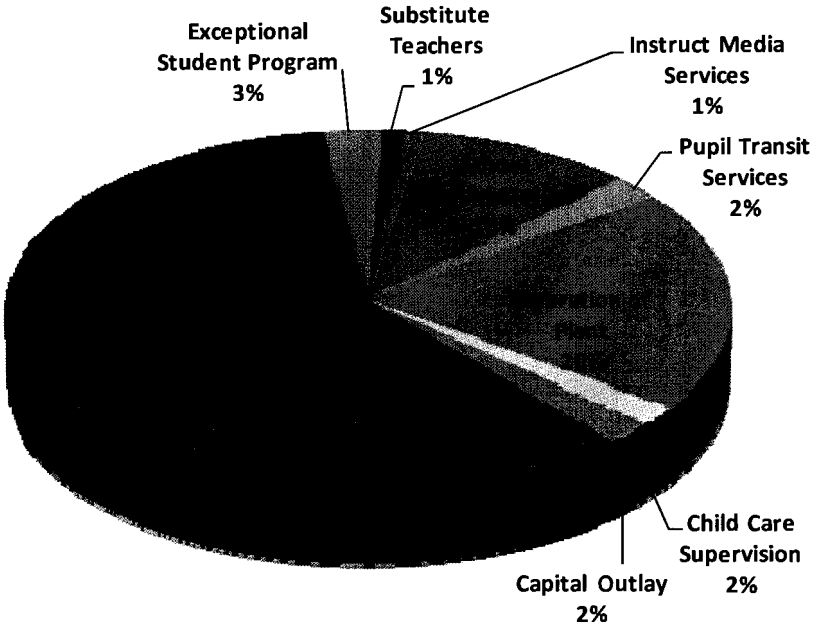
	2012/13	2013/14	Increase (Decrease)	% Change
	Revenues			
State Shared Revenues	$ 6,508,983	$ 6,880,340	$ 371,357	5.7%
Charges for Services	161,100	186,100	25,000	15.5%
Misc. Income	520,534	542,000	21,466	4.1%
Other Non-Revenues	494,279	304,969	(189,310)	-38.3%
Total Revenues	$7,684,896	$ 7,913,409	$ 228,513	3.0%
	Expenditures			
K-3 Basic	$ 2,031,945	$ 2,099,677	$ 67,733	3.3%
4-8 Basic	2,453,518	2,569,078	115,560	4.7%
Exceptional Student Program	225,614	225,029	(585)	-0.3%
Substitute Teachers	83,341	84,516	1,175	1.4%
Instruct Media Services	71,342	66,493	(4,849)	-6.8%
School Administration	825,369	812,700	(12,669)	-1.5%
Pupil Transit Services	184,000	184,000	-	0.0%
Operation of Plant	1,579,753	1,572,551	(7,202)	-0.5%
Child Care Supervision	128,015	138,864	10,849	8.5%
Capital Outlay	102,000	160,500	58,500	57.4%
Total Expenditures	$ 7,684,896	$ 7,913,409	$ 228,513	3.0%

Charter School Fund

This fund is used to account for revenues and expenditures specifically earmarked for the City's Charter School. The fund accounts for operating and capital revenues, expenditures and capital outlay.



Charter School Fund Budget Expenditures



Goals

The 2013/14 school year represents the eleventh year of operations for ACES. This past year a great deal of time and effort was expended on professional development and curriculum alignment based on Florida's Next Generation Sunshine State Standards and transition to Common Core, increasing parental involvement, intramural and competitive sport programs and identifying and working with at–risk students. This year we will maintain and expand all our present academic programs with an emphasis on professional development and implementation related to the Common core standards. These standards replace the current Next Generation Sunshine State Standards in 2014/15.

ACES will enrich a child's learning and social atmosphere through:

- Whole Child Approach - Emphasis will be placed on the "whole child" to ensure that academic rigor coexists with social responsibility.
- Character Education – Implement and expand ACES award winning and nationally recognized program that encourages our students, families and communities to "live" their values. Programs include parent and community workshops and the infusion of character education across the curriculum.
- Challenging Curriculum – Offer high school level courses in the areas of Math, Science and Foreign Language.
- Curriculum Alignment – Increase academic rigor through the alignment of ACES writing and math programs kindergarten through eighth grade.
- Differentiation of instruction – Provide specialized programs for at-risk learners, on-level learners and gifted students.
- Technology Rich Environment – Engage students through the use of computer labs, computers, Smart Boards, document readers, projectors in classrooms, instructional

software and online programs. All students will have the opportunity to participate in instructional programs featuring iPads with wireless connectivity. ACES will pilot a laptop classroom designed to increase achievement nad engagement of at risk readers in grades six to eighth.

- Extended School Day Programs/Activities – Offer a variety of opportunities including Before Care and After Care, Sports Study, several Dance programs, French Classes, Chess Club, Science Tutorial, Writing Tutorial, Reading and Math Computerized Program, Java Programming, Test Taking Strategies and Saturday School.
- Field Trips – Experience hands-on content, living history, ecological studies, guest authors and a variety of culturally rich opportunities through a combination of on campus and off campus field trips.
- School-Wide Events – Organize various events such as Career Day, Red Ribbon Week, Peace Day and Field Day.
- Career Awareness and Entrepreneurship – Register all eighth grade students in a comprehensive course that will allow them to begin career planning and develop and implement a small business. Also integrate a variety of learning experiences focused on integrating Science, Technology, Engineering and Math (STEM).
- Competitive Athletics – Compete at the middle school level in the Florida High School Athletic League. The school fields a boys and girls team for both basketball and soccer. Offerings also include a competitive flag football team and a competitive volleyball team.
- Intramural Athletics – Afford students at the middle school level opportunities to play intramural basketball, volleyball. All students have an opportunity to participate in after school tennis.
- Family Events – Make available various events that include Meet and Greet, Open House, Kindergarten Kickoff, Student of the Month, Book Fair, Winter Showcase Graduation Ceremonies, Talent Showcase and Quarterly Principal's Honor Roll Breakfasts.
- Parent Education – Execute FCAT reading, math, writing and science nights that present parents with information related to state standards and accountability testing. Monthly parent workshops related to social, emotional and physical wellbeing of children and families.
- Transportation – Provide students living further than 2 miles from the school and no further than 3.5 miles bus service. Currently four buses provide transportation for approximately 400 students.
- Safe School Campus – Employ a full-time certified police officer to the school that serves as a School Resource Officer. Traditional security methods including cameras are in place.

Revenues

The revenues, available for allocation in the 2013/14 Fiscal Year, are anticipated to be $7,913,409. This is an increase of $228,513 or 3.0% compared to the prior year. The majority of the increase is associated with increased FTE funding from the State budget.

State Shared Revenues – The amount projected for Florida Education Finance Program revenues is $6,071,340 and is based on $5,946 per student after the deductions for the transportation reimbursement component and the 2% held back by the School Board for administrative costs. The revenues for next year have been estimated to increase by 2%

based on anticipated actions taken by the State Legislature. School lunch reimbursement revenues are estimated to be $71,000. The transportation reimbursement amount is $147,000 and is based on 305 students requiring bus service. Capital Outlay revenue is estimated to be $500,000.

Charges for Services – The amount projected for reimbursement from the food service vendor is projected to be $6,100. After School Program includes revenues derived from fees charged for Before and After School Programs and is estimated to be $180,000.

Miscellaneous Income – The total amount is $542,000. This includes revenues from the Clear Channel agreement for proceeds from the billboard advertising, field trips/special programs revenues and fundraising activities. This is offset by specific expenditures in the budget.

Other Non-Revenues – This represents a $100,000 transfer from the General Fund for revenues from the City's Intersection Safety Camera Program and anticipated fund balance amounts from the prior year's budget.

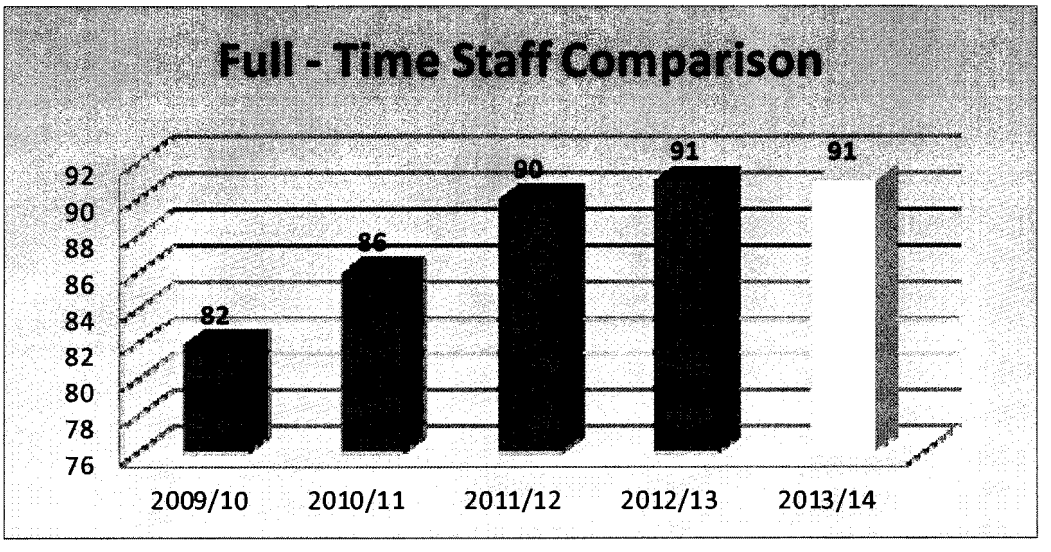
Expenditures

The estimated 2013/14 expenditures contained within this budget total $7,913,409 and are balanced with the projected revenues.

Personnel Services

Personnel Services are budgeted at $5,350,282 or 68% of the budget. Personnel Services reflects funding to increase teacher salaries to reflect a step increase based on the new pay plan. In addition returning teachers will be rewarded with a service award based on years of service. The pay plan will continue to exceed Miami-Dade County Schools. The total number of employees is 91 full-time and 15 part-time. An Aide position was reclassified from full-time to part-time. Included in the full-time positions are 80 instructional staff members and a Computer Network/Technician. All employees except the Principal, 2 Assistant Principals and Janitor are under contract with CSUSA.

The budget includes adding one teacher that will act as the Response to Intervention Specialist. This position will identify, progress monitor and provide instruction for at risk learners and assist in professional development for teachers as it relates to best instructional strategies.



The following outlines the staffing level detail comparisons to the prior fiscal year:

		2012/13		*2013/14*	
Function	**Job Class**	**Full Time**	**Part Time**	**Full Time**	**Part Time**
5101	**Teacher**	31.00	-	31.00	-
	Para-Professionals	-	7.00	-	7.00
	Reading Specialist	1.00		1.00	
	Instructional Counselor	1.00		1.00	
	Assistant Principal	1.00		1.00	
	Aide	1.00		1.00	
5102	**Teacher**	40.00	-	41.00	-
	Assistant Principal	1.00		1.00	
	Aide	1.00		-	1.00
5250	**Teacher**	2.00	-	2.00	-
	Dean of Student Services	1.00		1.00	
5901	**Substitute Teacher**	1.00	-	1.00	-
6200	**Media Specialist**	1.00	1.00	1.00	1.00
7300	**Principal**	1.00	-	1.00	-
	Dean of Academics	1.00		1.00	
	Business Manager	1.00	-	1.00	-
	Administrative Secretary	1.00	-	1.00	-
	Receptionist	2.00	-	2.00	-
	Registrar/Compliance	1.00		1.00	
	Computer Network/Tech	1.00		1.00	
7900	**Janitor**	1.00		1.00	
9102	**P/T After School Counselor I**		5.00		5.00
	P/T After School Counselor II		1.00		1.00
	Total	91.00	14.00	91.00	15.00

Operating Expenses

The expenditures for operating expenses are $1,870,627, which represents 24% of the budget. This is $15,900 more than the prior year. The major expenses are as follows:

- CSUSA education/administrative fee - $279,000
- Textbooks - $156,000
- Transportation services contract - $184,000
- Other materials and supplies - $148,500
- Electricity - $161,000
- Building maintenance contract - $225,000
- Field Trips and School Events - $215,000

- Repairs and Maintenance - $91,500
- Office Equipment Leases - $28,000

Other Uses
Other Uses expenditures total $532,000 primarily represent lease payments to the Debt Service Fund to cover the elementary school wing construction debt payments. Other expenditures include a contingency account and costs associated with utilizing the Arts & Cultural Center.

Capital Outlay
A total of $160,500 has been budgeted for capital outlay to replace computers and servers, upgrade network switches, replace AV equipment and smartboards and expand the mobile classroom.

Summary

I am pleased to submit the detailed budget contained herein. The budget document and its related funding levels represent the City's continued commitment to providing a school of excellence for our community.

The budget contains funding levels to address the following key objectives:

- Hiring and retaining administrators and teachers who are well prepared for creating life-long learners in their students as well as acting as role models in their own quest for knowledge on the latest "best practices" in educational research to enhance their teaching abilities.
- Putting into place a strong accountability system that will hold everyone at ACES responsible for maximizing learning opportunities.
- Creating a school climate that enables students and teachers to feel they are cared for, respected, and contributing members of ACES.
- A low staff-pupil ratio in order to enhance the development of the individual strengths of each student.
- Continuing to use data to evaluate the efficacy of instructional programs.
- Developing a strong parent-teacher relationship.
- Maximizing the use of technology embedded in classroom instruction as well as in a lab setting.

The preparation and formulation of this document could not have been accomplished without the assistance and dedicated efforts of the School's Administration. All questions relating to the budget should be referred to my attention.

Respectfully submitted,

Eric M. Soroka
City Manager

BUDGET PROCESS

Budget Preparation/Development

1. January: Meetings are held with the Principal, school staff and City Manager to develop Goals and to discuss issues that may impact the budget for the upcoming school year.
2. February: Preliminary Revenue projections and forecasts are developed by the City Manager. The following steps are followed to project revenues:
   - Forecast student enrollment
   - The State's Florida Education Finance Program (FEFP) per student allocation is projected by the State and provided to the charter school.
   - Capital Outlay funding is determined by the State based on available funding.
3. March: Personnel needs are developed based on input from the Principal and staff. The following steps are utilized to forecast personnel:
   - Review existing staffing requirements to ensure adequate coverage for student needs and new programs.
   - Review salary structure to ensure competitiveness with the school district.
   - Benefits calculations such as Workers' Compensation, Life Insurance, Health Insurance, and Pension are provided by CSUSA and developed for each qualifying employee.
4. April: Individual expenditure line items are developed by the City Manager based on input from the Principal and historical data. A draft of the budget document is prepared by the City Manager. The draft is reviewed by the Principal and the Finance Department.
5. April/May: The budget is reviewed by the School Advisory Committee. The City Manager submits budget to the City Commission who act as the Board of Directors for the School.
6. June: The budget is loaded into the accounting system.
7. July: Budget goes into effect.

Budget Adoption

The Charter School budget is approved via Ordinance at two public meetings scheduled for May and June conducted by the City Commission. The adopted budget is integrated into the accounting software system effective July 1st.

Budget Control/Monitoring

Funds appropriated in the Budget may be expended by and with the approval of the City Manager in accordance with the provisions of the City Charter and applicable law. Funds of the City shall be expended in accordance with the appropriations provided in the Budget and shall constitute an appropriation of the amounts specified therein. Supplemental appropriations or the reduction of appropriations, if any, shall be made in accordance with Section 4.07 of the City Charter.

The Budget establishes a limitation on expenditures by department total. Said limitation requires that the total sum allocated to the Charter School department for operating and capital expenses may not be increased or decreased without specific authorization by a duly-enacted Ordinance affecting such amendment or transfer. Therefore, the City Manager may authorize transfers from

one individual line item account to another, so long as the line item accounts are within the same department and fund.

The "Personnel Allocation Summary" enumerates all authorized budgeted positions. However, the City Manager may amend said authorized budgeted positions in order to address the operating needs of the department so long as sufficient budgeted funds are available. The budget is monitored on a monthly basis to track variances between actual and budgeted amounts. Significant variances are investigated and monitored for corrective action. Quarterly review meetings are held with the Principal and City Manager. Encumbrances do not constitute expenditures or liabilities in the current year, but instead are defined as commitments related to unperformed contracts for goods or services, which are only reported in governmental funds.

Budget Amendment
Upon the passage and adoption of the Charter School Fund Budget for the City of Aventura, if the City Manager determines that the department total will exceed its original appropriation, the City Manager is authorized to prepare such Ordinances for consideration by the City Commission as may be necessary and proper to modify any line item from the Budget.

Basis of Accounting
Basis of Accounting refers to the time period when revenues and expenditures are recognized in the accounts and reported on the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The accrual basis of accounting is followed for the proprietary fund types. The modified accrual basis of accounting is followed in the governmental fund types and the expendable trust funds type. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, that is, when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. Expenditures are generally recognized under the modified accrual accounting when the related fund liability is incurred. Exceptions to the general rule are principal and interest on general long-term debt which is recognized when due.

The Charter School Fund Budget applies all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) statements and interpretations, Accounting Principles Board (APB) opinions and Accounting Research Bulletins (ARBs).

During June 1999, the Government Accounting Standards Board (GASB) issued Statement No. 34. This statement established new accounting and financial reporting standards for state and local governments. The Charter School Fund implemented the new financial reporting requirements of GASB 34.

BUDGET DEVELOPMENT GUIDELINES

Financial Policies
The Charter School's financial policies, compiled below, set forth the basic framework for the overall fiscal management of the school. Operating independently of changing circumstances

and conditions, these policies assist the decision-making process of the City Manager and School's Administration. These policies provide guidelines for evaluating both current activities and proposals for future programs.

Most of the policies represent long-standing principles; traditions and practices that have guided the Charter School in the past and have helped maintain financial stability over the last 2 years. They are reviewed annually as a decision making tool and to ensure their continued relevance in an ever-changing environment.

Operating Budget Policies

1. The Charter School will maintain at a minimum, an accessible cash reserve equivalent to four weeks of operating costs.
2. No new or expanded services shall be implemented without a corresponding revenue source or the implementation of trade-offs of expenses or revenues at the same time. This applies to personnel, equipment and any other peripheral expenses associated with the service.
4. The Charter School shall continue to support a scheduled level of maintenance and replacement of its infrastructure.
5. The Charter School shall support capital expenditures that reduce future operating costs.

Capital Budget Policies

1. The Charter School will develop a multi-year plan for capital improvement that is updated annually with documentation of deviations from the plan.
2. The Charter School will maintain its physical assets at a level adequate to protect the Schoo'ls capital investment and minimize future maintenance and replacement costs. The budget will provide for the adequate maintenance and the orderly replacement of the capital equipment from current revenues wherever possible.
3. The Charter School will provide sufficient funds to replace and upgrade equipment as well as to take advantage of new technology thereby ensuring that employees have safe and efficient tools to provide their service. It reflects a commitment to further automation and use of available technology to improve productivity in the Charter School's work force. The objective for upgrading and replacing equipment includes: (1) normal replacement as equipment completes its useful life, (2) upgrades to new technology, and (3) additional equipment necessary to service the needs of the Charter School.
4. The Charter School will use the following criterion to evaluate the relative merit of each capital project. Capital expenditures will foster goals of:
    a. Projects specifically included in an approved replacement schedule.
    b. Projects that reduce the cost of operations.
    c. Projects that significantly improve safety and reduce risk exposure.

Revenue Policies

1. The School will attempt to maintain a diversified and stable revenue system as a shelter from short-run fluctuations in any single revenue source.
2. The School will attempt to obtain new revenue sources as a way of ensuring a balanced budget.

3. The School will review fees/charges annually and will design or modify revenue systems to include provisions that automatically allow charges to grow at a rate that keeps pace with the cost of providing the service.

Cash Management/Investment Policies

1. The School will deposit all funds received by 2:00 PM the next day.
2. Investment of School funds will emphasize safety of capital; liquidity of funds and investment income.
3. The School will collect revenues aggressively, including any past due amounts owed.

Reserve Policies

1. The School will maintain a fund balance of at least $75,000.

Accounting, Auditing, and Financial Reporting Policies

1. An independent audit will be performed annually.
2. The Charter School will produce annual financial reports in accordance with Generally Accepted Accounting Principles (GAAP) as outlined by the Governmental Accounting Standards Board (GASB).

AVENTURA CITY OF EXCELLENCE SCHOOL
VISION STATEMENT

To join with our community to become the premier charter school in the nation where academic excellence coexists with the promotion of social responsibility grounded in an atmosphere of human dignity.

AVENTURA CITY OF EXCELLENCE SCHOOL
PHILOSOPHY AND ESSENTIAL ELEMENTS

The Aventura City of Excellence School staff believes that we have a responsibility to create a school climate that enables every individual to feel cared for, respected and to act as contributing members of the school culture. All students can learn and will be encouraged to strive for academic excellence and personal growth that will enable them to be productive and active members of society. In the practical application of this philosophy, opportunities shall be provided to:

1. Develop in each student and professional staff member a sense of self-worth and a positive self-concept
2. Imbue such character traits as honesty, integrity, compassion, respect, cooperation, humility, happiness and responsibility toward each other, our community and our world
3. Develop in each student an understanding of and responsibility for making positive personal and social choices
4. Improve upon the quality of instruction and curriculum by increasing the effectiveness of teachers and their teaching through ongoing professional development
5. Provide each student with experiences to develop an awareness of good health habits and attitudes for living by encouraging each student to perceive learning as a life-long continuing process from pre-school through adulthood
6. Encourage, through educational reporting, city and district officials, the citizens of Aventura, and the professional staff to support quality education in the school
7. Use assessment data to identify and track student achievement and learning goals
8. Develop school programs based on "best practices" to promote learning gains
9. Develop strong parent-teacher-student relationships
10. Provide a strong accountability system that holds everyone at the schoolhouse responsible for maximizing learning opportunities
11. Provide a low student-teacher ratio in order to enhance the development of the individual strengths of each student
12. Provide additional staff members for enrichment and remediation services
13. Develop in each student the ability to think critically, make inferences, apply knowledge to new settings and use these skills to make wise choices

CURRICULUM

The ACES curriculum is connected to state and national content standards and the school's goals for student learning are coordinated or integrated across different disciplines. The curriculum's sequence is rational, with more complex ideas building on simpler ones, respecting each student's developmental levels and prior learning. Teachers and students are accountable for all state and local assessments in addition to internal formal and informal assessments and observations.

Classroom teachers utilize technology daily to reinforce instruction and offer opportunities for independent practice. ACES students have access to Internet-based instructional programs at home and at school. Students in kindergarten through fifth grade utilize the ACES computer lab weekly. Sixth grade students enroll in a nine-week technology course, with an emphasis on computer programming. Seventh grade students are required to enroll in a year long Computer Concepts courses designed to expose them to all facets of the technology available to them. Eighth grade students take a year-long technology aided career awareness and entrepreneurship course.

ACES offers a variety of programs to meet the needs of all learners. The English Speakers of Other Languages (ESOL) program is offered to students who are working toward English language proficiency. Classroom teachers servicing ESOL students have undergone special training related to strategies that enhance language acquisition. The ACES ESOL Coordinator collaborates with classroom teachers related to instructional modifications that aide in content comprehension.

Exceptional Education students are serviced within the general classroom, reducing social stigmas and enhancing the continuity of instruction. The ESE teacher collaborates with classroom teachers to ensure that "strategies for success" are implemented in all subject areas.

Students with speech and language needs are serviced by a Speech and Language Pathologist and students with occupational therapy needs are serviced by a specialist. These programs are offered to students who qualify for services based on school district requirements.

At risk readers are targeted through a variety of intervention courses and strategies. ACES Literacy Team teaches at-risk-readers grades Kindergarten through eighth grade in small group settings. This supplemental reading program provides intensive instruction using research based programs such as Story Town Targeted Intervention and Read 180.

ACES is focused on meeting the needs of all students. To this end, ACES offers a variety of extended school day programs. These programs target specific student needs and are offered both before and after school. These programs include small group writing instruction, focused math tutorials, science study group and a Saturday reading program.

Gifted students in grades 1 and 2 receive “Gifted Instruction” in Language Arts and Reading daily. Project-based applications encompassing the sciences; arts, math, and language allow students an opportunity to combine their creativity and practical knowledge. Eligible students in grades 3, 4, and 5 have an opportunity to enroll in a gifted language Arts/Reading course and a gifted Math course. Eligible students in middle school have an opportunity to enroll in gifted courses.

ACES science laboratory program provides students with hands-on application of core curriculum. Students in second through fifth grade visit the science lab weekly and students in kindergarten and first grade conduct experiments within their classrooms. All middle school students enroll in comprehensive science courses that emphasizes hands-on investigation.

ACES students are exposed to eco-literarcy through participation in our outdoor garden project.

ACES Modern Language Program places emphasis on four basic components of language acquisition (e.g., listening, speaking, reading and writing). Students build an understanding of the relationship between perspectives and products of various cultures. Middle School students are required to enroll in Spanish courses throughout their middle school career at ACES. The elementary Spanish program is offered to all kindergarten through fifth grade students and emphasizes cultures and conversational speaking.

ACES Middle School Program offers academic rigor in conjunction with an extraordinary selection of extracurricular activities and elective programs. ACES students have the opportunity to enroll in high school level Spanish, Physical Science, Biology, Algebra and Geometry and to select one of five elective courses. These elective courses include Media Production, Modern Dance, Art, Guitar, Team Sports and Drama. All middle school students are invited to participate in after school teams including volleyball, basketball and tennis. ACES also participates in the Independent Athletic League and offers competitive boys and girls basketball and competitive boys and girls soccer, competitive girls volleyball and boys flag football. These programs are funded through the school budget and offered at no cost to students.

Elementary school students also enjoy a variety of special subject classes daily. These programs include art, physical education, technology, media, Spanish, writing and music. Each Friday Elementary students participate in a club. Clubs vary from year to year based on student interest. Currently ACES is offering the following clubs; Bolleywood Dance, Baton, Board Games, Latch Hook, Scrapbooking, Table Tennis, Jazz Dance, Middle Eastern Dance, Latin Dance, French, Origami, Yoga, Kickball, Soccer, Basketball and Healthy Eating/Gardening.

PERFORMANCE CRITERIA

1) **Indicator:** All students will maintain a portfolio demonstrating and charting improvement and mastery of skills required at that grade level. This portfolio will be part of the Personal Learning Plan (PLP) that is the compendium of parent, student and teacher conferences. Each PLP will establish academic goals for each individual student in relation to his/her performance and progress.
2007/08 Actual: Complete
2008/09 Actual: Complete
2009/10 Actual: Complete
2010/11 Actual: Complete
2011/12 Actual: Complete

2) **Indicator:** The State of Florida A+ Plan Grade shall be no lower than a "B".
2007/08 Actual: A
2008/09 Actual: A
2009/10 Actual: A
2010/11 Actual: A
2011/12 Actual: A

3) **Indicator:** Meet the requirements delineated in Florida State Board of Education Administrative Rule 6A-1.09981, Implementation of Florida's System of School Improvement and Accountability, as may be amended from time to time.
2007/08 Actual: Complete
2008/09 Actual: Complete
2009/10 Actual: Complete
2010/11 Actual: Complete
2011/12 Actual: Complete

4) **Indicator:** Percent of parents that completed all 20 required volunteer hours by the end of the year.
2007/08 Actual: 100%
2008/09 Actual: 100%
2009/10 Actual: 100%
2010/11 Actual: 100%
2011/12 Actual: 100%

5) **Indicator:** Number of students enrolled shall be 95% of the number allowed by the School Charter.
2007/08 Actual: 100%
2008/09 Actual: 100%
2009/10 Actual: 100%
2010/11 Actual: 100%
2011/12 Actual: 100%

6) **Indicator:** The year-to-year retention rate shall be 90%.
2007/08 Actual: 98%
2008/09 Actual: 98%
2009/10 Actual: 98%
2010/11 Actual: 98%
2011/12 Actual: 98%

7) **Indicator:** The percentage of parents who on the Parent Survey agree or strongly agree to the statement that "I would recommend the Charter School to a friend" is 90%.
2007/08 Actual: 99%
2008/09 Actual: 99%
2009/10 Actual: 99%
2010/11 Actual: 99%
2011/12 Actual: 99%

8) **Indicator:** The audits required by State Law and the Charter shall indicate that the financial statements are presented fairly and that tests of compliance with laws and regulations and consideration of the internal control over financial reporting disclose no instances of non-compliance, nor any material weaknesses.
2007/08 Actual: All in compliance
2008/09 Actual: All in compliance

2009/10 Actual: All in compliance
2010/11 Actual: All in compliance
2011/12 Actual: All in compliance

9) **Indicator:** Class size and student/classroom teacher ratios shall be maintained throughout the school year at 18:1 for kindergarten through third grade and an average of 22:1 for all grades fourth through eighth.
2007/08 Actual: All in compliance
2008/09 Actual: All in compliance
2009/10 Actual: All in compliance
2010/11 Actual: All in compliance
2011/12 Actual: All in compliance

10) **Indicator:** Reading - Percent of Students in the school on grade level and above in Reading. This is based on the Sunshine State Standards and exhibited in proficiency on the Florida Comprehensive Assessment Test (FCAT).
2007/08 Actual: 88%
2008/09 Actual: 93%
2009/10 Actual: 92%
2010/11 Actual: 92%
2011/12 Actual: 88%

11) **Indicator:** Math - Percent of Students in the school on grade level and above in Math. This is based on the Sunshine State Standards and exhibited in proficiency on the Florida Comprehensive Assessment Test (FCAT).
2007/08 Actual: 88%
2008/09 Actual: 87%
2009/10 Actual: 85%
2010/11 Actual: 92%
2011/12 Actual: 88%

12) **Indicator:** Writing - Percent of students in the school on grade level and above in Writing. This is based on the Sunshine State Standards and exhibited in proficiency on the Florida Comprehensive Assessment Test (FCAT).
2007/08 Actual: 89%
2008/09 Actual: 92%
2009/10 Actual: 87%
2010/11 Actual: 90%
2011/12 Actual: 94%

13) **Indicator:** All Students will achieve high science standards as measured by Sunshine State Standards Performance Standards.
2007/08 Actual: 69%
2008/09 Actual: 73%
2009/10 Actual: 67%
2010/11 Actual: 76%
2011/12 Actual: 81%

CITY OF AVENTURA

CHARTER SCHOOL FUND 190

BUDGET CATEGORY SUMMARY

2013/14 (July 1 - June 30)

FUND DESCRIPTION

This fund is used to account for revenues and expenditures specifically earmarked for the City's Charter School. The fund will account for operating and capital expenditures associated with the Aventura City of Excellence School.

CATEGORY	2011/12 ACTUAL	2012/13 APPROVED BUDGET	2012/13 HALF YEAR ACTUAL	2013/14 CITY MANAGER PROPOSAL
REVENUE PROJECTIONS				
State Shared Revenues	$ 6,458,160	$ 6,508,983	$ 3,142,636	$ 6,880,340
Charges for Services	190,889	161,100	88,822	186,100
Misc. Income	593,929	520,534	308,979	542,000
Other Non-Revenues	100,000	494,279	444,279	304,969
Total Revenues	**$ 7,342,978**	**$ 7,684,896**	**$ 3,984,716**	**$ 7,913,409**
EXPENDITURES				
K-3 Basic	$ 1,796,700	$ 2,031,945	$ 783,663	$ 2,099,677
4-8 Basic	2,364,882	2,453,518	1,009,544	2,569,078
Exceptional Student Program	222,307	225,614	89,206	225,029
Substitute Teachers	147,560	83,341	66,488	84,516
Instruct Media Services	71,358	71,342	29,684	66,493
School Administration	977,534	825,369	411,276	812,700
Pupil Transit Services	183,600	184,000	109,140	184,000
Operation of Plant	1,419,195	1,579,753	715,467	1,572,551
Child Care Supervision	149,389	128,015	71,686	138,864
Capital Outlay	139,346	102,000	106,129	160,500
Total Expenditures	**$ 7,471,871**	**$ 7,684,896**	**$ 3,392,283**	**$ 7,913,409**
Revenues over(under) Expenditures	$ (128,893)	$ 0	$ 592,433	$ (0)

CITY OF AVENTURA

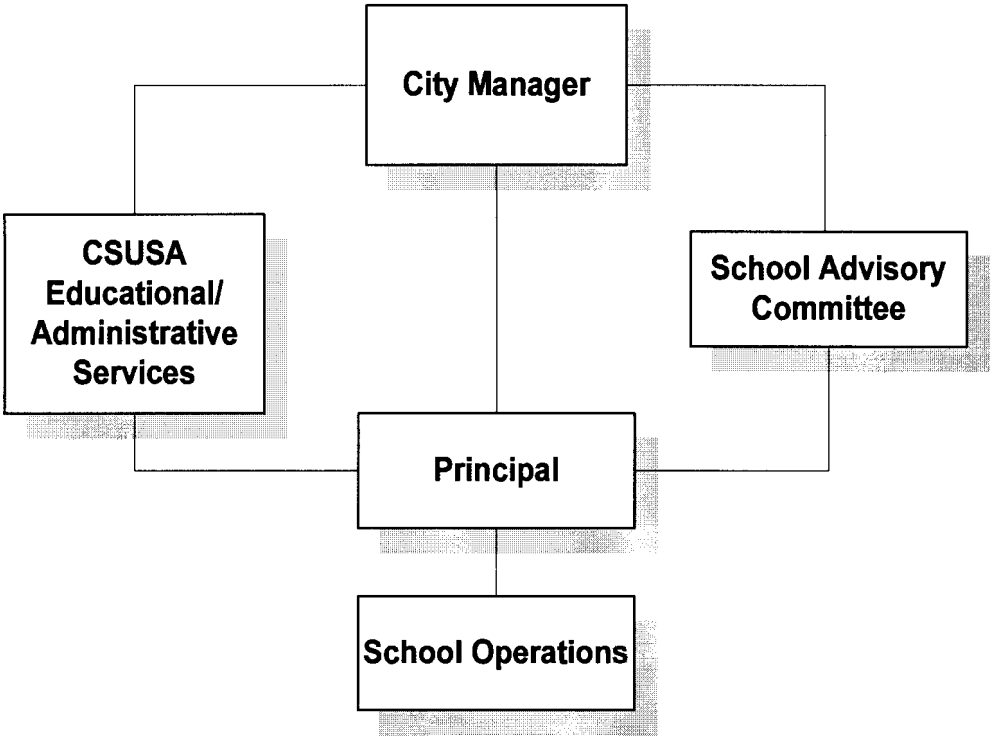
CHARTER SCHOOL

2013/14

DEPARTMENT DESCRIPTION

This department is responsible for the organization, operation and management of the City's charter School. By focusing on low student teacher ratios, high academic standards and parental participation, the school provides a first class learning environment for the City's children. The school operations are provided in conjunction with a service contract with Charter Schools USA.

CATEGORY RECAP	2011/12 ACTUAL	2012/13 APPROVED BUDGET	2012/13 HALF YEAR ACTUAL	2013/14 CITY MANAGER PROPOSAL
Personnel Services	$ 5,035,134	$ 5,201,669	$ 2,017,605	$ 5,350,282
Operating Expenditures	1,843,489	1,854,727	1,040,960	1,870,627
Other Uses	453,902	526,500	227,589	532,000
Capital Outlay	139,346	102,000	106,129	160,500
Total	**$ 7,471,871**	**$ 7,684,896**	**$ 3,392,283**	**$ 7,913,409**

Charter School Department

Organization Chart