
CHARTER SCHOOL RENEWAL AGREEMENT

Between

LOUDOUN COUNTY SCHOOL BOARD

and

HILLSBORO CHARTER ACADEMY

DATE: March 26 2019

CHARTER SCHOOL RENEWAL AGREEMENT BETWEEN THE
LOUDOUN COUNTY SCHOOL BOARD AND
HILLSBORO CHARTER ACADEMY

26th THIS CONTRACT (the "Agreement") is an agreement authorized and executed this day of March, 2019 by and between the LOUDOUN COUNTY SCHOOL BOARD, a political subdivision of the Commonwealth of Virginia and body politic, having its principal place of business at 21000 Education Court, Ashburn, Virginia, 20148 (the "School Board") and HILLSBORO CHARTER ACADEMY, a Virginia nonstock corporation, State Corporation Commission No. 07853005, filed December 5, 2015, currently having its principal place of business at, 37110 Charles Town Pike, Hillsboro, Virginia 20132 (the "Charter School").

RECITALS:

WHEREAS, the School Board is the governing body of the Loudoun County School Division and is vested with the constitutional authority to supervise the schools in Loudoun County under Article VIII, Section 7, of the Constitution of the Commonwealth of Virginia; and

WHEREAS, the Virginia General Assembly has enacted Article 1.2 (Establishment of Charter Schools) of Chapter 13 of Title 22.1 of the Code of the Commonwealth of Virginia authorizing local school boards to initiate and establish charter schools; and

WHEREAS, the Charter School submitted an application to the School Board on August 7, 2014, with a request that the application be initiated by the said School Board and the application was subsequently revised on November 20, 2014, February 16, 2015, and March 10, 2015; and

WHEREAS, the School Board on the 12th day of August 2014 voted to initiate the application subject to final review and approval of a charter school contract by the School Board; and

WHEREAS, on the 23rd day of June, 2015, pursuant to the criteria set forth in the Code of Virginia Article 2.1 of Chapter 13 of Title 22.1, the regulations of the State Board of Education and the policies, regulations, policies and procedures of the School Board, the School Board, after receiving public comment with the requisite prior statutory notice, granted this charter for the establishment of HILLSBORO CHARTER ACADEMY in accordance with the terms of this Agreement; and

WHEREAS, the Charter School submitted a renewal application on the 16th day of September, 2018; and

WHEREAS, the parties have negotiated and agreed upon all of the terms and conditions of this Agreement and intend that this Agreement shall be the full and complete agreement between them and all other representations, oral or written, are hereby merged into this Agreement.

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RENEWAL AGREEMENT:

NOW, THEREFORE, the parties hereto, intending to be bound by the terms and conditions set forth herein, and in consideration of the promises and mutual covenants and understandings of each of the parties, covenant and agree as follows:

I. ESTABLISHMENT OF THE SCHOOL

1.0 Parties.

1.1 This Agreement is entered into between the Charter School and the School Board.

1.2 The Charter School represents and warrants that this Agreement has been duly executed by an authorized representative of the Charter School with the authority to sign this Agreement on behalf of the Charter School.

1.3 The person authorized to sign on behalf of the School Board is the Chairman of the School Board.

1.4 The parties adopt the above recitals as if fully re-written herein.

2.0 Term.

2.1 Initial Term. The initial term of this Agreement shall be for five (5) school years (the "Initial Term"), beginning with the 2019-2020 school year. "School year," for the purposes of this Agreement, shall correspond to the fiscal year of July 1 to June 30, unless clearly stated otherwise. The Initial Term shall therefore commence on July 1, 2019 and expire on June 30, 2024, unless earlier terminated or extended as hereinafter provided.

2.2 Renewal. During the last academic school year of the Initial Term, but not later than 180 days prior to the expiration of the Initial Term, the Charter School may submit a written request to the School Board for the renewal of this Agreement in accordance with the then-current School Board policies and procedures and the then-current laws of the Commonwealth of Virginia.

The Charter School must provide, at a minimum, the following renewal information to the School Board:

1. A report on the progress of the Charter School in achieving the goals, objectives, pupil performance standards, content standards, and other terms of this Agreement;
2. A financial statement that discloses the costs of administration, instruction, and other spending categories for the Charter School that is understandable to the general public and that will allow comparison of such costs to other schools or other comparable organizations; and

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3. Any additional information the Board may require to assist it in its determination of the renewal application.

2.3 **Probation.** In addition to the authority of the School Board to revoke this Agreement under Section 22.1-212.10 of the Code of Virginia, the School Board reserves the right to place the Charter School on probation during the term of this Agreement for any reason that would justify revocation under provision 2.4 below or would appear to be a deficiency, violation or breach of this Agreement. A deficiency, violation or breach all refer to any breach, whether material or not, of this Agreement. If a deficiency is curable within a reasonable time, the School Board will offer the opportunity of probation to cure the deficiency prior to taking action to revoke this Agreement. If probation is exercised by the School Board, a written notice of the deficiencies, violations and breaches will be provided to the Charter School along with an opportunity of thirty (30) calendar days to submit a written remedial plan to the School Board on how the Charter School will cure the deficiency, if not time sensitive. The School Board's approval is required for the remedial plan prior to its implementation. The School Board is not required to place the Charter School on probation prior to exercising its right to suspend payments under provision 2.5 below. The School Board is also not required to place the Charter School on probation prior to revoking the charter agreement under provision 2.4 below.

2.4 **Revocation.** The School Board may, in its sole discretion, without the prior placement on probation as provided above, revoke this Agreement prior to the expiration of its then-current term, including subsequent terms, and make immediate arrangements for the education of the children to include acquiring student records and any and all student record databases and gradebooks if:

1. The Charter School violates or breaches a term, condition, standards or procedures of this Agreement;
2. The Charter School fails to meet or make reasonable progress toward achievement of the content standards or student performance standards (including statewide assessments and testing) in the same fashion as other Loudoun County Public Schools ("LCPS") elementary schools;
3. The Charter School fails to meet generally accepted standards of fiscal management; or
4. The Charter School violates any provision of law from which it has not been exempted.

2.5 **Suspension of Payments.** The School Board, after providing reasonable notice, and opportunity to cure, if reasonable in the circumstances, of a deficiency, violation or breach of a term of this Agreement including a violation of law including, but not limited to Section 22.1-136 of the Code of Virginia (school fitness for occupancy), to the Charter School, may suspend, all or a portion of, any payments owed to the Charter School until the deficiency, violation or breach is cured to the reasonable satisfaction of the School Board.

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3.0 Location of the Charter School. The Charter School shall provide educational services, including the delivery of instruction, solely at the following primary location(s):

37110 Charles Town Pike, Hillsboro, VA 20132

3.1 Primary Location. The Charter School shall not operate in more than one primary location without the prior written approval of the School Board.

3.2 Facility. The building(s) in which the Charter School is to be located shall be known as the Charter School's facilities (the "Facilities") and is recognized as a conversion of the Hillsboro Elementary School at the same location to the Hillsboro Charter Academy with the said elementary school closing and ceasing to operate. The Charter School shall operate in the facilities previously used by the Hillsboro Elementary School pursuant to a separately executed lease agreement (the "Lease") under which no rent shall be charged for the building space but the parties will negotiate separately for the use of associated equipment as part of the lease.

3.3 Facility Requirements. Any modifications, alteration, renovations or other changes to the Facilities shall not be made without the prior approval of the School Board. For such modifications, alterations, renovations or other changes requested by the Charter School, responsibility for the associated costs, including compliance with the federal Americans With Disabilities Act ("ADA"), will be addressed by the parties to this Agreement at that time in an agreement reduced to writing and made an amendment to this Agreement.

3.4 Facility Relocation. The Charter School's relocation to different Facilities shall constitute a material amendment of this Agreement and shall not occur without School Board approval, which shall not be unreasonably withheld, conditioned, or delayed, subject to the submission of the following by the Charter School:

1. Written notification to the School Board;
2. Submission to the School Board of a Certificate of Occupancy for the new Facilities at least thirty (30) calendar days prior to the first day of occupancy;
3. Evidence that the Facilities meet applicable health, safety and fire code requirements; and
4. Evidence that the Facilities are of sufficient size to safely house the anticipated enrollment.

4.0 Annual Pre-Opening Requirements.

4.1 Checklist. Prior to the start of each year of school, the Charter School shall complete the LCPS Pre-Opening Procedures except for any items that are the School Board's responsibility under the Lease. The Charter School is to complete the checklist prior to the start of school each year.

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4.2 Checklist Non-compliance. In the event that the checklist is not completed by the start of school, a notice of deficiency shall be issued by the School Board and the Charter School shall cure the deficiency as expeditiously as possible, but in no event later than thirty (30) days of receipt of the notice. If it is safe and legal for the Charter School to open, it may choose to do so or it may delay opening with the consent of the superintendent of LCPS (the "Superintendent").

4.3 Minimum Enrollment. The Charter School shall have a minimum of eighty (80) students. Failure to meet this minimum will be deemed a violation of this Agreement.

4.4 Assurances. Not later than thirty (30) calendar days prior to the opening of school each year, the Charter School shall provide written assurances that (i) the Charter School is non-religious in its program, admission policies, employment practices, and all other operations; (ii) the Charter School does not charge tuition; (iii) the Charter School's policies and procedures will comply with the federal Family Educational Rights and Privacy Act ("FERPA") and the records retention schedules for public schools; (iv) the Charter School's programs, services, and activities will operate in accordance with all applicable federal and state laws and regulations, including the ADA, the federal Individuals with Disabilities Education Improvement Act ("IDEA"), Section 504 of the federal Rehabilitation Act of 1973, and the Virginia Freedom of Information Act ("VFOIA"); (v) the Charter School will comply with the Virginia Conflict of Interest Act; and (vi) transportation will be provided as indicated in this Agreement and shall be consistent with Sections 22.1-176, 22.1-182, 22.1-186, 22.1-191, 22.1-221, 22.1-216, 22.1-218 of the Code of Virginia and the Virginia Board of Education's "Regulation Governing Pupil Transportation."

4.5 Officers, Directors and Management Committee Members. Not later than thirty (30) calendar days prior to the opening of school each year, the Charter School shall provide the School Board an updated list of directors and officers (including their business addresses) of the corporation formed for this Charter School and names and credentials for the members of the management committee of the Charter School, and update the same throughout the year within ten (10) business days of any changes.

4.6 Admissions Applications. The Charter School shall provide one blank copy to the School Board or its designee of each registration, pre-application and application parents are required to complete in order to register or enroll their child in the Charter School or to make the child eligible for the lottery or waiting lists should enrollment exceed capacity. These items shall be provided at least ten (10) days prior to registering or enrolling students. Parent application materials shall notify parents in writing of the Charter School's Transportation Plan.

II. OPERATION OF THE CHARTER SCHOOL

5.0 Mission Statement, Academic Goals and Objectives, and Metrics.

The mission statement of the Charter School shall be consistent with the principles of the Virginia Standards of Quality. The Charter School will seek to meet or exceed the Standards of Learning.

The Charter School shall implement a plan for assessment of pupil performance to include statewide performance assessments.

The Charter School will be evaluated in the same fashion as other LCPS elementary schools to include consideration of the above statewide assessments and testing. The Metrics are as follows: 1) No more than 15% of students considered "habitually absent" (absent 10% or more), 2) Satisfaction rate of 80% or higher on the annual parent survey, 3) "Fully Accredited" status from the State, and 4) 100% compliance with official audit findings.

In addition, the Charter School will also be measured on its progress in achieving its goal and objectives. The following is an excerpt from the March 10, 2015, revised application and is intended to be a component of this Agreement:

"The Hillsboro Charter Academy will prepare students for future success by:

- promoting academic excellence and equity for a diverse population of students in Hillsboro and Loudoun County;
- providing a choice of educational opportunities within Loudoun County for parents, students, and educators; and
- creating a safe learning environment, but with high expectations, for elementary school age children to fully develop their range of skills, abilities and knowledge in an innovative and holistic approach incorporating a multi-disciplinary approach.

HCA will be a school community in which students, faculty, staff, and parents are jointly aware of and committed to the mission and goals of the school.

The Hillsboro Charter Academy's Educational Objectives

The Hillsboro Charter Academy will provide an engaging curriculum that utilizes research-based educational practices and methodologies. Teachers design strategies to meet the individual educational needs of our children. Our school will incorporate the visual and performing arts, technology education, science exploration, and design engineering concepts in a cross-curricular structure. Our educators will incorporate project-based lessons in an "encounter model" of learning that engulfs students in an environment of sensory activities to stimulate and develop our students' higher order thinking skills.

The Hillsboro Charter Academy will differentiate the instruction methods to prepare each of our students to be successful and productive citizens of the twenty-first century. Our students

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will participate in daily hands-on lessons that will challenge them to think critically and creatively. Instructional staff will guide our students to academic excellence by providing a rigorous academic program, and students from all demographic groups will perform at high achievement levels. HCA will utilize the ASPIRE program (Active Students Performing Intellectual Reasoning Endeavors) as a precursor and identifier for children who will then participate in an in-house gifted program called SOAR (Students with Outstanding Ability Resource) program.

HCA will implement a unique education approach: Science, Technology, Engineering, Art, and Mathematics with an interdisciplinary approach that blends the mind of a scientist or technologist with that of an artist or designer. The academic experience combines best-of-breed academics with project-based learning in rigorous academics, valuing all disciplines:

- Science stimulates curious minds through investigation and discovery.
- Technology invigorates teaching and learning through virtual manipulatives, interactive software, video and more.
- Engineering skills come alive as students apply scientific and mathematical concepts to build bridges and solve design challenges using the Engineering Design Process.
- Arts put the “A” in STEAM as students ignite creative thinking and expression every day.
- Mathematics programs are a formula for success, from primary grades, where numbers and operations count, to elementary grades, where emphasis increases on measurement and geometry.

STEAM is a unique model that strengthens and enriches an interdisciplinary curriculum with a robust foundation in literacy. Robotics, engineering and design will be offered at every grade level. Our goal is to prepare students for a future in which scientific discovery, technical innovation and creative expression lead to a better life.

The school will build its interdisciplinary STEAM approach curriculum around the SOQs and SOLs that are mandated by Virginia and provided by Loudoun County in all of its public schools. The school will focus on this core knowledge and these essential skills so that students will attain mastery on which future learning will be built. Upon this foundation, HCA students will achieve higher order thinking and problem -solving skills, with the process skills and content knowledge to create new ideas, projects, and understanding and be able to critically evaluate the same.

HCA will prepare students for success by preparing them to be responsible, engaged and self-actualized in their own education, which will lead to a more creative, motivated, and passionate student body. The school will help students to prepare for the rapidly changing technologically advanced global economy that we are all a part of. Students will find relevant information using appropriate tools and evaluate it through critical thinking and quantitative analysis. They will solve problems and make decisions based on available information and organize and present their work both orally and in written or graphic form. HCA will provide

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children with a positive educational and social experience in a structured, challenging and nurturing environment.

To achieve a STEAM integrated curriculum, teachers will work as a team. The Principal and teaching staff will regularly gather and analyze data about students' performance, special areas of intervention need, and share effective teaching methods. They will tie the disciplines together to reinforce and inform one another, emphasizing connections among diverse subject matter. Research has demonstrated that students become more motivated when they observe these cross-disciplinary connections. In the course of their studies, the students will be expected to develop and hone skills to formulate a question or define an issue.

In order to promote community understanding and involvement, HCA will continue to partner with various community businesses, foundations, and organizations to bring the experiences and the culture of Loudoun County into our curriculum and our school community.

HCA will provide a unique choice in educational opportunities for students, parents, teachers, and the community and deliver a real option for all Loudoun County students, regardless of their financial situation. Students who choose to try HCA's rigorous interdisciplinary curricular education also have the option to return to their assigned LCPS school at any time. This level of choice is an important element in educational accountability and promotes higher standards throughout the system.

Students at HCA will:

- Develop clear and effective written and oral communication skills.
- Acquire a strong foundation in mathematical reasoning and skills.
- Discover, understand, and appreciate the natural world.
- Learn about the political, economic, cultural, geographic, and technological forces that have shaped the history of the world and the United States.
- Develop an informed appreciation of the arts, music, and theater and participate in their creation.
- Understand the essentials necessary for a healthy, safe, and physically fit life.
- Recognize the importance of hard work, personal responsibility, and respect for others.

HCA Specific Goals and Targets:

- Percentage of family volunteer participation each year: 80%
- Average student to teacher ratio of no more than 20:1
- Average daily attendance: =>94% School progress and satisfaction will be measured by an annual HCA survey
- HCA students will achieve and exceed state and federal benchmarks
- HCA will continue to receive local, state, and national awards of excellence

HCA Core Values

Core Values reflect what is truly important to an organization and serve as guiding principles for decision-making. Our Core Values represent how we want to "live" within our school

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communities. Core Values are for children and adults to embrace, internalize, model and live by. They are an expression of what is deep and enduring in our school system.

The Core Values of the Hillsboro Charter Academy:

- High Achievement for All
- Teaching Excellence
- Innovation
- Respect
- Responsibility

High Achievement for All: We will...

- Maintain high expectations, deliver effective differentiated instruction, and nurture a community of learners.
- Provide meaningful educational programs for all students; nurture a community of learners that supports the balance between social emotional resilience and academic achievement.

Teaching Excellence: We will...

- Ensure that skilled, knowledgeable, and passionate teachers and leaders are actively recruited, supported and retained at HCA.
- Expect that faculty and staff provide engaging learning experiences.
- Commit to supporting each student in order to deepen, expand and continuously improve learning, regardless of abilities and motivations.

Innovation: We will ...

- Create an environment that encourages students and staff to explore new learning opportunities outside their “realm of known” (comfort zone).
- Promote entrepreneurial spirit in our E-3 (Explore, Engage, Engineer) programming.
- Be recognized as a leader in student instruction, curriculum development and the integration of technology in the learning process.

Respect: We will...

- Create an inclusive environment that recognizes and respects individual differences where everyone feels known, safe, and valued.
- Create opportunities where a group of diverse individuals collaborate toward a common goal.

Responsibility: We will...

- Promote an environment which fosters ethical behavior and global citizenship in which all students and adults are accountable for their individual and collective behavior.
- Form a community made up of the school board and local town government, the superintendent, school faculty and staff, and parents that actively supports and advocates for students”.

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5.1 Calendar. HCA may implement a calendar different from LCPS provided that the LCPS Department of Transportation agrees there is not additional impact on transportation costs to LCPS above the adopted LCPS calendar for each school year. The HCA calendar shall provide for a minimum of 180 teaching days or 990 instructional hours to students, which meets or exceeds LCPS requirements.

5.2 Annual Progress Report. Following the publication of the results of state-mandated assessments, the Charter School shall publicly present to the School Board, community, and parents of pupils enrolled in the School an annual report on the Charter School's performance on the state-mandated assessments and a self-assessment of the areas applicable to LCPS elementary schools for evaluation purposes. The Annual Progress Report will describe the status of and progress toward achieving the above goals and objectives, including the Metrics to include 1) No more than 15% of students considered "habitually absent" (absent 10% or more), 2) Satisfaction rate of 80% or higher on the annual parent survey, 3) "Fully Accredited" status from the State, and 4) 100% compliance with official audit findings. The annual progress report shall also address the Charter School's progress on its goal and objectives stated in provision 5.0 above.

5.3 Grade Levels and Enrollment. The Charter School is authorized to open as a Kindergarten through 5th grade elementary school with a maximum enrollment of 150 students.

5.4 Elimination or Expansion. Elimination of a grade level that the Charter School was scheduled to serve or expansion to serve additional grade levels is not authorized without material changes to the terms of this Agreement and shall require prior written authorization from the School Board.

6.0 Enrollment Plan and Admissions Policy. The plan for enrollment and admissions policy for the Charter School is as follows: The Charter School shall first give enrollment priority to students and siblings of students enrolled in the Hillsboro Elementary School during the 2015-2016 school year. The Charter School shall not charge tuition.

6.0.1 Lottery. The Charter School shall be open to students of school age deemed residing within the Loudoun County School Division as determined by Section 22.1-3 of the Code of Virginia and shall be selected through a lottery process on a space-available, grade level basis if applications exceed capacity at each grade level. The lottery and waiting list (described below) shall be the responsibility of the Charter School's Board of Directors to conduct, administer and successfully complete. In accordance with Section 22.1-212.6 of the Code of Virginia, a waiting list shall be established if space will not be available to accommodate all of the students of parents who have requested to be entered into the lottery process. The waiting list shall be prioritized, and parents shall be informed of their student's position on the list. If more students apply than can be admitted, admission decisions will be made by a lottery process held each spring for the following school year.

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6.1 Vacancies. If a vacant seat occurs within the school year up until the date of the lottery, the seat should be filled promptly from a numerically ordered waiting list of students not selected during the lottery process for that grade level.

6.2 Recording. An audiovisual recording of the lottery drawing shall be made by an independent third-party at the Charter School's cost and maintained for at least two years. Upon request, a copy of the recording shall be provided to the School Board upon completion of the lottery drawing. The School Board or its designee shall be invited to attend the lottery drawing.

6.3 Non-Discrimination. Student recruitment and enrollment decisions shall be made in a nondiscriminatory manner and without regard to disability, race, creed, color, gender, national origin, religion, ancestry or the need for special education services. No enrollment application may ask any question designed to inquire about a student's disabilities or need for special education services. Any assessments of a students, whether before or after enrollment, shall strictly be used for educational purposes of the child only and shall not be used as a reason to disenroll the child as not suitable for the school or grade level and shall not be used as a means for encouraging parents to withdraw their child. Any child who is disenrolled or who is withdrawn for any reason shall be promptly reported to the School Board along with the reasons for the disenrollment or withdrawal and the parents' last known address and telephone number.

7.0 Attendance Data. The Charter School must maintain daily attendance in the electronic student database in compliance with Virginia Department of Education ("VDOE") regulations and School Board reporting timelines for all enrolled students. The Charter School shall also maintain required records to document pupil daily attendance and shall make such records available for inspection at the request of the Virginia Department of Education, the School Board, the Superintendent or their designees, and report truancy as required by law.

8.0 Student Conduct and Discipline. The Charter School shall use the LCPS Student Rights and Responsibilities Handbook and publish or make available such handbook to students and parents. School Board approval shall be obtained prior to changing or adopting a different Student Rights and Responsibilities handbook.

9.0 Site Visits. School Board members and the Superintendent or his/her designees shall have full access to the Charter School, its records including all financial records, its employees, its volunteers, its parents and students. School Board members and the Superintendent or his/her designees may make no-notice visits to the Charter School for any purpose necessary to insure compliance with this Agreement and School Board policies, State and Federal law, regulations and rules and to safeguard the health, welfare and education of the students. Full access to all aspects of the Charter School, including classroom visits, shall be granted during the visits. Reasonable efforts will be made not to interfere with school operations or student learning during the visits.

10.0 Complaints. The Charter School will follow School Board policies for the handling of parent, student or LCPS employee complaints or formal grievances. The Charter School will provide an information copy of all complaints received to the School Board or designee upon receipt of the complaint. Similarly, a courtesy copy of complaints about the Charter School received by the School Board will be provided to the President of the Board of

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Directors of the Charter School. The Charter School may develop alternative complaint processes for parents, students and employees, but in no event shall a parent, student or LCPS employee be deterred in filing a complaint or formal grievance under LCPS policies and procedures and no alternative process shall cause a delay in the processing of any employee grievance in accordance with School Board Policy 7-4 (Procedure for the Adjustment of Grievances).

11.0 Uniforms. No uniform policy shall be instituted by the Charter School unless such policy complies with Section 22.1-79.2 of the Code of Virginia and VDOE guidelines and has been approved by the School Board.

12.0 Policies. The Charter School shall comply with all School Board policies and regulations unless waived by the School Board in writing. As of the execution of this Agreement, the School Board waives the application of the following local policies to the Charter School. Any State regulation or laws upon which a waived local policy may have been based is still in full force and effect except for the Virginia Public Procurement Act.

Policy 4310 (Purchasing Authority)

Policy 4320 (Methods of Procurement)

Policy 4330 (Remedies in Bids and Awards)

Policy 4370 (School Board Contract Approval)

Policy 5-5 (Assessment and Grading)

Policy 5-7 (Selection and Review of Library Media Center Instructional Materials) and Policy 5-19 (Textbook Adoption) but except the complaint procedures for Policies 5-7 and 5-19 shall continue to be followed.

8-20 (School Assignment)

Policy 7030 (Staff Time Schedules) but limited to "Typically, the standard workday for teachers shall be 7 and ½ hours per day, inclusive of a 30-minute duty free lunch except on days when emergencies occur or special events are scheduled. This waiver is conditioned on the requirement that the Charter School comply with Section 22.1-302 and 22.1-98 of the Code of Virginia.

13.0 Student Records. The Charter School will maintain and secure all student records consistent with FERPA and Sections 22.1-287, 22.1-287.1, 22.1-288 and 22.1-295.1 of the Code of Virginia. The Charter School will comply with all VDOE and School Board yearly timelines for electronic data reporting and accountability as directed by the School Board. The Charter School must use the student identification number assigned to the student upon enrollment in the then current LCPS student database, as provided by the School Board, for all record-keeping purposes.

14.0 Data Collection. The Charter School will collect and maintain data as requested by federal or state educational agencies or as directed by the School Board, including, but not limited to, the following information: Annual Enrollment for Funding; Student Daily Attendance; and Student Discipline.

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15.0 Length of School Year; Length of School Day; Special Education Student Count; Free and Reduced Meals Eligibility; Title I Information; English for Speakers of Other Languages (ESOL); 504 Eligibility; and Office of Civil Rights System Report. The Charter School will report the following data, if applicable to the School Board by the deadlines reasonably set by the School Board: length of school year; length of school day; special education student count; free and reduced meals eligibility; Title I information; English for speakers of other languages; 504 eligibility; and Office of Civil Rights system. The data shall be maintained by the Charter School and collected for the student database(s) as provided or directed by the School Board.

16.0 Marking Periods and Grade Reporting. The Charter School will not be following the LCPS calendar for marking periods. Report cards and interim reports will be developed by the Charter School and will be distributed to parents. At the end of the school year, the School will provide students' class grades. The Charter School will complete all students' records, including the next year's grade assignment, and provide that information to the School Board.

17.0 Right to Inspect Student Records. The School Board reserves the right to review at any and all times the records of any or all students enrolled in the Charter School. Student records must be cumulative and continuous. A transfer card must accompany a student record at the time of transfer from one school to another. The Charter School must make a written request for the student records of children transferring to the Charter School.

18.0 Response to Requests for Records. The Charter School is responsible for responding to requests, subpoenas and court orders for records, of which it has custody, control or possession. In the case of student records, the Charter School is solely responsible for responding to any and all requests for student records for any student enrolled in the Charter School in a manner that is consistent with the law, regulations, policies and procedures governing the disclosure of student records.

19.0 Transfer of Student Records. In the event that a student returns to another LCPS elementary school from the Charter School, the Charter School is responsible for closing out the student's file and promptly returning it to the School Board. If the student transfers to a school outside of LCPS, the Charter School is responsible for complying with all laws, regulations, policies and procedures governing the transfer of the records. A transfer card must accompany a student record at the time of transfer from one school to another. No student records will be sent until the receiving school has made a written request; however, oral request may be made in the case of homeless student to expedite the transfer.

20.0 Charter School Governance.

20.1 Board of Directors. The Charter School shall be administered and managed by a Board of Directors. The Board of Directors shall constitute and carry out the duties of the entity referred to as the "Management Committee" in Section 22.1-212.6 of the Code of Virginia. All references in this Agreement to "Board of Directors and/or to "Management Committee" shall have the same meaning, and the two terms shall be interchangeable. The Board of Directors shall be composed of people from at least the following groups (a small number of Board members may have non-voting status to avoid conflicts of interest):

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- Parents of students enrolled in the Charter School;
- Teachers working in the Charter School;
- Administrators working in the Charter School; and,
- Representatives of the local community
- Representatives of school supporters or sponsors.

20.2 The Charter School shall also have an "Operating Committee" to be made up parents, teachers, staff, and administrators of the Charter School. The Operating Committee will oversee the day-to-day operations of the school, but in no event will it have any powers or duties that are legally required to remain with the Management Committee/Board of Directors.

20.3 The Board of Directors shall administer and manage the Charter School. The Hillsboro Charter Academy Corporation which is party to this contract shall insure that the Charter School is operated by the Board of Directors in conformance with this Agreement and all applicable laws, regulations and policies.

20.4 Bylaws. The Board of Directors shall adopt bylaws (the "Bylaws") and operate in accordance with the Bylaws. Annually, the first meeting of the Board of Directors shall be held no later than July 1 of the school year. The Bylaws shall provide for the selection of a majority of the Board of Directors, which shall be composed of parents of students enrolled in the school, teachers, administrators and community members or sponsors of the Charter School. The Charter School shall submit to the School Board a current, signed copy of the Bylaws any time the Board of Directors amends the Bylaws.

20.5 Conflicts of Interest. The Board of Directors shall, as a part of the Bylaws, establish a formal conflict of interest policy that is consistent with applicable law.

20.6 Virginia Freedom of Information Act (VFOIA). The Board of Directors shall maintain adopted policies, meeting agendas and minutes and shall make such documents available for public inspection, and shall conduct meetings, consistent with VFOIA. All vendor contracts of more than \$2,500 and all employment contracts shall be approved and recorded in the minutes of the Board of Directors. A copy of the minutes shall be transmitted to the School Board within five (5) business days from the Board of Directors' approval of the minutes or otherwise posted on the Charter School webpage. The notice for all Board of Directors regular and special meetings shall be posted in the Facilities and on the webpage of the Charter School, if any. A copy of all such notices shall be provided to the School Board not later than forty-eight (48) hours in advance of each meeting, or otherwise posted on the Charter School webpage.

20.7 Credentials. The names and qualifying credentials of all members of the Board of Directors shall be provided to the School Board when each member assumes duties on the Board of Directors and updated throughout the year as needed.

20.8 Bonding. The members of the Board of Directors and the Charter School's directors and any and all fiscal officers shall be bonded or insured in an amount not less than \$500,000.00 with a surety/insurer acceptable to the School Board which is conditioned upon the faithful performance of all official duties required of those so bonded and which shall be payable

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to "Loudoun County School Board." A dishonesty bond does not satisfy the requirements of this provision unless it contains endorsements covering all of the official duties.

21.0 Comprehensive Management Services. The Charter School may not enter into an agreement with another entity or person(s), whether for profit or not for profit, for comprehensive management services without the prior written approval of the School Board.

21.1 No Delegation. In no event shall the Board of Directors abdicate its authority or responsibility for the administration, management and performance of the Charter School to another entity or person(s). The Charter School shall be and remain responsible for its own operations, including but not limited to, budget preparation, contracts for services and all personnel matters subject to all laws, regulations and policies of the Virginia Department of Education and Loudoun County School Board which have not been specifically waived by the School Board.

22.0 Documents. The Charter School shall produce all documentation requested by the School Board or its staff, the Virginia Department of Education or its staff, the U.S. Department of Education, law enforcement agencies, any Certified Public Accountant performing the audits mentioned in this Agreement or any federal, state or local regulatory agency within a reasonable time, and in no event later than ten (10) business days of a request.

23.0 Notification Requirements.

23.1 Potential Variances/Deficiencies/Violations/Breaches. The Charter School shall promptly notify the School Board of any conditions that it reasonably believes will cause it to vary, deviate, violate or breach the terms of this Agreement, School Board requirements, and/or state or federal law. Failure to immediately notify the School Board of any potential variances, deviations, violations or breaches are serious matters.

23.2 Closure. The Charter School shall promptly notify the School Board of any known circumstance requiring the closure of the Charter School, including, but not limited to, a natural disaster, such as an earthquake, storm, flood or other weather-related event, other extraordinary emergency, or destruction of or damage to the Facilities.

23.3 Crimes. The Charter School shall promptly notify the School Board or its designee if it learns that LCPS' Department of Safety and Security of any of the Charter School's employees, Management Committee members, officers, or directors of the Hillsboro Charter Academy corporation who have been charged, arrested or convicted for a crime punishable as a felony, any crime related to the misappropriation of funds or theft, or any crime identified in Sections 22.1-296.1, 22.1-296.3 and 22.1-315 of the Code of Virginia.

23.4 Debt Default. The Charter School shall promptly notify the School Board of a default on any obligation including debts for which payments are past due by sixty (60) days or more.

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23.5 Non-Profit Status. The Charter School shall promptly notify the School Board of any change in its federal tax-exempt status and corporate organizational and tax status in Virginia. The Charter School shall maintain Internal Revenue Service 501(c)(3) status and shall provide copies of the IRS non-profit status determinations promptly after they are received. The Charter School shall present proof of receipt by the Internal Revenue Service of an application for recognition as a Section 501(c)(3) entity upon execution of this Agreement by the School Board.

24.0 Annual Audit and Evaluation.

24.1 Audit Requirements. An annual audit shall be conducted by an independent certified public accountant, selected by the School Board or its designee, in accordance with generally accepted accounting principles ("GAAP"), the cost of which shall be borne by the School Board. The audit shall fulfill the following requirements:

1. An audit of the accuracy of the Charter School's financial statements;
2. An audit of the Charter School's attendance accounting practices, including the Charter School's pupil attendance records; and
3. An audit of the Charter School's internal administrative and fiscal controls, operations and practices.

The School Board reserves the right to, at its own expense, to conduct an additional audit at any time of the Charter School and/or its students to ensure that School Board interests are protected.

24.2 Evaluation Requirements. The School Board, pursuant to its constitutional duty to supervise the public schools in the school division, will annually receive a presentation from the Charter School which will include the Charter School's progress toward the academic measures stated herein and an updated budget. The School Board will also review and consider the audit referenced above.

25.0 Tuition and Fees. The Charter School shall not impose any pupil tuition, contribution or attendance fee of any kind as a condition of enrollment. All student fees must comply with state law and regulations including, but not limited to, Section 22.1-6, 8VAC20-720-80 and also with School Board Policy 4020 (Student Fees and Charges) unless waived in writing by the School Board.

26.0 Insurance. The Charter School shall maintain adequate, customary and current policies in accordance with the approved application that address each of the following areas:

- Comprehensive or commercial general liability;
- Worker's Compensation ;
- Property insurance (for the Facilities) to address business interruption and casualty needs including fire and other hazards ;

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- Crime insurance;
- Professional or directors liability (errors & omissions); and
- Catastrophic student accident insurance.

Certificates of Insurance listed above must be provided to the School Board as a requirement of this Agreement and "Loudoun County School Board" must be a named insured. All insurers shall be licensed by the Commonwealth of Virginia and rated B+ or better by A.M. Best or a comparable rating service.

27.0 Personnel Matters. All employees of the Charter School who are classroom teachers shall be LCPS employees assigned to the Charter School. The following shall not be LCPS employees:

The Principal (1)

- a. The position of principal will be an employee of the Charter School, which shall be responsible for all employment matters for the position except as noted below, and the principal's employment contract shall include these terms and conditions, and the principal shall comply with the terms of this Agreement, as amended;
- b. The Charter School may designate representatives on the principal interview panel as follows: at least one member of the Board of Directors, one member of its community advisory group and, for the first year of operations, one current LCPS teacher not involved with Hillsboro Elementary School or the Charter School and, thereafter, this designee shall be a teacher at the Charter School. The Superintendent may designate one representative to the panel. No School Board member may participate in or observe the interview process. Policy 7-12 is hereby modified and waived with regards to these aspects of the policy;
- c. The principal interview panel will follow the LCPS process for developing and asking appropriate questions and are expected to participate in the post-interview deliberations and recommendations;
- d. The selected candidate shall not be permitted to begin employment until all licensure, immigration, work authorizations, required background checks, TB tests and other personnel requirements have been satisfied to the satisfaction of the Superintendent or designee;
- e. The principal will be annually evaluated using the LCPS principal evaluation process, procedure and forms unless a waiver is approved by the School Board. A copy of the completed evaluation will be provided to the Superintendent;
- f. Prior to the Charter School providing the annual evaluation to the principal, the Superintendent may send his written comments to the Charter School Board of Directors and to the Charter School Committee of the School Board;

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- g. Consistent with the customary practice in LCPS, the principal shall meet periodically throughout the school year to review Charter School performance with the LCPS Director of Elementary Education or designee; and,
- h. If requested by the Superintendent, after consultation with the Charter School Board of Directors' President and the Chairman of the Charter School Committee of the School Board, in the event of a safety emergency or serious legal matter as solely determined by the Superintendent, the Charter School shall temporarily remove the principal from the school site for up to thirty (30) calendar days unless the School Board votes sooner to direct the Charter School to permanently remove the individual from the Charter School principalship. Failure to comply will be considered a material breach of the Agreement. In the absence of the principal, the Charter School shall make arrangements satisfactory to the Superintendent or designee for the daily supervision of the school by a properly licensed individual.
- i. The principal will attend all training sessions as directed by LCPS and will be provided work space in the Administration Building.
- j. The principal's salary and benefits from the start date shall be the responsibility of the Charter School and will not involve the LCPS payroll department.

27.0.1 The Charter School will determine if any classified employee positions should be LCPS employee positions or not and so notify LCPS if any will be LCPS employees as soon as it is known but no later than August 1st of each year.

27.0.2 The Charter School may create other positions to be filled by non-LCPS employees by the Board of Directors provided that prior approval for the positions have been requested of and approved by the School Board. All Charter School employees must comply with the requirements of this Agreement and law.

27.1 All employees assigned to the Charter School must comply with all legal requirements, including, but not limited to, background checks and proper licensure through the State Board of Education and Virginia Department of Education. For LCPS employees assigned to the Charter School, the Charter School will fully cooperate with the School Board and will follow the School Board personnel policies that address such issues as, but not limited to, hiring and termination of personnel, terms of employment and compensation, grievance procedures, evaluations and set clear expectations for employee performance and conduct consistent with School Board policies unless waived by the School Board. The School Board shall identify to the Charter School all applicants deemed eligible for hire by the Charter School for an open position. The School Board retains the right to refuse to hire any individual for any position.

27.2 The Charter School shall not promise employment to any prospective employee whatsoever and shall not permit the individual to begin employment until all licensure,

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immigration and work authorization status, background checks and other personnel matters have been officially approved by the LCPS Department of Human Resources and Talent Development.

27.3 Highly Qualified Teacher ("HQT"). The Charter School shall comply with applicable federal statutory and regulatory requirements for highly qualified teachers and paraprofessionals used for instructional support as set forth in the No Child Left Behind Act or any other Federal, State or Local law.

27.4 Licensure. All teachers, guidance counselors, librarians and principals working for the Charter School must hold and maintain teacher or other appropriate license from VDOE and shall teach at least a majority of their classes in the content area and/or grade in which they are certified. The Charter School must hire an appropriately licensed teacher if the applicants for an open teaching position at the Charter School include an appropriately licensed teacher. LCPS has the final right of refusal to hire any individual for any position. LCPS shall identify to the Charter School all applicants deemed eligible for hire by LCPS for an open position.

27.5 HQT Vacancy. For a vacancy in a core academic subject area for which HQT designation can be made, if the applicants for such vacancy include a candidate eligible for HQT designation in that core academic subject area, then the Charter School shall select a candidate who is HQT eligible. LCPS, however, has the final right of refusal to hire a non-HQT or HQT teacher.

27.6 Administrators. The principal must hold an appropriate administrator's license from VDOE when the Charter School is operating and shall produce sufficient proof of appropriate licensure to the School Board prior to performing any duties of the position. Failure to present proof of appropriate licensure to the satisfaction of the School Board shall be deemed a material breach of this Agreement.

27.7 Evaluation. For LCPS teachers, the Charter School shall comply with the observation and rating processes in accordance with School Board policy, State law and VDOE regulations. This includes the use of LCPS-approved observation and evaluation instruments, versions of which will be made available to the Charter School. The Charter School must return the completed forms to the School Board within thirty (30) calendar days of the rating.

27.8 School Board-initiated Personnel Audit. The School Board reserves the right, at its own expense, to conduct an audit at any time of all personnel and staff providing services for the Charter School and/or its students to ensure that School Board interests are protected.

27.9 Virginia Retirement System ("VRS"). The Charter School's employer contributions for VRS for LCPS employees along with the LCPS employee's share will be deducted in accordance with paragraph 29.2 and remitted to VRS. If for any reason, the local, state and federal tax-exempt status of the VRS and/or the School Board and/or the tax-exempt participation in VRS by Charter School employees (whether or not LCPS employees) should be in doubt to any extent whatsoever and for any reason, as determined by the School Board, then the parties shall re-negotiate this Agreement. The School Board makes no representation, however, regarding the right of any Charter School employee who is not also an LCPS employee to participate in VRS. For all non-LCPS employees employed by the Charter School, the Charter School will indemnify and hold harmless the School Board, its employees, and agents

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from any and all loss, claims, penalties or damages arising out of any matter related to the coverage or participation of Charter School employees who are not also LCPS employees in VRS. This paragraph shall survive the expiration of this Agreement.

27.10 Employee Complaints and Formal Grievances. Any employee complaint or formal grievance initiated by or on behalf of an LCPS employee assigned to the Charter School will follow the process set forth in School Board policy. Whenever the word “principal” is used in connection with a complaint or grievance, that word will mean the principal or instructional leader of the Charter School. Any complaint or formal grievance that proceeds beyond the principal’s level will be processed in strict accordance with School Board policy. The Charter School may develop alternative complaint processes for employees, but in no event shall an LCPS employee be deterred in filing a complaint or formal grievance under LCPS policies and procedures and no alternative process shall cause a delay in the processing of any employee formal grievance in accordance with School Board Policy 7-4 (Procedure for the Adjustment of Grievances).

27.11 Employee Discipline. In the event of discipline regarding a non-LCPS employee, the Charter School shall bear and be responsible for any legal fees and costs, court reporter fees, transcript fees and costs and any other fees or costs associated with the employee’s discipline and shall indemnify and hold the School Board harmless. LCPS will bear its own legal fees and costs for the disciplining of LCPS employees assigned to the Charter School.

27.12 Adverse Actions. The Superintendent or his/her designee may issue a notice of intent to dismiss, suspend, re-assign or non-renew the employment of any LCPS employee assigned to the Charter School in accordance with School Board policy and law after conferring with the principal. The dismissal, suspension, re-assignment or non-renewal of the principal will follow all laws, School Board policies, practices and procedures and will be determined by the Superintendent. The Charter School shall cooperate in reasonably assisting in the process.

27.13 Personnel Files. The School Board shall create and maintain an official personnel file (“OPF”) for each LCPS employee assigned to the Charter School. The Charter School will maintain a local school file (“LSF”) for each LCPS employee assigned to the Charter School including all permanent and temporary staff. The Charter School will submit all required original documents to the School Board for inclusion in the OPF. Such documents will include, but may not be limited to: signed and dated performance evaluations, classroom observations, counseling letters, and disciplinary documents. If an employee transfers to another LCPS school or work location, the Charter School will forward the LSF to the new location. Upon an LCPS employee’s separation from employment of the Charter School, the Charter School will send the file to the LCPS Employee Records File Room.

27.14 Records Retention. The Charter School shall comply with the School Board and Library of Virginia records retention process, policies and schedules and shall limit the number of personnel who will have access to employee files and maintain confidentiality of the LSF. Files must be appropriately secured in a locked cabinet in a locked office, to ensure that privacy is maintained. The Charter School shall ensure that employee files are accounted for at all times.

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27.15 Confidentiality of Information. Furthermore, if an outside contractor or other such vendor of the Charter School has access to confidential information, measures to safeguard employee data from outside contractors will be the sole responsibility of the Charter School. If a security breach occurs arising out of Charter School's own technology or use of any technology in the Charter School, the Charter School will be responsible and liable for the costs associated with the security breach and remediation.

27.16 Substitutes. The Charter School's teachers must use the LCPS substitute system to report all absences and, if needed, to secure substitute teachers who will teach the class(es) in the event of a teacher's absence. The Charter School will be responsible for the cost of any substitute(s) required to fill daily vacancies in their school resulting from scheduled or unscheduled absences. If requested, the Charter School will provide evidence that they have instructed their staff about the expected use of the substitute system, in compliance with School Board guidelines for all teachers and teaching assistants. Any and all substitute teachers or other staff that may be necessary so that classroom teachers and staff can attend any and all special education meetings, due process or court hearings related to special education matters, IEP team meetings, 504 meetings as well as to attend any and all meetings related to EL services shall be at the sole expense of the Charter School.

27.17 Professional Development and Substitutes. If the School Board requires any LCPS employee assigned to the Charter School to attend LCPS-provided professional development, the School Board will bear the cost of any needed substitute. If the School Board makes space available at LCPS-provided, optional, professional development for the Charter School, then the Charter School shall be responsible for the cost of the substitutes, if needed.

27.18 New Substitute Processing. The Charter School may not utilize any individual as a substitute teacher who has not applied through the LCPS applicant tracking system and completed processing and substitute training.

27.19 Workers Compensation. The Charter School is responsible for obtaining its own workers' compensation coverage and will indemnify and hold the School Board harmless on any and all workers' compensation claims and costs. The Charter School shall require its workers' compensation insurer to list the School Board as additional named insured.

27.20 Employment of Foreign Nationals. Federal law requires all employees to satisfactorily complete an I-9 Form (Employment Eligibility Verification) within three days of employment. For Charter School employees who are not also LCPS employees, the Charter School will review each I-9 and its supporting documentation with the Department of Human Resources and Talent Development Services and obtain its approval before completing the employer portion of the I-9 form. Once approved, the Charter School will have full responsibility for compliance with the Federal Immigration Reform and Control Act of 1986.

For LCPS employees assigned to the Charter School, the Department of Human Resources and Talent Development Services will handle all employment actions regarding LCPS employees regarding any immigration or work authorization issues including the proper completion of the I-9 form. The Charter School shall keep the Department of Human Resources and Talent Development Services apprised of any changes in immigration status of which it may become aware.

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The Charter School shall not sponsor any candidates on an H-1B visa.

Neither LCPS nor the Charter School shall knowingly employ any unauthorized alien as defined by the Federal Immigration Reform and Control Act of 1986. All employees must remain legally eligible for employment during the course of their employment.

Employment shall not be promised to any individual not currently eligible for employment in the United States or currently not eligible for employment with the Charter School without prior consultation with the Department of Human Resources and Talent Development Services.

As stated, the Charter School must have the approval from the School Board's Department of Human Resources and Talent Development Services prior to hiring any employee and all employees must be and remain legally eligible for employment in the United States at the time of hire and thereafter.

27.21 Reassignment and Transfer Rights. Eligible licensed employees working at the Charter School shall have reassignments rights under the law back to LCPS if their assignments end at the Charter School but only if: the license employee was employed by Loudoun County Public Schools in the school year immediately preceding the year in which they were re-assigned to the Charter School. Any eligible licensed employee employed at the Charter School on June 30, 2017, shall be grandfathered for this provision.

The Charter School and the employees shall communicate their intentions to the LCPS Department of Human Resources and Talent Development Services regarding re-assignment by a deadline established in advance of the first transfer/involuntary reassignment opportunities as determined exclusively by the Superintendent or his/her designee. All Charter School teachers who are LCPS employees shall have the same transfer rights to other LCPS schools as any other LCPS teacher at any other school in accordance with LCPS policies and regulations.

28.0 Criminal Background and History Review. The Charter School shall ensure that, in accordance with Sections 22.1-296.1, 22.1-296.2 and 22.1-296.3 of the Code of Virginia, all employees and contracted instructional vendors receive state and federal criminal background checks, including child abuse and neglect checks, in accordance with Sections 22.1-296.1, 22.1-296.2 and 22.1-296.3 of the Code of Virginia prior to employment and that no employee is employed who has a prohibited conviction. The Charter School shall use the School Board's Department of Human Resources and Talent Development Services to conduct the fingerprinting and to request the background checks.

29.0 Funding Process. The Charter School shall cooperate in any required processes to ensure the appropriate and timely reporting of data and the transfer of funds to the Charter School.

29.1 Funds. Except as required otherwise by the Constitution of Virginia, the School Board shall disburse to the Charter School an amount of per pupil funds for school aged students that is commensurate with the amount of the average school-based costs of educating students in the existing schools of the school division. If the cost of operating the Charter School is less than the average school-based costs, the School Board shall instead disburse to the Charter School the

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amount required to operate the Charter School. The Charter School shall disclose all costs of operating the Charter School. School Board funds received by the Charter School shall not be used or transferred for the use of any other charter school without the advance approval of the School Board.

29.2 Subject to the terms of this Agreement and the law, LCPS will remit funds subject to certain deductions calculated on an annualized basis as follows:

The annual budgeted average per pupil funding (PPF) for LCPS shall be determined by LCPS based upon the actual appropriated funding from the Board of Supervisors and reconciled (if needed) by the School Board.

The number of Charter School students to whom the annualized per pupil cost amount shall be applied shall be based on Average Daily Membership (ADM). ADM is determined twice per year-once in September and once in March in accordance State law and regulations.

LCPS will make three (3) annualized calculations per year to adjust actual Charter School funding to the ADM throughout the year: (1) a July projected calculation of the September ADM count, (2) an annualized calculation based on the actual September ADM count, and (3) a final annualized calculation based on the actual March ADM count in the following fashion:

- A. As early in July as reasonably possible and subject to appropriated funds, LCPS will reasonably estimate the projected September ADM count and multiply that pupil count times the PPF budgeted average per pupil funding (PPF) for LCPS.

Next, the parties agree that the administrative fee shall be calculated at five percent (5%) of the gross budgeted average per pupil cost for the school year for the Charter School.

- B. The resultant figure from in Line A shall be reduced by the administrative fee from Line B.
- C. Next, the Special Education instructional and related component of PPF shall be calculated and reduced by the administrative fee of Line B. If special transportation services are provided to Charter School students to comply with an IEP, those costs will be charged to the Charter School separately.
- D. The resultant figure of Line C shall then be reduced by the resultant figure from Line D.
- E. Next, the actual gross salary and the cost of all employer-paid fringe benefits, including, but not limited to the employer contribution to the Virginia Retirement System and health care plans, for LCPS employees assigned to the Charter School will be reasonably estimated for the school year.

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- F. In addition, the transportation costs, as required and stated in this contract shall be reasonably estimated for the school year by the department of transportation.
- G. The resultant annualized figure from Line E shall be further reduced by the annualized collective resultant figures from F and G to arrive at the funding which will be remitted to the Charter School in equal quarterly installments, paid to the Charter School at the first of each quarter, until the next recalculation based upon the actual September ADM count.
- H. Once the actual September ADM count is received, the above process will be followed to recalculate the funding remitted quarterly to the Charter School. The new annualized calculation shall be to adjust the payment up or down to the current calculation in the future payments to be made. The process is repeated again after the March ADM count is received. If the March annualized recalculation would result in an overpayment to the Charter School for the current school year, then the Charter School shall be liable for the overpayment within 30 days of invoice and the overpayment, if it continues, will continue to be deducted into the following school year from funds owed, if the Charter School continues to operate. If the Charter School ceases to operate, then the overpayment shall continue to be a liability of the Charter School to the School Board.
- I. Actual salary and fringe benefit costs and transportation costs will be reconciled with the estimated costs used periodically on or after September 30 of each year. Any costs owed by the Charter School after the last installment payment by LCPS for the school year shall be remitted directly to LCPS within thirty (30) days of invoice.
- J. If the Charter School ceases to operate, any overpayment from the above and any unpaid cost amount from this paragraph shall continue to be a liability of the Charter School to the School Board. This does not in any way waive the School Board's option to declare a breach of contract and revoke the Agreement for default of payment.

29.3 Funding Contingency. This Agreement is subject to the annual budget approval by the School Board and the annual budget appropriations of funds by the County of Loudoun Board of Supervisors. The School Board's obligations under this Agreement are contingent upon the availability for appropriated funds from which payment for this Agreement can be made. No legal liability on the part of the School Board for any payment may arise until funds are made available to the School Board for this Agreement.

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30.0 Service Agreements. The Charter School may separately request to negotiate with the School Board a cost-reimbursement written service agreement service not already provided herein. LCPS Food Service is not a part of this agreement but may be negotiated separately on a cost-reimbursement basis no later than 90 days prior to the start of each school year.

31.1 Special Education (SPED) and English Learner (EL) Services. The Charter School is a public school under the supervision of the School Board which is the local educational agency under federal and state law. LCPS is responsible for SPED and the Charter School is responsible for EL services. Notwithstanding, the Charter School will be responsible for substitute costs necessary for classroom teachers and other staff to attend any and all special education meetings, due process or court hearings related to special education matters, IEP team meetings, 504 meetings as well as to attend any and all meetings related to EL services (provided however that the Charter School will not be responsible for substitute costs if the due process or court hearing is necessitated solely by actions of LCPS).

31.2 General. The Charter School under LCPS direction will comply with all federal, state, and local statutes and regulations involved in educating students suspected of having an educational disability (see 34 CFR §300.111(c) (1) referencing §300.8), even though they are advancing from grade to grade, and students identified with disabilities who are in need of an Individualized Education Plan (IEP) or accommodations under Section 504. Each member of the Charter School's IEP team (including all administrators, special educators and related service providers) shall attend any and all special education database use, Student Information System (SIS) use and other training as required by the Superintendent.

31.3 Services. Subject to other sections of this Agreement addressing the cost of substitutes, LCPS will be responsible for special education services for students in accordance with the Individuals with Disabilities Education Improvement Act (IDEA) (20 U.S.C. § 1401 et seq.), ADA, and Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794 et seq.). This includes full compliance with the special education IEP team process for students suspected of having an educational disability pursuant to 34 CFR §300.111(c)(1) or those already identified with an educational disability and who qualify for specialized instruction.

31.4 IEPs. Federal and State regulations require the regular monitoring of IEP progress on a quarterly basis. The Charter School will align this requirement with its report card and grading system schedule. If the Charter School suspects that a child's needs exceed the ability of the Charter School to implement a student's IEP at the Charter School, the Charter School will expeditiously contact the assigned LCPS Department of Special Education personnel for a consultation. If LCPS staff together with the Charter School's IEP team determine that the Charter School cannot implement the IEP, an IEP team meeting will convene to determine if the IEP is appropriate, revise as necessary, and determine placement. The Charter School's failure to comply with this provision, after notice and an opportunity to cure is grounds for revocation of this Agreement or suspension of payments, without the need for placing the Charter School on probation and may result in a suspension of payments to the Charter School and/or revocation.

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Within two (2) days of the enrollment of each student, the Charter School shall supply the name of the student to the LCPS Director of Special Education (which the Charter School assumes is accomplished through registering a student through the Phoenix registration system) to determine if the student has been found eligible for services in accordance with IDEA or Section 504 of the Rehabilitation Act and to arrange services. An LCPS Special Education representative or designee will be entitled to attend and participate in all IEP team meetings and any other activities related to the provision of special education and services to students.

31.5 Due Process Requests. The Charter School will, under LCPS direction, ensure that all students suspected of having an education disability pursuant to 34 CFR §300.111(c)(1), students with IEPs, and students with plans under Section 504, are provided with notice and overview of their due process rights. If legal counsel is required, as determined by LCPS, then LCPS-designated legal counsel will be used, and the Charter School will cooperate as needed.

31.6 Medicaid Billing. The Charter School will cooperate in LCPS' submission of billing documentation for all special education students who are Medicaid eligible in accordance with LCPS billing procedures. LCPS will retain the reimbursement. The Charter School will be required to maintain all Medicaid paperwork, if any, in the student's cumulative folder for six (6) years. LCPS will ensure that Medicaid providers are credentialed in accordance with state regulations.

31.7 Special Education Compliance. The Charter School shall not discriminate against students with disabilities.

31.8 Consultation. LCPS and the Charter School will cooperate and work together to ensure that staff assigned by LCPS to perform SPED services as needed at the school do so in manner that is high quality while being supportive of the Charter School's curriculum and model to the extent possible.

32.0 Transportation shall be provided to Charter School students via regional hub locations. Each school year, the transportation department will develop the routing plan in consultation with the Charter School. Any and all hub locations must be located in the public right of way unless written permission is obtained by the Charter School and with the private or public land owner. LCPS must be identified as a beneficiary of the permission to enter the property. Each hub location must be proposed by the Charter School and approved by the School Board's transportation department through a thorough evaluation of bell times, routing, transportation logistics, other factors and safety. Hub locations or changes thereof for each school year must be submitted to the School Board's transportation department prior to June 1 of the previous school year. While the LCPS transportation department may confer with the Charter School about bus routes, the routing plan and other issues, the School Board's transportation department shall make all busing decisions. Charter School bell schedules shall be adjusted at the request of the School Board's transportation department.

32.1 LCPS will not provide door to door pick up of students attending the Charter School unless agreed upon otherwise. LCPS is not responsible for transportation of any student from their place of residence to any hub location or to the Charter School.

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32.2 For students choosing not to accept transportation via one of the hub locations, transportation remains a parental/guardian responsibility or may be provided separately by the Charter School at its expense.

32.3 Transportation Funding Retention. Actual costs for student transportation will be retained by LCPS from the per pupil assessment installments remitted to the Charter School. Estimated costs will be determined by the School Board's transportation department based upon routing data, its costs and bus driver contract obligations and deducted from the per pupil assessment per the funding mechanism in provision 29.2 of this Agreement. Actual and estimated costs include but are not limited to: fuel and maintenance cost per mile to be established by the School Board (mileage to include loaded and unloaded or "deadhead" miles as appropriate), bus driver salary and benefits if the driver(s) is assigned exclusively to the Charter School route, bus driver hourly charges if the driver(s) is assigned to LCPS routes not associated with the Charter School. Special runs such as field trips would be subject to additional charges.

32.4 Inclement Weather. The Charter School will follow LCPS inclement weather closures, delays and other established or necessary procedures or actions.

III. MISCELLANEOUS

33.0 Entire Agreement. This Agreement including all exhibits hereto represents the final and complete expression of the agreement among the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof. No course of prior dealing between the parties shall supplement or explain any terms used in this Agreement. This Agreement shall be the full Charter School contract of the parties. If any conflicts or ambiguities whatsoever exist between the said revised application and this Agreement, then the terms of this Agreement shall govern. No interpretations of the provisions of this Agreement or this Agreement as a whole shall be drawn against either party solely due to a particular party being the drafter of those provisions or agreement.

34.0 Drug-Free Workplace.

34.1 Policy. During the term of this Agreement, the Charter School shall (i) provide a drug-free workplace for the Charter School's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Charter School's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Charter School that the Charter School maintains a drug-free workplace; and (iv) cause to be included the provisions of the foregoing clauses (with the vendor for the Charter School as the obligated party) in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each vendor.

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34.2 Definition. For the purposes of this section, “drug-free workplace” means a site for the performance of work done in connection with this Agreement by the Charter School where its employees are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana.

35.0 School Board Policies, Forms and Databases. The Charter School shall implement and abide by all School Board policies for LCPS elementary schools unless specifically waived in writing by the School Board. The Charter School shall use all of the same forms used by the School Board for all operations, pupil and other matters and shall further utilize such electronic programs and databases as directed by the School Board or its designee at its costs as delineated in the associated real property lease.

36.0 Notice. Any notice required or permitted under this Agreement shall be in writing and shall be effective immediately upon personal delivery (subject to verification of service or acknowledgment of receipt) or three (3) days after mailing when sent by certified mail, postage prepaid, or by regular U.S. Mail, postage prepaid which is not returned to sender within two (2) weeks of mailing to the following:

TO THE CHARTER SCHOOL:

Hillsboro Charter Academy
President Board of Directors
37110 Charles Town Pike
Hillsboro, Virginia 20132

TO THE SCHOOL BOARD:

Division Superintendent or Designee
Loudoun County School Board
21000 Education Court
Ashburn, Virginia 20148

With copy to:

Stephen L. DeVita
Division Counsel
Loudoun County School Board
21000 Education Court
Ashburn, Virginia 20148

37.0 Indemnification, Disclaimer of Liability, Agency and Credit.

37.1 No Agency. The parties acknowledge that the Charter School is not acting as the agent of the School Board and that the School Board does not assume liability for any loss or injury resulting from the acts or omissions of the Charter School, its directors, trustees, agents, Management Committee or employees.

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37.2 No Credit. The Charter School acknowledges that it is without authority to extend the faith and credit of the School Board to any third party. The Charter School shall clearly indicate to vendors and other entities and individuals outside LCPS that the obligations of the Charter School are solely the responsibility of the Charter School and are not the responsibility of the School Board.

37.3 Indemnification. Each party (the "Indemnifying Party") shall defend, indemnify, and hold harmless the other party and its officers, directors, agents and employees from any and all claims, demands, suits, actions, penalties, proceedings, losses, costs, and damages of every kind and description, including but not limited to attorneys' fees and/or litigation expenses which may be brought or made against or incurred on account of (i) any breach of this Agreement by the Indemnifying Party, (ii) any violation of law by the Indemnifying Party or its employees or agents, or (iii) the negligence, gross negligence or willful misconduct of the Indemnifying Party or its employees or agents. The provisions or limits of insurance required under this Agreement shall not limit the liability of the Indemnifying Party.

37.4 Dissolution. The parties acknowledge that the School Board is not liable for the claims, loss, damages, debts or financial obligations of the Charter School.

37.5 Notice of Claim. The Charter School shall give the School Board prompt written notice of any legal claims made against it arising out of its operation of the Charter School following receipt of such claim.

38.0 Waiver. The parties agree that either party's failure to insist on strict performance of any term or condition of this Agreement shall not constitute a waiver of that term or condition, even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

39.0 Assignment. No right or interest in this Agreement shall be assigned by the Charter School without prior written approval of the School Board.

40.0 Applicable Law. This Agreement shall be governed by the laws of the Commonwealth of Virginia. Any litigation arising out of this Charter Agreement shall be heard in the Circuit Court for Loudoun County, Virginia.

41.0 Dispute Resolution. Prior to the filing of any lawsuit in court, any disputes that may arise shall be submitted to the Superintendent or his/her designee for resolution. If a resolution cannot be reached with the Superintendent or his/her designee within thirty (30) calendar days of submission in writing, the dispute may be submitted to the School Board for resolution. The School Board's decision regarding any dispute shall be final. The School Board shall render decision within ninety (90) days of the School Board's receipt of the written submission requesting an appeal to the School Board level. The Charter School must exhaust this process prior to the filing of any lawsuit or seeking any other remedy, unless delay in resolving the dispute may reasonably be expected to cause additional injury to the Charter School.

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42.0 Amendments to Law. The parties intend that where this Agreement references federal or state laws or regulations, or School Board policies and regulations that they be bound by any amendments to such laws, policies or regulations upon the effective date of such amendments.

43.0 Severability. The provisions of this Agreement are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition, and the remainder of this Agreement shall remain in effect unless otherwise terminated by one or both of the parties.

44.0 No Third -Party Beneficiary. The enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the School Board and the Charter School. Nothing contained in this Agreement shall give or allow any claim or right of action whatsoever by any other person, parent, student or third person. It is the express intent of the parties to this Agreement that any person receiving services or benefits hereunder shall be deemed an incidental beneficiary only.

45.0 No Joint Venture. This Agreement shall not be construed as creating a joint venture between the School Board and the Charter School. The Charter School shall operate a public school in the School Division but shall operate independently subject to the terms of this Agreement, law and all School Board policies, regulations, rules, practices and directives unless waived in writing by the School Board.

46.0 Counterparts; Signature by Facsimile. This Agreement may be signed in counterparts, which shall together constitute the original Agreement. Signatures received by facsimile by either of the parties shall have the same effect as original signatures.

47.0 Amendment. Any material amendment to this Agreement must be in writing and will be effective only with written approval of both the School Board and the Charter School.

48.0 Compliance. The Charter School shall operate consistent with the terms of this Agreement and applicable law; it shall govern and manage the Charter School in a fiscally responsible and sound manner; and shall seek to achieve the pupil outcomes set out in the Application and this Agreement. The Virginia Standards of Quality, Standards of Learning and Standards of Accreditation are applicable at all times. The obligations of the Superintendent under Section 22.1-136 of the Code of Virginia (school fitness for occupancy) shall not be impaired or impeded by any provision contained in this Agreement.

49.0 Copyrights, Logos or Trademarks. The Charter School shall not use the copyrights, logo or trademarks of the School Board, LCPS or any of its schools without the advance written consent of the School Board.

49.1 The Charter School shall own all right, title, and interest in any logos, brands, symbols, marks, trademarks, names, and trade names ("Marks") identifying or representing the Charter School, whether previously existing or developed in connection with the operation of the Charter School and the performance of this Agreement, and all other Marks developed or

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maintained in connection with the operation of the Charter School and the performance of this Agreement.

50.0 Construction. This Agreement shall be construed fairly as to both parties and not in favor of or against either party, regardless of which party prepared this Agreement or any particular provision herein.

[Remainder of page intentionally left blank]

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SO AGREED:

THE LOUDOUN COUNTY SCHOOL BOARD:

By

Jeffrey E. Morse
Chairman of the School Board

Date:

3/26/19

Sufficient as to form:

Stephen L. DeVita

Stephen L. DeVita
Division Counsel

SO AGREED:

**HILLSBORO CHARTER ACADEMY, a Virginia
nonstock corporation:**

By

Ben Lenhart
President, Board of Directors
Hillsboro Charter Academy

Date:

5-29-19