

Prairie Seeds Academy
CHARTER SCHOOL / SPONSOR AGREEMENT
School Year 2007 - 2008

Lao Family Community of Minnesota (“Sponsor”) and **Prairie Seeds Academy** (“School”) are entering into this Agreement as of **July 1, 2007** through **June 30, 2008** for the purposes of defining the responsibilities and obligations of each party. It is the intention of the parties that this Agreement will comply with all requirements of the Minnesota Charter School Law_(Minnesota Statutes Section 124D.10 et. seq.) that is attached to this Agreement as Attachment No. 1, as the law may be amended from time to time (the “Charter Law”).

Section 1. DEFINITIONS.

For purposes of this Agreement, and in addition to the terms defined throughout this Agreement, each of the following words or expressions shall have the meaning set forth in this section:

- 1.1 “Agreement” means this Charter School/Sponsor Agreement or contract between the Sponsor and the School as is required by Minnesota Charter School Law Section 124D.10 Subd. 6. Contract.
- 1.2 “Applicable Law” means all state and federal law applicable to Minnesota charter schools and any regulations implemented pursuant to those laws.
- 1.3 “Application” means the charter school application and supporting documentation submitted by the Sponsor and the School to and approved by the Minnesota Department of Education for the Sponsor to grant the charter to the School. The application is attached to this “Charter School / Sponsor Agreement” as Attachment No. 2 and by this reference is made a part of this Agreement. The “Application” may be amended from time to time by the Charter School Board providing significant changes are approved by the Sponsor. In the event that there is an inconsistency or dispute between the provisions in the Application and this Agreement, the provisions of this Agreement shall be followed.
- 1.5 “Approval” means the approval by the Commissioner for the Sponsor to grant a charter to the School described in Attachment No. 2 (“Application”).
- 1.6 “Charter Law” means the Minnesota Statutes 124D.10 *et seq.*, as amended, and any rules or regulations adopted by the Commissioner relating to this law. The Charter Law is Attachment No. 1.

- 1.7 “Charter School Board” means the Board established to govern the School, as provided under Minnesota Statutes §124D.10 subd. 4c.
- 1.8 “Commissioner” means the Commissioner of the Minnesota Department of Education.
- 1.9 “Department” means the Minnesota Department of Education.
- 1.10 “School” means **Prairie Seeds Academy** which is established as a charter school pursuant to this Agreement and which is incorporated pursuant to either Minnesota Statutes §317A or Minnesota Statutes §308A.
- 1.11 “School information” includes all educational data, as defined in Minnesota Statutes §13.32; any and all data related to employees; any and all complaints filed by the School as required by law and all-complaints filed against the School; any and all investigative files and the results of any investigations; and any and all financial information as required to be disclosed under paragraph 5.10 below
- 1.12 “Sponsor” means **Lao Family Community of Minnesota** with its official office located at **320 W. University Ave. St. Paul, MN 55103**. The Sponsor assures that it is an organization eligible to sponsor charter schools in Minnesota as provided for in the Charter Law.

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

2.1 Purpose of the School/ Description of the Program. The School will be organized and operated to achieve the purpose(s) of the charter school as stated in the charter application attached as No. 2 (“the Application”) and as provided for in the Charter Law. The School’s program will be as described in the Application. The School agrees to operate in a manner consistent with the Application unless the School and the Sponsor agree to amend the approved charter.

2.2 Performance Indicators and Evaluation.

(a). Graduation standards. The School will comply with the requirements of the Minnesota Graduation Standards, as defined by Minnesota Statutes §§120B.02; 120B.024; and Minnesota Rules parts 3501.0010 – 3510.0280 and will document the levels of student performance in terms of students meeting those graduation standards.

(b). No Child Left Behind (NCLB). The School will comply with the responsibilities and obligations of the Title I, Part A accountability provisions as specified under the federal No Child Left Behind Act or its implementing regulations established by the

U.S. Department of Education including, but not limited to, participating in statewide assessments, meeting the state adequate yearly progress definition, meeting public and parent reporting requirements, implementing School sanctions if the School is identified for improvement, and meeting the highly qualified teachers and paraprofessional requirements.

(c). Identifying goals and performance indicators. The School and the Sponsor agree to the goals and measurable performance indicators for the Program model and Mission of the School; Governance; Student and School performance; Financial Management; and, Operation of the School, as set forth in Attachment No. 3 “Performance Indicators for FY N/A” (Note: this Attachment is only for the planning year without students) and Attachment No. 4 “School and Student Goals and Performance Indicators for FY 2008 ONLY - FY N/A (Note: this is for the years the school has students) which also specifies the performance levels necessary in order for this Agreement to be renewed. As provided for in Attachment No. 4, the academic outcomes will be assessed using multiple indicators including a nationally normed reference test or other professionally recognized measurement systems, state tests required of all students, and other methods provided for in this Agreement.

(d) Annual Report. The School will file an Annual Report with the Sponsor and the Commissioner that is consistent with the provisions of the Charter Law at §124D.10 subd.14 and which contains the information required by the Sponsor and Commissioner. The report will be filed in a timely manner. The School may include other information in the Annual Report. The Sponsor will review the Annual Report and provide written comment to the Board.

(e) School Improvement Plan (SIP). Based on the results specified in the Annual Report, the School will develop an annual School Improvement Plan (SIP) that identifies the action to be taken by the School to continuously improve the performance of the School. If the School has not made Adequate Yearly Progress (“AYP”) under the NCLB, as determined by the Commissioner, the School will include a description of the School’s plans to implement any of the responsive and/or corrective requirements of the NCLB in the following school year. The SIP will be submitted annually in July for the Upcoming School Year. The Sponsor will review and comment on the SIP. The School will provide the Sponsor with the Commissioner’s Review and Comment if any is received.

(f) Annual Report/SIP dissemination. The School will disseminate the annual report or a summary of the Report to the families of students attending the School. The SIP or a summary will also be disseminated to the families of students attending the school. This may be done in conjunction with the Title I report to parents and Board of Education.

Section 3. LEGAL STRUCTURE AND AUTHORITY OF THE SCHOOL.

3.1 Legal Structure.

(a) Nonprofit Status. The School is organized and operated as a nonprofit cooperative under Minnesota Statutes Chapter 308A, as amended, or as a nonprofit corporation under Minnesota Statutes Chapter 317A, as amended.
Note: Remove the one that does not apply.

(b) Articles of Incorporation. The School's articles of incorporation are Attachment No. 5.

(c) Bylaws. The School's bylaws are Attachment No. 6 ("Bylaws"). The School will notify the Sponsor of any amendments to the bylaws. At its discretion, the Sponsor may provide review and comment on the amendments. The School may consider the Sponsor's review and comment but is not required to abide by them.

(d) Lease Space. The School may lease space from any public or nonsectarian private organization as it deems necessary. If the School intends to lease from a private sectarian organization, it will comply with the provisions of the Charter Law at section 124D.10 subd. 17. Prior to finalizing a lease for space, the School will submit it to the Department for review and comment. The School will also provide it to the sponsor for review and comment at the request of the Sponsor.

(e) Authorized Grades. The authorized grades will be as specified in Attachment No. 2 (Application). If the Application provides for a phase-in of the grades, this phase-in will not be changed without prior written consent of the Sponsor.

(f) Enrollment/ grade level expansion. The School will not expand its enrollment or grade levels beyond that specified in Attachment No. 2 (Application) without application to and approval by the Sponsor and the Commissioner consistent with the Charter Law at section 124D.10 subdivision 4 (e).

Section 4. LOCATION OF THE SCHOOL

4.1 (Note: This item is needed only if the Sponsor is a school district). For the duration of this Agreement, the School will maintain an operational school site only within the boundaries of the Sponsor. If the School is to be located outside the boundaries of the Sponsor, the Sponsor will comply with the provisions of the Charter Law at section 124D.10 subd. 8 (b). Consistent with the provisions of its lease, the School may relocate to any location within the boundaries of the Sponsor with 60 days notice to the Sponsor and the Commissioner.

4.2 The intended location of the School will be: **6200 W. Broadway Ave. N, Brooklyn Park, MN 55428**

4.3 **Section 5. OPERATING REQUIREMENTS**

5.1 Governance.

(a) Board of Directors. The School will be governed by a board of directors. The School will file changes in the membership of the Charter School Board with the Sponsor. Prior to the time such persons are seated as members of the Charter School Board, the School will conduct a criminal background check identical to those required by Minnesota Statutes §123B.03 subd 1. The Board will certify to the Sponsor that background checks have been completed and, consistent with data practices law, will provide to the Sponsor any adverse information that is revealed as part of the background checks and will evaluate, on a case-by-case basis, membership on the Board where the background check revealed adverse information.

(b) Conflict of Interest. The provisions of the Charter Law at section 124D.10 subd. 4a. relating to conflicts of interest shall be followed by each member of the board.

(c) Powers. The Charter School Board will provide policy leadership including, but not limited to long range planning and goal-setting for the School consistent with the School's approved mission; holding the School accountable for meeting the goals; approving an annual budget and providing oversight of the budget; employing appropriate staff or contracting with organizations that do employ appropriate staff; setting expectations and reviewing the performance of the School director at least annually; and other policies regarding the operation of the School.

(d) School Board Election. Charter School Board elections and School Board director qualifications will be as provided in the Charter Law.

(e) Open Meeting Law. All meetings and business of the Charter School Board will comply with the Minnesota Open Meeting Law, Minnesota Statutes §13D.

(f) Frequency of meetings. The Charter School Board will meet as provided in the bylaws. A copy of the agenda, minutes and all related documents will be provided to the Sponsor prior to the meeting at the time such documents are provided to the School Board. At the request of the Sponsor, the Charter School Board will provide the Sponsor an opportunity to address the Charter School Board regarding matters determined by the Sponsor.

(g) Sponsor Report to the Board. Following the review of the Annual Report as provided for in section 2.2 (d), the Sponsor will provide the Board in writing with

the Sponsors analysis of how well the School is meeting the provisions of this contract.

(h) Authorization of employment. The Board or its delegate will employ and contract with necessary teachers, as defined by Minnesota Statutes §122A.15, subdivision 1, who hold valid licenses to perform the particular service for which they are employed at the School.

(i) Non-licensed personnel. The Charter School Board or its delegate may employ necessary employees who are not required to hold teaching licenses to perform duties other than teaching and may contract for other services.

(j) Collective bargaining. The School chooses not to engage in collective bargaining.

(k) Charter School Board Training. The Board will participate in annual training regarding board governance, finance and operations as provided by the Commissioner consistent with the Charter Law at § 124D.10 subd. (f). In addition, the Board will submit its plan for training to the Sponsor if requested by the Sponsor and attend training reasonably required by the Sponsor.

5.2 Non Sectarian. The School will be nonsectarian in its programs, admission policies, employment practices and all other purposes.

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

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

5.5 Admissions.

(a). Limits. The School may not limit admission to pupils on the basis of intellectual ability, measures of achievement or aptitude, or athletic ability, nor may it condition admission on criteria or take any action that would violate the Minnesota Human Rights Act, Minnesota Statutes § 363A.

(b). Applications. The School will enroll an eligible pupil who submits a timely application, unless the number of applicants exceeds the capacity of the program, class, or grade level. In such cases, selection shall be by lot. A

student continuing for the next year will be re-enrolled for the next year without re-application.

5.6 Reporting to the Sponsor.

(a). Reports. The School will file reports with the Sponsor regarding the program and financial status of the School. The Sponsor will provide a format and a timeline for these reports. See Attachment No. 4

(b). Access to information. The School will provide the Sponsor with and permit prompt and reasonable access to any School information requested by the Sponsor including education data on individuals. For purposes of such data disclosure, the parties agree that they will be governed by Minnesota Statutes §13.05 subd. 6(c).

(c) Other reports. The School and the Sponsor will file all reports with the Commissioner consistent with the procedures established by the Commissioner.

(d) Violations of law. The School will promptly notify the Sponsor of all complaints that allege that a violation of state or federal law or regulation has been committed by the School unless such reporting would be in non-compliance with a state or federal law.

5.7 Financial Management

(a) Financial reports. The School will provide the Sponsor a copy of the annual budget for review and comment prior to its approval by the Board if requested by the Sponsor. The School shall also provide the Sponsor periodic reports of the financial status of the School as provided for in section 5.6 (a).

(b) UFARS. The School will utilize the UFARS financial accounting principles and methods. Student accounting will comply with MARSS requirements. All accounting records will be audited annually by a public accounting firm engaged by the Charter School Board.

(c) Audits. The School will comply with the same financial audits, audit procedures, and audit requirements of Schools (Minnesota Statutes §§123B.75 to 123B.83) except when deviations are necessary because of the program of the School. The School will provide the Sponsor with a Final Audit and any management letters provided by the auditor. As provided by The Charter Law at 124.D.10 subd 6a, if the audit includes findings that a material weakness exists in the financial reporting systems of the School, the School must submit a written report to the commissioner explaining how the material weakness will be

resolved in accordance with the procedures set by the commissioner. The report to the commissioner will also be provided to the Sponsor.

The School will make available for review by the Sponsor all financial records at such times as requested by the Sponsor.

(d) Creditors. If the School has any payments to creditors for which there is an outstanding liability of over 90 days, the School will provide the Sponsor a written statement explaining the reasons for this and a proposal for payment of the outstanding liability.

5.8 Transportation. Transportation for students enrolled at the School will be provided in accordance with the Application, unless otherwise modified by the School consistent with the Charter Law as it relates to student transportation.

5.9 Health and Safety.

(a) Same as school district requirements. The School will comply with the same health and safety requirements as a school district.

(b). Immunization. The School will comply with Minnesota Statutes §121A.15, requiring proof of student immunization against measles, rubella, diphtheria, tetanus, pertussis, polio, mumps, and haemophilus influenza type b and hepatitis B.

5.10 Human Rights. The School will comply with the Minnesota Human Rights Act, Chapter 363A, which prohibits unfair discriminatory practices in employment, public accommodations, public services, or education; and comply with Minnesota Statutes §121A.04, which governs provision of equal opportunities for members of both sexes to participate in athletic programs.

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

5.12 Students with Disabilities. The School will comply with Minnesota Statutes §125A and §124D and applicable rules and Federal law relating to the education of pupils with a disability as though it was a school district. Consistent with the provisions of the Charter Law at section 124D.10 Subd 6. (10), the financial parameters within which the School will operate to provide the special education instruction and related services to pupils with disabilities will be based on the needs of the student as defined by the students' evaluation and by the instruction and related services provided to the student as specified in the students individual education plan (IEP).

5.13 Insurance. Notwithstanding anything to the contrary in this Agreement, the

School will be considered a school district for the purposes of tort liability under Minnesota Statutes chapter 466. The School will acquire and keep in full force and affect the insurance coverage required by the law. The Sponsor will be named as an additional insured on such policies. The School agrees to provide the Sponsor with certificates of insurance at least annually, or as otherwise requested by the Sponsor.

5.14 Extra-curricular activities. (Note: This section is included only if the Sponsor is a district/intermediate board) Students attending the School will have access to extra curricular activities consistent with the policies of the board of the Sponsor. The Sponsor has notified the Minnesota State High School League of a cooperative agreement between the School and the Sponsor, and the Minnesota State High School League has approved that agreement.

Section 6. SPONSOR'S DUTIES

6.1 Oversight plan. The Sponsor will implement a plan to provide ongoing oversight to determine whether the School is complying with the terms of this Agreement and to meet its responsibilities under the law regarding sponsorship. The Sponsor will use the following five criteria in determining the School's compliance with this Agreement:

(a) Mission and Program Model Implementation. The Sponsor will evaluate whether the School has been faithful to the terms of this Agreement regarding the implementation of the School's design.

(b) Governance. The Sponsor will evaluate whether the Board is performing its governance responsibilities.

(c) Student and school performance. The Sponsor will evaluate whether the performance of the students and the school meet the expectations as provided in Section 2.2

(d) Finance. The Sponsor will evaluate whether the School is using its resources in compliance with the law and is planning for the future.

(e) Operation of the School. The Sponsor will evaluate whether the school is meeting the administrative requirements of the law relating to charter schools..

6.2 Sponsor's duties. In order to address the provisions of 6.1above, the Sponsor will utilize Attachment 3 as the Oversight Tool in FY **N/A** (this Attachment is used only for the start-up year without students) and Attachment 4 **is for subsequent fiscal years.**

6.3 Fees. The School shall pay the Sponsor the following fees for sponsoring the School:

- (a) (This is Optional) During FY N/A (if this is the first year of the school and it has no students), the School and the Sponsor will develop a “Services Contract” which will specify the services the sponsor will provide the School. This “Services Contract” will be developed by N/A.
- (b) The Sponsor may assess the School for monitoring and evaluating fiscal and student performance: (1) in its first, second, or third year of operation up to \$30 per student up to a maximum of \$10,000; an (2) in its fourth or a subsequent year of operation up to \$10 per student up to a maximum of \$3,500.**
- (c) The School will pay this fee within 30 days of receipt of the Sponsors invoice.

6.4 Liaison. The Sponsor will designate a liaison for the School and will inform the School annually of the name of this person. The name of the liaison, a brief biography of the liaison and the liaison’s duties are provided in Attachment No. 4.

6.5 Communication of Areas of Concern.

(a) It is the intent of the parties to address areas of concern in a non adversarial process when ever possible. To that end, the parties agree to communicate areas of concern and to address those concerns in a professional manner.

(b) The Sponsor will provide the Board feedback at least annually regarding the performance of the School. The primary feedback will be in response to the Annual Report as provided in Section 2.2 (d). The School will address the concerns of the Sponsor in its School Improvement Plan provided for in Section 2.3.

(c) If the Sponsor has areas of concern regarding the performance of the School, the “Range of Possible Interventions” as provided in Attachment No. 8. will be followed.

Section 7. SPONSOR’S RIGHT TO TERMINATE A SCHOOL DURING TERM OF AGREEMENT OR AT END OF AGREEMENT FOR GOOD CAUSE.

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

- (a) Failure to meet the requirements for pupil performance contained in Section 2 of this Agreement;
- (b). Failure to meet generally accepted standards of fiscal management;
- (c). Substantial deviation from the school's mission and program model, as indicated in the School's Charter Application, without prior approval from the Sponsor;
- (d). Insufficient enrollment to provide the revenue necessary to meet the School's budget;
- (e). Failure of the Board to perform its governance responsibilities, including but not limited to the requirements set out in Section 5 of this Agreement;
- (f). Failure to operate the school effectively, including but not limited to issues of personnel, filing of compliance reports and facilities issues;
- (g). For violations of law;
- (h). For other violations of the Agreement: and/or
- (i). For other good cause shown.

7.2 Sponsor processes/ Charter School Board's Response.

- (a). Notice to School. At least 60 days before the final decision regarding renewal or termination of this Agreement for cause, the Sponsor will notify the School of the proposed action, in writing. The notice will state the grounds for the proposed action in reasonable detail. The notice will state that the Board may request, in writing, an informal hearing before the Sponsor within fourteen (14) days of receiving notice of non-renewal or termination of this Agreement.
- (b). Board's Response. Within fourteen (14) calendar days of receipt of the notice of termination or non-renewal for good cause, the Board may request an informal hearing before the Sponsor. Failure by the Board to make a written request for a hearing within the 14-day period will be treated as acquiescence to the proposed non-renewal or termination. If the Board requests an informal hearing, within 14 calendar days of receipt of the notice of termination or non-renewal for good cause, the Board will provide documentation or other evidence in writing to the Sponsor that addresses the issues raised in the notice for termination or non-renewal.
- (c). Schedule for Hearing. Upon receipt of the documentation from the Board, the Sponsor will give reasonable notice to the Board of the hearing date.

(d). Hearing. The parties agree that the hearing will not be subject to the requirements of Minnesota Statutes Chapter 14. The hearing will be informal and will be open to the public. Should any part of the hearing include the discussion of private data, that part of the hearing must be closed. Both the Charter School Board and the Sponsor may be represented by legal counsel and may have witnesses provide testimony or other evidence. The hearing will be tape recorded.

(e). Sponsor decision. Within 10 days of the informal hearing, but not later than the last day of class in the school year, the Sponsor will take final action to renew or not renew the contract. This final action will be in writing and will be provided to the Board. A copy will be filed with the Commissioner.

(f). Appeal. If the Sponsor is a local school board, the Board may appeal the Sponsor's decision to the Commissioner within 10 days of receipt of the Sponsor's decision. If a Sponsor is not a local school board, the Sponsor's decision is final.

7.3 Dissolution. If this Agreement is terminated or not renewed based on the criteria in paragraph 7.2 above, the School will be dissolved according to the applicable provisions of Minnesota Statutes chapter 308A and 317A.

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

7.5 Property Owned by School. All property that has been purchased by the School will remain its own property. In the event of subsequent dissolution of the School, after all financial obligations are met, the property will be distributed to other charter schools consistent with the guidelines of the Commissioner.

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

SECTION 8: Non Renewal (for reasons other than good cause).

8.1 Non-renewal; notice. Either party may determine that it will not renew the Agreement when the rational for non-renewal are other than those provided for in Section 7 above. The party initiating this action will provide notice to the other

party and the Commissioner not later than 90 days prior to the end of the Agreement period of their intent to not renew the Agreement.

8.2 Mutual termination. If one party determines that it wishes to terminate this agreement during the term of the Agreement, both parties must agree to this discontinuation or the current Agreement shall remain in effect unless otherwise terminated or not-renewed under section 7 of this Agreement.

8.3 Sponsor continuation. If a non-renewal action is being taken under the provisions of either 8.1 or 8.2, and if another sponsor has not agreed to serve as the new sponsor by the end of the Agreement period, the current Sponsor will continue to serve as the Sponsor until a new sponsor is identified and approved by the Commissioner, but not longer than one additional year. If a new sponsor is not approved by the Commissioner after one additional year, the School must be dissolved according to the provisions of Section 7.3 through 7.6 of this Agreement and pursuant to applicable law.

8.4 Information to new Sponsor. If a new sponsor is approved by the Commissioner, the current Sponsor will provide the new sponsor information about the fiscal and student performance of the School as required by Minnesota Statutes §124D.10 subd. 23(c).

8.4 Not for cause. The transfer of sponsorship from the Sponsor to a different Sponsor under Section 8 of this Agreement is not considered to be a termination or non-renewal for cause as defined in Section 7 of this Agreement.

Section 9. GENERAL TERMS.

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

9.2 Sponsor Authority. Except as otherwise provided by this Agreement or Applicable Law, the Sponsor has no authority, control, power, or administrative or financial responsibility over the School. This provision does not prohibit the parties from contracting for any services deemed appropriate in the future.

9.3 Indemnification, Covenant Not to Sue, Immunity from Suit. The School will assume full liability for its activities and indemnifies and holds harmless the Commissioner and the Sponsor, its officers, and their agents and employees from any suits, claims, or liability arising under this Agreement. The School agrees not to sue the Sponsor or any of its representatives for any matters that arise under this Agreement. The School and Sponsor acknowledge and agree that the Commissioner, the Sponsor, members of the Board of the Sponsor and employees

of the Sponsor, are immune from civil and criminal liability with respect to all activities related to the School, pursuant to the Charter Law at section 124D.10 subd. 25, and nothing in this Agreement is intended to affect such immunity.

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

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

9.6. Survival of Provisions. The terms, provisions and representations contained in paragraphs 5.16; 9.3; 9.7; 9.8; 9.9 and any other provisions of this Agreement that by their sense and context are intended to survive termination of this Agreement will survive.

9.7. Legal liability. The School agrees not to sue Sponsor or any of its representatives for any matters that arise under this Agreement. Sponsor does not assume any obligation with respect to any director, employee, agent, parent, guardian, student or independent contractor of the School, and no such person shall have the right or standing to bring suit against Sponsor or any of its representatives or representative independent contractors as a result of the issuing, overseeing, suspending, terminating, revoking or not renewing of this Agreement. The parties acknowledge and agree that the Commissioner, Sponsor, members of the Sponsor's Board, and employees of Sponsor, are immune from civil and criminal liability with respect to all activities related to the School, pursuant to the Charter Law at section §124D.10 subd.25 and nothing in this Agreement is intended to affect such immunity.

9.8. Indemnification of Sponsor. Notwithstanding paragraph 9.7 above, the School agrees to indemnify and hold Sponsor and the Department and their employees, agents or representatives harmless from all claims, demands, or liability, including attorneys fees, and related expenses, which arise out of or are in any manner connected with the School's operations or which are incurred as a result of the reliance of Sponsor upon information supplied by the School, or which arise out of the failure of the School to perform its obligations under this Agreement.

9.9. Non-agency. It is understand that the School is not the agent of the Sponsor.

DATED: As of this 1st day of October, 2007

Lao Family Community (Sponsor)

By:

(Signature)

(Signature)

(Print Name)

(Print Name)

(Title)

(Title)

Prairie Seeds Academy (School)

By:

(Signature)

(Signature)

(Print Name)

(Print Name)

(Title)

(Title)

CHARTER SCHOOL AGREEMENT: LIST OF ATTACHMENTS

1. Charter School Law
2. Approved School Application
3. School Performance Indicators for Planning Year only.
4. School and Student Goals and Performance Indicators for subsequent years
5. Sponsor Process for Evaluating School
6. School Articles of Incorporation
7. Board By-laws
8. Range of Possible Interventions

ATTACHMENT NO. 1: CHARTER SCHOOL LAW

**On File in Office of CEO and in Board of
Education Handbooks.**

**ATTACHMENT NO. 2: APPROVED SCHOOL
APPLICATION**

**On File in Office of CEO and in Board of
Education Handbooks.**

**ATTACHMENT NO. 3: School Performance
Indicators for FY ___ (Note: This is for the planning year without
students)**

See “Sponsoring Chartered Schools: Planning Year Oversight” attached.

Not applicable to Prairie Seeds Academy

ATTACHMENT NO. 4: School and Student Goals and Performance Indicators for FY 08 and

1. Mission Goals of the School and Program Model Performance Indicators:

- a. The program model implemented is consistent with that described in its charter application including any amendments
- b. The “purposes” of the school as defined in the Charter Law at 124D.10 Subd 1. and in the Application are being addressed in the School.
- c. The contract provides clear expectations of the school
- d. The contract provides clear expectations of the sponsor
- e. Parents, staff, board and students (when appropriate) have a clear understanding as to the program model and mission of the school.
- f. The curriculum supports the mission and program model
- g. State standards, school board standards and sponsor standards are embedded into the curriculum of the school
- h. Staff development is provided in support of the mission and program model

2. Governance of the School Performance Indicators:

- a. The Board is organized consistent with the law
- b. Criminal background checks have been conducted (advised not required)
- c. No Board Members have any conflicts of interest as defined in law and statements to this effect are filed annually
- d. The Board complies with the Minnesota Open Meeting Law
- e. The Board follows its By-laws
- f. The Board has adopted the required policies
- g. The Board has developed a strategic plan (optional)
- h. The Board makes key decisions i.e. sets the policy of the school; sets performance expectations consistent with the contract with the sponsor for the school and the director; adopts an annual budget and monitors/reviews the budget regularly; approves all expenditures; reviews and accepts the annual audit; reviews student/school performance regularly; reviews the annual report and adopts a school improvement plan; reviews the performance of the director at least annually.

- i. The Board meetings are conducted following an orderly process including a published agenda, minutes of previous meetings, and a defined meeting process.
- j. The Board has a “board development plan” including annual training.

3. Evaluation of School/Student Performance Indicators

The following are the expectations of the School and Students

- (1) The school has a process for determining the student’s academic levels of performance when they enter school in order to establish a baseline from which improvement can be determined. “Enter school” means at any time, not just at kindergarten.
- (2) Performance is assessed against the expectations in the contract
- (3) NCLB expectations provisions are addressed and a growth model of analysis is used for drawing conclusions.
- (4) Expectations will focus on three groups: (1) the percentage of students making less than one years growth per year of instruction, (2) those achieving one years growth, and (3) those students achieving more than one years growth per year of instruction is provided
- (5) Progress must be compared with state, other school districts and other cohorts where applicable
- (6) A growth model or value added growth model method of data analysis should be used. The key cohort used to make contract renewal decisions should be the group of students that have been enrolled at the school for the duration of the contract period. While it is always important to analyze the performance of all students, it is the “three year cohort” on which the school should be judged primarily keeping in mind the demographics of the cohort. Not all variables were anticipated when the contract was developed. Therefore, those criteria may have to be taken into consideration as annual feedback and renewal decisions are made.
- (7) Multiple indicators should be included in the evaluation design and should include actual student work, portfolios, curriculum test scores, NWEA/MAP, MCA II, etc.
- (8) The evaluation must be designed to address the “Mission/Purpose of the School” as well as the required areas i.e. state required standards/measurements.

- a. Academic Performance: “The Sponsor” will monitor student academic performance and the academic culture, which provides the basis for high academic performance.

Student Academic Goal: Students who have been at Prairie Seeds Academy for one year, 100% will show an average gain of one year and 100% of students more

than one year behind grade level will show an average gain of 1.2 years in reading comprehension as measured by the MAP (NWEA/MAP), a nationally norm-referenced standardized test.

Student Academic Goal: Students who have been at Prairie Seeds Academy for one year, 100% will show an average gain of one year and 100% of students more than one year behind grade level will show an average gain of 1.2 years in mathematics as measured by the MAP (NWEA/MAP), a nationally norm-referenced standardized test.

- b. Student Personal and Social Responsibility Goals: **All students at Prairie Seeds Academy will receive instruction in the Responsive Classroom Philosophy. Community Service shall be a required component of the curriculum in the 9th – 12th grades (if expansion achieved)**

- c. Student/family Responsibility Goals
 - (1) Student attendance
 - **More than 95% of the students will attend school 95% of the time**

- d. School Climate and Satisfaction Goals (Example)
 - (1) Students in all grades will indicate the level of their satisfaction with the school in the areas of safety, acceptance and learning.
 - **More than 90% satisfaction will be expressed by all students in all areas.**

 - (2) Parents of all students will report a positive school climate and challenging academic program:
 - **More than 90% satisfaction in both areas will be expressed by all parents surveyed. (The goal in FY `08 is to survey 50% of the parents)**

 - (3) Attendance at parent-teacher conferences during the year
 - **More than 90% of the parents or guardians will attend the conferences**

 - (4) Student attitudes about their future
 - How do the students “hope” for their future change over time (**Note: Lao Family Community suggests the HOPE Survey tool be considered as an instrument in the `09 fiscal year.**)

- e. Student follow-up: **This measure will be used for High School Students.**

4. Finance Performance Indicators

- a. The school has a budget approved by the board, the budget is being followed or amended when necessary based on student enrollment changes or other appropriate reasons.
- b. The school finances are appropriately managed either by the school and a finance management company. School invoices are being paid within 30-45 days.
- c. The school will not be in statutory operating debt (SOD). If it is, an SOD plan will be filed with the commissioner and approved.
- d. State finance reports are filed appropriately and on time
- e. The school is not being used as a method of providing education or generating revenue for students who are being home-schooled except as provided for in MN law.
- f. State/federal taxes, pensions, insurance, etc. are paid as required.
- g. The Board monitors the budget on a regular basis
- h. The budget includes revenue for anticipated future needs
- i. The patterns of expenditures are consistent with the mission, program and goals of the school
- j. The School audit includes a copy of all School agreements for corporate management services (if used). If the audit report identifies one or more findings of a material weakness the School must submit a written report to the commissioner how the material weakness will be resolved.
- k. All findings of previous year's audits have been appropriately addressed and do not reappear in the current audit.

5. Operations of the School Performance Indicators

- (1) Data on the following reflects appropriate management:
 - (a) Staff qualifications/licensure are in compliance
 - (b) Staff assignments and turnover do not change at a high level

- (c) The class size or staff/student ratios is as provided in the approved charter
 - (d) Enrollment process is followed and planning is accurate
 - (e) Transportation system is functioning well
 - (f) Complaint and resolution procedures are followed
 - (g) Board policies are being implemented
 - (h) The School has appropriate insurance
- (2) Compliance with state and federal standards
- (a) State and federal laws are being followed i.e. special education, discipline, food/nutrition based on state or federal audits/compliance reviews
 - (b) Non-discrimination laws are appropriately followed
 - (c) Evidence of required immunizations are on file for all students
- (3) Management Systems
- (a) The school has appropriate software to manage state reporting
 - (b) The school has internal operations that result in a well managed school
 - (c) A written process for internal controls regarding ordering, receiving, inventorying, submission of invoices for payment etc is on file in the CEO's office.
 - (d) State reporting is completed accurately and timely based on MDE information
- (4) Facilities
- (a) Health and Safety laws are being adhered to
 - (b) The School has adequate space
 - (c) The lease provisions are reasonable, was reviewed by the department and is being adhered to
 - (d) The lease is not with a "related party" as defined in Mn Law 124D.10 Subd 23a.

ATTACHMENT NO. 5: Sponsor Oversight Plan

1. Not later than August 1 of each year, the Sponsor and the School will review the Sponsor Oversight Plan for the year. The School is encouraged to recommend ways to improve the oversight plan and process. Within 10 days of meeting with the School to discuss the oversight plan, the Sponsor will finalize the oversight plan for the year and provide it to the School
2. In FY N/A (the Planning Year after initial approval), the Sponsor and the director of the School will meet not less than monthly to review the progress being made based on Attachment No. 3. The Sponsor will identify any areas of concerns regarding the progress and provide such information in writing to the director and board chair.
3. Reports to the Sponsor:
 - a. In FY N/A (the Planning Year), progress on Attachment No. 3 will be reported monthly.
 - b. In FY N/A (the Planning Year), a Quarterly Financial Statement regarding revenue and expenditures (September 30, December 31, March 31 and June 30)
 - c. In FY 08 and N/A (Operational Years) the monthly Financial Statement provided to the Board will also be provided to the Sponsor.
 - d. The School will also provide reports regarding the implementation of the SIP (School Improvement Plan) based on a schedule and format agreed to by the School and the Sponsor consistent with number 1 above.
4. In FY N/A (the Planning Year), the Sponsor will attend the Board meetings on a monthly basis. The School will include "Sponsor Report and Discussion" on the Board agenda.
5. During the operational years, the sponsor will attend periodic board meetings and provide sponsor reports and feedback as well as engage in discussion regarding the school. The Board will be encouraged to discuss the Sponsor procedures including recommendations for Sponsor improvement.
6. During the operational years, the Sponsor will make periodic site visits to view the School operation, discuss school/sponsor issues and meet with staff, parents, community and students (if applicable).

7. During the course of this contract, the Sponsor will review the annual budget of the School and provide advisory comment if the Sponsor deems necessary.
8. During the course of this contract, the Sponsor will review the monthly financial reports provided to the Board and will comment if deemed necessary.
9. The Sponsor will review and comment on the School Annual Report with special emphasis on the student performance information and identify any areas where the Sponsor has concerns based on the provisions of this Agreement.
10. The liaison of the Sponsor is: **Brian I. Ingvalson, PhD**. This person is the primary contact with the School. The liaison's current role with the Sponsor is **charter school liaison**. The liaison's related education and experience for the role of School liaison will be provided to the School under separate cover.

**ATTACHMENT NO. 6: School's Articles of
Incorporation**

**On File in Office of CEO and in Board of
Education Handbooks.**

ATTACHMENT NO. 7: School Board By-laws

**On File in Office of CEO and in Board of
Education Handbooks.**

ATTACHMENT NO. 8: RANGE OF INTERVENTIONS

The following will be followed by the Sponsor in the event the Sponsor has concerns relating to the implementation of this Agreement. All communication with respect to the following will be to the Board Chair and the school director.

1. Letter of Concern: This letter will be sent when there is a pattern of reports or information not being provided to the Sponsor as specified in this Agreement or there are similar situations.

2. Letter of Deficiency: This letter will be sent when multiple performance targets as provided for in this Agreement are not being met.

3. Notice of Probationary Status: This notice will be sent if the school is not making satisfactory improvement on its School Improvement Plan (SIP) or if other significant performance issues exist.

4. Notice of Unscheduled Charter Review: This notice will be sent if the Sponsor determines that significant issues exist in terms of the School meeting the provisions of this agreement. While a "Charter Review" is usually not conducted until the final year of the contract, an "Unscheduled Charter Review" may be triggered earlier.

5. Notice of Charter Review Decision: This will occur a minimum of once during the Agreement period. The decision of the Sponsor will be based on a compilation of information documenting the performance of the School during the course of this Agreement. The Sponsor decision will be one of the following:

- a. Renew the charter for the maximum time provided by law
- b. Renew the charter for less than the maximum time provided by law
- c. Not renew the charter for cause which will result in the closing of the school

