

**Kentucky Board of Education**  
**701 KAR 8:020**

**CHARTER SCHOOL CONTRACT**

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This agreement is executed within seventy-five (75) days of the final approval of the Application, on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_ by and between \_\_\_\_\_ (Authorizer), and \_\_\_\_\_ (Charter School Board) to establish and operate the \_\_\_\_\_ Charter School (Charter School), an independent and autonomous public charter school under KRS 160.1590 to 160.1599, 161.141, and 701 KAR Chapter 8.

WHEREAS, the Kentucky General Assembly has authorized the establishment of public charter schools in the Commonwealth;

WHEREAS, the Kentucky General Assembly granted Authorizer the authority to authorize a public charter school within the \_\_\_\_\_ School District for the education of resident students;

**[FOR NEW CHARTER SCHOOLS:]**

WHEREAS, on [DATE], Authorizer received an application from \_\_\_\_\_ for consideration of a Charter School referred to as [NAME OF CHARTER SCHOOL];

WHEREAS, the Authorizer held a public comment hearing and allowed public comment on the application on [DATE] at [LOCATION WITHIN THE RESIDENT SCHOOL DISTRICT] prior to approving the Application;

WHEREAS, the Authorizer reviewed any objection and evidence of substantial hardship submitted by a resident superintendent prior to approving the Application;

WHEREAS, on [DATE], the Authorizer found the application met the requirements of KRS 160.1590 to 160.1599, 161.141, and 701 KAR Chapter 8 and approved the application subject to conditions outlined in Resolution # [NUMBER];

WHEREAS, the application was approved by the Commissioner of Education; and

WHEREAS, the Charter School is a non-profit organization, eligible for operation of a charter school.

**[FOR RENEWAL CHARTER SCHOOLS:]**

WHEREAS, on [DATE], the Authorizer and the Charter School (collectively, Parties) have previously entered into a Charter Contract dated [DATE] for the establishment of the Charter School;

WHEREAS, on [DATE], the Parties’ previous Charter Contract shall expire;

WHEREAS, on [DATE], Authorizer received a renewal application from the Charter School;

WHEREAS, the Authorizer held a public comment hearing and allowed public comment on the renewal of the Charter School on [DATE] at [LOCATION WITHIN THE RESIDENT SCHOOL DISTRICT] prior to approving the renewal request;

WHEREAS, the Authorizer reviewed any objection and evidence of substantial hardship submitted by a resident superintendent prior to approving the renewal of the Charter School;

WHEREAS, on [DATE], the Authorizer approved the Application subject to conditions outlined in Resolution # [NUMBER];

WHEREAS, on [DATE], the Authorizer found the renewal application met the requirements of KRS 160.1590 to 160.1599, 161.141, and 701 KAR Chapter 8 and approved the renewal application subject to conditions outlined in Resolution # [NUMBER];

WHEREAS, the renewal application was approved by the Commissioner of Education; and

WHEREAS, the Charter School is a non-profit organization, eligible for operation of a charter school.

NOW THEREFORE in consideration of the foregoing, the Authorizer and the Charter School (collectively, Parties) agree as follows:

**I. ESTABLISHMENT [OR CONTINUED OPERATION] OF CHARTER SCHOOL**

As authorized by KRS 160.1590 to 160.1599, 161.141, and 701 KAR Chapter 8, the Authorizer hereby grants a charter to the Charter School Board and authorizes the establishment [OR continued operation] of the Charter School with the aforementioned conditions, and on the terms and conditions set forth in this Charter School Contract (Charter Contract or Contract or Charter).

**II. MISSION AND EDUCATIONAL OBJECTIVES**

The mission of the Charter School is as follows:  
[CHARTER SCHOOL’S MISSION AS STATED IN ITS APPROVED APPLICATION]

The educational objectives of the Charter School are as follows:  
[CHARTER SCHOOL’S EDUCATIONAL OBJECTIVES AS STATED IN ITS APPROVED APPLICATION]

### III. ESSENTIAL OR INNOVATIVE FEATURES OF THE CHARTER SCHOOL

[INSERT ESSENTIAL OR INNOVATIVE FEATURES OF THE CHARTER SCHOOL AS STATED IN THE APPROVED APPLICATION]

### IV. TERM OF CHARTER CONTRACT

This Charter Contract is effective [DATE], and shall terminate on [DATE], unless earlier terminated as provided herein.

### V. GENERAL

- A. Merger. This Contract contains all terms, conditions, and understandings of the Parties relating to its subject matter. All prior representations, understandings, and discussions are merged herein and superseded by this Contract. The approved Application is **Appendix 1** to this Contract and merged herein, to the extent the terms of the Contract do not contradict. Any contradiction between the approved Application and this Contract result in the prevalence of the Contract provision over the conflicting approved Application provision.
- B. Amendments. No amendment to this Contract shall be valid unless ratified in writing by the Authorizer and the Charter School's governing body, approved by the Commissioner of Education, and executed by authorized representatives of the Parties.
- C. Effective Date. Neither this Contract, nor any amendment of this Contract, shall be effective until the date of the approval by the Commissioner of Education.
- D. Governing Law, Enforceability, Dispute Resolution, and Choice of Forum and Venue. This Contract shall be governed and construed according to federal law, the Kentucky Constitution, the applicable Kentucky Revised Statutes, and the applicable Kentucky Administrative Regulations. If any provision of this Contract, the approved Application, or the application of this Contract to the Charter School is found contrary to law, such provision or application shall have effect only to the extent permitted by law. The Parties shall, upon the request of either party, negotiate in good faith to adopt any necessary or appropriate replacement provisions. Any action brought by one party against the other shall be brought in the circuit court of the resident school district or the following dispute resolution process may be employed:  
  
[INSERT ANY DISPUTE RESOLUTION PROCESS NEGOTIATED BETWEEN THE AUTHORIZER AND THE CHARTER SCHOOL BOARD]
- E. No Waiver. The Parties agree that no assent, express or implied, to any breach by either party of any one (1) or more of the provisions of this Contract shall constitute a waiver of any other breach.
- F. Severability. If any provision of this Charter Contract is determined to be

unenforceable or invalid for any reason, the remainder of the Charter Contract shall remain in full force and effect.

- G. Contradicting or Conflicting Provisions. If any provision of this Charter Contract is determined to contradict or conflict with any other provision of the Charter Contract, the contradiction or conflict shall be resolved in favor of the intent and purposes of KRS 160.1590 to 160.1599, 161.141, and 701 KAR Chapter 8.
- H. No Third-Party Beneficiary. This Contract shall not create any rights in any third parties who have not entered into this Contract, nor shall any third party be entitled to enforce any rights or obligations that may be possessed by either party to this Contract.
- I. Non-Assignment. Neither party to this Contract shall assign or attempt to assign any rights, benefits, or obligations accruing to the party under this Contract unless the other party agrees in writing to any such assignment.

## VI. GOVERNANCE

### A. Governance Authority.

- 1. The Charter School shall be governed by the Charter School Board in a manner that is consistent with the terms of this Contract so long as such provisions are in accordance with state and federal law.
- 2. The Charter School Board shall have final authority and responsibility for the academic, financial, and organizational performance of the Charter School, the fulfillment of the Charter Contract, and approval of the Charter School's budgets.
- 3. The Charter School Board shall also have authority for and be responsible for policy and operational decisions of the Charter School, although the Charter School Board may delegate decision-making authority for policy and operational decisions to officers, employees and agents of the Charter School, except as described in this Charter Contract.

### B. Governance Structure. The Charter School Board shall govern the Charter School pursuant to the following terms and conditions:

- 1. The articles of incorporation and bylaws of the entity holding the charter shall provide for governance of the operation of the Charter School as a public charter school and shall at all times be consistent with all applicable law and this Charter Contract. The articles of incorporation and bylaws are attached to this Contract as **Appendix [NUMBER]** (initially or as amended, Articles and Bylaws). Any modification of the Articles and Bylaws shall be submitted to the Authorizer within five (5) days of approval by the Charter School Board.
- 2. Charter School Board composition shall meet the following requirements:
  - a. The Charter School Board shall at all times include at least two (2) resident parents or persons with custody or charge of resident students who will attend the Charter School that school year;
  - b. Collectively, Charter School Board members shall possess expertise in leadership, curriculum and instruction, law, and finance;

- c. A member of the Charter School Board shall not be an employee of the Charter School or of an education service provider (ESP) that provides services to the Charter School;
- d. The composition of the Charter School Board shall at all times be determined by and consistent with the Articles and Bylaws and all applicable law and policy. The roster of the Charter School Board and each member's disclosure form are attached to this Contract as **Appendix [NUMBER]** (initially or as amended, Board Roster and Disclosures). The Charter School Board shall notify the Authorizer of any changes to the Charter School Board Roster and Disclosures within five (5) days of the changes taking effect and provide an amended Charter School Board Roster and Disclosures; and
- e. In no event shall the Charter School Board, at any time, fail to be authorized to do business and in good standing in the Commonwealth of Kentucky, pursuant to KRS Chapter 14A.

C. Conflict of Interest.

- 1. A member of the Charter School Board shall:
  - a. Not be an employee of the Charter School or of an education service provider that provides services to the Charter School; and
  - b. File full disclosure reports and identify any potential conflicts of interest, relationships with management organizations, and relationships with family members who are applying to or are employed by the Charter School or have other business dealings with the Charter School, the management organization of the Charter School, or any other public charter school and shall make these documents available online through the Authorizer.
- 2. Notwithstanding any provision to the contrary in the Charter Contract, approved Application, or the Articles and Bylaws, in no event shall the Charter School Board, at any time, be composed of voting members of whom a majority are directors, officers, employees, agents or otherwise affiliated with any single entity (with the exception of the Charter School itself or of another charter school), regardless of whether said entity is affiliated or otherwise partnered with the Charter School. For the purposes of this paragraph, "single entity" shall mean any individual entity, as well as any and all related entities to such entity such as parents, subsidiaries, affiliates and partners. The Authorizer may, at its sole discretion, waive this restriction upon a written request from the Charter School.
- 3. On [DATE], the Charter School Board adopted the Conflicts of Interest Policy attached to this Charter Contract as **Appendix [NUMBER]** and shall at all times comply with its provisions. Any amendment to **Appendix [NUMBER]** shall be adopted by the Charter School Board and approved in writing by the Authorizer, which shall not be unreasonably withheld and may be with made without material amendment to this Charter Contract

D. Not For-Profit. In no event shall the Charter School Board, at any time, include a for-profit organization or its designee.

E. Not Religious. To the extent not prohibited by federal law, in no event shall the Charter School Board at any time include or substantially replicate or be wholly or partly under

the control or direction of the governing board of an organization that is organized for religious purposes, within the meaning of 501(c)(3) of the Internal Revenue Code of 1986, as amended, and qualifying for tax-exempt status pursuant to 501(c)(3) of the Internal Revenue Code of 1986, as amended, or its designee.

F. Non-Commingling. Assets, funds, liabilities, and financial records of the Charter School shall be kept separate from assets, funds, liabilities, and financial records of any other person, entity, or organization.

G. Grievance Process. The following process shall be available and utilized for an objection to a policy, procedure, protocol, decision, or practice at the Charter School:

[INSERT THE GRIEVANCE PROCESS INFORMATION FROM THE APPROVED APPLICATION]

H. Staff.

1. The Charter School shall implement the completed staffing charter in the approved Application.
2. The Charter School shall utilize the personnel policies or employee manual and job descriptions, salary ranges, employment benefits, incentives and reward structures, and strategy for retention of high-performing teachers, as described in the approved Application.
3. The Charter School shall implement the strategy, plans, and timeline for recruitment and hiring of the teaching staff, as described in the approved Application.
4. The Charter School shall utilize the procedures for hiring and dismissal of school personnel, including conducting background checks, as described in the approved Application.
5. The principal/school leader and all teachers shall be supported, developed, and evaluated each school year, as described in the approved Application.
6. The Charter School shall handle unsatisfactory leadership or teacher performance, as well as leadership/teacher changes and turnover, as described in the approved Application.

## **VII. CHARTER SCHOOL OPERATIONS**

A. In General. The Charter School and the Charter School Board shall operate at all times in accordance with the U.S. Constitution, all federal laws, and the Kentucky Constitution. The Charter School and the Charter School Board shall operate at all times in accordance with the following as applicable to charter schools: Kentucky laws, local ordinances, and Authorizer policies.

B. Public Charter School Status. Pursuant to KRS 160.1590 to 160.1599, 161.141, and 701 KAR Chapter 8, the Charter School shall be deemed a public charter school subject to all applicable provisions of local, state, and federal law specifically including but not limited to: health and safety, civil rights, disability rights, student assessment and assessment administration, data collection, reporting, and Open Records and Open Meetings.

- C. Nonsectarian Status. The Charter School shall be nonsectarian in its programs, application and enrollment policies, employment practices, and all other operations. The Charter School shall not be, to any extent, under the control or direction of any religious denomination or include any parochial or religious theme.
- D. Constitutionally Protected Student Right to Prayer. The Charter School shall have no policy that denies a student's right to participation in constitutionally protected prayer, and pursuant to Section 8524 of the Elementary and Secondary Education Act, as amended by the Every Student Succeeds Act (ESSA), the Charter School shall certify in writing to the KDE that the Charter School has no policy that denies a student's right to participation in constitutionally protected prayer.
- E. FERPA Compliance. The Charter School is subject to all provisions of the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. 1232g, and implementing regulations. In the event the Charter School closes, the Charter School shall work with the Authorizer to transfer all official student records in compliance with FERPA, and KRS 158.032 and 159.170 to the receiving school or district.
- F. Non-Profit Status. The Charter School shall be a non-profit organization, organized and in good standing to do business in the Commonwealth of Kentucky.
- G. Board Member Training. Each Charter School Board member shall participate in nine (9) hours of annual training, with six (6) additional hours of training for new Charter School Board members and members of newly-approved charter schools during the first year after approval. The training shall include certain topics, including financial governance and transparency, conflict of interest, and ethics, and be approved by the Commissioner of Education.
- H. Open Meetings and Public Records. The Charter School shall maintain and implement policies to ensure that it complies with all applicable laws and regulations relating to public meetings and records, pursuant to KRS Chapter 61 and 160.1590 to 160.1599, 161.141, and 701 KAR Chapter 8.
- I. Nondiscrimination. The Charter School shall not discriminate against any student, employee or any other person on the basis of race (in violation of the federal civil rights laws), ethnicity, national origin, gender (except with respect to admission of students by single-sex charter schools, compliant with the federal regulations), disability, academic ability, athletic ability, or any other ground that would be unlawful if done by any other public charter school. It shall take all steps necessary to ensure that discrimination does not occur, as required by the federal civil rights laws.
- J. Authorizer's Right to Review. The Charter School shall be subject to review of its operations and finances by the Authorizer, including related records, when the Authorizer, in its sole discretion, deems such review necessary.
- K. Administrative Records.
  - 1. The Charter School shall maintain all administrative records, including student

- academic records, required by law and Authorizer policies and procedures.
2. The Charter School agrees to make all administrative and student records promptly available to the Authorizer upon request.
  3. The Charter School agrees to utilize the same system and timelines for reporting student information data and financial data as is utilized by other school districts across the state.
  4. If any litigation, claim, or audit is commenced or reasonably anticipated before the expiration of an applicable document retention period, the Charter School shall retain all related records until all litigation, claims, or audit findings involving the records have been resolved.
- L. Charter School Board Member Compensation and Expenses. The Charter School Board members shall not be compensated for their services or reimbursed for their expenses in excess of the limits in KRS 160.280 for board of education members.
- M. No Encumbrances. The Charter School shall not encumber to any third party any of its assets without the written permission of the Authorizer.
- N. Ethics. The Charter School Board shall adopt a Charter School Code of Ethics and ensure adherence to the restrictions and requirements in this policy by Charter School Board members, Charter School employees, and contractors. The Charter School Code of Ethics is attached to this Contract as **Appendix [NUMBER]**.
- O. Conflict of Interest. The Charter School Board shall adopt a Charter School Conflict of Interest policy and ensure adherence to the restrictions and requirements in this policy by Charter School Board members, Charter School employees, and contractors. The Charter School Conflict of Interest policy is attached to this Contract as **Appendix [NUMBER]**.
- P. Charter School Safety Plan. The Charter School shall prepare a safety plan in accordance with KRS 158.440 et seq., which shall be submitted to other government officials in conformity with the requirements on all other public schools of Kentucky.
- Q. Pre-Opening Requirements. The Parties shall mutually agree upon pre-opening requirements or conditions to monitor the start-up progress of a newly approved public charter school, to ensure that the Charter School is prepared to open timely and smoothly on the date agreed, and to ensure that the Charter School meets all benchmarks related to facilities, health, safety, insurance, school personnel, enrollment, curriculum and instruction, operations and fiscal management, governance, and other legal requirements for the Charter School opening. These mutually agreed upon pre-opening requirements or conditions are as follows:  
 [INSERT THE MUTUALLY AGREED UPON PRE-OPENING REQUIREMENTS AND CONDITIONS]
- R. Pre-Opening Termination and Delay in Opening. Failure by the Charter School Board to comply with the pre-opening requirements or conditions may result in the immediate revocation of the Charter Contract and:
1. May result in the delay in the opening of the Charter School by up to one (1) year if the Authorizer does not determine that the Charter School is more likely than not to



close during the school year; or

2. Shall result in the delay in the opening of the Charter School by up to one (1) year if the Authorizer does determine that the Charter School is more likely than not to close during the school year.

S. Transactions with Affiliates. To the extent not prohibited outright by the Charter School Code of Ethics or the Charter School Conflict of Interest policy, the Charter School shall not, directly or indirectly, enter into or permit to exist any transaction (including the purchase, sale, lease, or exchange of any property or the rendering of any service) with any affiliate of the Charter School, any member past or present of the Charter School Board, or any employee past or present of the Charter School (except in their employment capacity), or any family member of the foregoing individuals, unless:

1. The terms of such transaction (considering all the facts and circumstances) are no less favorable to the Charter School than those that could be obtained at the time from a person that is not such an affiliate, member or employee or an individual related thereto;
2. The involved individual recuses him or herself from all Charter School Board discussions, and does not vote on or decide any matters related to such transaction; and
3. The Charter School Board discloses this potential transaction to the Authorizer and it is approved by the Authorizer.

T. Compliance with the Requirements of KRS 160.1592(3) and 160.1593(3). To the extent otherwise not specifically provided for in this Charter Contract, the Charter School shall comply with the requirements of KRS 160.1592(3) and 160.1593(3), as described in the approved Application.

[INSERT ADDITIONAL PROVISIONS REQUIRED BY KRS 160.1592(3) AND 160.1593(3) FROM THE APPROVED APPLICATION]

## **VIII. THIRD-PARTY EDUCATION SERVICE PROVIDERS OR OTHER PARTNERS**

A. Contract only with Approval. The Charter School shall not, without explicit approval of the Authorizer, contract with a third party education service provider or other partner to provide comprehensive (all or a substantial portion of the) services necessary to manage and operate the Charter School.

B. Agreement with Education Service Provider or Other Partner. If the Charter School intends to enter into such a contract, it shall enter into a legally binding and enforceable agreement with such entity named in the Application (Education Service Provider, or other partner), subject to the approval of the Authorizer and the requirements set forth in **Appendix [NUMBER]**.

C. Education Service Contract. The Education Service Contract shall set forth with particularity *inter alia*,

1. The contingent obligations and responsibilities of each party in the event that the Education Service Contract has to be modified in order to obtain or maintain the

- Charter School's status under state and federal law; and
2. The extent of the participation of the Education Service Provider, or other partner, in the organization, operation, and governance of the Charter School.
- D. Independent Legal Review and Counsel. No later than thirty (30) days prior to entering into the Education Service Contract, the Charter School shall provide a copy of the Education Service Contract in proposed final form to the Authorizer. Such Education Service Contract shall be accompanied by a letter from a licensed attorney representing the Charter School stating that the Education Service Contract meets the attorney's approval. Such attorney shall not represent or be retained by the Education Service Provider or other partner.
- E. Charter Contract Amendment and Approval. The Education Service Contract shall not be executed until the Charter School is notified in writing by the Authorizer that the Education Service Contract meets its approval. The Charter School shall not enter into any contract for comprehensive Charter School services to be performed in substantial part by any other entity not identified as such in the approved Application without receiving prior written approval from the Authorizer, without amending the Charter Contract, and without receiving approval from the Commissioner of Education.
- F. ESP Contract Terms. Any contract with a third part education service provider or other partner shall include the following, none of which may be waived or delegated by the Charter School:
1. Clearly establish the primacy of the Charter Contract over the contract between the Charter School Board and the education service provider or other partner;
  2. Clearly identify the Charter School Board as the party ultimately responsible for the success or failure of the Charter School, and clearly define the education service provider or other partner as a vendor of services;
  3. Prohibit the education service provider or other partner from selecting, approving, employing, compensating, or serving as members of the Charter School Board;
  4. Require the Charter School Board to directly select, retain, and compensate the Charter School's legal counsel, finance staff, audit firm, and principal/school leader;
  5. Provide for payments to the Charter School to be made to an account controlled by the Charter School Board, not the education service provider or other partner;
  6. Require all instructional materials, furnishings, and equipment purchased or developed with school funds be the property of the Charter School, not the education service provider or other partner;
  7. Identify and describe the roles and responsibilities of the Charter School Board and the education service provider or other partner, including all services to be provided under the contract between the Charter School Board and the education service provider or other partner;
  8. Identify and describe the performance measures and consequences by which the Charter School Board shall hold the education service provider or other partner accountable for performance, aligned with the performance measures in the Charter Contract;
  9. Identify and describe with specificity all compensation to be paid to the education service provider or other partner, including all fees, bonuses, and the conditions, consideration, and restrictions on such compensation;
  10. Identify and describe the terms of any facility agreement that may be part of the

- relationship;
11. Identify and describe financial reporting requirements and provisions for the Charter School Board's financial oversight of the Charter School and the education service provider or other partner;
  12. Identify and describe all other financial terms of the contract, including disclosure and documentation of all loans or investments by the education service provider or other partner to the Charter School Board, and provision for the disposition of assets upon closure of the Charter School in accordance with KRS 160.1590 to 160.1599, 161.141, and 701 KAR Chapter 8;
  13. Include assurances that the Charter School Board, at all times, shall maintain independent fiduciary oversight and authority over the Charter School budget and ultimate responsibility for the Charter School's performance;
  14. Include provisions for contract termination without penalties for the Charter School Board and without costs beyond the pro-rated value of the services provided;
  15. Assure:
    - a. That the Charter School Board shall be structurally independent from the education service provider or other partner and shall set and approve school policies;
    - b. That the terms of the contract between the Charter School Board and the education service provider or other partner are reached through arm's-length negotiations in which the Charter School Board is represented by legal counsel that does not also represent the education service provider or other partner; and
  16. Identify and describe the respective responsibilities of the Charter School Board and the education service provider or other partner in the event of school closure.

## **IX. EDUCATIONAL PROGRAM**

- A. Design Elements. The Charter School shall implement and maintain the following essential design elements of its educational program, subject to modification with the Authorizer's written approval:

[INSERT ELEMENTS AND OBJECTIVES OF THE EDUCATIONAL PROGRAM FROM THE APPROVED APPLICATION]
- B. Content Standards. The Charter School's educational program shall meet or exceed the Kentucky academic standards, and any additional academic standards identified in the approved Application.

[INSERT LANGUAGE ON THE CONTENT STANDARDS FROM THE APPROVED APPLICATION]
- C. Curriculum.
  1. The Charter School shall implement the curriculum described in the approved Application, supplemented with such other curriculum, which may be helpful to the Charter School's academic progress to the extent that such curriculum meets or exceeds the Kentucky academic standards and any academic standards of the Authorizer.
  2. The Charter School may, with notice to the Authorizer but without seeking Authorizer approval, make reasonable modifications to its approved curriculum to permit the Charter School to meet its educational goals, and student achievement standards.

3. Any modifications, either individually or cumulatively, that are of such a nature or degree as to cause the approved curriculum to cease to be in operation shall require approval from the Authorizer and an amendment to this Charter Contract.
- D. Student Performance Standards. The Charter School shall provide educational services and determine educational outcomes according to the following student performance standards:  
[INSERT INFORMATION ON THE STUDENT PERFORMANCE STANDARDS FROM THE APPROVED APPLICATION]
- E. Parent and Community Engagement and Involvement. The Charter School shall take the following actions to engage and involve parents, persons with custody or charge, adult students, emancipated youth students, and the targeted school community:  
[INSERT THE PARENT, PERSON WITH CUSTODY OR CHARGE, ADULT STUDENT, EMANCIPATED YOUTH STUDENT, AND COMMUNITY INVOLVEMENT AND ENGAGEMENT INFORMATION FROM THE APPROVED APPLICATION]
- F. Charter School Culture. The Charter School shall provide a positive academic environment that reinforces student intellectual and social development. The Charter School shall create and implement this school culture as follows:  
[INSERT THE SCHOOL CULTURE INFORMATION FROM THE APPROVED APPLICATION]
- G. Graduation Requirements [for charter high schools]. The Charter School's curriculum and credit requirements shall meet or exceed all applicable graduation requirements as established by the Kentucky Board of Education. The Charter School's curriculum and credit requirements SHALL/MAY [CHOOSE ONE] meet or exceed the following additional graduation requirements:  
[INSERT CHARTER SCHOOL GRADUATION REQUIREMENTS FROM THE APPROVED APPLICATION]
- H. Staff Qualifications and Background Checks. Each teacher shall possess all applicable qualifications as required by state and federal law. Each member of the Charter School Board, each Charter School staff member, and each Charter School volunteer shall be required to undergo and pass the background check requirements of KRS 160.380 and 161.148 for school district employees.
- I. Staff Training and Professional Development. The Charter School shall provide staff any training and any professional development required by state or federal law and included in the approved Application. The Charter School shall amend its professional development offerings in response to the needs realized during the contract term, as stated in the approved Application.  
[INSERT PROFESSIONAL DEVELOPMENT REQUIREMENTS FROM THE APPROVED APPLICATION]
- J. Student Assessment. As required by KRS 160.1592, the Charter School shall participate in

all testing programs required by the Kentucky Board of Education (KBE) and the Kentucky Department of Education (KDE). The Charter School shall comply with all assessment protocols and requirements as established by the KBE and the KDE, maintain test security, and administer the tests consistent with all relevant state and Authorizer requirements. The Charter School shall follow professional and ethical standards in the conduct of testing, including but not limited to 703 KAR 5:080, Administration Code for Kentucky's Assessment Program and KRS 160.1592(3)(g) for a student assessment included in the academic performance goals of the charter contract or the state accountability system. The Charter School may administer additional student assessment measures, if approved by the Authorizer. The additional student assessment measures the Charter School plans to utilize are as follows:

[INSERT ADDITIONAL STUDENT ASSESSMENT MEASURES INFORMATION]

K. English Learners.

The Charter School shall at all times comply with all state and federal law applicable to the education of English learners, including but not limited to the Elementary and Secondary Education Act (ESEA), Titles IV and VI of the Civil Rights Act of 1964, the Equal Educational Opportunities Act of 1974 (EEOA), and 703 KAR 5:070. The Charter School shall provide resources and support to English learners to enable them to acquire sufficient English language proficiency to participate in the mainstream English language instructional program. The Charter School shall employ and train teachers to provide appropriate services to English learners. In consultation with the Authorizer and subject to Authorizer approval, the Charter School shall establish and follow policies and procedures for identifying, assessing and exiting English learners, consistent with all applicable state and federal law. The Authorizer and Charter School shall work to assure compliance with any and all requirements of state and federal law regarding services to English learners.

[INSERT ADDITIONAL ENGLISH LEARNER PROVISIONS FROM THE APPROVED APPLICATION]

L. Students with Disabilities/Special Needs/At-Risk Students.

1. The Charter School shall provide services and accommodations to students with disabilities/students with special needs as set forth in the approved Application and in accordance with any relevant policies thereafter adopted, as well as with all applicable provisions of the Individuals with Disabilities Education Act (20 U.S.C. § 1401 *et seq.*) (IDEA), the Americans with Disabilities Act (42 U.S.C. § 12101 *et seq.*) (ADA), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) (Section 504), and all applicable regulations promulgated pursuant to such federal laws. This includes performing Child Find responsibilities, and providing services to attending students with disabilities in accordance with the individualized education program/plan (IEP) recommended by a student's IEP team. The Charter School is a local education agency (LEA) for special education purposes, and shall comply with all applicable requirements of federal and Kentucky law for an LEA concerning the provision of services to students with disabilities.

[INSERT ADDITIONAL APPLICABLE PROVISIONS FROM THE APPROVED APPLICATION]

2. The Charter School's responsibilities as an LEA include:  
[LIST LEA SPECIAL EDUCATION RESPONSIBILITIES OF THE CHARTER SCHOOL HERE]

M. Response to Intervention. The Charter School shall provide response to intervention services to those students with academic or behavior needs whom the Charter School has not identified under the Child Find responsibilities of special education law for evaluation or who were evaluated and not identified as a student with special needs under the special education law.

[INSERT THE RESPONSE TO INTERVENTION INFORMATION FROM THE APPROVED APPLICATION]

N. Students at Risk of Academic Failure. The Charter School shall identify and meet the learning needs of students who are performing below grade level, students at risk of academic failure or dropping out, academically behind, or traditionally underperforming and monitor their progress.

[INSERT THE STUDENTS AT RISK OF ACADEMIC FAILURE INFORMATION FROM THE APPROVED APPLICATION]

O. Gifted and Bilingual Students. The Charter School shall identify and meet the needs of intellectually gifted students and bilingual students.

[INSERT THE GIFTED STUDENT AND BILINGUAL STUDENT INFORMATION FROM THE APPROVED APPLICATION]

P. Trauma-Informed Care and Education. The Charter School shall provide trauma-informed care and education to those students who would benefit.

[INSERT THE TRAUMA-INFORMED CARE AND EDUCATION INFORMATION FROM THE APPROVED APPLICATION]

Q. Supplemental Programming and Health Services. The Charter School shall provide the following supplemental programming, extracurricular and cocurricular activities and programming, and health services:

[INSERT THE SUPPLEMENTAL PROGRAMMING AND HEALTH SERVICES INFORMATION FROM THE APPROVED APPLICATION]

R. Food Services. The Charter School shall operate and provide food services to the students as follows:

[INSERT THE FOOD SERVICES INFORMATION FROM THE APPROVED APPLICATION]

S. Health Services and Other Supplemental Services. The Charter School shall provide health services and other supplemental services to the students as follows:

[INSERT THE HEALTH SERVICES AND OTHER SUPPLEMENTAL SERVICES INFORMATION FROM THE APPROVED APPLICATION]

T. Student Discipline.

1. The Charter School shall promote good discipline and implement discipline for students with the provision of due process rights to students, in accordance with the attached student discipline policy. Attach discipline policy as **Appendix [NUMBER]**.

2. The Charter School shall utilize positive behavioral interventions and supports (PBIS) and shall not use physical restraint or seclusion to punish a student.

U. Programmatic Audits. The Charter School shall annually audit the implementation and effectiveness of the Charter School's education program, in accordance with the plan described in the approved Application.

## **X. CHARTER SCHOOL PERFORMANCE STANDARDS AND FRAMEWORK**

A. Charter School Performance Expectations. The Charter School shall annually *Meet Expectations* or *Exceed Expectations* on the Authorizer's Charter School Performance Framework.

B. Authorizer's Performance Framework.

1. The Authorizer's Academic, Financial, and Organizational Performance Frameworks together constitute the Authorizer's Charter School Performance Framework (Performance Framework), attached and incorporated into this Charter Contract as **Appendix [NUMBER]**. The Performance Framework shall supersede and replace any and all assessment measures, educational goals and objectives, financial operations metrics, and organizational performance metrics set forth in the approved Application and not explicitly incorporated into the Performance Framework.

[THE AUTHORIZER PERFORMANCE FRAMEWORK IS REQUIRED BY KRS 160.1596(1)(d) TO INCLUDE THE FOLLOWING:

AT A MINIMUM, INDICATORS, MEASURES, AND METRICS FOR:

A. STUDENT ACADEMIC PROFICIENCY;

B. STUDENT ACADEMIC GROWTH;

C. ACHIEVEMENT GAPS IN BOTH STUDENT PROFICIENCY AND STUDENT GROWTH BETWEEN STUDENT SUBGROUPS, INCLUDING RACE, SEX, SOCIOECONOMIC STATUS, AND AREAS OF EXCEPTIONALITY;

D. STUDENT ATTENDANCE;

E. STUDENT SUSPENSIONS;

F. STUDENT WITHDRAWALS;

G. STUDENT EXITS;

H. RECURRENT ENROLLMENT FROM YEAR TO YEAR;

I. COLLEGE OR CAREER READINESS AT THE END OF GRADE TWELVE (12);

J. FINANCIAL PERFORMANCE AND SUSTAINABILITY; AND

K. BOARD OF DIRECTORS' PERFORMANCE AND STEWARDSHIP, INCLUDING COMPLIANCE WITH ALL APPLICABLE STATUTES, ADMINISTRATIVE REGULATIONS, AND TERMS OF THE CHARTER CONTRACT.]

[THE AUTHORIZER PERFORMANCE FRAMEWORK IS REQUIRED BY KRS 160.1596(1)(d) TO ALLOW THE INCLUSION OF ADDITIONAL RIGOROUS, VALID, AND RELIABLE INDICATORS PROPOSED BY A PUBLIC CHARTER

SCHOOL TO AUGMENT EXTERNAL EVALUATIONS OF ITS PERFORMANCE. THE PROPOSED INDICATORS SHALL BE CONSISTENT WITH THE PURPOSES OF KRS 160.1590 TO 160.1599 AND 161.141 AND SHALL BE NEGOTIATED WITH THE AUTHORIZER.]

[THE AUTHORIZER PERFORMANCE FRAMEWORK IS REQUIRED BY KRS 160.1596(1)(d) TO DISAGGREGATE STUDENT PERFORMANCE DATA BY SUBGROUPS, INCLUDING RACE, SEX, SOCIOECONOMIC STATUS, AND AREAS OF EXCEPTIONALITY. THE AUTHORIZER SHALL BE RESPONSIBLE FOR COLLECTING, ANALYZING, AND REPORTING TO THE STATE BOARD ALL STATE-REQUIRED ASSESSMENT AND ACHIEVEMENT DATA FOR EACH PUBLIC CHARTER SCHOOL IT OVERSEES.]

[PURSUANT TO KRS 160.1596(1)(e), THE ANNUAL STUDENT ACHIEVEMENT PERFORMANCE TARGETS SHALL BE SET, IN ACCORDANCE WITH THE STATE ACCOUNTABILITY SYSTEM, BY EACH PUBLIC CHARTER SCHOOL IN CONJUNCTION WITH ITS AUTHORIZER, AND THOSE MEASURES SHALL BE DESIGNED TO HELP EACH SCHOOL MEET APPLICABLE FEDERAL, STATE, AND AUTHORIZER GOALS.]

2. The specific terms, form and requirements of the Performance Framework, including any required indicators, measures, metrics, and targets, are determined by the Authorizer and shall be binding on the Charter School.

- C. Performance Framework and Monitoring. The Authorizer shall monitor and periodically report, to those entities identified in KRS 160.1596(5) and the public, on the Charter School's progress in relation to the indicators, measures, metrics and targets set out in the Performance Framework. Such reporting shall take place at least annually. The Authorizer may make announced or unannounced visits to the Charter School to monitor its performance.

[INSERT THE PROCESS THE AUTHORIZER SHALL USE TO PROVIDE ONGOING MONITORING, INCLUDING A PROCESS TO CONDUCT ANNUAL SITE VISITS. INSERT THE PROCESS THE AUTHORIZER SHALL USE TO OVERSEE THE CORRECTION OF ANY DEFICIENCIES NOTED DURING MONITORING.]

- D. Performance on Goals and Revocation, Renewal, Nonrenewal Decisions. The Charter School's performance in relation to the indicators, measures, metrics, and targets set forth in the Academic, Organizational, and Financial Performance Frameworks shall provide the basis upon which the Authorizer shall decide whether to revoke the Charter School's Charter Contract during the Charter term and whether to renew the Charter School's Charter at the end of the Charter term. If at all possible, Authorizer shall not take revocation action against the Charter School's Charter Contract which would close the Charter School during a school year.

- E. Accountability Law Requirements. The Parties intend that, where this Charter Contract references or is contingent upon state or federal accountability laws, that they be bound by any applicable modification or amendments to such laws upon the effective date of said modifications or amendments. The specific terms, form and requirements of the Performance Framework may be modified or amended to the extent required to align with



changes to applicable state or federal accountability requirements, as set forth in law. In the event that any such modifications or amendments are required, the Authorizer shall use best efforts to apply expectations for Charter School performance in a manner consistent with those set forth in the Performance Framework as initially established in the Charter Contract.

## **XI. PERFORMANCE AUDITS AND EVALUATION**

- A. Annual Performance Review. The Charter School shall be subject to a review of its academic, organizational, and financial performance at least annually and is required to provide by [DATE] of each year, all documentation listed in **Appendix [NUMBER]**.
- B. Ongoing Quality Assurance. The Charter School shall be subject to ongoing quality assurance activities as described in **Appendix [NUMBER]**.
- C. Assessment and Accountability. For purposes of state and federal assessment and accountability and federal funding, Authorizer, to every extent possible, shall hold the Charter School accountable in accordance with the Authorizer's Charter School Performance Framework. Consequences for issues related to state and federal assessment and accountability and federal funding shall be those prescribed by the state and federal assessment and accountability system and federal funding requirements.
- D. Federal Monitoring. The Charter School shall be subject to and comply with all federal monitoring requirements related to the receipt of federal funds.
- E. State Investigation and Monitoring.
1. Authorizer, if it determines the Charter School Board has governance over more than one (1) charter school and has failed to meet the requirements of KRS 160.1592, shall commence an investigation to determine if the Charter School Board is in compliance with the charter contract for every charter school under the Authorizer's jurisdiction.
  2. Authorizer shall monitor the performance of the Charter Contract by the Charter School Board, and any educational service provider or other partner. If the Authorizer believes there is an issue with any aspect of performance of the Charter Contract, or compliance with any of the requirements of KRS 160.1590 to 160.1599, 161.141, or 701 KAR Chapter 8, the Authorizer shall commence an investigation.
  3. If the Authorizer verifies an issue with any aspect of performance of the Charter Contract, or compliance with any of the requirements of KRS 160.1590 to 160.1599, 161.141, or 701 KAR Chapter 8, the Authorizer shall notify the Commissioner of Education and may request assistance from the Commissioner of Education in addressing and remedying the issue.
  4. If the Authorizer verifies an issue with any aspect of the performance of the Charter Contract, or compliance with any of the requirements of KRS 160.1590 to 160.1599, 161.141, or 701 KAR Chapter 8, Authorizer shall take necessary action, including unilateral imposition of conditions on the Charter School, amendment, revocation, or non-renewal of the Charter Contract, to resolve the issue and to provide notice of the issue and the resolution to the Charter School's adult students, emancipated youth students, parents, and persons with custody or charge.

5. Authorizer shall at least monthly review the financial budget reports of the Charter School. If the budget projections indicate that the Charter School's annual operating expenses may at any time during the school year cause the annual operating revenues to fall below two percent (2%) of the total projected annual operating revenues included in the Charter School's approved budget, the Charter School shall provide specific notice of this to the Authorizer and the Authorizer shall take the following action:
  - a. Require the Charter School to implement a cash management plan approved by the Authorizer;
  - b. Commence a more in-depth review, and an audit if necessary, of the Charter School's financial budget reports, expenditures, and revenues;
  - c. Request financial management assistance for the Charter School from the KDE; and
  - d. Restrict the Charter School's expenditures and require the Authorizer's approval prior to expenditure of charter school funds for the remainder of the school year.
6. If the Charter School defaults on a financial obligation or if the Authorizer otherwise suspects the Charter School may close prior to the end of the school year or the charter contract term, the Authorizer shall:
  - a.. Consult with the Commissioner of Education;
  - b. Communicate with the Charter School Board to determine the need for charter contract revocation;
  - c. Commence actions under 5 above;
  - d. Review the closure protocol;
  - e. Review this Charter Contract's termination provisions;
  - f. Communicate with the Charter School Board regarding the closure protocol and this Charter Contract's provisions for termination; and
  - g. Notify students and resident local school districts, as necessary.
7. Authorizer shall revoke the Charter Contract and determine the timeline for closure if the Authorizer determines the Charter School:
  - a. Is financially insolvent;
  - b. Is financially unsustainable for the remainder of the school year or the charter contract term; or
  - c. Has violated or threatened the health and safety of the students of the Charter School, pursuant to KRS 160.1598(7).
8. Authorizer or at least one member of the Authorizer's board of directors shall attend any due process hearing conducted pursuant to KRS 158.150 to suspend or expel a Charter School student; and, the charter school board of directors, with the consent of the parent, person with custody or charge, adult student, or emancipated student, and as otherwise allowed by confidentiality laws, may invite the resident local district superintendent to attend the due process hearing and to provide information to the charter school board of directors as to the educational services the resident local school district would provide the student if the student is expelled from the charter school and if the charter school board of directors determines, on the record and supported by clear and convincing evidence that the charter school cannot provide or assure that educational services are provided to the student in an appropriate alternative program or setting because the expelled student posed a threat to the safety of other students or school staff and could not be placed into a state-funded agency program.

9. The Charter School shall provide the Authorizer the following:
  - a. Information and copies of all records of use of the Individual with Disabilities Education Act dispute resolution procedures, 707 KAR 1:340, regarding the services provided by the Charter School or a student attending the Charter School;
  - b. Information and copies of all records of use of physical restraint or seclusion of Charter School students; and
  - c. Information and copies of all records of allegations received or substantiation of violation of any health, safety, civil rights, and disability rights of students, staff, or parents or persons with custody or charge.
10. The Charter School shall provide to the public updates on the Charter School's performance of the Charter Contract, as follows:  
 [INSERT AUTHORIZER'S REQUIREMENTS FOR PUBLIC UPDATES ON THE CHARTER SCHOOL'S PERFORMANCE UNDER THIS CONTRACT AND UNDER THE PERFORMANCE FRAMEWORK]
11. Authorizer shall require continuous enrollment at the Charter School of at least eighty percent (80%) this Charter Contract's minimum student enrollment requirements and shall monitor and take action as follows:
  - a. The Charter School shall provide at least twice a month reports to the Authorizer on student enrollment and attendance; and
  - b. Failure of the Charter School to maintain this continuous, minimum student enrollment shall result in an immediate review by the Authorizer of:
    - 1/ The Charter School's operations,
    - 2/ The Charter School's financial solvency;
    - 3/ The Charter School's financial sustainability through the end of the school year and the end of the Charter Contract term;
    - 4/ The potential for closure;
    - 5/ Violation of the Charter Contract; and
    - 6/ The need for imposition of unilateral conditions, amendment, non-renewal, or revocation of the Charter Contract, or immediate revocation of the Charter Contract pursuant to KRS 160.1598(7).
12. Authorizer shall remove a member of the Charter School Board who has been convicted of a crime described in KRS 61.040 and shall remove any or all of the members of the Charter School Board in connection with ensuring a smooth and orderly closure when the member or members threaten the health, safety, civil rights, or disability rights of the students or the community pursuant to KRS 160.1598(11).

F. Financial Prohibitions and Reporting Requirements. Pursuant to KRS 160.1590 to 160.1599, 161.141, and 701 KAR Chapter 8,

1. No member of the Charter School's Board, no education service provider or other partner, and no charter school employee shall knowingly recommend and no member of the Charter School's Board shall knowingly vote for an expenditure in excess of the Charter School's income and revenue of any year, as shown by the budget adopted by the Charter School Board and approved by the Authorizer.
2. A member of the Charter School's Board, an education service provider or other partner, or a charter school employee who knowingly expends or authorizes the

expenditure of charter school funds or who knowingly authorizes or executes any employment, purchase, or contract, in violation of the prohibitions in 1, shall be jointly and severally liable in person and upon any official fidelity bond given to the Authorizer to the extent of any payments on the void claim.

3. If at any time during any fiscal year of the Charter School's existence, a member of the Charter School's Board, an education service provider or other partner, or a Charter School employee knows or reasonably should know that the Charter School has or will become unable to pay in full its projected expenses as they fall due, the Charter School shall immediately so advise the KDE and the Authorizer, and shall provide the KDE and the Authorizer with all financial information relating to revenues and expenses of the school necessary for the KDE and the Authorizer to determine the extent and cause of any potential operating deficit.
4. If the member of the Charter School Board, the education service provider or other partner, or the Charter School employee fails to comply with these provisions for financial prohibition and reporting:
  - a. The Authorizer shall determine whether grounds exist to revoke the Charter Contract;
  - b. The member of the Charter School Board, the education service provider or other partner, or the Charter School employee may be subject to the liability described in 2 above; and
  - c. The member of the Charter School Board could be subject to removal pursuant to KRS 160.1590 to 160.1599.
5. The Charter School shall only expend funds for school purposes, as required by the Kentucky Constitution and KRS 160.1592(3)(p)1.
6. The Charter School shall be prohibited from expending funds and resources in excess of the fair market value of the product, service, or consideration received.
7. The Charter School shall not dispose of resources for less than the fair market value of those resources.

G. Charter School Duty to Notify. Pursuant to KRS 160.1590 to 160.1599, 161.141, and 701 KAR Chapter 8, the Charter School has a duty to provide notice immediately to the Authorizer as follows:

1. If the Charter School is no longer a non-profit organization;
2. If the Charter School is no longer in good standing to conduct business in the Commonwealth of Kentucky;
3. If the Charter School Board has governance over more than one Charter School and has failed to meet the requirements of KRS 160.1592;
4. If the Charter School ceases to operate a breakfast and lunch program providing meals at no cost to students who qualify for free meals under the Child Nutrition Act of 1966, 42 U.S.C. 1773, as amended (CNA), and the Richard B. Russell National School Lunch Act, 42 U.S.C. 1751 et seq. (NSLA) and providing meals at a reduced cost to students who qualify for reduced price meals under the CNA and NSLA;
5. If the Charter School Board ceases to include at least two (2) resident parents or persons with custody or charge of resident students who will attend the Charter School or ceases to include the members with areas of expertise described in KRS

160.1592(8);

6. If the Charter School Board exceeds the authority granted to a local board of education in KRS 160.1592(3)(p)4 and 5 or in KRS 160.540;
7. If the Charter School suspects or confirms misappropriation of funds;
8. If the members of the Charter School Board fail to meet the training requirements of 701 KAR Chapter 8;
9. If circumstances arise preventing the Charter School from meeting the requirements of this Contract or federal, state, or other application laws or requirements.
10. If a member of the Charter School Board or Charter School employee is arrested or charged with a felony, any crime related to the misappropriation of funds or theft, any crime described in KRS 17.165, or if any of the foregoing persons is under investigation for child abuse, neglect, or dependency; or
11. If the Charter School defaults on any financial obligation.

## **XII. CHARTER SCHOOL CALENDAR AND SCHEDULE**

- A. Compulsory Attendance and Instruction Time. The Charter School shall adopt a school calendar with an instructional program that meets the compulsory school attendance requirements, the minimum student instruction year requirements of KRS 158.070, financial guidelines, and any other applicable state law.
- B. Calendar and Schedule. Each year the Charter School shall develop a calendar, including dates and hours of operation and instruction, and submit it to the Authorizer by [DATE].
- C. Changes. Any changes that cause the school calendar to differ materially from the calendar proposed and approved in the Charter School's Application are subject to Authorizer approval.
- D. Legislative Changes. Any changes in the requirements in KRS 158.070 enacted by the General Assembly and applicable to Kentucky public schools generally shall be applicable to the Charter School's calendar.

## **XIII. ENROLLMENT**

- A. Student Recruitment, Enrollment, and Retention Policy.
  1. The Charter School shall make student recruitment, admissions, enrollment, and retention decisions in a nondiscriminatory manner and without regard to the following in violation of federal or state law: English language proficiency, race, color, creed, national origin, sex, marital status, race, ethnicity, disability, income level, academic or athletic ability, religion, or special needs or need for special education or 504 services. In no event may the Charter School limit application, lottery eligibility, or enrollment based on these statuses or factors in violation of federal or state law.
  2. The Charter School shall enroll and educate students in such grades and numbers in each school year of operation as described in the approved Application. The Charter School may make modifications as to the number of students in any particular grade, and number of students within a class to accommodate staffing exigencies and attrition

patterns provided such modifications are otherwise consistent with this Charter Contract and with notice to the Authorizer. Elimination of a grade that the Charter School was scheduled to serve or expansion to serve grade levels not contemplated in the approved Application shall be material changes to the terms of this Charter Contract and shall require prior written authorization from the Authorizer.

3. If there are more applications to enroll in the Charter School than there are spaces available, the Charter School shall select students to attend using a lottery that shall be a transparent, open, equitable, and impartial process that is competently conducted with randomization, that shall include a lottery monitor who is competent, independent, impartial, and that shall be publicly noticed and open to the public, pursuant to KRS 160.1590 to 160.1599, and 701 KAR Chapter 8. [PURSUANT TO 701 KAR 8:010, THE AUTHORIZER MAY INCLUDE IN THE CHARTER CONTRACT A REQUIREMENT FOR THE CHARTER SCHOOL BOARD OF DIRECTORS TO CONDUCT A PRACTICE LOTTERY, IN THE PRESENCE OF THE LOTTERY MONITOR, TO REDUCE SHAREHOLDER CONCERNS, TO IDENTIFY POTENTIAL ISSUES AND PERCEPTIONS WITH THE SELECTED LOTTERY METHOD, AND TO BUILD THE CHARTER SCHOOL'S CAPACITY TO CONDUCT THE LOTTERY.]
4. The Charter School shall follow the application, lottery, and enrollment policy that is compliant with the requirements of KRS 160.1590 to 160.1599, and 701 KAR Chapter 8, approved by the Authorizer, and incorporated into this Charter Contract as **Appendix [NUMBER]**.
5. The Charter School shall submit projected, current, and final student enrollment information in accordance with the Authorizer's financial and attendance reporting requirements.  
[INSERT THE AUTHORIZER'S FINANCIAL AND ATTENDANCE REPORTING REQUIREMENTS]
6. The Charter School shall take the following actions to encourage students to continue their education at the charter school in successive years and to monitor the efficacy of such student enrollment retention efforts, including disaggregation of student performance data for each student subgroup:  
[INSERT THE STUDENT ENROLLMENT RETENTION AND MONITORING EFFORTS FROM THE APPROVED APPLICATION]
7. The Charter School shall enforce the compulsory attendance laws in KRS Chapter 159 and take actions as required by those laws to ensure the attendance and prevent the truancy of students.

**B. Maximum Enrollment.**

1. The maximum number of students who may be enrolled in the Charter School shall be [NUMBER] of students. This maximum enrollment was determined pursuant to negotiations between the Authorizer and the Charter School and is consistent with facilitating the academic success of students enrolled in the Charter School and facilitating the Charter School's ability to achieve the other objectives specified in the Contract.
2. If the Charter School wishes to enroll more than the maximum number of students listed above, it shall, before exceeding this number, provide evidence satisfactory to the Authorizer that it has the capacity to serve the larger population.
3. The maximum enrollment shall not exceed the capacity of the Charter School facility.

C. Minimum Enrollment.

1. The minimum number of students who shall be enrolled at all times in the Charter School shall be [NUMBER] of students. This minimum number was determined pursuant to negotiations between the Authorizer and the Charter School and is consistent with facilitating the academic success of students enrolled in the Charter School and facilitating the Charter School's ability to achieve the other objectives specified in the Contract, including the financial solvency and sustainability requirements for the Charter School.
2. If the Charter School determines that the minimum enrollment number has fallen below this threshold, the Charter School shall notify the Authorizer and the Authorizer shall take actions as described in 701 KAR 8:010 and Section XI.E.11 of this Charter Contract.

D. Enrollment Projections. The enrollment projections for each year of the Charter School shall be as follows:

[INSERT ENROLLMENT PROJECTION INFORMATION FROM THE APPROVED APPLICATION]

E. [ANY ADDITIONAL STATE OR AUTHORIZER REQUIREMENTS REGARDING ENROLLMENT AND ADMISSIONS]

F. Student Transfers and Exits.

1. The Charter School shall not exit, suspend, withdraw, expel, prevent or prohibit attendance, or unenroll a student except as follows:
  - a. The student has been awarded a high school diploma after meeting or exceeding the minimum requirements for high school graduation set by the KBE and the Charter School;
  - b. The Charter School has expelled the student pursuant to KRS 158.150;
  - c. A court has ordered placement of the student in another school; or
  - d. The student has voluntarily withdrawn from enrollment in the Charter School.
2. The following documentation shall be required prior to any student exit, suspension, withdrawal, expulsion, or unenrollment and provided to the Authorizer:
  - a. Any student exit out of the Charter School shall be documented by an exit form signed by the student's parent or person with custody or charge, the adult student, or the emancipated youth student, which affirmatively states that the student's transfer or exit is voluntary; or
  - b. The Charter School shall provide the student's parent or person with custody or charge, the adult student, or the emancipated youth student with notice of the discontinuation of the student's right to attend the Charter School and the due process rights of KRS 158.150, and the Charter School adheres to the protections and requirements of the rights provided in KRS 158.150.
3. The Charter School agrees that a student may withdraw without penalty from the Charter School at any time and enroll in another public school in the local school district in which the student resides or enroll in a non-public school.
4. The Charter School shall collect and report to the Authorizer, in a format required or approved by the Authorizer, exit data on all students transferring from or otherwise

exiting the Charter School for any reason (other than graduation), voluntary or involuntary. Such exit data shall identify each departing student by name and shall document the date of and reason(s) for each student departure.

5. In the event that the Charter School is unable to document the reasons for a voluntary withdrawal, the Charter School shall notify the Authorizer and provide evidence that it made reasonable efforts to obtain documentation.

G. Right to Remain. Pursuant to KRS 160.1590 to 160.1599, and 701 KAR Chapter 8, students who enroll in the Charter School shall have the right to remain enrolled in the Charter School through the end of the school year, absent expulsion, graduation, voluntary transfer or withdrawal, or court-ordered placement.

H. Attendance Records. The Charter School shall provide contemporaneous attendance records and data to the Authorizer at least monthly and shall make such records available for inspection at the Authorizer's request, including for the annual audit:  
[INSERT AUTHORIZER'S ATTENDANCE RECORD PROVISION SCHEDULE]

I. [ADDITIONAL STATE LAW OR AUTHORIZER POLICY PROVISIONS REGARDING STUDENT MOVEMENT, ENROLLMENT COUNTS, AND FUNDING]

#### **XIV. TUITION AND FEES AND VOLUNTEER SERVICE**

A. Restriction on Charging Tuition or Fees or Requiring Service. The Charter School shall not charge tuition or any additional fees or require a family to volunteer at the charter school or provide payment to the school, except:

1. As allowed in KRS 160.1592(14) for fees required on the same basis and to the same extent as other public schools;
2. The Charter School may encourage parental involvement in the Charter School as long as involvement is not required and there are no adverse consequences for the family and student who cannot be involved; and
3. The Charter School shall waive fees for students eligible for free or reduced price lunch as required by KRS 160.300 and 702 KAR 3:220.

B. Anticipated Fees. Anticipated fees for charter school students are detailed in the following list:

[INSERT THE ANTICIPATED FEES INFORMATION]

#### **XV. CHARTER SCHOOL FACILITIES**

A. [FOR NEW CHARTER SCHOOLS:] Location.

1. The location of the Charter School shall be consistent with the approved Application and acceptable to the Authorizer.
2. The Charter School shall provide evidence that it has secured a location that is acceptable to the Authorizer by [DATE], [YEAR].
3. Pursuant to KRS 160.1593(3)(1), the Charter School shall obtain certification of occupancy for the facilities and provide it to the Authorizer at least thirty (30) days



prior to the first student instructional day.

4. After [DATE], [YEAR], the Charter School may move its locations only after obtaining written approval from the Authorizer, subject to such terms and conditions as may be specified.
5. Any change in the location of the Charter School shall be consistent with the approved Application and acceptable to the Authorizer and require amendment of this Charter Contract.

[FOR RENEWAL CHARTER SCHOOLS:] Location.

1. The Charter School shall be located at [LOCATION].
2. The Charter School may change its location only after obtaining written approval from the Authorizer, subject to such terms and conditions as may be specified.
3. Any change in the location of the Charter School shall be consistent with the approved Application and acceptable to the Authorizer and require amendment of this Charter Contract.

B. [FOR CHARTER SCHOOLS NOT SHARING OR OCCUPYING IN FULL AN AUTHORIZER-OWNED OR CONTROLLED FACILITY:] Construction/Renovation and Maintenance of Facilities and Use.

1. The Charter School shall be responsible for the construction/renovation and maintenance of any facilities owned or leased by it. The Charter School shall be responsible for ensuring compliance with all ADA accessibility requirements and ensuring the Facilities meet the needs of the student population. The Charter School facilities shall meet all laws governing health, safety, and occupancy, and the fire code requirements, and shall be of sufficient size to safely house the anticipated enrollment and staff.
2. The Charter School shall use the facility for the sole purpose of operating a public charter school as authorized by this Contract. Only those activities ordinarily incidental to the operation of a public charter school shall be permitted on the Charter School premises. The Charter School shall not conduct, nor shall it permit, any activity that would threaten or endanger the health or safety of occupants, the structural integrity of the facility, or the insurability of the facility. The Charter School may not lease, sublet, or otherwise grant to any third party any right to enter or use the premises without the written approval of the Authorizer, provided that the Charter School may permit use of the facility by persons or groups associated with it for functions and activities consistent with the use of a public charter school building, as allowed by KRS 162.050 and 162.055, and in accordance with Authorizer policies regarding facility use or an alternative policy agreed to by the Authorizer. Approval shall not be unreasonably withheld.

[FOR CHARTER SCHOOLS IN AUTHORIZER-OWNED OR CONTROLLED FACILITIES] Lease. Authorizer and Charter School shall execute a separate lease for the Charter School's use of an Authorizer-owned or controlled facility.

C. [FOR CHARTER SCHOOLS IN AUTHORIZER-OWNED OR CONTROLLED FACILITIES] Alterations. The Charter School shall not alter or modify the facility without the written approval of the Authorizer, which shall not be unreasonably withheld.

- D. Inspections. The Authorizer shall have access at all reasonable times to any facility owned, leased, or utilized in any way by the Charter School for purposes of inspection and review of the Charter School's operation and to monitor the Charter School's compliance with the terms of this Contract.
  
- E. [FOR CHARTER SCHOOLS IN AUTHORIZER-OWNED OR CONTROLLED FACILITIES] Impracticability of Use. If use by the Charter School of an Authorizer-owned or controlled facility is rendered impracticable by any cause whatsoever, or if the funds necessary to construct/renovate or upgrade a facility cannot be secured, the Authorizer shall not be obligated to provide an alternative facility for use by the Charter School. However, if such an event occurs, the Authorizer shall use its best efforts to locate or provide an alternative facility for use by the Charter School.
  
- F. Use of Authorizer Facilities. The Charter School may not use Authorizer facilities for activities and events without prior written consent from the Authorizer.

## **XVI. CHARTER SCHOOL FINANCE**

- A. Finance and Budget Laws and Rules. The Charter School shall comply with all applicable state financial and budget rules, regulations, and financial reporting requirements, the systems, policies and processes for financial planning, accounting, purchasing, payroll, and internal controls described in the approved Application, as well as the requirements contained in the Authorizer's Performance Framework incorporated into this Contract as **Appendix [NUMBER]**.
  
- B. Financial Governance and Controls. At all times, the Charter School shall maintain appropriate governance and managerial procedures and financial controls, to prevent fraud, embezzlement, or misuse of school funds and to ensure proper management and expenditure in compliance with Kentucky law and the goals of the charter school, which procedures and controls shall include, but not be limited to:
  - 1. Generally accepted accounting principles and practices and the capacity to implement them;
  - 2. A checking account;
  - 3. Adequate payroll procedures;
  - 4. An organizational chart;
  - 5. Procedures for the creation and review of monthly and quarterly financial reports, which procedures shall specifically identify the individual who shall be responsible for preparing such financial reports each fiscal year;
  - 6. Internal control procedures for cash receipts, cash disbursements, and purchases; and
  - 7. Maintenance of asset registers and financial procedures for grants in accordance with applicable state and federal law.
  
- C. Payment Requirements. Neither the first payment of public funds nor future payments thereafter shall be made to the Charter School unless the Charter School has demonstrated to the Authorizer's satisfaction that the Charter School has the appropriate controls in place.

- D. Financial Audits. The Charter School shall undergo an independent financial audit conducted in accordance with generally accepted accounting standards and \_\_\_\_\_ [e.g., GASB #34] performed by a certified public accountant each fiscal year. The results of the audit shall be provided to the Authorizer in written form by [DATE] of each year. The Charter School shall pay for the audit. In addition, the Charter School shall transmit the final trial balance to the Authorizer using the [STATE] chart of accounts with the submission of the annual independent financial audit. If such audit is not received by [DATE] of each year, it shall be considered a material violation of the terms of this Charter Contract and may be grounds for revocation or other remedy as provided by this Charter Contract. The Charter School shall utilize the following process for reviewing and acting on the results of the Charter School's annual financial audits and interim financial statements, including reviewing and approving procurement contracts and monitoring the use of public funds:  
[INSERT THE INFORMATION FROM V.A.6. OF THE APPROVED APPLICATION]
- E. Financial Reports. The Charter School shall prepare monthly financial budget reports for the Authorizer in compliance with 701 KAR 8:020 and [AUTHORIZER POLICY]. Such reports shall be submitted to the Authorizer no later than \_\_\_\_\_ days following the end of each month, except that the last month of the fiscal year and the year end reports shall be submitted with the annual independent financial audit.
- F. Maintenance of Financial Records. The Charter School agrees to maintain financial records in accordance with the governmental accounting method required by the Authorizer and to make such records available promptly to the Authorizer upon request. The Charter School shall ensure financial transparency to the Authorizer and the public, comply with purchasing requirements and limitations of Kentucky law or provide the Authorizer the same detailed monthly report of purchases over ten thousand dollars (\$10,000) that is provided to the Charter School Board, as described in the approved Application:  
[INSERT THE INFORMATION FROM V.A.7. OF THE APPROVED APPLICATION]
- G. Chart of Accounts and Codes. The Charter School shall use and follow all policies in the [STATE EDUCATION FINANCE ACCOUNTING HANDBOOK], including appropriate use of the chart of accounts and account and grant codes.
- H. Fund Restriction Accounting. The Charter School shall record all financial transactions in general, appropriations, and revenue and expenditures records. In addition, the Charter School shall make appropriate entries from the adopted budgets in the records for the respective funds, and shall maintain separate accounts for each of the funds.
- I. Transparency. The Charter School shall assure that all financial records for the Charter School are maintained at the Charter School Principal/Leader's administrative office, are posted and reconciled at least monthly, and are open for public inspection during reasonable business hours.

- J. Annual Budget Statement. The Charter School Board shall adopt an annual budget statement that describes the major objectives of the educational program and manner in which the budget proposes to fulfill such objectives.
- K. Notice and Filing Requirements. The Charter School shall comply with notice and filing requirements regarding the budget.
- L. Disbursements. The Charter School shall establish procedures for ensuring that funds are disbursed for approved expenditures consistent with the Charter School's budget.
- M. Federal Requirements. In the event the Charter School seeks grant funds under the Federal Charter School Program, the Charter School shall satisfy all federal eligibility requirements as a prerequisite to applying for and receiving such funds.
- N. Education Finance Requirements. The Charter School shall comply with any other requirement imposed through the [STATE EDUCATION FINANCE LAW], from time to time, on charter school finances, budgeting, accounting and expenditures, provided that the Authorizer shall provide annual technical assistance regarding material changes to the [STATE EDUCATION FINANCE LAW], and the Parties shall collaborate to assure that they each remain reasonably current on the impact of any modifications on charter schools. The Parties agree that the Charter School retains primary responsibility for compliance with the [STATE EDUCATION FINANCE LAW].
- O. Assets. The Charter School shall be responsible for its assets as follows:
  - 1. The Charter School shall maintain a complete and current inventory of all Charter School property, shall update the inventory annually, and shall provide a copy of the annual inventory, including notations of shrinkage, to the Authorizer;
  - 2. Any assets acquired by the Charter School are the property of the Charter School for the duration of the Charter Contract and any subsequent renewals; and
  - 3. The Charter School shall take reasonable precautions to safeguard assets of the Charter School.
  - 4. The Charter School shall not dispose of assets for less than the fair market value of the assets.

## **XVII. BUDGET**

- 1. Annual Budgets. On or before [DATE] of each year, the Charter School shall submit to the Authorizer the Charter School's proposed budget for the upcoming fiscal year (July 1<sup>st</sup> to June 30<sup>th</sup>).
  - a. The Charter School shall adopt a budget and an appropriation resolution for each fiscal year, prior to the beginning of the fiscal year. The budget shall:
    - 1/ Be presented in a summary format which is consistent with accepted practice in the field;
    - 2/ Be presented in a summary format that shall allow for comparisons of revenues and expenditures among charter schools;
    - 3/ Be presented in a format that itemizes expenditures of the Charter School by

fund;

4/ Show the amount budgeted for the current fiscal year;

5/ Show the amount estimated to be expended for the current fiscal year;

6/ Show the amount budgeted for the ensuing fiscal year;

7/ Specify the proposed expenditures and anticipated revenues arising from the anticipated revenue sources;

8/ Ensure that the Charter School holds unrestricted general fund or cash fund emergency reserves in the amount required by the Authorizer; and

9/ Not provide for expenditures, inter-fund transfers, or reserves in excess of available revenues and beginning fund balances.

b. The Charter School is required to provide reconciliation between the beginning fund balance on a budgetary basis and on a modified accrual basis of accounting. The reconciliation shall include but need not be limited to the liability for accrued salaries and related benefits. The reconciliation shall be included with the final version of the amended budget and the annual audited financial statements; and

c. The Charter School shall not expend any monies in excess of the amount appropriated by resolution for a particular fund.

c. Budget Notice Requirements. If the projections indicate that the Charter School's annual operating expenses may at any time during the school year cause the Charter School's annual operating revenues to fall below two percent (2%), the Charter School shall provide specific notice of this to the Authorizer, and the Authorizer shall take action as described in 701 KAR 8:020 and Section XI.E.5 of this Charter Contract.

d. Allocation and Schedule for Distribution of Public Funds [FOR OTHER SPECIFIED PURPOSES].

[AS REQUIRED BY KENTUCKY LAW]

## **XVIII. CHARTER SCHOOL AND AUTHORIZER FUNDING**

[DETERMINED BY KENTUCKY LAW]

## **XIX. EMPLOYMENT MATTERS**

A. No Employee or Agency Relationship. The Charter School, its employees, agents, and contractors are not employees or agents of the Authorizer, KBE, or KDE. The Authorizer, KBE, and KDE, and their employees, agents, and contractors, are not employees or agents of the Charter School. None of the provisions of this Contract shall be construed to create a relationship of agency, representation, joint venture, ownership, or control of employment between the Parties other than that of independent Parties contracting solely for the purpose of effectuating this Contract.

B. Subcontract. The Charter School shall not subcontract the implementation of the total educational program without the written approval of the Authorizer and shall not delegate duties and responsibilities in violation of 702 KAR 8:020.

- C. Retirement Plan. Employees of the Charter School shall participate in the state retirement plans as described in KRS 161.141.
- D. Teacher Membership in Professional Organizations. Teachers at the Charter School have the right to join, or refrain from joining, any lawful organization for their professional or economic improvement and for the advancement of public education. A teacher's membership in or financial support for any organization shall not be required as a condition of employment with the Charter School.
- E. Background Checks. The Charter School agrees to obtain and retain copies of fingerprint and background checks for all employees and Charter School Board members and volunteers as required by KRS 160.1592(3)(j). The Charter School shall give notice to the Authorizer of any member of the Charter School Board, employee, or volunteer, it finds who has a prior conviction of a felony and of any member of the Charter School Board, employee, or volunteer who is convicted of a felony during the term of the Board member's membership, employee's employment, or volunteer's eligibility period. Employee rosters and proof of background check clearance shall be provided to the Authorizer as required by the Organizational Performance Framework incorporated as **Appendix [NUMBER]**.

**XX. TRANSPORTATION**

[AS AGREED BETWEEN CHARTER SCHOOL AND AUTHORIZER OR AS REQUIRED BY STATE LAW]

**XXI. PROVISION OF POLICIES TO THE AUTHORIZER**

Upon request, the Charter School shall furnish to the Authorizer copies of all written policies and procedures it may adopt with respect to any matter relating to its management, operations, and educational program.

**XXII. BREACH OF CONTRACT, TERMINATION, AND DISSOLUTION**

The grounds and procedures for termination of this Contract and dissolution of the Charter School shall be as follows:

- A. Termination by the Authorizer. This Contract may be terminated, after written notice to the Charter School, that the Charter Contract is being revoked or nonrenewed by the Authorizer. Any termination or revocation shall take effect after the Charter School has had the opportunity to exhaust any appeal provided by Kentucky law. In order to minimize the disruption to students, the effective date of the termination shall be no sooner than the end of the then-current school year, unless termination on a different date is necessary to protect the health, safety, or welfare of students or staff. Authorizer may take immediate action to revoke the Charter Contract if a violation threatens the health and safety of the students or staff of the Charter School. The Authorizer may terminate the Charter Contract for any of the following reasons:
  - 1. Any of the grounds provided for under KRS 160.1590 to 160.1599, 161.141, and 701 KAR Chapter 8, as they exist now or may be amended;

2. Any of the reasons in KRS 160.1598(6). The Authorizer shall only terminate the Contract for this reason at the end of the school year;
3. Commission of a material violation of any of the conditions, standards, or procedures set forth in the Contract;
4. Failure to provide the Authorizer with access to information and records;
5. Failure to meet generally accepted standards of fiscal management;
6. Failure to meet the pre-opening requirements in this Contract;
7. Violation of any provision of law from which the Charter School was not specifically exempted;
8. Discovery and confirmation that the Applicant or Charter School Board submitted inaccurate, incomplete, or misleading information in the Application or in response to the Authorizer's request for information or documentation;
9. If a member of the Charter School Board, or an education service provider at the direction of a member of the Charter School Board, or a charter employee at the direction of a member of the Charter School Board, is found by the Commissioner of Education to have knowingly violated 703 KAR 5:080, Administration Code for Kentucky's Assessment Program or KRS 160.1592(3)(g) for a student assessment included in the academic performance goals of the charter contract or the state accountability system;
10. Failure to meet the goals, objectives, content standards, student performance standards, applicable federal requirements, or other terms identified in the Contract; or
11. The Charter School's bankruptcy, financial insolvency, or substantial delinquency in payments.

B. Other Remedies. The Authorizer may impose other appropriate remedies for breach or violation of KRS 160.1590 to 160.1599, 161.141, and 701 KAR Chapter 8 including, but not limited to, issuance of notices of deficiency and imposition of unilateral conditions.

C. Termination by the Charter School. Should the Charter School choose to terminate this Contract before the end of the contract term, it may do so in consultation with and with the permission of the Authorizer at the close of any Charter School year and upon written notice to the Authorizer at least thirty (30) days before the end of the school year.  
 [INCLUDE ADDITIONAL, SPECIFIC, EXCLUSIVE REASONS THE AUTHORIZER SHALL ALLOW THE CHARTER SCHOOL TO INITIATE CLOSURE OF THE SCHOOL]

D. Charter Closure. Upon termination of this Contract for any reason, upon expiration of the Contract, or if the Charter School should cease operations or otherwise dissolve or close, the Authorizer shall supervise the Charter School Board and the Charter School and have final authority in conducting the winding up of the business and other affairs of the Charter School in compliance with the Authorizer's closure protocol, in compliance with KRS 160.1590 to 160.1599, 161.141, and 701 KAR Chapter 8; provided, however, that in doing so the Authorizer shall not be responsible for and shall not assume any liability incurred by the Charter School under this Contract. The Charter School Board and Charter School

personnel shall cooperate fully with the winding up of the affairs of the Charter School. Pursuant to KRS 160.1598(11), if the Charter School is subject to closure, following exhaustion of any appeal allowed under KRS 160.1595, Authorizer may remove at will at any time any or all of the members of the Charter School Board in connection with ensuring a smooth and orderly closure. If the Authorizer removes members of the Charter School Board such that the Charter School Board can no longer function, the Authorizer shall be empowered to take any further necessary and proper acts connected with closure of the Charter School in the name and interest of the Charter School and its students.

- E. Disposition of Charter School's Assets upon Termination or Dissolution. Upon termination of this Contract for any reason or if the Charter School should cease operations or otherwise dissolve or close, then, at the sole discretion of the Authorizer, any assets owned by the Charter School, including tangible, intangible, and real property, shall be distributed in accordance with KRS 160.1590 to 160.1599, 161.141, and 701 KAR Chapter 8.

### **XXIII. INSURANCE AND LEGAL LIABILITIES**

- A. Insurance. The Charter School shall maintain adequate insurance, and any required fidelity bonding, necessary for the operation of the Charter School, including but not limited to property insurance, general liability insurance, indemnity insurance, workers' compensation insurance, motor vehicle insurance, directors and officers and employees insurance, and errors and omissions insurance covering the Charter School Board, Charter School, and its employees, with policy limits as set forth in **Appendix [NUMBER]** incorporated into this Charter Contract:
1. Comprehensive general liability: \$[NUMBER]
  2. Directors, officers, and employees
  3. Errors and omissions: \$[NUMBER]
  4. Property insurance: As required by landlord
  5. Motor vehicle liability (if appropriate): \$[NUMBER]
  6. Fidelity bonding (if appropriate): Minimum amounts \$[NUMBER], Maximum amounts: \$[NUMBER]
  7. Student injury comparable to other schools in the resident district;
  8. Indemnity;
  9. Workers' compensation: As required by state law
- B. Named Insureds, Coverage, and Deductibles.
1. The above-described insurance contracts shall have the Authorizer named as an additional insured.
  2. The Authorizer may reasonably require the Charter School to adjust the coverage and limits provided for under the terms of any particular contract or policy.
  3. The Charter School shall pay any deductible amounts attributable to any acts or omissions of the Charter School Board, Charter School, its employees, or its agents.
- C. Insurance Certification. The Charter School shall, by [DATE] of each year, provide the Authorizer with proof of insurance as required by state law and Authorizer policy.



D. Risk Management.

1. The Charter School shall promptly report to the Authorizer any and all pending or threatened claims or charges; promptly provide the Authorizer's legal counsel and risk manager with all notices of claims; cooperate fully with the Authorizer in the defense of any claims asserted against the Authorizer, its board members, agents or employees arising from or related to the operation of the Charter School; and comply with the Authorizer's and the Charter School's applicable insurance policies.
2. If the Charter School obtains insurance through any policy held by the Authorizer, it shall comply with all risk management requirements of the Authorizer and its insurer.

E. Limitation of Liabilities. In no event shall the Authorizer, or its officers, employees, or agents be responsible or liable for the debts, acts or omissions of the Charter School Board, the Charter School, or its officers, employees, or agents. The Charter School shall be solely responsible for all debts and obligations incurred by the Charter School and the Charter School Board. Neither the Authorizer nor the KBE or KDE shall be contractually bound to the Charter School or to any third party with whom the Charter School has contracted or from whom the Charter School has purchased goods, services, or facilities.

F. Indemnification. To the extent not prohibited by Kentucky law, the Charter School shall indemnify the Authorizer, the KBE, the KDE, and their officers, employees, and agents, for all liability, claims and demands of third parties arising on account of personal injury, sickness, disease, death, property loss, or damage or any other losses of any kind whatsoever that are proximately caused by the negligent, grossly negligent or intentional acts of the indemnitor or its respective employees, directors, officers, agents and assigns.

G. Faith and/or Credit Contracts with Third Parties. The Charter School shall not have authority to extend the faith and credit of the Authorizer to any third party and agrees that it shall not attempt or purport to do so. The Charter School acknowledges and agrees that it has no authority to enter into a contract that would bind the Authorizer and agrees to include a statement to this effect in each contract or purchase order it enters into with third parties. The Charter School acknowledges that the same provisions in law or Authorizer policies that apply to the Authorizer limit the Charter School's authority to contract.

**XXIV. SEPARATE AGREEMENTS FOR CHARTER SCHOOL USE, OPERATION, AND MAINTENANCE OF AN AUTHORIZER-OWNED OR CONTROLLED FACILITY OR PROVISION OF ANY SERVICE, ACTIVITY, OR UNDERTAKING BY THE AUTHORIZER**

A. Additional, Separate Agreements at Cost.

1. Pursuant to KRS 160.1592, Charter School may negotiate and contract with the Authorizer or any third party for the use, operation, and maintenance of a building and grounds, liability insurance, and the provision of any service, activity, or undertaking that a public charter school is required to perform in order to carry out the educational program described in its charter.
2. Any services for which a public charter school contracts with a school district shall be

provided by the district at cost and shall be negotiated as a separate agreement, distinct from this Charter Contract, after final charter contract negotiations.

B. Not Required for Charter Contract. The purchase of any services or lease of any Authorizer-owned or controlled facilities not expressly required under this Contract or set forth in any subsequent written agreement between the Charter School and the Authorizer or not required by law, shall not be a condition of the approval or continuation of this Contract.

**XXV. NOTICE**

Any notice required or permitted under this Contract shall be in writing and shall be effective upon personal delivery or five (5) days after mailing when sent by certified mail, postage prepaid, addressed as follows:

[INSERT]

IN WITNESS WHEREOF, the Parties have executed this Contract to be effective upon the date of the approval of the Commissioner of Education.

\_\_\_\_\_  
THE AUTHORIZER

\_\_\_\_\_  
THE CHARTER SCHOOL BOARD

Legal approval for the Authorizer: \_\_\_\_\_

Legal approval for the Charter School Board: \_\_\_\_\_

Approved by the Commissioner of Education: \_\_\_\_\_  
Signature Date