American Leadership Academy
Board of Trustees Meeting Agenda
March 16, 8:45am
ALA Jr High Central Office Room 222B

Subject

Approval of Board Minutes from 3-5-26

Mike Johnson:

RFP for Educational Service Provider Contract

Open Public Discussion -

American Leadership Academy		
Date: 03/05/2026	Location: ALA JH room 222	1:08 PM
Trustees:	Jan Searle taking minutes	
Called to order:	Mike Johnson	
Board Members in Attendance	Administration in Attendance	
Meet	Rich Morley Yes	
Meet	Jan Searle Yes	
Matt Throckmorton Yes	Juliel Davis Yes	
Cody Reynolds Yes	Sheldon Carvalho Yes	
Meet	Rhett Anderson Yes	
Summer Wright Yes		
Attendees:	Malea Simmons Stephanie Diediker	
Items of Business		
TOPIC	**DISCUSSION**	**ACTION**
Approval of Minutes for 01/28/26	Minutes are good as they are	Matt Throckmorton made a motion to accept the minutes with changing the spelling of his name and Cody Reynolds seconded. Roll call vote. Passes 100% in the affirmative.

Education Provider Services RFP	Mr. Morley has been sending updated information out on the RFP that was sent out in December. We only received 2 bids, but only one met the qualifications. Charter One LLC was the provider that met the qualifications and scored high on the proposal. Since that time we received a draft document of an agreement, and questions were sent from the board to Charter One to get their questions answered. Mike Johnson and Cody Reynolds met with a Charter One representative to get their questions answered. At this time we are looking for any additional questions or any motion to go forward or to not go forward with them. Rich turned the time is turned back to the board for any questions. We received the updated draft of the contract this morning and it was provided to the board. Rich summerized the documents through AI. Matt Throckmorton said that when the management company takes the fee upfront then they donate back because they cannot always take their full fee due to bond covenants. Rich agreed that Glen Way had verbally expressed this same thing. We did ask for this to be in writing in order to hold them to that stipulation. You can vote to accept it or reject it or accept due to stipulations. Matt suggested that they accept going with them and then do another vote on the agreement itself. Rich would like it to be voted on as quickly as possible due to decisions that need to be made at the school. Cody is bothered by them taking so long. If we go with Charter One we would not need to hire specific positions because Charter One would be taking those district level positions. Matt feels like we have narrowed it down to 2 or 3 questions and would move to approve if those questions were answered. Cody is concerned with being able to terminate the contract. What the contract says and what Glen said seem to be different in the time given for termination. They can terminate if we fail to pay them. We have legal and financial people look at it and their concerns were the same as the board. Charter One has shown itself to be a premier rated education provider with their schools being A rated. Matt feels like we give 2 board members along with Charter One 96 hours to come to terms in a written agreement. Cody does not doubt their ability to perform, his fear is that they aren't motivated to perform contracturally. He is bothered by the contract, but not by them. Cody asked for Juliel's opinion and for her either way is good. She loves their organization and systems that they have in place. She loves their experience. Brenda was all on board, but also concerned with the contract and is concerned with our ability to market. Monique is in line with Cody, but hasn't been to Arizonia to see what they can do in person. Cody wants to know what a performance claus would look like. Rich has no question about their desire to grow which is great. Cody thinks it would be great if we could do a 3 year that they have an analysis at that point and time and then we are either done or resign another agreement. Rich would suggest that it would be on a 5 year review so that gives Charter One time to perform. Rich feels like the board is wanting to go with Charter One, but still have concerns with the contract. Cody suggested reaching out to an attorney. Should approve moving forward with Charter One subject to contract questions being answered.	Matt Throckmorton moved that we approve the RFP with Charter One and have Cody and Mike work with an attorney on the contract to have an answer by the end of day on Tuesday March 11th. Brenda Peterson seconded. Passes 100% in the affirmative.
Public Discussion	Cody Reynolds wanted to know how the other people in the room feel. Malea Simmons feels that we need Charter One to helps us grow and challenge us to become better. It's what she wants. Jennifer Fulton knows that Charter One has the same value system that we do. Sheldon Carvalho likes the operational piece that they provide and that they will help us reboot to a higher level and a higher standard.	
Meeting Closed	2:23 PM	Cody Reynols made a motion to close the meeting and Monique Hone seconded. All in favor.

SERVICE PROVIDER AGREEMENT

This Service Provider Agreement (this "Agreement") is entered into and effective as of July 1, 2026 (the "Effective Date"), by and between **CHARTER ONE, LLC**, an Arizona limited liability company ("CHARTER ONE"), and **AMERICAN LEADERSHIP ACADEMY, INCORPORATED**, a Utah nonprofit corporation ("ALA"). CHARTER ONE and ALA may collectively be referred to hereafter as the "Parties."

RECITALS

A. ALA has been granted a contract (the "Charter") from the Utah State Charter School Board (the "Authorizer") to organize and operate a public charter school under the laws of the State of Utah ("Utah Law").

B. ALA is overseen by its Board of Directors ("Board") and such staff and vendors as the Board may employ.

C. ALA and CHARTER ONE are mutually committed to the goals of creating and supporting public charter schools where students from all backgrounds develop the knowledge, skills, and character needed to succeed in top-quality schools and colleges and the competitive world beyond.

D. CHARTER ONE was established to provide support services to public charter schools, including but not limited to ALA. One of the key purposes of CHARTER ONE is to pursue ALA and CHARTER ONE's mutual goals without exposing ALA to additional risk and expense.

E. The Parties now desire to enter into this Agreement, which shall supersede and replace any/all formal and informal relationships between the Parties.

NOW THEREFORE, in consideration of the conditions and covenants contained herein, the receipt and sufficiency of which the Parties acknowledge, the Parties agree as follows:

ARTICLE I: TERM

1.1 Term. This Agreement is effective as of the Effective Date and shall continue for the duration of ALA's Charter, including any renewals to the Charter, unless terminated earlier pursuant to Article X of this Agreement (the "Term").

ARTICLE II: QUALIFIED MANAGEMENT CONTRACT

2.1 Qualified Management Contract. The Parties intend that this Agreement shall not result in private business use, as defined in relevant federal law. The Parties agree that the terms of this Agreement shall be interpreted to comply with the guidelines set forth in the Treasury Regulations, Rev. Proc. 2017- 13 (or subsequent or supplemental guidance, including I.R.S. Notice 2014-67) or Rev. Procs. 97-14 or 2007-47 (or subsequent guidance). In connection with this Agreement, ALA and CHARTER ONE shall comply with the following terms:

2.1.1 ALA shall approve the annual budget with respect to the managed property, capital expenditures with respect to the managed property, disposition of the managed property, rates charged for the use of the managed property, and the general nature and type of use of the managed property;

2.1.2 ALA bears the risk of loss upon damage or destruction of the managed property;

2.1.3 CHARTER ONE agrees not to claim any depreciation or amortization deduction, investment tax credit, or deduction for any payment as rent with respect to the managed property; and

2.1.4 CHARTER ONE will not have any role or relationship with ALA that substantially limits ALA's ability to exercise its rights under this Agreement such as:

2.1.4.1 More than 20% of the voting power of the Board shall not be comprised of the directors, officers, shareholders, partners, members, and employees of CHARTER ONE, in the aggregate;

2.1.4.2 The Board shall not include the chief executive officer of CHARTER ONE or any owner or manager (or equivalent executive) of CHARTER ONE; or

2.1.4.3 The chief executive officer of CHARTER ONE may not also act as the chief executive officer of ALA or any of ALA's related parties.

ARTICLE III: RESPONSIBILITIES OF ALA

3.1 ALA's Responsibilities. During the Term, ALA shall be responsible for the following:

3.1.1 ALA Board Authority. The Board maintains ultimate control over ALA's activities, including but not limited to, setting and approving the annual budget (the "Annual Budget"), mission, vision, goals, educational program, curriculum, admission procedures, strategic priorities, school policies, student conduct, dispute resolution procedures, school calendars and employment decisions for ALA, as well as capital expenditures, property dispositions and rates charged for any third party use of the managed property. The Board shall have final decision-making authority with regard to any disputes involving discretionary decisions made or to be made in the course of carrying out the terms of this Agreement. Nothing in this Agreement may be construed to limit in any way the ability of the Board to carry out its legal and fiduciary duties to ALA.

3.1.2 Charter Oversight. The Board shall oversee this Agreement and retains the ultimate responsibility for meeting the terms of ALA's Charter.

3.1.3 Financial Oversight. The Board, and such staff as the Board may employ, will monitor the sufficiency of ALA's accounting, financial policies, controls and processes as well as the engagement, independence, and performance of ALA's outside auditor to audit ALA's annual financial results and compliance with the Charter.

3.1.4 CHARTER ONE Access. ALA will ensure CHARTER ONE has access to personnel, financial, and other information related to and necessary to carry out the Services.

3.1.5 Annual Review. ALA's Board shall conduct an evaluation of the Services provided by CHARTER ONE on at least an annual basis. CHARTER ONE's performance will be measured based on achievement of the Operational, Academic, and Financial Benchmarks determined by the Authorizer and as set forth in **Exhibit A** (the "Benchmarks") attached hereto. CHARTER ONE agrees to fully participate in the review process. The parties agree that failure by ALA to achieve "Meets Performance Expectations" under Financial and Operational Frameworks, or failure to achieve a Designation of 1. New Schools, 2, Exceeds Expectations, 3. Meets Expectations, or 4. Review, under the following Utah State Charter School Board Accountability Frameworks: 1. Academic, 2. Financial, 3. Operational, resulting in Intervention by the Utah State Charter School Board constitutes a material breach of this Agreement and ALA may terminate this Agreement pursuant to Article X. ALA may direct CHARTER ONE to develop and propose a plan to correct any deficiencies during the Cure Period pursuant to Article X below.

3.1.6 Ex Officio Board Seat. ALA shall take the steps necessary to create an *Ex Officio* non-voting board seat for CHARTER ONE that includes the right to attend closed sessions of the Board. CHARTER ONE shall have the right to select its designee to such meetings.

3.1.7 Uniforms and Apparel. ALA grants CHARTER ONE the exclusive right to designate uniform and apparel vendors.

ARTICLE IV: RESPONSIBILITIES OF CHARTER ONE

4.1 Services. During the Term, CHARTER ONE shall provide ALA with the following services (the "Services"):

4.1.1 Development Services. Upon ALA Board approval for expansion and Utah State Charter School Board expansion approval, CHARTER ONE shall coordinate all charter school development services as set forth in **Exhibit B** attached hereto.

4.1.2 Operational, Academic, and Financial Services. CHARTER ONE shall provide the Operational, Academic, and Financial Services, as defined and set forth in **Exhibit C** attached hereto, to ensure that ALA meets the Benchmarks.

4.1.3 Actions in Accordance with ALA's Exempt Status and Charter. To the extent applicable, CHARTER ONE agrees that in providing the Services pursuant to this Agreement CHARTER ONE will not act in a manner that will threaten to terminate ALA's tax-exempt status, as described in Internal Revenue Code Section 501(c)(3) or the Charter under Utah Law.

4.1.4 Actions in Accordance with Privacy Laws. In the course of carrying out its responsibilities under this Agreement, CHARTER ONE agrees to maintain the confidentiality of information as required by law. CHARTER ONE shall adhere to all federal and state laws and regulations protecting the confidentiality of student records including but not limited to the provisions of the Family Educational Rights and Privacy Act ("FERPA"), the Protection of Pupil Rights Amendment ("PPRA") and the applicable state freedom of information and/or open records laws. ALA hereby designates the employees and members of CHARTER ONE as "other school officials" and agents of ALA, as having a legitimate educational interest in the schools, and as acting as a contractor providing institutional services and functions solely for the purpose of entitling such people's access to education records under FERPA 20 U.S.C. §1232g and 34 C.F.R. § 99.31. A CHARTER ONE employee and/or member has a legitimate educational interest if such person needs to review an education record in order to fulfil her or his professional responsibility in carrying out the Services.

4.2 Deposits, Banking, Lines of Credit. ALA shall select depository institution accounts for all funds received by ALA, and all funds received by ALA shall be deposited in such accounts. All interest and investment earnings on ALA's deposits shall accrue to ALA. The signatories on such accounts shall include representative(s) of CHARTER ONE and ALA, as approved by the Board. CHARTER ONE shall have access to all bank accounts, lines of credit, and other financial accounts as necessary to perform the Services outlined in this Agreement.

4.3 Account Management. CHARTER ONE shall supervise, manage, disburse and account for all revenues consistent with the Annual Budget, this Agreement, the Charter, Board resolutions and applicable law. Revenues shall be used to pay for the fees or expenses associated with ELA's operations. Upon seven (7) days' prior written request, CHARTER ONE shall provide ELA with accurate and complete documentation for disbursed fees and expenses. CHARTER ONE agrees to comply with ELA's Signature Authority Directives, as amended by the Board from time to time, in the management of ELA's bank accounts, lines of credit or other financial accounts. If CHARTER ONE makes disbursements outside the Annual Budget, it shall notify the Board at the next Regular Board Meeting. If such disbursement was accidental or unintentional, CHARTER ONE shall have thirty (30) days to cure by reimbursing ELA or obtaining retroactive Board approval.

4.4 Use of ALA Funds. Any costs or expenses paid by or charged to ALA shall be limited to those costs specified to ALA, and shall not include any costs or expenses of CHARTER ONE or CHARTER ONE's other clients.

4.5 Availability of Funds. CHARTER ONE shall only be required to perform the Services to the extent that there are sufficient and timely revenues available to make payments in accordance with the terms of the Annual Budget, unless such budget shortfalls are caused by or arise from CHARTER ONE's own grossly negligent or intentional acts or omissions.

4.6 Record Retention. CHARTER ONE shall ensure that all records under its control are retained according to the Utah State Library, Archives and Public Records record retention schedule applicable to Utah charter schools, as is then in effect ("Retention Schedule"). To the extent it is practical, both financial and administrative records shall be stored and maintained at ALA's location or chosen facility. CHARTER ONE shall make any records stored with CHARTER ONE available at ALA's request for duration of the Term and for so long as is required by the Retention Schedule. Upon termination of this Service Agreement, CHARTER ONE shall deliver to ALA all records pertaining to ALA within seven (7) business days.

4.7 Reports.

4.7.1 CHARTER ONE, at the written request of ALA, shall prepare and provide the Board with status reports on ALA's operational performance in relation to the Benchmarks upon ten (10) business days' written request by ALA.

4.7.2 CHARTER ONE, at the written request of ALA, shall prepare and provide the Board with quarterly status reports on ALA's status on academic performance in relation to the Benchmarks or upon ten (10) business days' written request by ALA.

4.7.3 CHARTER ONE, at the written request of ALA, shall prepare and deliver to the Board reports which shall include an accounting and detailed statements of all revenues received, from whatever source, with respect to ALA; detailed statements of all expenses, including an accounting of all expenditures for services rendered to, or on behalf of, ALA by CHARTER ONE, whether incurred on-site or off-site; and reports on ALA's status on the financial performance in relation to the Benchmarks. Such financial reports shall be provided to ALA at least annually or upon ten (10) business days' written request by ALA.

4.8 Additional Services. As referenced in this Agreement, certain additional services provided by CHARTER ONE outside of the ongoing Services may be recommended by CHARTER ONE for approval by ALA or the Board. The costs for the additional services, after approval by ALA or the Board, shall be charged separately to ALA. ALA recognizes that CHARTER ONE possesses the time, expertise, negotiating power and the ability to procure such additional services beyond the time, expertise, negotiating power and ability available to ALA.

4.9 Non-Discriminatory. CHARTER ONE shall not discriminate against employees based on an employee's status or tier within the Utah Retirement System.

ARTICLE V: RELATIONSHIP OF THE PARTIES

5.1 Relationship. CHARTER ONE is an independent contractor performing the Services for ALA and is neither a division nor a part of ALA. Likewise, ALA is neither a division nor a part of CHARTER ONE. The relationship between the parties is based solely on the terms of this Agreement. Nothing herein may be construed to create a partnership or joint venture by or between ALA and CHARTER ONE or to make one the fiduciary of the other. Neither ALA nor CHARTER ONE may hold itself out as a partner or agent of the other or otherwise state or imply by advertising or otherwise any relationship between it and the other in any manner contrary to the terms of this Agreement. Neither ALA nor CHARTER ONE has nor may represent that it has the power to bind or legally obligate the other, except as required to perform the Services.

ARTICLE VI: CHARTER ONE'S ADDITIONAL CLIENTS

6.1 Other Clients. ALA acknowledges that CHARTER ONE has other school clients and these clients include schools lawfully using the tradename "American Leadership Academy."

6.2 Financial. CHARTER ONE shall maintain separate accounts for each client and shall only charge ALA for expenses incurred by or on behalf of ALA.

ARTICLE VII: NON-SOLICITATION

7.1 Non-Solicitation. CHARTER ONE agrees to not solicit or redirect any employees of American Leadership Academy, Inc. to CHARTER ONE or to other CHARTER ONE clients without the prior written consent of the Board.

ARTICLE VIII: INTELLECTUAL PROPERTY

8.1 Intellectual Property. The Parties agree that CHARTER ONE has the legal right to use the following intellectual property in all jurisdictions domestically and internationally.

8.1.1 The tradename "American Leadership Academy";

8.1.2 ALA's RAISE values and leadership curriculum;

8.1.3 ALA's Vision Statement- Learn. Lead. Change the World; and

8.1.4 ALA's Mission Statement - To provide the best educational experience to as many students as possible in a moral and wholesome environment.

ARTICLE IX: CONSIDERATION

9.1 <u>Compensation for Services.</u>

9.1.1 <u>Fee.</u> ALA will pay CHARTER ONE an annual fee (the "Fee") based on ALA total revenue collected. The parties agree that the calculation of the Fee will align with ALA's fiscal year (July 1 through June 30) and the Fee will be prorated in any year of the Term that does not align with ALA's fiscal year. The Parties agree that the Fee is not subordinate or subject to any other ALA debt or obligation. The fee will be graduated and calculated as follows:

- 12% of total revenue for the first School Year of operation
- 13.5% of total revenue for the second School Year of operation
- 15% of total revenue for the third School Year of operation and beyond

9.1 <u>Expenses.</u> ALA shall be responsible for all budgeted or otherwise Board-approved expenses and CHARTER ONE shall have no obligation to pay such expenses from its own funds. CHARTER ONE shall be reimbursed for actual costs incurred that are the responsibility of ALA which are paid by CHARTER ONE to unrelated parties to CHARTER ONE. For this purpose and as used herein, "unrelated parties" has the meaning found in Rev. Proc. 2017-13 and includes persons other than either: (1) a related party (as defined in Section 1.150-l(b) of the Treasury Regulations) to the service provider or (2) a service provider's employee. ALA agrees to pay all such reimbursements owed to CHARTER ONE within thirty (30) days after receipt of invoice from CHARTER ONE.

9.1.1 <u>Pass Through and Direct Expenses.</u> Reasonable costs and expenses associated with goods and services not covered by the Fee but anticipated in ALA's Board approved budget may be paid by ALA by either of two methods, as determined by CHARTER ONE: (1) such expenses may initially be paid by CHARTER ONE and invoiced to ALA for reimbursement to CHARTER ONE insofar as such expenses are paid to unrelated parties to CHARTER ONE ("Pass Through Expenses"); or (2) CHARTER ONE may pay such expenses directly from ALA's bank accounts ("Direct Expenses"). All Pass Through

Expenses and Direct Expenses are in addition to the Fee but shall not exceed the Board approved budget without prior Board approval. Direct Expenses shall be authorized and permitted for any of ALA's ordinary and recurring operating expenses, including without limitation, utility bills, ALA Employees' salaries, supplies, building maintenance and repair, equipment maintenance and repair.

9.1.1.1 <u>Pass Through Expenses.</u> Insofar as any reimbursement is made to CHARTER ONE under this Agreement, such reimbursement will only be made to CHARTER ONE for direct and actual expenses paid by CHARTER ONE to unrelated parties to CHARTER ONE. As used herein and in Section 9.2 above, the term "unrelated parties" has the meaning found in Rev. Proc. 2017-

13 and includes persons other than either: (1) a related party to the service provider or (2) a service provider's employee. The term "related party" as used herein generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

9.1.2 ALA Accounts. For those expenses that are payable directly by ALA, ALA shall authorize and establish an ALA account for which appropriate CHARTER ONE representatives are permitted signers on the account and shall fund such an account on a quarterly basis with sufficient funds to permit CHARTER ONE to pay Direct Expenses for ALA's legitimate and ordinary operating expenses such as utility bills and office supplies. ALA will not be required to reimburse CHARTER ONE for non- budgeted expenses advanced without the prior written approval of ALA.

9.1.3 The following costs and expenses are not included in the Fee and shall be paid pursuant to the Board approved budget: IT services provided at each charter school site by third-party vendors unrelated to CHARTER ONE, and other direct costs related to technology and IT systems (e.g. computer and other technology repairs, software installation, internet connection maintenance, etc.); related to contracting for database systems, maintenance, and repair; related to external tests for students including but not limited to PSAT, SAT, AP exams, and the costs of external training related to these exams; related to resources provided to Atypical Learners and ESS services; services provided by outside fundraisers; expenses for fundraising staff; fundraising costs including, but not limited to, the costs of printing brochures, hosting events and travel; contracting for building and asset maintenance and repair; and for services provided by PR firms. This list is not all inclusive and additional expenses shall be paid pursuant to Section 9.2.

9.2 Notice and Timing of Payments. Payment of the Fee shall be paid monthly. Each month, CHARTER ONE shall deliver an invoice for one-twelfth of the Fee, as calculated using the annual budgeted revenues as per the most recent Board-approved budget (or revised budget) and expenses, if any, to ALA. ALA shall remit payment within thirty (30) business days of it receiving such invoice. CHARTER ONE shall send a final Annual Fee calculation and net invoice that reconciles any differences between monthly fee payments made during the fiscal year and the actual revenue as calculated from the audited financial statements. CHARTER ONE shall deliver this "net invoice" within 30 days of ALA issuing its audited financial statements. CHARTER ONE shall reimburse ALA for any overpayments within 30 days of delivering the final Annual Fee calculation. ALA shall pay CHARTER ONE for any underpayments within 30 days of delivering the final Annual Fee calculation. If ALA fails to pay an invoice in full within thirty
(30) days after the invoice date due to no fault of CHARTER ONE, CHARTER ONE may accrue interest on the outstanding balance at a rate of 1.5 percent per month. Failure to pay invoices in a timely manner shall be considered a material breach of this Agreement and therefore CHARTER ONE may terminate this Agreement pursuant to Article X.

ARTICLE X: TERMINATION

10.1 Termination.

10. 1. 1 For Cause. CHARTER ONE may terminate this Agreement if ALA materially breaches any of its obligations hereunder and fails to cure such breach within twelve months of written notice (the "ALA Cure Period") from CHARTER ONE specifying the breach, or fails to take substantial steps toward a cure within the Cure Period if the breach is incapable of cure within the Cure Period. Notice shall be provided as outlined in Section 14.5. ALA may terminate this Agreement if ALA fails to achieve "Meets Performance Expectations" under Financial and Operational Performance Frameworks, and if ALA achieves an Academic Designation of "5 Active Engagement" under the Performance Frameworks maintained by the Utah State Charter School Board, resulting in Intervention by Utah State

Charter School Board and CHARTER ONE fails to cure such breach within twelve months of written notice ("CHARTER ONE Cure Period") from ALA.

10.2 Cancellation of Charter/Reduction of Funds/Change in Law. The parties recognize that ALA's obligations herein depend upon appropriation of funds pursuant to the Charter. If the Charter is terminated, if the Utah Department of Education fails to appropriate the necessary funds, or if ALA's funding is reduced during the fiscal year, ALA may request renegotiation of this Agreement. Further, if any federal, state or local law or regulation, court or administrative decision, Attorney General's opinion, or Authorizer decision has a materially adverse effect on the ability of either party to carry out its obligations under this Agreement, such party, upon written notice, may request renegotiation of this Agreement. Any such renegotiation shall be undertaken in good faith. If the parties are unable to renegotiate the terms within ninety (90) days after such notice and good faith negotiations, the Agreement shall continue under the existing terms.

10.3 Effective Date of Termination. The parties acknowledge that termination of this Agreement will materially disrupt its core objective of providing quality education to students. Therefore:

10.3.1 If CHARTER ONE does not cure the breach within the Charter One Cure Period, this Agreement may be terminated by ALA according to the following procedures: If the Charter One Cure Period expires prior to March 1 of a calendar year, termination shall be effective on June 30 of the next succeeding ALA fiscal year following the expiration of the Charter One Cure Period; and If the Charter One Cure Period expires on or after March 1 or a calendar year, termination shall be effective on June 30 of the second succeeding ALA fiscal year following the expiration of the Cure Period.

10.3.2 If ALA does not cure the breach within the ALA Cure Period, this agreement may be terminated by CHARTER ONE according to the following procedures: If the ALA Cure Period expires prior to March 1 of a calendar year, termination shall be effective on June 30 of the next succeeding ALA fiscal year following the expiration of the ALA Cure Period; and If the ALA Cure Period expires on or after March 1 or a calendar year, termination shall be effective on June 30 of the second succeeding ALA fiscal year following the expiration of the Cure Period.

10.4 Effect of Termination. Termination under this Article X, does not relieve ALA of payment obligations for Services rendered prior to the date of termination nor will it relieve CHARTER ONE of liability for financial damages incurred prior to the date of termination, subject to the limitations in Article XI.

ARTICLE XI: INDEMNIFICATION

11.1 Indemnification. Each Party ("Indemnifying Party") shall indemnify, defend, and hold harmless the other Party and its affiliates, members, managers, officers, directors, employees, agents, and subcontractors from and against any and all claims, demands, causes of action, damages, losses, fines, penalties, liabilities, judgments, and expenses (including reasonable attorneys' fees) arising out of or relating to (i) the Indemnifying Party's breach of this Agreement; (ii) the Indemnifying Party's negligent acts or omissions or willful misconduct; and (iii) for ALA, the condition, use, or occupancy of

School facilities and premises, except to the extent caused by Charter One's negligence or willful misconduct.

For the avoidance of doubt, with respect to ALA, this indemnification shall include claims, losses, or liabilities arising from actions or omissions of ALA's Board of Directors, officers, employees, or agents, including governance decisions, compliance failures, or violations of law or financing obligations, except to the extent caused by Charter One's negligence or willful misconduct. Nothing herein shall be construed to create fiduciary liability, joint liability, or vicarious liability of Charter One for actions of ALA or its Board.

11.2 Limitations of Liabilities. ALA will assert all immunities and statutory limitations of liability in connection with any claims arising from its operations, and will not waive any immunities or limitations without the prior written consent of CHARTER ONE.

11.3 Insurance Coverage.

11.3.1 General Liability Insurance. Each party shall, at its own expense, maintain the insurance coverages specified in **Exhibit D,** attached hereto and made a part hereof. Each party shall provide the other party with a certificate evidencing such insurance and showing the other party as an additional insured.

11.3.2 Workers' Compensation Insurance. Each party shall maintain workers' compensation insurance as required by law to cover their respective employees (if any) and shall provide the other party with a certificate or certificates of such insurance.

11.3.3 Automobile Insurance. Each party shall name the other party as an additional insured on the Automobile Insurance coverage specified on **Exhibit D.** Each party shall provide the other party with a certificate evidencing such insurance and showing the other party as an additional insured.

11.3.4 Cancellation. Each insurance policy required herein shall provide for not less than thirty (30) days' written notice to the other party in the event of cancellation or material change of coverage. To the maximum extent permitted by its insurance policies, each party, for the benefit of the other party, waives any and all right of subrogation which might otherwise exist (and the certificate required herein shall indicate such waiver of subrogation).

ARTICLE XII: CONFIDENTIALITY AND NON-DISCLOSURE

12.1 Confidentiality and Non-Disclosure. Each party may have access to confidential and proprietary information owned by the other party, including, without limitation, information about the business affairs, finances, methods of operation, trade secrets, designs, processes, techniques, research, or other proprietary information. Each party agrees not to disclose to any third-party, whether directly or indirectly, confidential or proprietary information belonging to the other party that the disclosing party obtained during the term of this Agreement, without the written permission of the other party, except as required by either party's responsibilities under this Agreement. After notice by one party or the termination of the Agreement, the other party must immediately return the confidential or proprietary information and comply with the instructions regarding the return or disposition of the confidential or proprietary information, including any copies or reproductions. This Section does not apply to information that: (a) is or becomes available to the general public other than as a result of disclosure by the receiving party; (b) becomes available to a party on a non-confidential basis from a source (other than the other party) which is not known by the receiving party to be in breach of any nondisclosure obligations; or (c) is independently developed by a party without reference to confidential information. If a receiving party believes that it is required by law to disclose confidential information, it shall provide notice to the disclosing party, to the greatest extent possible, prior to making such disclosure so as to allow the disclosing party to undertake action to prevent disclosure or otherwise obtain confidential treatment of such disclosure. The provisions of this Article XII shall survive the termination or expiration of this Agreement.

12.2 Confidentiality of Agreement. The Parties expressly understand and agree that this Agreement and its contents shall remain CONFIDENTIAL and shall not be disclosed to any third party whatsoever, except the parties' counsel, accountants, financial advisors, tax professionals retained by them, any federal, state, or local governmental taxing or regulatory authority, and the Parties' management, officers and Board of Directors, and except as required by law or order of court. If any subpoena, order or discovery request ("Document Request") is received by any of the Parties hereto calling for the production of the Agreement, such party shall promptly notify the other party hereto prior to any disclosure of same. In such case, the subpoenaed party shall: (a) make available as soon as practicable (and in any event prior to disclosure), for inspection and copying, a copy of the Agreement it intends to produce pursuant to the Document Request unless such disclosure is otherwise prohibited by law; and (b) and, to the extent possible, shall not produce anything in response to the Document Request for at least ten (10) business days following such notice. If necessary, the subpoenaed party shall take appropriate actions to resist production, as permitted by law, so as to allow the Parties to try to reach agreement on what shall be produced. This paragraph is a material part of this Agreement. The provisions of this Article XII shall survive the termination or expiration of this Agreement.

12.2.1 Trade Secret. The Parties hereto acknowledge and agree that this Agreement is a uniquely crafted document specific to ALA and CHARTER ONE and is the result of extensive research and negotiation between the Parties. Additionally, the Parties agree this Agreement contains information relating to each Parties' responsibilities, management structure, and other confidential information not generally known to the public. Other schools and/or charter management organization could derive economic value from the disclosure of this Agreement. Therefore, for this and other reasons, this Agreement is considered a trade secret pursuant to Arizona Revised Statutes§ 44-401(4). ALA and CHARTER ONE are bound by a duty of confidentiality not to disclose trade secrets.

12.2.1.1 CHARTER ONE and ALA shall make reasonable efforts to maintain this Agreement's secrecy pursuant to Arizona Revised Statutes§ 44-401(4).

ARTICLE XIII: WARRANTIES AND REPRESENTATIONS

13.1 Representations and Warranties of CHARTER ONE. CHARTER ONE hereby represents and warrants to ALA:

13.1.1 CHARTER ONE is a duly organized corporation in good standing and is, and will remain authorized to conduct business in the State of Utah for the duration of the Term. CHARTER ONE has the authority under the Code and other applicable laws and regulations to execute, deliver, and perform in accordance with this Agreement, and to incur the obligations provided for under this Agreement. This Agreement has been duly authorized and executed by CHARTER ONE and constitutes the legal and validly binding obligation of CHARTER ONE, enforceable against CHARTER ONE in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and other laws of general applicability relating to or affecting creditors' rights and general principles of equity.

13.1.2 CHARTER ONE's actions under this Agreement have been and will be duly and validly authorized, and it will adopt any and all further resolutions or expenditure approvals required for execution of this Agreement.

13.1.3 CHARTER ONE agrees to comply with any terms and conditions imposed by the Charter or the Authorizer.

13.1.4 CHARTER ONE agrees to comply with all applicable laws, regulations, the Code, Board policies, Authorizer policies, the Charter or other regulatory authority in carrying out its responsibilities under this Agreement

13.1.5 CHARTER ONE will use its best efforts to ensure that the educational program complies with and will continue to comply with the Charter, the Code, and other applicable laws and regulations.

13.1.6 CHARTER ONE possesses the knowledge, skill, and experience necessary to perform the Services and will do so with a reasonable degree of quality and attention to detail, and in a timely manner.

13.1.7 CHARTER ONE agrees not to claim any depreciation or amortization deductions, tax credits or rent deductions, with respect to any facility owned or occupied by ALA that is financed by tax-exempt bonds.

13.2 Disclaimer of Warranty. CHARTER ONE makes no express or implied warranties as to any matter whatsoever with regard to any equipment, materials, or supplies purchased on or behalf of or for use at ALA, including without limitation, the condition of any such item, its merchantability or fitness for any particular purpose. No defect or unfitness of any equipment, materials, or supplies shall relieve ALA of its obligations to pay for the use of the item or of any other obligation under this Agreement. Notwithstanding the foregoing, CHARTER ONE shall enforce any existing manufacturer warranties on all equipment, materials, or supplies purchased on behalf of or for the use of ALA.

13.3 Representations and Warranties of ALA. ALA hereby represents and warrants to CHARTER ONE:

13.3.1 ALA is a duly organized and validly existing Utah nonprofit corporation in good standing, organized and operated exclusively for exempt purposes as set forth in section 501(c)(3) of the Code, and that none of its earnings inure to any private individual. ALA represents that it will maintain its corporate and nonprofit 501(c)(3) status.

13.3.2 The Charter (i) authorizes ALA to operate a charter school in Utah and receive per pupil and related revenue; and (ii) approves the education program and other activities implemented by ALA.

13.3.3 ALA has the authority under the Code and other applicable laws and regulations to contract with a private entity to perform the Services.

13.3.4 The Board warrants that its actions have been duly and validly authorized, and that it will adopt any and all resolutions required for execution of this Agreement.

13.4 Mutual Warranties. Each party to the Agreement warrants to the other that there are no pending actions, claims, suits or proceedings, to its knowledge, threatened against or affecting it, which if adversely determined, would have a material adverse effect on its ability to perform its obligations under this Agreement.

13.5 Dispute Resolution. In the event of a dispute, controversy or claim arising out of or relating in any way to the Agreement, the parties shall have any and all remedies available to it under the terms of this Agreement or provided at law or equity, including, without limitation, the right of injunctive relief or for specific performance, the right to damages, including exemplary damages, as provided by law, and the right to liquidated damages set-off or forfeiture. Except in the instance where injunctive relief, specific performance or other actions in equity are sought, the following shall govern disputes under this Agreement;

13.5.1. The aggrieved party shall first provide written notice of any claim arising out of this Agreement to the other party. The notice shall include a specific description of the party's claim and a request for relief.

13.5.2 In the event that the other party fails to respond satisfactorily to the written notice within fifteen (15) days after it is received, the parties shall mediate their dispute by selecting an independent, third-party mediator acceptable to both parties and meeting with that mediator in Maricopa County, Arizona in a good faith attempt to resolve their differences.

13.5.3 The parties agree to evenly split all costs and fees charged by the mediator and, so long as the process described herein is followed without resort to the state or federal courts, each party shall bear its own attorney fees and costs.

ARTICLE XIV: MISCELLANEOUS

14.6 Sole Agreement. This Agreement, and the Exhibits hereto, supersedes and replaces any and all prior agreements and understandings, written or oral, between ALA and CHARTER ONE regarding the subject matter contained herein.

14.7 Force Majeure. Notwithstanding any other section of this Agreement, neither party will be liable for any delay in performance or inability to perform due to acts of God or due to war, riot, terrorism, civil war, embargo, fire, flood, explosion, sabotage, accident, labor strike or other acts beyond its reasonable control.

14.8 Governing Law/Jurisdiction. The laws of the State of Arizona will govern this Agreement, its construction, and the determination of any rights, duties and remedies of the parties arising out of or relating to this Agreement. The Parties expressly agree that all disputes will be heard within a court in Maricopa County, Arizona and submit to the jurisdiction thereof.

14.9 Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but both of which will constitute one and the same instrument.

14.10 Official Notices. All notices and other communications required by the terms of this Agreement will be in writing and sent to the parties hereto at the addresses set forth below (and such addresses may be changed upon proper notice to such addressees). Notice may be given by: (i) certified or registered mail, postage prepaid, returns receipt requested, (ii) electronic transmission (e-mail or facsimile with confirmation of transmission by sender's facsimile machine), or (iii) personal delivery. Notice will be deemed to have been given two days after mailing or on the date of personal delivery or on the date of the electronic transmission if on a business day during normal business hours (or, if not, the first business day thereafter). The addresses of the parties are:

To: ALA	**To: CHARTER ONE**
American Leadership Academy Attn: Richard Morely 898 W. 1100 S. Spanish Fork, Utah 84660	Charter One, LLC Attn: Randy Wadsworth 6913 E Rembrandt Avenue Mesa, Arizona 85212 randy.wadsworth@charter.one

14.11 Assignment. Charter One may assign this Agreement without ALA consent to an Affiliate under common control with Charter One or a wholly owned subsidiary upon written notice to ALA. Any other assignment requires ALA consent, which shall not be unreasonably withheld, conditioned, or delayed.

14.11.1 Estoppel. In the event of an Assignment Charter One shall provide written notice to ALA within a reasonable time. Upon such notice, The Parties may execute a customary estoppel certificate or similar confirmation acknowledging the continued validity and enforceability of this Agreement. Nothing in this Section shall require Charter One to obtain the consent or approval of ALA with respect to an Assignment nor shall the failure of the Parties to meet affect the validity of the assignment.

14.12 Amendment. This Agreement may not be altered, amended, modified, or supplemented except in a written document approved by the Board and signed by authorized officers of both ALA and CHARTER ONE.

14.13 Waiver. No waiver of any provision of this Agreement will be deemed to be or will constitute a waiver of any other provision, nor will such waiver constitute a continuing waiver unless otherwise expressly stated.

14.14 Severability. The invalidity of any of the covenants, phrases, or clauses in this Agreement will not affect the remaining portions of this Agreement, and this Agreement will be construed as if such invalid covenant, phrase, or clause had not been contained in this Agreement. To the extent that any of the services to be provided by CHARTER ONE are found to be an invalid delegation of authority by ALA, such Services will be construed to be limited to the extent necessary to make the Services valid and binding.

14.15 Successors and Assigns. Except as limited by Section 14.6 above, this Agreement will be binding upon, and inure to the benefit of, the parties and their respective successors and assigns.

14.16 No Third-Party Rights. This Agreement is made for the sole benefit of ALA and CHARTER ONE, and their successors and assigns. Except as otherwise expressly provided, nothing in this Agreement will create or be deemed to create a relationship between the parties to this Agreement, or either of them, and any third person, including a relationship in the nature of a third-party beneficiary or fiduciary.

14.17 Survival of Termination. Articles **XI, XII, XIII,** and Sections 14.3, 14.12, and 14.13 of this Agreement survive termination of this Agreement.

14.18 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, executors, administrators, personal representatives, successors, and assigns.

14.19 Adequate Consideration. Each party hereto acknowledges that consideration for this Agreement consists only of the terms set forth in this Agreement, and agrees that such consideration is fair, adequate, and substantial.

14.20 Independent Counsel. Each party to this Agreement acknowledges that it has had the benefit of advice of competent legal counsel or the opportunity to retain such counsel with respect to its decision to enter into this Agreement. The signatures affixed to this Agreement represent that the parties are entering into this Agreement freely and without coercion by any other party or non-party hereto.

14.21 Headings. The heading used in this Agreement are for convenience of reference only, and shall not control or affect the meaning or construction, or limit the scope or intent, of any provision of this Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date and year first above written.

CHARTER ONE, LLC, an Arizona Limited Liability Company

____
Robert Plowman, Chief Financial Officer

AMERICAN LEADERSHIP ACADEMY INCORPORATED, a Utah nonprofit corporation

____
Richard Morley, Director

EXHIBIT A - BENCHMARKS

ALA shall achieve the rating of "Meets Performance Expectations" concerning Financial and Operational Frameworks, and Academic Designations of 1. New Schools, 2. Exceeds Expectations, 3. Meets Expectations, or 4. Review, under the Utah State Charter School Board Accountability Framework, or its replacement of such accountability framework, as then adopted by the Authorizer.

EXHIBIT B- DEVELOPMENT SERVICES

1. Searching for, researching and developing opportunities for all new and additional charter school locations;

2. Writing, submitting and pursuing new charters and Charter amendments, including New School Amendments, as directed by the Board;

3. Negotiating real estate purchase agreements, capital equipment purchases and leases for new sites;

4. Conducting financing negotiations for new sites;

5. Developing options for and selecting architectural firms for site development;

6. Developing options for and selecting contractors for site development and overseeing building and/or remodeling activities;

7. Marketing new charter schools in the community, including the development and implementation of public relations strategies for charter schools, as well as conducting regular outreach efforts for charter schools;

8. Managing the student registration process prior to the charter school opening;

9. Recruiting and hiring employees; and

10. Managing the planning and implementation of teacher training for new sites.

EXHIBIT C - OPERATIONAL, ACADEMIC. FINANCIAL SERVICES

CHARTER ONE will provide the following Services to ALA: Operational Services **(EXHIBIT C.1)**, Academic Services **(EXHIBIT C.2)**, and Financial Services **(EXHIBIT C.3).**

EXHIBIT C.1- OPERATIONAL SERVICES

1. HUMAN RESOURCES ADMINISTRATION

- Provide human resource services for all ALA staff and personnel, and for all persons providing services on ALA campuses and/or district office including but not limited to ALA Management Services, Inc.'s employees (if applicable) (collectively "ALA Employees," except that ALA Employees does not include CHARTER ONE employees).
- Have board delegated power and authority to recruit, hire, discipline, promote, terminate and otherwise make management decisions regarding ALA Employees pursuant to ALA's Board approved policies and procedures; provided, however, that CHARTER ONE shall obtain Board pre-approval prior to hiring or terminating of a Director.
- Plan instructional staffing levels.
- Perform all human resource management and benefits administration services as is necessary for ALA Employees, including:
  - o Negotiating and contracting with a certified professional employer organization to handle paying, withholding, and transmitting payroll taxes; providing unemployment insurance and workers' compensation benefits; and handling unemployment and workers' compensation claims involving ALA Employees. However, ALA shall be solely responsible for funding the cost of salary, wages, and premiums paid, as provided for in the budget, no less than three (3) business days prior to any payroll cycle.
  - o Submitting health insurance coverage options for ALA Employees to the Board for its consideration and procurement of such policy terms and limitations as approved by the Board. ALA shall be solely responsible for paying the cost of such health insurance coverage, as provided for in the budget, at the time the insurance premiums are due.
  - o Ensuring compliance with federal, state, and local labor and employment laws applicable to ALA Employees, including but not limited to the Utah Antidiscrimination Act; the Utah Payment of Wages Act; the Utah Employment Selection Procedures Act; the Immigration Reform and Control Act of 1986; the Internal Revenue Code (the "Code"); the Employee Retirement Income Security Act; the Health Insurance Portability and Accountability Act; the Family and Medical Leave Act; Title VII of the Civil Rights Act of 1964; the Americans with Disabilities Act; the Fair Labor Standards Act; the Consolidated Omnibus Budget Reconciliation Act; and the Uniformed Services Employment and Reemployment Rights Act of 1994.
  - o Ensuring compliance with all provisions of the Patient Protection and Affordable Care Act applicable to ALA Employees, including the employer shared responsibility provisions relating to the offer of "minimum essential coverage" to "full-time" employees (as those terms are defined in Code §4980H and related regulations) and the applicable employer information reporting provisions under Code §6055 and §6056 and related regulations.

2. SITE MANAGEMENT

Subject to CHARTER ONE's right to restructure its management and staff, in its sole and absolute discretion, the typical site management at each campus will include:

- Overall management of the charter school's academic program by the Director, Assistant Director of Academics, and Chief Academic Officer.
- Overall management of ALA's Little Leaders Preschool Program by the Director and Chief Academic Officer.
- Overall management of the lower school site by the Director and Assistant Director.
- Overall management of the upper school site by the Director and Assistant Director(s).
- Overall management of the charter school's facilities and day-to-day operations by the CHARTER ONE designee.

3. TECHNOLOGY AND IT SERVICES

- Design overall technology and IT system and strategy.
- Assure alignment of technology purchases with technology strategy.
- Coordinate staff training on technology and IT systems.
- Design overall data collection system, select and/or create database systems and security systems, and assure compatibility.
- Conduct research on future growth of technology, IT services, and equipment; and implement changes and improvements.
- Manage and maintain a website for ALA, which shall include ALA related announcements, Board page, donations section, calendar, and any additional reasonable information deemed necessary by either party.
- Ensure ALA website complies with relevant federal and state laws.

4. FUNDRAISING

- Manage fundraising for ALA, including fundraising for special projects and needs.
- At the discretion of CHARTER ONE, contract with outside fundraisers and/or provide fundraising staff at each charter school site as necessary.

5. MAINTENANCE

- Coordinate and supervise building maintenance and repair.

6. PUBLIC RELATIONS AND MARKETING

- Develop public relations strategies and conduct regular outreach efforts for ALA.
- Prepare and distribute press releases for ALA. Act as point of contact for communication with the media.
- Engage firms for PR or marketing services as required.
- Oversee the development of a coherent brand identity for ALA and an effective marketing plan to promote ongoing enrollment. Such work may include the use of internet, social media, public announcement, print and email advertising.

7. COMPLIANCE AND COMPLAINT RESOLUTION

- CHARTER ONE shall ensure compliance in all arenas delegated to it under this Agreement, and may refer matters to outside counsel for ALA as appropriate, including but not limited to all aspects of the Charter.
- Offer assistance and guidance related to formal complaints filed against ALA including, but not limited to, complaints filed with the Office of Civil Rights ("OCR"), Utah Department of Education, the Authorizer, the Equal Employment Opportunity Commission ("EEOC"), Occupational Safety and Health Administration ("OSHA"), and the Office of Administrative Hearings ("OAH").
- Notify the Board of all notices or complaints from OCR, Utah Department of Education, Utah State Charter School Board, EEOC, OSHA, OAH, the Internal Revenue Service, or any law enforcement agency.
- Notify ALA, in writing, of any additional costs or expenses determined to be necessary to provide complaint resolution service, and ALA shall approve the same prior to CHARTER ONE providing such services.
- Maintain and update ALA's corporate files with the Utah Corporation Commission and the Authorizer.
- Provide support for Board meetings, as required.
- Prepare Utah Department of Education and Utah State Charter School Board required reports.
- CHARTER ONE shall periodically audit ALA to ensure compliance in all arenas delegated to CHARTER ONE under this Agreement

8. MISSION STATEMENT

- Assist the Board in implementing and maintaining ALA's mission statement. Any changes to the mission statement shall be subject to the review and approval of the Board.

9. POLICIES AND PROCEDURES

- Draft policy and procedure manuals, handbooks, forms, and management procedures for Board approval.

10. TRANSPORTATION

- Supervise ALA's transportation services.

11. LITTLE LEADERS PRESCHOOL PROGRAM (if applicable)

- Supervise operations related to ALA's Little Leaders Preschool Program.

EXHIBIT C.2 -ACADEMIC SERVICES

1. ENROLLMENT AND ENROLLMENT MAINTENANCE

- Manage and oversee operations and compliance related to enrollment, registration, wait-list management, withdrawals, attendance, and student records.
- Create manuals and timelines for policies and procedures and staff training related to enrollment, registration, wait-list management, withdrawals, attendance, retention and student records.
- Conduct market analysis (demand for the charter school's services).
- Conduct student retention analysis.
- Prepare periodic enrollment reports for the Board.

2. CURRICULUM

- Design and publish policies and procedures related to Board approved middle school grade promotion and high school graduation requirements.
- Design and administer ALA's internal syllabi audit system (the audit system includes the curriculum alignment with AZ standards), manage the system, and supervise the process of course audits.
- Design and manage ALA's student and school progress assessment system and provide data analysis and aggregation services.
- Train staff to use the student and school progress assessment systems.
- Supervise the administration of required Utah assessments.
- Provide, develop, maintain, and enhance curricula, curriculum maps, pacing guides, and a program of instruction in accordance with applicable law and evidence-based best practices.

3. PROFESSIONAL DEVELOPMENT AND TRAINING

Oversee the design and delivery of training in ALA's instructional methods, curriculum, classroom management, assessment design, developmental psychology, educational program, federal and state law compliance, and technology to all instructional personnel on a regular basis. Instructional personnel shall receive at least the minimum hours of professional development required by applicable laws. Non-instructional personnel shall receive such training as CHARTER ONE determines reasonable and necessary. CHARTER ONE shall ensure that such training and development is consistent with the guidelines released by the Utah Department of Education.

- Manage training for administrators and Professional Learning Communities.

4. EXCEPTIONAL STUDENT SERVICES ("ESS")

- Assist ALA in understanding state and federal ESS laws.
- Supervise operations related to: identifying and providing services to atypical learners (students that demonstrate a faster or slower pace of learning than the average student) and ESS students in compliance with federal and Utah state laws and regulations, including required reporting.
- Supervise data collection and provide relevant data for monitoring and ESS audits.

5. SECTION 504 OF THE REHABILITATION ACT OF 1973 AND SUBSEQUENT AMENDMENTS ("SECTION 504")

- Assist ALA in understanding state and federal laws relating to Section 504, and suggest policies and procedures to the Board that will assist ALA in complying with such laws.

6. HEALTH SERVICES

- Assist ALA in identifying and supporting the health-related needs of all enrolled students.
- Disseminate, update, and maintain a health services handbook for all appropriate personnel.
- Design and deliver comprehensive health-related training for health services staff in order to assist ALA in remaining compliant with state and federal regulations regarding student health.
- Assist ALA in complying with local, state and federal reporting requirements.
- Periodically audit the Health Services Department to ensure alignment with relevant policies and procedures.
- Assist ALA in complying with requirements related to immunizations, vision/hearing screening, health action plans, crisis response procedures, and mandatory reporting of child abuse or neglect.

7. STUDENT SERVICES

- Provide services related to course catalog development, scheduling, and CCRI.

8. ACCREDITATION

- Manage accreditation with applicable organization(s).

9. LITTLE LEADERS PRESCHOOL PROGRAM (if Applicable)

- Provide, develop, maintain, and enhance policies, procedures, curricula, curriculum maps, pacing guides, and a specialized program of instruction in accordance with applicable law and evidence-based best practices, to be used to educate preschool students.

10. EVALUATIONS

- Provide, develop, maintain, and enhance teacher evaluations and director evaluations in accordance with applicable law and evidence-based best practices, for Board approval.
- Conduct teacher and director evaluations.

11. MISCELLANEOUS

- Propose school calendars that meet the Utah Department of Education requirements for Board approval.
- Provide time (bell) schedules for all campuses.

EXHIBIT C.3 - FINANCIAL SERVICES

- Prepare, for the Board's consideration and vote, a proposed budget each year for presentation to the Board at a Board meeting at a time and date selected and scheduled by the Board. The authority to approve a budget shall ultimately remain with the Board.
- Prepare financial statements as required by and in compliance with the Charter, Utah Law, the Code, and other applicable federal laws and regulations, including such documentation and support as needed by ALA during an annual audit of ALA's financial statements by an independent certified public accountant retained by ALA. The cost of the audit shall be the responsibility of ALA, as provided for in the budget.
- Prepare such other reports on the finances and operation of ALA as requested or required by the ADE, the Board, or the Authorizer.
- Provide advice regarding contracts, including but not limited to, facilities, curriculum, and purchase and sales agreements.
- Provide advice related to forecasting of future fiscal needs for ALA.
- Coordinate, lead, and otherwise conduct negotiations with vendors or other third parties.
- Administer payroll and all related processes.
- Coordinate the preparation and filing of all necessary tax returns for ALA by an accountant with expertise in tax filings for tax-exempt charter schools. CHARTER ONE shall ensure ALA's Board has an opportunity to review and approve ALA's Form 990 prior to filing.
- Maintain all vendor files.
- Responsible for asset inventory and management.
- Ensure compliance with existing Bondholder reporting requirements
- Manage accounts payable and accounts receivable including management and supervision of all accounts payable and ALA's bank account and lines of credit, including the direct payment of ALA's bills and expenses by CHARTER ONE on behalf of ALA from ALA's bank accounts, and management and supervision of ALA's bond reserve accounts.

EXHIBIT D - MINIMUM INSURANCE COVERAGES AND LIMITS

Charter One, LLC - Minimum Coverages	**Limits**
General Aggregate (Other than Products & Completed Ops)	$3,000,000
Products-Completed Operations Aggregate	$3,000,000
Personal & Advertising Injury	$1,000,000
Each Occurrence	$1,000,000
Damage to Rented Premises	$100,000
Medical Expense - Any One Person	$5,000
Employee Benefits Liability - Each Occurrence	$1,000,000
Employee Benefits Liability-Aggregate: Retro Date 08/08/2001	$3,000,000
Sexual / Physical Abuse or Molestation - Each Occurrence	$1,000,000
Sexual / Physical Abuse or Molestation - Annual Aggregate	$1,000,000
Business Auto (Hired & Non-Owned)	$1,000,000

ALA - Minimum Coverages	**Limits**
General Liability	$2,000,000 - Annual Aggregate $2,000,000- Products & Completed Operations Aggregate $1,000.000 - Each Occurrence Limit $1.000,000 - Personal and Advertising Injury $300,000 - Damage to Premises Rented $10,000- Medical Payments $1,000,000- Employee Benefits Liability
Business Auto (Hired & Non-Owned)	$1,000,000
Professional Liability	$5,000,000
Directors and Officers	$5,000,000
Fiduciary Liability	$5,000,000
Crime	$100,000

Employment Practices Liability	$2,000,000
Workers Compensation	$1,000,000
Umbrella	$5,000,000

These limits above for Professional, D&O, Fiduciary & EPU can be met either by single limits or with an Umbrella.