

## **CHARTER AGREEMENT**

**THIS CHARTER AGREEMENT** made and entered into this 6th day of October 2008, by and between **SCHOOL BOARD OF THE CITY OF RICHMOND, VIRGINIA**, a political subdivision of the Commonwealth of Virginia, having its principal place of business at 301 North Ninth Street, Richmond, Virginia 23219, acting by and through its authorized representative (hereinafter referred to as the “School Board”), and **THE PATRICK HENRY SCHOOL OF SCIENCE AND ARTS**, a Virginia non-stock corporation with a pending application for 501(c)(3) status, having its principal place of business at 3411 Semmes Avenue, Richmond, Virginia 23225, (hereinafter called “PHSSA), and collectively referred to as “The Parties” in this Charter Agreement (the “Charter Agreement”).

## **ACKNOWLEDGEMENTS**

WHEREAS, the School Board is the governing body of the Richmond Public School Division (“School Division”) and is charged with the duty and authorized to supervise all matters pertaining to the public schools within the City of Richmond, Virginia; and

WHEREAS, the Virginia General Assembly has enacted Article 1.2 of Title 22.1 of the Virginia Code authorizing local school boards to establish charter schools; and

WHEREAS, the School Board is committed to offering and supporting educational systems designed to provide success for every Richmond City Public Schools student delivered through a variety of innovative programs designed to meet the needs of a diverse student body; and

WHEREAS, the School Board believes that the choice and innovation made possible by the Virginia Charter School law will benefit the citizens of Richmond, and

WHEREAS, the School Board recognizes that PHSSA is offering an innovative elementary school educational program with a rigorous Standards of Learning-based science and arts curriculum that emphasizes environmental awareness and social responsibility made possible under the Virginia Charter School law, which provides for a waiver of various restrictive regulations; and

WHEREAS, PHSSA submitted a charter school application as authorized by Virginia Code § 22.1-212.6, et seq. and School Board Policy 8.56 (and Appendix H, thereto) to the School Board to establish a public charter school to be called the

Patrick Henry Charter School for Science and Arts (hereinafter referred to as “PHSSA”); and

WHEREAS, pursuant to state law, the School Board is authorized to approve and issue a charter to establish and operate a charter school; and

WHEREAS, at a duly convened public meeting on May 19, 2008, the School Board approved the PHSSA charter school application (hereinafter referred to as the “Charter”), subject to certain conditions and the formation of a contract as required by state law, to open the PHSSA;

NOW, THEREFORE, in consideration of the promises and mutual covenants and understandings of each of the parties, the parties hereby covenant and agree as follows:

#### **ARTICLE 1 - ESTABLISHMENT OF SCHOOL AND CHARTER**

A. **Charter**: The School Board hereby authorizes and grants to PHSSA a Charter, which shall operate on behalf of and solely for the benefit of PHSSA. The Charter authorizes PHSSA to establish, organize and operate a charter school in accordance with Article 1.2 of Title 22.1 of the Code of Virginia and the terms and conditions of this Charter Agreement.

B. **Term**: The initial term of the Charter shall be for three academic years, beginning with the 2009-10 academic year (with the corresponding July 1, 2009 – June 30, 2010 fiscal year) and ending at the conclusion of the 2011-12 academic year (June 30, 2012). The parties agree that PHSSA shall be permitted to delay for one year until July 1, 2010, the opening of the Charter School authorized by this Charter, if PHSSA notifies the School Board in writing no later than by January 1, 2009 of its intent to so delay the opening of the Charter School. If PHSSA so notifies the School Board that it intends to delay opening of the Charter School until January 1, 2009, the School Board’s obligations to release funding for the Charter School, as further described in Article III, Paragraph B(4), below, shall also be deferred until July 1, 2010.

C. **Renewal**: No later than by January 15, 2012, PHSSA may submit a written request compliant with School Board Policy 8.56(K), as amended from time-to-time hereafter, for the renewal of the Charter Agreement to the School Board. The School Board will decide whether to renew and extend the terms of the initial Charter Agreement by no later than March 15, 2012. The decision whether to renew and extend the terms of the initial Charter shall be at the sole discretion of the School Board, and such decision shall not be subject to appeal.

D. **Probation**: In addition to the authority conferred to the School Board to revoke the Charter by Article 1, paragraph E below, the School Board reserves the right to place PHSSA on probation during the initial Term or any subsequent terms for any reasons that would justify revocation. The School Board shall provide PHSSA with

written notice of specific deficiencies, identified by the School Board which form the basis for its decision to place PHSSA on probation. PHSSA shall have thirty (30) days from notice of its probationary status to develop and submit a written remedial plan to the School Board, such plan to include improvement benchmarks targeted at remediation of the specified deficiencies within ninety (90) days of approval of the remedial plan by the School Board. The School Board will respond to the remediation plan within thirty (30) days. Approval of the remediation plan is within the sole discretion of the School Board. If the remediation plan is approved by the School Board, and PHSSA fails to correct the deficiencies identified by the School Board to its satisfaction within the time frame allotted, the School Board may agree to extend the probationary period if the School Board determines that sufficient progress is being made based on the good faith effort of PHSSA or the School Board may revoke the Charter pursuant to paragraph E, below.

E. **Revocation:** As authorized by applicable state law and School Board Policy 8.56(K), as amended from time-to-time hereafter, the School Board may revoke the PHSSA Charter prior to the expiration of the initial Term and during any subsequent term if:

1. PHSSA violates the conditions, standards, or procedures established in the application;
2. PHSSA fails to meet or make reasonable progress toward achievement of the content standards or student performance standards identified in the charter application;
3. PHSSA violates a material term of the Charter Agreement;
4. PHSSA fails to meet generally accepted standards of fiscal management;
5. PHSSA violates any provision of law from which it has not been exempted; or
6. the School Board determines that it is not in the public interest or for the welfare of the students within the division to continue its operation.

However, prior to such revocation, the School Board will grant to PHSSA an informal hearing to allow PHSSA to present evidentiary-based reasons for the continuation of its Charter. Upon formal written notice of the School Board's intent to revoke the PHSSA Charter, PHSSA will have five (5) days to give the School Board written notice of its request for an informal hearing. Such hearing will be held no less than ten (10) and no more than twenty (20) days after the School Board receives the notice.

The decision to revoke the Charter shall remain within the sole discretion of

the School Board throughout the initial Term and any subsequent terms of this Charter Agreement, as authorized by state law.

F. **Terms and Conditions of the Application:** The Parties hereto expressly agree that the PHSSA charter application, as supplemented on August 15, 2008 and revised to conform to the contract (the “supplemented application”), a copy of which is attached hereto as **Exhibit A** and incorporated herein by reference and made a part hereof, sets forth the goals, standards and general operational policies of PHSSA. PHSSA shall be bound by its representations and obligations as set forth in the supplemented application, as if such representations and obligations were set forth herein in their entirety. The Parties further agree that the supplemented application is not a complete statement of each detail of the operation of PHSSA. To the extent that PHSSA desires to implement specific policies, procedures or other specific terms of operation that differ materially from those set forth in the supplemented application, PHSSA shall request permission from the School Board for a waiver(s) to implement such policies, procedures, and specific terms of operation, provided that such policies, procedures and terms of operation are not otherwise prohibited or circumscribed by law. The School Board in its sole discretion shall decide whether to grant any waiver(s) requested by PHSSA. Such approval shall not unreasonably be withheld.

## **ARTICLE 2: SPECIFIC CONDITIONS IMPOSED UPON PHSSA**

A. **Generally:** The opening of PHSSA and its continued operation are specifically conditioned upon PHSSA’s successful fulfillment of the conditions prescribed in this Charter Agreement.

B. **Management and Operation:** PHSSA shall operate in accordance with the supplemented application, this Charter Agreement and all applicable laws and regulations including, but not limited to, Article 1.2 of Title 22.1 of the Code of Virginia and School Board Policy 8.56(H), as amended from time-to-time, which provides that a public charter school shall be responsible for its own operation.

1. As described in the supplemented application, there shall be a PHSSA Board of Directors. The PHSSA Board of Directors constitutes the link between the School Board and the School Planning and Management Team described below. The PHSSA Board of Directors is responsible for, at a minimum:

a. functioning as the operator of PHSSA and as the legal entity entering into this Charter Agreement with the School Board; approving any Charter Agreement amendments or waivers to be submitted to the School Board, as well as approving the annual budget requests to the School Board;

b. negotiating any contract, and amendments thereto, with the School Board or any other third party for the provision of necessary services;

c. negotiating the terms and use of facilities and any independent contracts related to the operation of PHSSA;

d. approving an annual report and an annual audit for submission to the School Board;

e. establishing PHSSA policy and monitoring the operational decisions of the PHSSA principal; and

f. approving staffing recommendations forwarded from the School Planning and Management Team described below.

2. As described in the PHSSA supplemented application, and in accord with School Board policy, there shall be a duly constituted standing School Planning and Management Team (the "School Planning Team"). The School Planning Team, in cooperation with the Board of Directors, shall function as the legally required school improvement team and will be established prior to the opening of PHSSA, and shall remain operational during the initial Term and all subsequent terms of this Charter Agreement. Responsibilities of the School Planning Team shall include, but are not limited to, the following:

a. overseeing the daily operations of PHSSA;

b. monitoring and assuring compliance with PHSSA and applicable School policies including, but not limited to, those regarding student academics, student discipline, student attendance, instructional issues, school calendar, length of instructional day, extracurricular activities, employee matters, budget issues, and capital needs;

c. determining, in consultation with the Richmond Public Schools' Department of Human Resources, staffing levels and establishing position descriptions for PHSSA/RPS employees for recommendation to the PHSSA Board of Directors;

d. developing the annual budget for PHSSA based on the school's academic needs and goals, and providing financial reports as well as annual reports and annual audits to the PHSSA Board of Directors;

e. implementing the PHSSA curriculum and monitoring its implementation in accordance with the terms and conditions of this Charter Agreement;

f. proposing amendments to the Charter Agreement and submitting such proposed amendments to the PHSSA Board of Directors;

g. appointing committees as it deems necessary to support PHSSA operations, and receiving regular committee reports from such committees;

h. developing a culture and infrastructure consistent with the mission and policies of PHSSA in collaboration with PHSSA parents, faculty, and students;

i. providing input to the PHSSA Board of Directors for the evaluation of the PHSSA principal as more fully set forth in Article 2, Section F(10) below; and

j. providing input to and regularly communicating with the PHSSA principal regarding the operations of PHSSA, including for the evaluation of PHSSA staff members.

**C. Educational Goals and Objectives:** By February 15, 2009, PHSSA shall provide to the School Board an Accountability Plan (the “Accountability Plan”) fashioned in accordance with the Richmond Public School’s “Balanced Scorecard.” PHSSA shall present the educational goals and objectives outlined in the supplemented application that meet or exceed state and federal requirements, and the requirements of any additional programs in which PHSSA participates. PHSSA shall submit the Accountability Plan to the School Board by February 15 in each year of the initial Term and any subsequent terms of this Charter Agreement.

**D. Budget and Financial Status:** PHSSA is required to operate on a financially sound basis under applicable state law, School Board policy, and this Charter Agreement. PHSSA submitted a detailed budget for school years 2009-2010, 2010-2011, and 2011-2012, which now appears as Appendix E to its supplemented application and which was based on PHSSA opening for operation on July 27, 2009. Other than startup costs for the library and media center, the principal’s first six months of salary, furnishings, and any identified capital needs, PHSSA represents that it can operate the school on the state and local funds requested. Funds to cover the start-up costs and for the intended ADA renovations will be derived through tax-deductible contributions as described in the Budget Narrative of the supplemented application. The School Board and/or Richmond Public Schools shall not assume any responsibility for financial liabilities incurred by PHSSA in excess of budgeted revenues and/or donations received.

1. **Budget Development for School Year 2009-2010.** PHSSA shall submit to the School Board an income report by January 1, 2009 indicating as of that date a collected fund balance in excess of \$100,000.00, which amount shall be reserved for the costs associated with employing the principal and other startup costs to be incurred prior to the start of initial term. PHSSA also reserves the right to prioritize projects and postpone facility projects to meet school operational objectives, but only to the extent such priorities are consistent with applicable law.

The initial budget shall remain subject to the School Board's approval of its annual operating budget for the 2009-2010 academic year, and subject to sufficient appropriations by federal, state and local sources. Further, any item submitted as a requirement of this Agreement or for any other reason that requires a budget amendment shall include, as part of the plan, an amended budget.

2. Budget Development for Subsequent School Years. For each subsequent year during the initial Term of the Charter Agreement and any subsequent terms, PHSSA shall develop its annual operating budget according to the schedule established from time-to-time by the superintendent of the Richmond City Public Schools, and shall submit such proposed budget for the superintendent's review and recommendation to the School Board. Each such annual budget shall be subject to the School Board's annual budget making process and approval.

3. Financial Reporting. PHSSA shall post on-line each year a financial statement reflecting its income and expenses. In addition, PHSSA shall provide a written consolidated financial report quarterly to the School Board. Reporting schedules and formats for such reports shall be agreed upon by PHSSA and the Richmond Public Schools' Office of Finance and Operations. PHSSA will comply with all the financial reporting required by the Virginia Department of Consumer Affairs which regulates non-profits who solicit for contributions within the Commonwealth. PHSSA will also be subject to an annual audit of finances as provided by state law.

4. Accounting: The PHSSA financial system of accountability for funds appropriated by the School Board shall comply with established School Board fiscal procedures. GAAP standards shall be used by PHSSA and the School Board to track resources and for all audits of PHSSA finances and operations. PHSSA shall keep proper and complete books, records and accounts with respect to the operation of PHSSA and shall permit the School Board, or its agents, to inspect the same at all reasonable hours and to make copies thereof.

**E. Facilities:**

1. Construction, Maintenance and Upkeep, Generally: PHSSA shall be responsible for all costs associated with the construction, maintenance and upkeep for the Patrick Henry building for the duration of the Charter. PHSSA shall prepare a schedule for bringing the Patrick Henry school building and property into compliance with the Americans with Disabilities Act (ADA) and shall bring the facility into compliance in accordance with the schedule; that schedule shall not cause the School Board to violate the consent decree in the case *Bacon v. City of Richmond*. All costs associated with bringing the facility into compliance with the ADA shall be borne entirely by PHSSA.

2. Comprehensive Evaluation: PHSSA shall complete a comprehensive evaluation of the physical plant at Patrick Henry School. Such evaluation shall

include, but not be limited to, an assessment of the building's compliance with applicable state and local building and fire codes, ADA standards, the presence of lead paint, asbestos and other hazardous materials, and of the building's suitability for use for the instructional program outlined by this Charter Agreement. The evaluation shall include cost estimates for any remedial or renovation work required for the Patrick Henry school building to satisfy such structural and/or educational requirements. All costs associated with the comprehensive evaluation shall be borne entirely by PHSSA.

3. Title: The Parties expressly acknowledge that record title to the Patrick Henry School building is held by the City of Richmond. The Parties further agree that the Parties shall work cooperatively to obtain any permits or authorizations required by the City of Richmond, state or federal agencies to make any improvements to the facility.

4. Facility Access. Upon execution of this Agreement, a designated representative of PHSSA will be given a means to access the facility.

5. Lease: Conditioned upon PHSSA's satisfaction of all obligations under this Charter Agreement, the School Board shall lease to PHSSA the Patrick Henry School Building for an initial Term to coincide with the initial Term of this Charter Agreement. Such lease shall be upon such terms as are acceptable to the School Board, and shall include standard terms for leases in which a political subdivision of the Commonwealth of Virginia is lessor. Such lease may be extended, at the School Board's sole discretion, to coincide with any subsequent terms of the Charter Agreement. In the event that the School Board revokes the Charter, the lease for the Patrick Henry School building shall terminate as of the effective date of the Charter termination. The initial lease described in this paragraph E(5) shall be substantially in the form of **Exhibit B**, hereto.

6. Surplus Property: The School Board shall make available to PHSSA any classroom or office surplus personal property located in the Richmond Public Schools' surplus property warehouse, for PHSSA's sole use. The School Board shall make the surplus property available to PHSSA for inspection and claim immediately upon execution of this Charter Agreement. The School Board does not guarantee that any particular furniture or other personal property will be available to PHSSA at the time it is needed and in no manner guarantees or warrants the condition of any such surplus property.

7. Historic Tax Credits: The Parties shall investigate and pursue all federal and state historic tax credits that may be available for construction/renovation projects at the Patrick Henry School. The Parties shall cooperate with each other in applying for any such federal and state historic tax credits that may be available for capital projects at Patrick Henry School, and in the implementation of any such historic tax credit project approved by applicable governing agencies and the School Board.

**F. Human Resources:**

1. PHSSA Employees: As required by applicable state law, all PHSSA employees shall be employees of the School Board.

2. PHSSA Human Resources Contact: PHSSA will not house an independent Human Resources Department and will utilize Richmond Public Schools' Department of Human Resources. Once hired, the PHSSA human resources contact person shall be the principal of the school. PHSSA shall coordinate with Richmond Public Schools' Department of Human Resources in order to determine minimum staffing levels based on enrollment and to delineate joint and separate responsibilities with respect to PHSSA's personnel.

3. PHSSA Human Resources Procedures: PHSSA will utilize the same merit-based non-discriminatory human resources procedures as the Richmond Public Schools' Department of Human Resources included, but not limited to, those outlined in School Board Policies 7.07 through 7.56, as amended from time-to-time hereafter unless modified by waiver.

4. PHSSA Position Descriptions: PHSSA will develop position descriptions and job requirements specific to PHSSA, in consultation with Richmond Public Schools' Department of Human Resources.

5. PHSSA Position Availability, Recruitment and Advertising: PHSSA will notify the Richmond Public Schools' Department of Human Resources when PHSSA positions become available. PHSSA shall adhere to all state and federal law and guidelines regarding the recruitment of qualified staff, including, specifically, all applicable law regarding nondiscriminatory hiring practices. PHSSA may disseminate job announcements through multiple avenues, including, but not limited to, those utilized by the Richmond Public Schools' Department of Human Resources.

6. PHSSA Job Interviews: PHSSA will conduct all job interviews for PHSSA positions and identify acceptable candidates.

7. Employment Contracts: After selection of appropriate candidates for employment by PHSSA, contracts will be negotiated by Richmond Public Schools' Department of Human Resources and will include salary structure and benefits as budgeted by PHSSA. The parties expressly agree that PHSSA may supplement the salaries of PHSSA, and that any such supplements above the pay scales established from time-to-time by the School Board shall be available to such employees only during their respective employment at PHSSA. PHSSA employees shall not be entitled to any such supplement upon their employment in a position with another Richmond Public School. In addition, all benefits for PHSSA employees, including specifically Virginia Retirement Benefits, shall be calculated based on the salary

schedules established from time-to-time by the School Board, and shall not include any salary supplement paid by PHSSA from its funding sources.

8. Equal Employment Opportunity: PHSSA shall be an equal opportunity employer.

9. Evaluation: The PHSSA Board of Directors will perform the annual evaluation of the school principal utilizing a personnel evaluation procedure modified from that utilized by the Richmond Public Schools (detailed specifically in the School Board's By-Laws Section 7, Appendix C, pp. 2-24, as amended from time-to-time hereafter). The substantive difference in the process between that utilized by Richmond Public Schools and PHSSA is that the Board of Directors will conduct both the formative and substantive components of the evaluation. For employees other than the principal, PHSSA will utilize the same personnel evaluation procedures as Richmond Public Schools, detailed specifically in the School Board's By-Laws Section 7, Appendix C (pp. 26-92 for teachers, and pp. 94-123 for classified personnel, as amended from time-to-time hereafter), and the PHSSA handbook.

10. Counseling and Grievance Procedures: PHSSA shall utilize Richmond Public Schools' counseling and grievance procedures and EEO counseling will be made available to all PHSSA employees through the Richmond Public Schools' Department of Human Resources.

11. Criminal and Background Checks: RPS shall perform background checks and fingerprinting of all PHSSA employees as required by applicable Virginia law. PHSSA shall bear the costs associated with all such employee background checks.

12. Staff Development: RPS shall make district-wide professional development opportunities available to PHSSA employees on a seats-available, at-cost basis. Likewise, PHSSA shall make professional development opportunities that it provides its employees available to other RPS employees on a seats-available, at-cost basis.

13. Legal Obligations: PHSSA's personnel shall be subject to and receive all rights afforded by all applicable federal and state law, School Board policy and Richmond Public Schools' procedures, except to the extent outlined in PHSSA's supplemented application, this Agreement, and any waivers approved by the School Board.

G. Exceptional Education and Student Services: PHSSA shall comply with all state and federal special education laws and regulations including, without limitation, the Individuals with Disabilities Education Improvement Act of 2004 and Section 504 of the Vocational Rehabilitation Act of 1973. PHSSA also shall be subject to all School Board policies and regulations regarding the education of students with special needs, and Richmond Public Schools' exceptional education procedures. In

addition to any requirements referenced above, PHSSA specifically shall meet or exceed the following requirements:

1. Child Study Procedures: PHSSA shall utilize the same child study process that is utilized by other Richmond Public elementary schools to ensure that the process adheres to the procedures identified in the Virginia Department of Education's guidance document Procedures for Child Study Committees Operating in Virginia, which shall operate as a general education function.

2. Special Education Regulatory Requirements: PHSSA shall comply with all state and federal legal obligations and Richmond Public Schools policies, procedures and practices to educate and provide services to any special education students at PHSSA, placed at PHSSA by an IEP team or that PHSSA is otherwise obligated to serve. This includes: child find activities, special education evaluations and eligibility criteria, and the development of individualized education programs.

3. Screenings: All PHSSA students (through grade 3), within 60 business days of initial enrollment, shall be screened in speech, voice, language, vision, hearing, and fine and gross motor functions to determine if a referral for special education and related services is indicated. In addition, the vision and hearing of all children in grade 3 (and grades 7 and 10 should PHSSA serve those grades) shall be screened during the school year.

4. Special Education Support Personnel: PHSSA shall coordinate with the Richmond Public Schools' Department of Exceptional Education and Student Services to determine the cost, quantity and estimated time for use of exceptional education support personnel, including but not limited to, speech/language pathologists, occupational therapists, behavior specialists, physical therapists, and school psychologists who will be needed to participate in student services activities, including child student and special education meetings.

5. Attendance, Truancy and Discipline: PHSSA shall be subject to all applicable state law, School Board policies and regulations, and Richmond Public Schools' procedures regarding student attendance, truancy, and discipline. Specifically, PHSSA students shall be subject to the Richmond City Public Schools' Standards of Student Conduct. If any PHSSA student is removed from PHSSA, but not long-term suspended or expelled from the Richmond City Public Schools as provided for in School Board policies, such student shall return to another Richmond City Public School according to the School Board's student assignment policies, and funding from all public sources previously directed to PHSSA for that student's educational services shall likewise return to the Richmond City Public Schools' budget.

6. Medicaid Activities: PHSSA staff shall participate in all Medicaid activities for PHSSA students, including administrative time studies.

7. Continuum of Educational Placements and Services: PHSSA shall provide a continuum of educational placements and services to students with disabilities.

8. Staffing and caseload: PHSSA shall meet state special education staffing and caseload requirements for students with disabilities. PHSSA shall cooperate with the Richmond Public Schools' Department of Exceptional Education in developing a projection for meeting staffing and caseload requirements for its first year of operation, and with developing a plan for meeting staffing and caseload requirements for the actual number of students with disabilities within ten (10) days of their acceptance into PHSSA.

9. Evacuation Plans: PHSSA shall establish an individual evacuation plan for specific students with disabilities promptly upon their acceptance into PHSSA. PHSSA has a detailed general evacuation plan included as part of its "Safety and Security Plan."

10. Costs: The parties expressly acknowledge that determining in advance and budgeting for the actual costs associated with educating students with special needs is a difficult task. Therefore, the parties agree that in the first year of the initial Term of this Agreement, the School Board shall bear all additional costs associated with delivering services to students with special needs, including all staff costs associated with such services. The School Board shall not bear the costs associated with regular education staff members who otherwise provide instruction to students with special needs. The parties further agree that in each additional year of the initial Term of this Agreement and in any subsequent terms, PHSSA shall budget and pay for the costs associated with special needs students based on each previous year's exceptional education costs.

H. **Instruction:** As described in its application PHSSA shall abide by all state and federal laws and regulations regarding instruction, curriculum and accountability. PHSSA shall provide a standards-based core curriculum aligned with the Virginia Standards of Learning (SOL) and focusing on progress towards student mastery of the essential knowledge and skills in English, language-arts, mathematics, science and social science. PHSSA shall be solely responsible for the general education costs for all instructional areas. All teachers will be VDOE certified with appropriate endorsements to teach the required subject matter.

1. Curriculum: PHSSA will implement a fully integrated curriculum, with self-developed pacing plans, that includes concurrent instruction in the four "core academic areas" (Reading/Language, Mathematics, Science, History/Social Studies) as well as Art, Music, Behavioral Skills, and Physical/Health Education as described in the supplemented application. Subject matter will be delivered in a continuous manner, not in blocks that follow a sequence, and therefore, the standard Pacing Guides utilized by RPS will not apply to evaluation of PHSSA's instructional progress. PHSSA shall have responsibility for determining the methodology to be

used to deliver the essential knowledge, skills and processes using an integrative curriculum. Although the curriculum at PHSSA will not follow the standard sequence dictated by a separate-class model of teaching, PHSSA will provide the required number of minutes of instruction for every subject.

2. Academic Intervention: PHSSA shall implement a Response to Intervention (“RtI”) program as a tool for assessing and working with struggling learners.

3. Student Assessments: PHSSA shall implement a comprehensive PHSSA student academic/achievement testing program that includes all state and federal assessment requirements, including administration of Virginia’s Standards of Learning (SOL) assessments at the required grade levels, the Phonological Awareness Literacy Screening (“PAL’s”) testing and the Developmental Reading Assessment (DRA2). PHSSA shall include in its comprehensive assessment program annual Personal Evaluation Plans, quarterly Progress Reports/Teacher Evaluations, and Project Based Self Assessments,. PHSSA shall share student assessment data with Richmond Public Schools each nine weeks, in synchrony with the progressive quarterly calendar, and in conjunction with RPS reporting requirements and shall utilize the same grading system utilized by the School Division. PHSSA shall insure that PHSSA teaching staff is trained by the publisher of all assessment instruments.

4. Guidance and Counseling: As described in its application, PHSSA shall provide an appropriate school guidance and counseling program, which shall include components of academic guidance and personal/social counseling offered in a combination of large group, small group and individual settings. All such school guidance and counseling services shall comply with applicable Virginia law, including the Virginia Board of Education’s Regulations Regarding School Guidance and Counseling Programs in the Public Schools of Virginia, VAC 20-620-10.

5. Media Center: PHSSA shall maintain a media center which will provide materials that support teachers, staff, and students in implementation of the curriculum.

6. English as a Second Language: PHSSA shall provide appropriate English as a Second Language (ESL) services to eligible PHSSA students, which shall be delivered by a qualified teacher holding VDOE ESL certification.

7. International Baccalaureate Primary Years Program: the Parties recognize that PHSSA, in its supplemented application, represented that it has as one of its goals to operate an IB Primary Years Program at PHSSA in later years of its operation. The Parties further acknowledge and recognize that the IB Primary Years Program has specific guidelines and expectations and that, should PHSSA begin exploring application for and implementation of an IB program, the Parties will need to revisit and may need to amend the Charter Agreement to ensure consistent instruction that is designed to satisfy both the IB program and this Charter Agreement. At such time as PHSSA believes it has the capacity to introduce an IB program, PHSSA will timely

submit a plan for such program to the RPS Department of Instruction and cooperate with RPS on the implementation of such plan. PHSSA will not submit such a plan until it has fully operated for at least three years.

I. **Admissions and Enrollment**: PHSSA shall comply fully with the Virginia free schools law as applied to charter schools, Virginia Code Section 22.1-3, which requires that “Enrollment shall be open to any child who is deemed to reside within the relevant school division or, in the case of a regional public charter school, within any relevant school divisions, as set forth in 22.1-3, through a lottery process on a space available basis. A waiting list shall be established if adequate space is not available to accommodate all students whose parents have requested to be entered in the lottery process. Such waiting list shall be prioritized through a lottery process and parents shall be informed of their student’s position on the list.” PHSSA shall conduct the lottery by assigning a number to each application. The numbers, separated by grade level, will be placed in a hopper. The numbers will be drawn during a video-taped session by a third party, such as an accounting firm. Current students and siblings of current students will have pre-lottery status in admissions.

J. **Displacement and Reassignment**: In regard to long-term or permanent closure of the facility, PHSSA shall implement the “Displacement Plan: Pupils and Employees” as outlined in Section IX of its supplemented application. This plan provides that in case of termination or revocation of the Charter, or as defined in the family involvement contract, students will return to their zone schools. Staff members, as employees of the School Board, will be reassigned to positions within the school system, consistent with applicable law. Unplanned temporary displacement because of partial or complete destruction of the school building will be handled according to the Emergency Plan outlined in the Disaster Recovery portion of the supplemented application, and according to all applicable law.

K. **Technology**: PHSSA shall cooperate with Richmond Public Schools’ Department of Information Technologies to determine the technology required to be compatible with all required RPS systems, including machines, hardware and software and shall obtain the appropriate technology components.

L. **Telephones**: PHSSA shall cooperate with Richmond Public Schools’ Department of Telecommunications to determine the required equipment and systems to be compatible with all required RPS systems and will obtain necessary equipment and systems.

M. **Food Services**: PHSSA shall implement a School Nutrition Program, including participation in the free and reduced lunch programs. PHSSA shall abide by all federal and state laws and regulations, School Board policies and regulations, and other applicable requirements with regard to its School Nutrition Program. PHSSA shall become a part of the RPS School Nutrition Program by virtue of the fact that PHSSA will be part of RPS. PHSSA will execute a memorandum of agreement with

RPS regarding provision of food and food services similar to those provided by other Richmond Public Schools.

N. **Transportation:** The School Board shall be responsible for transporting students with disabilities who require special education transportation in order to attend PHSSA. It shall be the responsibility of the families desiring enrollment to transport their children to PHSSA. PHSSA however does not wish the lack of transportation to be a limiting factor on student attendance and will seek to work with the School Board, local government, the business community and civic associations to provide transportation options where needed.

O. **Family (Parent/Guardian) Involvement:** PHSSA shall implement its requirement of six (6) hours per quarter of family (parent/guardian) involvement as a condition of a child's admission and continued enrollment, subject to the provisions of this paragraph. Recognizing that time constraints of working parents and single parents/guardians, PHSSA shall offer multiple ways in which families can satisfy the involvement requirement. Some of these opportunities shall be available during the day, some the evenings, and some on weekends. PHSSA shall establish a Volunteer Coordinating Committee to assist families in meeting their involvement requirement. The standard for successful completion is a good faith effort on the part of the family. If PHSSA determines that a family has not made a good faith effort to comply, or in the event a family does not fulfill the contractual requirements in at least two of the four school quarters, the student will not be offered a new enrollment contract and will be expected to transfer to another school at the end of the school year, but not during any school year. The parent/guardian may appeal the transfer decision to the principal. As part of its annual reporting to the School Board, PHSSA shall provide data regarding the impact that the family involvement requirement is having on admissions and continued enrollment at the school, and the School Board and PHSSA may revisit this requirement at any time if either party believes the requirement is negatively impacting enrollment or admissions.

P. **Nondiscrimination:** PHSSA, its successors and assigns, affirms and agrees to comply fully with the Title VI and Title VII of the Civil Rights Act of 1964, as amended, and all regulations promulgated thereunder.

Q. **Diversity:** PHSSA has engaged and will continue to engage in efforts to ensure that its Board, student body, and staff are diverse in the areas of race, gender, socio-economic status and community/civic association. PHSSA's on-going effort to reach out to a variety of civic associations, faith-based organizations, civic leaders, and parents of school aged children throughout Richmond has the objective of making PHSSA one of the most diverse schools in the City. As part of PHSSA's core objective of diversity, a community outreach team will be held accountable for continually pursuing activities that strive to meet that objective. PHSSA shall report to the School Board annually on its on-going activities and the initial results of such efforts based on enrollment applications and staff applications no later than by April 1, 2009, and by April 1 of each year during the initial Term and any subsequent terms

of the Charter Agreement. Further, PHSSA shall submit a three-year diversity plan to the School Board by April 1, 2009.

R. **Student Records:** PHSSA shall adhere to all federal and state laws regarding student records, including without limitation the Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g. PHSSA shall utilize the Richmond Public Schools' established procedures for student record keeping, including specifically its electronic student data collection and storage system and student attendance system. In addition, PHSSA shall utilize Richmond City Public Schools' student records and student forms to maintain consistency throughout the School Division.

S. **Regulations/Legal Requirements:** PHSSA shall comply with all applicable provisions of state and federal law governing the Richmond Public Schools and related to the operation of a public charter school in Virginia. PHSSA shall obtain at its sole expense all licenses, permits and authorizations required to meet its obligations under this Charter Agreement and applicable law. PHSSA shall comply with all School Board policies agreed to in this Charter and regulations not in conflict with or pre-empted by this Charter, unless otherwise waived by the School Board in its sole discretion. PHSSA shall comply with applicable provisions of the Virginia Public Procurement Act.

T. **Indemnification:** Pursuant to the terms and conditions of this Charter Agreement, PHSSA agrees to defend, save harmless and indemnify the School Board from and against any and all claims, including those for damages and attorneys' fees, against the School Board allegedly caused by the operation of PHSSA.

U. **Insurance:** PHSSA shall at all times during the initial Term and any subsequent terms of this Charter Agreement, maintain a comprehensive general liability insurance policy for its operation of PHSSA at the Patrick Henry School facility with minimum coverage limits and policy conditions, including but not limited to deductibles, equal to or in excess of those maintained by the School Board on its other school facilities. Alternatively, PHSSA may satisfy this requirement by participating in Richmond Public Schools' procurement of insurance at RPS's actual cost of procuring the insurance coverage for PHSSA, but shall remain responsible for deductible amounts solely attributable to damages to the Patrick Henry School facility.

### **ARTICLE 3: SPECIFIC CONDITIONS IMPOSED UPON THE SCHOOL BOARD**

A. **Definition:** The School Board is the chartering authority which has authorized PHSSA to establish and operate PHSSA pursuant to Article 1.2 of Title 22.1 of the Code of Virginia.

B. **Duties and Responsibilities:** The School Board retains all duties and

responsibilities imposed upon it as the chartering authority pursuant to Article 1.2 of Title 22.1 of the Code of Virginia. Such duties and responsibilities include, but are not limited to, the following:

1. Periodically evaluating PHSSA's performance and compliance with the Charter Agreement;
2. Responding definitively within thirty days (unless as otherwise specifically provided in this Charter Agreement for a particularly time-sensitive issue) to any submissions by PHSSA to RPS and, if the submission is deemed unacceptable, identifying what is unsatisfactory and suggesting what would be satisfactory;
3. Establishing annually during the School Board's budget-making process, the financial allocation for PHSSA' operating budget from sources within the School Board's appropriations, direction and control and providing PHSSA with designated state and local funding to operate its general and exceptional education program;
4. Ensuring annual funding is available to PHSSA not later than July 1 of any given fiscal year for the initial Term and any subsequent terms of the Charter Agreement, which annual funding shall at all times remain subject to annual appropriations from applicable sources. The Parties specifically acknowledge and agree that the School Board shall release no funding from its annual operating budget to PHSSA prior to July 1, 2009. Should PHSSA notify the School Board of its intent to delay opening of the Charter School until July 1, 2010 as described in Article I, Paragraph B, above, the School Board shall release no funding from its annual operating budget to PHSSA prior to July 1, 2010
5. Recognizing the PHSSA School Planning and Management Team, in cooperation with the PHSSA Board of Directors, functions as the "School Improvement Team" required by the No Child Left Behind Act;
6. Providing a designated representative of PHSSA with means to freely access the Patrick Henry facility upon execution of this Charter Agreement and making available to PHSSA studies and reports related to the facility to specifically include ADA related studies;
7. Allowing PHSSA to view and identify surplus property that PHSSA wishes to utilize in the operation of the Charter School. The School Board will make such identified property available to PHSSA as outlined elsewhere in this Charter Agreement;
9. Cooperatively working with PHSSA in securing any and all available historic and other tax credits available to operate PHSSA most efficiently and economically;
10. Acting promptly on requests made by PHSSA for individual

employees, as would any other principal/administration within the Richmond City School system, with the understanding the RPS remains the employer of all PHSSA Charter School employees;

11. Working with PHSSA regarding its receipt, use and accounting of non-School Board appropriated funds, to comply with all applicable law and industry accepted accounting procedures;

12. Receiving annual requests for funding PHSSA as part of its budget-making process and, within its discretion, may budget and appropriate available funds in accordance with applicable law and the terms of the Charter Agreement, so long as PHSSA is in compliance with the law and the terms of the Charter Agreement;

13. Evaluating and acting upon any proposed amendments to this Charter Agreement;

14. Granting PHSSA an informal hearing before a determination to revoke its Charter is made. As is outlined elsewhere in this Charter Agreement, the School Board shall make any such decision to revoke based on a good-faith evaluation of the evidence presented and there shall be no right to appeal the School Board's decision;

15. Cooperating with PHSSA in performing the tasks outlined in Article 2, above;

16. Evaluating and timely acting upon any requests for waivers of regulations in keeping with the spirit of Virginia's Charter School law; and

17. Evaluating and timely acting upon any renewal requests for this Charter Agreement prior to the expiration of the initial three-year Term, and any subsequent terms.

18. Designating a standing committee of the School Board to give guidance and receive reports and information from PHSSA to meet not more than monthly on an as needed basis.

C. **Fiscal Responsibilities:** In accordance with the terms and conditions of this Charter Agreement, state law and School Board policy, the School Board shall disburse funding to PHSSA to support its operation. PHSSA will seek and receive other funds through local, state or federal government sources and/or from private sources.

1. **Enrollment:** Funding for the initial year of PHSSA' operation by the School Board shall be appropriated based on projected enrollment as defined in the supplemented application. If actual PHSSA student enrollment varies from such

projections, adjustments to the School Board appropriations to PHSSA shall be made to reflect actual enrollment.

2. **Funding:** Provided PHSSA annually demonstrates financial soundness as required by this Charter Agreement and Virginia Charter School Law, the receipt of a specific federal grant for its operations will not serve as a condition precedent to the continuation of this Charter.

#### **ARTICLE 4: MISCELLANEOUS PROVISIONS**

A. **Waiver:** No waiver of any breach of this Charter Agreement shall be held as a wavier of any other or subsequent breach.

B. **Disputes:** The parties agree that any disputes that arise regarding the interpretation or implementation of this Charter Agreement will be presented first to the Richmond Public Schools division superintendent or his/her designee for resolution. If the dispute cannot be resolved, the dispute may be presented to the School Board for its review and decision. The School Board may convene a hearing to consider the dispute or may consider the dispute based only upon any written record of the dispute. However, if requested by PHSSA, the School Board will convene a full hearing before making a final decision. The School Board's decision regarding any disputes that arise under this Charter Agreement shall be final and shall not be subject to appeal. Nothing in this paragraph shall diminish or otherwise alter the School Board's right at any time to revoke the Charter Agreement as authorized by Virginia law.

C. **Modification:** This Charter Agreement shall only be modified by formal written instrument executed by authorized representatives of the parties, and specifically may not be modified by any other act of the parties or their representatives.

D. **Disclosure and Entire Agreement:** Each party expressly certifies that it, in executing this Charter Agreement, has consulted with legal counsel and that respective legal counsel has fully reviewed and advised the parties regarding the terms and conditions of this Charter Agreement. No representations have been made by either party to the other except as herein expressly set forth, and this Charter Agreement, together with the instruments heretofore incorporated by reference, contains the entire understanding of the parties relating to the rights herein granted and the obligations herein assumed, and supersedes all previous communications, representations, or agreements, either written or oral, between them, and not incorporated herein. There are no warranties, promises, covenants, or undertakings other than those expressly set forth herein.

E. **Severance Clause:** If any of the provisions of this Charter Agreement are held to be illegal, invalid or unenforceable, all other provisions shall nevertheless continue in full force and effect as if such illegal, invalid, or unenforceable provision were not contained herein.

F. **Construction**: This Charter Agreement shall be construed in accordance with the laws of the Commonwealth of Virginia. Any litigation arising from this Charter Agreement shall be heard exclusively in the City of Richmond Circuit Court. This Charter Agreement has been drafted and prepared by both parties and should not, in the event of a dispute, be interpreted against one party or the other.

G. **Non-appropriation**: This Charter Agreement is subject to annual budget approval by the School Board and annual appropriation of funds by multiple sources, including the City of Richmond City Council. In the event that the School Board, City Council or any other applicable funding source fails to budget or appropriate funds necessary to support PHSSA, this Charter Agreement shall be deemed cancelled, with no liability to the School Board, and of no effect. Notice of such cancellation will be given to PHSSA within thirty (30) days of an action constituting a failure to fund or appropriate. However, the failure of the School Board to provide such notice shall not invalidate any failure to fund or appropriate.

H. **Non-Assignment**: This Charter Agreement and the rights and obligations created hereunder, may not be assigned by PHSSA to any party.


I. **Titles**: The titles of each section and subsection of this Charter Agreement are for clarity and organizational purposes only and are not to be considered to have legal effect.

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As to these covenants and promises, the parties hereto severally bind themselves, their heirs, personal representatives, and assigns.

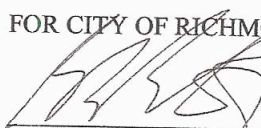
IN WITNESS WHEREOF, the parties hereto have hereunder set their hands and seals the day and year first above written.

FOR PHSSA:

  
\_\_\_\_\_  
President, PHSSA Board of Directors


Date: 10/8/08

FOR CITY OF RICHMOND SCHOOL BOARD:

  
\_\_\_\_\_  
Chair, City of Richmond School Board

Date: 10/9/08

Attest:

  
\_\_\_\_\_  
Clerk, City of Richmond School Board

Date: Oct. 9, 2008