



Giving every Galveston child the opportunity to soar

Moody Early Childhood Center Board of Directors
Regular Board Meeting
Friday, February 28, 2020 @ 1:00 p.m. at
Family Engagement Room, Moody Early Childhood Center
1110 21st Street, Galveston, Texas 77550

AGENDA

- A. Call to order
- B. Introduction and Welcome (Ms. Massey)
- C. Review & Approval of Special Board Meeting Minutes
 - a. January 17, 2020
 - b. February 17, 2020
 - c. Public Comment
- D. Committee Reports (document distributed at meeting if any)
 - a. Finance – (Mrs. Brown, Ms. Miller and Mrs. Garcia, YPTC)
 - 1. Next meeting March 20, 2020
 - 2. Public Comment
 - b. Government Affairs – (Ms. Kinnear and Ms. Adams)
 - 1. Next Meeting TBD
 - 2. Public Comment
 - c. Resource Development – (Ms. Massey)
 - 1. Next Meeting March 12, 2020
 - 2. Public Comment
 - d. Governance and Board Development — (Dr. Prochaska)
 - 1. Accept Renee Templer's resignation
 - 2. Next Meeting March 12, 2020
 - 3. Public Comment
 - e. Board of Advisors (Ms. Doherty)
 - 1. Next Meeting (TBD)
 - 2. Public Comment
 - f. Scholarship (Ms. Kinnear)
 - 1. Next Meeting March 19, 2020
 - 2. Public Comment
- E. Executive Director's Report – (Ms. Miller)
- F. GISD Contract Amendments – (Ms. Massey)
- G. Update on discussions with UTMB regarding second MECC campus
- H. Adjourn to Executive Session – The Board may recess into Closed Executive Session as permitted by the Texas Open Meeting Act Government Code Sections 551.071- 551.090 Subchapter D and E. Should any final action, final decision, or final vote be required in the opinion of the Board with regard to any matter considered in such closed meeting then the final action, final decision, or final vote shall be either:
 - a. in the open meeting covered by the Notice upon the reconvening of the public meeting; or
 - b. at a subsequent public meeting of the Board upon notice thereof; as the Board shall determine
- I. Reconvene from Executive Session and take any action warranted
- J. Confirm next meeting date (March 27, 2020)
- K. Adjourn

MOODY EARLY CHILDHOOD CENTER
Board of Directors Monthly Meeting
January 17, 2020

Present: Ms. Massey (Presiding), Ms. Kinnear, Ms. Brown, Dr. Prochaska, Ms. Doherty, Ms. Miller (Executive Director), Ms. Garcia (Your Part-Time Controller)

Absent: Ms. Templer, Ms. Adams

Ms. Massey called the meeting to order at 1:02pm.

Ms. Kinnear moved to approve minutes from the November meeting, seconded by Ms. Brown. Ms. Doherty noted that the minutes should refer to Ms. Jennifer Goodman from Odyssey Academy not as a potential board member, but as a possible trainer for Board compliance training moving forward. Motion passed unanimously.

There were no members of the public present at the meeting for public comment.

Ms. Garcia presented and reviewed the monthly board memorandum and financial reports. Budget amendments were noted as likely being needed, and these would be discussed further and finalized by the Finance Committee before being brought formally to the Board for consideration (likely at the February meeting). These include amendments for upgrading our website and online presence as well as our marketing efforts.

Ms. Brown moved to raise limit for requiring dual signatures of checks to \$2,500, seconded by Ms. Kinnear. Motion was passed unanimously.

There was no report from the Government Affairs Committee.

Ms. Massey reported on behalf of the Resource Development Committee that Permanent Endowment Fund grant for next fall requires a letter of intent. It was submitted on the 13th with a request for \$226,200 for scholarships and \$26,000 for underwriting family engagement. We are now awaiting their request for a full application. Ms. Massey noted that the United Way of Galveston has released their application for proposals, which are due shortly. Ms. Massey noted that MECC owes the Moody Foundation a full report for our first grant by early February. The Meadows Foundation is also expecting a report for their grant. Ms. Massey, Ms. Miller and staff will be working diligently on getting these reports submitted. Ms. Massey noted that the professional development grant has a report due now as well, but the grant is due to be completed by April. A request has been made to submit only a final report, rather than the current one due and a final report in April. The Philanthropy Roundtable is requesting nominations for recognizing grant makers who lead innovations in education. Ms. Massey noted that MECC is nominating the Moody Foundation for this award.

Looking forward, Ms. Massey noted that development activities need to be institutionalized within MECC in the form of a formal person responsible for all areas of development, including grant searches, grant writing, relationship building, reporting, etc. She noted this would not simply be a grant writer, but a more broadly tasked position for sustaining and growing MECC into the future. Board also discussed a need in the near future to raise salaries among teaching staff to remain competitive in the region. Both will be explored moving forward by relevant committees.

Dr. Prochaska reported that Dr. Kaul (a health economist at UTMB and new parent) is ready to engage with MECC as a potential board member. The Governance Committee's search continues for a possible Board Member with legal expertise. John will reach out to Tony Brown for suggestions this coming month.

Ms. Doherty reported that the Board of Advisors met in December. Ms. Miller presented the latest GISD report to the Board of Advisors. This group will begin meeting twice a year starting this calendar year.

Ms. Miller provided an update of current scholarships being awarded.

Ms. Miller distributed and reviewed her monthly report to the Board. NAACE training is complete and we are awaiting their accreditation site visit. Ms. Miller noted that the Board's MECC official emails are now active. She provided updates on partnerships. Ms. Miller announced that Dr. McKinney will be serving MECC as Director of Education. Dr. McKinney will be attending the next Board Meeting for formal introduction.

Ms. Miller presented the TEA-released school report card for MECC. She explained how we were paired with the district since we do not have students that STARR test. She next reviewed the district's annual TPEIR report for kindergarten readiness with the Board and addressed any questions the Board had.

The Board adjourned its monthly meeting at 2:36 pm.

MOODY EARLY CHILDHOOD CENTER
Board of Directors Special Meeting - Audit
February 17, 2020

Present: Ms. Massey (Presiding), Ms. Kinnear, Ms. Brown, Dr. Prochaska, Ms. Templer, Ms. Miller (Executive Director), Ms. Garcia (Your Part-Time Controller), Ms. Lauren Frolick (HL&B, LLP), & Mr. Neil Hoover (HL&B, LLP)

Absent: Ms. Doherty, Ms. Adams

Ms. Massey called the meeting to order at 9:33 am.

There were no members of the public present at the meeting for public comment.

Mr. Hoover reported that his agency is happy to report a clean, unqualified opinion regarding our audit. He reported that no audit adjustments were required. He specifically praised our partnering with Your Part-time Controller as having a large part behind the high-quality information MECC was able to provide to complete their audit.

Both HL&B representatives reviewed changes made in how audits are presented specifically for non-profit due to recent policy changes. The audit report was reviewed in depth with the Board of Directors.

Ms. Massey sought clarification around how timing of grants received are considered within an audit. HL&B noted that if a grant did not have significant restrictions (for example, a requirement for matching funds in order to be awarded), an organization would typically report those dollars in the audit year for when the grant was actually awarded.

Dr. Prochaska moved to accept the annual audit prepared by HL&B, which was seconded by Ms. Kinnear. The motion carried unanimously.

Ms. Massey moved for the meeting to adjourned, seconded by Ms. Kinnear. The motion carried unanimously. The special meeting adjourned at 9:50 am.

MEMORANDUM

To: Karin Miller, Executive Director, Moody Early Childhood Center

From: Ashley Garcia, YPTC

Date: February 7, 2020

Subject: December 2019 Financial Reports

Attached please find the following financial reports for the four months ended December 31, 2019:

- Balance Sheets at December 31, 2019 and 2018
- Income Statements and Budget Analysis for the four months ended December 31, 2019 and 2018
- Statements of Cash Flows for the four months ended December 31, 2019 and 2018
- Dashboard as of December 31, 2019

Executive Summary:

Moody Early Childhood Center's ("MECC") current cash balance is \$468,690. Lack of unrestricted cash remains a challenge, and MECC has been using restricted cash for general operations. MECC has created a plan to reimbursement restricted cash utilized for general operations and as of January 2020, all accounts have been reimbursed.

Balance Sheets:

- *Cash:* MECC ended December 2019 with \$468,690 an increase of \$152,090 from fiscal year ended August 31, 2019 to date. The increase is attributable to the receipt of the final \$800,000 from The Moody Foundation offset by MECC catching up on liabilities due to the Teacher Retirement System (total payments made from September 2019 to December 2019 equal approximately \$196,000) and the IRS.
- *Receivables:* Accounts receivable were \$63,434 at December 31, 2019.
- *Payables:* Accounts payable were \$136,780 at December 31, 2019. Significant balances include Payroll Liabilities of \$102,867.

Income Statements and Budget Analysis:

- *Revenue* – Total operations revenues for YTD December were \$657,522 representing 25% of the FY2020 budget.

- *Expenses* – Total operations expenses for YTD December were \$1,332,277 representing 31% of the FY2020 budget

Other Updates/Work Plan:

As we are still in the clean-up phase, below is a list of accounts and projects still pending and as such, report amounts are subject to change:

- *Development of Policies and Procedures Manual* – Creation and implementation of policy and procedure manual for accounting and business department
- *Fiscal Year Ended August 31, 2019 Audit* – The fiscal year ended August 31, 2019 audit is still ongoing and is expected in target to wrap early February 2020. As a result, 2019 comparative data may change upon completion of the audit

Recommendations:

- *Get employees on a schedule for TRS submission* – To ensure between tracking of cash flows and ensuring MECC does not have to pay penalties, MECC should ensure all TRS submission are completed prior to their original due date.
- *Implementation of positive pay* – As part of the creation of the policy and procedure manual, create a procedure for implementing positive pay.
- *Implementation of a credit card policy and procedure* – MECC currently uses a company credit card to purchase maintenance items, meals, and miscellaneous cleaning supplies. MECC should utilize a sign out process and ensure all employees agree to a credit card usage policy.
- *Finance Calendar* – MECC has several grants, audit, TRS, and IRS reporting deadlines. We recommend the adoption of a finance calendar that includes all important deadlines

Please let me know if you have any questions or would like to discuss.

Moody Early Childhood Center
Balance Sheets
As of December 31, 2019 and 2018

	<u>December 31, 2019</u>	<u>December 31, 2018</u>
ASSETS		
Cash - Operating	\$ 385,239	\$ 596,889
Cash - Professional Development	73,553	348,952
Cash - Scholarship	636	25,536
Cash - Capital	6,699	37,808
Cash - Special Projects	2,563	6,058
Prepaid Expenses	-	6,000
Accounts Receivable	63,434	65,622
Total Current Assets	<u>532,124</u>	<u>1,086,865</u>
Property and Equipment, Net		
Fixed Assets	695,564	767,096
Total Property and Equipment, Net	<u>695,564</u>	<u>767,096</u>
TOTAL ASSETS	<u>\$ 1,227,688</u>	<u>\$ 1,853,961</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Current Liabilities		
Accounts Payable	\$ 136,780	\$ 240,273
Line of Credit	300,000	-
Total Current Liabilities	<u>436,780</u>	<u>240,273</u>
Total Liabilities	<u>436,780</u>	<u>240,273</u>
Net Assets		
Net Assets Without Donor Restrictions	465,601	1,074,883
Net Assets With Donor Restrictions	325,307	538,805
Total Net Assets	<u>790,908</u>	<u>1,613,688</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,227,688</u>	<u>\$ 1,853,961</u>

Moody Early Childhood Center
Income Statements & Budget Analysis
For the Four Months Ended December 31, 2019 and 2018

	ACTUALS		BUDGET COMPARATIVE		PRIOR YEAR COMPARATIVE	
	Current Month	Year-To-Date	Year-to-Date	\$ Variance Favorable/ (Unfavorable)	Year-To-Date	\$ Variance Favorable/ (Unfavorable)
REVENUES						
Contributions	\$ 14,579	\$ 152,468	\$ 166,667	\$ (14,199)	\$ 63,514	\$ 88,954
Contributions - Moody	-	-	133,333	(133,333)	1,200,000	(1,200,000)
GISD Allotment	41,694	215,841	294,460	(78,619)	-	215,841
Title Funds	-	36,502	-	36,502	56,507	(20,005)
Federal Food Services	5,878	15,994	20,000	(4,006)	2,455	13,539
Federal Child Care Subsidy	10,728	43,141	10,140	33,001	-	43,141
Fundraising	350	1,327	-	1,327	-	1,327
Other Income	1,239	2,667	-	2,667	3,450	(783)
Tuition	38,462	189,582	266,667	(77,085)	228,884	(39,302)
TOTAL REVENUES	112,930	657,522	891,267	(233,745)	1,554,810	(897,288)
EXPENSES						
Payroll and Related Expenses	242,121	991,379	1,184,833	193,454	951,019	(40,360)
Food Services	6,585	31,472	42,667	11,195	30,580	(892)
Transportation	25,333	25,333	25,333	-	-	(25,333)
Family Engagement	381	381	7,833	7,452	-	(381)
Occupancy	16,644	16,644	34,000	17,356	-	(16,644)
Professional Development Charges	748	36,124	-	(36,124)	6,392	(29,732)
Board Expenses	32	1,087	-	(1,087)	649	(438)
Contract Services and Professional Fees	23,760	62,213	62,333	120	68,072	5,859
Supplies	5,063	22,687	28,667	5,980	29,489	6,802
Repairs and Maintenance	13,495	60,771	-	(60,771)	20,186	(40,585)
Depreciation	10,435	30,191	-	(30,191)	-	(30,191)
Insurance	1,888	22,088	35,900	13,812	15,568	(6,520)
Interest Expense	1,500	5,490	8,000	2,510	-	(5,490)
Printing and Postage	1,363	3,227	1,667	(1,560)	-	(3,227)
Dues and Subscriptions	1,432	5,761	-	(5,761)	6,385	624
Bank Fees	1,653	8,065	-	(8,065)	6,508	(1,557)
Travel	2,439	5,688	-	(5,688)	750	(4,938)
Information Technology	115	885	6,418	5,533	1,517	632
Marketing	-	40	4,000	3,960	80	40
Other Expenses	2,169	2,751	-	(2,751)	7,424	(4,673)
TOTAL EXPENSES	357,156	1,332,277	1,441,651	109,374	1,144,619	(197,004)
TOTAL NET INCOME (LOSS)	\$ (244,226)	\$ (674,755)	\$ (550,384)	\$ (343,119)	\$ 410,191	\$ (700,284)

Moody Early Childhood Center
Statements of Cash Flows
For the Four Months Ended December 31, 2019 and 2018

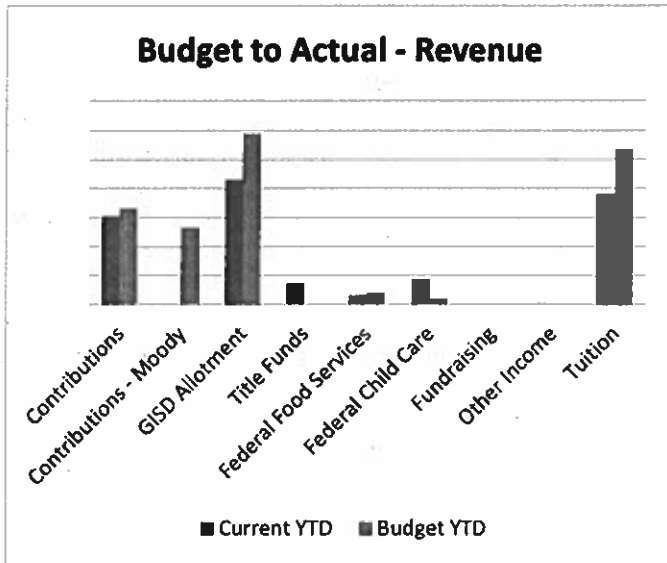
	<u>Year-to-Date</u> <u>December 31, 2019</u>	<u>Year-to-Date</u> <u>December 31, 2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Total Net Income (Loss)	\$ (674,755)	\$ 410,191
Adjustments to Reconcile Total Net Income (Loss) to Net Cash (Used)/Provided by Operating Activities:		
Depreciation	30,191	-
Changes in Operating Assets and Liabilities:		
Accounts Receivable	787,459	(55,877)
Accounts Payable and Accrued Expenses	<u>(90,805)</u>	<u>178,856</u>
Net Cash (Used)/Provided by Operating Activities	<u>52,090</u>	<u>533,170</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of Fixed Assets	<u>-</u>	<u>(28,561)</u>
Net Cash Provided/(Used) by Investing Activities	<u>-</u>	<u>(28,561)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Line of Credit Draw (Repayment)	<u>100,000</u>	<u>(100,000)</u>
Net Cash Provided/(Used) by Financing Activities	<u>100,000</u>	<u>(100,000)</u>
CHANGE IN CASH	<u>152,090</u>	<u>404,609</u>
Cash, Beginning of Period	<u>316,600</u>	<u>610,634</u>
Cash, End of Period	<u>\$ 468,690</u>	<u>\$ 1,015,243</u>

**Moody Early Childhood Center
Dashboard
As of December 31, 2019**

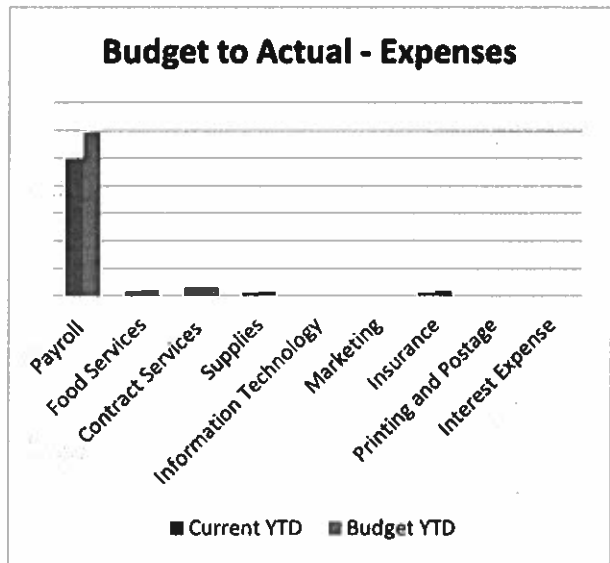
Months Cash on Hand (excluding Restricted)

	<u>YTD</u>	<u>Prior YTD</u>
Total cash on hand	\$ 385,239	\$ 596,889
Average monthly operating expenditures	\$ 333,069	\$ 286,155
Number of months cash on hand	1.16	2.09

Recommended benchmark is 3-6 months.



The above shows revenue under budget for each major revenue category except for Title Funds and Federal Child Care



The above shows actuals in line with budgeted expenses for major budget categories except for Contract Services and Payroll Expense are under budget



"Giving all Galveston children the opportunity to soar"

**MECC: Executive Director Report
February 28, 2020**

1. Enrollment
 - a. Registration
 - i. IT = 101
 - ii. PK3 = 111
 - iii. PK4 = 15
2. Updates
 - a. Family Engagement
 - i. Events
 1. Triple P
 2. Parent Café
 3. Incredible Years
 4. Parenting HELP
 5. Rosenberg Library
 6. Galveston Farmer's Market Cooking Class
 7. 100 Day Parade
 8. Mardis Gras Parade
 - b. Staff Training
 - i. All Staff- NAEYC and Children's Museum (Centers)
 - ii. Ongoing Coaching – NAEYC and Differentiated Instruction
 - c. Board Training
 - i. Online training (submitted renewal)
 - d. Partners
 - i. UTMB: OT Classes
 - ii. Teen Health: Pediatric Clinic late night - Wednesdays
 - iii. GISD: BESST
 - iv. Children's Museum: Parenting Classes, Staff Training, and Field Trips (Feb)
 - v. United Way: Census
 - e. Proposals/Partnerships
 1. PD Grant
 - Final activities scheduled for Jan-April 2020
 - Report submitted May 2020
 2. 2020-2021
 - Calendars
 - Tuition/Discounts
 - Enrollment Dates
 3. GISD
 - SB 1882 Implementation Grant
 - i. Westat- Program Evaluation



2020 - 2021 School Calendar

August 2020						
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30	31					

September 2020						
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November 2020						
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December 2020						
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January 2021						
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March 2021						
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April 2021						
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June 2021						
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July 2021						
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School Closed/ Holidays



Early Release - 3:00 pm

1110 21st Street
Galveston, Texas 77550
(409) 761-6930

<http://moodychildhoodcenter.org/en/>



Moody Early Childhood Center 2020-2021 Calendar

<http://moodychildhoodcenter.org/en/>
1110 21st Street Galveston, Texas 77550
(409) 7691-6930

August, 2020

- 3-7 New Staff/Teacher Orientation
- 10-20 Teacher Planning
- 21 Work Day
- 24 First Day of School

September, 2020

- 7 Holiday for Student and Staff - Labor Day

October, 2020

- 5 Teacher/Parent Conference Day
- 21 Early Release/Work Day

November, 2020

- 23-27 Holiday for Students and Staff - Thanksgiving Break

December, 2020

- 21-31 Holiday for Students and Staff - Winter Break

January, 2021

- 1-1 Holiday for Students and Staff - Winter Break
- 1-4 Teacher Planning/Student Holiday

March, 2021

- 3 Early Release/Work Day
- 15-19 Holiday for Students and Staff - Spring Break

April, 2021

- 28 Early Release/Work Day

May, 2021

- 27 Last Day of School

KEY:	
{ }	Nine Weeks
NT	New Teacher/Staff Days
TP	Teacher Planning
W	Teacher Prep
S	School Starts
H	Holiday for Students and Staff
ER	Early Release Days at 11:30 am
I	Professional Development for Staff and Student Holiday
TC	Teacher/Parent Conference

Elementary = {9 Weeks}

- 1st Nine Weeks (38 days) 8/24 -10/16/2020
- 2nd Nine Weeks (40 days) 10/19 -12/18/2020
- 3rd Nine Weeks (47 days) 1/5 -3/12/2021
- 4th Nine Weeks (45 days) 3/22 -5/27/2021

AUGUST 2020

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SEPTEMBER 2020

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OCTOBER 2020

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DECEMBER 2020

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JANUARY 2021

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FEBRUARY 2021

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28						

MARCH 2021

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APRIL 2021

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MAY 2021

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JANUARY 2021

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27	28	29	30			

JULY 2021

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25	26	27	28	29	30	31

AUGUST 2020

S	M	T	W	T	F	S
						1
2	NT	NT	NT	NT	NT	8
9	TP	TP	TP	TP	TP	15
16	TP	TP	TP	TP	W	22
23	{S	25	26	27	28	29
30	31					

SEPTEMBER 2020

S	M	T	W	T	F	S
		1	2	3	4	5
6	H	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

OCTOBER 2020

S	M	T	W	T	F	S
				1	2	3
4	[TC	6	7	8	9	10
11	12	13	14	15	16	17
18	{19	20	ER/W	22	23	24
25	26	27	28	29	30	31

NOVEMBER 2020

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	[9	10	11	12	13	14
15	16	17	18	19	20	21
22	H	H	H	H	H	28
29	30					

DECEMBER 2020

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	T	T	T	T	12
13	14	15	16	17	18	19
20	H	H	H	H	H	26
27	H	H	H	H		

JANUARY 2021

S	M	T	W	T	F	S
					H	2
3	TP	{5	6	7	8	9
10	11	12	13	14	15	16
17	H	19	20	21	22	23
24	25	26	ER/W	28	29	30



Academic Calendar 2020-2021

KEY:

- [] = Six Weeks (High School)
- { } = Nine Weeks (Elementary & Middle School)
- NT = New Teacher Days
- S = School Starts
- T = Testing Days
- H = Holidays
- W = Work Day
- ER = Early Release
- G = Graduation
- TC = Teacher/Parent Conference Day
- TP = Teacher Planning

Student Days - 173

1st Semester = 8/24/20 - 12/18/20

Total Days = 78

2nd Semester = 1/5/21 - 5/27/21

Total Days = 95

High School = [6 Weeks]

1st Six Weeks (29 days) 8/24 - 10/2/20

2nd Six Weeks (24 days) 10/5 - 11/6/20

3rd Six Weeks (25 days) 11/9 - 12/18/20

4th Six Weeks (33 days) 1/5 - 2/19/21

5th Six Weeks (33 days) 2/22 - 4/16/21

6th Six Weeks (29 days) 4/19 - 5/27/21

Elementary & Middle Schools = {9 Weeks}

1st Nine Weeks (38 days) 8/24 - 10/16/20

2nd Nine Weeks (40 days) 10/19 - 12/18/20

3rd Nine Weeks (47 days) 1/5 - 3/12/21

4th Nine Weeks (48 days) 3/22 - 5/27/21

Teacher Days - 187

New Teacher Inservice

August 3-7, 2020

Teacher/Parent Conference Day/Work

Day/Teacher Planning

August 3-21, 2020 (10 Days)

October 5, 2020 (TC)

January 4, 2021

February 22, 2021 (TC)

May 28, 2021

Early Release/Work Days

October 21, 2020

January 27, 2021

March 3, 2021

April 28, 2021

GISD Student Day for 2020-2021

76,970 minutes

Elementary School

Burnet, Morgan, Oppe, Parker, Rosenberg

7:30 - 3:00

Crenshaw Elem & MS 7:45 - 3:15

Middle School

AIM, Austin, Collegiate Academy,

Central Middle School 8:15 - 3:45

High School

Ball High, AIM 8:15 - 3:45

For information on MECC, please visit moodychildhoodcenter.org.

Graduation - June 2, 2021

FEBRUARY 2021

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	[TC	23	24	25	26	27
28						

MARCH 2021

S	M	T	W	T	F	S
	1	2	ER/W	4	5	6
7	8	9	10	11	12	13
14	H	H	H	H	H	20
21	{22	23	24	25	26	27
28	29	30	31			

APRIL 2021

S	M	T	W	T	F	S
				1	H	3
4	5	T	T	T	T	10
11	12	13	14	15	16	17
18	[19	20	21	22	23	24
25	26	27	ER/W	29	30	

MAY 2021

S	M	T	W	T	F	S
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2	3	T	T	T	T	8
9	10	T	T	T	T	16
16	17	18	19	20	21	22
23	24	25	26	27	W	29
30	H					

JUNE 2021

S	M	T	W	T	F	S
		1	G	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	T	T	T	T	26
27	28	29	30			

JULY 2021

S	M	T	W	T	F	S
				1	2	3
4	H	H	H	H	H	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31



PK Tuition in Galveston

2020 - 2021

School	Full Day		Half-Day	
	Monthly	Yearly	Monthly	Yearly
Ambassador Preparatory Academy	Only take students	If they have room		
Odyssey Academy	\$400.00	\$4,000.00		
Holy Family Catholic School \$250.00 registration (Members of the Parish)		\$4,861.00		\$4,300.00
Holy Family Catholic School \$250.00 registration (Non-Parish Members)		\$5,861.00		\$5,300.00
Trinity Episcopal School 10-20% discount after 1 st sibling	\$979.00	\$9,790.00	\$629.00	\$6,290.00
Moody Methodist Day School (7:30-5:30)	\$635.00			
Galveston ISD	\$430.00	\$4,300.00		
(GISD Staff)	\$322.50	\$3,225.00		
MECC	\$600.00	\$6,000.00		

- * Ambassador will only take students if space is available for non-eligible students.
- * Odyssey decreased their tuition for non-eligible students.
- * Holy Family Catholic tuition remains the same. Students are no longer eligible for scholarships in PK.
- * MECC tuition will remain the same. MECC tuition is \$35.00 a month less than Moody Day School for less hours.
- * Moody Methodist Day School tuition is one price this year. If parent choose to allow the student a shorten day, the amount remains the same.
- * GISD recommends keeping the tuition at the same rate as the 2019-2020 school year.

AGREEMENT BETWEEN GALVESTON INDEPENDENT SCHOOL DISTRICT AND MOODY EARLY CHILDHOOD CENTER

This Agreement (the "Agreement") is made and entered into as of ("Commencement Date") by and between GALVESTON INDEPENDENT SCHOOL DISTRICT, a public independent school district and political subdivision of the State of Texas, ("District") and MOODY EARLY CHILDHOOD CENTER ("Operating Partner" or "OP") (together, the "Parties") to operate MOODY EARLY CHILDHOOD CENTER (the School"). The purpose of this Agreement is to set forth the objectives, understandings, and agreements of the Parties in connection with the establishment and operation of Senate Bill No. 1882, adopted by the 85th Texas Legislature in 2017, codified as Texas Education Code §§ 11.174 and 42.2511 ("SB 1882"), which allows this cooperative partnership between a public education institution and an in- district charter.

ARTICLE I. RECITALS

1.01 Independent School District. The District is an independent school district created in accordance with the laws of Texas.

1.02 Authority to Contract. The Board of Trustees of the District is empowered by Texas Education Code ("TEC"), § § 11.157 and 11.17 4, to contract with a public or private entity for that entity to provide educational services for the District.

1.03 Statutory Authorization. This Agreement is made pursuant to and in accordance with SB 1882, which allows school districts to partner with either an open-enrollment charter school or other eligible entity to operate a district campus, including an in-district charter as in this Agreement.

1.04 Non-Profit Organization. Moody Early Childhood Center is an organization that is exempt or has applied for exemption from taxation under Section 501(c)(3), Internal Revenue Code of 1986 (26 U.S.C. § 501(c)(3)), and is hereby contracted to operate a charter granted to the School under TEC Subchapter C, Chapter 12 and is eligible under TEC §§ 11.174 and 12.101(a) to operate the School.

1.05 Charter Granted & Term of Charter. On this Commencement Date, the District hereby grants the School a charter in accordance with and under TEC Chapter 12, Subchapter C, specifically §§ 12.052, 12.0521, or 12.0522. This is not an in-district charter with the lowest performance rating in accordance with TEC § 12.0522(c), such that this Agreement is subject to the 15% limit in TEC § 12.0522(c). The District shall ensure that the charter is properly authorized under TEC Chapter 12, Subchapter C. A charter granted under TEC Chapter 12, Subchapter C begins on August 1, 2018 and expires on July 31, 2028 unless the specified performance goals set forth in Addendum A-3 are substantially met, as determined by the Board of Trustees of the District in accordance with TEC § 12.0531. Failure of the Texas Commissioner of Education to approve the Parties' relationship as an eligible partnership under TEC 11.17 4 shall render this Agreement null and void.

1.06 Consultation. The District has consulted with District-employed campus personnel regarding provisions to be included in this Agreement. The District's consultation with campus personnel occurred at a meeting where

personnel were able to ask questions and receive information. At that meeting, the District informed campus personnel of the opportunity to apply for an "assignment" at the School and campus personnel understand that all assignments shall be determined by OP and the District (as detailed in Article IX below) and that OP may have a separate Employee Handbook than what is required of the District. The District recognizes that all rights and protections afforded by current employment contracts it has with personnel shall not be affected by this Agreement.

1.07 Consideration. In consideration of the mutual agreements set forth in this Agreement, and for other good and valuable consideration, the Parties agree as follows:

ARTICLE II. PURPOSE OF AGREEMENT

2.01 Contract for Services. This Agreement constitutes a contract for services.

2.02 Premise of Agreement. This Agreement is predicated on an understanding that students benefit when decisions regarding educational programs, operations, and student services are made at the school level and that autonomy and accountability are mutually reinforcing principles.

2.03 Student Achievement. The primary purpose of this Agreement is to improve student outcomes by allowing the District to partner with OP to operate the School as an independent campus subject to transparent accountability requirements, which are set by TEC Chapters 39 and 39A. The provisions of this Agreement shall be construed and applied to achieve this purpose.

2.04 Continuation of Agreement for the Benefit of Students. The Parties intend that this Agreement shall continue in effect and may be renewed for successive five (5) year terms in accordance with the provisions of

ARTICLE IV. ARTICLE III. DEFINED TERMS

3.01 School Campus. "School Campus" has the meaning assigned in the Texas Administrative Code Title 19, §97.1051 (3) and includes all components of the operation of the campus, including, without limitation, the grade levels served, the courses taught, the instructional materials, staffing, budgetary allocations, scheduling transportation, and other services and responsibilities associated with school operation.

3.02 Facilities. "Facilities" are defined as the building(s) located on the School Campus and related equipment, furnishings, and property improvements, including any athletic fields and related improvements, and the land on which the building(s) and related improvements are located as more fully defined in Article XIII.

3.03 Material Breach. A "Material Breach" of this Agreement shall include the failure of a Party to comply with or fulfill any material obligation, condition, term, representation, warranty, provision, or covenant contained in this Agreement, including without limitation any failure by either Party to meet generally accepted fiscal management and government accounting principles, or comply with all Applicable Law under Paragraph 3.04.

3.04 Applicable Law. "Applicable Law" means all state and federal laws, rules, regulations, and administrative and judicial determinations and decisions that govern the performance of this Agreement, as they currently exist

or as they may be adopted, amended, or issued during the Term of this Agreement under Paragraph 4.01.

ARTICLE IV. TERM AND TERMINATION

4.01 Term. The term of this Agreement shall begin on the Commencement Date and end on June 30, 2023 ("Term"). At the end of the Term, and if the Agreement has not been terminated, then the Parties may elect to renew this Agreement for another five (5) years. This Agreement is subject to the termination provisions detailed in this Agreement.

4.02 Notice of Non-Renewal. If this Agreement has not been terminated *and* the District anticipates opting to not-renew the Term of this Agreement, then no later than April 1, 2023, the District shall notify the OP in writing of its intent to not-renew this Agreement.

4.03 Termination Right to a Public Hearing. If the School successfully achieves the student outcome goals specified in Addendum A-3, attached, the District must hold a public hearing at least sixty (60) days prior to any District action to terminate the Agreement. If the School fails to achieve the student outcome goals specified in Addendum A-3, the District shall not extend this Agreement without a public hearing at least sixty (60) days prior to any District action to extend or renew this Agreement.

4.04 Termination by Mutual Consent. This Agreement may be terminated at any time by mutual written agreement of OP and the District if termination is effective no sooner than the end of the then current school year.

4.05 Termination for Cause. Either Party may terminate this Agreement if the other Party fails to remedy a Material Breach of this Agreement within sixty (60) days after written notice by the non-breaching Party of such Material Breach; provided, however, that if the breach would affect the safety or well-being of a student or is not reasonably capable of being cured, then no such notice and opportunity to cure shall be required.

4.06 Termination Related to Program Performance. The District may terminate this Agreement if the School does not comply with the program requirements of TEC §§29.1532, 29.154 and the student outcome goals specified in Addendum A-3, attached, after the third year of School operation under this Agreement. Termination under this paragraph shall be effective at the end of the then-current school year so long as written notice of such termination is provided no later than thirty (30) days after receipt of the Commissioner of Education's evaluation or the determination of student outcome goals.

4.07 Material Reduction in Students. The District may terminate this Agreement if there is a material reduction in per-student funding available from the State of Texas below the amount for the prior fiscal year. "Material reduction" means a reduction of students by more than five percent (5%) of current funding per student per half day.

ARTICLE V. RELATIONSHIP OF THE PARTIES

5.01 Nature of Relationship. The relationship between the Parties hereto shall be that of contracting parties. OP shall operate as an independent contractor to the District and shall be responsible for delivering the services

required by this Agreement. The relationship between and among the Parties was developed and entered into through arms-length negotiations and is based solely on the terms of this Agreement and such contracts and agreements as may be created in the future from time to time between the Parties and reduced to writing.

5.02 No Agency. Neither Party will be the agent of the other Party except to the extent otherwise specifically provided by this Agreement. Neither Party has the express nor implied authority to bind the other Party to any contractual duty other than what is specifically stated in this Agreement. Furthermore, both Parties shall represent to third parties and shall disclaim to such third parties, the extent of that Party's binding authority, which must be approved by the Parties' respective governing boards held in accordance with the Texas Open Meetings Act (appearing in minutes of such meeting) and as agreed to in writing by the Parties.

5.03 No Common Control. Neither Party is a division, subsidiary, affiliate, or any part of the other Party, nor has the right or authority to exercise any common control of any other Party. Nothing herein shall be construed to create a partnership or joint venture by or between the District and the OP.

5.04 Assurance of Independence. The OP and/or the School's governing body shall remain independent of the District. Both OP's and the School's governing bodies are not and shall not be comprised of any members of the District's Board of Trustees, the District's Superintendent, or any staff member responsible for granting this Agreement.

ARTICLE VI. APPLICABLE LAWS

6.01 Compliance with Applicable Law. The Parties shall perform their respective obligations under this Agreement in compliance with Applicable Law. The Parties stipulate that Applicable Law includes, but is not limited to, Title VI of the Civil Rights Act of 1964, as amended; Title VII of the Civil Rights Act; Title IX of the Education Amendments of 1974; Section 504 of the Rehabilitation Act of 1973 ("Section 504"); the Age Discrimination Act of 1975; the Americans with Disabilities Act; the Individuals with Disabilities in Education Act ("IDEA"); the Family Educational Rights and Privacy Act of 1974 ("FERPA"); the Every Student Succeeds Act to the extent specified in the Act; the Texas Education Code to the extent the School is not exempt; record retention laws and conflicts of interest laws under the Texas Local Government Code; the Texas Local Government Code, to the extent it applies to school districts; and any amendments, interpretations, and reauthorizations of the foregoing.

6.02 Scope of Applicable Law. The Parties agree that certain laws and regulations that apply to other schools within the District may not apply to the School or its operation as a consequence of the grant of a campus charter under Texas Education Code, Chapter 12. The Parties further agree that, except as provided in this Agreement, as identified in Addendum A-2, or required by Applicable Law, no provision, rule, or guideline of Texas law otherwise applicable to a governing body or school shall apply to the School or its operation.

6.03 Immunity. Nothing contained in this Agreement shall be read to waive the immunity granted by TEC, Chapter 22, Subchapter B, and TEC, Chapter 12, Subchapter C.

ARTICLE VII. GOVERNING POLICIES

7.01 Limitation on Authority. An educational or administrative service necessary for operation of the School, but not specifically reserved for the District to provide under this Agreement, shall be provided and solely managed by OP insofar as such delegation is permitted by state and federal law. A service is provided by OP if OP performs the service, contracts for its performance, or otherwise ensures and oversees provision of the service. Neither this paragraph nor this Agreement prohibits the District from contracting with another entity for the provision of services for the campus. Any and all services contracted for or performed for the School must be made in accordance with the responsibilities detailed in this Agreement.

7.02 Policy Election. OP shall operate in accordance with the District's Charter Policy specified in Addendum A-1 and other policies specified in Addendum A-2, as they currently exist or as they may be amended, so long as any such amendment does not constitute a Material Breach of this Agreement. If both Parties agree that an amendment amounts to a Material Breach, then the Parties may agree to operate under a prior (non-amended) policy so long as the prior policy is in compliance with the then-current Applicable Laws.

7.03 Adoption and Publication of School Policies. OP's Board of Directors shall research, draft, and adopt policies addressing matters not specified in Addendum A-2, attached to this Agreement, at a meeting open to the public. OP shall have the final decision in adopting policies applicable to the School, other than the policies specified in Addendum A-2. All policies adopted by OP shall comply with Applicable Law. OP shall also provide drafts of proposed policies or proposed amendments to policies currently in effect to the District for review and comment no later than 30 days prior to the meeting at which the policies are to be considered for adoption or amendment. OP will publish adopted policies and District Board Policies applicable by law or by election under this Agreement on the School's website.

7.04 Future Waivers and Exemptions. Pursuant to 19 TAC§ 97.1075(d)(6), the School is exempt from laws and rules to the fullest extent allowed by TEC, Chapter 12, Subchapter C, and is exempt from all District policies except for laws, rules, and policies that are specifically identified as applicable to the School in this Agreement and/or incorporated by reference herein. The Parties will collaborate in applying for waivers from any restrictions imposed by Applicable Law when it is jointly determined that such waiver would expand opportunities for students enrolled in the School. If the District is relieved from compliance from certain state or federal law or regulation through a waiver, adoption, or amendment of a local innovation plan under Chapter 12A, Texas Education Code, the School is automatically relieved from compliance regardless of whether such relief is addressed in this Agreement. Further, if a waiver from a local policy, procedure, protocol, or other requirement is granted to another school in the District that serves students at the same grade levels offered at the School, and the policy is not waived by this Agreement, the waiver applies to the School unless the District notifies the School otherwise in writing within 60 days of the waiver's application to the other school(s).

ARTICLE VIII. PERFORMANCE REQUIREMENTS

8.01 Student Outcome Goals. The primary responsibility of OP under this Agreement is to ensure that the annual student outcome goals specified in Addendum A-3, or as amended, are achieved. Prekindergarten performance objectives may be based on TEC § 29.154, (which includes, but is not be limited to, diagnostic reading and the

number of kindergarten students who were enrolled in the School's prekindergarten program in the previous school year), and/or 19 TAC § 102.1003(c), (d) (which lists the Texas Prekindergarten Guidelines). Student outcome goals shall be evaluated as to their developmental appropriateness. Additional objectives as well as a timeline may be developed for charters established at campuses that do not meet state accountability standards.

8.02 Performance Measurement, Methods, and Timeline. The Parties agree that achievement of annual student academic and financial performance targets agreed upon by the Parties and specified in Addendum A-3 will be determined using the methods, indicators, and timelines specified in that Addendum.

8.03 Performance Consequences. The Parties agree to specific consequences in the event that the OP does or does not meet the annual academic or financial performance expectations and goals described in Addendums A-3.

8.04 Responsibilities of OP Governing Board. The governing board of OP agrees that it is responsible for ensuring that OP achieves performance goals specified in Addendum A-3 and is obligated to oversee management of the School and intervene as required to ensure that performance goals are achieved.

8.05 Monitoring Performance. The District shall retain the right to monitor the performance of the School and OP under Addendum A-3.

ARTICLE IX. RESPONSIBILITIES

9.01 OP Responsibilities: The OP shall have the sole authority over matters involving academic curriculum and the instructional program (except for Special Education as detailed in Paragraph 9.02.2 below). In accordance with Paragraph 11.01, OP shall have sole authority to select, reassign at the School, or request removal by the District of District employees. OP shall have sole authority to hire or terminate OP's employees. OP must employ at least one employee at the School.

9.01.1 Administration. OP shall select and manage the School's Campus Chief Operating Officer, Principal, Assistant Principal, and any other role designated as an administrator, who may be employed by either the District or OP.

9.01.2 Teaching Staff. OP shall select and manage the School's teachers, teaching assistants, para-professionals, curriculum specialists, program coordinators, and any other academic instructional role, who may be employed by either the District or OP.

9.01.3 Miscellaneous Instructors. OP shall also select and manage the School's guidance counselors, librarians, extracurricular activity instructors, physical education instructors, and any other role directly involved in overseeing/creating academic curriculum, who may be employed by either the District or OP.

9.01.4 Perimeter Lawn Area and Playgrounds. OP shall maintain and repair only the School Campus' immediate perimeter of the building and the two smaller playgrounds located on the School Campus. Upon seeking written approval from the District, OP may decide to enhance the School's playgrounds

with an addition and shall be responsible for funding any addition. The District shall give reasonable and timely approval for any such addition.

9.01.5 Landscaping. OP shall provide any necessary or desired landscaping for the School. Any changes to the current landscaping are subject to receiving written approval from the District. The District shall give reasonable and timely approval for any such addition.

9.01.6 Signage. OP shall maintain the School's signage. Subject to written approval from the District, OP may change or add to the School's signage at OP's expense. The District shall give reasonable and timely approval for any such addition.

9.01.7 Building Operations. Subject to written approval from the District, OP shall be able to alter the operations rooms within the School. For example, OP shall be able to make an existing office a classroom and vice versa. The District shall give reasonable and timely approval for any such addition.

9.01.8 Substitute Teachers. OP shall provide substitute teachers to the School as necessary.

9.01.9 Health. OP shall select the School's nurse and/or any other health care provider located on the District's premises.

9.01.10 Bilingual Support and Assessment. Pursuant to TEC § 12.056(b)(E), OP shall comply with TEC, Subchapter B, Chapter 29, and any bilingual support and assessment requirements (e.g. the Home Language Survey) that the District must comply with relating to the identification of bilingual speakers and shall select any necessary or desired bilingual support and assessment assistance needed at the School.

9.01.11 Miscellaneous. OP shall staff and oversee the School's registrar, secretaries, accounting staff, purchasing staff, human resources staff, and other administrative support staff.

9.02 District Responsibilities: The District shall maintain control of and shall be responsible for some non-academic and non-curriculum staff and personnel, which includes but is not limited to the below. The amount the District retains for these services may not exceed the District average cost per student for similar services rendered.

9.02.1 Maintenance: Subject to 9.01 above, the District shall maintain the School Campus and Facilities by overseeing and contracting for the maintenance of the campus via necessary repair work. Subject to 9.01 above, the District shall also be responsible for any improvements it deems necessary or desires to add to the School. The District shall maintain the remainder of the School Campus (that OP is not maintaining as detailed in 9.01.4), which includes the large open field at the eastern end of the property. The District shall also provide regular pest control services.

9.02.2 Record Keeping: The District shall appoint and employ the personnel responsible for maintaining necessary records, which shall include, but not be limited to, student attendance, and State and Federal funds accounting.

9.02.3 Food Services. The District shall provide food and cafeteria services to the School in the manner

detailed in this Paragraph. Food Services shall be provided by the District on an annual basis effective July 1st of each year during the term of this Agreement. The District shall serve food to students who are able to eat solid foods. OP understands that prices may vary depending on the students' program involvement. OP shall select an independent contractor of its choosing to provide food for non-solid-food eating students. The District will not be responsible for any meals served to ineligible students by the District's food service vendor. OP is responsible for the distribution and collection of meal applications for all students. OP fully understands that if ineligible School students eat District-provided food, OP shall bear the full responsibility for payment of those meals.

9.02.5 Utilities. The District shall provide the utilities and an alarm system for the School and shall invoice OP for the costs associated with the same.

9.03 Shared Responsibilities: In accordance with Paragraph 14.04 below, OP shall be able to select individual services for the District to provide at the average cost per student for similar services rendered. For these individual services, OP selects the service and the District provides the service and/or the District employee to perform the service. The District shall oversee its employees. The below list reflects the individual services OP opted to select from the District, which may be *added to* outside of this Agreement:

9.03.1 Security: -The District shall provide security monitoring of the facilities, as well as will send emergency personnel as needed.

9.03.2 Transportation: OP shall select from the District any and all necessary transportation to and from the School and school related activities and to and from the School and a regular student transportation route.

9.03.3 Special Education: OP shall provide select District employees to provide necessary Special Education services. OP shall determine whether any potential eligible District-enrolled Special Education student's goals, objectives, modifications, accommodations, related services, behavior interventions and supplementary aids and services (i.e. "Individualized Education Program" or "IEP") can be implemented at the School. If OP determines the School cannot meet the potential student's IEP, then OP shall notify the District and the District shall place the student at the appropriate school located in the District. The District shall have authority to operate, maintain, oversee, and intervene in the School's Special Education program, which OP shall comply with in accordance with State and Federal laws, including but not limited to the IDEA and Section 504. The District shall retain final say in Special Education matters. It is OP's responsibility to notify any parent of a child with a suspected disability. This Paragraph also applies to infants and toddlers under 20 U.S.C. § 1431, which allows for the District to enhance development of infants and toddlers with disabilities to minimize their potential for developmental delay, and to recognize the significant brain development that occurs during a child's first three (3) years of life.

ARTICLE X. SCHOOL OPERATIONS

10.01 OP's Governing Board. OP represents that a true and accurate list of its current directors ("Directors") is attached to this Agreement as Addendum A-6. If there is any change to the Directors during the Term of this Agreement, OP shall provide written notice to the District of the change within 30 days. No District Board of Trustees member, Superintendent, or any staff member responsible for granting this Agreement shall be appointed to OP's Governing Board. District staff may not compromise a majority of OP's Governing Board.

10.02 Budgetary Authority of OP. OP has sole authority to approve or amend the budget for the School.

10.03 Campus Chief Operating Officer ("COO"): The Executive Director of the School shall be the COO, who shall be appointed by the OP. The COO shall oversee the School's day-to-day operations. The COO shall be assigned to record, prepare, disseminate, and maintain meeting minutes. The School's overall educational framework, mission, budgetary approval, and policies shall be developed and adopted by OP with input from the Board of Directors. The School shall be subject to the direction, control, policies, practices, and procedures of the COO, subject to the requirements of this Agreement and input from the Board of Directors. The COO shall ensure that the curriculum meets the requirements of state law, subject to the academic program review and input from the Board of Directors.

10.03.1 *Deputy Executive Director*. The head of the School shall be the Deputy Executive Director, who shall be subject to the control of the COO but may be required to report to and attend Board of Directors meetings, if requested.

10.03.2 *OP Employee*. OP shall hire and manage at least one employee at the School, which may be, but is not limited to, the COO.

10.04 Advisory Board. OP's Board of Directors shall appoint an Advisory Board comprised of early childhood professionals in a variety of disciplines, including but not limited to education, health and child development; community members with a demonstrated interest in early childhood education; and at least two (2) representatives recommended jointly by the District's Superintendent of the Schools in consultation with the Chair of the Board of Trustees. This Advisory Board will meet at least quarterly and serve as an advisor to both the Board of the School and its administrative head of school. From time to time, advisors may be asked to serve on task forces and committees to assist OP's Board of Directors. The Advisory Board shall elect a chair and vice-chair and may form its own committees as necessary.

10.05 Grade Levels. Beginning in the 2018-2019 school year the School will serve infants, toddlers and Prekindergarten students. OP shall not change the grade levels previously served at the School without the District's written consent.

10.06 Enrollment Policies. Prekindergarten students who meet the requirements of TEC § 29.153 shall be eligible for free enrollment at the School. Prekindergarten students who do not meet the requirements of TEC § 29.153, shall be eligible for enrollment at the School under TEC § 29.1531. The Parties will collaborate and agree on a process for enrollment of students into the School, which may include an application. In addition to the agreed-upon admission policies, the following applies:

10.06.1 OP is prohibited from discriminatory admission, suspension, or expulsion of a student on the basis of a student's national origin, ethnicity, race, religion, disability, gender, or academic achievement.

10.06.2 Subject to Paragraph 10.07, OP shall give preference for admission to students who were previously enrolled at the School.

10.07 Discipline and Expulsion Policies. Subject to TEC §§ 37.005(c), 37.007(h), OP shall comply with the District's discipline policies. OP understands that TEC §§ 37.005(c), 37.007(h) limits suspension and expulsion of prekindergarten students.

10.08 Schedule. OP will have sole authority in determining the school day, school year, bell schedule, schedule for before and after-school services and for extra-curricular activities. OP's schedule shall comply with the State of Texas' required minutes of instruction. OP agrees to provide this information to the District no later than 45 days before start of school and to confer with the District prior to altering.

10.09 District Meetings, Initiatives, and Training. School staff under the supervision and control of OP will not be required to participate in District training events or other meetings unless directed by OP. OP agrees that all School staff shall comply with and receive training required by Applicable Law.

10.10 Contractor Criminal History Background Checks. The District shall conduct criminal history background checks for all vendors and contractors selected by the District as well as for all District employees. OP shall conduct criminal history background checks for all vendors and contractors selected by OP as well as for all OP employees, or OP may contract with the District for such checks. The District and OP shall adhere to reporting requirements, definitions, and laws further detailed in Paragraph 11. 03.

10.11 Technology Infrastructure; Network Services. The District shall be responsible for providing, repairing, and maintaining technology infrastructure and network services at the School. The District shall furnish equitable technology equipment to that of the other schools in the district to OP to ensure consistency between the standard equipment and the needs of the School. The District shall also provide proper "cyber" insurance and antivirus to protect OP's data & personnel information. OP shall provide the District with a list of equipment purchased and collaborate with the District to ensure consistency between the standard equipment and the needs of the School. The initial information technology equipment located at the School as of the commencement of the Term is included in the term "furnishing."

10.12 Media Requests. The Parties agree to collaborate on responses to any media requests or press releases related to the School. The Parties shall collaborate prior to responding to any media request or making a press release and further agree that any statement made will have prior approval by each Party, which shall be reasonably and timely granted. This requirement does not apply to general communications regarding OP or the District that may include references to the School. OP agrees to comply with all Applicable Law and District policies related to photographs, audio, or video recordings of students.

10.13 Communications with Students' Parents. The District shall notify the OP of any communication to be shared with students' parents. OP will distribute the same communication released by the district through electronic media and/or notes home. In the event of a campus emergency, OP will alert the District for

information to be distributed as needed.

10.14 Child-Care Licensing. OP is responsible for ensuring that the School meets at least the minimum requirement to comply with applicable child-care licensing standards adopted by the Department of Protective and Regulatory Services under Human Resources Code § 42.042. OP shall bear the financial cost of ensuring compliance with the same.

ARTICLE XI. STAFFING

11.01 Employment. All personnel and staff of the School, including, but not limited to, the School Leader, other administrators, teachers, and teaching assistants, are employees of OP and not of District. The Parties acknowledge and understand that employees of OP are not subject to District personnel policies and that OP has sole authority over hiring, assignment, evaluation, development, advancement, compensation, continuation, other terms of employment with respect to School staff.

11.02 Criminal History Background Checks. Unless contracted for by the District as stated in Paragraph 10.10, OP shall perform all criminal history background checks required by Applicable Law, including without limitation those required for School personnel, applicants, vendors, contractors, and volunteers and shall take action required by law upon completing the background check. OP and the School's employees shall adhere to the laws in Senate Bill 7 in the 85th Texas Legislature and codified in TEC §§ 21.006 and 22.087 and shall adhere to any District policies relating to TEC §§ 21.006 and 22.087. OP shall notify the District of any unlawful conduct or criminal misconduct discovered by or reported to the School's principal, School's COO, or School's Advisory Board within seven (7) business days of notice. OP shall comply with any subsequent investigation by the District as OP understands that the District is bound by the reporting requirements of TEC §§ 21.006 and 22.087. Additionally, OP also understands that the District's Superintendent may investigate and report any educator misconduct that he or she believes in good faith may be subject to sanctions under 19 Administrative Code, Chapter 249 and/or Chapter 247, Educators' Code of Ethics. OP's failure to comply with this paragraph's reporting requirements shall amount to a Material Breach of this Agreement.

11.03 Child Abuse Reporting. All District and OP employees working at the School shall comply with all Applicable Law governing mandatory child abuse and neglect reporting, including but not limited to the Texas Family Code Chapter 261, TEC §§ 38.004, 38.0041, and the Texas Administrative Code § 61.1051.

11.04 Certified Personnel. The District's personnel assigned to the School shall be certified for the position for which they are assigned unless OP selects a District employee who is not certified for an assignment, and the District agrees to the assignment. OP may directly employ an uncertified person for an assignment.

11.05 Employment Records. OP is responsible for maintaining the employment records for all School Personnel (both District employees and OP employees). The employment records of District employees are the property of the District and OP shall make these employment records available to the District. All employment records of OP employees only are the property of OP.

11.06 Employee Complaints and Grievances. The Parties agree that the District's employees' complaints and grievances will be governed by the District's policies and OP's employees' complaints and grievances will be governed by OP's policies.

11.07 Non-Solicitation. OP agrees it will not solicit or hire any District employees unless and until it receives written confirmation from the District that the employee has been released from any contractual obligations with the District. The District agrees it will not solicit or hire any employee of OP unless it receives written confirmation from OP that the employee has been released from any contractual obligation with OP. Nothing in this Agreement alters the nature of OP employees or changes the employment relationship between any employee and his/her employer.

11.08 Teacher Retirement System. An employee of the OP is eligible for membership in and benefits from the Teacher Retirement System of Texas if the employee would be eligible for membership and benefits if holding the same position at any Texas public school.

11.10 Nepotism Restrictions. The School shall comply with all nepotism restrictions as more fully described in Addendum A-7, including its ATTACHMENT, both of which are attached to this Agreement. All persons employed by School prior to the effective date of this Agreement will be considered grandfathered in and exempt from nepotism restrictions.

ARTICLE XII. ACADEMIC PLAN

12.01 Curriculum and Program. OP will have sole authority to approve all curriculum decisions beyond the minimum requirements in TEC 29.1532 (relating to Prekindergarten Program Requirements), lesson plans, instructional strategies, and instructional materials, as defined in TEC, §31.002(1), to be used at that campus. This authority includes sole authority over educational programs for specific, identified student groups, such as gifted and talented students, students of limited English proficiency, students at risk of dropping out of school, and other statutorily defined populations.

12.02 Educational Plan. OP will implement the education plan described in its proposal to operate the School, attached as Addendum A-3. OP will ensure that curriculum satisfies the minimum requirements outlined in TEC § 29.1532. OP agrees to notify the District of any significant alteration of this plan.

12.03 Selection of Instructional Materials. OP has sole authority to select instructional materials (as defined in TEC, §31.002(1)) for the School and any other standards that may be required under Applicable Law.

12.04 Assessments. OP has sole authority over the selection and administration of student assessments not required by state or federal law.

12.05 Extracurricular Programming and Participation. Students enrolled at the School may join any extracurricular activity offered to District students to the same extent as other students so long as participation does not interfere with the School's schedule, tutorials, or other parts of the program as determined by the OP School leader and so long as such enrollment adheres to the rules and guidance of the University Interscholastic League ("UIL").

12.06 Student Behavior. Students enrolled at the School will be required to follow the District's Code of Student Conduct. OP reserves the right to develop its own Code of Student Conduct. OP agrees that it will not modify expulsion provisions without consent of the District and agrees to notify the District of any other modification

in writing at least 60 days in advance of implementation. OP agrees that a student shall not be suspended or expelled from the School for attendance or academic performance reasons.

12.07 Due Process. OP will cooperate with the District to ensure that due process is afforded with respect to student removals and expulsions.

ARTICLE XIII. FACILITIES

13.01 Facilities. The District shall provide facilities, in the form of classrooms, office furniture, equipment, and storage areas for the School at the cost detailed in Article XIV. The parties may expand or reduce the amount of space allotted to use by OP during the term as mutually determined and agreed upon by the parties. Facilities do not include classroom materials (e.g. books, notepads, pencils, etc.) or any other resources needed for the School's academic curriculum.

13.02 Ownership. The Parties acknowledge that all Facilities are owned by the District.

13.03 Permitted Use. Beginning on August 1, 2018 ("Possession Date"), and during the Term of this Agreement, OP may use and occupy the Facilities solely for the operation of the School as permitted by this Agreement and Applicable Law. To the extent OP wishes to use the Facilities for educational activities, separate from the School but associated with its educational purposes, OP must seek approval from the District, and such approval shall not be unreasonably denied but any costs for such facility use shall be reimbursed to the District by OP. Any use of the Facilities by any other individual, group, or organization shall be governed by the District's facilities use policies. Prior to the Possession Date, the District may provide OP access to certain District facilities as requested by OP in order to allow OP to conduct job fairs, assess facilities, and take other reasonable steps necessary to prepare for the implementation of this Agreement.

13.04 Furniture and Equipment for Classrooms and Instructional Areas. In consultation with OP regarding the furniture and equipment needs of the OP classrooms, the District, for the term of this agreement, will supply existing chairs, desks, bookcases, bookshelves, file cabinets, computer tables, conference tables, and other furniture as reasonably required for the School. Such furniture and equipment will be substantially the same as furniture and equipment provided in other classrooms for the same grade level and/or same subject at the District. Such furniture and equipment do not include classroom materials (e.g. books, notepads, pencils, etc.) or any other resources needed for the School's academic curriculum. OP also may furnish other furniture, fixtures, and equipment, at OP's cost and expense, as OP determines what is needed to implement the Program. The title to all furniture and equipment supplied by the District for use by OP remains vested in the District. The title to all furniture and equipment purchased with federal, state, or local funds for use by OP at the School remains vested in the District. The title to all furniture and equipment provided by OP with funds other than funds received from this Agreement remains vested in OP. OP and the District shall tag and identify their respective property so that ownership is clear. Each Party shall maintain an inventory list of all of its assets ["assets" will be defined as an equipment with value >\$1000] located at the School.

13.05 Fixtures and Alterations. OP may attach non-permanent materials and fixtures to the walls of the School's

classrooms but may not make any other alterations (including adding/removing fixtures) in or to the School's classrooms or any other part of the District's facilities used by OP that would alter the walls, floors, or any other permanent structure of the District's premises without written consent of the District.

13.06 Order and Maintenance. Subject to Paragraph 9.02.1, OP shall keep the School classrooms and any other portion of the District's premises, such as office space and storage area used exclusively for OP in a neat and orderly manner. Both Parties shall comply with the Applicable Laws regarding standards of safety and health of students. The District shall be responsible for routine maintenance and major repairs of the School including, upgrades, HV AC equipment, roof repairs, and parking lot repairs. The District shall maintain all other portions of the School in a neat and orderly manner. OP shall immediately (no later than 12 hours of discovery) notify the District of any immediate and urgent repairs needed at the School.

13.07 Insurance Coverage. In addition to the requirements of Article XV below, each Party, at its own expense, shall maintain its own insurance throughout the Term of this Agreement. The insurance required under this Agreement shall be bound to the following:

13.07.1 Comprehensive or commercial general liability insurance for not less than \$1,000,000 (combined single limit for bodily injury and property damage per occurrence and in the aggregate). Each Party may elect to carry what other insurance that Party decides is necessary or advisable for its obligations under this Agreement. Such insurance shall be written to cover claims incurred, discovered, manifested, or made during or after the Term:

- i) Automobile insurance to cover losses for motor vehicles accidents by that Party; and**
- ii) Workers Compensation insurance as may be required by Applicable Law for that Party.**

13.07.2 The District shall obtain and maintain property insurance for the School as it deems necessary and advisable to carry. Each Party may elect to carry insurance to insure its own personal property located at the School. The District shall have no obligation to replace, repair, or compensate OP for any loss affecting OP's property, trade fixtures, furniture, equipment, playgrounds which OP is responsible for under Paragraph 9.01.4, or other installations or for any physical or personal injuries, losses, or damages to or sustained by OP, its agents, invitees, OP's improvements, equipment, or personal property.

13.07.3 Neither Party will be responsible for the negligence or liability of the other Party.

13.08 Surrender of the Facilities. On the termination of this Agreement, OP shall leave the Facilities in good condition and repair. OP shall return and surrender to the District all exterior door keys, interior door keys, mail box keys, security access cards, and improvements that were provided to OP by the District. The obligations under this Section shall survive the termination of this Agreement.

ARTICLE XIV. FINANCIAL MATTERS

14.01 Payment Sources & Structure. The Parties understand that this Agreement allows for the School to receive

the District's usual funds from the State's Foundation School Program ("FSP Funds") that all eligible students within the District receive, and to receive *additional* SB 1882 funds ("SB 1882 Funds") for those eligible students due to this partnership Agreement.

14.02 FSP Funds. FSP funds are based primarily on the weighted average-daily-attendance ("WADA") allocation received by the District under TEC Chapter 42, Tiers I and II for eligible students enrolled in the District and in actual attendance at the School. The Parties understand and agree that the District shall retain the federal funds to pay for the educational and support services that the District is required to provide under Paragraph 9.02 of this Agreement. For operational services, which include but are not limited to: transportation; utilities; normal/regular maintenance and repairs; special education; District employees assigned to the School; School security; crossing guards; and food services, the District will invoice the OP on a quarterly basis starting October 15th, with 15 day terms. The District also agrees to give the Business Manager of the OP, view only access to Skyward for the purpose of checking the accrued expenses for both validation and forecast.

14.02.1 *Instructional Materials Allotment*. The Instructional Materials Allotment attributable to the School shall not be included in FSP Funds calculation and shall be held by the District in a designated account for the School and spent in accordance with the budget and at OP's direction

14.03 SB 1882 Funds. The Parties agree that the District shall withhold no more than 5% of all SB 1882 Funds annually for District administrative services, including mandatory state and federal reporting and data system administration and authorizing oversight. Itemization and cost of administrative services for 2018-2019 are set forth in Addendum A-5, attached. The Parties understand and agree that SB 1882 Funds are separate from the FSP Funds retained to pay for educational and support services. The remaining 95% of SB 1882 Funds shall be held by the District in a designated account for the School and spent in accordance with the budget and at OP's direction. The Parties also agree that OP shall be limited to spending no more than 5% of its SB 1882 funds on its operations outside of the School. Both Parties acknowledge and agree that the goal of this Agreement is to focus effort, money, assistance, and aid to the School's students.

14.04 Distribution of Funding Allocation. Payments of the funding allocation set forth above shall be made in monthly installments on the 15th day of each month during the term, commencing on September 15. Payments shall be issued on a monthly basis, based initially on a projected enrollment given to the District by April 30th over 12 equal periods, provided that the 11th payment may be withheld by the District to allow for any required adjustments for the reasons stated below. The estimated weights will be adjusted to actual weights for purposes of determining the compensation hereunder and the amount of the 11th month payment. The 11th payment shall not be withheld for more than 30 days. If the 15th falls on a Saturday or Sunday, payment shall be made on the *following* Monday. In the event that the 15th falls on a holiday, payment shall be made on the preceding day or preceding Friday as applicable.

14.05 Limitations. Payment shall be issued contingent on current Average Daily Attendance ("ADA") and Full Time Equivalent ("FTE") records (as applicable). In no case shall the District be obligated to pay any amount for students not included in the District's eligible ADA count to the Texas Education Agency. Notwithstanding any terms herein to the contrary, the District's obligation to compensate OP is expressly subject to the receipt, adjustment, or modification of funds by the District from the State of Texas specifically allocated for those

eligible students in attendance at OP. In the event that such funding is not received or reduced, the District shall not be obligated to OP in any amount, and OP may terminate this Agreement, and any prior payments made by the District shall be retained by OP in consideration of and as payment for educational services provided up to the date of such termination. This paragraph shall not be construed to relieve the District of any responsibility or obligation to OP if the District fails to receive funding as a result of a failure by the District or its agents or contractors to fulfill requirements necessary for securing funding from the State of Texas.

14.06 Procedure for Initiating Payment. By April 30 of each calendar year under this Agreement, OP shall submit its projected enrollment for the upcoming school year to the District, which shall use the projected enrollment to calculate the monthly payments for the next school year, adjusted by OP for any agreed-upon program changes, agreed upon in writing by both parties.

14.07 Refund upon Termination. In the event of termination during the Term of this Agreement, OP agrees to refund to the District within ninety (90) days of the date of termination, all advanced but unearned funds.

14.08 Federal and State Grants. In addition to the funding described above, OP may also be eligible for Federal entitlement grants, such as Title I, as approved by the Federal granting agencies and the State. Such funding must be spent as approved and designated by Federal and State agencies. OP admits knowledge of and agrees that the District's obligation hereunder for payment of Federal and/or State grants is limited to and expressly subject to receipt of any funds from the Texas Education Agency. In the event the District is ever required to refund any funds received from TEA specifically designated for any Federal or State grant program, then it is understood and agreed that OP shall be liable for and shall refund such amounts received. If OP obtains a federal or state grant specifically for the School and for a cost originally assigned to the District, OP shall use the grant money for the cost and the District shall not pay for the cost.

14.09 Contracting, Purchasing and Procurement. OP may establish school-level systems for obtaining, contracting with, and paying its vendors for goods it acquires and services it provides under this Agreement. OP will ensure compliance with applicable state and federal contracting and payment laws. OP reserves the right to contract for any services it deems beneficial in operation of the School.

14.10 Accounting and Audits. OP shall comply with generally accepted fiscal management and accounting principles. The Parties shall comply with the financial performance goals detailed in Addendum A-3, which shall include, but is not limited to a completion of OP's annual financial report, receipt of an unqualified audit opinion, and specific consequences in the event that OP does not meet the financial performance goals. In addition to any audits required by Applicable Law, OP shall submit to the District within 180 days following the end of each fiscal year starting with the 2nd completed fiscal year, financial statements audited by an independent certified public accountant. The OP will provide the District with the financial audit from the first Fiscal Year of this Agreement but will not include any Federal Funding so the 180-day timeline does not apply. The District shall also retain the right to conduct its own campus audit of the School and annual audit of OP as it deems necessary. OP agrees to comply with all rules, regulations, ordinances, statutes, and other laws, whether local, state or federal, including, but not limited to, all audit and other requirements of the Single Audit Act of 1984. In the event an audit occurs and any expenditures relating to this Agreement are disallowed, OP agrees to reimburse the District immediately for the requisite full amount.

ARTICLE XV. RECORDS AND REPORTING

15.01 Records Management System. The District shall maintain a records management system that conforms to the system required of school district under the Local Government Records Act, Section 201.001 *et seq.*, Local Government Code, and rules adopted thereunder; provided, however, that records subject to audit shall be retained and available for audit for a period of not less than five (5) years from the latter of the date of termination or renewal of this Agreement.

15.02 State and Federal Reporting. OP shall report timely and accurate information to the District as necessary for the District to comply with all applicable state and federal requirements. OP shall report information in the manner requested by the District and correct any demonstrable errors as requested by the District, provided that the manner of reporting or correction requested is not unduly burdensome to OP.

15.03 Lawful Disclosure. To the extent that OP or the District will come into possession of student records and information, and to the extent that OP or the District will be involved in the survey, analysis, or evaluation of students incidental to this Agreement, both parties agree to comply with all requirements of the FERP A and the Texas Public Information Act. In the event that the District is required to furnish information or records of the School pursuant to the Texas Public Information Act, OP shall furnish such information and records to the District, and the District shall have the right to release such information and records. Either OP or the District may object to disclosure of information and records under FERP A or the Texas Public Information Act.

ARTICLE XVI. INTELLECTUAL PROPERTIES

16.01 Proprietary Materials. Each of the Parties shall own its own intellectual property including without limitation all trade secrets, know-how, proprietary data, documents, and written materials in any format. Any materials created exclusively by the District for the School shall be owned by the District, and any materials created exclusively by OP for the School shall be OP's proprietary material. The Parties acknowledge and agree that neither has any intellectual property interest nor claims in the other Party's proprietary materials. Notwithstanding the foregoing, materials and work product jointly created by the Parties shall be jointly owned by the Parties and may be used by the individual Party as may be agreed upon by both Parties from time to time.

16.02 Name. OP owns the intellectual property right and interest to the name "Moody Early Childhood Center." The Parties agree that the name "Moody Early Childhood Center" may be used by either Party during the Term of the Agreement. The Parties agree that after the expiration or termination of this Agreement, the District shall not use the name "Moody Early Childhood Center" for its own individual purposes.

ARTICLE XVII. INSURANCE

17.01 Insurance Coverage. OP shall secure and keep in force during the Term of this Agreement commercial general liability insurance coverage, including contractual coverage, automobile liability insurance coverage, and sexual misconduct and molestation coverage, with minimum liability limits of \$1,000,000 per occurrence, with a \$2,000,000 annual aggregate. The District is to be named as an additional insured under such coverage for any liability arising, directly or indirectly, under or in connection with this Agreement, or with regard to the operations of the School or any event arising therefrom. The District shall maintain casualty insurance on the

Facilities and on its personal property and commercial general liability coverage applicable to any services it provides at the School, in substantially the same manner as it maintains such insurance with respect to other District schools. OP shall also maintain (a) broad form casualty coverage for all personal property located or used at the School, including the Furnishings, which coverage shall be on a full replacement value basis, and (b) worker's compensation insurance to the extent required by the laws of the State of Texas. Any deductible or other similar obligation under OP's insurance policies shall be the sole obligation of OP and shall not exceed \$25,000. Notwithstanding the foregoing requirement regarding insurance coverage, the District shall have the right to self-insure part or all of said insurance coverage in the District's sole discretion. In the event that the District elects to self-insure all or any part of any risk that would be insured under the policies and limits described above, and an event occurs where insurance proceeds would have been available but for the election to self-insure, the District shall make funds available to the same extent that they would have been available had such insurance policy been carried.

17.02 Form of Policies. All of OP's insurance policies shall be issued by insurance companies qualified to operate in Texas and otherwise reasonably acceptable to the District. Such policies shall name the District, and such other related parties as the District elects, as additional insureds. Evidence of insurance shall be delivered to the District on or before the Possession Date, and thereafter within thirty (30) days prior to the expiration of the term of each such policy, or immediately upon OP's obtaining a new policy. Such coverage may be maintained under a blanket insurance policy of OP.

17.03 Evidence of Insurance. Upon request, a Party will furnish a certificate of insurance to the other Party evidencing the required coverage within thirty (30) days after the Possession Date of this Agreement and annually thereafter. Each Party will provide to the other Party notice of any cancellation or material adverse change to such insurance within thirty (30) days of such occurrence.

17.04 Cooperation. To the extent that it is reasonably practicable, each Party will comply with any information or reporting requirements required by any of the other Party's insurers.

17.05 Insurance Companies. All insurance coverage described in this Article shall be obtained from companies that are authorized to do business in the State of Texas.

ARTICLE XVIII. INDEMNIFICATION

18.01 OP AGREES TO COMPLY WITH THE FOLLOWING INDEMNITY PROVISION:

OP covenants and agrees to FULLY INDEMNIFY, DEFEND and HOLD HARMLESS, the DISTRICT and the elected officials, employees, officers, directors, volunteers and representatives of the DISTRICT, individually and collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the DISTRICT directly or indirectly arising out of, resulting from or related to OP'S activities

under this AGREEMENT, including any acts or omissions of OP, any agent, officer, director, representative, employee, consultant or subcontractor of OP, and their respective officers, agents employees, directors and representatives while in the exercise of the rights or performance of the duties under this AGREEMENT. The indemnity provided for in this paragraph shall not apply to any liability resulting from the negligence of the DISTRICT officers or employees, in instances where such negligence causes personal injury, death, or property damage. IN THE EVENT OP AND THE DISTRICT ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE DISTRICT UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW. The provisions of this INDEMNIFICATION are solely for the benefit of the Parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. OP shall advise the DISTRICT in writing within 24 hours of any claim or demand against the DISTRICT or OP known to OP related to or arising out of OP'S activities under this AGREEMENT.

ARTICLE XIX. SERVICE-LEVEL AGREEMENTS

19.01 District Authority. The District has sole decision-making authority regarding the delivery of any service related its responsibilities detailed in Paragraph 9.02. The District shall coordinate and cooperate with OP to determine dates of contracted service at the School and OP shall allow service contractors on School grounds absent any serious and legitimate complaints or concerns. OP shall inform the District of any service the District provides that is not complaint with Child Care Licensing requirements. The District understands that OP must comply with these licensing requirements and the District agrees to have its service vendors comply with the same and/or notify OP when the licensing requirements are too burdensome for the District and its vendor(s) to comply with. If the District is unable to have a specific vendor comply with the licensing requirements, then OP may select its own vendor for that specific service.

ARTICLE XX. GENERAL AND MISCELLANEOUS

20.01 Entire Agreement. This Agreement, including all referenced attachments and terms incorporated by reference contains the entire agreement of the parties. All prior representations, understandings, and discussions are merged into, superseded by and canceled by this contract.

20.02 Severability. The parties intend that each provision hereof constitute a separate agreement between or among them. Accordingly, the provisions hereof are severable and in the event that any provision of this Agreement shall be deemed invalid or unenforceable in any respect by a court of competent jurisdiction, the remaining provisions hereof will not be affected, but will, subject to the discretion of such court, remain in full force and effect, and any invalid or unenforceable provision will be deemed, without further action on the part of the parties, amended and limited to the extent necessary to render the same valid and enforceable and reflect the intent of the parties.

20.03 Waiver. No waiver of any provision of this Agreement will be effective unless in writing, nor will such

waiver constitute a waiver of any other provision of this Agreement, nor will such waiver constitute a continuing waiver unless otherwise expressly stated.

20.04 Venue and Jurisdiction. OP and the District agree that this Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the Parties created hereunder are performable in Galveston County, Texas. Any action or proceeding to enforce the terms of this Agreement or adjudicate any dispute arising out of this Agreement shall be brought in a court of competent jurisdiction in Galveston County or in the United States District Court for the Southern District of Texas, Galveston Division.

20.05 Governing Law. The laws of the State of Texas, without regard to its conflict of laws' provisions, will govern this Agreement, its construction, and the determination of any rights, duties, obligations, and remedies of the parties arising out of or relating to this Agreement.

20.06 Assignment. Except as otherwise provided in this Agreement, neither Party may assign or delegate any rights or obligations under this Agreement without the prior written consent of the other Party.

20.06 Assignment. Except as otherwise provided in this Agreement, neither Party may assign or delegate any rights or obligations under this Agreement without the prior written consent of the other Party.

20.07 Successors and Assigns. This Agreement will be binding upon, and inure to the benefit of, the parties and their respective successors and permitted assigns.

20.08 Headings and Captions. The headings and captions appearing in this Agreement have been included only for convenience and shall not affect or be taken into account in the interpretation of this Agreement.

20.09 Competition. OP, its subsidiaries, and/or its related entities shall not fund or operate any educational institution in the District's Attendance Area during the Term of this Agreement.

20.10 Days. Any timeline in this Agreement referencing "days" shall mean calendar days.

20.11 Notice. Any notice or communication required or permitted hereunder shall be given in writing, sent by (a) personal delivery, or (b) expedited delivery service with proof of delivery, (c) United States mail, postage prepaid, registered or certified mail, or (d) via facsimile, telegram or e-mail, address as follows:

If to the OP:

Betty Massey, President
Moody Early Childhood Center
1110 21st Street
Galveston, Texas 77550
\\

If to the DISTRICT:

Kelli Moulton, Superintendent of GISD
Galveston Independent School District
3904 Avenue T
Galveston, Texas 77550

Entered into this 15th day of May, 2019

By: Betty Massey
Betty Massey, President
Moody Early Childhood Center

By: Kelli Moulton
Kelli Moulton, Superintendent
Galveston Independent School District

ADDENDUMS REFERENCE

Addendum A-1: District's Charter Policy

- Local policy
- Model district ELA (LEGAL) and ELA (LOCAL) policies can be found here: o <https://tea.texas.gov/Texas Schools/District Initiatives/SB 1882 Implementation Update/>

Addendum A-2: Adopted School Policies

- Local district or operating partner policies and bylaws

Addendum A-3: Student Outcome Goals, Financial Performance Goals, and Performance Consequences

- Please reference the student outcome performance measure template, which can be found here: o <https://tea.texas.gov/Texas Schools/District Initiatives/SB 1882 Implementation Update/>

Addendum A-4: Charter Proposal (Application)

- Model charter application can be found here: o <https://tea.texas.gov/Texas Schools/District Initiatives/SB 1882 Implementation Update/>

Addendum A-5: District Services and Fees

- To be developed locally

Addendum A-6: OP's Governing Board

- List the members of OP's Governing Board at the time this Agreement is entered into

Addendum A-7: Nepotism

- Nepotism Restrictions and Accompanying Attachment

Note: The following provisions address requirements for a charter partnership to receive the benefits of Education Code 11.174 and 42.2511. For the general campus charter requirements applicable to partnership charters, see EL(LLEGAL).

**Contract Regarding
Operation of District
Campus**

The board may contract with a partner to operate a campus. The partner may be an open-enrollment charter school or, on approval by the commissioner of education, an entity granted a charter by the district under Chapter 12, Subchapter C that is eligible to be awarded a charter under Education Code 12.101(a). The campus must be granted a charter under Chapter 12, Subchapter C. *Education Code 11.174(a), (d)*

A campus operated under a contract qualifies for an exemption from intervention as provided below [see Exemption from Intervention] and qualifies for funding as provided by Education Code 42.2511 [see Funding for Certain Students, below].

The board may enter into a contract only if:

1. The charter of the open-enrollment charter school has not been previously revoked;
2. For the three school years preceding the school year of the proposed operation of the campus, the open-enrollment charter school has received:
 - a. An overall performance rating of acceptable or higher; and
 - b. A financial accountability rating indicating financial performance of satisfactory or higher; or
3. The entity considered for a district-authorized charter has not previously operated an open-enrollment charter school in which the charter expired or was revoked or surrendered.

Education Code 11.174(a)-(b)

**Exemption from
Intervention**

For a campus under a contract that received an overall performance rating of unacceptable under Education Code Chapter 39, Subchapter C for the school year before operation under the contract began, the commissioner may not impose a sanction or take action against the campus under Education Code 39A for failure to satisfy academic performance standards during the first two school years of operation of a campus under the contract. [See AIA, AIC]

A campus is eligible for an exemption from applicable sanctions or actions if the campus and the partnership to operate the campus

meet all applicable requirements and the campus was operated under the partnership from the first to the last day of the school year of the campus. A school year must include, at a minimum, all minutes of operation and instructional time conducted on the campus, and all the days for which the instructional workforce of the campus that provides education services for students are employed.

The overall performance rating received by the campus during those first two school years is not included in calculating consecutive school years and is not considered a break in consecutive school years.

Education Code 11.174(f); 19 TAC 97.1077

A campus that receives an exemption from a sanction or other action may receive another exemption while operating under a subsequent contract only if the campus receives approval for the exemption from the commissioner. *Education Code 11.174(g)*

Funding for Certain
Students

A district that enters into a contract is entitled to receive for each student in average daily attendance at the campus an amount equivalent to the difference, if the difference results in increased funding, between the amount described by Education Code 12.106 and the amount to which the district would be entitled under this Education Code Chapter 42. This section applies only to a district that does not appoint a majority of the governing body of the charter holder. *Education Code 42.2511*

Consultation with
Campus Personnel

Before entering into a contract, the district must consult with campus personnel regarding the provisions to be included in the contract between the district and the open-enrollment charter school. All rights and protections afforded by current employment contracts or agreements may not be affected by the contract entered into between a district and an open-enrollment charter school. *Education Code 11.174(c)*

Notice to
Commissioner

A district proposing to enter into a contract with a campus or program charter shall notify the commissioner of the district's intent to enter into the contract according to commissioner rules. The commissioner shall notify the district whether the proposed contract is approved not later than the 60th day after the date the commissioner receives notice of the proposed contract and all information required by the commissioner to be submitted. If the commissioner fails to notify the district that the proposed contract has been approved or denied within the period prescribed by this subsection, the proposed contract is considered approved. *Education Code 11.174(k)*

Enrollment Eligibility The contract must include a provision addressing student eligibility for enrollment.

The contract must provide that any student residing in the attendance zone of the campus as the attendance zone existed before operation of the campus under the contract shall be admitted for enrollment at the campus. The contract must establish enrollment preference for students who do not reside in the attendance zone as follows:

1. Other students residing in the school district in which the campus is located; and
2. Students who reside outside the school district.

Education Code 11.174(h), (i)

Operating Partner An operating partner means a state authorized open-enrollment charter school or an eligible entity as defined by Education Code 12.101(a). 19 TAC 97.1075(b)(1)

Conferred Authority The district must confer, at a minimum, the following enhanced authorities to the operating partner:

Staffing Authorities

1. The operating partner must have authority to employ and manage the campus chief operating officer, including the initial and final non-delegable authority to hire, supervise, manage, assign, evaluate, develop, advance, compensate, continue employment, and establish any other terms of employment.
2. The operating partner must have authority over the employees of the operating partner, including initial and final non-delegable authority for the operating partner to employ and/or manage all of the operating partner's own administrators, educators, contractors, or other staff. Such authority includes the authority to hire, supervise, manage, assign, evaluate, develop, advance, compensate, continue employment and establish any other terms of employment.
3. The operating partner must have authority over the assignment of all district employees to the campus, including initial and final authority to approve the assignment of all district employees or contractors to the campus, as well as initial and final authority to supervise, manage, and rescind the assignment of any district employee or district contractor from the campus.

4. The operating partner must directly manage the instructional staff described above who provide services to at least a majority of the students.

19 TAC 97.1075(c)(1)

Other Authorities

The operating partner must have:

1. Initial and final authority to approve all curriculum decisions beyond the minimum requirements under regulation, lesson plans, instructional strategies, and instructional materials as defined by law;
2. Initial and final authority over educational programs for specific, identified student groups, such as gifted and talented students, students of limited English proficiency, students at risk of dropping out of school, special education students, and other statutorily defined populations;
3. Initial and final authority to set the school calendar and daily schedule, which may differ from those in other district campuses;
4. Initial and final authority to approve all assessments that are not required by the state of Texas; and
5. Initial and final authority to adopt and implement the campus budget. The governing body of the operating partner shall approve the campus budget in a meeting held under the Texas Open Meetings Act [see BE]. Notwithstanding such budget authority, the operating partner's expenditures must comply with the applicable restrictions on the use of state and federal funds.

19 TAC 97.1075(c)(2)

**Performance
Contract**

To contract to partner to operate under Education Code 11.174, the district's board must grant the operating partner a campus charter under Education Code Chapter 12, Subchapter C. The charter must include performance expectations memorialized in a performance contract as required by law. The performance contract must include, at a minimum, the following:

1. A description of enhanced authorities as outlined above;
2. Academic performance expectations and goals, which shall include:
 - a. For campuses that are paired for accountability purposes, specific annual targets for improved student academic performance;

- b. For campuses issued an accountability rating under Education Code 39.054, a specific annual target for the overall campus academic rating and a specific target for student growth based on the School Progress Domain; and
 - c. Specific consequences in the event that the operating party does not meet the annual academic performance expectations and goals described in the performance contract;
3. Annual financial performance expectations and goals, which shall include:
 - a. The completion of an annual financial report of the operating partner meeting the expectation outlined in 19 Administrative Code 109.23;
 - b. Receipt of an unqualified audit opinion, in connection with the annual financial report required above; and
 - c. Specific consequences in the event that the operating partner does not meet the annual financial performance expectations and goals described in the performance contract;
4. A description of the campus enrollment and expulsion policies that must comply with Education Code 11.174(i);
5. A contract term of up to ten years as required by Education Code 12.0531, with a provision specifying a requirement for a public hearing at least 30 days prior to any district action to terminate the contract for an operating partner that successfully met the performance expectations and goals described in the performance contract;
6. A contract term stating that the campus is exempt from laws and rules to the fullest extent allowed by the Education Code, Chapter 12, Subchapter C, and is exempt from all district policies except for laws, rules, and policies that are specifically identified as applicable to the campus in the performance contract;
7. Service-level agreements that describe and allocate shared resources and services the district provides to the operating partner, which may include:
 - a. Facility use and related matters;
 - b. Transportation;

- c. Specific education program services, such as providing special education services; and
- d. Access to other resources and services as agreed between the parties;
- 8. A per-pupil allocation from the district to the operator that provides a student level allocation of local, state, and federal funds received by the district;
- 9. A description of the educational plan for the campus;
- 10. An assurance that the district has consulted with campus personnel regarding the provisions included in the performance contract and that the rights and protections afforded by current employment contracts or agreements shall not be affected by this contract as required by Education Code 11.174(c); and
- 11. A description of the consequences in the instance that either the district or the operating partner breaches the contract. The contract may not be contingent on any rating issued by TEA to the campus prior to the operation of the campus by the operating partner.

19 TAC 97.1075(d); Education Code 12.0531

TEA Monitoring

The commissioner shall continue to evaluate and assign overall and domain performance ratings under Education Code 39.054 to the campus. In order to qualify for ongoing benefits subsequent to initial eligibility validation or approval, the eligible partnership campus must comply with all information requests or monitoring visits deemed necessary by the TEA staff to monitor the ongoing eligibility of the partnership. *19 TAC 97.1075(g)*

Entity Granted a
Charter by the
District

Title 19 Administrative Code 97.1079 applies only to districts that intend to contract to partner to operate the district campus with, on approval by the commissioner, an entity granted a charter by the district under Education Code Subchapter C, Chapter 12.

Definitions

- 1. "Eligible entity" means an institution of higher education, a nonprofit organization, or a governmental entity. For applicants seeking approval of an institution of higher education, which has been granted a charter in accordance with Education Code Chapter 12, Subchapter E, the commissioner will treat the institution of higher education as an open-enrollment charter.
- 2. "Campus" means an organization unit operated by a district that is eligible to receive a campus performance rating in the

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state accountability system, including a rating of Not Rated or Not Rated: Data Integrity Issues. This definition includes a charter school campus.

3. "Applicant" means a district seeking approval to receive benefits under Education Code 11.174.
4. "Proposed operating partner" means an eligible entity seeking approval in coordination with a district to contract to partner to operate a campus.

19 TAC 97.1079, .1051(3); Education Code 12.101(a)

**Eligibility Approval
Process**

TEA shall review eligibility approval requests. If TEA determines that an eligibility approval request does not meet the eligibility criteria in Education Code 11.174, TEA shall notify the applicant and allow ten business days for the applicant to submit any missing or explanatory documents.

If, after giving the applicant opportunity to provide supplementary documents, TEA determines that the eligibility approval request remains incomplete and/or the eligibility requirements have not been met, the eligibility approval request will be denied. If the documents are not timely submitted, TEA shall remove the eligibility approval request without further processing.

19 TAC 97.1079(d)

Review Panel

Applicants with complete eligibility approval requests shall be reviewed by an external eligibility approval request review panel selected by the commissioner, in accordance with the procedures and criteria established in the eligibility approval request form. The recommendation, ranking, or other type of endorsement by a member or members of the review pane is not binding on the commissioner. *19 TAC 97.1079(d)(4)-(5)*

**Public
Information**

All parts of the district's eligibility approval request are releasable under the Texas Public Information Act [see GBA] and will be posted to the TEA website. Information described in 19 Administrative Code 97.1079(d)(6) must be excluded or redacted from an eligibility approval request. *19 TAC 97.1079(d)(6)*

**Criteria for
Approval**

The commissioner shall consider the criteria described in 19 TAC 97.1079(d)(8) when determining approval to contract to partner to operate a campus and receive benefits under Education Code 11.174(a)(2). *19 TAC 97.1079(d)*

Appeals

A decision made by TEA to deny, remove, or return an eligibility approval request is a final administrative decision of TEA and may not be appealed under Education Code 7.057. *19 TAC 97.1079(e)*

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Authorization	To provide quality educational settings for all students and to obtain benefits under Education Code 11.174 and 42.2511, the District may establish partnership charters as permitted by law and as described in this policy. The District shall be committed to rigorous decision-making and shall grant campus charters only to applicants that have demonstrated the competence and capacity to succeed in all aspects of the proposed campus charter.
Definitions	An operating partner means a state-authorized open-enrollment campus charter or an eligible entity as defined by law for purposes of contracting to partner with the District to operate a District campus under state law.
"Operating Partner"	
"Partnership Program"	A partnership program means a District-initiated program established in accordance with state law in which the Board contracts to operate a District campus in partnership with an open-enrollment charter school or other eligible entity as defined by law.
Compliance with Law	A partnership program shall comply with all applicable requirements of state law, any applicable grant program requirements, local criteria specified in policy, and the applicable charter performance contract. Campus charters shall comply with all federal and state laws governing such charters and shall be nonsectarian. [See EL(LLEGAL)]
Application Process	In establishing a partnership program, the District may issue requests for applications designed to identify operating partners best qualified to meet the needs of the District. The Board shall consider an application if the applicant: <ol style="list-style-type: none">1. Meets the eligibility requirements for a campus charter in accordance with law;2. Follows the application process established by the District; and3. Provides assurances to the Board that the applicant will comply with the statutory and District requirements for a campus charter. The application process shall include: <ol style="list-style-type: none">1. A comprehensive written application;2. A rigorous review of the application by a charter application review committee;3. A formal recommendation from the review committee to the Superintendent for approval or denial of each application;

- Content
4. A formal recommendation from the Superintendent to the Board for approval or denial of each application; and
 5. A vote by the Board to approve or deny each application.
- An application shall include the following, at a minimum:
1. The purpose and community need for the proposed campus charter;
 2. A statement of the proposed campus charter's mission and goals;
 3. Identification of the students to be served;
 4. The academic plan including educational focus, program, curriculum to be offered, and a description of the proposed school day, calendar, and year;
 5. The plan for meeting the needs of students with disabilities, English language learners, and other special populations;
 6. The plan for measuring and reporting student achievement and increases in student achievement for all student groups;
 7. The financial and business plan, including a proposed five-year operating budget and a contingency budget for lower than expected enrollment;
 8. Identification and description, including the expertise and professional backgrounds, of the proposed governing body members and campus leadership;
 9. The governance and decision-making plan including governing board structure, campus leadership and management structure, and organization chart;
 - 10: Indications that the proposed governance structure is conducive to sound fiscal and administrative practices and strong, accountable, independent oversight of the campus;
 11. Identification and description of any services the proposed campus charter expects to be performed by the District (e.g., transportation, food);
 12. The proposed campus charter's leadership roles and responsibilities regarding personnel, the budget, purchasing, program funds, and other areas of management;
 13. The campus charter's staffing and employment plan consistent with federal and applicable state guidelines, including

due process, employment contract nonrenewal, and termination procedures;

14. Information on the qualifications, experience, recruitment, selection, professional development, and ongoing evaluation of teaching staff to be hired for the campus;
15. The proposed student recruitment, enrollment, and withdrawal processes, and a plan for ensuring equitable access in accordance with law;
16. The student discipline plan and procedures;
17. The petition indicating evidence of support for the approval of a charter as required by law, if applicable; and
18. A pre-operational start-up plan detailing tasks, responsible parties, and a timeline for completion.

**Review Committee
Composition**

The Superintendent shall establish a review committee to conduct a substantive and merit-focused evaluation of each application submitted in accordance with the District's published application procedures.

The review committee shall be composed of District staff and external evaluators with relevant and diverse expertise.

Conflicts of Interest

A review committee member shall disclose any potential conflict of interest with an applicant.

Review Process

The review committee may:

1. Request additional information or documents from the applicants;
2. Schedule interviews with applicants; or
3. Request that the Board schedule a public hearing to allow applicants an opportunity to present their application and campus plans to the Board and to the community before formal consideration by the Board.

Recommendations

The review committee shall provide to the Superintendent a recommendation for denial or approval of each application based on the District's established criteria. After considering the review committee's recommendation, the Superintendent shall make a formal recommendation to the Board for approval or denial of each application.

**Charter Performance
Contract**

If the Board approves an application, the Board shall execute a written charter performance contract that includes provisions as required by law and establishes the legally binding terms under

which the campus charter will operate and be evaluated during the charter term and for renewal.

Each charter performance contract shall address the material terms of the campus charter's operation as required by law. Each charter performance contract shall be granted for a period of up to ten years with a rigorous review every five years.

Standards

In addition to standards required by law, the charter performance contract shall include additional standards established by the Board, including expectations for academic performance, short-term financial performance, long-term financial stability, and operational and governance performance.

The performance standards shall also address expectations for appropriate access, education, support services, and outcomes for students with disabilities.

Oversight and Evaluation

Monitoring System

The Board shall implement a comprehensive performance accountability and compliance monitoring system that is aligned with the Board's performance standards and provides the Board with the information necessary to make rigorous, evidence-based decisions regarding charter renewal, revocation, and probation or other interventions. This monitoring system shall be based on and aligned with academic, financial, operational, and governance standards set forth in the charter performance contract.

To the extent possible, the Board shall minimize administrative and compliance burdens on campus charters and focus on holding campus charters accountable for outcomes rather than processes.

Data Collection

Campus charters shall provide information and data to the District pursuant to state law and the District's reporting schedule using a state-approved student management system.

The District shall require each campus charter to report its performance separately and shall hold each campus charter accountable for its performance.

Evaluation and Reports

Annually, the Board shall evaluate each campus charter against the performance standards established by the Board or law.

The Board shall communicate evaluation results to the campus charter's governing body and leadership in a written report that summarizes compliance and performance, including areas of strength and improvement. The results of all evaluations shall be made accessible to the public and available on the District website.

	<p>The Board shall produce for the public an annual report that provides performance data for all the campus charters it oversees, including individual campus performance and overall campus charter performance. The annual report shall at a minimum be posted on the District website.</p>
Campus Charter Autonomy	<p>In accordance with law and the charter performance contract, the Board shall support the operating partner's authority over the campus charter's day-to-day operations.</p> <p>The Board shall recognize the governing board of the campus charter as independent and autonomous from the Board and District, with full authority and accountability for the campus charter's performance and operations.</p>
Conflicts of Interest	<p>The District and the operating partner shall comply with applicable conflict of interest provisions in law.</p>
Intervention	<p>The District shall give timely notice to the campus charter of any violations of the charter performance contract or performance deficiencies justifying formal intervention. The notice shall identify in writing the concerns, and, if applicable, the time frame for remediation. The notice may include additional consequences if any of the concerns are not remedied within the stated timeline.</p> <p>Depending on the severity of the concern or deficiency, the Board may place a campus charter on probation or revoke the charter performance contract, in accordance with the terms of the contract and applicable law.</p>
Probation Criteria	<p>The Board may place a campus charter on probation as permitted by law or the charter performance contract, or for failure to meet academic performance standards.</p>
Procedure	<p>In the event of any indication or allegation that a campus charter has committed a violation of law or the charter performance contract that may warrant probation, the District shall take the following steps:</p> <ol style="list-style-type: none">1. The Superintendent shall investigate the allegations and hold a conference with the chief operating officer and governing body of the campus charter to discuss the allegations.2. If the Superintendent determines that a violation or mismanagement has occurred, the chief operating officer of the campus charter shall respond to the allegation at the next regularly scheduled Board meeting.3. The Board shall hear the presentation and take action, if necessary, to place the campus charter on probation. If the Board

decides to place the campus charter on probation, it must provide an opportunity for a public hearing as required by law.

4. If a campus charter is placed on probation, the campus charter must take action to remedy the identified violations or underperformance and report on the status of its corrective actions in accordance within the timeline for remediation established by the District.
5. The District shall establish a timeline for monitoring the campus charter's corrective actions and re-evaluating the campus charter's status to determine when the campus may be removed from probation or whether to consider revocation.

**Revocation
Criteria**

The Board may revoke a campus charter as permitted by law or the charter performance contract for failure to meet performance standards.

The Board shall revoke a campus charter if the District finds clear evidence of a campus charter's persistent or serious underperformance or violation of law, the charter performance contract, or the public trust in a way that imperils students or public funds, including any of the following:

1. Persistent or serious violation of applicable state or federal law;
2. Persistent or serious violation of a provision of the charter performance contract;
3. Persistent or serious failure to meet generally accepted accounting standards for fiscal management;
4. Persistent failure to improve student academic achievement for all student groups;
5. Failure for three consecutive years to meet the academic or financial accountability standards outlined in law;
6. Failure for three consecutive years to meet the academic or financial performance standards established in the charter performance contract;
7. Multiple placements on probation as specified in the charter performance contract; or
8. Failure of the District to obtain the benefits of Education Code 11.174 and 42.2511, if applicable.

The Board's decision whether to revoke a campus charter shall be based on the best interests of the students, including a decision by the commissioner to extend an exemption from a sanction or other

	<p>action under Education Code 11.174(g); the severity of the violation; applicable law; and any previous violation committed by the campus charter.</p>
Procedure	<p>In the event of an indication or allegation that may warrant campus charter revocation, the District shall take the following steps:</p> <ol style="list-style-type: none">1. The Superintendent shall investigate the allegations and hold a conference with the chief operating officer and governing body of the campus charter to discuss the allegations.2. If the Superintendent determines that a violation or mismanagement has occurred, the chief operating officer of the campus charter shall respond to the allegation at the next regularly scheduled Board meeting.3. The Board shall hear the presentation and take action, if necessary, to revoke the campus charter. If the board decides to revoke the campus charter, it must provide an opportunity for a public hearing as required by law. <p>In the event of a health or safety concern, the Board may immediately suspend campus operations before revocation takes effect.</p>
Notification	<p>If the Board decides to revoke a charter performance contract, the Board shall notify the campus charter of the action in writing. The notice shall include the reasons for the revocation and the effective date of the revocation, which shall be no later than the end of the current school year or may be effective immediately in the event of a health or safety concern.</p>
Contract Renewal	<p>Upon the expiration of a charter performance contract, the Board may renew the contract for up to an additional ten-year term. In accordance with law, the Board shall renew a charter performance contract only if the Board finds that the campus charter has substantially fulfilled its obligations and met the performance standards in the contract and applicable law.</p> <p>The Board shall consider the following, in addition to other factors specified in the charter performance contract:</p> <ol style="list-style-type: none">1. Multiple years and measures of performance against the performance standards and expectations established in the charter performance contract and applicable law;2. Financial audits;3. Performance and compliance reports, including site visit reports, if applicable; and

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	<p>4. The campus charter's performance on corrective action plans or other required interventions, if necessary.</p>
Procedure	<p>The District shall publish the renewal application process, including the renewal criteria and timelines.</p> <p>As part of the renewal application process, the District may provide each campus charter, in advance of the renewal decision, a cumulative report that summarizes the campus charter's performance record over the contract term and states the District's summative findings concerning the campus's performance and its prospects for renewal.</p>
Decision Not to Renew	<p>The Board may choose not to renew a charter performance contract for any of the following reasons:</p> <ol style="list-style-type: none">1. Failure to meet student performance standards or other obligations in the charter performance contract;2. Failure to meet generally accepted accounting standards for fiscal management;3. Violation of any provision of the contract or applicable state or federal law; or4. Other reason as determined by the Board.
Notification	<p>If the Board decides not to renew a contract, the Board shall notify the campus charter of the action in writing no later than the last Friday in January during the final year of the charter performance contract. The notice shall include the reasons for the action and the effective date of the campus charter closure, which shall be no later than the end of the current school year.</p>
Closure Protocol	<p>The Board shall develop a detailed campus closure protocol to apply if the Board decides not to renew or to revoke a charter performance contract and close the campus. The protocol shall ensure timely notification to parents including assistance in finding new placements; orderly transition of student records to the District; and disposition of campus funds, property, and assets in accordance with law. In the event of closing any campus charter, the District shall oversee and work with the campus charter's governing board and leadership to carry out the closure protocol.</p>

ADDENDUM A-2

The below shall serve as the governing policies for the School partnership between OP and the District. The Parties have reviewed and agreed that the following District Policies shall be applied and enforced at the School (all policies below include Legal, Local, Regulation, and Exhibit, when applicable, and unless otherwise stated):

1. Evaluation of Employees: BJCD, DN, DNA, DNB
2. Child Abuse: BQ, DH, DIA, FFG, FFH, GRA
3. Civil Rights: DAA, DIA, FB, FFH, GA, FB, FFH, FN, GRA
4. Code of Ethics: BBD, BBF, CAA, DBD, DH
5. Complaints/grievances: DAA, DGBA, DIA, EFA, GA, GF, FB, FFH, FNA, FNG
6. Conditions of Employment: DBA, DAA, DBB, DEC, DB, DC, DK, DBE, DBD, DECA
7. Conduct: FO, DH, GKA, FNC, FNCA, FNCB, FNCC, FNCD, FNCE, FNCG, FNCH, FNCI, FO
8. Contracted Bus Services: CAN
9. Criminal Activity: DH, DI, FL, FOD, GRA, DJA, DBAA, GKG
10. Crossing Guards: GRB
11. Custodial Services: CLB, GKD
12. Custodian of Records: CPC, FL, GBA
13. Disabilities: EHB, EHBA, EHBA, EHBAB, EHBAC, EHBAD, EHBAE, EHBH, FB, DBB
14. For District Employees: DFCA, DCD, DFAA, DCED, DFAA, DFBA, DFCA, DFBA
15. Discrimination: DAA, DAB, DAC, DIA, CS, DAA, DIA, GA, EHBA, FB, FD, FDA, FFH
16. Drugs: DH, DI, FNCF, FNF, DHE
17. Due Process: DGBA, FNG, GF, DFCA, DFD, DFAA, FOA, FOD, FOE, FOF, BJCE, BJCF, DFBA, DFBB
18. Duty-free Lunch: DL
19. Dyslexia: BQ, EHB, EHBC, EKB, EKC, EI
20. Emergency: BE, CKD, FFAC, FOE, CKC, CH, CKC, FFB, FFE
21. Facilities: DL, GKD, GKA, GKC, CS, CT, CV, CVA, CVB, CVC, CVD, CVE, CVF, CS
22. Fair Labor Standards Act: DEAB
23. FERPA: FL
24. FMLA; CRD, DECB
25. Federal Gun Free School Zones Act: GKA
26. Felony Offenses: BBC, DF, DH, FOC, FOD, GRA
27. First Amendment: BED, CPAB, DF, EFA, EMB, EMI, FMA, FNA, FNA, GKDA
28. Flag Display: CLE
29. Food Allergy Management Plan: FFAF
30. Food Service: COB, CO, FF A, COA, FF A. CFEA
31. FAPE: EHBA, EHBA, EHBAB, EHBAC, EHBAD, EHBAE
32. Gender-based Harassment: DAA, DIA, FB, FFH, FNC
33. Grandparent (resident caretaker): CAN, FD
34. Guns: CKC, DH, EHAD, FNCG, FOD, GKA
35. Harassment: DAA, DH, DIA, DIA, FB, FFH, FFI, FNC, DIA
36. HIPPA: CRD
37. Holidays: DED, EB, FEA
38. Homeless Students: CAN, EHBC, EHBD, EHDC, EI, FB, FD, FDC, FFAB, FFC
39. Illness: DBB, FEC, FFAC, FFAD
40. Immunizations: FD, FF AB
41. Inclement Weather: CKC

42. Intellectual Property Rights: CY
43. Juveniles: FODA, FED, EEM, GRAC
44. Law Enforcement: GRA, CKE, GKA, FL, GRA, DH, FFG, FNF, CI
45. Learning Disabilities: EHB, EHBA, EHBAA, EHBAB, EHBAC, EIE
46. Legal Services: BDD
47. Life Skills Program: EHAD
48. Maintenance: CNBA, CLB
49. Metal Detectors: FNF, GKA
50. Minutes from Meetings: BDAA, BE< BEC
51. Nursing Mothers: DGB
52. Office Management: CPA, BBI, CQ, CY, CPAB, CPAA, CPC
53. Records: BBE, DBB, DHE, FFAD, FL, GBAA, CPC, FL, BGA, FBAA, EHBA, EHBAA, EHBAD, EHBAAE, EHBAAF, FL
54. Records, attendance: FE, FEA, FEB, FEC, FED, FEE, FEF
55. Religious Freedom Restoration Act: FNA
56. Repairs: CNB
57. Retirement: DPB, CFEA

Student Outcomes Performance Measure Galveston ISD / Moody Early Childhood Center (Addendum A-3)

Performance Measure #1		2018-19	2019-20	2020-21	2021-22	2022-23
TSDS Early Childhood Assessment Baseline 2017-2018 91.7%		Total % of High Quality PK Students at EOY	Total % of High Quality PK Students at EOY	Total % of High Quality PK Students at EOY	Total % of High Quality PK Students at EOY	Total % of High Quality PK Students at EOY
Percent of indicators met: <88% Needs Support 88-90% Monitor 91-94% Proficient – On Track 95-100% Proficient - Exceptional		91-94% Proficient – On Track OR 95-100% Proficient – Exceptional	91-94% Proficient – On Track OR 95-100% Proficient – Exceptional	91-94% Proficient – On Track OR 95-100% Proficient – Exceptional	91-94% Proficient – On Track OR 95-100% Proficient – Exceptional	91-94% Proficient – On Track OR 95-100% Proficient – Exceptional
Performance Measure #2		2018-19	2019-20	2020-21	2021-22	2022-23
Financial Performance						
Goal Progress Measures	GPM #1 – Was the complete annual financial report and data submitted to the District within 180 days following the end of the fiscal year?	Yes	Yes	Yes	Yes	Yes
	GPM #2 – Was there an unqualified opinion in the annual financial audit on the financial statements as a whole?	Yes	Yes	Yes	Yes	Yes
	GPM #3 – Was the audit report free of any instances of material weaknesses in the internal controls over financial reporting?	Yes	Yes	Yes	Yes	Yes

Performance Measure #3		2018-19	2019-20	2020-21	2021-22	2022-23
Parent and Community Engagement		Annual presentation of the impact on engaging Community Partners in early care and education in the community	Annual presentation of the impact on engaging Community Partners in early care and education in the community	Annual presentation of the impact on engaging Community Partners in early care and education in the community	Annual presentation of the impact on engaging Community Partners in early care and education in the community	Annual presentation of the impact on engaging Community Partners in early care and education in the community
Goal Progress Measures	GPM #1 – Parent and Community onsite meetings (1/semester)	Yes	Yes	Yes	Yes	Yes
	GPM #2- Parent Communication of Student Assessment Performance (% of students for which parental communication was made)	>90%	>90%	>90%	>90%	>90%

Failure to meet performance outcomes for two consecutive years triggers independent program review, vendor agreed upon at the advisory level, with cost borne by OP. Interventions and goal progress measures will be monitored and presented to GISD board at eight meetings per year; expanding from quarterly reports. Failure to meet outcomes for three consecutive years triggers reconstitution of the school leadership team or termination of the agreement.

Regarding Revocation Measure: Add the following to end of 4.05.

If OP terminates this Agreement because of the District's Material Breach that is not cured, then the District shall may OP a transition fee of \$15,000 as liquidated damages. If the District terminates this Agreement because of OP's Material Breach that is not cured, then OP shall pay the District a transition fee of \$15,000 as liquidated damages.

ADDENDUM A-7

NEPOTISM RESTRICTIONS AT CHARTER SCHOOLS

I. NEPOTISM RESTRICTION ON SCHOOL SUPERVISORS

Principals and supervisors at a charter school may hire and/or retain employees at the same school or work location who are related within the first, second, or third degree of consanguinity or affinity. Notwithstanding this provision, principals and supervisors are subject to the prohibition against employees reporting directly or indirectly to their own relatives, as described herein:

A charter school employee shall not be assigned to work in a school, building, or department where the employee reports directly or indirectly to an administrator to whom the employee is related within the second degree by blood or marriage. If such situations develop as a result of marriage, administrative transfer due to reorganization, or similar circumstance, both of the employees involved shall bring it immediately to the attention of the appropriate administrator for resolution.

II. LIMITED NEPOTISM RESTRICTION RELATING TO THE SCHOOL'S CHIEF ADMINISTRATIVE OFFICIAL

There is no restriction against the top administrative official at a charter school, whatever the official title, (e.g., superintendent, president, founder of schools, CEO etc.) from appointing a person, to whom the official is related, to a position at the charter school, whether as an employee or as an independent contractor. However, if the person appointed to a position at the charter is related to the top administrative official by consanguinity (blood) within the third degree or by affinity (marriage) within the second degree, the official shall, before making the appointment, make a determination that the positives of appointing the person outweighs any possible negatives associated with a nepotistic appointment.

ID. LIMITED NEPOTISM RESTRICTION RELATING TO SCHOOL BOARD MEMBERS

There is no restriction against the charter appointing a person, who is related to charter board member, to a position at the charter school, whether as an employee or as an independent contractor. However, if the person appointed to a position at the charter is related to a charter board member by consanguinity (blood) within the third degree or by affinity (marriage) within the second degree, the top administrative official at the school shall, before making the appointment, make a determination that the positives of appointing the person outweighs any possible negatives associated with a nepotistic appointment.

ATTACHMENT TO ADDENDUM A-7

The following illustrations depict the relationships that violate the nepotism restrictions set forth in **EXHIBIT B**.

CONSANGUINITY (Blood Kinship):

Charter School top administrative official or board member is prospective employee's:

First Degree Parent Child

Second Degree Grandparent Grandchild Sister/Brother

Third Degree Great-Grandparent Great-Grandchild Aunt/Uncle Niece/Nephew

AFFINITY (Marriage Kinship): Charter School top administrative official or board member's spouse is the prospective employee.

OR

Charter School top administrative official or board member's spouse is prospective employee's:

OR

Prospective employee's spouse is Charter School top administrative official or board member's:

First Degree Parent Child

Second Degree Grandparent Grandchild Sister/Brother

NOTE: The spouses of two persons related by blood are not by that fact related. The affinity chart supposes only one affinity relationship between the Charter School top administrative official or board member and prospective employee through either of their spouses.