

INTERNATIONAL ACADEMY

CONSORTIUM AGREEMENT

AS AMENDED ON _____, ~~2019~~ 2018

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AMENDED AND RESTATED CONSORTIUM AGREEMENT

THIS AMENDED AND RESTATED AGREEMENT between and among the Boards of Education of the school districts listed in Appendix A attached hereto (hereinafter collectively referred to as the “Consortium”) ~~and additional signatories~~ is for the purpose of establishing an international academy located on one or more sites for grades 9-12 as authorized by Act 35, Public Acts of Michigan, 1951, being MCL 124.1 et seq., as amended, and Sections 11a and 1282 of the Revised School Code, being MCL 380.1 et seq., as amended. With the signatures of their respective representatives, the parties to this Agreement voluntarily bind themselves to the covenants contained herein and the mutual consideration that establishes this Agreement.

I. PREAMBLE

A. Section 11a of the Revised School Code, as amended, authorizes a general powers school district to enter into agreements or cooperative arrangements with other entities, public or private, or join organizations as part of performing the functions of the school district.

B. Section 1282 of the Revised School Code, as amended, enables each of the Participating Districts, in its own right, to establish and carry on the grades, schools, and departments it considers necessary or desirable for the maintenance and improvement of its schools and determine the courses of study to be pursued. Participating Districts have determined to jointly exercise that authority through the Consortium formed by this Agreement, believing that this form of organization will facilitate the most efficient and effective method of program delivery.

C. This Agreement is also created under the authority of Public Act 35, Public Acts of Michigan, 1951, being MCL 124.1 et seq., and shall be implemented in conformance with the provisions of those statutes.

II. DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings unless the context otherwise requires:

A. “ACADEMY” – Shall mean the International Academies operated by the Consortium.

B. “AGREEMENT” – Shall mean this Amended and Restated Consortium Agreement and its attached appendices, as amended, restated or modified from time to time. References in this Amended and Restated Consortium Agreement to “Agreement”, “hereof”, “herein”, “hereby”, and “hereunder” shall be deemed to refer to the Amended and Restated Consortium Agreement in its entirety and shall not be limited to the particular text, article or section in which such words appear.

C. “CAMPUS” – Shall mean a specific site of the International Academy program with its own geographically separate location approved by the Consortium to operate under the terms and conditions of this Agreement. Approved campuses are set forth in Appendix D hereto.

~~D. “CANDIDATE SCHOOL DISTRICT” – Shall mean a school district applying for admission to the Consortium.~~

~~E.D. “CONSORTIUM” – Refers to the cooperative and joint endeavor between the signatory Districts to provide the international academy program at one or more Campuses.~~

~~F.E. “COOPERATIVE PROGRAM” – Shall mean the international academy program to be offered by the Participating Districts.~~

~~G.F. “DISTRICT” or “SCHOOL DISTRICT” – Shall mean a general powers school district defined in Section 6 of the Revised School Code, as amended.~~

~~H. “FINANCE APPENDIX” – Shall mean the Appendix B, as amended, restated, or modified by the parties to this Agreement and its accompanying attached schedules, which sets forth financial obligations, contributions, start up costs reimbursement, billing and payment schedules, and other related financial matters of the Cooperative Program. The Finance Appendix is attached hereto as Appendix B and is incorporated herein by reference.~~

~~G. “FISCAL AGENT” – Bloomfield Hills School District, Troy School District, and Huron Valley Schools shall serve as the Fiscal Agents for all Consortium programming Programming and services at their respective campuses. , except where an additional Campus is located in another Participating District in which case that Participating District will serve as the fiscal agent for that Campus.~~

~~I.H. “GOVERNING BODY” – Shall mean the governing entity of the International Academy Consortium. The Governing Body shall consist of a five member body of the appointed representatives of the three Fiscal Agents and two additional at-large members elected by majority vote of all Participating Districts.~~

~~J.I. “JOINT STEERING ADVISORY COMMITTEE” – Refers to the principal advisory committee of the Consortium, the membership of which is composed of an administrative representative of each of the Participating Districts.~~

~~K.J. “LAWS” or “APPLICABLE LAW” – Shall mean the Revised School Code (as amended), the State School Aid Act, and all other common law, ordinances, statutes, constitutional provisions, rules, regulations, orders, injunctions, or decisions of any government or political subdivision or agency thereof, or any court or similar entity established thereof.~~

~~L.K. “PARTICIPATING DISTRICT” or “PARTICIPANT” – refers to the Consortium’s Participating Districts listed in Exhibit A attached hereto and school districts admitted as new Participating Districts or Participants. pursuant to Article III, Section 5, herein.~~

~~M.L. “SCHOOL CODE” – Shall mean the Revised School Code (1976 PA 451, MCLA 380.1, et seq; MSA 15.4001, et seq), as amended, or as may be amended from time to time or as may be superseded or replaced by legislation having a substantially comparable purpose.~~

~~N.M.~~ “STATE SCHOOL AID ACT” – Shall mean 1979 PA 94, MCL 388.1601; MSA 15.1919(901), as amended, or as may be amended from time to time or may be superseded or replaced by legislation having a substantially comparable purpose.

III. DURATION, ~~AND TERMINATION WITHDRAWAL, AND DISSOLUTION~~

Section 1. Membership.

A. Definition of Membership.

1. Participating Districts are members of the Consortium by:
 - a. owning at least one Consortium share;
 - b. being a signatory to the Agreement; and
 - c. participating in the enrollment process for grade nine as defined by Section IV, 1C of this Article.

B. Levels of Participation. Levels of membership participation in the Consortium are defined in Appendix C. Only Level 1, Full Participating District Member, and Level 2, Participating District in Temporary Discontinuation of Participation, are Consortium members.

C. Rights, Duties and Obligations of Consortium Members. The rights, duties and obligation of Consortium members as they relate to participation, duration and termination in the Consortium are set forth in Article III.

Section 2. ~~Enactment. Duration.~~

A. This Agreement shall become effective only upon the occurrence of all of the following:

1. Enactment of a resolution by majority of the Participants ~~the Board of Education of each Participating District~~ authorizing the establishment of and/or participation in an international academy program pursuant to Sections 11a and 1282 of the School Code and Public Act 35, Public Acts of Michigan, 1951, as amended, adopting this ~~Consortium~~ Agreement, and authorizing its Superintendent to execute this Agreement on behalf of that Participating District.

2. By approval of this Agreement, each Participating District approves the billing and payment schedule for operating costs and start-up costs as set forth in Appendix B.

Section 3. ~~Admission/Withdrawal/Dissolution.~~

A. Admission of New Participants. A Michigan school district, or where appropriate a Michigan public post-secondary education institution, which is not a party to this Agreement or a member of the Consortium may be admitted to membership as a Participant by action of the

Governing Body. If approved by the Governing Body, the decision to admit a new Participant must be ratified by a majority the participating districts to be effective.

B. Limited Effects of Withdrawal. No resignation or withdrawal by a Participant or Fiscal Agent Participating District or the Fiscal Agent District shall operate to: annul this Agreement during its term; terminate the existence of the Consortium; or relieve the withdrawing Participant or Fiscal Agent Participating District or Fiscal Agent from its obligation to abide by the terms of this Consortium Agreement unless otherwise agreed upon by all of the Participants. Participating Districts. Provided, that by action of the majority of the Joint Steering Committee, a Participating District may temporarily discontinue its participation in the Cooperative Program operated under this Agreement for a period not to exceed one school year pursuant to Section 5, Article III.

C. Unilateral Withdrawal. A Participating District Participant may unilaterally withdraw from its participation in the Consortium by giving written notice to the Governing Body Joint Steering Committee prior to the 15th of January before the beginning of the next school year. Participation shall only be withdrawn effective at the end of a Consortium fiscal year school year and shall not be effective (without the written consent of all other Participating Districts) at any other time of the school year. In the event of unilateral withdrawal by a Participant of participation by a Participating District during the term of this Agreement (without the written consent of the Governing Body Joint Steering Committee or other Participating Districts as provided in Paragraph A or B above, respectively), the Participating District Participant shall forfeit any right it may possess, under this Agreement or otherwise, to distribution of Consortium assets or funds. Those assets or funds shall then revert to the Consortium. Unilateral withdrawal of participation, during the term of this Agreement, shall not relieve the involved withdrawing Participant Participating District from its obligations under this Agreement, including but not limited to:

1. the obligation, if any, to continue to assign its employees to the Cooperative Program cooperative program to the end of the school year, or such other date as shall be agreed upon by the Governing Body Participating Districts;
2. the continuation of enrollment of its students in the Cooperative Programs to the end of the school year, or such other date as shall be agreed upon between the Participants Participating Districts;
3. unpaid per pupil operational costs Per Pupil Charges for past or current enrolled students from the withdrawing Participating District Participating District;
4. its share of any uninsured liabilities incurred for claims, whether already or later asserted, during the period of its participation in the Consortium; and; unpaid past, current year and future repayments for start up costs as provided for in this Agreement; and
5. per pupil operational costs for enrolled students from the withdrawing Participating District who remain in attendance.

In the event of withdrawal of a ~~Participating District~~ ~~Participating District~~ or the Fiscal Agent at the expiration of this Agreement, the withdrawing and remaining Participating and/or Fiscal Agent Districts shall within thirty (30) days attempt to resolve their respective remaining rights and obligations. If agreement by all remaining Participating and Fiscal Agent Districts and the withdrawing District is not reached at the expiration of the above interval, any party to this Agreement may refer the matter to the Dispute Resolution procedures identified in Article IX of this Agreement.

No withdrawal under this section shall occur if a District, with permission of the Joint Steering Committee, becomes the Fiscal Agent of a new Campus, resulting in a reallocation of Consortium shares.

D. ~~Expulsion of Participants.~~ If any Participant shall fail to comply with any of the terms or provisions of this Agreement, or default in any of its obligations under this Agreement and shall fail to correct such default or non-compliance within thirty (30) days after written notice, the Governing Body, at its option, may terminate the Participant's inclusion in the Consortium and its Programs; provided that the terminated Participant shall continue to be obligated for payment of its share of Consortium costs as if the Participant had determined of its own will to terminate its participation.

~~B.E. ~~Dissolution.~~ Dissolution of the Consortium may occur upon a majority approving vote of all Participants. Dissolution shall not take effect until the end of a Consortium fiscal year, except to the extent the Governing Body considers and expressly approves an earlier dissolution date. During such time the Governing Body shall proceed to wind up the affairs of the Consortium of the Consortium. The Consortium may be dissolved by the affirmative vote of a majority of the Participating Districts. Upon the decision to dissolve the Consortium pursuant to this Article III:~~

~~1. The Consortium shall carry on no business except for the purpose of winding up and concluding its affairs. Provided, that the parties to this Agreement may agree to temporarily extend (for a period not to exceed twelve months) continuation of cooperative programming.~~

~~2. The Joint Steering Committee shall proceed to wind up the affairs of the Consortium, and all of the powers of the Joint Steering Committee under this Agreement shall continue until the affairs of the Consortium shall have been wound up, including, without limitation, the power to fulfill or discharge the contracts of the Consortium, collect its assets, sell, convey, assign, exchange, transfer, or otherwise dispose of all or any part of the remaining Consortium property to one or more persons at public or private sale for consideration which may consist in whole or in part of cash or other property of any kind, discharge or pay its liabilities, and do all other acts appropriately to liquidate its affairs; provided, however, that any sale, conveyance, assignment, exchange, transfer, or other disposition of all or substantially all of the Consortium property, and the valuation thereof and the consideration therefor, shall require approval by affirmative vote of the majority of the Participating Districts.~~

~~3. After paying or adequately providing for the payment of all liabilities, and upon receipt of such releases, indemnities, and refunding agreements, as it deems necessary for the protection of the Consortium, the Joint Steering Committee shall distribute the~~

remaining Consortium property, in cash or in kind, or partly in each, among the Participating Districts, on a pro rata per share basis.

~~Upon performance of the activities designated in the immediately preceding paragraphs, the Joint Steering shall execute and lodge among the records of the Consortium an instrument in writing setting forth the fact of dissolution; and except as provided by applicable law or otherwise in this Agreement, the Joint Steering and its individual members shall thereupon be discharged from all further liabilities and duties hereunder, and the right, title, and interest of all Participating Districts in the property or other assets of the Consortium shall cease and be cancelled and discharged.~~

~~3. Dissolution/Closure of a Specific Campus. A specific Campus may be dissolved and the program closed by the affirmative vote of a majority of Participating Districts with students in attendance at that Campus only if the Fiscal Agent for that Campus supports the closure and dissolution. A specific Campus may also be dissolved and the program closed with the recommendation of the Joint Steering Committee and by the affirmative vote of a majority of the Participating Districts of the Consortium. If a Fiscal Agent desires to dissolve its participation in the Consortium, but a majority of the other Participating Districts at that Fiscal Agent's Campus desire to continue their participation at a new Campus location, a new Fiscal Agent shall be appointed by a majority vote of the Districts that desire to participate in the Program at the new Campus location. The process for dissolution and closure of a specific Campus shall be in accordance with subsection A of Section 3 in this Article.~~

Section 4. Withdrawal.

F. Winding Up and Property Allocation. Upon or pending dissolution of the Consortium, the Governing Body shall proceed to wind up the affairs of the Consortium. Subject to compliance with legal requirements pertaining to any Consortium property or moneys, and subject also to the provisions of this Agreement, the Fiscal Agents, separately for each Campus, shall pay Consortium liabilities and execute appropriate conveyances of interests in any Consortium property or moneys as determined by the Governing Body. Any remaining Consortium property, in cash or in kind, shall be distributed, separately for each Program, to Participants on the basis of the Participants' Support Payments on average for the previous three years. Upon effective distribution of Consortium property and otherwise winding-up the affairs of the Consortium, the Governing Body shall file with Consortium records a written instrument stating the effective date of dissolution and notice all Participants by copy of such instrument. Any disputes among the Governing Body, Participants and/or the Fiscal Agents as to respective rights and obligations for winding up of Consortium affairs, including failure to reach agreement as to winding up within 30 days of the Participants' vote approving dissolution, shall be resolved under the Dispute Resolution provisions of this Agreement.

C.G. ~~Section 5.~~ Temporary Discontinuation of Participation.

1. Request. Participating Districts may remain in membership in the Consortium without participating in the grade nine enrollment process by submitting a “temporary discontinuation of participating membership” in writing to the Governing Body ~~Joint Steering Committee~~ on or before the 15th of January prior to the school year that the discontinuation would be in effect. Failure to file a request on or before the 15th of January will result in a denial of the request for a temporary discontinuation of participating membership. If a Participating District fails to provide timely notice pursuant to this subsection, it forfeits the right for “temporary discontinuation of participation” for the next school year, but may still request the right of first refusal as specified in Article III, Section E.

2. Approval. Within 30 days of the receipt of the written request for temporary discontinuation of Participation, the Governing Body ~~Joint Steering Committee~~ shall meet and by a vote of a majority of the members of the Governing Body ~~Joint Steering Committee~~ grant or deny the request.

3. Financial Responsibility. Participating Districts that are granted a temporary discontinuation of participation shall be financially responsible for 50% of the per-student-cost (tuition) of their grade nine spaces unless the spaces are filled by another Participating District or a non-participating District. The spaces shall be considered filled, for purposes of determining the Participating District’s financial responsibility if the Campus enrollment for grade nine equals the total number of available Campus spaces on the official September count day. In the event that grade nine official enrollment count does not equal or exceed the Campus available spaces, the unfilled spaces will be paid on a pro-rata-by-shares previously held basis. “Pro-rata-by-shares previously held” shall mean 50% of the cost of the unfilled spaces will be divided among the Participating Districts (that have been granted a temporary discontinuation of participation) in proportion to the total shares for grade nine held by the Participating Districts.

4. Failure to Renew Participation. A Participating District which has temporary discontinuation of membership shall notify the ~~Joint Steering Committee~~ Governing Body in writing on or before January 15th of the year of non-participation of its intent to resume participation or withdraw from the Consortium. Failure to provide notice by January 15th will result in a unilateral withdraw from the Consortium under Section 4, Article III.

D.H. Status of Districts That Have Unilaterally Withdrawn from Consortium Membership. Participating Districts that have unilaterally withdrawn from the Consortium under Sections 4 or 5 of Article III or by failing to meet the terms of membership as defined in Section 1 of Article III, may request in writing to the Governing Body ~~Joint Steering Committee~~ that it be granted “first right of refusal” status when Consortium shares become available.

A request for “first right of refusal” shall be made on or before January 15th preceding the school year for which the shares become available. Districts granted “first right of refusal” status shall be placed in order by the date of their request for purposes of allocation and assignment of available shares. The “first right of refusal” shall place the District before non- member Districts

requesting membership to the Consortium. Districts granted “first right of refusal” shall not have priority over Participating Districts which have previously requested available shares and have students in attendance at the Academy.

Within 30 days of the written request for “first right of refusal” the ~~Joint Steering Committee~~Governing Body shall either grant or deny the request and promptly notify the District. The District shall accept or reject the shares within 30 calendar days of the notification. A District that rejects the shares shall forfeit its “first right of refusal” for the remainder of the school year. The District shall also be granted the opportunity to fill available individual seats as provided for in Article IV, Section 1C, subsections 1 and 2 prior to non-participating districts requesting membership. Upon acceptance of the shares, the District shall agree to be bound by the provisions of this Agreement and shall again become a Participating District.

~~E.I. Section 6.~~ Appeal Process for Membership Status Disputes. Participating Districts can appeal their membership status as determined by the Consortium Agreement and the ~~Joint Steering Committee~~Governing Body by making a written appeal to the Superintendents of the Participating Districts with notification to the ~~Joint Steering Committee~~Governing Body. For the appeal to impact district status it must be filed by January 30th prior to the affected school year. The appealing District may present an oral appeal in conjunction with the written request to the Superintendents’ meeting. The meeting will be open to Superintendents (or their designated alternate) and their ~~Joint Steering Committee~~Governing Body representatives only. The Superintendents will meet to review and determine the merits of the appeal and render a decision by April 30th of the same year of the appeal. The Superintendents may deny the appeal, accept the appeal in whole or part and specify the terms, conditions or obligations of the District. The Fiscal Agent of the applicable Campus will serve as the chairperson of the appeal hearing while maintaining full voting rights. Superintendents will vote in person or by email or signed facsimile, if not in attendance at the appeal hearing. The Superintendents’ discussion will be guided by the intent of the Consortium Agreement and will be determined by majority vote of the Participating Districts. If there is an even number of Participating Districts and the vote is tied, the vote of the Fiscal Agent shall be the deciding vote. The vote of the Superintendents shall be considered an action on behalf of their District. The Superintendents’ decision is final and cannot be appealed except as identified in Article IX: Dispute Resolution of this Consortium Agreement.

Section 7. Dissolution During Term of Agreement.

~~This Agreement is entered into in reliance upon current Michigan laws governing state aid to K-12 school districts for educational programs. Any amendment to state law or application thereof by the Michigan Department of Education resulting in the inability to obtain State financial support for such students or other eligible participants at levels reasonably approximating the levels existing at the formation of this Agreement will constitute grounds for any Participating District to propose dissolution of this Agreement during its term. A majority vote of the Participating Districts is necessary to accomplish dissolution to be effective during the term of this Agreement.~~

Section 8. Admission of New Participating Districts.

~~A Michigan school district which is not a party to this Consortium Agreement or a member of the Consortium may be admitted to membership as a Participating District with the~~

~~approval of a majority of the Superintendents of the Participating Districts which are signatories to this Consortium Agreement. The approval shall specify the number of shares to be allotted to the District admitted to membership and the Campus its students will attend. A newly admitted Participating District shall be required to contribute to the operating, capital outlay and start up costs of the Cooperative Program as provided in the Finance Appendix.~~

Section 3 10. Expiration.

~~The term of this Agreement shall continue until such time as the Participants determine to dissolve the Consortium and completion of winding up the affairs of the Consortium as provided in this Agreement, subject also to provisions of this Agreement with respect to withdrawal or amendment. However, this Agreement shall automatically continue for a period of one (1) year unless a majority of the Participating Districts, by a vote of their Boards of Education no later than January 31st of the immediate preceding school year, determine not to extend the Agreement. This Agreement shall remain in effect until June 30, 20019, subject to the provisions herein pertaining to withdrawal, dissolution and/or amendment. However, this Agreement shall automatically be extended for a period of one (1) year on each July 1st, unless a majority of the Participating Districts by a vote of their Boards of Education no later than January 31st of the immediate preceding school year determine not to extend the Agreement.~~

IV. STRUCTURE AND OPERATION

Section 1. General Provisions.

A. Program Description. The Academy will consist of one or more grade 9-12 high schools operating as an international school program for pupils of the Participating Districts. The Academy will be committed to developing students for professional, political and business leadership in an international environment. It is the intent of the Cooperative Program to seek acceptance by the International Baccalaureate Organization to operate as an International Baccalaureate School. Students will attend the Academy full time but are free to participate in co-curricular activities at their school of residence. Students must be committed to pursue the International Baccalaureate degree and shall not substitute Advanced Placement classes for the International Baccalaureate classroom requirements.

B. Structure.

1. The Consortium shall be governed by a five (5) member body consisting of the duly appointed representatives of its three (3) Fiscal Agents and two (2) additional at-large members elected by majority vote of all Participating Districts (“Governing Body”). With respect to the initial election of the two (2) at-large members, the three (3) Fiscal Agent representatives shall create a ballot with the names of the Superintendents (or their designees) of all Participating Districts that wish to have representation on the Governing Body and disseminate the ballot to the Participating Districts’ boards of education for vote. Placement on the ballot shall require a resolution of a Participating District’s board of education designating the district’s Superintendent (or his/her designee) as that district’s proposed representative as an at-large member of the Governing Body. The election shall take place as soon as practicable after the effective date of this Amendment. The Fiscal

Agents shall be entitled to cast votes for at-large members.

In the event that only one of the proposed at-large members of the Governing Body on the ballot receives a majority of votes by the Participating Districts, a new ballot shall be created by the three (3) Fiscal Agent Representatives with the names of the proposed representatives who received the two (2) next highest number of votes and a new election shall take place as soon as practicable to select the remaining at-large member. In the event that none of the proposed at-large members receives a majority of votes, a new ballot shall be created by the three (3) Fiscal Agent representatives comprised of the names of the three (3) proposed representatives who receive the highest number of votes, and a new election shall take place whereby the two (2) proposed representatives who receive the highest number of votes shall be selected as at-large members of the Governing Body. In the case of a tie vote for one of the two membership positions, a runoff election shall be held as soon as practicable.

The Fiscal Agent representatives shall serve as permanent members of the Governing Body, subject to the separation of their employment with a Fiscal Agent and the appointment of a new representative by a duly adopted resolution of the Fiscal Agent's board of education. The at-large members of the Governing Body shall be elected to and shall serve terms of two (2) years. Subsequent to the initial election of the two (2) at-large members, the entire Governing Body shall be responsible for administering the at-large member election process described herein.

In the event of a vacancy on the Governing Body resulting from the resignation, separation from employment, or death of an at-large member, that member's district's board of education shall duly adopt a resolution as soon as practicable appointing a replacement to serve out the remainder of that member's two (2) year term.

The Governing Body's powers shall be limited to the following: (i) The allocation of overhead expenses of the Consortium to each Campus Program, including without limitation (a) dues and fees payable to the International Baccalaureate organization, (b) administrative expenses incurred on behalf of all three (3) Campus Programs; and (c) other expenses incurred on behalf of more than one Campus Program; (ii) Monitoring and ensuring compliance with the standards and certification requirements of the International Baccalaureate organization;(iii) Management of the process of electing at-large members to the Governing Body;(iv) Oversight of the withdrawal and dissolution processes as stated in this Agreement; and (v) Any other express power or authority granted to the Governing Body in this Agreement. All other powers not expressly reserved to the Governing Body shall be exercised by the Fiscal Agents as more fully described in the Agreement.

a. Officers. The Governing Body shall appoint the following officers: president, vice president, secretary, and treasurer. The Governing Body shall appoint a non-voting secretary, who may be an employee of one of the Fiscal Agents. The non-voting secretary shall take minutes of all meetings of the Governing Body.

b. Bylaws and Policies. The Governing Body may adopt by-laws, policies, guidelines, rules and regulations.

c. Meetings. The Governing Body shall meet at least on a quarterly basis and shall post public notice of its meetings in accordance with the Open Meetings Act. For Open Meetings Act purposes, the Governing Body may designate one of the Fiscal Agents as its principal office. The principal office shall be designated on an annual basis, and may rotate between the Fiscal Agents.

d. Actions of the Governing Body. Unless expressly otherwise provided in this Agreement, action of the Governing Body shall be accomplished by majority vote of its five (5) members.

a.e. Gifts, Bequests, and Donations to the Consortium. Should a gift, bequest, donation, or similar transfer of property or money be made to the Consortium, the Governing Body shall receive the property on behalf of the Consortium and distribute it to the Fiscal Agents. This ability to receive and distribute funds made out to the Consortium generally instead of a particular Fiscal Agent is an exception to the Fiscal Agents' Fiscal Authority as explained in Article IV(C)(2). ~~Grants, devises, bequests, gifts, endowments or other similar transfers of real or personal property or intangible personal property, unless designated to a specific Campus, shall be received by the Consortium as a whole and expended or distributed by the Joint Steering Committee.~~

Subject to the above provisions, the Governing Body shall be the principal governance body of the Consortium and shall conduct meetings in accordance with the provisions of the Open Meetings Act.

C. Fiscal Agents. Bloomfield Hills School District, Troy School District, and Huron Valley Schools shall serve as the Consortium's Fiscal Agents. Each Fiscal Agent's board of education shall adopt a resolution appointing the district's Superintendent or his/her designee to serve as the district's representative for all purposes under this Agreement relative to the duties and responsibilities of the Fiscal Agents as set forth herein. Bloomfield Hills School District shall serve as the Fiscal Agent for the Consortium's Okma Campus; Troy School District shall serve as the Fiscal Agent for the Consortium's Troy Campus; and Huron Valley Schools shall serve as the Fiscal Agent for the Consortium's West Campus.

1. General Responsibilities. The Fiscal Agents shall be responsible for the fiscal, legal and day-to-day administrative affairs of the Consortium at their respective Campuses and perform all such responsibilities as required of them by applicable law, including the usual responsibilities accorded a consortium fiscal agent under applicable law.

2. Fiscal Authority. The Fiscal Agents' fiscal duties and responsibilities are set forth elsewhere in this Agreement, particularly Article IV (Budget and Finance), and are generally stated here to include, but are not limited to, the following:

a. Sole responsibility to collect and disburse funds;

b. Participation in the identification and securing of grant moneys, grant flow through moneys, and other funds, as may be available for a Campus, on behalf of the Consortium;

c. Campus budget direction and ongoing oversight of each Campus's finances;

d. Maintenance of proper records of each Campus's accounts, financial transactions and similar activities, and having an annual audit for the Consortium as part of the Fiscal Agent's audit;

e. Ensuring that each Campus's funds generated, received and expended are properly and separately accounted for in accordance with applicable law, state accounting requirements, and adopted policies and accounting procedures;

f. Calculating each Campus's annual operating Costs, capital outlay costs and start-up costs, shortfall obligations, Per Pupil Charges, and crediting Participants for their contributions to the operating Costs; and

g. Paying all lawful bills of the Campus and Cooperative Program from appropriate funds.

3. Legal and Contracting Authority. The Fiscal Agents may enter into contracts for goods and services for Campus purposes within budget amounts.

4. A Fiscal Agent shall not incur debt obligations, including but not limited to, bonds, notes, installment purchase agreements, or leases for its Campus without first obtaining written approval from the Participating Districts at its Campus. The Consortium shall not assume the liability or financial responsibility for unauthorized debt obligations incurred by a Fiscal Agent.

D. No Corporate Authority; Reliance on Fiscal Agent. This Agreement and the Consortium provide only for arrangements and obligations among the Participants (including the Fiscal Agents) to each other. Unless so reorganized the Consortium is not a corporate entity and may not contract in its own name. Neither the Governing Body, the Fiscal Agents, the JAC, nor any Participant has authority to act as agent for or to enter into any contract that would bind the Consortium or any Participant to a third party. Instead, the Governing Body and Fiscal Agents may act on such matters with reference to the Consortium and its Participants, and the Participants shall pay the costs owed to their respective Fiscal Agent under Article V(1)(F) and Article V(1)(I).

E. Joint Advisory Committee. Each Participating District will designate an administrative representative to serve on the Joint Advisory Committee (“JAC”). The JAC will act as an advisory committee to the Governing Body and the Fiscal Agents.

~~The Fiscal Agent at each Campus shall act as the principal governing and policymaking body for that Campus. Each Fiscal Agent may create appropriate sub-committees to provide advice and recommendations on matters of finance, personnel, and operations. Each Participating District will designate an administrative representative to serve on the Joint Steering Committee. The Joint Steering Committee will act as the principal advisory body for the Academy. The Academy’s administration and the Joint Steering Committee’s sub-committees will report to this Committee on matters of policy, budget, personnel, and inter-district and inter-Campus concerns. The Joint Steering Committee will be free to designate one of its members as the Academy’s reporting administrator for issues not requiring a policy adjustment.~~

~~1. The Committee, by a majority vote of its appointed and voting members, shall have authority to administer this Agreement, including:~~

~~a. recommend approval of an operating budget for the Cooperative Program subject to the review by the Budget Sub-committee as described herein;~~

~~b. recommend the appointment of a principal to the Academy in accordance with Article VI, Section 2. The principal will act as a non-voting chairperson of the Joint Steering Committee;~~

~~c. recommend the establishment or revision of guidelines, rules and regulations to govern its operation which shall be submitted to each superintendent for approval;~~

~~d. research, and development, as well as recommend establishment and revision of the program curriculum;~~

~~e. evaluation of the Cooperative Program and recommendations for changes in the Cooperative Program and its operation and administration;~~

~~f. establish the duties, responsibilities and role of any advisory committee;~~

~~g. formulate recommendations for capital improvements, acquisition of equipment and material in connection with the Cooperative Program;~~

~~h. to undertake such other matters necessary or required in furtherance of the operation and implementation of this Agreement.~~

~~2. The Joint Steering Committee shall meet when it, its reporting administrator, a majority of the Participating District Superintendents, and/or an Academy Principal, deem such advisable. Action of the Joint Steering Committee shall be accomplished by a majority vote of its entire membership unless otherwise provided~~

~~in this Agreement.~~

~~3. The term of office of a member serving on the Joint Steering Committee shall terminate and a vacancy shall occur in the event of the death, resignation, or removal of a member by the Board of Education of his/her school district. No vacancy on the Joint Steering Committee shall operate to annul this Agreement, the Consortium or to revoke the Cooperative Program. In the case of an existing vacancy, the Board of Education of that Participating District shall appoint another person to serve on the Joint Steering Committee.~~

~~4. The Joint Steering Committee may establish sub-committees of the Joint Steering Committee and shall determine their responsibilities, not inconsistent with this Agreement. The sub-committees shall include, but are not limited to, the Personnel Committee and the Budget Committee. The sub-committees shall report to the Joint Steering Committee and to the Superintendents of each Participating District. Sub-committees may also be established for one or more Campuses.~~

~~a. Personnel Sub-Committee—the Personnel Sub-Committee’s membership shall consist of the directors of personnel, or other comparable administrative staff member, from each Participating District. The Personnel Sub-Committee shall meet as necessary. Its responsibilities shall include, but are not limited to, the review of personnel issues related to the Academy, the formulation of recommendations for personnel policies, and assistance to the Participating Districts when requested in the implementation and coordination of any local labor agreements related to the Academy’s operations.~~

~~b. Budget Sub-Committee—the Budget Sub-Committee’s membership shall consist of the business managers, or other comparable administrative staff member, from each Participating District. The Budget Sub-Committee shall meet at least once per year. Its responsibilities shall include, but are not limited to, the following:~~

~~(i) periodically review in advance and on an ongoing basis, the operating and capital outlay budgets and recommend amendments, revisions or changes to the Joint Steering Committee and to the Participating Districts’ Superintendents;~~

~~(ii) periodically report to the Joint Steering Committee and the Participating Districts’ Superintendents on the status of the operating and capital outlay budgets;~~

~~(iii) identify when expenses of the Cooperative Program are, or may potentially exceed, revenue and immediately report this information to the Joint Steering Committee and to the Participating Districts’ Superintendents. The report shall include a recommendation for eliminating the potential deficit.~~

F. Enrollment. Students attending the Academy shall be considered enrolled in their resident school district high school. Student enrollment rules and procedures at each Campus will be ~~limited to not more than 600 students unless otherwise agreed upon by a majority of the Joint Steering Committee. Each Participating District will be allocated a number of spaces based on the number of consortium shares allocated to each Participating District as described in Article IV, Section 2 herein. The Joint Steering Committee is authorized to allocate all or a portion of a Participating District's shares to a specific Campus. If a Participating District does not fill its allocation, the spaces will be made available among the remaining Participating Districts in accordance with the Joint Steering Committee's policy. In the event all available spaces are not filled by the Participating Districts, resident students from the State of Michigan are eligible to apply for remaining spaces and shall be selected in a manner determined by the Fiscal Agent for that Campus. Joint Steering Committee.~~

1. The Academy shall follow the enrollment process set forth in this Agreement. Interested students will be counseled by both the school district of residence and the Academy staff on the appropriateness of the Cooperative Program and the Campus requested. Enrollment priority may be granted to a sibling of a pupil enrolled in the Cooperative Program. The school district of residence shall retain discretion to determine whether a student is eligible to attend the Academy or continue in enrollment. Students may transfer to the Academy after the beginning of the school year in accordance with policies established by the Governing Body or Fiscal Agent.~~Joint Steering Committee.~~

a. The Academy will provide each Participating District with a list of their applicants and Campuses requested by the applicants for the subsequent school year by the first Monday of February.

b. Districts that are candidates for membership will be allocated shares in order of the date and time of application. If spaces remain after Participating and candidate Districts' requests have been met, they will be offered to non-Participating Districts.

~~5. The Academy and Participating Districts shall follow the enrollment share allocation and space allocation process and time line as specified below:~~

~~b. The Participating District will return to the Academy by the second Friday of February a numerically ordered list of its candidates eligible for admission for the subsequent school year. If there are insufficient candidates to fill all of the Participating District's allocated spaces, the Participating District may request for the undesignated spaces to be held until the first Monday of June. Participating Districts which are unable to provide a list of eligible candidates may petition the Joint Steering Committee, in writing, for an extension until March 31st and stating the reason for the request. The Joint Steering Committee will accept or deny the request by majority vote.~~

~~c. Spaces which have not been designated by a Participating District by the second Friday of February and an extension has not been granted under 1b~~

~~above shall be made available first to other Participating Districts and second, to Districts that are candidates for membership provided that they have requested in writing to become a Participating District.~~

~~6.2.~~ The Academy and Participating Districts will abide by the enrollment of upper grade students as specified below:

~~e.a.~~ The Academy will determine the availability of upper grade vacancies depending on class section and teacher availability.

~~f.b.~~ A designated vacancy will first be made available to the Participating District of an upper grade applicant provided that Participating District has unfilled spaces in the specified grade. In the case of more than one upper grade candidate, the candidates will be ordered by date of application receipt, unless their district maintains an active wait list of prior applicants, in which case the Participating District's active wait list will determine the applicant order.

~~g.c.~~ Given the sequential nature of the Academy's curriculum, upper grade candidates shall not be presumed eligible. The Academy will evaluate the applicant's suitability and inform the applicant's Participating District of its determination. The Participating District shall make the final determination.

~~h.d.~~ A prior application for grade nine student enrollment does not constitute an application for upper grade enrollment. Applicants for grades 10, 11, or 12 must submit a designated application for the appropriate grade level. Participating Districts utilizing wait lists to order upper grade applicants can use these lists when offering upper grade spaces. If a student accepts the offer, they will need to complete an upper grade application at that time. Applicants will be accepted on or after the first day of school one year prior to the intended school year of enrollment.

~~i.e.~~ Participating Districts can at their discretion adopt a policy which permits upper grade enrollment only in specified circumstances, such circumstances can include but are not limited to: 1) prior enrollment in an International Baccalaureate program; 2) current enrollment in the Academy but moving into another Participating District; 3) moving to the United States from outside the country per international student status.

~~j.f.~~ If a student changes his/her district of residence, and the student's new district of residence is serviced by another Campus, his/her enrollment will not automatically transfer from one Campus to another. Such a student will be required to submit an application to the Campus or Campuses for which his/her new resident district holds shares, if any. A student required to re-apply to a Campus under this subsection shall not be given enrollment priority over other students of the same resident district applying to that designated Campus.

The ~~Governing Body Joint Steering Committee~~ is granted authority pursuant to this Agreement to develop guidelines for authorizing enrollment outside of the process in special circumstances.

B.G. Graduation Credit/Testing/Records/Discipline.

1. Graduation Credit – All credits earned at the Academy will be applied toward graduation requirements at the student’s Participating District. The student will be eligible to receive a high school of residence/International Academy diploma upon accomplishing the International Academy requirements. All grades earned at the Academy will be reported promptly to the Participating District for its education records. Any grade change request shall be in accordance with the provisions of the ~~Revised~~ School Code, as amended, if applicable, and to the extent not inconsistent with the School Code provisions, the policies of the ~~Fiscal Agents Joint Steering Committee~~. If a student leaves the Academy and transfers to another high school in the student’s District, credits earned at the Academy will be applied toward graduation at that high school. A student remaining at the Academy for the completion of the program will be eligible to receive a high school diploma from the Academy.

2. Testing – The Academy shall administer mandated testing for enrolled students, as may be required by the State, or other nationally recognized proficiency testing instruments agreed upon by the ~~Fiscal Agents Joint Steering Committee~~ for the assessment of pupil performance. The student’s test scores may be included, at the discretion of the Participating District, in the Participating District’s calculation of a district and school average.

3. Discipline – ~~Each campus shall have a Student Code of Conduct. Each Fiscal Agent shall have the authority to determine its Student Code of Conduct, policies, rules and regulations.~~ All students enrolled in the Cooperative Program pursuant to the provisions of this Agreement are subject to the ~~Fiscal Agent’s Academy’s~~ Student Code of Conduct, policies, rules and regulations during the time they are in attendance at the Academy at any Campus. The building principal (or other designated administrator) of the Academy’s Campus shall have the authority to ~~suspend or expel or otherwise~~ discipline any students in attendance at the Academy, in accordance with applicable law and the published and distributed policies pertaining to student rights and responsibilities in the Academy. ~~The Fiscal Agent has the authority to preclude a student from further attendance at its Campus. If a Fiscal Agent decides to preclude a student from its campus, that student’s district of residence shall determine the admittance, suspension, or expulsion process for that student regarding the district of residence. The disciplinary policies and procedures to be applied to enrolled non-Participating District students shall be the same as those applied to resident students of the Participating Districts. The district of residence shall also have sole authority to further discipline the students in accordance with its policies. All Campuses shall maintain the same Student Code of Conduct, policies, rules and regulations.~~

4. Records – The ~~Fiscal Agents Academy~~ shall be responsible for maintaining appropriate records of student attendance, behavior, progress, grades and

achievement as may be required by law or by action of the ~~Fiscal Agents Joint Steering Committee~~. Student records shall be maintained on a basis that is comparable to the record keeping in the Participating Districts for pupils enrolled in regular secondary programming. Participating Districts shall have complete access to all student records of its students maintained by the ~~Fiscal Agents Academy~~.

Section 2. Consortium Shares.

~~The A~~ Participating District's interest in the Academy shall be represented by shares. Each share shall have a Campus designation. A Participating District may hold shares in more than one Campus. The number of shares and Campus designation available to the Participating Districts collectively shall be determined by a consensus of the ~~Fiscal Agents Joint Steering Committee~~ and set forth in Appendix C. Each share shall entitle its holder to enroll a number of students in the Cooperative Program, which number shall be five students per share for the ~~2018/2019~~2019-2020 school year and shall be fixed by the ~~Fiscal Agents Joint Steering Committee~~ in advance of each school year thereafter based on available capacity provided that the number of students which a Participating District is entitled to enroll per share may not be decreased to less than four students per academic year without the written consent of that Participating District's board of education. The number of shares elected to be held by each Participating District for the initial year of operation shall be designated in writing by each Participating District from among the shares available. Any increases in shares which may be sought by Participating Districts for later school years shall be granted by the Participating Districts' Superintendents based on the availability of student seats as determined by the ~~Fiscal Agents Joint Steering Committee~~. The number of shares held by a Participating District shall also determine each district's pro rata distribution upon dissolution of the Consortium.

Section ~~3~~9. Transfer of Shares.

A Participating District may, following the close of the initial school year, transfer some or all of its shares in the Academy to another public school district and thereby convey to the transferee district all rights and obligations attendant to the transferred share(s), thereby relieving the transferor district from such rights and obligations. However, such share(s) must be first made available to Participating Districts by providing written notice to the ~~Fiscal Agents Joint Steering Committee~~ of its ~~their~~ intention to transfer said share(s). In the event that none of the Participating Districts elect to acquire the offered share(s) within 45 days of notice being provided to the ~~Fiscal Agents Committee~~, the Participating District may transfer the shares to first, an eligible District that has unilaterally withdrawn from Consortium membership and second, to a non-participating, public school district, subject to the transferee district agreeing in writing to be bound by the provisions of this Agreement whereupon said transferee shall become a Participating District. ~~The Participating District seeking to transfer its share(s) shall, at all times prior to a transfer occurring, retain all of the rights and obligations attendant to the share(s) as defined in this Agreement.~~

Section 3. Fiscal Agent.

~~A. — Bloomfield Hills School District shall be Fiscal Agent for the Cooperative Program at the Campus located in Bloomfield Hills. The Fiscal Agent for Campuses other than Bloomfield Hills shall be as set forth in Appendix D. The Fiscal Agent shall have the sole responsibility to collect and disburse funds received for the start up and~~

~~operation of the Cooperative Program operated pursuant to the provisions of this Agreement. The Fiscal Agent shall collect and distribute all such funds and participate in the identification and securing of grant moneys and other funds, as may be available, on behalf of the Consortium.~~

~~B. The Fiscal Agent's responsibilities include, but are not limited to, the following:~~

- ~~1. implementation and ongoing oversight of the Finance Appendix;~~
- ~~2. maintaining proper records of all accounts, financial transactions and similar activities and having an annual audit conducted by an auditor designated by the Joint Steering Committee;~~
- ~~3. ensuring that Cooperative Program funds generated, received and expended are properly and separately accounted for in accordance with law, state accounting requirements, and adopted policies and accounting procedures for the Cooperative Program;~~
- ~~4. calculating the per pupil average operating cost, capital outlay costs and start up costs for the Cooperative Program, its assessment upon the Participating Districts, and crediting of the Participating District's contributions to the operating costs, in accordance with Article V, Section 1, of this Agreement and the Finance Appendix;~~
- ~~5. paying all bills of the Cooperative Program as approved by the Joint Steering Committee, from the funds of the Cooperative Program.~~

~~C. The Fiscal Agents for the Campuses shall meet on a semi-annual basis every calendar year to report on all accounts, financial transactions and similar activities. The budget for each Campus shall be updated and reviewed at each semi-annual meeting.~~

~~D. A Fiscal Agent shall not incur debt obligations, including but not limited to, bonds, notes, installment purchase agreements, or leases for its Campus without first obtaining written approval from the Joint Steering Committee. The Consortium shall not assume the liability or financial responsibility for unauthorized debt obligations incurred by a Fiscal Agent.~~

V. FINANCIAL PROVISIONS

Section 1.

A. Fiscal Year. The Fiscal Year of the Cooperative Program shall be from July 1 through June 30 of each school year.

B. Accounting/Budgets/Audits. Each Fiscal Agent shall prepare a budget no later than March 31 preceding each fiscal year and provide the prepared budget to each Participating District which sends pupils to its Campus. The budget provided to each Participating District shall include the percentage of the foundation allowance to be charged for the following

year. Each Participating District shall have until June 15th to approve or disapprove the budget for the ensuing fiscal year by Resolution of its board of education and provide notice of its action to the Governing Body and appropriate Fiscal Agent. Failure to provide notice of approval as required herein shall constitute disapproval of the budget. A Participating District that disapproves a budget for the ensuing fiscal year shall be deemed to have unilaterally withdrawn from its participation in the Consortium effective at the end of the current Consortium fiscal year, and its rights and obligations shall be governed by the “Unilateral Withdrawal” provisions of Article III, Section C.3. of this Agreement. Each Fiscal Agent shall be responsible for the proper accounting for its Campus of funds generated, received and expended in accordance with applicable law, state accounting requirements, and this Agreement. Each Campus’s funds shall be audited as part of the Fiscal Agents’ regular audit. Funds of each Campus will be handled according to standard accounting procedures and deposited with depositories as determined by the Fiscal Agents. The Joint Steering Committee shall adopt an operating budget for each Campus no later than March 31 preceding each fiscal year the Academy is in operation. In the event the operating budget for an ensuing fiscal year, as adopted, projects a deficit to be funded by the Participating Districts, notice of same shall be provided by the Joint Steering Committee to each Participating District contemporaneous with the adoption of the budget. The board of education for each Participating District shall thereafter act to approve or disapprove such budget by June 15 and promptly provide notice of its action to the Committee. If approved, the board of education shall be thereupon obligated to pay its pro rata portion (based on the number of students enrolled) of the projected deficit as a surcharge upon the per pupil charge otherwise payable pursuant to Paragraph F below. If disapproved, the Participating Districts shall not be obligated to pay its pro rata portion of the projected deficit and the Joint Steering Committee shall adjust its budget accordingly for the ensuing fiscal year.

C. Budgets and Description of Revenues. Each Campus will have its own budget. The fiscal year budget may be broken down by semester or other budget period as determined by the Fiscal Agent, with provision that the budget monitoring or review procedures provided by this Agreement for the entire fiscal year shall also apply to such shorter budget period. Each budget shall be sufficiently detailed as to provide a conventional break-down of Costs for educational programs and services. The Fiscal Agent will administer each Campus budget and shall report to the Participant Districts periodically or as requested by any Participant regarding the financial status of the Campus, but no less than annually. In particular, the Fiscal Agent shall identify when costs exceed, or may potentially exceed, its revenues and within 30 days report this information to the Participants. The report shall include a recommendation for eliminating the potential deficit.

D. Description of Campus costs as determined by the Fiscal Agents may by way of illustration include, but not limited to, the following for each Campus:

1. Instructional, support and administrative salaries, fringe benefits, and related direct and indirect compensation costs attributable to the staff members assigned to the Academy. Fringe benefits and related direct or indirect compensation costs shall include:

- ~~m~~Medical and dental health insurance;

- ~~Life insurance;~~
- ~~Long term disability insurance;~~
- ~~Vision insurance;~~
- ~~Cash payments or alternative fringe benefits provided in lieu of the cash benefits listed above.~~
- ~~Retirement payments to MSPERS MPSERS;~~
- ~~FICA.~~

2. Instructional supplies, equipment amortization, maintenance costs, and lease expenses.

3. In-service and training expenses.

4. Textbooks, audio-visual supplies, and other equipment and material.

5. Transportation, if any.

6. Clerical expense.

7. Other direct education costs.

8. Lease of the building, heat, power, and other utilities as are necessary for the maintenance, upkeep and repair of facilities utilized in connection with programming operated under this Agreement.

E. For purposes of determining the amount of the Per Pupil Charge to be charged for enrolled students, allowable operating costs under this Agreement shall not include:

1. the financial responsibility of the Lessor to maintain the physical integrity of the building including its mechanical, electrical and structural upkeep and related capital improvement projects; and

2. additional costs attributable to the educational needs of certified special education students. The additional costs attributable to the educational needs of the certified special education students agreed to by the district of residence shall be borne by the district of residence.

E. Exclusion for Special Education or Similar Costs. For purposes of this Agreement, additional costs attributable to the educational needs of certified special education students, or similar costs for any other federal or state legally prescribed services for distinct class of students, are excluded from costs. Additional costs attributable to the educational needs of certified special education student (or similar costs for any other legally prescribed services for distinct class of students) shall be agreed to by the Participant district sending such certified or classified student and shall be paid by the sending Participant district.

E.G. Per Pupil Charge. Participating Districts shall pay a per pupil charge (the “Per Pupil Charge”) for each resident student which it permits to be enrolled in the Academy at a rate or amount to be set by the ~~Fiscal Agent Joint Steering Committee~~ in connection with

annually adopting the operating budget. The Per Pupil Charge shall not exceed the average foundation allowance of all the Participating Districts at a particular Campus, plus an amount not to exceed an additional ten percent of that average without approval by a majority vote of the Superintendents of the Participating Districts for ~~that the~~ Campus. Such amount shall include, for purposes of the calculation of the average, that portion of the foundation allowance for each Participating District which reflects the permissible tax collections, if any, attributable to the levy of hold harmless millage spread on a per pupil basis.

~~The amounts owed by each Participating District shall be payable in two installments in November and May for the fiscal year, unless such payment schedule is modified by the Joint Steering Committee, upon the recommendation of the Budget Sub Committee.~~

~~A. No funding obligation in addition to the foregoing Paragraphs B, C, D and E shall be imposed upon any of the Participating Districts unless agreed to by an adopted resolution of the board of education for such Participating District.~~

~~B. Participating Districts and non Participating Districts will count their resident students attending the Academy on the pupil membership count day as required by the State School Aid Act.~~

~~C. Participating Districts and non Participating Districts will be charged the Per Pupil Charge by the Cooperative Program for the Campus their resident students are attending, for each student in attendance. The Per Pupil Charge may be different for each Campus. For purposes of determining the amount of the Per Pupil Charge to be charged for enrolled students, allowable operating costs under this Agreement shall include, but are not limited to:~~

~~H. Contribution Offsets Against Per Pupil Charge. During each school year, For each fiscal year and to the extent approved by the Fiscal Agents, each Participating District's Participant's contributions of staff, services, supplies or capital equipment (or an apportioned amount thereof to the extent such resources are used jointly for Campus and Participant purposes) will be credited against the its Per Pupil Charge payable for enrolled students. In the event the amount of the such credits are in excess of the Per Pupil Charge payable by that Participanta Participating District, the Fiscal Agent Academy shall pay the amount of such excess to that Participant such district at the time and in the proportion that the Per Pupil Charge payments are is due. For purposes the purpose of calculating employee costs, Participating Districts the Participant will be credited for the full cost of both salary and benefits as defined in Paragraph H.H.1 above. For the purpose of calculating contributions for supplies or capital equipment, Participating Districts the Participant will be credited for the actual cost of the contribution. The Fiscal Agents Joint Steering Committee shall be responsible for developing guidelines and the methodology to enable them to calculate costs, apportionments, and credits against Per Pupil Charges. All costs reimbursed to a Participant are subject to applicable law, including any limitations in the State School Aid Act. for the Fiscal Agent to calculate permissible contributions, salary and benefits to be credited against the Per Pupil Charge otherwise payable.~~

~~I. State Aid and General Grants. The Fiscal Agents, on behalf of, and for the benefit of, the Consortium, with such reasonable support from the Participants as the Fiscal Agents may request, may apply for and receive any state educational funds available to the~~

Cooperative Program or any individual Campus and its students under the State School Aid Act, except for special education funds, similar type funds, or foundation allowances, reserved by the Participants in accordance with their rights and responsibilities under this Agreement. The Fiscal Agents may also solicit and receive grants or donations consistent with the mission of the Cooperative Program, or contract with third party recipients of such grants and donations for the provision of education programs to students from Participants. Receipt of such state educational funds, grants, or donations shall be approved by the Fiscal Agents, including determination whether such state educational funds or grants, or donations shall be deemed revenues to be offset against costs, or for some other Cooperative Program purpose.

J. Excess Costs. No costs of the Consortium may be charged to a Participant (other than the Fiscal Agents) in excess of its Per Pupil Charge, except in accordance with this Section. If at any time a Fiscal Agent seeks to assess excess costs against Participants, the Fiscal Agent must first submit to the Board of Education of each Participant at its Campus, the Campus budget or revised budget indicating the amount of such excess costs and the proposed sharing among Participants of such excess costs. For a Participant to be liable for any excess costs, its Board of Education shall have adopted a resolution expressly acknowledging receipt of the Campus budget or revised budget showing such excess costs, and approving that Participant's payment of a stated proportion or amount of such excess costs. In the event of excess costs which have not been allocated to and approved by Participants in accordance with this Section, such excess costs shall be the sole obligation of the Fiscal Agents.

D-K. Surplus Fund; Annual Surplus or Deficits. Any surplus or deficit in a Program budget at fiscal year-end shall be used as determined by that Program's Fiscal Agent in accordance with all applicable laws, rules, regulations, and policies.

~~E. In the event a student withdraws from the Academy prior to the completion of the school year, the Per Pupil Charge for the full school year shall be assessed against the home district regardless of the period of time the student was in attendance; however, this cost may be mitigated if the withdrawing student's opening may be filled by another student without any disruption to the educational process, subject to the approval of the Joint Steering Committee.~~

~~F. In the event a student transfers to the Academy after the beginning of the school year, the total average operating cost per pupil for the student's attendance for the remaining school year shall be assessed against the home district on a pro rata basis in accordance with the methodology established by the Joint Steering Committee.~~

VI. PERSONNEL

Section 1. Teaching Staff.

A. The Academy will select its teaching staff from qualified teacher applicants. Application to the Academy will be voluntary and subject to the release from the applicant's employing school district. The Academy will attempt to staff with teachers from the Participating Districts in approximate relationship to each Participating District's pupil count. If a position which needs to be staffed cannot be filled in this manner, the Academy will request that the Participating District with the then lowest ratio of assigned staff to the Participating District's Consortium shares hire a qualified candidate to be assigned to the Academy. This process will be

followed whenever the need to fill an Academy staff position cannot be accomplished from existing staff of a Participating District while still keeping the Academy staff balanced according to the approximate relationship of each Participating District's pupil count to the Academy's total teaching staff. The Fiscal Agents at each campus are authorized to administer this provision and to make such adjustments as are necessary to staff the Academy.

B. At the conclusion of each school year, teachers assigned to the Academy will, upon written request, be permitted to return to their home district in accordance with the letters of agreement referred to herein. The Academy's administrator, in conjunction with the Fiscal Agents, may also return a teacher to that teacher's home district at the conclusion of a school year, subject to whatever limitations may apply by operation of the Participating District's collective bargaining agreement applicable to the teacher. If a limitation exists under a Participating District's collective bargaining agreement which temporarily prevents the return of a teacher from the Academy to a home district, the Participating District shall make every effort to accommodate that teacher's return to the home district as soon as possible.

C. Teachers assigned to the Academy will at all times remain exclusively employees of their home district. They will also remain members of their Participating District bargaining unit. As home district employees, they will be assigned by their home district to perform services for the Academy at the Academy site. As the only employment relationship of each Academy teacher is with his/her home participating district, the responsibility for all payment of wages and other benefits and compensation to each teacher, including the responsibility for satisfaction of any legal obligation to maintain insurance or other contributions required by law, including, but not limited to, insurance required under the Worker's Disability Compensation Act, insurance or reimbursement required under the Michigan Employment Security Act, and retirement contributions mandated pursuant to the provisions of the Michigan Public School Employees Retirement Act, shall remain that of each teacher's home district. Any tenure and other employment rights will be exclusively between each teacher and his/her home district. However, because of the nature of the assignment of each teacher to the Academy, the right to evaluate, manage, supervise, and otherwise regulate and control the activities and performance of each teacher and the manner in which the work of each teacher is performed will be delegated by each home district to the Fiscal Agents and Academy administrator.

D. The responsibility for formation, regulation, modification, and/or termination of all contractual relationships, whether through individual employment agreement(s) or collective bargaining agreement(s), in any way pertaining to a teacher assigned by a home district to the Academy remains with the home district. Any collective bargaining contract provisions between a home district and the association representing home district teachers will be applicable to a home district teacher assigned to the Academy except where specific changes have been negotiated between the home district and the home district bargaining unit association and agreed upon in letters of agreement between the affected parties. These letters of agreement, attached hereto as Exhibit B, will address differences in wages, hours, and working conditions inherent in the operation of the Academy program. Failure to reach a letter of agreement between the home district and the association shall not preclude the enrollment of the home district's students in the Academy. A home district is not required, as a condition to entering into this Agreement or enrolling its students in the Academy, to approve a letter of agreement. If a home

district and/or its bargaining unit does not approve the negotiated letter of understanding in place for the Academy with such terms and conditions as outlined herein, it shall not assign teaching staff to the Academy pursuant to Section 1 herein.

Section 2. Academy Principal, Assistant Principal(s) and Employees other than Certified Teaching Personnel.

A. The Academy Principal and Assistant Principal shall be employed by the Fiscal Agent of the site to which they are assigned. The Principal shall provide leadership and direction to the Cooperative Program to be operated pursuant to this Agreement, and shall fulfill such duties as set forth in a job description approved by the Fiscal Agent ~~and the Joint Steering Committee~~. Such job description may be modified at the discretion of the Fiscal Agent ~~and the Joint Steering Committee~~. ~~The Joint Steering Committee, by a majority vote, working in conjunction with the Fiscal Agent's personnel policies and procedures will make recommendations to the Fiscal Agent about the employment status of the Principal and Assistant Principal. Both the decision to offer a contract and terminate a contract will be made jointly between the Joint Steering Committee and the Fiscal Agent subject to approval of the Fiscal Agent's Board of Education. The selection procedure will be in general alignment with the practice of the Fiscal Agent with the addition of the Steering Committee as a partner with the Fiscal Agent in making the selection. In the event the Joint Steering Committee and Fiscal Agent do not agree, the decision of the Fiscal Agent shall control.~~

B. The Assistant Principal(s) will report to the Academy Principal. The Academy Principal will evaluate the Assistant Principal. The Assistant Principal shall fulfill such duties as set forth in a job description approved by the Fiscal Agent ~~and the Joint Steering Committee~~. ~~If his/her performance is unsatisfactory the Principal, along with a vote of a majority of the Joint Steering Committee and agreement of the Fiscal Agent may return the Assistant Principal to the Fiscal Agent. In the event that the Joint Steering Committee and the Fiscal Agent do not agree, the decision of the Fiscal Agent shall control. In the event either the Principal or Assistant Principal are returned to the Fiscal Agent, their employment status will be subject to the applicable policies of the Fiscal Agent, and subject to any applicable administrative contracts and procedures. Such status may include termination of his/her employment with the Fiscal Agent.~~

C. Employees other than certified teaching personnel shall be employed by the Fiscal Agent of the Campus site to which they are assigned. The terms and conditions of their employment are subject to the policies, procedures and applicable labor contracts of the Fiscal Agent.

VII. LIABILITIES

Section 1. Insurance.

A. Each Participating District will be solely and entirely responsible for acts or omissions attributable to it or its agents, employees, or subcontractors during the performance of this Agreement and agrees, to the extent permitted by law, to indemnify the Consortium, and all other parties to this Agreement from any claims and/or judgments arising from such acts or

omissions.

B. Each Participating District and the Fiscal Agent District agree to maintain such insurance as will fully protect itself, its agents, employees, and subcontractors from any and all claims under Workers' Compensation Act or employer's liability laws and from any and all other claims of whatsoever kind or nature for damage to property or for personal injury, including death, which may arise from programming carried out under the terms of this Agreement. Each Participating District and the Fiscal Agent District shall annually provide the Consortium with certificates of insurance evidencing the required insurance coverages.

C. The Fiscal Agent for each Campus, on behalf of the Academy, shall maintain insurance naming the Academy as insured parties protecting against all liability or loss, and against all claims or actions based upon or arising out of damage or injury (including death) to persons or property caused by or sustained in connection with the performance of programming under this Agreement or by conditions created thereby, or based upon any violation of any constitutional provision, statute, ordinance, code, or regulation and the defense of any such claims or actions. In the event of uninsured liabilities of the nature described in this paragraph, the Participating District and/or Fiscal Agent District (as may be applicable) shall have sole responsibility for acts or omissions attributable to it, its employees, agents, or subcontractors and shall indemnify all other parties to this Agreement from claims and/or judgments resulting from such acts or omissions, including reasonable costs of defense.

D. Issues of liability, both legal and financial, shall be specific to the Campus a Participating District's students are attending. Liability will not extend beyond a particular Campus site.

VIII. NON-DISCRIMINATION

Section 1. Equal Employment Opportunity.

All parties agree that they will not discriminate against any employee or applicant for employment (with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment) because of race, color, age, sex, religion, national origin, height, weight, marital status, or handicap. The parties further agree that they will not discriminate against any student or participant because of race, color, sex, religion, national origin, or handicap, in the performance of programs and services under this Agreement.

Section 2. Non-Discrimination Clause.

Any contract to which the Consortium, any Participating District or the Fiscal Agent is a party, in connection with the performance of this Agreement, shall contain the non-discrimination covenant which is required to be included in such contracts, according to the laws of the State of Michigan.

IX. DISPUTE RESOLUTION

Section 1. Matters to be Submitted to Arbitration.

All disputes and controversies of every kind and nature between the parties to this Agreement arising out of or in connection with the performance of this Agreement or as to the existence, construction, validity, interpretation or meaning, performance, non-performance, enforcement, operation, breach, continuance, or termination/dissolution thereof, shall be submitted to arbitration pursuant to the procedure set forth in this Article if said disputes and controversies cannot be resolved through negotiation with the Fiscal Agent.

Section 2. Procedure.

A. Any party may demand such arbitration in writing within thirty (30) days after the controversy arises, which demand shall include the name of the arbitrator nominated by the party demanding arbitration, together with a written statement of the matter in controversy.

B. Within ten (10) days after receipt of such demand, the other parties shall either consent to the appointment of the arbitrator nominated by the party demanding arbitration, or in default of such naming, the dispute shall be referred to the American Arbitration Association for the selection of the arbitrator.

C. The arbitration costs and expenses of each party shall be borne by that party. The fees and expenses of the arbitrator shall be shared equally by the parties to the arbitration dispute.

D. The arbitration hearing shall be held within Oakland County, Michigan, upon at least thirty (30) days' advance notice to the parties.

E. The Commercial Arbitration Rules and procedures of the American Arbitration Association shall be utilized in the arbitration hearing to the extent that these are not inconsistent with Michigan law (MCL 600.5001) and court rule (MCR 3.602).

F. The arbitration hearing shall be concluded within ninety (90) days unless otherwise ordered by the Arbitrator, and the award on the hearing shall be made within ninety (90) days after the close of the submission of evidence.

Section 3. Effect of Arbitration Award.

A. An award rendered by an arbitrator appointed under and pursuant to this Agreement shall be final and binding on all parties to the proceeding, and judgment on the award shall be enforceable and rendered in the Circuit Court for the 6th Judicial Circuit of Michigan (Oakland County).

B. Nothing contained in this Agreement shall be deemed to give the arbitrator any authority, power, or right to alter, change, amend, modify, add to, or subtract from any of the provisions of this Agreement.

Section 4. Arbitration as Bar to Suit.

A. The parties stipulate that the provisions of this Agreement shall be a complete defense to any suit, action, or proceeding instituted in any federal, state, or local court or before any administrative tribunal with respect to any controversy or dispute arising between or among them under this Agreement and which is arbitrable as set forth in this Agreement.

B. The arbitration provisions of this Agreement shall, with respect to such controversy or dispute arising hereunder, survive the termination or expiration of this Agreement.

C. With respect to any dispute or controversy that is made subject to arbitration under the terms of this Agreement, no suit at law or in equity based on such dispute or controversy shall be instituted by any party, except to enforce the award of the arbitrator.

X. MISCELLANEOUS

Section 1. Successor and Assigns.

Except as provided in Article III, Section 9, no Participating District or Fiscal Agent District shall assign this Agreement or any rights or obligations hereunder without the prior written consent of each other signatory Participating District to this Agreement. Such attempt at assignment without such prior written consent shall be void and of no force or effect. This Agreement shall insure to the benefit and shall be binding upon the successors and permitted assigns of the Participating and the Fiscal Agent Districts.

Section 2. Governing Law.

This Agreement shall be construed, performed, and enforced in accordance with, and governed by, the laws of the State of Michigan.

Section 3. Severability.

In the event that any part of this Agreement is declared by any court or other judicial or administrative body to be null, void, or unenforceable, such invalidity shall not affect any other provision of this Agreement that can be given effect without the invalid provision, and to this end, the provisions hereof are severable.

Section 4. Notices.

A. All notices, requests, demands, or other communications under this Agreement shall be in writing and shall be deemed to have been duly given (i) on the date of service if served personally on the party to whom the notice is given at its address listed in this paragraph, or (ii) on the day after delivery to an overnight courier or the express mail service maintained by the United States Postal Service to the parties as follows:

[UPDATE AS NECESSARY]

B. Any party may change its address for the purpose of this paragraph by giving the Consortium notice of its new address in the manner set forth above.

Section 5. Amendment; Waivers.

This Agreement may be amended or modified, and any of the terms, covenants, representations, warranties, or conditions hereof may be waived, only by a written instrument executed by a majority of the Participating Districts. Any waiver by any party of any condition, or of the breach of any provision, term, covenant, representation, or warranty contained in this Agreement shall not be deemed nor construed as a continuing waiver of any such condition, or breach of any other provision, term, covenant, representation, or warranty of this Agreement.

Section 6. Entire Agreement.

This Agreement contains the entire understanding among the Participating Districts and Fiscal Agents with respect to the programs and services contemplated herein and supersedes all prior and contemporaneous agreements and understandings, oral or written, with regards to such programs. All schedules hereto and any policies, documents and instruments delivered pursuant to any provision hereof are expressly made a part of this Agreement.

Section 7. Further Matters.

The Participating Districts agree to perform such additional acts and execute such additional documents as are reasonably necessary to carry out this Agreement.

Section 8. Paragraph Headings.

The paragraph headings in this Agreement are for reference purposes only and shall not effect the meaning or interpretation of this Agreement.

Section 9. Authorization.

This Agreement has been duly authorized, executed, and delivered by the parties hereto and constitutes a legal, valid, and binding obligation of such parties, enforceable in accordance with its terms. Each individual's signature hereto represents and warrants that the signatory is duly authorized to execute this Agreement on behalf of the signatory's Participating District.

Section 10. Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned K-12 School Districts of the State of Michigan have caused this Agreement to be executed by their duly authorized officers and representatives on the date hereof, as of which date this Agreement shall come into full force and effect.

DATED: _____

WITNESSED:

AVONDALE SCHOOL DISTRICT

By: _____

Its Superintendent

AVONDALE SCHOOL DISTRICT

By: _____
Its Superintendent
AVONDALE SCHOOL DISTRICT

By: _____
Its Superintendent
AVONDALE SCHOOL DISTRICT

By: _____
Its Superintendent
APPENDIX A

PARTICIPATING DISTRICTS

[UPDATE MEMBER DISTRICTS]

APPENDIX B

FINANCIAL INFORMATION

General

The Consortium and the Academies shall operate in accordance with the Uniform Budgeting and Accounting Act, being Public Act No. 2 of 1968, the State School Aid Act and all other state laws pertaining to the financial operation of the Academies.

Billing and Payment Schedule

The billing and payment schedule for the Per Pupil Charge, costs and assessment shall be in accordance with Article IV, Section 3 and Article V of the Agreement.

APPENDIX C

LEVELS OF PARTICIPATION*

Full Member Participating District

- Students attend per shares owned
- May request temporary discontinued status
- May share in assets, in event of dissolution
- First choice to fill additional 9th grade spaces, if available
- May fill additional upper class spaces, if available
- First choice to purchase additional shares, if available
- Pays full rate for every attending student

Temporary Discontinued Participating District

- Upper class students may attend, per shares owned
- 2nd choice to fill 9th grade spaces, if available; 2nd choice to purchase additional shares (in order by date of written request for temporary status)
- May share assets, in event of dissolution
- Pays full rate for every upper-class attending student
- May pay 50% of 9th grade shares, unless they are filled by other districts
- May reclaim full shares by requesting in writing by January 15th

First Right of Refusal non-Participating District (until youngest cohort graduates)

- Upper-class students may attend per shares owned
- Status is valid only until current youngest cohort graduates
- 3rd choice to fill additional 9th grade spaces, if available (would not count as cohort group)
- 3rd choice to purchase additional shares, if available
- Pays full rate for every upper-class attending student
- May pay 50% of 9th grade shares, unless they are filled by other districts

Unilateral Withdrawal Non-member

- Upper-class students may attend, per shares owned
- 4th choice to fill additional 9th grade spaces, if available (would not count as cohort group)
- Pays full rate for every upper-class attending student
- Forgoes right to purchase additional shares

Applicant – IA has written letter of application from appropriate district personnel on file

- 5th choice to fill additional 9th grade spaces, if available
- 4th choice to purchase shares, in order of received date on letter of application
- Pays full rate for every attending student

Guest

- 6th choice to fill additional 9th grade spaces, if available
- Pays full rate for every attending student

*This Appendix is a general summary of the features of membership participation. Specific terms, conditions and notice requirements are set forth in the Agreement. This Appendix is intended to be used only as a general description and not determinative of the legal rights and obligations under the Agreement.

Overview of Types of Participation

		Student s, per shares	One year	Assets	Addition al 9 th grade	Addition al upper class	Addition al
Full member		X	X	X	1st	X	1st
Temporar y		X-1			2nd		2nd
1 st Right of		X-1, 2					3rd
Alumni		X-2			3rd		
Applicant					4th		4th
Guest					5th		

1. Must pay 50% of 9th grade shares, unless they are filled by other districts
2. Other until current youngest cohort graduates

Participating District

Shares

Campus

APPENDIX D

<u>Campus</u>	<u>Fiscal Agent</u>
IA Bloomfield Hills Campus	Bloomfield Hills Public Schools
IA West	Huron Valley School District
IA East	Troy School District