

Contract

Between

The Lancaster County School District

and

Discovery Charter School of Lancaster County



Contents

Section One: Introduction and Recitals

*This Contract, effective the 20th day of March, 2018, is made and entered into between **Discovery Charter School of Lancaster County**, a public charter school organized as a nonprofit corporate entity (the "School") and the **Lancaster County School District Board of Trustees** (the "Sponsor") (collectively, the "Parties").*

- 1.1 Reference to the South Carolina Charter School Act.** *WHEREAS, the South Carolina General Assembly has enacted the South Carolina Charter Schools Act, S.C. Code Ann. § 59-40-10, et seq. , for certain purposes as enumerated in S.C. Code Ann. § 59-40-20.*
- 1.2 Reference the submission date of the charter application.** *WHEREAS, on 04/20/2000, an Application was submitted by the planning committee of the School for formation of a public charter school as part of the Sponsor. The Application was amended through the charter renewal process in 2003 and in 2008.*
- 1.3 Reference to approval date.** *WHEREAS, in April of 2000, the Sponsor approved the School's initial charter application and granted the School a charter for an initial term of three years (with charter renewals in 2003 and 2008); NOW THEREFORE, in consideration of the foregoing Recitals and the mutual understandings, releases, and covenants contained herein, the Parties agree as follows: the charter for Discovery School of Lancaster County shall be renewed for ten years (effective July 1, 2018 through June 30, 2028).*
- 1.4 Reference to previous agreement(s).** N/A

Section Two: Establishment of School

- 2.1 Charter term.** *This renewed Contract is effective as of 07/01/2018 and shall continue through 06/30/2028. Although this Contract is for operation of the Charter School for a period of ten (10) years, any financial commitment on the part of the Sponsor contained in this Contract is subject to mutual agreement of the School and the Sponsor.*
- 2.2 Legal status.** *The School is incorporated as a South Carolina non-profit corporation. The School shall continue to operate as a South Carolina non-profit corporation during the term of this contract and shall assure that its operation is in accordance with its articles of incorporation and bylaws. The School shall notify the District promptly of any change in its corporate status.*

The School is organized and maintained as a separate legal entity from the Sponsor for all purposes of this Contract. As provided by S.C. Code Ann. § 59-40-40(2), the School is a public school and part of the Lancaster County School District. Notwithstanding its existence as a separate legal entity, the educational programs conducted by the School are considered to be operated by the School as part of the Sponsor. As such, the School is subject to South Carolina laws and regulations as well as school district policies that apply to all public schools unless waived in accordance with Section 5.5 of this Contract. Further, the School is a public body within the meaning of S.C. Code Ann. § 30-4-20 and is therefore subject to the South Carolina Freedom of Information Act.

- 2.3 Pre-opening conditions.** N/A

Note: Section 2.3 only applies to a new charter school. N/A

Section Three: Sponsor/School Relationship

Section Three of the Contract describes the school-sponsor relationship. In accordance with S.C. Code Ann. § 59-40-60(B), the Contract must reflect the roles, powers, responsibilities, and performance expectations for each party to the contract. This section clarifies the rights and responsibilities of both parties to reflect a balance of autonomy and accountability. Each requirement enumerated in this section should be necessary for the success of the school and its students. Provisions for the resolution of disputes that concern the implementation of the contract should be included and should encourage informal dispute options such as informal meetings between the parties and facilitation.

3.1 Sponsor responsibilities, roles, powers, and performance expectations.

Pursuant to S.C. Code Ann. § 59-40-40 (4), the Sponsor is the School's Local Education Agency (LEA) and the School is a school within that LEA.

A. Right to review. *The School shall operate under the auspices of, and shall be accountable to, the Sponsor and subject to, unless specifically waived or delegated pursuant to this Contract, all applicable federal and state laws and regulations, including State Board of Education (SBE) policies and regulations. All records established and maintained in accordance with the provisions of this Contract, SBE policies and regulations, and federal and state law and regulations shall be open to inspection and review and made available in a timely manner to Sponsor officials who have legitimate educational interests in such records within the meaning of the Family Educational Rights and Privacy Act (FERPA). Records include, but are not limited to, the following:*

- i. School records including, but not limited to, student cumulative files, policies, special education, and related services;*
- ii. Financial records;*
- iii. Educational program, including test administration procedures and student protocols;*
- iv. Personnel records, including evidence criminal background checks have been conducted;*
- v. School's operations, including health, safety, and occupancy requirements; and*
- vi. Inspection of the facility.*

Further, the Sponsor may make announced or unannounced visits to the School to fulfill its oversight responsibilities. Except in emergencies, and when directed by the Sponsor's Superintendent, visits should be pre-arranged in a professional manner to avoid needless disruption of the educational process.

B. School health or safety issues. *The Sponsor shall immediately notify the School of any circumstances requiring School closure, lockdown, emergency drills, or any other action that may affect School health or safety.*

C. Access to data and information. *The Sponsor shall timely provide the School with access to any data and information pertaining to the School that it receives from the State or other sources including but not limited to test scores, federal and state accountability data, special education, and funding information.*

D. Access to student records. *The Sponsor shall timely make available to the School cumulative files and/or student information, including but not limited to information regarding special education and related services for students of the School. The School shall use such information exclusively for the fulfillment of its educational responsibilities or for compliance with the law and shall not use student information acquired from the Sponsor for any other purpose.*

E. Oversight and Monitoring. *In accordance with S.C. Code Ann. § 59-40-55, the Sponsor shall*

- i. Monitor, in accordance with the terms of the Contract, the performance and legal/fiscal compliance of the School to include collecting and analyzing data to support ongoing evaluation according to the Contract.*

- ii. *Conduct or require oversight activities that enable the Sponsor to fulfill its responsibilities outlined in the law, including conducting appropriate inquiries and investigations, only if those activities are consistent with the law, adhere to the terms of the contract, and do not unduly inhibit the autonomy granted to public charter schools.*
- iii. *Collect in accordance with S.C. Code Ann. § 59-40-140(H), an annual report from the School and submit the report to the South Carolina Department of Education (SCDE).*
- iv. *Notify the School of perceived problems when its performance or legal compliance is unsatisfactory and provide a reasonable opportunity for the school to remedy the problem, unless the problem warrants revocation and revocation timelines apply.*
- v. *Take appropriate actions and exercise sanctions short of revocation, in response to deficiencies in School performance or legal compliance. These actions or sanctions may include requiring the School to develop and execute a corrective action plan within a specified timeframe.*
- vi. *Determine whether the School's charter merits renewal, nonrenewal, or revocation.*

3.2 School responsibilities, roles, powers, and performance expectations. (S.C. Code Ann. § 59-40-60(B))

Pursuant to S.C. Code Ann. § 59-40-20 (4), the Sponsor is the School's local education agency (LEA) and the School is a school within that LEA.

A. Records. *The School agrees to comply with all federal, state, and Sponsor record-keeping requirements including those pertaining to students, governance, and finance. This includes maintaining up-to-date information about enrolled students in the Sponsor's student information system (SIS). In addition, the School shall ensure that records for students enrolling in other schools are transferred in a timely manner. Financial records shall be posted in accordance with **the guidelines established by the Lancaster County School District** and reconciled at least annually. All records shall be maintained at the School and shall be open to inspection, consistent with law, during reasonable business hours. The School further agrees to assist the Sponsor in accessing or reviewing any records as part of its oversight responsibility or to address its compliance requirements.*

B. Notification provided to the District.

- i. **Timely notice.** *The School shall timely notify the Sponsor (and other appropriate authorities) in the following situations:*
 - 1. *the discipline of employees at the School arising from misconduct or behavior that may have resulted in harm to students or others, or that constituted serious violations of law; or*
 - 2. *any complaints filed against the School by any governmental agency.*
- ii. **Immediate notice.** *The School shall immediately notify the Sponsor of any of the following:*
 - 1. *conditions that may cause it to vary from the terms of this Contract, applicable Sponsor requirements, federal, and/or state law;*
 - 2. *any circumstance requiring the closure of the School, including, but not limited to, a natural disaster, such as an earthquake, storm, flood, or other weather-related event, other extraordinary emergency, or destruction of or damage to the School facility;*
 - 3. *arrest of any members of the School board or School employees for a crime punishable as a felony or any crime related to the misappropriation or theft of funds;*
 - 4. *misappropriation of funds;*
 - 5. *default on any obligation, which shall include debts for which payments are past due by sixty (60) days or more; or*
 - 6. *any change in its corporate status with the South Carolina Secretary of State's Office as a nonprofit corporation.*

- C. Compliance.** *The School shall comply with all applicable federal and state laws, local ordinances, and Sponsor policies applicable to charter schools, except to the extent that the School has obtained waivers from Sponsor policies in accordance with Section 5.5. A list of some, but not all, of the federal and state laws with which the School must comply are included in the **Terms of Agreement**.*
- i. Reports.** *The School shall timely provide to the Sponsor any reports necessary and reasonably required for the Sponsor to meet its oversight and reporting obligations. Required reports include, but are not limited to, those listed below along with projected due dates. Timely notification shall be provided when due dates are changed. The Sponsor shall annually update the list of required reports and due dates and provide this information to the School. Failure to provide reports within ten (10) days after the date due is a material violation of the Contract, and the Sponsor may take actions as outlined in Section 3.4.*
- ii. Annual Report.** *The School shall annually provide the District with a report no later than December 31. In accordance with S.C. Code Ann. § 59-40-140(H), the report shall include all information required by the Sponsor and/or the SCDE and shall include, at a minimum, (1) the number of students enrolled in the School from year to year; (2) the success of students in achieving the specific educational goals for which the School was established; (3) an analysis of achievement gaps among major groupings of students in both proficiency and growth; (4) the identity and certification status of the teaching staff; (5) the financial performance and sustainability of the School; and (6) School board performance and stewardship including compliance with applicable laws.*
- iii. Required financial reports** (e.g., projected enrollment, annual independent audit, pupil and student accounting). *The Discovery School shall meet all financial reporting requirements of the federal, state, and local government along with any grant reporting requirements from any grantor agencies. The Discovery School maintains all of its financial records on the business software of Lancaster County School District (LCSD) and processes all financial transactions including payroll and accounts payable through the Finance Office of LCSD. The Discovery School Bookkeeper has access to the business software for reporting and operating the daily business of the Discovery School. The Discovery School prepares an annual budget that is loaded into the business software and reviewed monthly. The Discovery School has an independent audit conducted according to the SCDE guidelines and presented to the SCDE by December 1st annually. All payroll processing, withholding and reporting is included in with that of the LCSD. All sales and use tax reporting is included in with that of the LCSD. Annual reporting of IRS Form 990 is completed and submitted through the Finance Office of LCSD. Annual reporting of charitable organizations due to the SC Secretary of State is completed and submitted through the Finance Office of LCSD.*
- iv. Student data.** *The School shall maintain accurate and up-to-date student records in the provided SIS. Data supplied to the Sponsor shall fulfill all federal and state reporting requirements and deadlines. Data and documents submitted to the Sponsor shall be in formats compatible with those used by the Sponsor.*
- v. School calendar** – The school will adhere to the district academic calendar which is approved in late winter of each year.
- vi. Health and safety information** (including report of previous year’s fire drills and updated emergency plans, emergency contact information, etc.). *Pursuant to S.C. Code. Ann. § 59-40-50 (B)(1), the School shall adhere to the same health and safety requirements as are applied to public schools operating in the **Lancaster County School District**.*
- vii. Governance information/School Board membership** (i.e., names/contact info, including residency terms, names of members who have a background in K–12 education or business, and names of members who

have been elected by the employees and the parents/guardians of students enrolled in the School pursuant to S.C. Code Ann. § 59-40-50 (B)(9))—annually in September.

viii. Signed School Board member conflict of interest disclosures—annually in September following Governing Board elections.

ix. Current bylaws—within ten (10) days after any changes.

x. Current articles of incorporation—within ten (10) days after any changes.

xi. Insurance certification—07/01 (renewal date of SCSBIT Insurance Policy Sponsor provides).

D. Academic Achievement. *The School shall make reasonable progress towards meeting or exceeding the performance goals as described in its charter application. In accordance with SBE Regulation 43-601, the School shall demonstrate that student academic achievement is improving and shall provide evidence of increased student academic achievement for all students described in Section 1111(b)(2)(C)(v) of the Elementary and Secondary Education Act (ESEA).*

E. Nonreligious, Nonsectarian Status. *The School shall operate in all respects, as a nonreligious, nonsectarian, public charter school.*

F. Nondiscrimination.: *The School shall adhere to the same civil rights and disability rights requirements as are applied to public schools operating in the **Lancaster County School District**.*

G. Indemnification. *Pursuant to S.C. Code Ann. § 59-40-60(F)(14) and SBE Regulation 43-601, the School shall assume the liability for the activities of the School and must agree to indemnify and hold harmless the Sponsor and its servants, agents, and employees from any and all liability, damage, expense, causes of action, suits, claims, or judgments arising from injury to persons or property or otherwise that arises out of the act, failure to act, or negligence of the School, its agents, and its employees in connection with or arising out of the activity of the School.*

H. Insurance. *Pursuant to S.C. Code Ann. § 59-40-60(F)(15) and SBE Regulation 43-601, the School shall maintain liability insurance from a South Carolina licensed insurance company or the state insurance reserve fund that at a minimum covers the limits of the South Carolina Tort Claims Act (S.C. Code Ann. § 15-78-120 (Supp.2001)). The School shall obtain insurance protecting the School and its board, employees, volunteers, and the Sponsor, where appropriate, consisting of workers' compensation, liability, property, indemnity, and automotive. Minimum coverages for the current school year are listed below:*

*The Sponsor shall provide timely notice if coverage limits are changed. Insurance terms and conditions must be reasonably acceptable to the Sponsor and underwritten by insurers that are **equal to \$1,000,000. (general liability), \$350,000. (property) and \$100,000. (crime)**. The School shall provide certificates of insurance to the Sponsor by 07/01 annually. All of the School's insurance policies purchased by the School shall state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits, except after forty-five (45) days prior written notice by certified mail, return receipt requested, has been given to the Sponsor. The School shall notify the Sponsor within ten (10) days if for any reason there is a lapse in insurance coverage. The School is solely responsible for any deductibles payable under the policies purchased by the School.*

I. Attendance Requirements. *Pursuant to S.C. Code Ann. § 59-40-50(B)(2), the School shall meet, but may exceed, the same minimum student attendance requirements as are applied to all public schools.*

3.3 Dispute resolution procedures. *All disputes arising out of the implementation of this Contract shall be subject to the dispute resolution process as practiced by the Lancaster County School District.*

3.4 School violations of law, charter, or this Contract. *The School is subject to nonrenewal or revocation in accordance with S.C. Code Ann. § 59-40-110 (C) for violation of any law from which the charter school was not specifically exempted or for committing a material violation of the conditions, standards, or procedures provided for in its charter application. Should the School commit a material violation of the Contract, that does not constitute a violation of applicable law or material violation of its charter, the Sponsor may impose remedies. Remedies include, but are not limited to, those listed below. These remedies may be applied individually, in succession, or simultaneously. Remedies may include the following: mediation, arbitration, etc.*

Section Four: Governance

Section Four of the contract describes the essential components of charter school governance. Although the sponsor is required by law to monitor the charter school and its performance, the charter school is expected to manage its own affairs. The charter school governing board must hold school personnel accountable for student outcomes and for operations consistent with the law, the charter contract, and the charter application. The school's charter application, as required by S.C. Code Ann. § 59-40-60(F)(7), contains a description of the governance and operation of the charter school, including the nature and extent of parental, professional educator, and community involvement in the governance and operation of the charter school.

4.1 Governance. *The School's articles of incorporation and bylaws shall not conflict with the School's obligation to operate in a manner consistent with this Contract. Similarly, the policies of the School's governing board shall provide for governance of the operation of the School in a manner consistent with this Contract. Any material modification of the articles of incorporation or the bylaws or changes in the composition of the School's governing body shall be made in accordance with the procedures described in Section 3.2 of this Contract.*

4.2 Governing board. *The School's governing board shall operate in accordance with the School's articles of incorporation and bylaws. The School shall ensure that the governing board membership is consistent with the requirements outlined in S.C. Code Ann. § 59-40-50(B)(9). Additionally, the School, in accordance with S.C. Code Ann. § 59-40-155(A), shall ensure that within one year of taking office, all persons elected or appointed as members of its board shall successfully complete an orientation program in the powers, duties, and responsibilities of a board member including, but not limited to, topics on policy development, personnel, instructional programs, school finance, school law, ethics, and community relations.*

4.3 Transparency. *In accordance with S.C. Code Ann. § 59-40-50(B)(10), both the School and its governing board shall be subject to the Freedom of Information Act. The governing board of the School shall notify the Sponsor of any regular meeting of the board at least forty-eight (48) hours prior to the date on which such meeting is to occur and shall conduct all meetings consistent with the Freedom of Information Act. The School shall also ensure that its governing board adopts and strictly enforces a conflict of interest policy and that all board policies, meeting agendas, minutes, and related documents are readily available for public inspection.*

4.4 Parental, educator, and community involvement. *The School shall ensure parental, educator, and community involvement in the governance of the school. Guidelines to ensure fair representation from these stakeholder groups may be found in the **Terms of Agreement**.*

Section Five: Operation of School and Waivers

Section Five of the Contract describes the operational powers of the charter school, limits on those powers, and waivers the charter school shall have from sponsor policies. In accordance with S.C. Code Ann. § 59-40-60(B), the Contract must include all agreements regarding the release of the charter school from school district policies. The school's charter application, as required by S.C. Code Ann. § 59-40-60(F)(7), contains a description of the operation of the charter school, including the nature and extent of parental, professional educator, and community involvement in the operation of the charter school.

5.1 Operational Powers. *Subject to the conditions and provisions of this Contract, the School shall be responsible for the School's operations. The School shall have all the powers of a South Carolina public charter school and a nonprofit corporation. Specific operational powers include the authority to contract for goods and services, prepare budgets, select, supervise, evaluate, and determine the compensation for personnel; lease facilities for the School; adopt policies and bylaws consistent with the terms of this Contract; and, accept and expend gifts, donations, or grants.*

5.2 Corporate purpose. *The purpose of the School as set forth in its articles of nonprofit corporation shall be limited to the operation of a charter school pursuant to the South Carolina Charter Schools Act, S.C. Code Ann. § 59-40-10, et seq.*

5.3 Transportation. *Student transportation to and from the School shall be the responsibility of the parent.*

5.4 Food services. *The School shall provide its own food service which shall be administered under the guidance of the School's PTO through annual arrangements with local vendors.*

5.5 Waivers. The School reserves the right to request waivers from district regulations (subject to Sponsor approval) in accordance with S.C. Code Ann. § 59-40-60 (B).

Section Six: School Enrollment and Demographics

Section Six addresses enrollment. In accordance with *S.C. Code Ann. § 59-40-60(B)*, the Contract must include the charter school's proposed enrollment procedures and dates of the enrollment period. The enrollment procedures should reflect how the charter school plans to ensure its enrollment is similar to the racial composition of the local school district in which the charter school is located or the targeted student population of the local school district that the charter school proposes to serve (*S.C. Code Ann. § 59-40-60(F)(8)*). It should also reflect that the enrollment plan does not conflict with any school district desegregation plan or order in effect for the school district in which the charter school is to be located (*S.C. Code Ann. § 59-40-60 (F)(8)*). Some of these provisions will come directly from the school's charter application.

The section also addresses the charter school's procedures for disciplining students and its process for expelling or denying admission to students

6.1 School grade levels. Discovery School will serve students in kindergarten through grade five.

6.2 Student demographics. Every effort will be made to assure that the ethnic make-up of Discovery School mirrors, as closely as possible, the ethnic make-up of the Lancaster County School District in the grades served by the school.

6.3 Maximum and minimum enrollment. Discovery School will maintain one or more classes at each grade level at a maximum of 18 students. In the event that a class does not have a minimum of 18 students, the lottery process will be re-opened and available slots will be advertised.

6.4 Eligibility for enrollment. All students residing in Lancaster County in the grade levels served by Discovery School are eligible to apply for entry at the school. It is understood that classroom maximums will be maintained and that if demand for spaces exceeds available slots that a lottery process will be employed in order to fill any available seats. A waiting list will also be maintained in the event that there is more demand than there are available slots.

6.5 Enrollment procedures, priority enrollment, and dates of the enrollment period. (S.C. Code Ann. § 59-40-60(B))

6.6 Admission policies and procedures. (S.C. Code Ann. § 59-40-60(F)(2))

6.7 Discipline, expulsion, and denial of admission procedures. (As required by S.C. Code Ann. § 59-40-60 (F)(13))
Guidelines for discipline and expulsion of the Lancaster County School District, as outlined in District Board policy and the district's *Learning Magazine* will be adhered to along with components of *Positive Discipline* and *Love and Logic* that have been adopted by the school.

Section Seven: Educational Program

Section Seven of the contract describes the school's mission, educational program, goals and objectives, including any unique or mission-specific school objectives, curriculum requirements, and plans for educating students with disabilities and English language learners. This section also includes the charter school's plan for evaluating student achievement and progress. The school's charter application, as required by *S.C. Code Ann. § 59-40-60(F)(5)*, contains this provision along with timelines and procedures for taking corrective action if the student achievement falls below the standards .

7.1 Mission. (S.C. Code Ann. § 59-40-60(F)(1)) In addition to supporting the mission of the Lancaster County School District, Discovery School of Lancaster County provides services to a diverse population of students in a unique learning environment with special emphasis on academic innovation and flexibility while encouraging students to excel in one or more areas of intelligence and promoting professional development opportunities for educators throughout the district.

7.2 Goals, objectives, and pupil achievement standards. (S.C. Code Ann. § 59-40-60(F)(2)) *The School shall meet or make reasonable progress toward the goals and objectives as outlined in its charter application and in the **Terms of Agreement**.*

7.3 Description of the school's educational program. (S.C. Code Ann. § 59-40-60(F)(4)) *The School shall implement the educational program as outlined in its charter application and in the **Terms of Agreement**.*

7.4 Curriculum. (S.C. Code Ann. § 59-40-60(F)(4)) *The School shall implement the curriculum as outlined in its charter application and in the **Terms of Agreement**. The School's curriculum shall meet or exceed any content standards adopted by the SBE and the Sponsor and shall be designed to enable each student to achieve these standards.*

7.5 Plan for evaluating pupil achievement and progress. *The School shall evaluate pupil achievement and progress through a multi-dimensional approach of student, parent, and teacher assessments using a Personal Education Plan for each student along with a Multiple Intelligences-based Progress Report. In addition, pupil achievement will be monitored and assessed based on district-approved standardized achievement measures and the state assessments in grades 3-5.*

7.6 Graduation requirements (if applicable). N/A

7.7 Education of Students with Disabilities. *In accordance with S.C. Code Ann. § 59-40-40(4), the Sponsor retains responsibility for special education and shall ensure that students enrolled in the School are served in a manner consistent with LEA obligations under applicable federal, state, and local law. The School shall comply with state and federal law and regulations concerning the Individuals with Disabilities Education Act (IDEA) and all policies and regulations of the Sponsor concerning the education of students with disabilities. The School shall admit students without regard to their status as special education students. The student's IEP team shall determine modification, accommodations, services, and placement as appropriate for the student. The School agrees to provide a variety of placement options and services unless both the School and the Sponsor agree to a different set of specific options.*

The School agrees that the Sponsor is responsible for oversight of the School's compliance with the IDEA and Section 504. The Sponsor shall provide support with respect to services such as annual special education audits, state data reporting, Child Find activities, and psychological testing for initial evaluations and reevaluations. Services beyond this level are provided at the discretion of the Sponsor. If School personnel request services or resources from the Sponsor and if the Sponsor agrees to provide such services, they shall be at no cost to the School.

The School agrees that the Sponsor may serve as the LEA in individualized education program (IEP) meetings when situations warrant such action (as deemed necessary by the Sponsor). In cases like this, the School shall be responsible for the financial commitment made by the IEP team.

Whenever a matter arises concerning the School's implementation of the IDEA or Section 504, the School shall notify the Sponsor's Director of Student Services upon receiving formal notice of any of the following situations: a request for a due process or grievance hearing (under the IDEA or Section 504); a state-level complaint filed with the SCDE, or a violation filed with the Office for Civil Rights. The School shall not respond to any of these situations without the prior involvement and approval of the Sponsor. The authority to resolve any such matter will rest with the Sponsor. The Sponsor has the authority to manage and direct such matters on behalf of the School as the Sponsor deems appropriate. The School shall be responsible for paying any outside costs associated with the above matters. Such costs include, but are not limited to, attorneys' fees, hearing officers' fees, other outside consultation fees, or fees to provide compensatory services.

The School shall appoint a special education coordinator (SAT Chair) who shall participate in Sponsor meetings for special education coordinators and who shall serve as the liaison between the School and the Sponsor on special

education matters. The School's special education coordinator (SAT Chair) shall inform the Sponsor of special education issues and potential problems in the School.

The Sponsor shall provide notification to the School of its IDEA funding after the Sponsor has received notification of its funding allocation from the SCDE. IDEA funds are allocated to the school based on the previous year's October 1 Count with the exception of a charter school in its initial year of operation. A charter school in its initial year of operation shall receive funding based on its enrollment on the 5th day membership count. Allocation of IDEA funds is dependent upon the School's submission of a proposed budget for expenditure of such funds and receipt by the Sponsor's Director of Student Services of the funds from the SCDE.

The School shall submit data regarding the education of students with disabilities in the format required by the Sponsor and do so in a timely and accurate manner. The School shall also utilize the processes and forms required by the Sponsor for IDEA- and Section 504-related functions.

7.8 English Language Learners. The School shall provide resources and support to English language learners to enable them to acquire sufficient English language proficiency to progress academically. The School shall adhere to the Sponsor's procedures for identifying, assessing, and exiting English language learners.

Section Eight: Financial Matters

Section 59-40-140 (A) of the S.C. Code of Laws defines how traditional school district sponsors are required to distribute funds to a charter school.

8.1 Budget. (S.C. Code Ann. § 59-40-60(F)(6)) The School must use the same budget codes as are required of school districts in the State. The budget shall be based on documented SCDE-estimated revenues in accordance with the allocations in S.C. Code Ann. § 59-40-140(A)-(C).

8.2 Audits. Pursuant to S.C. Code Ann. § 59-40-50(B)(3), the School shall adhere to the same financial audits, audit procedures, and audit requirements as are applied to all other public schools. The School shall obtain and submit to the Sponsor an independent annual audit from a qualified auditing or accounting firm of all financial records. The audit shall be submitted to the Sponsor by the timeline prescribed by the Sponsor for inclusion in the Sponsor's report to the SCDE.

8.3 Revenues. LCSD follows the SCDE guidelines for calculating the required funding due to the Discovery School. In addition to the state and federal required funding, LCSD supports the Discovery School through other avenues as well, including technology support and funding, facilities and maintenance support and funding, financial management support through LCSD personnel and software, along with other support as needed.

8.4 Disbursement of per pupil revenue. State mandated funding is available to the Discovery School at the beginning of the year and transferred to the Discovery School on the business software of LCSD. Funding is recalculated at the completion of the prior year's audit and adjusted accordingly.

8.5 Enrollment projections. The Discovery School maintains a class size of 18/1 for grades K-5 or a total of 108 students.

8.6 Liability. Pursuant to S.C. Code Ann. § 59-40-190, the Sponsor is not liable for any of the debts of the School.

8.7 Quarterly Reporting. All payroll processing, withholding, and reporting is included in with that of the LCSD. All sales and use tax reporting is included in with that of the LCSD. This includes any monthly, quarterly and annual reporting.

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

8.9 Accountability. *Financial Resources are to be allocated, expended, and accounted for in accordance with accounting practices specified in the Financial Accounting Handbook, Funding Manual, and the Pupil and Staff Accountability Manual.*

8.10 Encumbrances and borrowing. *The Discovery School will use the business software and follow the procurement guidance of LCSD for entering purchase orders on goods or services over \$2,500 and encumbering these funds against the Discovery School Budget until paid. The Discovery School will not engage in the direct borrowing of funds but will participate in the bond issuance activities of LCSD when opportunities are available for capital needs.*

8.11 Loans. *The Discovery School will not engage in lending of funds to individuals or agencies.*

8.12 Gifts and donations. (S.C. Code Ann. § 59-40-140(G)) *The School shall report to the Sponsor in its annual audit report all gifts, donations, or grants its governing board receives in accordance with S.C. Code Ann. § 59-40-50(B)(3) and § 59-40-140(G).*

Section Nine: Personnel

Most, if not all, charter school employees can be at will, unless the charter school adopts the employment and dismissal act for certified staff. Section Nine defines the status of charter school employees by referencing that they are employees of the charter school and not the sponsor. This section should reflect that the charter school will adhere to the employee evaluation, grievance, and termination procedures outlined in its charter application (S.C. Code Ann. § 59-40-60). Charter schools are required to hire or contract for, in its discretion, administrative staff to oversee the daily operation of the school and at least one of the administrative staff must be certified or experienced in the field of school administration (S.C. Code Ann. § 59-40-50 (B)(6)). As for teacher qualifications, teachers of core academic areas will be certified in that area or hold a BA or graduate degree in that area (S.C. Code Ann. § 59-40-50 (B)(5) and SBE Reg. 43-601 II (H)).

9.1 Employee status. Discovery School employees are employees of the Lancaster County School District.

9.2 Background checks.

- Name-based criminal record history checks on all new employees must be obtained from the State Law Enforcement Division (SLED) before their initial employment.
- The costs for the background checks for new employees will be paid by the state and/or the district.
- The district will consider the results of all criminal record history checks on an individual basis and will determine how the information impacts the individual's ability to be an effective employee.
- When determining the appropriateness of offering employment to an individual, the administration will give consideration to such things as
 - severity of offense,
 - age of the individual,
 - direct impact of the offense on children,
 - length of time since conviction or plea,
 - restitution,
 - conduct or remedial actions during probation and
 - participation in pre-trial intervention and/or expungement.
- At a minimum, the district will not employ individuals who have been convicted of or plead guilty to a violent crime as defined in S. C. Code Ann. § 16-1-60.

- Additionally, when making employment decisions, the district will carefully consider information that could result in the revocation or suspension of a professional certificate “for-cause” as defined in S.C. Code Ann. § 59-25-160.
- Background checks on the National Sex Offender Registry will be obtained on all new employees before their initial employment.
- The checks may be accessed online at no charge.
- The checks will be conducted on all new employees, whether employed on a
 - full-time,
 - part-time,
 - regular,
 - interim or
 - temporary basis.
- The checks will also be conducted on all volunteers, including
 - coaches,
 - mentors,
 - chaperones, and
 - those serving in any other capacity resulting in direct interaction or contact with students.
- Individuals whose names appear on the National Sex Offender Registry will not be permitted to serve in the district in any capacity.
- Additionally, the District will not employ individuals or allow individuals to volunteer in any capacity, who have been required to register as sex offenders pursuant to S.C. Code Ann. § 23-3-430.
- Should an individual whose name appears on the National Sex Offender Registry wish to provide additional information relevant to his/her designation on said registry, the district will consider the matter on a case-by-case basis.

9.3 Employee evaluation procedures. *The School and Sponsor agree that the School will implement ADEPT for the evaluation of certified teachers. The School agrees that all certified teachers in the charter school must be assisted and evaluated in a manner consistent with the Sponsor’s State Board of Education–approved ADEPT plan for induction, formal evaluation, and goals-based evaluation. The School is responsible for ensuring the fidelity of the implementation of the ADEPT system. The Sponsor is responsible for staff training and program implementation. The Sponsor agrees to disseminate all ADEPT-related information from the SCDE to the School and to report the charter school data to the SCDE.*

9.4 Grievance and termination procedures. The processes for grievance procedures are outlined in the Board of Trustees Policy GAE. As outlined in Board of Trustee Policy GBN, in separating any certified/professional employee from service with the district, the administrative staff is to follow the procedures specified in the legislation governing the employment and dismissal of teachers, and as appropriate for other employee classifications.

9.5 Certification. While employed, full-time employees shall maintain a valid and appropriate certificate for the position held. Based on SC Charter School Law up to 25% of a charter school’s teaching staff may be noncertified as long as they are qualified for the position. Failure to maintain professional qualifications during the contractual period shall constitute grounds for termination of the contract. Proof of these qualifications shall be filed with the district office.

Section Ten: Service Contracts with the Sponsor/District (if applicable)

Section Ten addresses any service contracts between the charter school and the sponsor so as not to confuse them with other financial arrangements between the parties.

10.1 Direct costs. The Discovery School has a building rental agreement with the LCSD based on an annual percentage of the estimated utilities and cleaning cost for the building.

10.2 Sponsor services. There are no contracts for sponsor services, however; the LCSD does maintain the building used by Discovery School at no cost to the Discovery School except as noted in item 10.1 above. The LCSD does provide financial services, technology services, human resources services, instructional support services, special needs services, and other services as provided to any of the District's schools for the Discovery School at no cost to the Discovery School.

Section Eleven: Facilities

Section Eleven covers the charter school's responsibility for construction, renovation, maintenance, and compliance of its facilities. The school's charter application, as required by S.C. Code Ann. § 59-40-60(F)(10), contains a provision addressing facilities and equipment and how they shall be obtained.

11.1 Facility. *The School shall be responsible for securing a facility for the operation of the charter school. Before commencing operation of the charter school, the School shall ensure that the facility is in compliance with all applicable local, state, and federal laws and regulations, including but not limited to those relating to accessibility and student safety. The School shall satisfy all permit, life, safety, and inspection requirements of the SCDE/Office of School Facilities (OSF.)*

11.2 Construction, Renovation, and Maintenance of Facilities. *The School shall be responsible for the construction, renovation, and maintenance of the facilities in accordance with the latest edition of the South Carolina School Facilities Planning and Construction Guide. The School shall obtain prior approval of the Office of School Facilities for all work to facilities. The School shall also obtain an inspection and the approval of the Office of School Facilities before occupancy and use.*

Section Twelve: Charter Renewal, Revocation, and School-Initiated Closure

Section Twelve of the contract details charter revocation, renewal, and school-initiated dissolution. The criteria for revocation and renewal are provided along with timelines, processes, due process provisions, and application contents and requirements where applicable. Also included in this section are procedural details in the event of school-initiated dissolution.

12. 1 Renewal timeline and process. (S.C. Code Ann. § 59-40-110 (A) and (B)) *The School shall submit its renewal application by March 15 of the year the School's Contract expires. The Sponsor shall act on the renewal application by resolution no later than March 20 of the year the School's Contract expires following a public hearing where the School shall have the opportunity to address the Sponsor about its renewal request. If the Sponsor decides to not renew the Contract, it shall detail the reasons in its resolution.*

12. 2 Renewal application contents. (S.C. Code Ann. § 59-40-110 (B)) *Pursuant to S.C. Code Ann. § 59-40-110 (B), the School shall submit a charter renewal application to its sponsor containing (1) a report on the progress of the School in achieving the goals, objectives, pupil achievement standards, and other terms of the initially approved charter application, and (2) a financial statement that discloses the costs of administration, instruction, and other spending categories, for the School that is understandable to the general public and that allows for comparison of these costs to other schools or other comparable organizations, in a format required by the SBE. The format of the renewal application shall be provided to the School by the Sponsor by February 20 of the year in which the application is due. The Sponsor may modify this format but shall not do so prior to seeking input from the School.*

12.3 Criteria for renewal, nonrenewal, and revocation. (S.C. Code Ann. § 59-40-110 (C)) *The Sponsor must revoke or not renew the School's charter for any of the grounds provided by S.C. Code Ann. § 59-40-110 (C), as they exist now, or may be amended. Additionally, the Schools must provide evidence of improved student academic achievement for all groups of students described in Section 1111(b)(2)(C)(v) of the ESEA. The Sponsor must use increases in student academic achievement for all groups of students described in Section 1111(b)(2)(C)(v) of the ESEA as the most important factor when determining to renew or revoke a school's charter. Student performance of all students described in Section 1111(b)(2)(C)(v) of the ESEA is the most important factor when determining to renew or revoke a school's charter.*

12.4 Revocation/nonrenewal and hearing procedures. *The Sponsor shall provide the School written notice of the grounds for revocation or nonrenewal and the date of the revocation or nonrenewal hearing before the Sponsor Board. In accordance with S.C. Code Ann. § 59-40-110(D), at least sixty days before not renewing or terminating a charter school, the Sponsor shall notify in writing the School Board of the proposed action. The notification shall specify the grounds for the proposed action in reasonable detail.*

Pursuant to S.C. Code Ann. § 59-40-110(F), the School Board may request in writing a hearing before the sponsor within fourteen days of receiving notice of nonrenewal or revocation of the charter. Failure of the School Board to make a written request for a hearing within fourteen days must be treated as acquiescence to the proposed action. Upon receiving a timely written request for a hearing, the sponsor shall give reasonable notice to the School Board of the hearing date. The Sponsor shall conduct a hearing before taking final action. The Sponsor shall take final action to renew or to revoke a charter by the last day of classes in the last school year for which the charter school is authorized.

12.5 School-initiated dissolution. *Pursuant to S.C. Code Ann. § 59-40-115, the School may terminate its contract with the Sponsor before the ten-year term of contract if both parties agree to the dissolution. Should the School choose to terminate this Contract before the end of the Contract term, it may do so in consultation with the District at the close of any school year and upon written notice to the Sponsor given at least ninety (90) days before the end of the school year. The School shall make every effort to provide such notice by May 31 to allow families to take advantage of any available school choice enrollment dates.*

12.6 Return of property. *Pursuant to S.C. Code Ann. § 59-40-120, upon dissolution of the School, its assets may not inure to the benefit of any private person. Any assets obtained through restricted agreements with a donor through awards, grants, or gifts must be returned to that entity. All other assets shall become the property of the Sponsor.*

Section Thirteen: General Provisions

Section Thirteen of the contract outlines many provisions that are standard to contracts such as amendments, non-assignment, and severability.

13.1 Amendments. *Pursuant to S.C. Code Ann. § 59-40-60(C), a material revision of the terms of the contract between the School and the Sponsor may be made only with the approval of both parties as evidenced by a written amendment to this contract.*

13.2 Non-assignment. *Neither party to this Contract shall assign or attempt to assign any rights, benefits, or obligations accruing to the party under this Contract unless the other party agrees in writing to any such assignment. Such consent shall not be unreasonably withheld, conditioned, or delayed.*

13.3 Governing law and enforceability. *This Contract shall be governed and construed according to the laws and regulations of the State of South Carolina, including those changed subsequent to the execution of this agreement.*

If any provision of this Contract or any application of this Contract to the School is found contrary to law, such provision or application shall have effect only to the extent permitted by law. The parties agree, upon the request of either, to meet and discuss in good faith any material changes in law that may significantly impact their relationship.

- 13.4 No waiver.** *The parties agree that no assent, express or implied, to any breach by either of them of any one or more of the provisions of this Contract shall constitute a waiver of any other breach.*
- 13.5 No third-party beneficiary.** *The enforcement of the terms and conditions of this Contract and all rights of action relating to such enforcement shall be strictly reserved to the District and the School. Nothing contained in this Contract shall give or allow any claim or right of action whatsoever by any other or third person. It is the express intent of the parties to this Contract that any person receiving services or benefits hereunder shall be deemed an incidental beneficiary only.*
- 13.6 Notice.** *Any notice required or permitted under this Contract shall be in writing and shall be effective upon personal delivery (subject to verification of service or acknowledgement of receipt) or three days after mailing when sent by certified mail, postage prepaid to the Administrator for notice to the School, or to the designated Sponsor representative for notice to the Sponsor, at the addresses set forth below. Either party may change the address for notice by giving written notice to the other party.*
- 13.7 Severability.** *The terms of this Contract are severable. In the event that any of the provisions are determined to be unenforceable or invalid for any reason, the remainder of the agreement shall remain in effect, unless mutually agreed otherwise by the Sponsor and the School.*
- 13.8 Authority to enter into contract.** *The School expressly affirms that the signatories on its behalf who sign below have the authority to enter into this Contract on behalf of the School and that the Board of Directors of the School has duly approved this Contract. The School shall provide a copy of its written resolution to the Sponsor authorizing the School to enter into this Contract.*
- 13.9 Delegation.** *The Superintendent will hire administrators to do the day to day management of the Discovery School Program and authorize purchases up to \$2500. under the direct supervision of the Director of Elementary Education.*

Agreed to by,

For the School:

Authorized Individual

Date

For the Sponsor:

Authorized Individual

Date

Attachments

- Attachment A: ***Discovery School Terms of Agreement*** (with appendices)