

CHARTER AGREEMENT
Salt Lake School for the Performing Arts,
a Charter School in Partnership with Highland High School,
and the Salt Lake City School District

I. **CHARTER SCHOOL AGREEMENT**

Pursuant to Utah Code Ann. §53A-1a-505, the Board of Education of the Salt Lake City School District (hereafter referred to as the "Board"), grants the Board of Trustees of Salt Lake School for the Performing Arts (hereafter referred to as "Governing Board"), a charter renewal to operate a public charter school (hereafter referred to as "SLSPA" or the "School").

In 2006, the Board initially reviewed and approved the charter application submitted by the Governing Board to operate SLSPA. The purpose of this Charter Agreement (hereafter referred to as the "Agreement") is to outline the ongoing obligations of both parties, including adherence to all requirements set forth in this Agreement, applicable state and federal law, and Board policy.

A. **RECITALS**

WHEREAS, the People of Utah, through their constitution, have provided that schools and the means of education shall forever be encouraged, and have authorized the legislature to maintain and support a system of free public elementary and secondary schools; and

WHEREAS, the Utah legislature has authorized public charter schools to be created to serve the educational needs of pupils and has provided that pupils attending these schools shall be eligible for support from the Minimum School Program Act; and

WHEREAS, all public schools are subject to the leadership and general supervision of the Utah State Board of Education (hereafter referred to as "USBE"); and

WHEREAS, the legislature has delegated to governing boards of local education agencies the responsibility for authorizing the establishment of public charter schools; and

WHEREAS, the Board is an authorizing body empowered to voluntarily issue contracts to organize public charter schools.

BE IT RESOLVED, that the following chartering policies are adopted.

Recognizing that public charter school board members are public officials and have primary responsibility for the school's governance and operation, a charter school's board of directors shall be appropriately constituted according to the law.

To ensure that public charter schools are open and accessible to all interested parties, each school must legally notice and reasonably inform the public of its application period and enrollment procedures consistent with Utah Code and USBE rules.

Believing competitive comparisons and benchmarking information are necessary for raising standards and driving continuous improvement, each charter agreement must contain clear, measurable performance standards.

To assess the academic and operational performance of public charter schools, charter schools shall meet the required minimum standards identified, as well as meet all entity determined targets outlined in this Agreement. Regular review of the minimum standards and entity determined targets should serve as an early warning system for governing boards and may be used by the Board when evaluating a charter school.

Charter schools may request technical assistance from the Board in any area, including curriculum matters and financial concerns. In no event is the USBE or the Board responsible for any financial or technical support other than the funding and technical assistance expressly required by law. And in no event is the USBE or the Board responsible for the outcome of any decisions the school makes based on such assistance.

Governing District

<i>Indicator - Board performance & stewardship</i>		
Measure	Metric	Board Goal
Board member development	Percentage of board passing all available board training modules on the State Charter School Board website	100%
Regulatory and reporting compliance	Percentage of all required reports that are submitted to state agency complete, accurate, and on time	100%
Regulatory and reporting compliance	Articles of Incorporation, Board Bylaws, and Charter are all in agreement and the school's Charter is not changed without proper amendment from chartering entity	100% in agreement

Governing

II. ESTABLISHMENT OF THE SCHOOL

A. General School Information

1. SLSPA is located at 2291 South 2000 East, Salt Lake City, Utah 84105, which is within the boundaries of the Salt Lake City School District (hereafter referred to as "District").
2. SLSPA can be contacted by phone at 801.466.6700, fax at 801.485.1707, or through the school's website, www.saltlakespa.org.
3. SLSPA serves students in grades levels 9 – 12.
4. The maximum number of students to be served is 400.


5. SLSPA originally opened in August of 2006.

B. Application/Agreement-Binding

The entire charter school application is fully incorporated in this Agreement, and all representations and conditions contained in the Agreement are binding on the Governing Board.

C. Compliance with Other Laws

The Governing Board shall comply with all applicable federal laws and regulations, including, but not limited to, such laws and regulations governing employment, environment, disabilities, civil rights, children with special needs, transportation, and student records as applicable. The Governing Board shall also comply with all applicable health and safety laws and regulations, whether federal, state, or local. The Board assumes no duty to oversee the operations of the School except as may otherwise be provided by law or separate contract. The Board shall monitor the School for compliance with applicable laws and rules. Failure to comply with applicable laws and rules may result in termination of the charter.

D. Facilities 


1. The Governing Board and Board have entered into a separate lease Agreement wherein the Board shall lease to the Governing Board the facility and grounds of the former Rosslyn Heights Elementary School as the site for SLSPA.
2. If the Governing Board subsequently makes substantial changes in its facility or desires to relocate to another facility and terminate its lease, the Board shall receive a written request for changes or relocation in a timely manner, including a timeline for land or facility acquisition, facility completion, and an anticipated starting date at new location.
3. If the Governing Board proposes another location for the establishment of SLSPA, prior to commencing operation in the new locale, the Governing Board shall provide the Board a description of the facility, the financing for the facility, the evidence from local government inspection authorities that the facilities are currently safe (e.g. state or local health and fire department inspection certificates) consistent with Utah Administrative Code R277-471. SLSPA shall not be allowed to operate unless and until all health and safety certificates are current.

E. Open Meetings

The Governing Board agrees to be subject to the Utah Open and Public Meetings Act. This provision is effective upon the Board's final approval of this signed Agreement.

F. Governing Board and School Transparency

The Governing Board agrees to have on its website: an electronic copy of the School's approved charter, signed charter agreement, bylaws, and articles of incorporation; the Governing Board's governance structure, including names, qualifications, and individual contact information for all Governing Board members; the School's student policy manual and annual School calendar; evidence of how the School performed compared to its school performance measures in its approved charter and charter agreement; and timelines and processes for new student application and registration, as well as timelines and processes for students transferring from the School to another school.



G. Fidelity to the Charter

1. Mission and Purpose

SLSPA seeks to instill in its students the life skills of creativity, confidence, collaboration, communication, and leadership. SLSPA encourages self-expression, nurtures self-esteem, and challenges the imagination. The School will provide students with the opportunity to learn from the finest performers and educators in their fields where the quality of the creative effort fosters confidence, joy, self-discipline, and a deep, abiding love of excellence and high achievement.

SLSPA was created with a focus on the performing arts that enhances learning. Both national and local educators agree that arts education is a stimulant for academic achievement as well as training for artists and the development of cultural appreciation. By focusing on the arts, our students and staff will generate a lively, happy, and successful community in which they thrive academically and socially.

Gifted young performers will be provided highly specialized and rigorous training in the arts while still focusing on important academic achievement. To learn, to sing, to dance, to play, to act...these are the aspirations of our young performers.

Some students need to discover success in a different way than those provided by traditional, competitive, and large high schools. There will be an overall desire within the school to see all SLSPA students unlock their gifts and talents so as to become the best people they can be despite the growing pressures and difficulties they face on their journey through adolescence.

SLSPA will offer unique performing arts curriculum focused on the individual. The School will nurture, without exception, the values of individual accomplishment and independence. Since individual creativity is integral to the production of art, SLSPA faculty and staff will work with students individually and collectively to stimulate intellectual, artistic, and technical originality. By providing such an environment, SLSPA will strive to graduate people who can work independently and creatively.

The programs of the School will be designed for motivated students who desire the most from their efforts in the performing arts and in the classroom. Whether the choice is to make a career of their art or merely to participate in it briefly is of little importance. SLSPA desires to create a positive learning and performing experience for all students, and to provide the knowledge and inspiration to take their art to the next level.



<i>Fidelity to Charter: Performance Goals and Measures</i>		
Measure	Metric	Goal
Small school size	Total student population	400 or fewer

Small class size	Average class size Largest class size	21 or fewer 30 or fewer
Performance Track	Percentage of students will enroll in specialized, advanced or conservatory classes in the performing arts	50% or more
Individualized Learning Goal	Percentage of students participating in one or more of the blended learning (ILP) program	Up to 25%
Supportive school climate	Average score in <u>school climate survey</u> administered to all students in late winter or early spring.	3.0 or above on a 1 to 5 scale
Academic support	Ratio of counselors or social workers to students	1 or more to 350
Academic support	hours of structured training in time management and college readiness activities per grades 9 th , 10 th , 11 th and 12 th grader	19 or more
Academic Success rate	Percent of graduates earning a Performing Arts High School Diploma on time	85% or higher

III. SCHOOL GOVERNANCE

A. Governing Board

- The Governing Board will govern SLSPA in accordance with the authorized articles of incorporation and bylaws, federal and state laws and rules, and this Agreement. The Governing Board's powers and behavior shall be governed by Article 4 of the bylaws. (See documentation, Articles of Incorporation and Bylaws.)
- The School's Principal will sit on the board as an ex-officio member. A member of the Board will sit on the Governing Board as a voting member. The principal of Highland High School or his or her designee will also serve as a voting member on the Governing Board. The members of the Governing Board will select one member each to serve as president, vice-president, and secretary. These officers' powers and behavior shall be governed by Article 5 of the bylaws. Employees of the school may not serve as Governing Board officers.

B. Chief Administrative Officer/Principal

The Chief Administrative Officer will be the Principal of the school. The selection and supervision of a qualified Principal will be the responsibility of the Governing Board. The Principal will be responsible for the day-to-day management of the school. The Principal will be responsible to oversee financial expenditures, hold regular faculty meetings, supervise teachers and other staff, ensure school curriculum meets USBE requirements, implement Governing Board decisions, and promote the school's mission, philosophy, and goals. The Principal will also assume all duties assigned by the Governing Board of Directors, including those specifically outlined in the current principal job description. The Principal will hire necessary administrative staff as needed and approved by the Governing Board. All administrative staff members and teachers report to the Principal.

- C. Assistant Principal
The Principal and Assistant Principal will manage the School's performing arts curriculum. The selection of a qualified Assistant Principal will be the responsibility of the Principal. The Assistant Principal will assist the Principal in ensuring the coordination of the School's performing arts tracks, ensuring the school's curriculum meets USBE requirements, implementing Governing Board decisions, and promoting the School's mission, philosophy, and goals. The Assistant Principal will be responsible for identifying and applying for grants that will assist the School with its performing arts mission. The Assistant Principal will assume all duties assigned by the Governing Board and Principal, including those outlined in the current assistant principal job description.

IV. PERSONNEL/VOLUNTEERS

A. Licensed Employees

1. All employees who hold professional licenses issued by USBE are subject to the rules applicable to licensed professionals, and their licenses may be revoked based on any of the grounds consistent with state and federal law, and USBE rule. In addition, School personnel are subject to mandatory child abuse reporting consistent with state law.
2. The Governing Board shall report, as required by USBE, the total number of teachers and the total number of teachers who hold valid licenses who are employed to teach at the School, as well as information regarding assignments and endorsements. All teachers must hold a valid Utah Professional Educator License or meet the USBE requirements for alternative licensing routes or Board authorization consistent with state law and USBE rule.

B. Non-Licensed Staff

SLSPA employs part-time teachers who are not certified and will obtain any applicable waivers to comply with all existing regulations. SLSPA may also utilize alternative routes to certification available through the USBE.

- C. SLSPA will not discriminate in program benefits, participants, employment or treatment on the basis, race, color, religion or national origin, and will comply with the provisions of Title IX of the Education Amendments of 1972 prohibiting discrimination on the basis of gender.

- D. The Governing Board understands and agrees that it shall not employ in any capacity, or accept voluntary services from, any individual whose certificate or license has been suspended or revoked by the USBE or any other licensing board or agency on the grounds of unethical or immoral behavior, including improper sexual or physical conduct with children or students. Violation of this provision shall result in immediate revocation of this charter.

E. Criminal Background Checks

The Governing Board agrees to conduct thorough background checks on all of its employees and volunteers who shall have significant unsupervised contact with students, consistent with state law. In addition, the Board or USBE may conduct criminal history checks on any School personnel or director or Governing Board member when it is deemed necessary to protect the financial integrity of the School or the health and safety of students or employees. Refusal by any individual

to submit to a fingerprint check is grounds for termination of employment and/or revocation of this charter. The Board may consider the refusal of an individual to submit to a fingerprint check in determining whether:

1. to grant final approval of the charter agreement;
2. to recommend to the Governing Board that the individual be denied employment; or
3. to revoke the charter of the Governing Board.

<i>Indicator – Personnel/Volunteers – Adherence to licensing standards and hiring practices</i>		
Measure	Metric	Minimum Standard
Regulatory and reporting compliance	Percentage of teachers properly licensed and endorsed for teaching assignment	All teachers properly licensed and endorsed for teaching assignments in CACTUS

V. OPERATION OF THE SCHOOL

SLSPA shall at all times be operated by the Governing Board in accordance with state and federal law, and USBE rules.

A. Calendar

As prescribed by USBE and Board policy, SLSPA will provide a minimum of 180 days and 1000 hours of instruction. SLSPA will align its calendar with the District and Highland High School (hereafter referred to as “Highland”) calendar.

B. Curriculum and Instruction

1. Location of Classes

- a. The School shall employ the use of the Utah State Core Curriculum as the foundation for the instructional program for the School and shall insure that its program of instruction has adequate equipment and materials available, and conditions are adequate to provide for the economical operation of the School with an adequate learning environment.

<i>Instruction: Performance Goals and Measures</i>		
Measure	Metric	Board Goal
Teacher retention rate	Number of teachers employed at the end of the prior school year who continue to be employed on October 1 for the current year, divided by the number of teachers employed at the end of the prior school year.	75% or higher

Student evaluation of teachers	Average student rating of teacher performance behaviors in a January survey of all students.	3 or above on a 1 to 5 scale
Professional development time	Hours of high-quality professional development per year per teacher focused on content-based instruction.	20 hours or more
Common planning time	Hours of common planning and school planning activities with fellow faculty and staff members per teacher per year.	20 hours or more
Peer observation and coaching	Sessions of peer observations and debriefing and feedback related to content-based instruction strategies and other professional development priorities, per teacher per year.	5 or more sessions
Principal observation and feedback	Sessions of observation and related feedback and coaching provided by principal, focused on content-based instruction strategies and other professional development priorities, per teacher per year.	4 or more

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- b. In order to ensure that all SLSPA students have access to the Utah State Core Curriculum as their educational foundation, students will rotate among classes at both SLSPA and Highland. For example, SLSPA students will take academic courses such as English, Math, Science, etc., at Highland while arts courses such as Dance, Art, Music, Media, and Theater will be taken at SLSPA. Further, Highland students will be able to take courses at SLSPA.

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2.

Individualized Learning Program

- a. SLSPA will develop an Individualized Learning Program (ILP), over the course of the next 5 years, beginning in the 2017-2018 school year to accommodate up to 100 students' academic needs. Students that participate in the ILP will receive both online and in-class blended instruction on SLSPA's campus. SLSPA will provide qualified teachers to provide students with instruction in Math, Science, English and Social Studies. This program will primarily be offered to students outside of the guaranteed 275-300 students that will be taking their academic classes at Highland. Juniors and seniors that wish to continue advanced classes such as Concurrent Enrollment and Advanced Placement classes will be enrolled in those classes at Highland and other District placements that can accommodate their advanced academic needs. Below is a timeline for the implementation of the ILP.

- i. If for any reason the enrollment of SLSPA students in Highland's academic classes drops below the guaranteed commitment of 275 students, enrollment in the ILP program will cease for the impacted school year.

3. Timeline for Implementation of ILP

a. Year One (2017-2018)

- i. This will be the pilot program. SLSPA intends to enroll 37 freshman and sophomore students into the program while maintaining 275-300 SLSPA students enrolled in Highland's academic classes.

b. Year Two (2018-2019)

- i. SLPSA intends to increase the number of students enrolled in the ILP to between 50-75 ninth – eleventh grade students while maintaining 275-300 SLSPA students enrolled in Highland's academic classes.

c. Year Three (2019-2020)

- i. SLSPA intends to increase the number of students in the ILP program to 100 ninth – twelfth grade students while maintaining 275-300 SLSPA students enrolled in Highland's academic classes.

d. Years Four and Five (2020-2021, 2021-2022)

- i. SLPSA intends to sustain 100 ninth – twelfth grade students in the ILP program while maintaining 300 SLSPA students enrolled in Highland's academic classes.

4. Staffing Patterns

Given that SLPSA students will be taking classes at Highland, and vice versa, SLPSA staffing requirements will be determined based on the number of students taking courses at each school and when the courses are offered.

5. Teaching Schedule

Teaching schedules will follow the same A/B block or other class period schedule which is currently being used at Highland.

C. Evaluation

1. School Improvement Plan

SLSPA is a model of self-improvement. At all levels, there will be an expectation of goal-setting and self-evaluation. Each year the Governing Board will set goals and create a School Improvement Plan (hereafter referred to as "SIP") that addresses the needs of students, parents, and faculty. The Principal and teachers will each be involved in bi-annual assessments of school, class, and self.

The SIP will ensure that all SLSPA's primary goals and objectives are consistent with the overall vision of the School, and emphasis will be placed on utilizing researched-based methods and ideas. These goals will be reviewed semi-annually to assess progress and

make revisions as necessary. Goals will be measurable, specific, and easily identifiable to better recognize achievements made.

D. Students

1. Admission and Enrollment

- a. Admission and enrollment of students shall be prescribed by the applicable state and federal laws and rules.
- b. An Open Enrollment Period will be established during which applications will be received by the Governing Board via mail, e-mail, and personal delivery. Within two weeks of receiving an application, the Governing Board will notify applicant of receipt. An application will not be considered complete until such notice has been received. The Open Enrollment Period will allow for at least 30 days for receiving applications.
- c. All complete applications will be added to an applicant pool. Prospective students will be given the opportunity to enroll regardless of race, color, national or ethnic origin, religion, sex, social or economic status, disabling condition, or proficiency in the English language. The first priority for enrollment will be given to children of founding members, after which, students will be selected by a computer-generated random draw conducted in an open meeting. This random draw will begin with the 12th grade. When a student's name is drawn, the siblings of the applicant will also be invited to enroll, provided there are openings. The random draw will continue to the 11th grade, and then the 10th grade, etc. Students already enrolled will be given preference for re-enrollment during subsequent years. Siblings of enrolled students will also be given preference over other applicants. Applicants will be notified in writing of their status or any change of status following the original lottery and subsequent lotteries. This notice will be provided within 30 days of the application deadline.
- d. Failure to adhere to the requirements of random selection, under state and federal requirements for lottery selection, may be grounds for termination of this charter.
- e. Requests for SLSPA to change its enrollment and grade configuration from that set out in its initial application, application documents, and/or this Agreement, must be submitted to the Board.
- f. Failure to enroll the authorized number of students within three years of approval, including growth plan, may result in the school being required to remand extra students for reallocation by the USBE upon request.
- g. SLSPA is obligated to provide free and appropriate public education and related services to students with disabilities. SLSPA may not send students with disabilities back to resident districts because SLSPA lacks services, nor may SLSPA "counsel students" out of the School.

<i>Student Attendance, Transfers, and Retention: Performance Goals and Measures</i>		
Measure	Metric	Board Goal
Student attendance rate	Average attendance by enrolled students over the course of the school year.	85% or above
Student transfer rate	Number of students who exited during the year divided by number of students enrolled on the last day of school.	25% or below
Student retention rate	Number of non-graduated students enrolled at the end of the prior school year who continue to be enrolled on October 1 of the current year, divided by number of non-graduating student enrolled at the end of the prior school year.	65% or above

2. Behavior Standards & Dress Code

- a. SLSPA will assemble a student handbook including clear behavioral expectations and consequences. Parents and students will be provided with the handbook and will be expected to sign a behavioral contract agreeing to abide by the guidelines contained therein.
- b. Because of the fact that SLSPA students will be taking their core curriculum classes at Highland the school dress code policy for SLSPA students will be the same as that for Highland.

3. School Discipline

- a. SLSPA agrees to and shall comply with all state and federal laws and rules governing discipline, except as otherwise provided by law.
- b. SLSPA shall comply with state and federal laws and rules governing discipline of children with disabilities, including compliance with 20 U.S.C. Sec. 1400 et seq. and Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. Sec. 706(8).
- c. SLSPA shall comply with state and federal due process requirements both in notifying parents and students of conduct for which they may be suspended or expelled and in providing notice and hearing opportunities to students being recommended for exclusion from SLSPA. If SLSPA suspends a student with special needs, it shall continue to provide the student with continuing education services to the extent mandated by state and federal laws and rules.
- d. Ultimately student discipline will be conducted at the discretion of the Principal and he/she may utilize any lawful and/or prudent means he/she feels is necessary

to ensure a safe learning environment. The Principal will be responsible for understanding the legal requirements for disciplining all students, including students with disabilities.

E. Student Assessment

1. At the beginning of every school year and prior to administering any state assessment, SLSPA will review the State Ethics Policy with all teachers, who have a role in administering state assessments, if any. If applicable, school test proctors will be responsible to read and sign the *Standard Test Administration and Testing Ethics Policy for Utah Educators* brochure and document. The signed document must be kept on file at the School.
2. If applicable, SLSPA will administer all District and state mandated tests in the grade levels required by law and State Board rule as a fundamental part of the overall assessment program for the School. Administration of each state assessment will follow all ethical testing procedures including a secure testing site as defined in *Standard Test Administration and Testing Ethics Policy for Utah Educators*.
3. If applicable, SLSPA will administer all required assessments in a secure and standardized manner and have a process in place to administer tests via the computer as required. All test administrations will follow the protocol for submission of school files, ordering and administration of the test in the testing windows for each assessment.

<i>Assessment Performance Goals and Measures</i>		
Measure	Metric	Board Goal
Process oriented learning assessment	Percentage of students will achieve depth of knowledge (DOK) level 4 or 5 in their performing arts classes	75% or more
Product oriented learning assessment	Percentage of students will participate in a formal production or class review once per semester.	90% or more
written language skill assessment	Percentage of students writing critiques appropriate for the performing arts class they are enrolled in.	90% or more
Portfolio Assessment	Number of students enrolled in May who complete a portfolio review process to demonstrate and evaluate their year's learning with a grade of 70% or higher on a standardized rubric, divided by number students enrolled in May.	80% or higher

F. Extracurricular Activities

SLSPA provides various extracurricular activities; however, SLSPA students may be allowed to participate in extracurricular activities offered at Highland as long as their participation complies with the Utah High School Activities Association regulations.

G. Records

1. Subject to state and federal laws, the USBE, its agents, and the State Auditor's Office shall have the right to examine and copy complete records, reports, documents, and files relating to the operation of the School, or any activity, program, or student of the School.
2. The Governing Board and School are subject to the Government Records Access and Management Act (GRAMA).
3. The School is subject to all the provisions of the federal Family Educational Rights and Privacy Act, U.S.C. 20 § 1232g, and the Utah Family Educational Rights and Privacy Act, Utah Code Ann. §53A-13-301 et seq. In the event the School closes, it shall transmit all official student records as prescribed by law or USBE rule.

H. Replicating and Sustaining Spa

There are no current plans to replicate this charter school. Marketing and recruitment will be an ongoing process to maintain a stable enrollment at levels sufficient to generate necessary funds and serve students in a high-quality program.

VI. FINANCES AND REPORTING

A. Financial and Governance Warnings

This charter incorporates by reference, all applicable federal and state laws and regulations and USBE rules unless specifically waived. A copy of the USBE rules may be obtained at the following locations:

Website: <https://rules.utah.gov/publicat/code/r277/r277.htm>

Mail: Utah State Board of Education
250 East 500 South
P.O. Box 144200
Salt Lake City, UT 84114-4200

B. Fiscal Management

1. The Governing Board shall comply with the same financial audits, audit procedures and audit requirements of school districts. The program, financial, and compliance audits may be conducted by the chartering entity or the Legislative Auditors Office. The Governing Board shall maintain the financial records of the School pursuant to the governing authority and the State Auditor's Office.

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2. The Governing Board shall comply with all generally accepted standards of fiscal management. These standards are those fiscal practices which result in a school's continued ability to meet the measures, metrics, and targets found in the performance standards below, or more restrictive performance standards imposed in a trust agreement with external entities involved in facilities finance; provisions stated below will be considered binding in the absence of more restrictive covenants entered into by the school as a result of trust obligations. Generally accepted standards of fiscal management will include but are not limited to practices outlined in statutes pertaining to the management of school district budgets (U.C.A. §53A-19).
3. The Governing Board is responsible for preparation and submission of all financial and school reports to the State. This includes, but is not limited to, the State Accountability Report, Financial Audit Report, and the Financial and Enrollment Report as required by the USBE.
4. SLSPA's Principal and business manager will prepare an annual operating budget of revenues and expenditures, a cash-flow projection, and a capital budget. The Governing Board shall annually review and approve these budgets and projections.
5. The Governing Board will arrange for an independent certified public accounting firm to conduct an audit of the School's financial statements annually.
 - a. Any cost associated with the audit of the school is borne by SLSPA. The School will maintain a comparison of actual expenditures to budgeted expenses.
6. All short-term and long-term debt must be approved by the Governing Board and may not exceed the duration of the charter without consent of the Board. When applicable, short-term debt consists of financing expected to be paid within one year of the date of the annual audited financial statements. Long-term debt consists of financing that is not expected to be repaid within one year. All debt incurred must be paid during a realistic time frame that is consistent with the approved budget. The Governing Board reserves the right to pay off debt sooner if budget allows.

<i>Indicator – Financial performance and sustainability</i>		
Measure	Metric	Minimum Standard
Audit findings or recommendations	Number of material findings, financial condition findings, or repeated significant findings	No unresolved material findings, financial condition findings, or significant findings
Current ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	> 1.15

Debt ratio	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$	< 0.9
Occupancy costs	$\frac{\text{Facility Costs}}{\text{Total Operating Revenues}}$	< 22%
Maintain applicable bond covenants	No Default Certification, Audited Financial Statements	Yes
Current assets to total annual operating expenses	$\frac{\text{Current Assets}}{(\text{Total Annual Operating Expenses} \div 365)}$	> 30 - 60 days cash on hand or cash reserve as required by bond covenants, whichever is greater
Adherence to Budget	$\frac{(\text{Budgeted expenditure} - \text{Expenditure})}{\text{Budgeted expenditure}}$	Overall budget to actual expenditures within 10% of budget

C. Budget Policies and Procedures

1. The following requirements relate to the development and implementation of the yearly budget:
 - a. The School's fiscal year will run concurrently from July 1 to June 30. SLSPA's operating funds will be generated from State WPU programs, on-going state programs (determined by the Legislature), federal funds and grants, and private grants and donations. Fundraising may be done, but will not be part of the annual budget for SLSPA.
 - b. Any undistributed reserves at the end of a fiscal year shall be added to the next year's budget.
 - c. SLSPA will include reserves in its budget to meet any unexpected or emergency expenditures.

D. Insurance and Bonding

1. The Governing Board shall obtain and maintain insurance at a minimum in the following amounts:
 - a. general liability of two million dollars (\$2,000,000), and five hundred thousand dollars (\$500,000) per occurrence;

- b. employee dishonesty bond;
 - c. workers' compensation, as specified by federal and state law;
 - d. comprehensive/collision consistent with cash values of vehicles;
 - e. liability insurance specific to the Governing Board's financial officer or treasurer or business administrator consistent with coverage designated in USBE rule;
 - f. property insurance for reasonable coverage as approved by the Governing Board or as provided for in the separate lease Agreement; and
 - g. health insurance for employees, as required by federal and state law.
- 2. The provisions of paragraph C(1) shall not preclude any School from obtaining liability insurance coverage in addition to or in excess of the requirements stated in this section.
 - 3. Written proof and copies of required insurance policies shall be provided to the Board upon request. The policies shall be maintained by the Governing Board with this Agreement. The Governing Board shall provide the Board with a certificate of insurance annually.
- E. Procurement
Charter schools are subject to the Utah Procurement Code to the same extent as local boards of education are.

VII. SUPPORT SERVICES

- A. Transportation
The Salt Lake School for the Performing Arts will provide transportation to and from Highland High School in between classes each day.
- B. Food Services
Students may eat lunch at Highland and must adhere to School and Board policies regarding behavior, and payments. Students can apply for free and reduced lunch.
- C. Health and Safety
SLSPA complies with all relevant health and safety codes. The school insures the building is clean and is well-maintained. A facilities audit is completed each year which reports any health/safety issues to the Governing Board.
- D. Emergencies
SLSPA will use the same emergency procedures as Highland and will collaborate with staff at Highland to prepare for any potential emergencies. SLSPA will report these policies and procedures to the Board.

VIII. REPORTING REQUIREMENTS

The Governing Board shall submit such reports as required by state law and the Board. Failure to submit such reports may be grounds for revocation of the charter.

A. Children with Special Needs

As prescribed by the USBE, and in accordance with state and federal laws, the School shall provide to the Board the total number of children with special needs, identified in accordance with state and federal laws, enrolled in the School.

B. Electronic Data Submission

1. The School must have an electronic student information system (SIS) and electronic fiscal system that can fulfill the following requirements:
 - a. produce a complete USBE Clearinghouse file multiple times a year;
 - b. submit electronic standardized testing "pre-load" and "all-student" files;
 - c. integrate with the USBE statewide student identification, SSID system;
 - d. integrate with the USBE UTREx system;
 - e. provide basic school accounting functions such as budgeting, payroll, accounts payable, account receivable, and personnel management;
 - f. produce a USBE specified electronic file for the production of the Annual Financial Report and the Annual Program Report (AFR/APR); and
 - g. produce a school financial report for publication on the Web for public review. This only applies to schools with budgets that exceed one-million dollars per year.

IX. CHARTER REVIEW

A. Review Process

1. By December 31 of each year, SLSPA's Principal shall provide to the Board a written report of all performance measures for the previous school year and demographic information for the current school year. The review process will be guided by the following core questions:
 - a. Is the School's academic quality successful?
 - b. Is the School's organizational quality viable?
 - c. Is the School demonstrating good faith in following the terms of its charter and applicable law?

B. Dispute Resolution

1. In the event that the School and Board have disputes regarding the terms and conditions of the charter or any other issue regarding the School and authorizer's relationship, both parties agree to follow the process below:
 - a. In the event of a dispute between the School and the Board or District, the parties agree to first frame the issue in written format, then refer the issue to the Board's Superintendent of Schools and Principal of the School. In the event that the authorizer believes that the dispute relates to an issue that could lead to revocation of the charter, this shall be specifically noted in the written dispute statement.
 - b. The Principal and Superintendent shall informally meet and confer in a timely fashion to attempt to resolve the dispute. In the event that this informal meeting fails to resolve the dispute, both parties shall identify two board members from their respective boards who shall jointly meet with the Superintendent and Principal and attempt to resolve the dispute. If this joint meeting fails to resolve the dispute, the Superintendent and the Principal shall meet to jointly identify a neutral, third party mediator.
 - c. The Principal and Superintendent are required to meet at least once, but may mutually agree to meet more than once if it appears that further meetings may successfully resolve the issue. If the Parties do not successfully resolve the dispute by this informal meeting, then the Party finding the informal meeting unsatisfactory shall provide written notice to the other Party, demanding mediation. The demand for mediation may not be given prior to the first informal meeting, and shall not be given any later than ninety (90) calendar days following the completion of the first informal meeting. The demand for mediation shall be sent certified mail-return receipt requested to the other Party, and shall set forth all of the issues that Party deems outstanding that must be submitted to mediation.
 - d. The Party in receipt of the demand for mediation shall respond within twenty (20) business days listing any issues it deems appropriate for submission to the mediator.
 - e. Within twenty (20) calendar days or less of the written Request for Mediation, the Parties shall agree on one mediator. If the Parties cannot agree on a mediator, they will request appointment of a mediator by Utah Dispute Resolution. The costs of mediation shall be borne by the Parties equally. Recommendations from the mediator shall be non-binding.
 - f. Any such controversies (except those for which the appropriate remedy should be injunctive relief) shall be mediated within sixty (60) calendar days of the date on the written demand for mediation, or the soonest date thereafter that the mediator is available.

C. Termination of Charter

1. If appropriate, the Board will attempt to resolve any disputes through the process outlined above prior to terminating this charter.

2. The Board may terminate this charter on any of the following grounds:

- a. failure of the Governing Board or School to meet the requirements stated in the charter;
- b. failure of the Governing Board to meet generally accepted standards of fiscal management;
- c. violation of law, regulation, or USBE rule;
- d. material violation of any of the conditions, standards, or procedures set forth in this Agreement;
- e. failure to meet the requirements for student performance under state or federal law; or
- f. other good causes shown.

2. The Governing Board may terminate this charter Agreement after the end of a spring semester and prior to the beginning of a fall semester with or without cause.

- a. A charter that is terminated by the Governing Board shall be terminated consistent with state law and USBE rule. A charter that is terminated by the Governing Board shall be terminated in a manner consistent with the provisions of this Agreement upon the effective date communicated in a written notice provided by the Governing Board to the Board regarding its intention to terminate the charter. The Board must receive such notice at least 60 days prior to the beginning of the fall semester.

3. Property Ownership.

Following the termination of a charter and after the settlement of outstanding obligation, there is a presumption that the property of a School shall revert to the Board. A School may defeat the presumption of Board ownership with documentation that the School purchased the property with private funding, and may be requested to provide documentation that the School or its founders or directors were never reimbursed from public funds.

X. OPERATION OF THE AGREEMENT

A. Commencement

This Agreement begins with the school year that commences immediately following or coincident with the date of this Agreement. This Agreement shall be automatically renewed at the end of each school year beginning thereafter, unless it is terminated by either the Board or the Governing Board.

- B. Indemnity
The Governing Board agrees to indemnify and hold harmless the Board, the District, and their officers, agents, employees, successors and assigns from all claims, damages, losses and expenses, including attorney's fees, arising out of or resulting from any action of the School caused by any intentional or negligent act or omission of the School, its officers, agents, employees, and contractors.
- C. Assignment
Assignment of the School to another entity is deemed an amendment to the charter and must have prior written approval of the Board.
- D. Amendment
This Agreement may be amended by the mutual agreement of the Board and the Governing Board. Any such amendment must be made in writing and signed by the appropriate representatives of the Board and the Governing Board. The Governing Board shall immediately submit in writing, to the Board, notice of any proposed changes to the application or the representations or conditions contained in the original application or charter. The Board reserves the right to reject any proposed changes to the Agreement once the application and Agreement have been approved.
- E. Status of Parties to Charter
This charter is not intended to create and shall not be interpreted to create employer-employee, contractor-subcontractor, or Principal-agent relationships between or among any party or parties to this charter. "Parties," for purposes of this paragraph only, include the parties to this Agreement as well as the local Board of Education. No officers, employees, agents, or subcontractors of the School shall be considered officers, employees, agents, or subcontractors of the Board or District.
- F. Notice
Any notice the Governing Board or School is required or permitted to submit to the Board under this Agreement shall be delivered to the District offices located at 440 East 100 South, Salt Lake City, Utah 84111.
- G. Severability
If any provision of this Agreement is determined to be unenforceable or invalid for any reason, the remainder of this Agreement shall remain in effect, unless the charter is revoked or terminated. To the extent any portion of the application, or the School's articles of incorporation or bylaws, violate any applicable state or federal law in the future, or are found by any court to be invalid, illegal or unenforceable, then such portion shall be severed, and the remaining portion shall remain in full force and effect until the Governing Board is able to change their application, articles of incorporation or bylaws to comply with such applicable law or court ruling.
- H. Non-Endorsement
The Governing Board acknowledges that the granting of a charter in no way represents or implies endorsement by the Board of any method of instruction, philosophy, practices, curriculum, or pedagogy used by the School or its agents; nor does this Agreement constitute a guarantee by the

Board of the success of the School in providing a learning environment that shall improve student achievement.

I. Legislative Action

This Agreement and any amendments to it and renewals of it are subject to applicable state and federal laws, and shall be deemed amended to reflect applicable changes to those laws. Upon repeal of the statutes authorizing the school charter, the charter is null and void.

J. Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. For purposes hereof, a facsimile copy of this Agreement, including the signature pages hereto, shall be deemed to be an original.