

Novation Education Opportunities (NEO)

Comprehensive New School Application
2020-2025

Introduction

The NEO Comprehensive New School Application was developed to provide guidance in the writing and evaluation of new charter school application submissions and to align to and support a successful Charter School Program (CSP) grant application. The target audience for this document is the founding group (the applicant) as they develop a new charter school application.

STEP 1: Charter School Intent to Apply Form (below)

New schools intending to apply to NEO for authorization must submit the following Intent to Apply Form, 30 to 180 days before submitting an application to NEO. When completing this form, add space as needed, but do not exceed 5 pages (excluding resume attachments).

Applications are due to NEO by January 2nd of the year prior to the year the school intends to open. After NEO receives the Intent to Apply Form, the NEO Board of Directors makes a determination whether to invite the applicant to submit an application based on 1) NEO's current capacity to authorize additional charter schools; 2) the capacity of the new school's founding team to start a high performing charter school; and 3) the substantiated demand and the proposed plan for meeting the need more effectively than current surrounding school options. A timeline for the application process is included on page 20 of this document.

INTENT TO APPLY FORM

1. **Name of proposed school:** _____

2. **Primary contact person:** _____

Mailing address: _____
Street and/or PO Box

City	State	Zip Code
------	-------	----------

Phone: (day) _____ (evening) _____

E-mail address: _____

3. **Provide a brief description of the proposed school program and how it aligns with the primary purpose of improving all pupil learning and all student achievement as well as any of the additional statutory purposes for forming a charter school.**
4. **Provide a brief description of the innovative school design components.**
5. **Provide the grade levels to be served:** _____
6. **Provide the proposed location of the school:** _____
7. **Clearly describe the need for the school, specifically how the school will provide a more effective option than those that currently exist in the proposed location.**
8. **Provide the target enrollment for the first year and at capacity:** _____
9. **Provide a description of the demand for the school, including any supporting evidence for how the school will reach the target enrollment.**

10. Does the school expect to contract with a charter management organization or company for school management or operation? Yes No

If yes, identify the charter management organization and explain how the management organization was selected.

11. Proposed Director, Principal or Lead Administrator Information (if already chosen):

Name of proposed Director candidate: _____

Current employment: _____

Phone: (day) _____ (evening) _____

E-mail address: _____

12. Name of applicant team or founding entity:

A. Names, roles, and current employment of all persons on the applicant team:

B. Does the applicant team or any members of the team currently operate or are employed in any other schools (e.g. charter, traditional public, or private)?

Yes No

If yes, please describe.

C. Explain the individual and collective qualifications of the applicant team members to establish a high-quality charter school, in particular, the capacity to assume responsibility for public funds, administration and governance.

D. Include as attachments resumes for each individual on the applicant team.

E. Explain the circumstances and motivations that brought the applicant team together to propose this charter school.

F. Which applicant team members plan to become founding board members and or staff?

13. Identify any organizations, agencies, consultants or institutions of higher education that are partners in planning and establishing this charter school, along with a description of their current and planned role and any resources they have contributed or plan to contribute to the school's development.

14. Describe any other community engagement that has occurred to date in the development of the proposed school.

15. Identify any other authorizers to which this proposal is being submitted, as well as if this proposal has been submitted to NEO in the past.

STEP 2: Novation Education Opportunities Charter School Application (following pages)

The NEO Comprehensive New School Application was developed to provide guidance for the writing and evaluation of new charter school application submissions and to align to and support a successful Charter School Program (CSP) grant application. The target audience for this document is the founding group (the applicant) as they develop a charter school application.

APPLICATION FORMAT

Directions for completion of the application materials should be followed carefully. Incomplete applications **will not** be forwarded to the review team. The total length of the application should approximate the number of pages specified in the chart below. Please refer to the **Application Components Section** for the specific requirements for each specific component.

Required Application Work Plan Components

WORK PLAN COMPONENT	APPROXIMATE PAGE LIMIT
Executive Summary	3 pages including completed enrollment table
Educational Program	8 pages
Accountability Goals and Outcomes	4 pages
State Student Priorities	2 pages
State Education Priorities (WBWF)	5 pages
Governance, Management and Sustainability	5 pages
Operations	3 pages
Parent and Community Engagement	3 pages
Marketing and Outreach (Need and Demand)	5 pages
Budget	5 pages
Total Pages	40 pages

Required Additional Documents Per Component

WORK PLAN COMPONENT	ADDITIONAL DOCUMENT
Executive Summary	NA
Educational Program	Staffing Plan and Fair and Open Hiring Process
Accountability Goals and Outcomes	NA
State Student Priorities	NA
State Education Priorities (WBWF)	NA
Governance, Management and Sustainability	Conflict of Interest Policy
Operations	NA
Parent and Community Engagement	Enrollment and Lottery Policy
Marketing and Outreach (Need and Demand)	Market Analysis
Budget	Procurement Policy
If Working with a Management Organization	Draft Management Organization Agreement

APPLICATION SUBMISSION

Applications must be received via email by **JANUARY 2ND AT 4:30 CST** to be considered. Late applications will not be considered, although the NEO Board of Directors reserves the right to accept applications after the due date based on extenuating circumstances.

- Please use Arial 11-point font and double-space text when entering responses in the Work Plan Narrative template below. Please do not exceed approximately 40 pages total, not including additional documents required for each component.
- Please include the name of your school and number all pages in the footer of the application.

Email the application to: Wendy Swanson Choi executive.director.neo@gmail.com

Important: This application is to be original work of the applying program. If a source is used, the materials that are paraphrased or copied **must be cited appropriately. NEO will not approve an application if it is discovered that it is not the original work of the applicant team.**

Costs associated with preparing the application must be borne by the applicant. The burden of proof of timely submission is on the applicant.

APPLICATION SCREENING AND REVIEW

Phase 1: Application Screening

An application advances to Phase 2 for further review if

- the application is *received* (not postmarked) by the due date and time
- the application is complete and includes all required components and documents

Phase 2: Applications Reviewed and Rated by NEO Advisors

Each component of the application is rated based on strength and completeness of the response. Only proposals with all component ratings of at least "Satisfactory" and overall ratings of "Good" or "Excellent" will be determined successful applicants. The NEO evaluation team composed of experts in the areas of charter school academic programming and operations, governance, and finance, provides evaluation data in the form of ratings and evaluative comments, as well as a recommendation, based on the ratings, of whether or not to approve the new charter school to the NEO Executive Director.

Phase 3: Interview with Founding Team

The NEO Executive Director and application evaluation team will meet with the applicant team to verify information and request clarification and/or ask questions based on their application evaluation. Information gleaned during this meeting may inform the recommendation presented to the NEO Board of Directors.

Phase 4: NEO Board of Directors Determination

Ratings, evaluative comments and recommendations from the evaluation team inform the NEO Board of Directors' decision on whether to approve an application. The NEO Board of Directors retains the final decision making authority for application approval.

APPLICATION COMPONENTS

WORK PLAN NARRATIVE

Below are the criteria used for evaluation and the elements that must be included in the work plan narrative. Follow instructions carefully and the guidance on the approximate total page limits.

Use 11-point Arial font and double-spaced text in the Work Plan Narrative. Charts and tables may be presented in single-spaced text.

Eligibility Criteria

This application is open to applicant teams who are governed by a school board that includes at least one individual currently licensed to teach in the state of Minnesota; and meets the provision of Minnesota Statutes on the formation of a charter school (See Minnesota Statutes, section 124E.06, subdivisions 1-4).

State Student Priority Points

Applicants that address one or both of the following state student priorities in their application may receive up to ten (10) additional priority points:

1. Charter schools that intend to serve and identify strategies to reach early learners and/or postsecondary students (5 points possible)
2. Charter schools that intend to enroll a higher percentage of low-income, rural or racially diverse students (5 points possible)

General Requirements of Applicants

- Submit a conflict of interest policy.
- Submit a procurement policy that complies with applicable statutes and regulations.
- Submit the school's fair and open hiring practices and demonstrate compliance with them if anyone has been hired.
- Provide NEO with all necessary information in a timely manner to complete and meet the state deadline for the new charter school affidavit that must be approved by the Commission of Education before the applicant and NEO can enter into a contract for a charter school.
- Submit application and lottery policies and procedures.
- If approved, adhere to and monitor progress toward the NEO Ready to Open Standards.

The Rating Guide summarized in the table below and further detailed on the following pages will be used by evaluators to evaluate and rate each section and the proposal as a whole.

Each narrative question has a weighted point value between 0 and 20 points.

Only proposals with all component ratings of at least “Satisfactory” and an overall rating of “Good” or “Excellent” will be considered successful applicants.

SCORING OVERVIEW	POSSIBLE POINTS
Executive Summary	NOT SCORED
Educational Program	20 POINTS
Accountability Goals and Outcomes	10 POINTS
State Student Priorities	10 POINTS (up to 5 points each)*
State Education Priorities (WBWF)	10 POINTS
Governance, Management and Sustainability	20 POINTS
Operations	10 POINTS
Parent and Community Engagement	10 POINTS
Market Analysis and Outreach (Need and Demand)	10 POINTS
Budget	10 POINTS
Total Points	110 POINTS

*Bonus Points

RATING GUIDE: The following guide will be used by reviewers to evaluate and rate each section and the proposal as a whole. Each narrative question has a weighted point value between 0 and 20 points.

Criteria	Inadequate	Fair	Satisfactory	Good	Excellent
Complete?	Addresses few or no criteria	Addresses some criteria	Adequately addresses most criteria	Adequately addresses all criteria	More than adequately addresses all criteria
Strength of response?	Important weaknesses outweigh strengths	Some strengths, but some important weaknesses	Strengths outweigh weaknesses	Key strengths far outweigh weaknesses	Key strengths and only minor or no weaknesses
Potential for high-performing charter school that will meet the goals and priorities as identified in this application?	The response contains a number of weaknesses that are likely to adversely impact the development and operation of a high-performing charter school that will meet the goals and priorities as identified in this application. If priority areas are selected, the narrative does not reflect how priorities will be met.	The response contains some strengths but some weaknesses that are likely to adversely impact the development and operation of a high-performing charter school that will meet the goals and priorities as identified in this application. If priority areas are selected, some of the narrative describes how priorities will be met.	The response contains some weaknesses that neither singly or collectively, are they likely to adversely impact the development and operation of a high-performing charter school that will meet the goals and priorities as identified in this application. If priority areas are selected, the narrative describes how priorities will be met.	The response can be characterized overall as likely to lead to the development of a high-performing charter school that will meet the goals and priorities as identified in this application. If priority areas are selected, the narrative clearly describes how priorities will be met.	The response can be characterized overall as extremely likely to lead to the development of a high-performing charter school that will meet the goals and priorities as identified in this application. If priority areas are selected, the narrative explicitly addresses how priorities will be met.

Criteria	Inadequate	Fair	Satisfactory	Good	Excellent
Eligibility	NEO will not approve an application with a rating of "inadequate" for any component or overall.	NEO will not approve an application with a rating of "fair" for any component or overall.	NEO will not approve an application with an overall rating of "satisfactory".	NEO will approve an application with an overall rating of "good".	NEO will approve an application with an overall rating of "excellent".

Point Value of Component	Inadequate	Fair	Satisfactory	Good	Excellent
20 Points	0-4	5-8	9-12	13-16	17-20
10 Points	0-2	3-4	5-6	7-8	9-10
5 Points	0-1	2	3	4	5

Point Value Overall	Inadequate	Fair	Satisfactory	Good	Excellent
	0-19	20-39	40-59	60-79	80-100

Total Possible Points with Priority Points: 100 points

WORK PLAN NARRATIVE

I. EXECUTIVE SUMMARY – Not Scored

*Please limit the length of your response to approximately **three** pages.*

Instructions:

Provide a narrative response that identifies a compelling need for the new school and addresses each of the following for the proposed new school:

- 1. Mission and vision**
- 2. Statutory purposes**
- 3. Grade levels and total number of students to be served in the first year and at capacity**
- 4. Intended location**
- 5. Compelling need and demand**
- 6. Educational philosophy and instructional approach**
- 7. Plans to improve all pupil learning and all student achievement and meet or exceed the World's Best Workforce (WBWF) outcomes adopted by the Commissioner of Education for public school students**

TIP: Documentation of compelling need and demand may include evidence of support from current or prospective families, enrollment statistics and performance results from nearby public schools, etc.

II. EDUCATIONAL PROGRAM – 20 points possible

*Please limit the length of your response to approximately **eight** pages.*

Instructions:

Describe the educational program that will be implemented.

A complete response will:

- 1. Describe a complete, coherent educational program that includes clear plans to improve all pupil learning and all student academic achievement with contingency plans for blended and distance learning.**

2. **Specify the strategies for improving all pupil learning and all student academic achievement.**
3. **Provide compelling research and data that indicate the educational program is effective for the students likely to be served by the school, including the curriculum and instructional practices that will be used.**
4. **Demonstrate how the program is clearly designed to support state academic content standards and will enable all students to meet Minnesota’s student academic achievement standards.**
5. **Provide a scope and sequence for the subjects included in the MN Academic Standards.**
6. **Describe how the school plans to achieve a positive and productive school climate for students, families and staff.**
7. **Discuss how the charter school will eliminate disparities for racial and ethnic groups.**
8. **Describe how the school will meet the educational needs of English-language learning students.**
9. **Describe how the charter school will comply with sections 613(a) (5) and 613€ (1) (B) of the Individuals with Disabilities Education Act.**
10. **Describe job-embedded professional development initiatives that are likely to sufficiently prepare teachers to deliver the school’s unique program to the targeted student population.**
11. **Provide evidence of a school schedule and calendar with sufficient opportunity to effectively deliver the proposed educational program and meet state requirements for minimal instructional hours (Minn. Stat. §124E.03, subd. 6, and §120A.41). Include:**
 - **A description of a student’s “typical day” experience.**
 - **A snapshot of the school’s proposed daily/weekly schedule that includes length of day.**
 - **A snapshot of the school’s proposed school year calendar that includes total annual instructional hours.**
 - **A description of and schedule for supplemental programming if the school plans to provide any.**
12. **Include plans for serving students with special needs that demonstrates an understanding of legal requirements:**

- The applicant describes how it will appropriately serve students in the least restrictive environment.
- The applicant describes how it will employ or contract with an appropriately licensed special education director, teachers, specialists, etc.
- The applicant describes how an appropriate Child Find process will be used.

13. Include equity and inclusion plans that demonstrate an understanding of the challenges to academic achievement for students in racial and ethnic groups and/or with disabilities.

IMPORTANT NOTE: If priority point areas are selected, the applicant must clearly relate the educational program to the needs of early learners and/or postsecondary students and/or how the educational program will address the needs of students who are low-income, rural and/or racially diverse.

III. ACCOUNTABILITY GOALS and OUTCOMES (provide up to six goals) – 10 points possible

*Please limit the length of your response to approximately **four** pages.*

Instructions:

Include up to six academic and/or nonacademic outcomes that will be included in the charter contract between the new charter school and its authorizer. Be sure to review the NEO-School Performance Framework guidelines and consult with NEO when developing the goals.

A complete response will:

- 1. Include specific, measurable, attainable, relevant, and timebound “SMART” academic achievement and growth goals that focus on improved student achievement and growth.**
- 2. Include outcomes that address the expectations of a high-quality charter school including academic proficiency, academic growth and/or graduation rate.**
- 3. Describe a strong plan for how the school will use assessment data to improve all pupil learning and all student achievement.**

IMPORTANT NOTE: If priority point areas are selected, applicant clearly identifies accountability goals and outcomes for early learners and/or postsecondary students and/or students who are low-income, rural and/or racially diverse.

IV. STATE STUDENT PRIORITIES – 10 points possible

*Please limit the length of your response to approximately **two** pages.*

Instructions:

If the new charter school plans to address one or more of the following state priority areas, please describe how the new charter school addresses one or more of the following priority areas.

- 1. Describe how the new charter school will serve and identify strategies to reach early learners and/or postsecondary students (5 points possible).**
- 2. Describe how the new charter school intends to enroll a higher percentage of low-income, rural and/or racially diverse students (5 points possible).**

Important Note: If the new charter school plans to address one or more of the state priority areas, all narrative components in the Work Plan Narrative should include narrative that corresponds with the priority area/areas selected, if any.

V. STATE EDUCATION PRIORITIES – 10 points possible

*Please limit the length of your response to approximately **five** pages.*

Instructions:

*Applicants must address **at least one** of the state's World's Best Workforce (WBWF) education priorities.*

A complete response will describe the new charter school's plan to address at least one of the following five WBWF education priorities selected:

- 1. All children are ready for school.**
The applicant describes plans to ensure all children are prepared to attend school.
- 2. All third-graders can read at grade level.**
The applicant describes plans to accelerate learning and ensure all students are reading well by third grade.
- 3. All racial and economic achievement gaps between students are closed.**
The applicant describes plans to close achievement gaps by ensuring academic achievement targets are met.

4. All students are ready for career and college.

The applicant describes plans to prepare students for postsecondary success.

5. All students graduate from high school.

The applicant describes plans for preparing students to graduate.

IMPORTANT NOTE: If priority point areas were selected, applicant response must align to the priority area(s) selected: early learners and/or postsecondary students, and/or students who are low-income, rural and/or racially diverse.

VI. GOVERNANCE AND MANAGEMENT – 20 points possible

*Please limit the length of your response to approximately **five** pages.*

Instructions:

Please provide information on how the new charter school will be governed and managed.

A complete response will:

1. Describe how the school founders and board members have the capacity to develop, plan and implement a new high-performing charter school.

Demonstrate that the founding group and board:

- **Have capacity to oversee the successful development and implementation of the educational program, accountability goals, outcomes, and state education priorities presented in this application.**
- **Have capacity to oversee the effective and responsible management of public funds and demonstrate effective financial management practices and policies.**
- **Have capacity to oversee and be responsible for the school's compliance with its legal obligations.**
- **Have experience and expertise that includes preschool/prekindergarten-grade 12/postsecondary education (as applicable), legal compliance, real estate and facilities, school financial management and accounting, fundraising and development, community engagement and parent involvement.**

- 2. Describe the school's governance plan and how the board will ensure effective and accountable governance over the school's operations:**
- **Demonstrates a clear understanding of the roles and responsibilities of a charter school board, including board duties outlined in Minnesota Statutes, section 124E.07, subdivision 6:**
 - **Carrying out the school's mission and goals.**
 - **Evaluating how charter contract goals and commitments are executed.**
 - **Evaluating student achievement, postsecondary and workforce readiness, and student engagement and connection to goals.**
 - **Establishing a teacher evaluation process under Minnesota Statutes, section 124E.03, subdivision 2(h).**
 - **Providing professional development related to job responsibilities.**
 - **Establishing plans for how the school intends to meet the student pupil transportation requirements.**
 - **The governing board provides strong policy oversight.**
 - **Well-qualified individuals will be recruited to serve on the school's board.**
- 3. Describe the school board's plan to ensure effective and transparent management of the school's operations:**
- **Management plans are sufficient to deliver the proposed educational program, accountability goals, outcomes, and state education priorities.**
 - **Organizational, management and financial plans demonstrate operational effectiveness and fiscal viability.**
 - **Demonstrates intent to use a fair and open process to select a well-qualified school leadership team including recruitment and hiring timeline(s).**

IMPORTANT NOTE: Applicants will be asked to verify that open and fair hiring processes comply with Minnesota Statutes, Chapter 363A.

- **Organizational chart clearly distinguishes between governance (board) and management (school leadership) and provides key roles and responsibilities of each.**
 - **Disclose the names of any founders or board members intending to serve on the school’s interim board, to apply for employment at the new school and/or to contract for services with the new school.**
 - **Plans to recruit candidates who are members of groups that have traditionally been underrepresented based on race, color, national origin, gender, age or disability.**
- 4. If applicable, discuss the school’s plan to contract with a charter management organization (CMO), educational management organization (EMO) or other comprehensive service provider.**
- **Provide specific evidence demonstrating the provider’s successful track record in academic, operational and financial performance.**
 - **Clearly define the role of the provider.**
 - **Provide a copy of the school’s draft management agreement.**

If the applicant is not contracting with a charter management organization, educational management organization, or other comprehensive service provider, please clearly state as such in the application.

VII. OPERATIONS – 10 points possible

*Please limit the length of your response to approximately **three** pages.*

Instructions:

Please provide information on plans for operations of the new charter school.

A complete response will:

- 1. Provide a plan for transportation services.**
- 2. Provide a plan for student meal service.**
- 3. Provide a plan for student health services, including mental health.**
- 4. Identify the facility needs and provide a plan for meeting them.**

VIII. PARENT AND COMMUNITY ENGAGEMENT – 10 points possible

*Please limit the length of your response to approximately **three** pages.*

Instructions:

Describe the school's clear vision and effective strategies for meaningful parent and community engagement and support throughout the planning, program design and implementation phases of the school.

A complete response will:

- 1. Describe how parent engagement begins in the design of the school and continues in substantive ways throughout the planning and implementation phases of the new school.**
- 2. Describe how community engagement begins in the design of the school and continues in substantive ways throughout the planning and implementation phases of the new school.**

IMPORTANT NOTE: If priority point areas are selected, the applicant must clearly describe parent and community engagement practices that address early learners and/or postsecondary students and/or describes how engagement will address the needs of parents of students who are low-income, rural and/or racially diverse.

IX. MARKETING AND OUTREACH – 10 points possible.

*Please limit the length of your response to approximately **five** pages.*

Instructions:

Describe the marketing and outreach strategies that will be used to reach all students. A complete response will meet the following criteria:

- 1. Outreach and recruitment plan demonstrates a thorough understanding of the community to be served, including an analysis of the need and demand for the school, and is likely to be effective, including reaching out to families traditionally less informed about educational options.**
 - Plan addresses how students in the community will be informed about the new charter school and given an equal opportunity to attend this charter school.**
 - Plan addresses how this school will intentionally and specifically conduct outreach to educationally and economically disadvantaged and hard-to-reach populations.**

2. Enrollment projections are realistic and supported by evidence of actual and potential need and demand, and marketing and recruitment plans seem likely to generate enrollment sufficient to meet projections.

3. Plans are in place in the event that enrollment is lower than projected.

NOTE: MDE verifies school enrollment totals which are used to determine funding levels. MDE uses Average Daily Membership (ADM), the Minnesota Automated Reporting Student System (MARSS), Pupil Units (PUN) and other metrics.

4. Describe how an admissions and lottery process will be used to provide equal access to all students who apply.

- An open admissions and lottery process is described which indicates that the school will not limit admission beyond grade level and class size capacity and will only provide enrollment preference to prospective students who are provided such preferences in federal guidance and state law.
- A lottery process is described that determines enrollment for the school site.

5. The following projected enrollment table is completed and all of the Work Plan Narrative Component responses align with the projected enrollment table.

Complete the enrollment table for the planned enrollment and add rows up through the year that the school operates at maximum projected enrollment.

Year of Operation	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
Year 1														
Year 2														
Year 3														
Year 4														
Year 5														

Complete the enrollment table for the minimum enrollment that the school needs in order to operate.

Year of Operation	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
Year 1														
Year 2														
Year 3														
Year 4														
Year 5														

BUDGET AND FINANCIAL PLAN – 10 points possible

*Please limit the length of your response to approximately **five** pages.*

Instructions:

Please provide a five-year budget projection that includes and clearly labels the pre-operational year(s) of the new charter school.

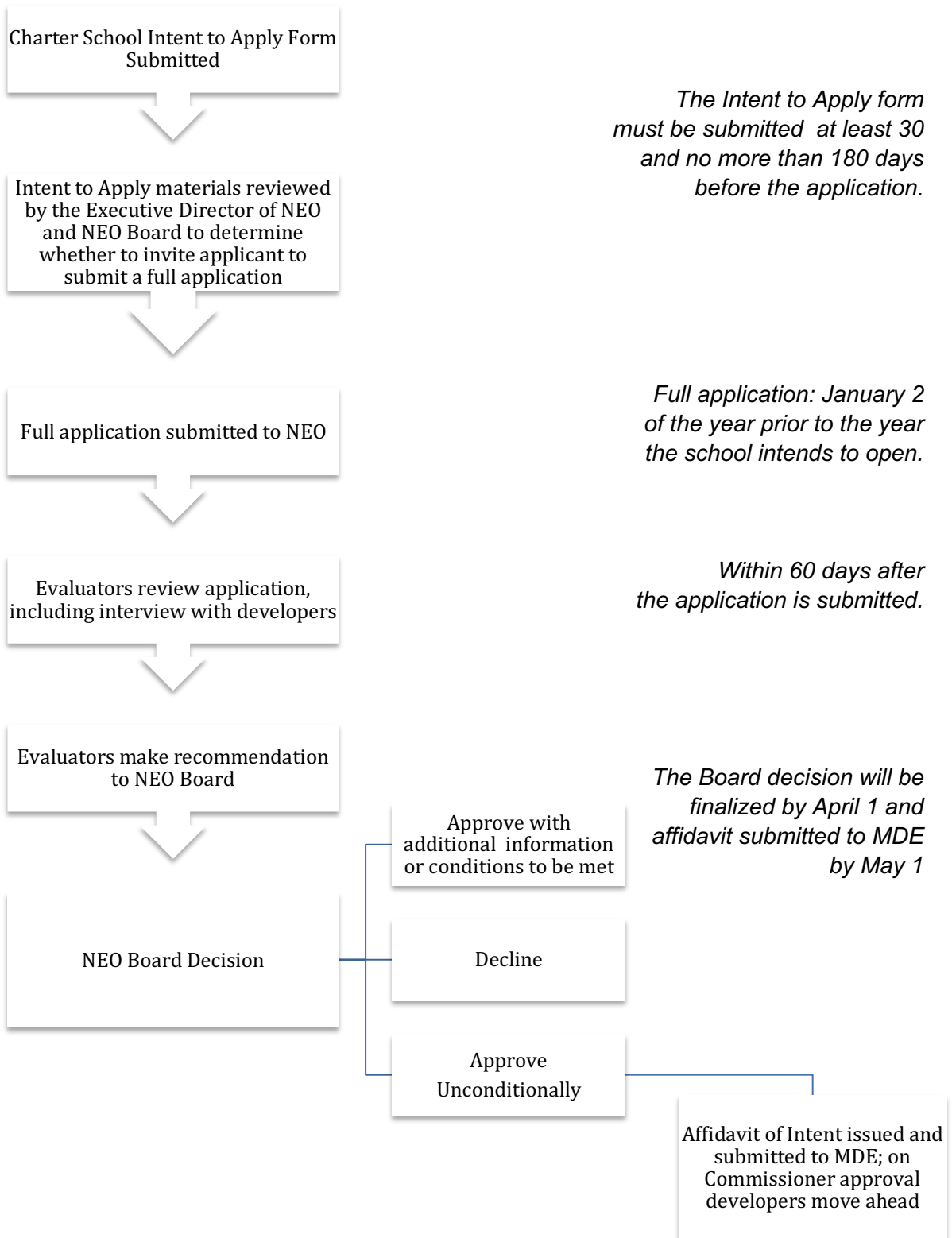
A complete response will meet the following criteria:

- 1. The five-year budget and financial plan for the charter school must include a plan for revenues and expenditures.**
- 2. The budget balances each year with realistic cash flow between the pre-operational year and first year and for the first year.**
- 3. The proposed budget should be based on clearly identified, reasonable assumptions and estimates that reflect choices made throughout the rest of the charter application. For example, enrollment projections used elsewhere in the application need to be the same ones used in budget development. When projecting revenue numbers, the single most important factor is enrollment. Enrollment projections must be accurate. It is best to project conservatively for budget purposes.**

4. **The proposed budget should demonstrate an ability to understand the sources of funding available to the charter school and the types of expenditures required to operate the charter school.**
5. **The plan to manage start-up costs is reasonable.**
6. **The proposed state-approved financial management system is identified.**
7. **The plan for the school's financial management is clarified.**
8. **At least two scenarios in the five-year budget (minimum number of students needed for financial viability as well as a budget based on 100% of anticipated enrollment):**
 - **identify realistic assumptions and their basis**
 - **include a cash flow projection for the first 18-months of operation:**
 - **use UFARS Chart of Accounts**
 - **account for direct student instructional expenses, PERA/TRA contributions, and other benefits**
 - **account for state funding holdbacks**
 - **separate general fund and food service fund**
 - **include a plan to establish an emergency/long-term reserve fund balance that reaches 20% by the end of year five;**
 - **align staffing assumptions/expenditures with the narrative in other application sections**
 - **list any planned services to be contracted to outside providers**
 - **ensure that the school budget aligns to the school mission and vision.**

Addendum to the NEO Comprehensive New School Application

Timeline for Applying to NEO (Assuming Sept 1st school start date)



Requirements for Schools Planning to Contract with a Management Organization

As the entities responsible to the public for overseeing the performance of charter schools (“Charter School”), authorizers must hold charter school boards accountable for ensuring a quality education at the schools they govern. If a school relies on an external service provider (“Service Provider”) to implement key terms of the charter between the authorizer and the school, the Service Provider’s effectiveness is critical to the school’s ability to perform as described in the charter. Thus, it is essential for authorizers to adequately review and oversee a school’s relationship with its Service Provider.

NEO requires schools that propose working with an External Service Provider, including a charter management organization and education management organization (each, a “Service Provider”) to address the following.

Comprehensive Management Services

In the event a Charter School intends to enter into a contract with a Service Provider (“Service Contract”) including with a Charter Management Organization or Education Management Organization, all of the following requirements must be met by the Charter School:

1. NEO and the Charter School will interview prospective external service providers that the Applicant proposes engaging and question them as part of the charter application process.
2. The Charter School governing board contracting with a Service Provider shall retain independent legal counsel to represent the Charter School in contract negotiations as well as throughout its relationship with a Service Provider.
3. NEO shall be provided and review the proposed Service Contract at least 30 days before it is executed.
4. NEO shall be provided for review all material Service Contract amendments as well as new or renewed Service Contracts at least 30 days before they are approved by the charter school board.
5. The Service Contract, new or renewed, and all material contract amendments shall be submitted to NEO no later than thirty (30) days prior to the effective date. If NEO determines that the Service Contract does not comply with the NEO required provisions set forth below, or that entering into the Service Contract would otherwise be a violation of the conditions set forth below, the Charter School Agreement, or the Charter School Law, then NEO shall notify the Charter School within twenty (20) days, stating with particularity the grounds for its objections. In such event, the Charter School shall not enter into the Service Contract unless and until the deficiencies noted by NEO have been remedied to NEO’s reasonable satisfaction.

Required Service Management Organization Contract Provisions

(1) Generally the draft Service Contract should clearly and specifically define the Service Provider's proposed role and responsibilities, payment structure, property ownership, methods for performance evaluation, and termination and renewal procedures.

(2) Roles and Responsibilities: allocation of responsibilities between the parties in areas such as financial management; personnel including who has the responsibility of hiring and firing; charter performance and compliance; educational, operational and policy decision-making; requirements to attend board meetings and community events; and any areas where the governing board has non-delegable legal responsibilities (e.g., adopting an annual budget);

(3) Contract Duration, Renewal and Termination: assurance that a governing board has the right and ability, if necessary, to terminate a contract in a timely manner if it is in the school's interest with contracts either for no longer than two (2) years or with a termination right wherein the Charter School may terminate for any or no reason on at least one hundred and twenty (120) business day written notice

(4) Performance Oversight and Evaluation: description of clear methods and standards that will guide the governing board in overseeing and evaluating the Service Provider; and provide for a right to terminate by the Charter School on no less than thirty (30) days notice if those standards are not met;

The Service Contract shall require that the Service Provider furnish the Charter School with all information deemed necessary by the Charter School or the Board for the proper completion of the budget, quarterly reports, or Financial Audits, required under Section 6 of the Charter School Agreement.

The Service Contract shall provide that all financial reports provided or prepared by the Service Provider shall be presented in a nonprofit format approved by the Charter School as meeting requirements in the state.

The Service Contract shall provide that all employees or contractors of the Service Provider who have direct, daily contact with students of the Charter School shall be subject to the criminal background check requirements contained the Education Code to the same extent as employees of the Charter School.

The Service Contract shall contain provisions requiring compliance with all requirements, terms and conditions established by any Federal or State funding source.

(5) Compensation and Finances: identification of how and how much a Service Provider will be compensated for its services, and what role a management service provider will play in developing budgets and managing finances;

Budget. The annual budget prepared by the Charter School shall include, without limitation, the following itemized information:

i. All revenue anticipated by the Service Provider to be received from the Charter School.

ii. All expenses and anticipated expenses associated with the operation and management by the Service Provider of the Charter School.

iii. All expenses associated with the operation of the governing board of the Charter School, including without limitation personnel, occupancy and travel expenses, if any, and provided that in the event that these expenses are not paid out of expenses received from or through the Board, such expenses shall not be required to be separately itemized hereunder.

iv. All contract payments, lease payments, management fees, administrative fees, licensing fees, expenses and other amounts paid to the Service Provider or otherwise paid for the products and services to be delivered under the Service Provider Contract by the Charter School.

v. All loan repayments for any loans made to the Charter School by the Service Provider, including separate line items for interest, principal and premium, if any, on such loan repayments.

vi. All investments in the Charter School by the Service Provider, including the expected returns on equity for such investments.

vii. An itemized accounting of all amounts paid to the Service Provider or otherwise paid for the Contract Services, which amounts shall be itemized in a manner that clearly corresponds with those categories provided in the Charter School's annual budget or the Service Contract.

viii. The Financial Audits required of the Charter School Agreement shall include review of all fees and payments made by the Charter School to the Service Provider.

ix. All loans to, or investments in, the Charter School by the Service Provider must be evidenced by appropriate documentation, either in the contract between the Charter School and the Service Provider, or through separate agreements. In the case of investments, such documentation shall explain how the investment shall be treated on the books of the Charter School.

(6) Intellectual and Physical Property: clarification of ownership of instructional materials developed at the school using public funds, and of physical property obtained to operate the school; all agreements must allow for the continued use of any instructional materials for twelve (12) months after termination for a reasonable fee; and

(7) Contingency Planning for Terminated Contracts: assurance of a smooth transition in the event that a service relationship is terminated, including the transfer of school records and property at no cost to the Charter School.

The Service Contract shall be terminable by the Charter School, in accordance with its bylaws or other established termination procedures, (A) upon material default by the Service Provider that is not remedied, including without limitation any act or omission of the Service Provider that causes a material default under the Charter School Agreement or that causes the Charter School to be in material violation of the Charter Schools Law that is not remedied, or (B) for other good cause as agreed by the Charter School and the Service Provider.