Contract RGA-120-07 between BCPS and AdvancePath Academics

Appendix contents:

Executed Contract
CONTRACT AGREEMENT

BETWEEN ADVANCEPATH ACADEMICS

AND

THE BOARD OF EDUCATION OF BALTIMORE COUNTY

CONTRACT #RGA-120-07

This Agreement is by and between AdvancePath Academics, Inc. ("AdvancePath") and the Board of Education of Baltimore County on behalf of BALTIMORE COUNTY PUBLIC SCHOOLS ("BCPS"), (collectively the "Parties") to outline the duties of each Party in the creation of an innovative "school within a school" as an alternative educational solution for out-of-school and at-risk youth.

1. Recitals:

1.1 AdvancePath is a corporation with its principal place of operation in Virginia comprised of nationally recognized leaders from business and education specializing in the creation, administration, and operation of at-risk student and dropout student recovery programs to be formally operated under laws of the host state and city and BCPS policies. The duly authorized representatives of AdvancePath are the Officers of the Corporation. For purposes of execution or amendment of this Agreement, a signature of the AdvancePath Chief Executive Officer (CEO) or designee is required to take action.

1.2 BCPS is a public school district operating under the laws of the state of MARYLAND and is proactively seeking a collaborative partnership for the creation of a BCPS program to tackle the challenge of educating out-of-school youth. The duly authorized representatives of BCPS are BCPS Board of Education and Superintendent, or designee. For purposes of approval or amendment of this Agreement, the Board of BCPS is required to take action.

1.3 This Agreement references and incorporates by reference as though fully set forth herein the following documents:

- Appendix A – "Delineation of Duties"
- Appendix B – "Schedule of Fees"
- The document entitled – "AdvancePath Program Prospectus"

With respect to the "AdvancePath Program Prospectus" – it should be understood that AdvancePath intends this document to be a general narrative of desirable programmatic elements, and as such, it may not ultimately reflect the profile of the final program implemented in BCPS as certain programmatic elements will be customized to meet idiosyncratic needs of BCPS and of AdvancePath in developing a productive working relationship between the two Parties. Accordingly, neither AdvancePath, nor BCPS shall be held to have breached the contract based solely on an allegation of breach of a term or terms within the Prospectus. In the event of conflict, the terms of this Agreement shall govern.
2. AGREEMENTS

2.1 Length of the Agreement

This Agreement shall run for a term of five (5) years beginning upon the execution of this Agreement by both Parties and expiring five (5) years thereafter.

2.2 Amendments

Any modification of this Agreement must be in writing and executed by duly authorized representatives of both Parties specifically indicating the intent of the parties to modify this Agreement.

2.3 Duties

2.3.1 AdvancePath and BCPS shall work cooperatively under this Agreement to create a technology-based academy located on BCPS property to operate as a program (hereinafter referred to as an "Academy") located at a site to be determined by the mutual consent of the Parties to serve out-of-school and at-risk youth with a specialized programmatic approach utilizing customized learning plans to meet the varied needs of students who have dropped out of high school.

2.3.2 The following represents a brief overview of the duties of each Party pursuant to this agreement and is not meant to be an exhaustive list of the duties of each:

a) AdvancePath shall furnish and operate each Academy; recruit and educate students; participate in the selection (in consultation with BCPS school-site administrator), training, and management of staff and shall provide BCPS with data for all reporting and audit components; shall reimburse BCPS for any and all costs related to BCPS employees at the Academy.

b) BCPS shall house the Academy; report average daily attendance ("ADA") (or parallel State specific concept), enrollment, demographic and any other information necessary to procure funding to the State and other required entities; negotiate with any applicable bargaining units for necessary side agreements which would allow for full implementation of the agreement utilizing BCPS employees at the Academy as teachers and staff; provide an adequately high bandwidth internet connection for the Academy; ensure the facility provided has adequate lighting, phone service, electrical capacity; provide security and custodial care commensurate with other computer labs BCPS may manage; provide the administration of special education services to qualified students enrolled in the AdvancePath Academy; and agree to pay AdvancePath monthly in the manner described in Section 2.4 for each student served in the Academy based upon attendance in the Academy.

2.3.3 More specifically, each Party shall perform each duty as described in the "Delineation of Duties" chart, delineating the duties of AdvancePath and BCPS, attached and incorporated herein as Appendix A to this Agreement. Such performance shall be in exchange for fees payable to AdvancePath in accordance
with the Rate Schedule attached and incorporated herein as Appendix B to this Agreement and as described in Section 2.4 below and in exchange for services offered hereunder by AdvancePath to BCPS. Appendix A and B shall be reviewed by each Party on a regular basis to ensure that each appropriately and adequately describes the actions taken under this Agreement. As agreed upon by the designated representative of both Parties in writing, Appendix A and B may be revised to align with actual practice, to update with current law, or to reflect a new agreement between the Parties. Furthermore, both BCPS and AdvancePath understand and agree that the timely fulfillment of their respective duties under this Agreement and Appendix A are a condition precedent to the timely fulfillment of the respective duties of the other Party under the same.

2.3.4 Duties regarding Property/Facilities

a) Use of Facilities

BCPS agrees to allow AdvancePath to use the facilities at one school site to be determined by the mutual consent of the Parties. Any future use of additional facilities at other school sites shall be based upon the mutual written consent of both BCPS and AdvancePath.

b) Maintenance of Property/Facilities

AdvancePath shall maintain the facilities provided it in good repair. AdvancePath may not demolish, remove, replace, relocate, reconstruct, or add to any school facility, or modify or change the contour or grade of the school site. No structures, improvements, alterations or other facilities may be constructed, erected, or made on, or within, the school site by AdvancePath without the prior written consent of BCPS.

c) Prohibited Uses

AdvancePath shall not use or permit its facility, or any portion of the school site, to be improved, used or occupied in any manner or for any purpose that is in any way in violation of any valid law, ordinance, or regulation or any Federal, State, County, or Local Government agency, body or entity.

2.4 Fiscal Relationship

2.4.1 In consideration for the services provided by AdvancePath to BCPS as described in Appendix A, BCPS agrees to pay AdvancePath an amount equal to the “Net Daily Rate” as described in Appendix B per “Day of Student Attendance.” The “Net Daily Rate” is the “Gross Daily Rate” less the agreed facilities and back office fee and staffing costs, which the District will withhold as the cost of services provided to AdvancePath, as described in Appendix B. In the context of this agreement, solely for purposes of determining the amount due to AdvancePath by BCPS, a “Day of Student Attendance” shall be defined in accordance with Appendix B. The definition of “a day of student attendance” is not intended to supersede or supplant applicable State law, which guides the manner in which BCPS receives funding for student attendance.
2.4.2 AdvancePath shall operate the Academy up to 234 instructional days per calendar year. This number of instructional days is intended to reflect the sum of (i) 215 instructional weekdays listed on the approved calendar of the host-school, and (ii) 19 instructional days that fall on Saturdays, intended to be “make-up” days for students that failed to attend one or more of the weekday sessions of the prior week. The number of days operated by the Academy and paid to the Academy in “Net Daily Rate” shall not be affected by the manner in which BCPS claims the attendance of students in the Academy.

2.4.2.1 For the purposes of reimbursement of the daily rate, AdvancePath shall not record more than 5 Days of Student Attendance per student over the course of a given 7-day week Monday-Sunday.

2.4.2.2 BCPS shall take any reasonable, lawful, necessary, and feasible action to ensure that AdvancePath can operate its Academy under the calendar structure set forth herein.

2.4.2.3 For the purposes of implementing an AdvancePath Academy in BCPS, AdvancePath and BCPS agree to open the Academy for instruction on August 27, 2007. With this contract, BCPS and AdvancePath both agree to the feasibility of this opening date, and agree to develop a timely implementation plan organized around the delineation of duties specified in Appendix A that ensures a successful on-time launch. It should be noted that failure to meet any of duties cited in Appendix A of this document by either BCPS or AdvancePath may result in the undue delay of this opening date and amount to a material breach.

2.4.3 The Parties shall meet no later than July 1 of each year to review program funding for the following year. Specific funding amounts will be agreed upon and documented on a separate schedule, attached and incorporated herein as Appendix B to be updated annually.

2.4.4 BCPS shall provide AdvancePath with guidance as requested on data and programmatic requirements to ensure compliance with local, state, and federal laws.

2.4.5 AdvancePath shall input and maintain student enrollment and attendance information in BCPS's student information system under a separate and unique "school code" for the Academy.

2.4.6 AdvancePath shall report aggregate Days of Student Attendance to BCPS on the 15th of each month reflecting the student data for the prior month. At its discretion, BCPS may also request additional data items to be included and broken out on this report, including but not limited to, student enrollment, Average Daily Attendance (ADA) (or other State specific equivalent), independent study student-days, and hours of supplemental student instruction. Collectively, this information will herein be referred to as the "Attendance Report."

2.4.7 Within thirty (30) days of receipt of the Attendance Report, BCPS shall pay AdvancePath an amount equal to the product of (i) the aggregate number of Days
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of Student Attendance as reported by AdvancePath and as defined in Appendix B for the current month and (ii) the Net Daily Rate as defined in Appendix B. Based on the agreed Academy launch date specified in Section 2.4.2, the first such payment will be due no later than June 1, 2007. If BCPS elects to prepay a portion of this contract, then on a no less frequent basis than every three months (e.g., quarterly), BCPS and AdvancePath will use these monthly Attendance Reports to reconcile the difference between the prepaid amount and the actual fees incurred based attendance.

2.4.8 BCPS shall have the burden to review, question, audit, or otherwise investigate the attendance report filed by AdvancePath. BCPS may refute the attendance report of AdvancePath by notice to AdvancePath in writing within twenty (20) calendar days of receipt of the report. BCPS’s failure to refute the attendance report shall be deemed a waiver of any right of BCPS to later refute the reported data or any amounts paid to AdvancePath in response to the attendance report based upon a subsequent investigation or audit, absent a showing of fraud or intentional misrepresentation. Any dispute regarding the attendance report shall be resolved in accordance with the dispute resolution section described in Section 2.17 below.

2.4.9 AdvancePath shall reimburse BCPS for all costs, including but not limited to employee salaries and benefits incurred by BCPS for BCPS employees assigned at the Academy. Collectively, these costs are known as the Academy Staffing Costs. Reimbursement of Academy Staffing Costs by AdvancePath to BCPS is incorporated in the ”Net Daily Rate” described in Appendix B. If additional staffing costs are incurred in the Academy that are not covered by the “Net Daily Rate” calculation, AdvancePath will reimburse BCPS on a monthly basis no later than the 15th of each month for the additional costs. BCPS may choose to either invoice AdvancePath directly for these amounts or deduct this reimbursement from the amount due to AdvancePath pursuant to Section 2.4.8 above. In either case, BCPS shall provide AdvancePath with a written notice of the amount to be invoiced or deducted in the following month by the 15th. AdvancePath will have twenty (20) calendar days to review, question, or otherwise refute the deduction in writing. AdvancePath’s failure to refute the deduction shall be deemed a waiver of any right of AdvancePath to later refute the deduction based upon a subsequent investigation or audit. BCPS shall provide AdvancePath with a receipt documenting the final transfer. Any dispute regarding the reimbursement owed shall be resolved in accordance with the dispute resolution section described in Section 2.17 below.

2.4.10 Should the amount due to BCPS pursuant to Section 2.4.9 above exceed the amount due to AdvancePath in any given month, BCPS may at its discretion invoice AdvancePath for the difference, and AdvancePath shall have thirty (30) calendar days to reimburse BCPS in accordance with that invoice. In this case, AdvancePath shall have twenty (20) calendar days to review, question, or otherwise refute the invoice in writing. AdvancePath’s failure to refute the invoice shall be deemed a waiver of any right of AdvancePath to later refute the deduction based upon a subsequent investigation or audit. BCPS shall provide AdvancePath with a receipt documenting the final transfer. Any dispute regarding the invoice shall be resolved in accordance with the dispute resolution section described in Section 2.17 below.
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2.4.11 as described in appendix a of this agreement, advancepath agrees to bear the cost of provisioning the it equipment and furniture in the academy. in situations when advancepath is able to negotiate financing terms (e.g., a lease of equipment) with its suppliers, then bcps shall agree to act as a guarantor of those financing terms on behalf of advancepath, so long as all of the following conditions apply:

a) advancepath is responsible for 100% of the expected payments pursuant to the financing terms obtained by advancepath.

b) bcps incurs no out-of-pocket expense for establishing or maintaining any such financing terms.

2.4.12 if advancepath has not occupied its facility for at least five (5) years, and is relocated by bcps, bcps shall pay for all direct expenses associated with the relocation, including but not limited to the expense of transporting equipment, the expense of transporting furnishings, and the expense of outfitting of a new facility in a manner substantially the same as or superior to the facility being vacated. bcps shall reimburse advancepath for the remaining book value of any furnishings or fixtures not transported to the new site, and for improvements to the physical structure of the facility paid by advancepath based upon a sixty-month straight-line depreciation schedule for such improvements.

2.5 billing and payments

all invoices are to be submitted to:

dale rauenzahn, executive director
student support services
baltimore county public schools
9610 pulaski park drive, ste 219
baltimore, md 21220

to expedite payments you must follow these guidelines:

a) all invoices must contain a valid baltimore county public schools' purchase order number.

b) invoices shall be itemized and should fully describe the services provided.

c) after review and approval, the invoices shall be submitted to the office of accounting for payment.

2.6 taxes

materials which are incorporated into work under formal or informal contracts are not exempt from the maryland state sales or use tax. contractor shall be responsible for paying such taxes when purchasing materials.
2.7 Contractor's Representations and Warranties

AdvancePath hereby warrants and represents that the professional services provided under this Agreement shall be performed competently and with due care, and in accordance with all applicable laws, codes, ordinances and regulations. Breach of this warranty constitutes a material breach of the Agreement.

2.8 Termination

2.8.1 a) Early Termination for Material Breach:

In the event of a material breach of the terms of this Agreement, the non-breaching Party shall give written notice to the breaching Party of the breach. The alleged breaching Party shall thereafter have thirty (30) calendar days from the date of notice to cure the alleged breach to the reasonable satisfaction of the non-breaching Party. If after thirty (30) calendar days from the date of notice of the breach, no reasonably satisfactory cure has been accomplished or if the breach is of a type that cannot be cured, this Agreement may be terminated at the decision of the non-breaching Party upon an additional five calendar (5) days written notice to the breaching Party.

b) Early Termination for Failure to Enter Into Necessary Side Agreement

In the event that the Parties are unable to reach necessary side agreements with the exclusive representatives of the collective bargaining units in BCPS, the agreement may be terminated by either Party upon five calendar (5) days written notice to the other Party.

2.8.2 Early Termination Without Cause.

With the exception of the 2007-2008 and 2008-2009 school years which may not be terminated without cause, either Party may opt out of the Agreement for the upcoming and subsequent school years by written notification to the other Party giving thirty (30) days notice prior to the commencement of the semester upon which the termination shall become effective. Baltimore County Board shall pay all costs incurred by Contractor up to the date of termination.

2.8.3 In the event of the early termination of this Agreement as described in 2.8.1 or 2.8.2 and 2.8.4, the following shall occur:

a) All fees as stated in Appendix B due and owing to AdvancePath up to the date of termination and all non-cancelable/refundable costs incurred by AdvancePath shall be paid by BCPS to AdvancePath upon termination.

b) BCPS shall, within sixty (60) calendar days following the termination, pay AdvancePath revenue at the funding rates and in the year described in Appendix B. Payment shall be remitted based on the same terms outlined in Section 2.4 of this agreement.
c) If AdvancePath has not occupied its facility for at least five (5) years before termination, BCPS shall reimburse AdvancePath for the undepreciated value of any Academy furnishings, fixtures, or improvements paid for with AdvancePath funds based upon a sixty-month straight-line depreciation schedule for such improvements. BCPS may pay this amount immediately upon termination or within sixty (60) calendar days following the termination.

d) AdvancePath shall reimburse BCPS for any and all costs incurred by BCPS for BCPS employees in the Academy up to the date of termination.

2.8.4 Termination for Non-Appropriation of Funds: With the exception of the first year of this contract, BCPS may terminate this contract, in whole or in part due to insufficient funding with thirty (30) calendar days written notice to AdvancePath, with termination to take effect at the end of the then current school year. Upon termination, all steps listed in 2.8.3 shall occur.

2.8.5 Termination for Default: When AdvancePath has not performed or has in the sole opinion of the Board unsatisfactorily performed the contract, payment shall be withheld at the discretion of BCPS to the extent permitted by law. AdvancePath shall be deemed to be in material breach of contract as described above in Section 2.8.1 and BCPS may proceed with early termination as described above in Section 2.8.1.

2.9 Independent Contractor

AdvancePath shall be considered an independent contractor and not an employee of the Board. AdvancePath shall be responsible for the reporting and remittance of all state and federal taxes as an independent contractor, including without limitation, FICA and state and federal unemployment taxes. As AdvancePath shall not be deemed a Board employee, it is understood and acknowledged that AdvancePath shall not be entitled to Board employee benefits, including but not limited to, retirement and health insurance, and AdvancePath expressly disclaims any right or entitlement thereto. If AdvancePath is an employer, it warrants that it has and will continue to carry at all times under this Agreement workmen’s compensation meeting the minimum coverage requirements under Maryland law.

2.10 Compliance

2.10.1 The parties, AdvancePath and BCPS, hereto represent, warrant and covenant that:

a) They will comply with all applicable federal, state and local laws, rules and regulations in carrying out this agreement and their respective obligations hereunder.

b) They have the power and authority to execute and deliver this agreement and to perform its obligations hereunder.

c) AdvancePath and BCPS agree to comply with all applicable federal, state
and local equal employment opportunity and anti-discrimination laws in connection with the recruitment, employment and assignment of employees or contractors pursuant to this Agreement. AdvancePath agrees to fully cooperate with BCPS in the investigation and resolution of any discrimination complaint brought by employees or contractors related to their assignment in the Academy.

d) The execution, delivery and performance of this agreement has been duly and validly authorized and approved.

2.11 Insurance

2.11.1 AdvancePath warrants and represents that it has and will maintain in force during the term of this agreement comprehensive general liability insurance in an amount of not less than one million dollars ($1,000,000) to ensure against any actual or alleged act, omission, negligence, injury, or other causes of action or liability proximately caused by AdvancePath. AdvancePath shall add BCPS as an additional insured to the policy. BCPS warrants and represents that it has and will maintain in force during the term of this agreement appropriate insurance to ensure against any actual or alleged act, omission, negligence, injury, or other causes of action or liability proximately caused by BCPS. BCPS shall name AdvancePath as an additional insured to the policy.

2.11.2 Before commencing any of the duties required under this Agreement, each Party shall provide evidence of this insurance to the other Party with evidence that the other Party is named as an additional insured.

2.11.3 In the event AdvancePath, as part of the award is responsible for installation and/or product demonstration, AdvancePath will be responsible for hiring personnel to perform such services at their own costs. Such personnel will be considered employees of AdvancePath and are under their control and direction. AdvancePath shall maintain Worker’s Compensation in the statutory amount in accordance with the laws of the state in which the work of this contract is to be performed.

2.11.4 AdvancePath shall also maintain Employer’s Liability Insurance with a limit of at least $100,000 for each occurrence to cover diseases and injuries excluded under the Worker’s Compensation Act.

2.11.5 Prior to the commencement of any work, or at any time during the term of this Agreement, AdvancePath may be required to submit a certificate of insurance evidencing Worker’s Compensation and Employer Liability Insurance in the amounts required above. This certificate will indicate the amounts of insurance carried by AdvancePath of the following types: Comprehensive General Liability Insurance, Comprehensive Automobile Insurance, Excess Liability Insurance, and any other insurance coverage maintained by AdvancePath. The Certificates of Insurance will state that such insurance is in force and cannot be canceled or released except upon thirty (30) days prior written notice to the Board of Education of Baltimore County. The Certificate of Insurance must name the Board of Education of Baltimore County as an additional insured.
2.11.6 All required insurers allowed to do business in the State of Maryland and acceptable to the Board must underwrite insurance coverage. The insurers must also have a policyholders' rating of "B" or better, and a financial size of "Class VII" or better in the latest evaluation by A.M. Best Company. The Board hereby grants specific approval for the acquisition of workers compensation and employer's liability insurance from the Injured Worker's Insurance Fund of Maryland.

2.12 Confidentiality

To the extent required or allowed by law all information, whether printed, written, or oral furnished by AdvancePath or BCPS shall be held in confidence by BCPS and AdvancePath, respectively, and will be used for purposes of performing under this Agreement only. AdvancePath and BCPS agree not to disclose, reveal or otherwise release any confidential information to the extent allowed by law including to any third party unless the other Party has given prior written consent or unless the release is otherwise required by law.

2.13 Indemnity

2.13.1 General Claims

AdvancePath agrees to indemnify and hold BCPS including its Board members, officers, employees, and agents harmless from any and all claims, damages, liabilities, costs, and expenses, including reasonable legal fees and expenses, arising from all costs (including, but not limited to, employment taxes, interest and/or penalties) incurred by BCPS as a result of any claim resulting from the action, inaction, or negligence of AdvancePath, its respective employees or agents in connection with the performance by AdvancePath of its duties pursuant to 2.3.2-2.3.4 and Appendix A of this Agreement.

2.13.2 Employment Claims

Each Party agrees to indemnify and hold harmless the other Party against any claim that the first Party's employee makes alleging that he or she is the employee of the second Party.

2.13.3 Facilities

2.13.3.1 Based upon the division of responsibilities herein, BCPS shall indemnify, defend and hold harmless AdvancePath, its respective clients, affiliates, successors, subsidiaries, officers, board members, employees and agents from and against any and all actions, allegations, claims, costs, damages, fees, and judgments by third parties resulting from AdvancePath's use of BCPS property pursuant to the terms of this Agreement, provided that claim does not arise from the willful, reckless, or negligent acts of AdvancePath, its officers, or employees.
2.13.3.2 AdvancePath shall indemnify, defend and hold harmless BCPS, its respective clients, affiliates, successors, subsidiaries, officers, board members, employees and agents from and against any and all actions, allegations, claims, costs, damages, fees, and judgments by third parties resulting from the willful, reckless, or negligent acts of AdvancePath, its officers, or employees.

2.13.4 Special Education

2.13.4.1 The Academy shall be considered a program of BCPS for purposes of special education. BCPS shall indemnify, defend, and hold AdvancePath harmless from any all claims, due process hearings, complaints, damages, liabilities, costs, and expenses, including compensatory education damages and reimbursement, reasonable legal fees and expenses arising from the provision of special education instruction and related services to current, former, or prospective AdvancePath students, except for any claim that arises from the willful, reckless, or negligent acts of AdvancePath, its officers, or employees. AdvancePath shall cooperate with BCPS as necessary in the defense of any claim related to special education instruction and related services.

2.13.4.2 In the event AdvancePath chooses to retain its own representation in a special education due process or other matter, AdvancePath shall be solely responsible for the costs of such representation.

2.13.5 Notification

BCPS and AdvancePath both agree promptly to notify the other party of the assertion of any claim related to the indemnification provisions of this Agreement and tender the defense thereof to AdvancePath or BCPS so as to permit AdvancePath or BCPS reasonable time to notify its insurers of such claims; provided, however, that BCPS or AdvancePath may, at its own cost and expense, participate, through its attorneys or otherwise, in defense of such claim and any appeal arising there from. No settlement of a claim that involves a remedy directly affecting BCPS and AdvancePath other than the payment of money in an agreement that is indemnified shall be entered into without the consent of BCPS or AdvancePath. Settlement of a claim that involves a remedy affecting only BCPS does not require the consent of AdvancePath.

2.14 Force Majeure

No delay or failure by either AdvancePath or BCPS to perform any obligation of this agreement by reason of any cause beyond the reasonable control of the affected party, including, but not limited to, labor disputes, strikes, wars, riots, insurrection, civil commotion, accident, government regulations, fire, flood, storm, or any other acts of God, shall be deemed a breach of the agreement or create any liability provided the party so affected shall use its best efforts to avoid or remove such cause of nonperformance or delay and shall continue performance hereunder as soon as practicable. In the event such cause occurs and exceeds five (5) calendar days, the party not so affected may cancel this agreement.
2.15 Entire Agreement

This Agreement along with its Appendices contains the entire agreement of the parties as expressed herein, and no verbal understandings, agreements, other documents or correspondence shall alter or modify this agreement unless said information is in writing and signed by both parties hereto and expressly states therein that said writing is intended to modify this agreement.

2.16 Waiver

The failure of AdvancePath or BCPS to enforce at any time any provision of this agreement shall in no way be constituted a waiver of such provision, nor in any way shall affect the validity of any part of this agreement, or the right of AdvancePath or BCPS to thereafter enforce each every provision.

2.17 Dispute Resolution

Any controversy, claim, or dispute between the AdvancePath Academics and BCPS arising out of or relating to this contract shall be handled in accordance with the procedures set forth below:

2.17.1 Written Notice of the Dispute: In the case of a dispute, claim, or controversy, each Party agrees to notify the other in writing briefly describing the dispute and the resolution sought by the disputing Party ("Dispute Notice").

2.17.2 Disputed Amounts: In the event that the dispute notice contains claims by either or both Parties regarding the payments due the parties under Section 2.4, the amount owing shall be paid by the Party owing it. Payment of the amount owing does not waive the right of the Party disputing the claim from seeking reimbursement of the amount paid upon a later judgment in their favor.

Upon the resolution of the dispute (as resolved via settlement or arbitration), this amount shall be reconciled to align with the resolution and payment shall be made as necessary within five (5) calendar days of the resolution of the dispute.

2.17.3 Attempt to Resolve: Negotiation: The Parties agree to meet informally and promptly to confer regarding their respective positions and interests in any dispute arising between or among them, with a view toward attempting to improve their mutual ability to make informed decisions relating to the dispute; and the Parties agree to use their best efforts to resolve any such dispute between or among them. The duly authorized representative of BCPS, and the duly authorized representative of AdvancePath with authority to resolve the dispute, shall meet at a mutually acceptable time and place, within fifteen (15) calendar days after receipt of the Dispute Notice, and thereafter shall meet as often as they deem necessary, shall exchange relevant information and shall, recognizing their mutual interests, diligently endeavor to resolve the dispute in a manner satisfactory to both parties. No resolution of the dispute may occur unless and until the Governing Board of BCPS approves such resolution.
All negotiations pursuant to this Section and pursuant to any negotiation or mediation procedures under this Section are confidential, shall not be disclosed to anyone other than a Party's own counsel of record, and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence and for all other purposes.

2.17.4 Mediation: If the Parties have not been able to resolve the dispute, pursuant to Paragraph 3, “Negotiation,” within thirty (30) calendar days after the receipt of the Dispute Statement, any Party may then submit the dispute to mediation, pursuant to the Mediation Rules of the American Arbitration Association (AAA), which rules shall govern the conduct of the mediation. Each Party shall submit a list of five (5) preferred mediators and the Parties shall reach mutual agreement as to the selection of the mediator. The mediation shall be held within sixty (60) calendar days after the receipt of the Dispute Notice. The Parties agree to mediate in good faith through authorized representatives attending the mediation sessions. If the dispute is not resolved through mediation, the mediation shall be terminated by a written declaration of the mediator that the dispute has not been resolved. No resolution of the dispute may occur unless and until the Governing Board of BCPS approves such resolution.

The costs of the mediation, including the fees and expenses of the mediator, shall be borne by the parties to the mediation in equal shares, each Party to this Agreement bearing the expense of its own counsel, experts, witnesses, and preparation and presentations at the mediation. The parties may, upon mutual written consent, agree to bypass the mediation process set forth in this Paragraph 2.17.4.

2.17.5 Arbitration: If the Parties are not able to resolve the dispute through negotiation or mediation, the dispute shall be resolved by final and binding arbitration. The arbitration shall be conducted by single arbitrator in accordance with the rules or guidelines of the American Arbitration Association. The arbitrator must be an active member of the Maryland State Bar or a retired judge of the state or federal judiciary of Maryland and must be mutually agreed upon by the Parties through the exchange of a list of five (5) preferred arbitrators by each Party. Arbitration shall be held within sixty (60) calendar days of the termination of mediation. Any arbitration shall be binding upon the parties. Confirmation and judgment upon the award rendered by the arbitrator(s) may be entered by any state or federal court having jurisdiction thereof.

Each Party shall bear its own costs and expenses associated with the arbitration. The arbitrator's fees and the administrative fees of the arbitration shall be shared equally among the parties.

2.17.6 Survivability: The parties agree that the duty to arbitrate disputes hereunder extends beyond the date of the expiration or termination of this Agreement, and beyond the date of the fulfillment of any repayment obligations of any Party hereunder.

2.17.7 Timing: Through mutual agreement, the above referenced timelines may be extended.
2.18 **No Partnership**

Nothing in this agreement is intended, or shall be deemed to constitute a partnership or joint venture between AdvancePath and BCPS. AdvancePath is an independent contractor. Neither Party has the authority to bind the other nor to incur any obligation on its behalf except as explicitly provided in this Agreement.

2.19 **Severability**

All of the clauses of this Agreement are distinct and severable, and if any clause shall be deemed illegal, void or unreasonable, it shall not affect the validity or legal enforceability of any other portion of this Agreement.

2.20 **Survival**

The confidentiality, indemnification, and dispute resolution obligations hereunder shall survive termination or expiration of this Agreement.

2.21 **Governing Law and Venue**

This Agreement is subject to and will be construed and interpreted under the laws of the State of Maryland. All lawsuits arising out of this Agreement must be filed in the appropriate state court located in Baltimore County, Maryland.

2.22 **Waiver of Jury Trial**

AdvancePath and Board hereby waive trial by jury in any action or proceeding to which the Board and/or AdvancePath are parties arising out of or in any way pertaining to this agreement. It is agreed and understood that this waiver constitutes a waiver of trial by jury of all claims against all parties to such actions or proceedings, including claims against parties who are not parties to this agreement. This waiver is knowingly, willingly and voluntarily made by the Board and AdvancePath and the Board and AdvancePath hereby represent and warrant that no representations of fact or opinion have been made by an individual to induce this waiver of trial by jury or to in any way modify or nullify its effect. The Board and AdvancePath further represent and warrant that they have been represented or have had the opportunity to be represented, in the signing of this agreement and in the making of this waiver by legal counsel, selected of their own free will, and that they have had the opportunity to discuss this waiver with counsel.

2.23 **Confidential Information/Proprietary Rights**

The term “confidential information” shall include all non-public documentation and information disclosed to AdvancePath in the course of performance of duties hereunder with respect to the past, present, and future Board operations, business and services. AdvancePath hereby agrees to maintain all such confidential information in trust and confidence and agrees not to disclose such information to any person, firm, corporation, or entity during or after the term of this Agreement. AdvancePath further agrees that all work product jointly generated between AdvancePath and BCPS as a result of this Agreement, for use solely under this agreement, shall be the sole and exclusive property of the Board. BCPS grants AdvancePath a world-wide, royalty-free, exclusive, perpetual, sublicenseable license to any such product. The District and Board agree that all
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intellectual property of AdvancePath that AdvancePath brings into the Academy and HSA-preparation program, or develops independent of the District or the Board, will remain the sole property of AdvancePath, free of any claims by the District or the Board.

2.24 Drug, Tobacco, and Alcohol

All BCPS properties are "drug, tobacco, and alcohol free zones" as designated by local and state laws. Neither AdvancePath nor any of its employees (or subcontractors) are permitted to have any drugs, tobacco, or alcohol products on school property. Use or possession of such items on school properties by AdvancePath or its employees will result in immediate termination of the contract. Upon termination of the contract under this provision, AdvancePath will be paid for all services performed to date but will not be paid for any lost profit or anticipated profits due to termination of the contract. AdvancePath will also be removed from all bids with BCPS for a period of time not to exceed two years and BCPS will provide an "unsatisfactory" reference when inquiries are made.

2.25 Conflict of Interest, Lobbying, and Ethics Review Panel

2.25.1 Conflict of Interest. AdvancePath represents and warrants that there exists no actual or potential conflict of interest between AdvancePath's performance under this Agreement and AdvancePath's engagement or involvement in any other personal or professional activities. In the event such conflict or potential conflict arises during the term of this Agreement, or any extension thereof, AdvancePath shall immediately advise the Board thereof.

2.25.2 In accordance with '15-811 through 15-815 of the State Government Article of the Annotated Code of Maryland, the Board of Education of Baltimore County has promulgated Ethics Policies which cover conflict of interest, financial disclosure and lobbying. All Contractors are expected to comply with any and all Board Ethics Policies that may apply to them individually or as a business entity.

2.25.3 All Contractors should review carefully the conflict of interest policies. Specific attention should be accorded to the Board Ethics Policies (Board Policy 8363) prohibiting Baltimore County Public Schools employees from benefiting from business with the school system.

2.25.4 All Contractors are placed on notice that all questions/interpretations concerning the Board Ethics Policies may be submitted to the Ethics Review Panel in accordance with Board Policy 8366.

2.26 Non-hiring of Employees by Contractor or BCPS

2.26.1 No employee of BCPS or any unit thereof, whose duties as such employee include matters relating to or affecting the subject matter of this contract, shall, while so employed, become or be an employee of the party or parties hereby contracting with BCPS or any unit thereof.

2.26.2 No employee of AdvancePath or any unit thereof, whose duties as such employee include matters relating to or affecting the subject matter of this contract, shall,
while so employed, become or be an employee of the party or parties hereby contracting with AdvancePath or any unit thereof.

2.27 Third Party Beneficiaries/Assignment

2.27.1 This Agreement shall bind AdvancePath and BCPS, their successors and assigns. There are no intended third party beneficiaries under this Agreement. Neither this Agreement, nor any of the duties required herein may be assigned without the written approval of the authorized representative of the other Party.

2.27.2 AdvancePath shall not assign or transfer their interest or obligation under this Agreement to any third party, without the prior written consent of the Board. Nothing herein shall be construed to create any personal or individual liability upon any employee, officer, elected official of the Board, nor shall this Agreement be construed to create any rights hereunder in any person or entity other than the parties to this Agreement.

2.28 Delegation of Duties

AdvancePath shall not delegate AdvancePath’s duties under this Agreement without prior written consent of the Board.

2.29 Integration

This Agreement sets forth the entire agreement between the parties relative to the subject matter hereof. No representation, promise or condition, whether oral or written, not incorporated herein shall be binding upon either party to this Agreement. No waiver, modification or amendment of the terms of this Agreement shall be effective unless made in writing and signed by an authorized representative(s) of the party sought to be bound thereby.

2.30 Fee Prohibition

AdvancePath warrants and represents that he/she has not employed or engaged any person or entity, other than full-time employees or consultants of AdvancePath, to solicit or secure this Agreement, and that he/she has not paid, or agreed to pay any person or entity, other than full-time employees or consultants of AdvancePath, a fee or any other consideration contingent on the making of this Agreement.

2.31 Nondiscrimination

AdvancePath agrees that it shall not unlawfully discriminate on the basis of race, color, religion, age, ancestry or national origin, sex, sexual orientation, physical or mental disability, marital status or veteran’s status with respect to employment opportunity or access to program pursuant to this Agreement.

2.32 Background Investigation

The Board in its sole discretion may require AdvancePath personnel to have a criminal background investigation, including fingerprints, before AdvancePath begins providing services under this Agreement. In the event the Board requires such an investigation, the
Board's investigator shall perform the investigation. AdvancePath will pay all fees for the investigation.

2.33 Child Sex Offender Notification

2.33.1 Maryland law requires certain child sex offenders to register with the local law enforcement agency. One of the purposes of this law, found in the Annotated Code of Maryland, Criminal Procedure, Article §11-709, is to inform school systems when a child sex offender is residing or working in the area. When the child sex offender registers, the local police are required to notify the Superintendent of Schools, and the Superintendent, in turn, is required to send a notice to school principals. In connection with this Agreement, Board requires that Contractor does not employ convicted child sex offenders to work on the Property.

2.33.2 To assist Contractor in identifying convicted child sex offenders, the Purchasing Office of the Board has the list of convicted child sex offenders, which Contractor is welcome to view. Board’s Office of School Security maintains this list and distributes updates to us as new offenders are identified.

2.34 Financial Disclosure

AdvancePath shall comply with the provisions of Section 13-221 of the State Finance and Procurement Article, Annotated Code of Maryland, which requires that every business that enters into contracts, leases or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate $100,000 or more, shall within 30 days of the time when the aggregate value of these contracts, leases or other agreements reached $100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

2.35 Political Contribution Disclosure

AdvancePath shall comply with the provisions of the Election Law Article §§14-104 through 14-108 of the Annotated Code of Maryland, which require that every person that enters into contracts, leases, or other agreements with the State of Maryland, including its agencies or a political subdivision of the State, during a calendar year under which the person receives in the aggregate $100,000 or more, shall file with the Secretary of State of Maryland certain specified information to include disclosure of political contributions in excess of $500 to a candidate for elective office in any primary or general election, as required by §14-104.

2.36 Retention of Records

AdvancePath shall retain and maintain all records and documents relating to this contract for three (3) years after final payment by BCPS hereunder or any applicable statute of limitations, whichever is longer, and shall make them available for inspection and audit by authorized representatives of BCPS or designed, at all reasonable times.
2.37 Compliance with Specifications

2.37.1 AdvancePath and BCPS shall abide by and comply with the true intent of the specifications and not take advantage of any unintentional error or omission, but shall fully complete every part as the true intent and meaning of the drawings and specifications as described.

2.37.2 Where the requirements of the laws, ordinances, etc., are mandatory, they shall govern.

2.37.3 In case of any apparent conflict between the specifications and such laws, ordinances, etc., AdvancePath shall call the attention of the applicable BCPS designee(s) to such conflict for a decision before proceeding with any work.

2.38 Liability for Loss of Data

In the event of loss of any data or record necessary for the performance of this Agreement where such loss is due to the sole gross negligence of AdvancePath, AdvancePath shall be responsible, irrespective of the cost to AdvancePath, for the re-creation of such lost data or records to the extent possible. BCPS shall be the sole judge as to whether the lost records have been re-created accurately and completely.

2.39 Delays, Extensions of Time

2.39.1 AdvancePath agrees to perform all work and provide all supplies or materials, in accordance with all the sections of this Agreement in a timely, continuous and diligent manner in order to comply with the time requirements set forth in this bid and/or the contract. AdvancePath acknowledges and agrees that the only party that may grant a legally binding time extension or agree to a substitution of products, materials, equipment and/or supplies is BCPS. Any and all time extensions and/or changes/substitutions of products, materials, equipment and/or supplies must be requested in writing by AdvancePath before the extension and/or change takes place and approved in writing by BCPS.

2.40 Annulments and Reservations

2.40.1 BCPS may conduct any necessary investigation to determine the ability of AdvancePath to perform the work, and AdvancePath shall furnish to BCPS all such information and data requested. BCPS reserves the right to reject any proposal if the evidence submitted by AdvancePath or investigation of such Contractor fails to satisfy BCPS that such Contractor is properly qualified to carry out the obligations of the Contract and to complete all stipulated requirements. Conditional proposals will not be accepted.

2.40.3 BCPS reserves the right to issue Blanket Purchase Orders to encumber, i.e. make available without obligating to spend, certain monies for Contractor's services. The Blanket Purchase Order dollar value does not in any way represent a guarantee of potential contracts, jobs, work assignments or monies during the course of the contract. The allocation of funds is at the discretion of BCPS.
2.41 Notice

All correspondence and notices hereunder shall be in writing and will be deemed to be delivered on the same day, if given and confirmed via facsimile transmission or electronic mail, the next day if by overnight courier, on the fifth (5th) day if by registered or certified mail, or upon receipt by regular mail.

2.41.1 Notice to AdvancePath shall be given to:

    AdvancePath Academies, Inc.
    460 Mc Laws Circle, Suite 110
    Williamsburg, VA 23185
    (757) 208-0900
    (757) 208-0910 (fax)
    cthompson@advancepath.com

       Attn: John Murray or Carl Thompson

2.41.2 Notice to BCPS shall be given to:

    BALTIMORE COUNTY PUBLIC SCHOOLS
    Office of Purchasing
    1940G. Greenspring Drive
    Timonium, MD 21093
    (410) 887-7820
    (410) 887-7831 (fax)
    rgay@bcps.org

       Attn: Richard Gay, Manager

2.42 Drafting

This Agreement was drafted equally by both AdvancePath and BCPS.

2.43 Attorney’s Fees

In any arbitration, litigation or other proceeding by which one Party either seeks to enforce its rights under this Agreement (whether in contract, tort, or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing Party shall be awarded reasonable attorney fees, together with any costs and expenses, to resolve the dispute and to enforce the final judgment.

2.44 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.
2.45 Headings

The headings in this Agreement are included principally for convenience and shall not by themselves affect the construction or interpretation of any provision in this Agreement, nor affect any of the rights or obligations of the parties to this Agreement.

2.46 Necessary Acts

The parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.

2.47 Severability

Should any part, term or provision of this Agreement be declared invalid, void, or unenforceable, all remaining parts, terms, and provisions hereof shall remain in full force and effect, and shall in no way be invalidated, impaired, or affected thereby.
IN WITNESS WHEREOF, the parties have agreed to the terms set forth herein and have set their hands to:

Accepted by:

AdvancePath Academies, Inc.

Signature Owner/Partner/Corporate Officer

[Signature]

Typed/Printed Name and Title

[Typed Name]

Date

[Date]

Accepted by:

BOARD OF EDUCATION OF BALTIMORE COUNTY

Joe A. Hairston
Superintendent of Schools
Baltimore County Public Schools

[Signature]

Donald L. Arnold
President
Board of Education of Baltimore County

APPROVED FOR LEGAL FORM AND SUFFICIENCY*
(Subject to Execution by a Duly Authorized Superintendent and President of the Board of Education of Baltimore County)

[Signature]

OFFICE OF LAW

*Approval of Legal Form and Sufficiency
Does not Convey Approval or Disapproval
Of the Substantive Nature of this Transaction.
Approval is Based Upon Typeset Document-
All Modifications Require Re-Approval.
# Delineation of Duties

<table>
<thead>
<tr>
<th>ADVANCEPath Duties</th>
<th>DISTRICT Duties</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INSTRUCTION</strong></td>
<td></td>
</tr>
<tr>
<td>Deploy Curriculum</td>
<td></td>
</tr>
<tr>
<td>• Provide a course of study that satisfies State and District requirements for</td>
<td>• Provide administrative review and input to AdvancePath regarding AdvancePath</td>
</tr>
<tr>
<td>a high school diploma</td>
<td>curriculum to ensure diploma requirements are satisfied</td>
</tr>
<tr>
<td>• Provide additional course offerings as needed to satisfy District-specific</td>
<td>• Facilitate and recommend appropriate District</td>
</tr>
<tr>
<td>diploma requirements</td>
<td>approval of additions to District’s course</td>
</tr>
<tr>
<td>• Utilize adaptive learning technology, supplemented by small group instruction</td>
<td>outlines to accommodate AdvancePath</td>
</tr>
<tr>
<td>and off-line self-paced course work as primary</td>
<td>instructional alignment with District courses if needed</td>
</tr>
<tr>
<td>instructional approach</td>
<td>• Provide access to District graduation ceremonies</td>
</tr>
<tr>
<td>• Provide coursework and instruction to assist students working below grade</td>
<td></td>
</tr>
<tr>
<td>level</td>
<td></td>
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<tr>
<td>• Provide for all fulltime Academy students a schedule of instruction that</td>
<td></td>
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<tr>
<td>demonstrates each student is scheduled for instruction for at least 8</td>
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</tr>
<tr>
<td>semester credits (equivalent to four (4) year-long course credits) for the</td>
<td></td>
</tr>
<tr>
<td>school year</td>
<td></td>
</tr>
<tr>
<td>Procure Curriculum Materials</td>
<td></td>
</tr>
<tr>
<td>• Purchase any and all required software licenses for online curriculum</td>
<td>• Lend text books upon request of AdvancePath and if available in District</td>
</tr>
<tr>
<td>• Procure any necessary curricular materials (core and supplemental) as</td>
<td></td>
</tr>
<tr>
<td>determined by AdvancePath</td>
<td></td>
</tr>
<tr>
<td>• If available, use additional text books on loan from the District. Return</td>
<td></td>
</tr>
<tr>
<td>any text books received on loan from the District. Reimburse the District on</td>
<td></td>
</tr>
<tr>
<td>an as-needed basis for any text book lent to AdvancePath by the District used</td>
<td></td>
</tr>
<tr>
<td>by student in Academy and not returned to District</td>
<td></td>
</tr>
<tr>
<td>Administer Professional Development</td>
<td>ADVANCEPATH DUTIES</td>
</tr>
<tr>
<td>-----------------------------------</td>
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</tr>
<tr>
<td></td>
<td>Train and provide ongoing professional development for any personnel working in the Academy as follows:</td>
</tr>
</tbody>
</table>
|                                   | • Train teachers and clerical staff on Academy culture  
  • AdvancePath philosophy  
  • Academy staff team building  
  • Student needs training  
  • Train teachers and clerical staff on student recruitment and retention  
  • Case load management  
  • Outreach techniques  
  • Train teachers on instructional processes  
  • Curricular program  
  • Student assessment and evaluation  
  • Learning Management System ("LMS") training  
  • Supplemental course work training  
  • Train teachers and clerical staff on Academy administrative processes  
  • Intake / exit  
  • Record keeping / attendance reporting  
  • District Workplace guidelines  
  • Legal requirements  
  • Student discipline  
  • Health and Safety policies and procedures | • Provide ready access to all District and school site policies, procedures, forms and guidelines |
<p>|                                   |                     | • Notify AdvancePath of District and host school site professional development opportunities and make such opportunities available for Academy personnel if appropriate |
|                                   |                     | • Provide Academy teachers specific training on &quot;Maryland's Tomorrow&quot; skills and curriculum as needed |</p>
<table>
<thead>
<tr>
<th>Implement Student Performance Assessments</th>
<th><strong>ADVANCEPATH DUTIES</strong></th>
<th><strong>DISTRICT DUTIES</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Follow District assessment calendar and procedures for administration of all required State and County assessments</td>
<td>• Provide student and teacher materials and requisite handling processes for required State and District assessments</td>
</tr>
<tr>
<td></td>
<td>• Perform course-specific assessments of student mastery</td>
<td>• Coordinate District and State mandated assessments with Academy staff</td>
</tr>
<tr>
<td></td>
<td>• Regularly evaluate student progress towards proficiency of State standards and skills</td>
<td>• Provide AdvancePath copies of end-of-course exams for Academy personnel to administer to Academy students. These exams must be ready at the start of the school year for students completing courses mid-year.</td>
</tr>
<tr>
<td></td>
<td>• Provide regular progress reports to students and families</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Administer district-authored end-of-course exams to students completing associated courses in the Academy</td>
<td></td>
</tr>
<tr>
<td>Legal Compliance</td>
<td>Run academic program in compliance with State and Federal law.</td>
<td>Take any and all actions to ensure full funding for AdvancePath students, including but not limited to, oversight to ensure compliance with instructional minute and credit requirements prescribed by state law.</td>
</tr>
<tr>
<td>Implement Categorical Programmatic Requirements</td>
<td>Run academic program in compliance with programmatic categorical requirements including but not limited the following:</td>
<td><strong>English Learners</strong></td>
</tr>
<tr>
<td></td>
<td><strong>English Language Learners</strong></td>
<td>• Administer any English Language Development Tests as required by state law</td>
</tr>
<tr>
<td></td>
<td>• Ensure that at least one member of the instructional team is qualified to provide instruction to English Language Learners</td>
<td><strong>Gifted &amp; Talented</strong></td>
</tr>
<tr>
<td></td>
<td>• Ensure Academy Curriculum supports any applicable requirements related to English Language Learners</td>
<td>• Not applicable</td>
</tr>
<tr>
<td></td>
<td>• Coordinate with the Office of World Languages for language evaluation services of any students enrolling who may require evaluation</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Gifted &amp; Talented</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Provide qualitatively different coursework for students qualifying as gifted and talented</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Special Education</th>
<th><strong>ADVANCEPATH DUTIES</strong></th>
<th>Special education</th>
<th><strong>DISTRICT DUTIES</strong></th>
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</thead>
<tbody>
<tr>
<td></td>
<td><strong>Special education</strong></td>
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<tr>
<td></td>
<td>• Provide accommodations required by a student’s Individualized Education Program (“IEP”) and the Individuals with Disabilities in Education Improvement Act of 2004 (“IDEIA”) and Education Code requirements (“applicable law”)</td>
<td></td>
<td>• Provide any and all related services as required by a student’s IEP and under applicable law</td>
</tr>
<tr>
<td></td>
<td>• Conduct child find procedures in accordance with the IDEIA and District and Special Education Local Plan Area (“SELPA”) policy</td>
<td></td>
<td>• Conduct any and all assessments as required by and in accordance with applicable law</td>
</tr>
<tr>
<td></td>
<td>• Review all incoming student IEPs and ensure all teachers and staff are aware of required modifications or accommodations.</td>
<td></td>
<td>• Facilitate and conduct all IEP team meetings as required by law</td>
</tr>
<tr>
<td></td>
<td>• Refer students to the District for assessment or services as required under applicable law.</td>
<td></td>
<td>• Facilitate and conduct a transition or addendum IEP meeting for all students with an active IEP upon enrollment in the Academy</td>
</tr>
<tr>
<td></td>
<td>• Provide teacher for IEP meetings as scheduled by the District</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>• Maintain ongoing communication with the District regarding progress of students identified under the IDEIA toward meeting the goals and objectives of the IEP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACADEMY OPERATIONS</td>
<td>ADVANCEPath Duties</td>
<td>DISTRICT Duties</td>
<td></td>
</tr>
<tr>
<td>---------------------</td>
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</tr>
<tr>
<td>Select Site</td>
<td>• Provide guidance to the District on site requirements and specifications (e.g., capacity requirements, electrical, network bandwidth, etc.)</td>
<td>• For the initial site, provide facility with adequate space to simultaneously house at least sixty (60) students, four (4) teachers, one (1) instructional aide, and one (1) clerical staff – roughly 3000 square feet of continuous space</td>
<td></td>
</tr>
</tbody>
</table>
| Academy branding    | • The Academy will be named, “Maryland’s Tomorrow – AdvancePath Academy”  
• All public correspondence will use the District’s and AdvancePath’s logos  
• District has the right to use the name for media and school-related publications | • Ensure facility has separate entrance from main campus for “after-school” access and use  
• Ensure facility includes access to restrooms (either on-site or in close proximity)  
• Ensure facility meets AdvancePath guidelines for site requirements and specifications (e.g., HVAC, phone lines, electrical capacity, network bandwidth capacity, etc.)  
• Ensure facility meets all health and safety and applicable legal requirements in a manner equivalent to the rest of the District |
<table>
<thead>
<tr>
<th>Upgrade Site Facilities</th>
<th><strong>ADVANCEPath Duties</strong></th>
<th><strong>DISTRICT Duties</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Provide timeline for upgrade implementation necessary to meet Academy launch date</td>
<td>• If facility does not meet AdvancePath requirements for electricity, lighting, phone, network, security, then District will be responsible for the cost and execution of required upgrades. For example:</td>
</tr>
<tr>
<td></td>
<td>• Provide capital to purchase required materials and labor for interior aesthetic upgrades (carpet, paint, signage), subject to District approval.</td>
<td>- Upgrade in-Academy HVAC, electricity, and lighting infrastructure</td>
</tr>
<tr>
<td></td>
<td>• Make a written request to the District prior to making any alterations to District facilities or property.</td>
<td>- Adequate HVAC capacity to ensure the safe and comfortable operation of 50-60 computers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Adequate number of circuits, voltage, and outlets to run student, teacher, and clerical workstations and peripheral technology equipment including, copier, printers, fax, etc.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Adequate lighting for evening hours</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Upgrade in-Academy Information Technology (&quot;IT&quot;) and phone network infrastructure</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Adequate number of ports to service all student, teacher, and clerical workstations</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Minimum Internet Service Provider (&quot;ISP&quot;) bandwidth requirements of 1.544Mbps (to support Voice Over Internet Protocol (&quot;VOIP&quot;), the LMS, curricular courseware, and SIS applications)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Ethernet for LAN</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Upgrade in-Academy security infrastructure – commensurate with other computers labs in the District</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Adequate number of phone lines with voicemail run through district PBX (6 lines + separate security line)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Adhere to timeline for upgrade implementation necessary to meet Academy launch date - as provided by AdvancePath</td>
</tr>
<tr>
<td>Define operational workflow</td>
<td>ADVANCEPATH DUTIES</td>
<td>DISTRICT DUTIES</td>
</tr>
<tr>
<td>----------------------------</td>
<td>-------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td></td>
<td>Management Information Systems (&quot;MIS&quot;) Services</td>
<td>Management Information System (&quot;MIS&quot;) Services</td>
</tr>
<tr>
<td></td>
<td>• Provision of computer workstations for students, teachers, and clerical staff</td>
<td>• Provide MIS support as it relates to District infrastructure / ISP (&quot;Internet Service Provider&quot;) troubleshooting</td>
</tr>
<tr>
<td></td>
<td>• Provision of peripheral IT equipment, including phones, fax machines, copiers, printers, scanners, camera (for photo identification card), time clock, overhead projector, etc.</td>
<td>• Provide Academy access to District SIS (i.e., on-site terminal in the Academy)</td>
</tr>
<tr>
<td></td>
<td>• Provide MIS support as it relates to in-Academy infrastructure troubleshooting – provisioned through outsourced service provider</td>
<td>• Train AdvancePath clerical staff on the use of District SIS</td>
</tr>
<tr>
<td></td>
<td>• Maintain online learning system in partnership with the LMS provider</td>
<td>• Create separate &quot;school code&quot; for Academy in District SIS for AdvancePath to track unique student information</td>
</tr>
<tr>
<td></td>
<td>• Ensure that Academy personnel input grades and transcripts into the District’s Student Information System</td>
<td>Non-MIS Services</td>
</tr>
<tr>
<td>Non-MIS Services</td>
<td>• Not applicable</td>
<td>• Provide custodial services commensurate with existing host-school site services (e.g., trash removal)</td>
</tr>
<tr>
<td>Student Meal Services</td>
<td>• Generate list of required “carry out” or “box” lunches for Free and Reduced-Price Meal (&quot;FRPM&quot;) qualified students</td>
<td>• Provide security services commensurate with existing District computer labs</td>
</tr>
<tr>
<td></td>
<td>• Facilitate on-site “carry out” lunch delivery for FRPM-qualified students</td>
<td>• Provide utilities services including phone with long distance / electricity / water / heat / gas / garbage, internet</td>
</tr>
<tr>
<td>District Procedures and Operations</td>
<td>• Generally maintain operational guidelines consistent with District and host school site policies and procedures</td>
<td>Student Meal Services</td>
</tr>
<tr>
<td></td>
<td>• Comply with District’s discipline policies and procedures</td>
<td>• Provide FRPM &quot;carry out&quot; or &quot;box&quot; lunches according to Academy student needs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>District Procedures and Operations</td>
</tr>
<tr>
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<td></td>
<td>• For purposes of information, District designee (e.g., school site administrator) will update and advise Academy staff on all material changes to District and school policies</td>
</tr>
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<td>• School site administrator or designee will respond to serious on-site safety concerns (e.g., firearms)</td>
</tr>
<tr>
<td><strong>Provision Site</strong></td>
<td><strong>ADVANCEPath Duties</strong></td>
<td><strong>DISTRICT Duties</strong></td>
</tr>
<tr>
<td>-------------------</td>
<td>------------------------</td>
<td>-------------------</td>
</tr>
<tr>
<td></td>
<td>• Provision of furniture, including all desks, tables, chairs, file cabinets, wall partitions, shelving, book cases, bulletin boards, white boards, etc.</td>
<td>• Not applicable</td>
</tr>
<tr>
<td></td>
<td>• Provision of office supplies, including paper, pens, pencils, notebooks, printer cartridges, etc.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Provide and provision kitchenette set-up, likely to include water cooler, refrigerator, and microwave</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Provide labor required for the installation and maintenance of all of the afore-mentioned items in this section</td>
<td></td>
</tr>
</tbody>
</table>
| **Define standards for student conduct** | • Review and adopt District guidelines for:  
  — Acceptable student behavior (e.g., with respect to violence, drugs, profanity, etc.)  
  — Consequences of inappropriate behavior  
  — Due process rights for students at the Academy  
  • With district support and guidance, define safety and security provisions (e.g., process for disciplinary escalation)  
  • Ensure students sign an “acceptable use” policy form for network and Internet access  
  • Assume administrative responsibility for all normal day-to-day disciplinary actions (e.g., call to parent / guardian)  
  • Provide assistance to the District in processing suspensions and expulsions | • Provide guidance to AdvancePath regarding student discipline.  
• Process student suspensions and expulsions if an expulsion is recommended by AdvancePath. |
<table>
<thead>
<tr>
<th>ADVANCEPath DUTIES</th>
<th>DISTRICT DUTIES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reporting</strong></td>
<td>Provide regular performance data of Academy students such as:</td>
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<tr>
<td></td>
<td>- Number of credits attempted and completed</td>
</tr>
<tr>
<td></td>
<td>- Number of students that attempt and pass each HSA assessment</td>
</tr>
<tr>
<td></td>
<td>- Number of students who have tested at &quot;basic&quot; on the MSA and their subsequent scores on the MSA</td>
</tr>
<tr>
<td></td>
<td>- Growth in math and reading levels as measured by the computer-adaptive assessments used in the Academy</td>
</tr>
<tr>
<td></td>
<td>Provide access to historical student data including MSA and HSA results</td>
</tr>
<tr>
<td><strong>HUMAN RESOURCES</strong></td>
<td>Provide AdvancePath with copies of negotiated collective bargaining agreements (if applicable) for certificated employees and classified employees</td>
</tr>
<tr>
<td>Create and Post In-Academy</td>
<td>Provide job descriptions for District posting, including special requirements if applicable for certificated employees and classified employees</td>
</tr>
<tr>
<td>Job Descriptions</td>
<td>Provide specific workday and workplace criteria for certificated employees. Align classified responsibilities with existing approved job descriptions for merit classified districts</td>
</tr>
<tr>
<td></td>
<td>Coordinate Academy workday rules with District agreements with regard to compensation, hours of operation and instructional and non-instructional time requirements</td>
</tr>
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<td></td>
<td>Provide sample side agreement and consult with the District regarding side agreements if requested</td>
</tr>
<tr>
<td></td>
<td>Provide writing sample prompt and interview questions for interview/application process</td>
</tr>
<tr>
<td></td>
<td>Post job listings on behalf of AdvancePath for certificated employees and classified employees</td>
</tr>
<tr>
<td></td>
<td>Provide annotated list of eligible certificated and classified candidates</td>
</tr>
<tr>
<td></td>
<td>Negotiate side letter agreement with certificated or classified unit if needed</td>
</tr>
<tr>
<td><strong>Hire and Manage In-Academy</strong></td>
<td>Collaborate with AdvancePath to paper screen:</td>
</tr>
<tr>
<td>Staff</td>
<td>- Certificated employees</td>
</tr>
<tr>
<td></td>
<td>- Classified employees</td>
</tr>
<tr>
<td></td>
<td>Provide HR consultation regarding eligible pool candidates prior to interviews</td>
</tr>
<tr>
<td></td>
<td>Qualify highest probability potential candidates with</td>
</tr>
<tr>
<td><strong>ADVANCEPATH DUTIES</strong></td>
<td><strong>DISTRICT DUTIES</strong></td>
</tr>
<tr>
<td>------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>into classified or certificated positions. AdvancePath reserves the right to solicit external hires. Any external hires will be subject to the District’s standard fingerprint, Tuberculosis, and background checks. • With district involvement, support, and guidance, ensure hiring and employment practices meet NCLB credentialing standards for alternative education programs • In consultation with the host school site administrator or designee from the school site where the Academy will be located, AdvancePath will participate in the mutual selection of qualified candidates for both certificated and classified positions. • Manage day-to-day supervision of all Academy personnel (instruction and support services) • Assist all Academy personnel in meeting performance targets in this unique program. • Provide input to the school site administrator who is responsible for Academy personnel evaluations • Discuss employee performance concerns with District personnel and recommend alternative placement of employees. • Use the District pay schedule for classified and certificated employees. Provide supplemental/stipend pay for additional responsibilities in accordance with the existing collective bargaining agreement.</td>
<td>the District’s standard fingerprinting, TB, and background check • Ensure District approval to hire personnel selected by AdvancePath as District employees • Maintain personnel files on District employees working in AdvancePath Academy • Process payroll for District employees working in AdvancePath Academy • Facilitate out-of-cycle hiring for all Academy personnel commensurate with student ramp — Need may be served with qualified substitutes until beginning of next hiring term • Administrator or designee from the host school site will perform required Academy personnel evaluation with input from AdvancePath — Certificated employees — Classified employees • Serve as employer of record for District personnel working in the Academy. • Take any necessary employment action</td>
</tr>
<tr>
<td><strong>Student Recruitment</strong></td>
<td><strong>ADVANCE PATH DUTIES</strong></td>
</tr>
<tr>
<td>-------------------------</td>
<td>--------------------------</td>
</tr>
</tbody>
</table>
| Implement dropout       | • Train Academy personnel to manage student attendance “case-load” (e.g., via student advisement, door-to-door house calls, etc.)  
| acquisition/retention   | • Provide and manage resources (personnel and financial) for external marketing efforts as appropriate  
| initiatives             |   - Local advertising and direct mailing  
|                         |   - Distribution of AdvancePath marketing collateral  
|                         | • Provide and manage resources to engage community-based organizations (“CBOs”) (e.g., post-secondary educational institutions, employers, social / political institutions)  
|                         | • Implement student incentives to encourage student-to-student referrals / retention  
|                         | • In instances where a student is better suited for alternative program, AdvancePath can recommend and help facilitate student transition into that program (e.g., return to the comprehensive high school)  
|                         | • AdvancePath will not solicit students currently enrolled in a District program without approval of program supervisor.  
|                         | • With district support, articulate process and guidelines for enrolling Special Education Students into the program  
|                         | • Work students identified through the District’s “Maryland’s Tomorrow” program  
|                         | • To the extent allowable by law, provide AdvancePath with up-to-date dropout and enrollment information, including name, age, contact information, drop code, demographic information, parent/guardian information, enrollment history, IEP designation (if applicable), coursework completed, etc.  
|                         | • Provide AdvancePath with access to personnel coordinating current District outreach efforts  
|                         | • Provide District support in identifying key community agencies  
|                         | • If the District wants to make a direct referral of an enrolled student to the Academy, the School site administrator or designee will recommend to AdvancePath a list of currently enrolled at-risk students who may be eligible for the AdvancePath program and will consult with AdvancePath on intake  
|                         | • Articulate process and guidelines for enrolling current District students in the AdvancePath program (AdvancePath can provide starting framework)  
|                         | • Work with AdvancePath and Academy staff to ensure optimal student placement either in the Academy or other district program  
|                         | • Refer students to the Academy from the District’s “Maryland’s Tomorrow” program – with an anticipated initial enrollment of at least one hundred twenty (120) students (e.g., 60 students for the morning session and 60 students for the evening session).  

| **Transportation**      | **•**                        | **•** |
|                         |                            | District will provide morning, midday, and afternoon transportation runs for students from the neighborhood to the Academy site.  
<p>|                         |                            | Provision of evening transportation will be determined |</p>
<table>
<thead>
<tr>
<th><strong>Supplemental HSA-preparation program</strong></th>
<th><strong>AdvancePath Duties</strong></th>
<th><strong>District Duties</strong></th>
</tr>
</thead>
</table>
| The HSA-prep program is an add-on component to the Academy and operates outside of the core operations of the Academy. | - Provide training to designated Chesapeake teachers who will monitor and oversee student work outside of the Academy.  
- Provide use of the Academy for HSA-prep students for pre- and post-diagnostic assessments. HSA-prep students will participate in the majority of the program after school using Chesapeake High School computer labs staffed by the Chesapeake teachers.  
- Provide these students the curricular materials and electronic logins to the computer-based courseware so that students can access the program from outside of the Academy.  
- Monitor the overall pace of student progress and provide support to the Chesapeake teachers managing the HSA-prep students outside of the Academy.  
- Run the HSA-prep program three times per year coinciding with each administration of the HSA (e.g., January, May, and summer). The program will run after school for approximately 8-10 weeks prior to each test administration.  
- Provide this program for up to 75 students per test subject per year. With four different tests (Algebra I, biology, English, and US Government), the program could serve up to 300 students across the four HSA tests each year. | - Provide teachers from Chesapeake high school who will run and support students enrolled in the HSA-preparation program  
- Pay for all salaries, benefits, and stipends for non-Academy staff members associated with the HSA-prep program  
- Provide release-time for staff to receive training and support by AdvancePath  
- Provide computer labs in the host high school for HSA-prep students with the necessary technical and network specifications to run the web-based courseware  
- Identify students for the HSA-prep program |
AdvancePath Academy Contract - Appendix B

This Appendix articulates the fee structure for AdvancePath services provided to the District for the school fiscal year running from July 1, 2007 to June 30, 2008.

<table>
<thead>
<tr>
<th>Fee per Day of Student Attendance (July 1, 2007 – June 30, 2008)</th>
<th>Fee for HSA-preparation Program (July 1, 2007 – June 30, 2008)</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Gross Daily Rate” is equal to $33.99 per student per day. A 5% fee (equivalent to $1.70 per student per day for both District assigned and AdvancePath recovered students) for facilities provision and back office administrative support provided to AdvancePath by the District and Academy Staffing costs of $11.69 per student per day will be withheld by the District, resulting in a “Net Daily Rate” due to AdvancePath from the District equal to $20.60 per student per day</td>
<td>$125,000.00 minimum for the first 300 students $416.67 per student above 300 students</td>
</tr>
</tbody>
</table>

Definition of “Day of Student Attendance”:
As used in this Appendix and solely for purposes of determining the amount of money due to AdvancePath by the District, a “Day of Student Attendance” is, for a given student, limited to one of the following definitions:

1. For a student engaged in a “seat time model” of instruction (alternatively known as an “attendance” or “ADA” model), a “day of attendance” is earned when that student attends the Academy on a day that the Academy is in operation and engages in instructional activities planned for no fewer than 4 (four) hours as required by the Academy.

2. For a student engaged in an “independent study model” of instruction a “day of attendance” is earned when that student completes no fewer than 4 (four) hours of work in response to an Academy assignment as determined by the student’s credentialed supervising teacher.

Fees for the HSA-preparation program
As described in Appendix A, the HSA-preparation program will be provided to students outside of the fulltime Academy students at the host high school (e.g., Chesapeake High School). There are four test preparation strands organized by subject area of the HSA: algebra I, English, biology, and government with 75 student slots for each subject area (300 minimum total student-slots). A student-slot is defined as a single student enrolled in one subject. If the same student were to take the HSA-preparation program for two subjects, that equates to two student-slots.

The district can re-allocate the slots to the subjects of highest need within the minimum 300 slots, for no additional charge. For any slots above the minimum 300, the district will pay an additional fee of $416.67 per student-slot.

[AdvancePath Academy Contract- Appendix B - Final 3.12.07.doc]
Each year of the 5-year contract, the daily rate will be negotiated using actual salary and costs.

Quarterly the Academy Path Sharing Reconciliation with BCPs is set payment aligned according to the attendance of the student subject to the Academy metrics specified above and 300 students for the HSA-Preparation Program.

A total annual payment by the District to AdvancePath of $769,776 for the Academy and the HSA-Preparation Program.

Annual payment by the District to AdvancePath of $1,250,000 (E) for the HSA-Preparation Program (300 students)

Annual payment by the District to AdvancePath for each Academy of $632,776 D = A-B-C

Annual Academy starting costs to be withheld by the District will be $362,922 C = $101,69 x 180 x 80% x 215

Annual Academy and back office support fees to be withheld by the District will be $326,32 [B = $170 x 180 x 80% x 215]

Annual student revenue recognizable by AdvancePath will be $1,022,300 [A = $333 x 99 x 180 x 80% x 215]

The following represents how the annual contract revenue and district expenditures will flow per year. The base of Academy student capacity of 180 students and an average daily student attendance rate of 80% for 215 school days.

Example: Annual Contract District Expenditure Calculation
**ACORD Certificate of Liability Insurance**

**Client #: 1395239**  
**3SADVANACA**

**PRODUCER**  
BB&T Insurance Services, Inc.  
2108 W. Laburnum Ave Suite 300  
PO Box 17370  
Richmond, VA 23227

**INSURED**  
AdvancePath Academics Inc  
4125 Ironbound Road, Suite 201  
Williamsburg, VA 23188

**INSURER A:** Hartford Fire Insurance Company  
19682

**INSURER B:** Hartford Casualty Insurance Com  
29424

**INSURER C:** Pacific Insurance Company, Ltd  
10048

**CERTIFICATE NUMBER:**  
**09/20/2016**  
**09/20/2017**  

<table>
<thead>
<tr>
<th>TYPE OF INSURANCE</th>
<th>ADDITIONAL LIMITS</th>
<th>POLICY NUMBER</th>
<th>POLICY EFF</th>
<th>POLICY EXP</th>
<th>LIMITS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A</strong> COMMERCIAL GENERAL LIABILITY</td>
<td>CLAIMS MADE</td>
<td>X OCCUR</td>
<td>14UUNL2547</td>
<td>09/20/2016</td>
<td>09/20/2017</td>
</tr>
<tr>
<td></td>
<td>GET AGGREGATE LIMIT APPLIES PER</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>POLICY</td>
<td>PROJ</td>
<td>LOC</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>A</strong> AUTOMOBILE LIABILITY</td>
<td>ANY AUTO</td>
<td>SCHEDULED AUTOS</td>
<td>X NO-OWNED AUTOS</td>
<td>14UUNL2547</td>
<td>09/20/2016</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>B</strong> UMBRELLA LIABILITY</td>
<td>X OCCUR</td>
<td>CLAIMS MADE</td>
<td>14RHUN7333K3</td>
<td>09/20/2016</td>
<td>09/20/2017</td>
</tr>
<tr>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>C</strong> Professional Liability</td>
<td></td>
<td></td>
<td>14PG0266100</td>
<td>09/20/2016</td>
<td>09/20/2017</td>
</tr>
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</tbody>
</table>

**COVERAGE**  
This is to certify that the policies of insurance listed below have been issued to the insured named above for the policy period indicated. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies. Limits shown may have been reduced by paid claims.

**DATE (MM/DD/YYYY):**  
09/20/2016

**CERTIFICATE HOLDER:**  
Baltimore County Public Schools  
Attn: Patricia Onheiser  
Purchasing/Contracting Assistant  
6001 Charles Street, Bldg E  
Towson, MD 21204

**CANCELLATION:**  
Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions.

**AUTHORIZED REPRESENTATIVE:**  
Melinda M Campbell

**© 1988-2014 ACORD CORPORATION. All rights reserved.**
ScholarCentric
Board of Education of Baltimore County is included as Additional Insured with respect to General Liability Coverage.
August 31, 2009

Mr. Carl Thompson  
AdvancePath Academics, Inc  
460 McLaws Circle Suite 110  
Williamsburg, VA 23185

Dear Mr. Thompson:

I have enclosed two copies of the partially executed Amendment #1 to contract #RGA-120-07.

Please have both copies signed and return one fully executed original Amendment to me at the address below.

Also, I need you to send to me a current certificate of insurance along with the signed contract amendment. Please make sure the Board of Education of Baltimore County is listed as additional insured on the certificate.

If you have any questions regarding the above, please contact me at:

1940 G. Greenspring Drive  
Timonium, MD 21093  
Phone: 410-887-4334  
Fax: 410-887-7831  
Email: ponheiser@bcps.org

Sincerely,

Patricia Onheiser  
Patricia Onheiser, Contracting Assistant  
Office of Purchasing

c: Contract File
Amendment #1
Between AdvancePath Academies, Inc. (AdvancePath) and
The Board of Education of Baltimore County
On Behalf of Baltimore County Public Schools (BCPS)
CONTRACT #RGA-120-07

This contract amendment is by and between AdvancePath Academies, Inc. ("AdvancePath") and the Board of Education of Baltimore County on behalf of BALTIMORE COUNTY PUBLIC SCHOOLS ("BCPS"), (collectively the "Parties") to outline the duties of each Party in the creation of a second innovative "school within a school" as an alternative educational solution for out-of-school and at-risk youth within the BCPS system. In accordance with paragraph 2.2 Amendments of the contract, "Any modification of this Agreement must be in writing and executed by duly authorized representatives of both Parties specifically indicating the intent of the parties to modify this Agreement." Subsequently in accordance with paragraph 2.1, "The terms and conditions set forth in Contract # RGA-120-07, and the terms and conditions set forth in this Agreement are incorporated. In the event of conflict, the terms and conditions of Contract # RGA-120-07 shall govern.

WHEREAS AdvancePath and BCPS are parties to a contract (#RGA-120-07) under which AdvancePath operates an AdvancePath Academy for BCPS at its Chesapeake High School.

NOW THEREFORE AdvancePath and BCPS agree as follows:

1. AdvancePath will establish and operate a second Academy at Dundalk High School which, unless specified below, will operate under the same terms as the existing AdvancePath/BCPS Contract (#RGA-120-07) including that the termination/renewal date of the Dundalk - AdvancePath Academy shall be the same as the current termination/renewal date for the Chesapeake - AdvancePath Academy:

   a. The Dundalk - AdvancePath Academy will initially be located in temporary accommodations until the new Dundalk High School is completed. It is expected that the new facility, including the final AdvancePath Academy facility will be available within two years from the execution of this amendment. Once the new facility is ready AdvancePath will, at its cost, relocate all of the temporary Academy’s furniture, equipment and supplies to the new facility.

   b. The Dundalk - AdvancePath Academy will initially operate afternoon and evening shifts only with the morning shift being added by mutual agreement between AdvancePath and BCPS with the target morning shift start date being between January, 2010 and August, 2010 if funding is secured in the operating budget process for FY 11.

   c. The Net Daily Rate per Student of $20.60 specified in Appendix B of Contract #RGA-120-07 will be adjusted to $22.54 per day which will be inclusive of SHA Preparation services being integrated by AdvancePath into the curriculum for all Dundalk - AdvancePath Academy students.

   d. The maximum number of students to be accommodated at the Chesapeake and Dundalk - AdvancePath Academies under, and through the term of, the existing contract (#RGA-120-07) and this amendment, without additional contract price increase, shall be 190 comprised as follows:

      i. Chesapeake - 80
      ii. Dundalk - 80
      iii. Floating - 30
2. BCPS will provide sufficient power and internet ready facilities (between 2,400 and 3,000 square feet) at the current Dundalk High School to AdvancePath such that approximately 50 students can be accommodated per shift. In the new High School, once completed, this will be approximately 3,000-4,000 square feet.

3. Duties Regarding Property/Facilities

   a. Use of Facilities

      BCPS agrees to allow AdvancePath to use the facilities at one school site to be determined by BCPS. Any future use of additional facilities at other school sites shall be based upon the written consent of BCPS.

   b. Maintenance of Property/Facilities

      AdvancePath shall maintain the facilities provided to it in good repair. AdvancePath may not demolish, remove, replace, relocate, reconstruct, or add to any school facility, or modify or change the contour or grade of the school site. No structures, improvements, alterations or other facilities may be constructed, erected, or made on, or within, the school site by AdvancePath without the prior written consent of BCPS.

   c. Prohibited Uses

      AdvancePath shall not improve, used or occupy violation of any valid law, County, or Local Government rules, policies, and regulations.

4. AdvancePath will, at its sole discretion, select and approve the design, carpeting, furnishings, technology, the Chesapeake-AdvancePath Academy.

5. BCPS will provide and cover a. full-time, for each shift, afternoon and evening.

6. The Academy staff will be ma: the Chesapeake-AdvancePath Aca.ade

7. The Dundalk - AdvancePath Academy will launch at the end of August, 2009 for afternoon and evening in readiness for the 2009-2010 school year.
THE PARTIES agree to meet within 30 days of the execution of this amendment to formulate a detailed plan to launch the Dundalk - AdvancePath Academy.

Accepted By APA
Name: __________________________
Position: ________________________
Signature: _______________________
Date: __________________________

Agreed To BCPS
Name: Richard L. Gay
Position: Manager, Office of Purchasing
Signature: _______________________
Date: 8/27/09
CONTRACT AMENDMENT NUMBER 1
BETWEEN ADVANCEPATH ACADEMICS
AND
BALTIMORE COUNTY PUBLIC SCHOOLS
CONTRACT #RGA-120-07-02

THE ADDITION OF TWO ADVANCEPATH ACADEMIES - ONE AT WOODLAWN HIGH SCHOOL AND THE OTHER AT OVERLEA HIGH SCHOOL

WHEREAS, AdvancePath Academics, Inc. ("AdvancePath") and the Board of Education of Baltimore County on behalf of BALTIMORE COUNTY PUBLIC SCHOOLS ("BCPS"), (collectively the "Parties") have entered into an agreement (contract #RGA-120-07-02 dated May 5th, 2012) to continue to operate two existing AdvancePath Academies at Chesapeake High School and Dundalk High School.

WHEREAS, BCPS now desires to add two additional AdvancePath Academies, one at Woodlawn High School and the other at Overlea High School.

WHEREAS, the Woodlawn Academy is scheduled to become operational on August 27th, 2012 and the Overlea Academy is expected to become operational at a mutually agreeable date as soon as possible thereafter.

WHEREAS, BCPS has informed AdvancePath of the possible need to add additional Academies at later dates, at the sole discretion of BCPS.

NOW, THEREFORE, BE IT RESOLVED, that unless otherwise specified in Exhibit A hereto (updated Academy Contract Appendix B) all other terms of Contract #RGA-120-07-02 will remain in effect and will apply to the new Academies at Woodlawn and Overlea High Schools.

Signature Page Attached
IN WITNESS WHEREOF, the parties have agreed to the terms set forth herein and have set their hands to:

Accepted by:

ADVANCEPATH ACADEMICS, INC.

[Signature]

John Murray
Chief Executive Officer

Date: 11/5/12

Accepted by:

BOARD OF EDUCATION OF BALTIMORE COUNTY

[Signature]

S. Dallas Dance, Ph.D.
Superintendent
Baltimore County Public Schools

[Signature]

Lawrence E. Schmidt
President
Board of Education of Baltimore County

APPROVED FOR LEGAL FORM AND SUFFICIENCY*

(Subject to Execution by a Duly Authorized Superintendent and President of the Board of Education of Baltimore County)

[Signature]

OFFICE OF LAW

*Approval of Legal Form and Sufficiency Does not Convey Approval or Disapproval Of the Substantive Nature of this Transaction. Approval is Based Upon Typeset Document- All Modifications Require Re-Approval.
**AdvancePath Academy Contract - Appendix B1 (4 Operational Academies - to be used only until a fifth Academy is started)**

This Appendix articulates the fee structure for AdvancePath services provided to the District for the school fiscal year running from July 1, 2012 to June 30, 2015 with the two extensions periods until June 30, 2016 or June 30, 2017.

<table>
<thead>
<tr>
<th>Fee per Day of Student Attendance</th>
<th>Fee per Day of Student Attendance</th>
</tr>
</thead>
</table>

- **“Gross Daily Rate”** is equal to $43.38 per student per day. A 5% fee (equivalent to $2.17 per student per day for all students) for facilities provision and back office administrative support provided to AdvancePath by the District and Academy Staffing costs of $14.94 per student per day will be withheld by the District, resulting in a “Net Daily Rate” due to AdvancePath from the District equal to $26.27 per student per day of attendance.
- 80 seats per Academy (two sessions of 40) – Total of 320 per year (4 Academies).
- Any seats filled above the 80 per Academy per day will be charged at $20.00 per day rate per day of attendance only.
- Attendance basis split is 60% / 40% as Guaranteed Seats/Attendance Fee therefore the fee paid per student will be $15.76 per seat and $10.51 per day of attendance

<table>
<thead>
<tr>
<th>Fee per Day of Student Attendance</th>
<th>Fee per Day of Student Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>(July 1, 2015 – June 30, 2017)</em> During 29 days of summer instruction</td>
<td></td>
</tr>
</tbody>
</table>

- **“Gross Daily Rate”** is equal to $34.70 per student per day. A 5% fee (equivalent to $1.74 per student per day for all students) for facilities provision and back office administrative support provided to AdvancePath by the District and Academy Staffing costs of $14.94 per student per day will be withheld by the District, resulting in a “Net Daily Rate” due to AdvancePath from the District equal to $18.02 per student per day of attendance.
- Any seats filled above the 80 per Academy per day will be charged at $20.00 per day rate.
- Attendance basis split is 60% / 40% as Guaranteed Seats/Attendance Fee therefore the fee paid per student will be $10.81 per seat and $7.21 per day of attendance

**Definition of “Day of Student Attendance”:**
As used in this Appendix and solely for purposes of determining the amount of money due to AdvancePath by the District, a “Day of Student Attendance” is, for a given student, limited to one of the following definitions:

1. For a student engaged in a “seat time model” of instruction (alternatively known as an “attendance” or “ADA” model), a “day of attendance” is earned when that student attends the Academy on a day that the Academy is in operation and engages in instructional activities planned for no fewer than 4 (four) hours as required by the Academy.
2. For a student engaged in an “independent study model” of instruction a “day of attendance” is earned when that student completes no fewer than 4 (four) hours of work in response to an Academy assignment as determined by the student’s credentialed supervising teacher.

**HSA- and standard test preparation program**

An HSA-preparation program will be provided to students that are fulltime Academy students. There are three test preparation strands organized by subject area of the HSA: Algebra I, English, and Biology. The Academy must meet any new assessments that are state mandated as the Common Core Curriculum and assessments are established during the time of this contract.

**Additional Academies**

Any new Academies that are added during this contact will be at the same Gross Daily Rates but all Academies will be at a revised split of Guaranteed Seats / Attendance Fee as follows:

- 5 Academies – 57.5% / 42.5%
- 6 Academies – 55.0% / 45.0%

**Example of Annual District Contract Expenditure Calculation – 4 Academies**

On the basis of Academy student capacity of 320 students, and an average daily student attendance rate of 80%, for 209 school days per year, the following represents how the annual contract revenue and district expenditures will flow:

- Annual student revenue recognizable by AdvancePath will be A = $2,595,071 which comprises
  - Seat Based revenue of $1,692,538 [Summer $193,210 = (29 x 320 x $20.82) and Regular = $1,499,328 (180 x 320 x $26.03)]
  - Attendance Based revenue of $902,533 [Summer $103,045 = (29 x 320 x $13.88 x 80%) and Regular = $799,488 (180 x 320 x $17.35 x 80%)]
- Annual facilities and back office support fee to be withheld by the District will be B = $129,754 [5% of AdvancePath Recognizable Revenue]
- Annual Academy staffing costs to be withheld by District will be C = $999,187 [$14.94 x 320 x 209]
- Annual payment by the District to AdvancePath for the Academy D = $1,466,130 [D = A-B-C]
- A total annual payment by the District to AdvancePath of $1,466,130 for the Academy subject to the Academy metrics specified above.
- Quarterly the AdvancePath Staff will reconcile with BCPS to get payment aligned according to the attendance of the student.
- Each year of the 3 year contract and the potential two one year extensions, the daily rate will be realigned using actual salary and costs.

On the basis of Academy student capacity of 320 students, and an average daily student attendance rate of 70%, for 209 school days per year, the following represents how the annual contract revenue and district expenditures will flow:

- Annual student revenue recognizable by AdvancePath will be A = $2,482,254 which comprises
  - Seat Based revenue of $1,692,538 [Summer $193,210 = (29 x 320 x $20.82) and Regular = $1,499,328 (180 x 320 x $26.03)]
  - Attendance Based revenue of $789,716 [Summer $90,164 = (29 x 320 x $13.88 x 70%) and Regular = $699,552 (180 x 320 x $17.35 x 70%)]
- Annual facilities and back office support fee to be withheld by the District will be B = $124,113 [5% of AdvancePath Recognizable Revenue]
- Annual Academy staffing costs to be withheld by District will be C = $999,187 [$14.94 x 320 x 209]
- Annual payment by the District to AdvancePath for the Academy D = $1,358,954 [D = A-B-C]
- A total annual payment by the District to AdvancePath of $1,358,954 for the Academy subject to the Academy metrics specified above.
- Quarterly the AdvancePath Staff will reconcile with BCPS to get payment aligned according to the attendance of the student.
- Each year of the 3 year contract and the potential two one year extensions, the daily rate will be realigned using actual salary and costs.
CONTRACT AMENDMENT NUMBER 2
BETWEEN ADVANCEPATH ACADEMICS
AND
BALTIMORE COUNTY PUBLIC SCHOOLS
CONTRACT #RGA-120-07-02

THE ADDITION OF TWO "SMALL FOOTPRINT" ADVANCEPATH ACADEMIES - ONE AT LANSDOWNE HIGH SCHOOL AND ONE AT RANDALLSTOWN HIGH SCHOOL WHICH WILL BE IN ADDITION TO THE 4 "REGULAR FOOTPRINT" ACADEMIES CHESAPEAKE, DUNDALE, WOODLAWN AND OVERLEA HIGH SCHOOLS.

WHEREAS, AdvancePath Academics, Inc. ("AdvancePath") and the Board of Education of Baltimore County on behalf of BALTIMORE COUNTY PUBLIC SCHOOLS ("BCPS"), (collectively the “Parties”) have entered into an agreement (contract #RGA-120-07-02 dated May 5th, 2012) to continue to operate two existing "Regular Footprint" AdvancePath Academies at Chesapeake High School and Dundalk High School.

WHEREAS, the Parties entered into Contract Amendment #1 dated November 5, 2012 to add two "Regular Footprint" AdvancePath Academies, one at Woodlawn High School and the other at Overlea High School.

WHEREAS, BCPS now desires to add two "Small Footprint" AdvancePath Academies, one at Lansdowne High School and the other at Randallstown High School.

WHEREAS, the Lansdowne Academy is scheduled to become operational on August 26th, 2013 and the Randallstown Academy is expected to become operational at a mutually agreeable date as soon as possible thereafter.

WHEREAS, BCPS has informed AdvancePath of the possible need to add additional Academies at later dates, at the sole discretion of BCPS.

NOW, THEREFORE, BE IT RESOLVED, that unless otherwise specified in Exhibit A hereto (updated Academy Contract Appendix B) all other terms of Contract #RGA-120-07-02 will remain in effect and will apply to the new Academies at Lansdowne and Randallstown High Schools.

IN WITNESS WHEREOF, the parties have agreed to the terms set forth herein and have set their hands to:

Accepted by:

ADVANCEPATH ACADEMICS, INC.

Name: John Murray
Title: Chief Executive Officer
Date: August 1, 2013

Signature: [Signature]

Accepted by:

BALTIMORE COUNTY PUBLIC SCHOOLS

Name: [Signature]
Title: 
Date: [Signature]

*See attached page
IN WITNESS WHEREOF, the parties have agreed to the terms set forth herein and have set their hands to:

Accepted by:

BOARD OF EDUCATION OF BALTIMORE COUNTY

[Signature]

S. Dallas Dance, Ph.D
Superintendent
Baltimore County Public Schools

[Signature]

Lawrence E. Schmidt
President
Board of Education of Baltimore County

APPROVED FOR LEGAL FORM AND SUFFICIENCY*
(Subject to Execution by a Duly Authorized
Superintendent and President of the Board
of Education of Baltimore County)

[Signature]

OFFICE OF LAW

*Approval of Legal Form and Sufficiency
Does not Convey Approval or Disapproval
Of the Substantive Nature of this Transaction.
Approval is Based Upon Typeset Document-
All Modifications Require Re-Approval.
### Fee per Day of Student Attendance


- "Gross Daily Rate" is equal to $43.38 per student per day. A 5% fee (equivalent to $2.17 per student per day for all students) for facilities provision and back office administrative support provided to AdvancePath by the District and Academy Staffing costs of $14.94 per student per day will be withheld by the District, resulting in a "Net Daily Rate" due to AdvancePath from the District equal to $26.27 per student per day of attendance.
- 80 seats per Academy (two sessions of 40) – Total of 320 per year (4 Academies).
- Any seats filled above the 80 per Academy per day will be charged at $20.00 per day rate per day of attendance only.
- Attendance basis split is 55% / 45% as Guaranteed Seats/Attendance Fee therefore the fee paid per student will be $14.45 per seat and $11.82 per day of attendance

#### Fee per Day of Student Attendance

During 29 days of summer instruction

- "Gross Daily Rate" is equal to $34.70 per student per day. A 5% fee (equivalent to $1.74 per student per day for all students) for facilities provision and back office administrative support provided to AdvancePath by the District and Academy Staffing costs of $14.94 per student per day will be withheld by the District, resulting in a "Net Daily Rate" due to AdvancePath from the District equal to $18.02 per student per day of attendance.
- Any seats filled above the 80 per Academy per day will be charged at $20.00 per day rate.
- Attendance basis split is 55% / 45% as Guaranteed Seats/Attendance Fee therefore the fee paid per student will be $9.91 per seat and $8.11 per day of attendance

### Definition of “Day of Student Attendance”:

As used in this Appendix and solely for purposes of determining the amount of money due to AdvancePath by the District, a “Day of Student Attendance” is, for a given student, limited to one of the following definitions:

1. For a student engaged in a “seat time model” of instruction (alternatively known as an “attendance” or “ADA” model), a “day of attendance” is earned when that student attends the Academy on a day that the Academy is in operation and engages in instructional activities planned for no fewer than 4 (four) hours as required by the Academy.
2. For a student engaged in an “independent study model” of instruction a “day of attendance” is earned when that student completes no fewer than 4 (four) hours of work in response to an Academy assignment as determined by the student’s credentialed supervising teacher.

HSA and standard test preparation program
An HSA-preparation program will be provided to students that are full-time Academy students. There are three test preparation strands organized by subject area of the HSA: Algebra I, English, and Biology. The Academy must meet any new assessments that are state mandated as the Common Core Curriculum and assessments are established during the time of this contract.

Example of Annual District Contract Expenditure Calculation – 4 Academies (Regular Footprint)
On the basis of Academy student capacity of 320 students, and an average daily student attendance rate of 80%, for 209 school days per year, the following represents how the annual contract revenue and district expenditures will flow:
✓ Annual student revenue recognizable by AdvancePath will be A = $2,566,861 which comprises
  • Seat Based revenue of $1,551,391 [Summer $177,155 = (29 x 320 x $19.09) and Regular = $1,374,336 (180 x 320 x $23.86)]
  • Attendance Based revenue of $1,015,270 [Summer $115,889 = (29 x 320 x $15.61 x 80%) and Regular = $899,482 (180 x 320 x $19.52 x 80%)]
✓ Annual facilities and back office support fee to be withheld by the District will be B = $128,343 [5% of AdvancePath Recognizable Revenue]
✓ Annual Academy staffing costs to be withheld by District will be C = $999,187 [$14.94 x 320 x 209]
✓ Annual payment by the District to AdvancePath for the Academy D = $1,439,331 [D = A-B-C]
✓ A total annual payment by the District to AdvancePath of $1,439,331 for the Academy subject to the Academy metrics specified above.
✓ Quarterly the AdvancePath Staff will reconcile with BCPS to get payment aligned according to the attendance of the student.
✓ Each year of the 3 year contract and the potential two one year extensions, the daily rate will be realigned using actual salary and costs.

On the basis of Academy student capacity of 320 students, and an average daily student attendance rate of 70%, for 209 school days per year, the following represents how the annual contract revenue and district expenditures will flow:
✓ Annual student revenue recognizable by AdvancePath will be A = $2,439,940 which comprises
  • Seat Based revenue of $1,551,491 [Summer $177,155 = (29 x 320 x $19.09) and Regular = $1,374,336 (180 x 320 x $23.86)]
  • Attendance Based revenue of $885,449 [Summer $101,403 = (29 x 320 x $15.61 x 70%) and Regular = $787,046 (180 x 320 x $19.52 x 70%)]
✓ Annual facilities and back office support fee to be withheld by the District will be B = $121,997 [5% of AdvancePath Recognizable Revenue]
✓ Annual Academy staffing costs to be withheld by District will be C = $999,187 [$14.94 x 320 x 209]
✓ Annual payment by the District to AdvancePath for the Academy D = $1,318,756 [D = A-B-C]
✓ A total annual payment by the District to AdvancePath of $1,318,756 for the Academy subject to the Academy metrics specified above.
✓ Quarterly the AdvancePath Staff will reconcile with BCPS to get payment aligned according to the attendance of the student.
✓ Each year of the 3 year contract and the potential two one year extensions, the daily rate will be realigned using actual salary and costs.
AdvancePath Academy Contract - Appendix B1 (Small Footprint Academy – Lansdowne & Randallstown)

This Appendix articulates the fee structure for AdvancePath services provided to the District for the school fiscal year running from July 1, 2013 to June 30, 2015 with the two extensions periods until June 30, 2016 or June 30, 2017.

<table>
<thead>
<tr>
<th>Fee per Day of Student Attendance</th>
<th>Fee per Day of Student Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>(July 1, 2013 – June 30, 2015)(2 extensions for one year – July 1, 2015-June 30,2017) During 180 day regular school year</td>
<td>During 29 days of summer instruction</td>
</tr>
<tr>
<td>• “Gross Daily Rate” is equal to $48.80 per student per day. A 5% fee (equivalent to $2.44 per student per day for all students) for facilities provision and back office administrative support provided to AdvancePath by the District and Academy Staffing costs of $17.93 per student per day will be withheld by the District, resulting in a “Net Daily Rate” due to AdvancePath from the District equal to $28.43 per student per day of attendance.</td>
<td>• “Gross Daily Rate” is equal to $39.04 per student per day. A 5% fee (equivalent to $1.95 per student per day for all students) for facilities provision and back office administrative support provided to AdvancePath by the District and Academy Staffing costs of $17.93 per student per day will be withheld by the District, resulting in a “Net Daily Rate” due to AdvancePath from the District equal to $19.16 per student per day of attendance.</td>
</tr>
<tr>
<td>• 50 seats per Academy (two sessions of 25) – Total of 100 per year (2 Academies).</td>
<td>• Any seats filled above the 50 per Academy per day will be charged at $20.00 per day rate.</td>
</tr>
<tr>
<td>• Any seats filled above the 50 per Academy per day will be charged at $20.00 per day rate per day of attendance only.</td>
<td>• Attendance basis split is 55% / 45% as Guaranteed Seats/Attendance Fee therefore the fee paid per student will be $10.54 per seat and $8.62 per day of attendance</td>
</tr>
<tr>
<td>• Attendance basis split is 55% / 45% as Guaranteed Seats/Attendance Fee therefore the fee paid per student will be $15.64 per seat and $12.79 per day of attendance</td>
<td></td>
</tr>
</tbody>
</table>

Definition of “Day of Student Attendance”:
As used in this Appendix and solely for purposes of determining the amount of money due to AdvancePath by the District, a “Day of Student Attendance” is, for a given student, limited to one of the following definitions:

1. For a student engaged in a “seat time model” of instruction (alternatively known as an “attendance” or “ADA” model), a “day of attendance” is earned when that student attends the Academy on a day that the Academy is in operation and engages in instructional activities planned for no fewer than 4 (four) hours as required by the Academy.

2. For a student engaged in an “independent study model” of instruction a “day of attendance” is earned when that student completes no fewer than 4 (four) hours of work in response to an Academy assignment as determined by the student’s credentialed supervising teacher.
HSA- and standard test preparation program
An HSA-preparation program will be provided to students that are fulltime Academy students. There are three test preparation strands organized by subject area of the HSA: Algebra I, English, and Biology. The Academy must meet any new assessments that are state mandated as the Common Core Curriculum and assessments are established during the time of this contract.

Example of Annual District Contract Expenditure Calculation – 2 Academies (Small Footprint)
On the basis of Academy student capacity of 100 students, and an average daily student attendance rate of 80%, for 209 school days per year, the following represents how the annual contract revenue and district expenditures will flow:
✓ Annual student revenue recognizable by AdvancePath will be A = $902,369 which comprises
  • Seat Based revenue of $545,383 [Summer $62,263 = (29 x 100 x $21.47) and Regular = $483,120 (180 x 100 x $26.84)]
  • Attendance Based revenue of $356,986 [Summer $40,762 = (29 x 100 x $17.57 x 80%) and Regular = $316,224 (180 x 100 x $21.96 x 80%)]
✓ Annual facilities and back office support fee to be withheld by the District will be B = $45,118 [5% of AdvancePath Recognizable Revenue]
✓ Annual Academy staffing costs to be withheld by District will be C = $374,737 [$17.93 x 100 x 209]
✓ Annual payment by the District to AdvancePath for the Academy D = $482,514 [D = A-B-C]
✓ A total annual payment by the District to AdvancePath of $482,514 for the Academy subject to the Academy metrics specified above.
✓ Quarterly the AdvancePath Staff will reconcile with BCPS to get payment aligned according to the attendance of the student
✓ Each year of the 3 year contract and the potential two one year extensions, the daily rate will be realigned using actual salary and costs.

On the basis of Academy student capacity of 100 students, and an average daily student attendance rate of 70%, for 209 school days per year, the following represents how the annual contract revenue and district expenditures will flow:
✓ Annual student revenue recognizable by AdvancePath will be A = $857,746 which comprises
  • Seat Based revenue of $545,383 [Summer $62,263 = (29 x 100 x $21.47) and Regular = $483,120 (180 x 100 x $26.84)]
  • Attendance Based revenue of $312,363 [Summer $35,667 = (29 x 100 x $17.57 x 70%) and Regular = $276,696 (180 x 100 x $21.96 x 70%)]
✓ Annual facilities and back office support fee to be withheld by the District will be B = $42,887 [5% of AdvancePath Recognizable Revenue]
✓ Annual Academy staffing costs to be withheld by District will be C = $374,737 [$17.93 x 100 x 209]
✓ Annual payment by the District to AdvancePath for the Academy D = $440,122 [D = A-B-C]
✓ A total annual payment by the District to AdvancePath of $440,122 for the Academy subject to the Academy metrics specified above.
✓ Quarterly the AdvancePath Staff will reconcile with BCPS to get payment aligned according to the attendance of the student
✓ Each year of the 3 year contract and the potential two one year extensions, the daily rate will be realigned using actual salary and costs.

Totals for All 6 Academies (4 Regular Footprint and 2 Small Footprint assuming 80 and 50 Seats Filled at 80% or 70% Attendance)

<table>
<thead>
<tr>
<th></th>
<th>80% Attendance</th>
<th></th>
<th>70% Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4 Regular</td>
<td>2 Small</td>
<td>Total</td>
</tr>
<tr>
<td>Annual Student Revenue</td>
<td>$2,566,861</td>
<td>$902,369</td>
<td>$3,469,230</td>
</tr>
<tr>
<td>Facilities &amp; Back Office Fee (5%)</td>
<td>128,343</td>
<td>45,118</td>
<td>173,461</td>
</tr>
<tr>
<td>District Staffing Costs</td>
<td>999,187</td>
<td>374,737</td>
<td>1,373,924</td>
</tr>
<tr>
<td>Net Annual Payment To AdvancePath</td>
<td>$1,459,331</td>
<td>$482,514</td>
<td>$1,921,845</td>
</tr>
</tbody>
</table>
CONTRACT AMENDMENT NUMBER 3 TO CONTRACT #RGA-120-07-02
BETWEEN ADVANCEPATH ACADEMICS AND BALTIMORE COUNTY PUBLIC SCHOOLS

WHEREAS, AdvancePath Academics, Inc. ("AdvancePath") and the Board of Education of Baltimore County on behalf of BALTIMORE COUNTY PUBLIC SCHOOLS ("BCPS"), collectively the "Parties") have entered into an agreement (contract #RGA-120-07-02 dated May 5th, 2012) as amended by Contract Amendment #1 dated November 5, 2012 and Contract Amendment #2 dated August 1, 2013 to operate four "Regular Footprint" AdvancedPath Academies at Chesapeake, Dundalk, Woodlawn and Overlea High Schools and two "Small Footprint" AdvancedPath Academies at Lansdowne and Randallstown High Schools (collectively the "Academies"), and

WHEREAS, for school year 2014-2015 BCPS has budgeted $1.886 Million as payments to AdvancePath for AdvancePath to operate the Academies, and

WHEREAS, under the terms of the Contract and its Amendments:
> The 2014-2015 budget will only allow 64 and 40 FTE students per Regular and Small Footprint Academies respectively (a total of 336 FTE) plus 170 Summer School Students collectively compared to a capacity of 540 FTE.
> Serving more students would result in increased AdvancePath Fees (e.g. 390 FTE = $2.075M; 460 FTE = $2.328M; and 540 FTE = $2.613M) although the cost per FTE would reduce significantly, and

WHEREAS, AdvancePath has renegotiated with its suppliers and leasing partners in an effort to assist BCPS in maximizing the number of students served and the subsequent impact of the AdvancedPath Academies, and

WHEREAS, as a result of these efforts, AdvancePath is able to offer adjusted terms to BCPS for the operation of all six AdvancedPath Academies:

NOW, THEREFORE, BE IT RESOLVED, that the Parties have agreed to the following terms for the 2014-2015 school year:

1. For a total annual net fee to BCPS of $1,886,000, BCPS has unlimited use and access to all AdvancePath Academies for morning, afternoon, and evening sessions during the school year; full use for Saturday programs if it chooses to implement them; and unlimited use during the summer.
2. AdvancePath will invoice BCPS for the net annual fee in two installments, the first being dated July 9, 2014 and payable net 21 days in the amount of $1,195,255.12; and the second being dated upon the approval of the BCPS Board to expand the purchasing capacity to accommodate the terms of this Amendment, and payable net 30 days in the amount of $689,744.88.
3. Effective July 1, 2014, BCPS retains a credit balance with AdvancePath of $196,255.12, which will be applied to the first invoice.
4. An additional credit amount, not to exceed $59,707.34, will be accumulated prior to the second invoice billing date, as a result of the Woodlawn Academy continuing to be billed separately for the first quarter. The total Woodlawn net billings will be applied as a credit to the second invoice.

RESOLVED FURTHER that unless otherwise specified herein all other terms of Contract #RGA-120-07-02 and its Amendments #1 and #2 will remain in effect.

IN WITNESS WHEREOF, the parties have agreed to the terms set forth herein.

Accepted by:

ADVANCEPATH ACADEMICS, INC.

Signature: 

Name: John Murray
Title: CEO
Date: July 8, 2014

BALTIMORE COUNTY PUBLIC SCHOOLS

Signature: *See Attached Page*

Name: 
Title: 
Date: 
IN WITNESS WHEREOF, the parties have agreed to the terms set forth herein and have set their hands to:

Accepted by:

BOARD OF EDUCATION OF BALTIMORE COUNTY

S. Dallas Dance, Ph.D.
Superintendent
Baltimore County Public Schools

Lawrence E. Schmidt
President
Board of Education of Baltimore County

APPROVED FOR LEGAL FORM AND SUFFICIENCY*
(Subject to Execution by a Duly Authorized Superintendent and President of the Board of Education of Baltimore County)

OFFICE OF LAW
*Approval of Legal Form and Sufficiency Does not Convey Approval or Disapproval Of the Substantive Nature of this Transaction. Approval is Based Upon Typeset Document-All Modifications Require Re-Approval.
BOARD OF EDUCATION OF BALTIMORE COUNTY  
Towson, Maryland 21204  

CONTRACT AMENDMENT NUMBER 4  
TO CONTRACT #RGA-120-07-02  

This Fourth Amendment to Agreement, dated June 12, 2015, by and between the Board of Education of Baltimore County, Maryland (hereinafter “Board”) and AdvancePath Academics, Inc. (hereinafter “AdvancePath”), amends the Original Agreement dated May 5, 2012 between the parties as follows.

1. The Parties have agreed to the scope of services to be provided for the 2015-2016 school year. The terms of these services are described in Exhibit A which is attached hereto and incorporated herein.

2. All other terms and conditions of the Original Agreement and Amendments 1, 2 and 3 shall remain in effect.

Signatures on Next Page
IN WITNESS WHEREOF, the parties have executed this Amendment the day and year first written above.

Accepted by:

AdvancePath Academies, Inc.

Signature/Owner/Partner/Corporate Officer
JOHN MURRAY, CEO
Typed/Printed Name and Title
6/26/15
Date

Accepted by:

BOARD OF EDUCATION OF BALTIMORE COUNTY

S. Dallas Dance, Ph.D.
Superintendent
Baltimore County Public Schools

David Uhlfelder
President
Board of Education of Baltimore County

APPROVED FOR LEGAL FORM AND SUFFICIENCY*
(Subject to Execution by a Duly Authorized Superintendent and President of the Board of Education of Baltimore County)

OFFICE OF LAW
*Approval of Legal Form and Sufficiency Does not Convey Approval or Disapproval Of the Substantive Nature of this Transaction. Approval is Based Upon Typeset Document-All Modifications Require Re-Approval.
IN WITNESS WHEREOF, the parties have executed this Amendment the day and year first written above.

Accepted by:

AdvancePath Academics, Inc.

[Signature]

Owner/Partner/Corporate Officer

JOHN MURRAY, CEO

Typed/Printed Name and Title

6/26/15

Date

Accepted by:

BOARD OF EDUCATION OF BALTIMORE COUNTY

[S. Dallas Dance, Ph.D.]

Superintendent

Baltimore County Public Schools

David Uhlfelder

President

Board of Education of Baltimore County

APPROVED FOR LEGAL FORM AND SUFFICIENCY*

(Subject to Execution by a Duly Authorized Superintendent and President of the Board of Education of Baltimore County)

OFFICE OF LAW

*Approval of Legal Form and Sufficiency Does not Convey Approval or Disapproval Of the Substantive Nature of this Transaction. Approval is Based Upon Typeset Document-All Modifications Require Re-Approval.
Exhibit A

John Murray  
Chairman & CEO  

April 8, 2015  

S. Dallas Dance  
Superintendent  
Baltimore County Public Schools  
6901 Charles Street  
Towson, MD 21204  

Current Contract & Proposal For School Year 2015-2016  

Dallas,  

Further to my letter dated February 26 and our subsequent e-mail exchanges I thought it might be best to revise our offer for the next school year, as follows:  

Background  
As you know, we were informed by your staff that the annual operating budget for our Academies for the next school year has been cut by $255,962. We have been asked by them to present a proposal to meet this budget reduction by removing the evening program and/or reinstating the site-based Seat Cap at each Academy. We are not in favor of a site-based Seat Cap as it will de-energize the Academies and impact service levels. Also, removing the Academy evening programs will not result in significant savings and will shift the burden of meeting the evening student needs back into the buildings at additional cost to the District.  

Proposal  
Our goal is to meet BCPS’ requirement for reducing the 2015-2016, and possibly subsequent years, AdvancePath expenditures with as little service impact as possible. We also noticed that on December 2, 2014 the BCPS Board approved the extension of the AdvancePath Contract through June 30, 2019 subject to each year’s annual operating budget approval.  

As a result we are proposing the following:  
1. Leaving the Academies operating as they are currently without a site-based Seat Cap or removal of the evening program - if BCPS, at its choice, does not operate the evening program there will be no additional credit.  
2. APA will modify its Billing rates to include the current Academy Staffing roster as opposed to the reduced levels currently being billed - this will increase AdvancePath’s annual billings by $407,168 but will not impact the amounts paid by BCPS as the Staffing credit from APA will also increase by that amount.  
3. The District will also continue to receive its facilities and back-office rebate at the current annual amount of $179,230.  
4. AdvancePath will provide BCPS with a “Strategic Partner” credit for the 2015-2016, and possibly subsequent years, in the amount of $255,962 for the right to refer to BCPS as a “Strategic Partner” and the right to use its BCPS Academies as “Flagship” Demonstration sites to which it can bring other District Visitors.  
5. AdvancePath’s Adjusted Net Annual Fees will therefore be reduced for the 2015-2016 school year, and possibly subsequent years, by $255,962 from $1,885,831 to $1,629,869.  
6. In future years AdvancePath’s Annual Net Fees will be reinstated to the full annual amount of $1,885,831 (if the District’s budget allows it), AdvancePath will continue to honor the proposed “Strategic Partner” fees or other agreements will be reached.  
7. As in prior years AdvancePath will be paid by BCPS annually in advance.
The following table summarizes the current and 2015-2016 school year AdvancePath Contract financials:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>District Credits</td>
<td>$1,518,774</td>
<td>$2,181,904</td>
<td>$663,130</td>
</tr>
<tr>
<td>District Rebate</td>
<td>$170,230</td>
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<td></td>
</tr>
<tr>
<td>District Academy Staff</td>
<td>$1,348,544</td>
<td>$1,755,712</td>
<td>$407,168</td>
</tr>
<tr>
<td>District Strategic Partner Credit</td>
<td>$</td>
<td>$255,962</td>
<td>$255,962</td>
</tr>
</tbody>
</table>

APA Net Fees

| APA Net Fees | Current 1,885,831 | 2015-2016 1,629,869 | Variance (255,962) |

This approach, while a financial challenge for AdvancePath, allows us to maintain the highest level of service to your staff and students for the next school year.

Dallas, I also appreciate your commitment that fees in future years will not be adjusted down further with the expectation of service levels remaining the same.

I believe this is a fair and balanced proposal and hope that it is acceptable to you. If so, please countersign in the space below and return it to me.

John

John Murray

E-mail: jmurray@advancpath.com
Cell: (757) 784 - 4038

ACCEPTED

Name: Verletta B. White
Title: Chief Academic Officer, Baltimore County Schools
Date: 

Signature: 

The following table summarizes the current and 2015-2016 school year AdvancePath Contract financials:

| APA Gross Billings          | Current      | 2015-2016    | Variance    |
|                            | $3,404,605   | $3,811,773   | $407,168    |
| District Credits           | $1,518,774   | $2,181,904   | $663,130    |
| District Rebate            | $170,230     | $170,230     | -           |
| District Academy Staff     | $1,348,544   | $1,755,712   | $407,168    |
| District Strategic Partner Credit | $255,962 | $255,962     | -           |
| APA Net Fees               | $1,885,831   | $1,629,869   | ($255,962)  |

This approach, while a financial challenge for AdvancePath, allows us to maintain the highest level of service to your staff and students for the next school year.

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John

John Murray

E-mail: jmurray@advancelpath.com
Cell: (757) 784 - 4038

ACCEPTED

Name: Verletta B. White
Title: Chief Academic Officer, Baltimore County Schools
Date: 

Signature: 


June 24, 2015

Mr. John Murray, Chairman & CEO
AdvancePath Academics, Inc.
4125 Ironbound Road, Suite 201
Williamsburg, VA 23188

Dear Mr. Murray:

I have enclosed two copies of the partially executed Amendment #4 to Contract #RGA-120-07-02 to cover services for the 2015-16 school year.

Please have both copies signed and return one fully executed original Amendment to me at the address below.

If you have any questions regarding the above, please contact me at:

6901 Charles Street, Building E
Towson, MD 21204
Phone: 410-887-4334
Fax: 410-887-7831
Email: ponheiser@bcps.org

Sincerely,

[Signature]

Patricia Onheiser, Contracting Assistant
Office of Purchasing

cc: Contract File