

CHARTER FOR KIPP ATLANTA CLUSTER

This Charter for KIPP Atlanta Cluster (“Charter”) is entered into by and between the KIPP Metro Atlanta Collaborative, Inc. (“Petitioner”), the Atlanta Board of Education (“Local Board”) and the State Board of Education (“State Board”) (collectively referred to as “the parties”).

WHEREAS, the Petitioner submitted a petition to the Local Board proposing to establish a charter cluster pursuant to O.C.G.A. § 20-2-2060 *et seq.*, the Charter Schools Act of 1998 (“Charter Schools Act”), and the Local Board approved the petition;

WHEREAS, the State Board finds that the petition complies with the provisions of the Charter Schools Act, and the rules, regulations, policies and procedures promulgated in accordance with O.C.G.A. § 20-2-2063 and further finds that the petition is in the public interest; and

WHEREAS, pursuant to O.C.G.A. § 20-2-2064.1, the State Board grants this Charter to permit Petitioner to operate the KIPP Atlanta Cluster (“the Charter Cluster”) in accordance with the terms and conditions of this Charter.

NOW THEREFORE, in consideration of the promises, mutual agreements, and covenants contained herein and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Definitions. The terms below will be interpreted in accordance with the following definitions, unless and until federal or state law, or the state accountability system, is amended otherwise:
 - a. **Adequate Yearly Progress (AYP):** Adequate Yearly Progress is a measurement based on a series of performance goals that every school, Local Educational Agency, and state must achieve within specified timeframes in order to meet the 100% proficiency goal established by the federal No Child Left Behind Act of 2001 (“NCLB”), subject to any amendment, waiver or reauthorization thereof.
 - b. **Annual Measureable Objectives (AMOs):** In defining Adequate Yearly Progress, each state sets the minimum levels of improvement, based on student performance on state standardized tests that school districts and schools must achieve within time frames specified in law in order to meet the 100% proficiency goal under No Child Left Behind. These levels of improvement are known as Annual Measurable Objectives, and they ensure that all student groups, schools, school districts, and the State as a whole reach the 100% proficiency goal by 2013-2014, subject to any amendment, waiver or reauthorization of NCLB.

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- c. Elementary and Secondary Education Act as Amended (ESEA as Amended): The federal education statute, originally passed by the U.S. Congress in 1965, that defines the role of the federal government in public education and authorizes many of the major federal education programs, including Title I. This Act was reauthorized by Congress in 2001 as the No Child Left Behind Act.
- d. College and Career Ready Performance Index (CCRPI): A comprehensive school improvement, accountability, and communication platform for all educational stakeholders that will promote college and career readiness for all Georgia public school students. CCRPI currently replaces AYP.
- e. Criterion-Referenced Competency Tests (CRCT): The Criterion-Referenced Competency Tests are state-required tests to measure student acquisition of the knowledge and skills set forth in the state curriculum. Georgia law requires that these tests be administered to students in grades three through eight in the content areas of Reading, English/Language Arts, Mathematics, Science and Social Studies.
- f. End of Course Test (EOCT): The EOCT program was created to improve student achievement through effective instruction and assessment of the state curriculum standards in associated EOCT core high school courses. The EOCT program also helps to ensure that all Georgia students have access to a rigorous curriculum that meets high performance standards. The purpose of the EOCT is to provide diagnostic data that can be used to enhance the effectiveness of the schools' instructional programs.
- g. Education Service Provider (ESP): A for-profit or nonprofit 3rd party managing a charter school.
- h. Georgia Department of Education (GaDOE or Department): The Georgia Department of Education is the state agency charged with the fiscal and administrative management of certain aspects of K – 12 public education, including the implementation of federal and state mandates. Such management is subject to supervision and oversight by the State Board of Education.

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- i. Local Educational Agency (LEA): A Local Educational Agency is a local system pursuant to local board of education control and management.
 - j. No Child Left Behind of 2001 (NCLB): No Child Left Behind is a reauthorization of the Elementary and Secondary Education Act (ESEA) of 1965 – the principal law affecting education from kindergarten through high school. NCLB is designed to improve student achievement and close achievement gaps. States are required to develop challenging academic standards, to educate all students to 100 percent proficiency by 2014, and to create and implement a single, statewide accountability system. NCLB is subject to amendment, waiver or reauthorization.
 - k. State Board of Education (SBOE or State Board): The State Board of Education is the constitutional authority which defines education policy for public K – 12 education agencies in Georgia.
 - l. State Performance Target: The state performance target is set using all students with the goal of decreasing the percentage of students who are not proficient by 50% by 2016-2017.
 - m. Subgroup: A Subgroup under No Child Left Behind is defined as one of the following subsets of students: race/ethnicity (American Indian/Alaskan native, Asian/Pacific Islander, Black, Hispanic, Multiracial, and White); disability; limited English proficiency (LEP); and socioeconomic status. To constitute a Subgroup in Georgia for a school's Adequate Yearly Progress determination, the Subgroup must have at least 40 students or constitute 10% of the assessed student population, whichever is greater, but not to exceed a total number of 75 students. The assessed student population is the total number of children whose test results are used to determine Adequate Yearly Progress.
 - n. Subgroup Performance Target: Individual subgroup performance targets set for each content area, statewide.
2. Charter Term. The State Board grants this Charter to Petitioner to operate the Charter Cluster for a five-year term beginning on July 1, 2014 and expiring on June 30, 2019.
3. Grade Range and Enrollment. The Charter Cluster shall serve grades K-12 by year five of the charter term. The Charter Cluster's total enrollment shall not exceed 3100 during the term of the charter; however, the Charter Cluster's total enrollment may expand by 15%

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annually if the Department determines that the Charter Cluster has met all compliance requirements and charter contract goals based on the most recent year of academic data available.

4. Mission Statement. The mission of the Charter Cluster is to equip students with the academic skills, scholarly habits, and character traits necessary to be successful in top quality colleges and the world beyond.
5. Essential or Innovative Features. The Charter Cluster shall implement an educational program that creates and reinforces a culture of achievement and support; incorporates extended school days, weeks, and years as well as extended instructional time, autonomy in staffing models and compensation, customized professional development and evaluation plans, robust implementation of assessments, flexibility in teacher responsibilities and adoption and adaption of curriculum to meet students' needs.
6. Maximum Flexibility Allowed By Law. In exchange for the Charter Cluster's agreement to meet or exceed the performance-based goals and measurable objectives set forth in Appendix A below, the State Board shall grant the maximum flexibility allowed by law to the Charter School. Pursuant to O.C.G.A. § 20-2-2065(a), the Charter Cluster shall be entitled to the maximum flexibility allowed by law from the provisions of Title 20 of the Official Code of Georgia Annotated and from any state or local rule, regulation, policy, or procedure established by a local board of education, the State Board of Education (State Board), or the Georgia Department of Education (Department). Notwithstanding this maximum flexibility, the Charter Cluster shall comply with the terms of this Charter, the Charter Schools Act, including the provisions set forth in Section 16 below, and any rules, regulations, policies, or procedures established by the State Board consistent with the Charter Schools Act.
7. Accreditation. The Charter Cluster shall seek accreditation from an approved accrediting agency pursuant to O.C.G.A. § 20-3-519(6.1)(A) within the first three years of the initial charter term or prior to the graduation of the Charter Cluster's first graduating class and shall retain accredited status thereafter. If applicable, a Charter Cluster may use system accreditation to satisfy this requirement.
8. Performance-based Goals and Measurable Objectives. In exchange for the flexibility granted in Section 6 above, the Charter Cluster agrees to meet or exceed the performance-based goals and measurable objectives that are designed to result in improvement of student achievement as set forth in Appendix A attached to this Charter.
9. Organizational Goals and Measurable Objectives. In exchange for the flexibility granted in Section 6 above, the Charter Cluster agrees to meet or exceed the organizational goals and

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measurable objectives that are designed to result in improvement of organizational efficiency and school-level governance as set forth in Appendix A attached to this Charter.

10. Assessment and Accountability. Notwithstanding Sections 6 and 8 above, the Charter Cluster is subject to all accountability and assessment requirements set forth within Title 20 of the Official Code of Georgia Annotated and any corresponding State Board Rules, including but not limited to the accountability provisions of O.C.G.A. §§ 20-14-30 through 41. The Charter Cluster is further subject to all federal accountability requirements under the Elementary and Secondary Education Act, subject to any amendment, waiver or reauthorization thereof.

11. Annual Report. The Charter Cluster shall submit an annual report by October 1 of each year to the Georgia Department of Education that complies with all requirements set forth in O.C.G.A §20-2-2067.1(c), including but not limited to an indication of the Charter Cluster's progress towards the goals and objectives stated in Appendix A below and all state-mandated assessment and accountability scores from the previous year. The Charter Cluster shall make available to the community, copies of an annual report which shall indicate student performances for the previous year.

12. Open Enrollment and Admissions. The Charter Cluster shall comply with the open enrollment and admissions provisions set forth in O.C.G.A. § 20-2-2066. Enrollment shall be open to any student in accordance with the following criteria:
 - a. Attendance Zone.

The primary attendance zone for KIPP Ways Primary and Middle Schools shall include students residing in the 30314 zip code. The secondary attendance zone of KIPP Ways Primary and Middle Schools shall include students residing in the 30318 zip code. The tertiary attendance zone for KIPP Ways Primary and Middle Schools shall include students within the Atlanta Public Schools attendance zone who are not within the 30314 or 30318 zip codes.

The primary attendance zone for KIPP Strive Primary and Middle Schools shall include students residing in the 30310 zip code. The secondary attendance zone for KIPP Strive Primary and Middle Schools shall include students residing in the 30311 zip code. The tertiary attendance zone for KIPP STRIVE Primary and Middle Schools shall include all areas within the Atlanta Public Schools attendance zone that are not within the 30310 or 30311 zip codes.

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The primary attendance zone for KIPP Vision Primary and Middle Schools shall include students residing in the 30315 zip code. The secondary attendance zone for KIPP Vision Primary and Middle Schools shall include students residing in the 30354 zip code. The tertiary attendance zone for KIPP Vision Primary and Middle Schools shall include students residing within the Atlanta Public Schools attendance zone who are not within the 30315 or 30354 zip codes

The attendance zone for KIPP Atlanta Collegiate High School shall be open to students residing within the Atlanta Public Schools attendance zone.

- b. Application. To be eligible for enrollment in the Charter Cluster, students residing in the attendance zone must submit a timely application to the applicable Charter School in accordance with the deadline set by that Charter School. The Charter Cluster may not use admissions criteria or applications that would not otherwise be used at a traditional public school, including but not limited to, requests for letters of recommendation, essays, resumes, or information regarding a student's school or community activities, grades, test scores, attendance record, or disciplinary history. The Charter Cluster may use applications for the purpose of verifying the student's residence within the school's attendance zone and grade level. The Charter Cluster may gather other relevant information from students after enrollment is determined.
- c. Random Lottery. If the number of timely applicants received by the applicable Cluster Charter School exceeds the capacity of a program, class, grade level, or building, the Cluster Charter School shall ensure that such applicants have an equal chance of being admitted through a random selection process in accordance with O.C.G.A. § 20-2-2066(a)(1)(A). Cluster Charter School's shall not conduct more than one lottery, per grade, per admissions cycle.
- d. Statutory Enrollment Priorities. In accordance with O.C.G.A. § 20-2-2066(a)(1)(A), Cluster Charter School's may give enrollment priority to the following categories of applicants and in the following priority:
 - i. Students whose parent or guardian is a member of the governing board of the charter school or is a full-time teacher, professional, or other employee at the charter school.
 - ii. Students matriculating from a local school designated in the charter;
 - iii. A sibling of a student enrolled in the charter school.

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13. Withdrawal without Penalty. The Charter Cluster and each Cluster Charter School shall comply with the provisions of O.C.G.A. § 20-2-2066(d) for withdrawing students. The Charter Cluster agrees that a student may withdraw without penalty from a Cluster Charter School at any time and enroll in another public school in the local school system in which such student resides.

14. State and Federally Mandated Educational Services.

a. Students with Disabilities. The Charter Cluster and each Cluster Charter School shall comply with all federal special education laws and regulations, including Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act, and the Individuals with Disabilities Education Act.

b. English Language Learners. The Charter Cluster and each Cluster Charter School shall comply with all applicable federal laws and regulations relating to the provision of educational services to English Language Learners.

c. Supplemental Education. The Charter Cluster and each Cluster Charter School shall provide supplemental education services in required cases pursuant to State Board of Education Rule 160-4-5-.03 and No Child Left Behind, subject to any amendment, waiver or reauthorization thereof.

d. Remediation. The Charter Cluster and each Cluster Charter School shall provide remediation in required cases pursuant to State Board of Education Rule 160-4-5-.01 and No Child Left Behind, subject to any amendment, waiver or reauthorization thereof.

15. Governance Structure.

a. Governing Board. The Charter Cluster shall utilize an autonomous governing body in the form of a governing board (Governing Board), which shall operate in accordance with its bylaws and which shall be responsible for complying with and carrying out the provisions of this Charter, including compliance with all applicable law.

b. Function. It shall be the function of the Governing Board to uphold the Charter Cluster's mission and vision, to set policy for the Charter Cluster, to work collaboratively with school officials to ensure the Charter Cluster complies with the performance goals enumerated in Appendix A below, to ensure effective organizational planning, and to ensure financial stability of the Charter Cluster.

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- c. Autonomy. The Governing Board shall exercise substantive control over such areas as personnel decisions, financial decisions, curriculum and instruction, resource allocation, establishing and monitoring the achievement of school improvement goals, and school operations, which are listed by way of example and not by limitation. The local district shall create guidance defining substantive control in each area listed above.
- d. Annual Training. The Governing Board shall adopt an annual training program for all members that includes, at a minimum, such training program and requirements established by the State Board pursuant to O.C.G.A. § 20-2-230(b)(1).
- e. Public Meetings. The Governing Board is subject to and shall comply with the Open and Public Meetings Act, O.C.G.A. § 50-14-1 *et seq.*, and any subsequent amendment thereof. The Governing Board shall conduct regular meetings consistent with principles of transparency and avoidance of actual or apparent conflicts of interest in the governance of the Charter Cluster.
- f. Public Records. The Governing Board is subject to and shall comply with the Georgia Open Records Act, O.C.G.A. § 50-18-70 *et seq.*, and any subsequent amendment thereof. The Governing Board shall maintain its adopted policies, budgets, meeting agendas, and minutes, and shall make such documents available for public inspection. The Charter Cluster shall make the minutes of all Governing Board meetings available on its website within ten (10) business days after Governing Board approval and for the duration of the Charter.
- g. Conflicts of Interest. The Governing Board shall establish a formal policy to prevent and disclose conflicts of interest. Members of the Governing Board and all individuals employed by the Charter Cluster shall abide by such conflicts of interest policy. Upon request, the Charter Cluster shall provide conflict of interest forms to the local district or Department demonstrating that governing board members are in compliance with the conflicts of interest policy.
- h. Public Status. Petitioner assures that the Charter Cluster shall be comprised of public, nonsectarian, nonreligious, nonprofit schools organized and operated under the laws of the State of Georgia. Petitioner further assures that the Cluster Charter Schools shall not be home based.
- i. Director Compensation. Petitioner shall not compensate members of the Charter Cluster's Governing Board in excess of reasonable expenses incurred in connection

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with actual attendance at board meetings or with performance of duties associated therewith.

- j. Contractual Interference. No party to this Charter may interfere with the legal right(s) and/or obligation(s) of another party to execute the provisions of this Charter.

16. Fiscal Control.

- a. Financial Reporting Requirements. The Charter Cluster shall follow the financial requirements of the Charter Schools Section of the Department's Financial Management for Georgia Local Units of Administration Manual. The Charter Cluster shall submit all information required by the State Accounting Office for inclusion in the State of Georgia Comprehensive Annual Financial Report.
- b. Annual Audit. The Charter Cluster shall have an annual financial audit. The financial audit shall be conducted by an independent certified public accountant licensed in the State of Georgia. The Charter Cluster will submit its annual financial audit to the State of Georgia by October 1st each year.
 - i. A separate audit shall not be required for the Cluster if the Charter Cluster is included in the local school system audit conducted pursuant to Code Section 50-6-6, but the Charter Cluster will submit the system's audit to the State of Georgia by October 1st each year.
 - ii. If a conversion school charter is held by a nonprofit, the Charter School shall have an annual financial audit pursuant to subsection (i) of this paragraph.
- c. Chief Financial Officer. The Charter Cluster shall designate a Chief Financial Officer, who shall possess the following minimum qualifications:
 - i. A baccalaureate or higher degree in business, accounting, or finance from an accredited college or university and a minimum of four (4) years experience in a field related to business or finance; or
 - ii. Documented experience of ten (10) or more years in the field of business and financial management.
- d. Federal Monitoring Requirements. The Charter Cluster shall comply with all federal monitoring requirements related to the receipt of federal funds.

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- e. Charter School Program Eligibility. In the event the Charter Cluster seeks grant funds under the Federal Charter School Program, the Charter Cluster must satisfy all federal eligibility requirements as a prerequisite to applying for and receiving such funds.
 - f. Insurance. Prior to opening, the Charter Cluster shall secure adequate insurance coverage and the Charter Cluster shall maintain such coverage throughout the Charter term in accordance with the laws of the State of Georgia. The Charter Cluster shall obtain and attach hereto a Certificate of Insurance which shall name the Local Board of Education and the State Board of Education as additional insureds.
 - g. Surplus Funds. Any surplus funds remaining at the close of each fiscal year will be used to enhance the Charter Cluster's academic program. Under no circumstances shall any surplus be distributed to the Charter Cluster's employee(s), board member(s), educational service provider or educational management organization. Nothing in this section shall be construed to prevent the Charter Cluster from setting aside surplus funds in a reserve account or budgeting and awarding performance bonuses as part of their annual operating expenses.
 - h. Responsibility for Debts. The Charter Cluster is solely responsible for all debts incurred by the Charter Cluster and its Governing Board. Except as agreed hereto, the Local Board and the State Board shall not be contractually bound to the Charter Cluster or to any third party with whom the Charter Cluster has a contract or from whom the Charter Cluster has purchased goods or services.
17. Compliance with Other Laws, Rules, and Regulations. The Charter Cluster shall operate in accordance with the United States Constitution, the Constitution of the State of Georgia, and all applicable federal, state, and local laws that may not be waived pursuant to O.C.G.A. § 20-2-2065, including the following, which are listed by way of example and not by way of limitation.
- a. Civil Rights, Insurance, Health, Safety, and Conflicting Interests. The Charter Cluster and each Cluster Charter School shall operate in accordance with all applicable federal, state, and local rules, regulations, court orders and statutes relating to civil rights; insurance; the protection of the physical health and safety of students, employees, and visitors; conflicting interest transactions and the prevention of unlawful conduct.
 - b. Asbestos Remediation. The Charter Cluster and each Cluster Charter School shall comply with the terms of any applicable asbestos remediation plan.

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- c. Unlawful Conduct. The Charter Cluster and each Cluster Charter School shall be subject to all laws relating to unlawful conduct in or near a public school.
- d. Student Conduct and Discipline. The Charter Cluster and each Cluster Charter School shall maintain and implement a written policy regarding student discipline, which policy shall be consistent with due process.
- e. State Board Rules. The Charter Cluster shall operate in accordance with all State Board Rules promulgated in accordance with O.C.G.A. § 20-2-240 during the term herein that are not subject to any waiver granted in Section 6 above.
- f. Prohibition on Discrimination. The Charter Cluster shall not discriminate against students on the basis of disability, race, creed, color, gender, national origin, religion, ancestry, marital status, academic ability, the need for special educational services, or any other characteristic protected by local, state, or federal law.
- g. Reporting Requirements. The Charter Cluster shall be subject to all reporting requirements of O.C.G.A. §§ 20-2-160, 20-2-161(e), 20-2-320, and 20-2-740.
- h. Tuition. The Charter Cluster shall not charge tuition or fees to its students except as may be authorized for local boards pursuant to O.C.G.A. § 20-2-133.
- i. Brief Period of Quiet Reflection. The Charter Cluster shall comply with O.C.G.A. § 20-2-1050, which requires a brief period of quiet reflection.
- j. Individual Graduation Plans. The Charter Cluster shall comply with O.C.G.A. § 20-2-327 related to Individual Graduation Plans.
- k. Family Educational Rights and Privacy Act. The Charter Cluster is subject to all provisions of the Federal Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g. In the event that a Cluster Charter School closes, it shall transmit all official student records in the manner prescribed by the State Board.
- l. QBE Formula Earnings. The Charter Cluster acknowledges that criteria used to calculate Quality Basic Education (QBE) funding may not be waived.

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18. Education Service Providers.

- a. If the Charter Cluster does not contract with an Education Service Provider at the time of execution of this charter but later elects to contract with an Education Service Provider, such decision will require a charter amendment prior to execution of an agreement with an Education Service Provider.
- b. If the Charter Cluster contracts with an Education Service Provider at the time of execution of this charter, the Charter Cluster shall provide reasonable notice to the Local Board and the State Board before agreeing to any material changes or amendments to any contract with an Education Service Provider. Reasonable notice shall mean the Charter Cluster gives the Local Board and State Board at least thirty (30) days advanced notice and shall furnish the parties with a copy of the proposed changes and/or amendments.

19. Compliance with the Rules, Practices, Policies, and Procedures of the Department. The Charter Cluster and each Cluster Charter School shall operate in accordance with the rules, practices, policies, and procedures established by the Department under the authority granted by O.C.G.A. §§ 20-2-2063 *et seq.*

20. Employment Matters. Individuals employed by the Charter Cluster shall not be considered employees of the State Board or the Department.

- a. Background Checks. The Charter Cluster shall adopt background check procedures and shall ensure that all prospective staff members or any individual that will have substantial contact with students undergo a fingerprinting and background check prior to beginning work at a Cluster Charter School or having contact with students.
- b. Teachers' Retirement System. All qualified teachers in the Charter Cluster shall be members of the Teachers Retirement System of Georgia ("TRS") and subject to its requirements. The Charter Cluster is responsible for making arrangements with TRS and making monthly contributions for its teachers in accordance with state requirements.

21. Record Inspection. Subject to state and federal laws, the State Board, the Department and their agents, and the State Auditor's office shall have the right to examine and copy all records, reports, documents, and files relating to any activity, program, or student of the Charter Cluster.

22. Facilities.

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- a. Approval of Site and/or Facility. The Charter Cluster shall obtain proper approval for all sites and/or facilities prior to committing to any certificate of lease or ownership, prior to commencing any construction and prior to student occupation. The Charter Cluster shall contact the Georgia Department of Education's Facilities Services Division regarding the following:
 - i. Site Approval. Immediately upon approval, the Charter Cluster shall contact the Facilities Services Division and obtain site approval. Once site approval has been granted, the Charter Cluster will be issued a site code. The Charter Cluster shall not commit to any certificate of lease or ownership, commence any construction, nor allow student occupation prior to site approval.
 - ii. Architectural Review. The Charter Cluster shall submit and have approved by the Facilities Services Division all architectural plans for any facility that will house a Charter Cluster School during the charter term. The Charter Cluster shall not commit to any certificate of lease or ownership, commence any construction, nor allow student occupation prior to architectural review.
 - iii. School Code Approval. After securing both site approval and architectural review approval a school code shall be obtained for each Cluster Charter School. A locally-approved Charter Cluster shall contact its school system's facilities department and make a request for a school code. The Charter Cluster shall properly obtain the requisite school code prior to occupancy of the site and/or facility.
- b. Prior to opening a school in the Charter Cluster and prior to students occupying any proposed facility, the Charter Cluster shall obtain and submit the following documents to the Department:
 - i. Documentation of Ownership or Lease Agreement. The Charter Cluster shall obtain documentation of ownership or the lease agreement for the facilities that will house the Cluster Charter Schools.
 - ii. Certificate of Occupancy. The Charter Cluster shall obtain a Certificate of Occupancy for the facilities in which its Cluster Charter Schools shall be located.

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- iii. Emergency Safety Plan. The Charter Cluster shall prepare a safety plan in accordance with O.C.G.A. § 20-2-1185, which plan shall be submitted to the Georgia Emergency Management Agency.
23. Transportation. To the extent the Charter Cluster offers a transportation program for its students, the Charter Cluster shall ensure that the program complies with all applicable laws governing transportation of students.
24. Food Services. To the extent the Charter Cluster offers a food service program, the Charter Cluster shall ensure that the program complies with all applicable laws governing food service for students.
25. Termination of Charter.
- a. Termination Procedures. The parties acknowledge and agree that this Charter may be terminated following the procedures set forth in O.C.G.A. § 20-2-2068 and the accompanying State Board Rule.
 - b. Requests for Termination. The termination of this Charter may be requested by a majority of the parents or guardians of the students enrolled in the Charter Cluster, majority of the faculty and instructional staff employed by the Charter Cluster, the Local Board or the State Board following the procedures identified in Section 24(a).
 - c. Termination Grounds. In accordance with Sections 24(a) and (b), the Charter Cluster may be terminated based on any of the following grounds:
 - i. Breach of Charter. In the event the Charter Cluster fails to comply with any material provision set forth in this Charter, it shall be notified by certified mail and be given thirty (30) days from receipt of notice to cure the breach. The nature and outcome of the breach shall be recorded in a memo and placed in the Charter Cluster's file;
 - ii. The Charter Cluster's failure to comply with any recommendation or direction of the State Board with respect to O.C.G.A. § 20-14-41;
 - iii. The Charter Cluster's failure to adhere to any material term of this Charter, including but not limited to the performance goals set forth in Section 8 above;
 - iv. The Charter Cluster's failure to meet generally accepted standards of fiscal management;

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- v. The Charter Cluster's violation of applicable federal, state, or local laws, or court orders;
 - vi. The existence of competent substantial evidence that the continued operation of the Charter Cluster would be contrary to the best interests of the students or the community;
 - vii. The Charter Cluster's failure to comply with any provision of the Charter Schools Act; or
 - viii. The existence of conditions that place the health, safety, or welfare of students or staff of the Charter Cluster in danger.
- d. Distribution of Funds and Assets. In the event that the Charter Cluster ceases operation for any reason, the Charter Cluster and its Governing Board will be responsible for concluding the business and affairs of the Charter Cluster and will cooperate with the Local Board and State Board to the extent necessary to provide an orderly return of the students to their local school. Any public surplus remaining at the time the Charter Cluster ceases operation shall be remitted to the Local Board and/or State Board, whichever is appropriate, within 30 days of ceasing operations. Any furniture and equipment purchased with public funds shall be delivered to the Local Board and/or State Board, whichever is appropriate, within 30 days of ceasing operations. Neither the Local Board nor the State Board shall be responsible for the Charter Cluster's unpaid debts in the event the Charter Cluster does not have sufficient funds to pay all of its debts at the time it ceases operation.
26. Pre-Opening Suspension. In the event that the Charter Cluster fails to comply with any material provision set forth in this Charter that requires compliance prior to the opening of the Charter Cluster, the opening may be suspended until a time after all requirements have been fulfilled by the Charter Cluster as determined by the local district and Department. Suspension shall not result in an extension of the Charter term set forth above in Section 2.
27. Renewal, Non-Renewal, and Probationary Term.
- a. Renewal. The Charter may be renewed by agreement of the parties following the procedures set forth in the Charter Schools Act and accompanying State Board Rule.
 - b. Non-Renewal. Any grounds for termination stated in Section 24(c) above also may be grounds for non-renewal. In addition, the State Board or Local Board may elect not to renew the Charter if the petition for renewal does not comply with the Charter Schools Act and the rules, regulations, policies, and procedures promulgated in accordance with the Charter Schools Act or if the State Board or Local Board deems

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that the Charter Cluster has not sufficiently increased student achievement or is no longer in the public interest.

- c. Probationary Term. In the event the State Board or Local Board determines that the Charter Cluster has failed to comply with any provision of this Charter, the State Board and Local Board may elect to grant a renewal for a probationary term, within which term the Charter Cluster must come into compliance satisfactory to the State Board and Local Board.
28. Temporary Extension. At the discretion of the local district and the Department, a Charter may be extended for a grace period not exceeding sixty (60) days.
 29. Amendments to the Charter. Any material term of this Charter, to be determined by the Local district and the Department, may be amended in writing upon the approval of the Local Board, the State Board and a majority of the Governing Board of the Charter Cluster. Any proposed amendment shall be made in accordance with State Board Rule 160-4-9-.06 *et seq.*
 30. Administrative Clarifications. Any clarification to a non-material term of this Charter, to be determined by the School District and Department, shall be submitted in writing to the local district and the Department for review. Any non-material term of this Charter may be clarified upon written approval of the School District and the Department.
 31. Mandatory Training. The Department reserves the right to require the Charter Cluster or any of its Cluster Charter Schools to attend any training related to the responsibilities of a Charter School.
 32. Indemnification.
 - a. The Petitioner and the Charter Cluster agree to indemnify, defend and hold harmless the Local Board, the School District, the Department and the State Board, their officials, officers, employees, agents, volunteers, and assigns (all of whom hereinafter may collectively be referred to as "Indemnitees"), from any and all claims, demands, suits, actions, legal or administrative proceedings, losses, liabilities, costs, interest, and damages of every kind and description, including any attorneys' fees and/or litigation and investigative expenses, for bodily injury, personal injury, (including but not limited to the Charter Cluster's employees), patent, copyright, or infringement on any intellectual property rights, or loss or destruction of property (including loss of use, damage or destruction of Indemnitee owned property) to the extent that any such claim or suit was caused

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by, arose out of, or contributed to, in whole or in part, by reason of any act, omission, professional error, fault, mistake, or negligence whether active, passive or imputed, of the Charter Cluster or Petitioner, their employees, agents, representatives, or subcontractors, in connection with or incidental to the performance of this Charter regardless of whether such liability, claim, damage, loss, cost or expense is caused in part by an Indemnitee.

- b. The Charter Cluster and Petitioner shall be excused from their indemnification obligations above: (a) If the claims, demands, suits, actions, proceedings, losses, liabilities arise solely and exclusively out of the negligence of the Indemnitee seeking indemnification; or (b) If the Indemnitee fails to (i) provide written notice of the third party claim or suit within a reasonable time, (ii) cooperate with reasonable requests of the Charter Cluster or Petitioner related to the indemnification; or (iii) assist the Charter Cluster or Petitioner with the defense of such claim or suit.
 - c. The Charter Cluster's and Petitioners obligations to indemnify any Indemnitee shall survive the completion, expiration, or termination of this Agreement for any reason.
33. Non-Agency. The parties expressly acknowledge and agree that the Charter Cluster is not acting as the agent of the Local Board, the State Board, or the Department except as required by law or this Charter. The Charter Cluster acknowledges that it is without authority to, and will not, extend the faith and credit of the Local Board, the State Board, or the Department to any third party.
34. Delegation. The parties acknowledge and agree that the functions and powers of each party may be exercised only by each party and may not be delegated to a third party without written agreement by the parties.
35. Application of Amended Law. This Charter is subject to applicable federal and state laws, rules and regulations and shall be deemed amended to reflect applicable changes to those laws upon the effective date of any such change.
36. Non-Waiver. No waiver of any breach of this Charter shall be held as waiver of any other or subsequent breach.
37. Severability. If any provision of this Charter is determined to be unenforceable or invalid for any reason, the remainder of the Charter shall remain in full force and effect.

CHARTER FOR KIPP ATLANTA CLUSTER

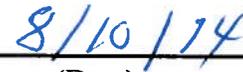
38. Contradicting or Conflicting Provisions. If any provision of the Charter is determined to contradict or conflict with any other provision of the Charter, the contradiction or conflict shall be resolved in favor of the broad flexibility guaranteed pursuant to O.C.G.A. § 20-2-2065 *et seq.*

39. Governing Law and Venue. This Charter shall be governed by, subject to, and construed under the laws of the State of Georgia. This Charter shall be interpreted in accordance with O.C.G.A. §§ 20-2-2060 *et seq.* and §§ 20-2-2080 *et seq.*, as amended within the term of this Charter. Any action brought by one party to this Charter against another party shall be brought in the Superior Court of Fulton County.

40. Entire Agreement. This Charter sets forth the entire agreement between the Petitioner, the Local Board and the State Board with respect to the subject matter of this Charter. All prior contracts, representations, statements, negotiations, understandings, and undertakings between the Petitioner, the Local Board and the State Board are superseded by this Charter. The Charter shall not preclude the Charter Cluster from entering into or maintaining any agreement with the Local Board provided no such agreement supersedes, overrides or conflicts with any provision of this Charter. The petition submitted to the Local Board and the State Board serves only as the formal application for the Charter Cluster and does not constitute a contract between the Local Board, the State Board and the Petitioner. This Charter supersedes and overrides any provisions contained in the petition that conflict with this Charter.



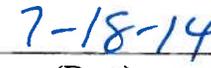
Chairperson,
GEORGIA STATE BOARD OF EDUCATION



(Date)



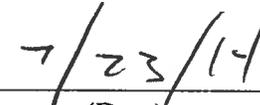
Authorized Representative,
KIPP ATLANTA CHARTER CLUSTER



(Date)



Chairperson,
ATLANTA BOARD OF EDUCATION



(Date)

CHARTER FOR KIPP ATLANTA CLUSTER

Appendix to Charter for KIPP Atlanta Cluster

Appendix A

The State Board shall hold the Charter Cluster accountable for the full performance of each of the academic goals listed below.

Goal 1: During each year of its first five-year charter term, the Charter Cluster shall “beat the odds” as determined by a formula measuring expected student growth.

1. The Beating the Odds analysis is a cross-sectional, fixed effects regression model that uses the following factors from the CCRPI school-level dataset, GaDOE student record file, and GaDOE CPI¹ data.

- a. Student-based Factors:

- % African American
- % Hispanic
- % White
- % Other
- % Free/Reduced Lunch
- % Students with Disabilities
- % English Learners
- % Gifted

- b. School-based Factors:

- School Size (FTE)
- Student/Teacher Ratio
- School Configuration/CCRPI Score Type (i.e. Elementary, Middle, High)
- Locale Type (i.e. City, Town, Rural)

¹ Certified/Classified Personnel Information

CHARTER FOR KIPP ATLANTA CLUSTER

- District Performance (Fixed Effect)

Renewal decisions for new charter clusters first converting in 2014 or later will be based in part on whether the cluster “beat the odds” in each of the first four years of its first charter term (Years 1-4).

Goal 2: During each year of its first five-year charter term, each Cluster Charter School shall “beat the odds” as determined by a formula measuring expected student growth. If each Cluster Charter School fails to beat the odds in Year 1 of the charter, the Charter Cluster shall decrease the number of Cluster Charter Schools not beating the odds during Years 2 and 3 at a rate so that all Cluster Charter Schools will beat the odds in Year 4.

Renewal decisions for new charter clusters first converting in 2014 or later will be based in part on whether each Cluster Charter School “beat the odds” in each of the first four years of its first charter term (Years 1-4).

Goal 3: The Charter Cluster will demonstrate proficiency and/or improvement on the CCRPI.

1. Measure 1: For new Charter Clusters first converting in 2014 or later, using Year 1 of the charter term to establish a CCRPI baseline, the Charter Cluster’s CCRPI score shall be equal to or better than the State in Year 2, and better than the State in Years 3-5 of the charter contract.
2. Measure 2: If the Charter Cluster’s first-year CCRPI score is lower than the State, the Charter Cluster shall have until the end of Year 2 of the charter term to close the gap between the Charter Cluster and the State.
3. Measure 3: In Years 3-5 of the charter term, the Charter Cluster’s CCRPI score shall be better than the State.

Renewal decisions for new Charter Clusters first converting in 2014 or later will be based in part on whether the Charter Cluster’s CCRPI score was equal to or better than the State in Year 2, and better than the State Years 3-4 of the charter contract.

CHARTER FOR KIPP ATLANTA CLUSTER

The State Board shall hold the Charter Cluster accountable for the full performance of each of the operational goals listed below.

Goal 1: Promote a positive school experience by providing a positive school environment.

Measure 1: According to data reported by the Governor's Office of Student Achievement Report Card, in each year of the charter, the percentage of students absent 15 days or more shall not exceed 10% and shall improve by 2 percentage points until the percentage of students absent 15 days or more is below 5%.

Measure 2: From a baseline established in Year 1 of the charter term (2013-2014), the Charter Cluster will increase parent satisfaction annually by 5% as measured on the annual parent perception survey until parent satisfaction measures 90% at which time the Charter Cluster shall maintain the 90% satisfaction rate.

Measure 3: Each year, 90% of teachers will indicate that they are at least "satisfied" with the overall quality of their job as measured via an annual survey conducted at the conclusion of the school year, in which the options are very unsatisfied, unsatisfied, somewhat satisfied, satisfied, and very satisfied. The survey response rate will be at least 85% of teachers surveyed.

Goal 2: The Charter Cluster will be economically sustainable.

Measure 1: Each year, the Charter Cluster will operate in a fiscally sound manner as measured by an external audit.

Measure 2: Actual and proposed budgets for each school year will demonstrate effective allocation of resources.

Measure 3: Yearly balance sheets will demonstrate that the Charter Cluster maintains adequate cash reserves.

Measure 4: The Charter Cluster will meet all Generally Accepted Governmental Accounting Standards (GAGAS) as demonstrated by external, annual audit reports.

CHARTER FOR KIPP ATLANTA CLUSTER

Measure 5: The Charter Cluster will meet all financial reporting deadlines set by the Department.

Goal 3: The Charter Cluster will ensure all Governing Board Members receive effective training.

Measure 1: All Governing Board members shall participate in training at least annually.