

**Evaluation of the
Indianapolis Mayor Sponsored
Charter Schools**

**Fall Creek Academy
Fourth-year Charter Review**

2011-2012 School Year

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OFFICE OF EDUCATION INNOVATION

Office of the Mayor of Indianapolis

FOURTH YEAR CHARTER REVIEW

Fall Creek Academy

October 13 –19, 2011

The Indianapolis Mayor's Office Fourth Year Charter Review (FYCR) is designed to assess the fourth year of the school as it develops key aspects of its culture and academic goals. The Fourth Year Charter Review Protocol is based on the *Performance Framework*, which is used to determine a school's success relative to a common set of indicators, as well as school-based goals.

Consistent with the Indianapolis Mayor's Office Performance Framework, the following four core questions and sub-questions are examined to determine a school's success:

1. *Is the educational program a success?*
 - 1.1. *Is the school making adequate yearly academic progress, as measured by the Indiana Department of Education's system of accountability?*
 - 1.2. *Are students making substantial and adequate gains over time, as measured using value-added analysis?*
 - 1.3. *Is the school outperforming schools that the students would have been assigned to attend?*
 - 1.4. *Is the school meeting its school-specific educational goals?*
2. *Is the organization effective and well-run?*
 - 2.1. *Is the school in sound fiscal health?*
 - 2.2. *Are the school's student enrollment, attendance, and retention rates strong?*
 - 2.3. *Is the school's Board active and competent in its oversight?*
 - 2.4. *Is there a high level of parent satisfaction with the school?*
 - 2.5. *Is the school administration strong in its academic and organizational leadership?*
3. *Is the school meeting its operations and access obligations?*
 - 3.1. *Has the school satisfactorily completed all of its organizational structure and governance obligations?*
 - 3.2. *Is the school's physical plant safe and conducive to learning?*
 - 3.3. *Has the school established and implemented a fair and appropriate pupil enrollment process?*
 - 3.4. *Is the school properly maintaining special education files for its special needs students?*
 - 3.5. *Is the school fulfilling its legal obligations related to access and services to students with limited English proficiency?*
4. *Is the school providing the appropriate conditions for success?*
 - 4.1. *Does the school have a high-quality curriculum and supporting materials for each grade?*
 - 4.2. *Are the teaching processes (pedagogies) consistent with the school's mission?*

- 4.3. *For secondary students, does the school provide sufficient guidance on and support and preparation for post-secondary options?*
- 4.4. *Does the school effectively use learning standards and assessments to inform and improve instruction?*
- 4.5. *Has the school developed adequate human resource systems and deployed its staff effectively?*
- 4.6. *Is the school's mission clearly understood by all stakeholders?*
- 4.7. *Is the school climate conducive to student and staff success?*
- 4.8. *Is ongoing communication with students and parents clear and helpful?*

COMPLETION OF THE FOURTH YEAR CHARTER REVIEW

As part of its oversight of charter schools, the Mayor's Office approved Research & Evaluation Resources (RER) to conduct site visits of schools in their fourth year of operation. The purpose is to present the school and the Mayor's Office a professional judgment on conditions and practices at the school, which are best provided through an external perspective. This report uses multiple sources of evidence to understand the school's performance. Evidence collection begins before the visit with the review of key documents and continues on-site through additional document review, classroom visits and interviews with any number of stakeholders. Findings provided by the site visit team can be used to celebrate what the school is doing well and prioritize its areas for improvement in preparation for renewal. It is the task of the site visit team to report on the following pre-identified aspects of the *Performance Framework* and to assist the Mayor's Office in its completion of the FYCR Protocol: *Responses to sub-question 1.4 of Core Question 1, responses to sub-questions 2.3, 2.5 and 2.6 of Core Question 2, responses to sub-questions 3.4 and 3.5 of Core Question 3, and sub-questions 4.1 through 4.8 of Core Question 4.*

The outcome of this review will provide the school with written report that includes a judgment and supporting evidence on various aspects of the school, based on a rubric of indicators¹ developed for each of the four core questions and sub-questions in the *Performance Framework*. The assessment system utilizes the following judgments:

Does not meet standard

Approaching standard

Meets standard

Exceeds standard

Note: In the case of the sub-questions under *Core Questions 3 and 4* of the *Performance Framework*, there is no rating for *Exceeds standard*. *Meets standard* is the highest possible rating.

¹ Rubric indicators are subject to revision by the Mayor's Office.

Background and History of Fall Creek Academy

Fall Creek Academy will make “no excuses” for its student population and will dedicate itself to ensure that all students show growth in character, academics, life skills, the arts, and wellness using teaching skills tailored to meet the needs of each student.

At Fall Creek Academy, all roads lead to college—and beyond.

The school mission of Fall Creek Academy reflects the dedication of the teaching staff, school leadership and the GEO Foundation to provide the best possible education for their students and to expect the best from them, acknowledging that the students they serve face a multitude of challenges in their lives, inside and outside of the walls of Fall Creek Academy.

The original Fall Creek Academy Charter application described a school that was based on the Core Knowledge Curriculum, and also utilized the A+ Advanced Learning System to provide student with individualized instruction. This combination was designed to provide students with a solid foundation in the Core Knowledge curriculum, as well as the opportunity to engage in project-based learning, foreign language instruction and fine arts and physical fitness on a regular basis. The charter application also proposed the regular use of standardized testing to assess student progress and to inform instruction. Fall Creek Academy also stressed the formation of school-community partnerships, the use of technology in the schools, and providing students with a school culture that promoted learning.

Fall Creek Academy received its charter from the Mayor of Indianapolis in 2001 and applied for a full seven-year renewal in 2008. At that time, Fall Creek Academy was not granted a full renewal, but was instead given a conditional two-year renewal. In 2010 Fall Creek Academy was granted an additional one-year conditional renewal, and as part of that renewal was required to perform a full academic audit in the fall semester of 2011.

The Evaluation Process

This report represents an evaluation about performance in each of the standards and indicators that are the responsibility of RER to evaluate. These indicators: 1.4, 2.3, 2.5, 3.4, 3.5 and 4.1-4.8 are outlined in the Performance Framework.

Research & Evaluation Resources staff engaged in a number of evidence-collecting activities. The focus of this evaluation was to gauge perceptions of key stakeholders at the school in relation to the areas of the performance framework that are part of the evaluation. RER conducted focus group discussions with students, staff, and parents, as well as interviews with the school administration and Board members. These focus groups and interviews were conducted over a 1-week period, with the teacher, student and coach interviews completed on October 17 2011. The Board of Directors interview was performed prior to a Board meeting on October 17, 2011 and the leadership interviews took place on October 18, 2011.

Twenty classroom observations were performed on site using the classroom observation instrument provided by the Office of Education Innovation. The on site observations lasted approximately 20 minutes, and all but one member of the teaching staff was observed at least once. On average, each observation lasted 26.6 minutes and the observed student to teacher ratio was 18 to 1.

In the following report, standards and indicators are listed with relevant evidence given related to the performance criteria. For the majority of the indicators, the elementary, middle and high school will be evaluated together, however, in order to provide the most accurate evaluation of Fall Creek Academy, in matters of curriculum and school the high school will be evaluated separately.

Following the discussion of each indicator, a summary of strengths and areas for attention are provided for the core question.

It is important to note that while this evaluation of Fall Creek Academy is a full examination of the educational functioning of the school as if it were in its fourth year of operation, this is not the case. Fall Creek Academy is in its tenth year of operation and because of this has established an identity and a character within the local community. Fall Creek Academy is also in many ways a first year school—due to significant turnover in the teaching staff, new school leadership and a completely new Board of Directors, Fall Creek Academy families, students and staff are just beginning to understand and embrace their “new” school. This evaluation is also taking place relatively early in the school year, at a time when many of the changes being implemented by the new school leadership are still in their very early stages. Because of these factors this is a “prospective” formative evaluation—standards and indicators will be evaluated based on their current status in the school, but with a consideration of their possible trajectory.

SUMMARY OF FINDINGS

<i>Core Question 1: Is the educational program a success?</i>	FINDING
1.1: Is the school making adequate yearly academic progress, as measured by the Indiana Department of Education's system of accountability?	Mayor's Office
1.2: Are students making substantial and adequate gains over time, as measured using value-added analysis?	Mayor's Office
1.3: Is the school outperforming schools that the students would have been assigned to attend?	Mayor's Office
1.4: Is the school meeting its school - specific educational goals?	Approaching Standard
<i>Core Question 2: Is the organization effective and well-run?</i>	FINDING
2.1: Is the school in sound fiscal health?	Mayor's Office
2.2: Are the school's student enrollment, attendance and retention rates strong? (ALL	Mayor's Office
2.3: Is the school's Board active and competent in its oversight?	Approaching Standard
2.4: Is there a high level of parent satisfaction with the school?	Mayor's Office
2.5: Is the school administration strong in its academic and organizational leadership?	Approaching Standard
2.6: Is the school meeting its school-specific organizational and management performance goals?	Not Applicable
<i>Core Question 3: Is the school meeting its operations and access obligations?</i>	FINDING
3.1: Has the school satisfactorily completed all of its organizational and governance obligations?	Mayor's Office
3.2: Is the school's physical plant safe and conducive to learning?	Mayor's Office
3.3: Has the school established and implemented a fair and appropriate pupil enrollment process?	Mayor's Office
3.4: Is the school fulfilling its legal obligations related to access and services to students with special needs?	Approaching Standard
3.5: Is the school fulfilling its legal obligations related to access and services to students with limited English proficiency?	Not Applicable
<i>Core Question 4: Is the school providing the appropriate conditions for success?</i>	FINDING
4.1: Does the school have a high-quality curriculum and supporting materials for each grade?	Approaching Standard
4.2: Are the teaching processes (pedagogies) consistent with the school's mission?	Approaching Standard
4.3: For secondary students, does the school provide sufficient guidance on and support and preparation for post-secondary options?	Meets Standard
4.4: Does the school effectively use learning standards and assessments to inform and improve instruction?	Meets Standard
4.5: Has the school developed adequate human resource systems and deployed its staff effectively?	Meets Standard
4.6: Is the school's mission clearly understood by all stakeholders?	Meets Standard
4.7: Is the school climate conducive to student and staff success?	Meets Standard
4.8: Is ongoing communication with students and parents clear and helpful?	Meets Standard

Standard One: Is the educational program a success?

1.4 Is the school meeting its school-specific educational goals?	
Does not meet standard	School has clearly not met its school-specific educational goals.
Approaching standard	School is making good progress toward meeting its school-specific educational goals.
Meets standard	School has clearly met its school-specific educational goals.
Exceeds standard	School has clearly exceeded its school-specific educational goals.

Although there have been changes to the mission of Fall Creek Academy since the charter application in 2001, the school has met all but one of the school-specific goals for the academic program, and has added several goals that better serve their current population.

Fall Creek Academy is a student-centered school that uses data-driven instruction, performs regular assessments and provides students with physical education, second language instruction, and regular instruction in the fine arts. Additionally, Fall Creek Academy has developed a very beneficial relationship with Ivy Tech to provide their students with the opportunity to succeed at the college level while still in high school. Fall Creek Academy has also successfully implemented a mastery-based grading system that has instilled in students the belief that simply passing with a “C” is not acceptable at Fall Creek Academy—instead students must master the content in order to move ahead.

The only goal that Fall Creek Academy has not met is in the full implementation of the Core Knowledge curriculum. While the school has been successfully using the A+ curriculum as outlined in the proposal, more work is needed to fully implement Core Knowledge and bring all aspects of the school-wide curriculum online.

Areas of strength: In a time when many public schools are cutting back on the fine arts and physical education, Fall Creek Academy has shown a strong commitment to providing students with the chance to fully develop all their skills.

Fall Creek Academy has provided students with an invaluable opportunity with the Ivy Tech college courses that have been integrated into the high school curriculum.

The use of mastery-based grading has created an expectation of excellence in the students and has created a culture where a “C” is not enough.

Recommendations: Fall Creek Academy needs to expedite the full adoption of the Core Knowledge curriculum. It should be noted that this recommendation is currently being implemented by the school—they are taking the leadership team to Core Knowledge national conference in November to prepare for full implementation over the next three years. The school leadership also shared that a complete process has been developed to role out Core Knowledge, showing that they have a well-articulated plan for implementing the full curriculum.

Standard Two: Is the organization effective and well-run?

2.3. Is the school's Board active and competent in its oversight?	
Does not meet standard	The school appears to lack clear, consistent, and competent stewardship. The Board lacks the number of members specified in the by-laws; it is not well-balanced in member expertise; there has been consistently high turnover on the Board unrelated to the term limits stipulated in the Board's by-laws; roles and responsibilities of the Board are not clear; it often fails to achieve a quorum.
Approaching standard	Board membership is not complete; there has been some unanticipated turnover on the Board unrelated to the term limits stipulated in the Board's by-laws; it is reasonably well-balanced in member expertise; roles and responsibilities on the Board are reasonably clear; it is difficult to get a quorum; Board subcommittees are somewhat active; the Board is developing its ability to provide clear, consistent, and competent stewardship.
Meets standard	The Board's membership collectively contributes a broad skill set and fair representation of the community; Board members are knowledgeable about the school; roles and responsibilities of the Board are clearly delineated; Board meetings reflect thoughtful discussion and progress in the consideration of issues; overall, the board provides consistent and competent stewardship of the school.
Exceeds standard	The Board meets the standard for this sub-question AND: displays exceptional expertise and stewardship, as evidenced by significant Board actions to enhance the school over time.

The current Fall Creek Academy Board of Directors was appointed in the summer of 2011, after the previous Board was removed for cause by the GEO Foundation. This instance is the only time that this right has been exercised by GEO, and as noted below, GEO has agreed not to use this right during the current period of Board restructuring. The current members of Board of Directors are Mr. Michael Smith, Mr. Rollin Dick, Mr. Jim Parker, Ms. Lora Manion and Dr. Charlie Feldhaus. Invitations are being extended to other members of the community in consultation with Mr. Milt Thompson, a specialist in Board of Director development for non-profits. Thus, there are a total of five current board members, with the goal of a total of seven.

The current Board has taken on the formidable task of stepping in without the benefit of the experience and knowledge of previous Board members. Consequently they are all new (with the exception of one board member, Mr. Rollin Dick, who is one of the founding board members) to their roles at Fall Creek and are currently coming to understand their roles and responsibilities as members of the Fall Creek Academy Board of Directors. When asked about the relationship between GEO, Fall Creek Academy and the Board of Directors, it was stated by members of the current Board that their understanding is that it is the responsibility of GEO to provide guidance and support to Fall Creek Academy, and also to provide relevant and accurate information regarding

the functioning of the school. If, for any reason, a Board member believes that the information being provided by GEO is either inaccurate or inadequate, it is their responsibility to take action and as one Board member noted, to "make a diligent personal inquiry" into the status of the school. When asked about the problems faced by Fall Creek in the 2010-11 academic year, with staff and leadership turnover, low morale in the staff and a negative school climate, one member of the current Board noted that the previous Board of Directors did not perform their duties of oversight, and further that while GEO Foundation was aware of the problems in the school, they (GEO) waited too long to take action.

It was clear to the Board that it was the responsibility of GEO to appoint the Fall Creek Academy Board of Directors, and that the Geo Foundation Board of Directors had the power to dismiss members of the Fall Creek Academy Board. It was also noted that the GEO Foundation had agreed not to use that power during the current school year in order to allow this Board to perform their duties. The Board members are also aware that the Fall Creek Academy Board has the power to discontinue the school management services provided by GEO at any time. It was clear that this arrangement was acceptable to the current members of the board.

There are no current subcommittees of the Board, and since the appointment of the new board, there has been no issue obtaining a quorum. The new Board has invested the time necessary to assume their new duties, meeting as often as twice a month since June. The board is developing its ability to provide clear, consistent stewardship for the school, and once they have established a full Board and have had time to develop this standard will definitely be met.

Areas of strength: Fall Creek Academy has a very dedicated Board of Directors who are determined to provide leadership and oversight for the school.

Recommendations: Continue with the Board development efforts and do everything necessary to ensure that the Board of Directors is clear about its role, and most importantly, that they understand that it is their duty to provide complete oversight. It is crucial that the kind of lapse in oversight that befell Fall Creek Academy in the last academic year not happen again.

2.5. Is the school administration strong in its academic and organizational leadership?	
Does not meet standard	The school presents significant concerns in <u>two or more</u> of the following areas with no evidence of a credible plan to address them: a) the leadership has insufficient academic and/or business expertise; b) turnover in leadership has been high and/or damaging to the school; c) roles and responsibilities among leaders and between leaders and the Board are generally unclear; d) the school's leadership does not appear to actively engage in a process of continuous improvement; it has made few mid-course corrections in response to problems.
Approaching standard	The school presents significant concerns in <u>one</u> of the following areas with no evidence of a credible plan to address it: a) the leadership has insufficient academic and/or business expertise; b) turnover in leadership has been high and/or damaging to the school; c) roles and responsibilities among leaders and between leaders and the Board are generally unclear; d) the school's leadership does not appear to actively engage in a process of continuous improvement; it has made few mid-course corrections in response to problems.
Meets standard	The school's leadership a) has sufficient academic and/or business expertise; b) has been sufficiently stable over time; c) has clearly defined roles and responsibilities among leaders and between leaders and the Board; d) actively engages in a process of continuous improvement which has led to some mid-course corrections.
Exceeds standard	The leadership displays exceptional academic and business expertise. Leadership turnover has been manageable and appropriate. Roles and responsibilities among leaders and between leaders and the Board are clear. The leadership has established exemplary processes to engage in continuous improvement which have led to significant enhancements to the school over time.

The new leadership at Fall Creek Academy is very strong in its academic and organizational leadership. Mr. Richard Hunt, the new principal, came to the Fall Creek Academy with extensive experience in the use of the 8-Step Process and Integrated Systems Model for School Improvement. He holds a valid Indiana administrators license. Prior to coming to Fall Creek Academy, Mr. Hunt was a teacher at the Renaissance School in Warren Township and the principal at Heather Hills Elementary School. Mr. Michael Bryant is the Principal Fellow, and works in partnership with Mr. Hunt in academic and disciplinary affairs, with a focus on disciplinary issues. Mr. Bryant has been with Fall Creek Academy since the 2010-11 academic year, and served as interim principal in the spring of 2011.

Mr. Hunt and Mr. Bryant have formed a very effective working partnership, and have created a team of professionals that work together to ensure that the school runs smoothly. Both Mr. Hunt and Mr. Bryant have the best interests of the students and the school as their goals. Because of the many changes that Fall Creek is currently undergoing, there are many examples of the school leadership responding quickly and effectively to the needs of the students and the school community. Mr. Hunt and Mr. Bryant share responsibility in ensuring that the discipline meted out is fair and appropriate to the age of the child and the nature of the offense, they both work to ensure that the beginning of the school day is safe and that dismissal is orderly, fast and safe for the children who take the bus

and for those being picked up by parents. In fact, the procedures for pickup and drop off are a good example of the responsiveness of the school leadership to the needs of the community; it was reported in the parent focus group that during the previous academic year the pickup and drop off procedures were often quite dangerous for the children and that they have requested changes to the previous leadership. Mr. Hunt and Mr. Bryant responded quickly to their concerns and have modified the procedures to be safe for everyone.

There has been a great deal of turnover in leadership in the past 12 months at Fall Creek Academy, and that indicator is what precludes Fall Creek Academy from meeting this standard. The 2010-11 school year was a tumultuous time for the school, in which the community saw their school leader of over two years resign upon the request of GEO, the installment of an acting principal, Mr. Bryant, and leadership assistance provided by one of GEO's leadership team members, Dr. Percy Clark. Further, there was also a great deal of turnover in the staff between 2010-11 and 2011-12. One reason for the staff turnover was that several staff members were from Teach For America and had completed their two year commitment to Fall Creek Academy and so they left—it should be noted that this is a problem shared by many charter schools, who often take advantage of the Teach For America program to staff their schools. Other reasons are unique to Fall Creek Academy; as noted by Mr. Kevin Teasley of the GEO Foundation, the one year extension granted by the Office of Education Innovation of the Mayor of Indianapolis caused many in the teaching staff to be concerned about their future job security. Further, as noted above, the principal was let go for performance reasons, and that and the lack of job security were both likely contributors to the staff turnover. All of these drastic changes had an effect on Fall Creek Academy, and left the community shaken at the end of the previous school year.

The hiring of Mr. Hunt, the retention of Mr. Bryant and the partnership they have formed have moved the school forward, but the changes of the past year, coupled with the unpredictability of the previous school leadership, has left Fall Creek Academy at risk for sliding back into the problems that are currently being addressed by the new leadership. It is crucial that Fall Creek Academy maintain the current leadership team for the foreseeable future. However, acknowledging that there will always be change in education leadership, Fall Creek Academy must develop as an educational institution that can flourish with any individual in the leadership position. To that end, the institutionalization of a culture of excellence, a climate that promotes success, and development of the leadership capabilities of the current staff are necessary.

Discussions with Mr. Teasley revealed that the GEO Foundation is addressing the need for strong and consistent leadership by improving its hiring practices--it now has an extensive hiring system in place including written applications, multiple interviews with a team of interviewers, and participation by teachers, staff and board members. An example of the improvements being implemented by Fall Creek Academy and the GEO Foundation can be found in the procedure used to hire Mr. Hunt. In order to give staff greater ownership of their school, they were asked to participate in the interview process used to find the new principal, and most of the returning staff participated in the hiring process and voted in favor of Mr. Hunt being named principal.

As with the Board of Directors noted above, the main reason that Fall Creek Academy did not meet this standard was due to the amount of turnover experienced recently. The change in leadership was necessary, but it was still disruptive. Once the current leadership has had time to implement their programs Fall Creek Academy should meet this standard.

Areas of strength: Fall Creek Academy has a very talented and dedicated leadership team in Mr. Hunt and Mr. Bryant, who are moving the school forward.

The current school leaders acknowledge the need to develop Fall Creek Academy as an educational institution that can survive changes in leadership.

Recommendations: Promoting the leadership capabilities of current staff and developing a school identity should be encouraged.

Standard Three: Is the school meeting its operations and access obligations?

3.4. Is the school properly maintaining special education files for its special needs students?	
Does not meet standard	The school is not fulfilling its legal obligations regarding proper maintenance of special needs students' files, and requires substantial improvement in order to achieve compliance such as the following: individualized education plans are up-to-date, student evaluations or re-evaluations have occurred within the appropriate timeframe, files contain the relevant required information, such as, file log sheet, parent consent form, documentation of case conference notification to parents and other conference participants and signatures of attendees at case conferences. A school does not meet the standard if any individual education plans have not been updated within the appropriate timeframe.
Approaching standard	The school is not yet completely fulfilling all of its legal obligations regarding proper maintenance of special-needs students' files, and requires <i>some</i> (but not considerable) improvement to fully achieve conditions such as the following: individualized education plans are up-to-date, student evaluations or re-evaluations have occurred within the appropriate timeframe, files contain the relevant required information, such as, file log sheet, parent consent form, documentation of case conference notification to parents and other conference participants and signatures of attendees at case conferences.
Meets standard	The school is fulfilling its legal obligations regarding special-needs students, as indicated by conditions such as the following: individualized education plans are up-to-date, student evaluations or re-evaluations have occurred within the appropriate timeframe, files contain the relevant required information, such as, file log sheet, parent consent form, documentation of case conference notification to parents and other conference participants and signatures of attendees at case conferences.

Fall Creek Special Education Evaluation 10/14/2011

Submitted By Azure DS Angelov, Ph.D.

In early October I was secured to do an expedited evaluation of the special education services provided at Fall Creek Academy. The academy was given the option to use the newly developed comprehensive special education protocol or the previous file review protocol. Both protocols have been approved by the Mayor's Office and Fall Creek Academy chose to use the previous file review.

When I arrived at Fall Creek Academy I discovered they have 54 of 320 (17%) students receiving special education services. They seem to have built a solid team of highly qualified, well educated, special education teachers with experience. This is a HUGE plus for any charter school. All three teachers currently serving the students at Fall Creek are new and seem very well organized. The building serves students in grades K-12 and the teachers are divided according to grade level (elementary, middle, high school). Additionally, the team at Fall Creek Academy has established strong partnerships with several solid community organizations.

Currently, Easter Seals Crossroads supports Fall Creek Academy with transition, speech, OT, PT and related services. Damar Services, Inc. provides testing and evaluation services and Broad Ripple mental health services provide mental health services. Fall Creek academy has benefited from these partnerships. Their files contain well-written and tangible reports from these agencies. Additionally, the staff is learning to navigate the new state IEP system. They are in the process of waiting on several move in student's files to be released from other schools in order to complete their files. This is a common issue found in many schools as they adjust to the new system.

A thorough review of each file utilizing the protocol provided by the Mayor's office was completed onsite on Friday October 14th 2011. Several concerns emerged from the review. There were four primary issues related to non-compliance that emerged: no family signatures, inaccurate IEP effective dates, missing log sheets, and missing FBAs and behavior plans for students labeled with EBD. The latter two issues only appeared twice throughout the entire set of files, but the first two issues were very common and found in at least half of the files. In several incidents families had attended and signed paperwork from other schools, but once they transitioned into Fall Creek, there was no evidence that families signed either the notice of conference meeting time or the IEP implementation sheet. Often times it was checked that families wanted telephone conferences, even though that had not been

a previous choice. It is important to note that ALL files that were found to be out of compliant were completed last year.

The current special education staff is taking on the enormous job of cleaning up their entire caseload. They are meeting the needs of their students, families, and fellow teachers while also rewriting all of the IEPs. This is no small task and should be fully supported with time, resources and capacity by the leadership of Fall Creek Academy. All files completed by the current staff were well written and fully compliant. I cannot over emphasize the importance of the current special education staff's job to rewrite all IEPs and get the school in compliance with the law. This task should be given the upmost importance.

Under the previous protocol for file reviews only one benchmark (3.4) relates to special education. Based on the rubric, Fall Creek Academy currently ranks as "Approaching" based on the data shared in this report. While I observed many great things taking place, the protocol chosen by Fall Creek does not allow for that to be shared. In the future I recommend that Fall Creek use the more comprehensive special education protocol to allow them to tell their story more fully. I also recommend that Fall Creek provide the special education staff the rest of the school year to get their files compliant and have another evaluation using the more comprehensive protocol. This will provide Fall Creek with data that could help the staff not just become compliant, but help them document best practices taking place.

Additional Evaluative Notes from Mary Jo Rattermann

During the debriefing process, Dr. Angelov conveyed to me that she had made several informal observations while at Fall Creek Academy that may have been relevant to the special education audit she was performing, but that due to the nature of the file review she was contracted to perform she did not formally note in her report. I am conveying some of these observations from our

conversation, but want to note that these are my observations based on our conversations and are not the opinions of Dr. Angelov.

Dr. Angelov conveyed to me that she had observed interactions between the general education staff and the special education staff and that these interactions were friendly and collaborative. She also noted that the special education experience of the general education staff was particularly deep—several of the teachers were known to Dr. Angelov and she noted that while they were acting as general education instructors they also had special education degrees and experience. The special education staff was informally observed interacting with parents, and these interactions were open, reciprocal, inviting and productive. The parents appeared to be happy and supported, as did the children with IEP's who came to the resource room when Dr. Angelov was present. Finally, she noted that the current special education staff was keeping detailed and up to date phone logs of communication with families.

Finally, it should be noted that in response to Dr. Angelov's assertion that Fall Creek Academy is out of compliance, Mr. Teasley would like it noted that the files may have been out of compliance due to the dating of parent signatures, and this is due to faulty software problem in the new system. The special education files of Fall Creek Academy have always been compliant with Article 7, which is a different standard than the file audit rubric used by the Mayor's office.

3.5. Is the school fulfilling its legal obligations related to access and services to English as a Second Language (ESL) students?	
Does not meet standard	The school is <u>not</u> fulfilling its legal obligations regarding ESL students, and requires substantial improvement in order to achieve conditions such as the following: appropriate staff have a clear understanding of current legislation, research and effective practices relating to the provision of ESL services; relationships with students, parents, and external providers that are well-managed and comply with law and regulation.
Approaching standard	The school is <u>not yet completely</u> fulfilling all of its legal obligations regarding ESL students, and requires <i>some</i> (but not considerable) improvement to fully achieve conditions such as the following: appropriate staff have a clear understanding of current legislation, research and effective practices relating to the provision of ESL services; relationships with students, parents, and external providers that are well-managed and comply with law and regulation.
Meets standard	The school is fulfilling its legal obligations regarding ESL students, as indicated by conditions such as the following: appropriate staff have a clear understanding of current legislation, research and effective practices relating to the provision of ESL services; relationships with students, parents, and external providers that are well-managed and comply with law and regulation.

Not Applicable.

Standard Four: Is the school providing the appropriate conditions for success?

4.1. Does the school have a high-quality curriculum and supporting materials for each grade?	
Does not meet standard	The school presents significant concerns in <u>two or more</u> of the following areas: a) the curriculum does not align with the state standards; b) the school does not conduct systematic reviews of its curriculum to identify gaps based on student performance; c) the school does not regularly review scope and sequence to ensure presentation of content in time for testing; d) the sequence of topics across grade levels and content areas does not focus on core (prioritized) learning objectives; e) the staff lacks understanding and/or consensus as to how the curriculum documents and related program materials are used to effectively deliver instruction; f) there is a lack of programs and materials available to deliver the curriculum effectively.
Approaching standard	The school presents significant concerns in <u>one</u> of the following areas: a) the curriculum does not align with the state standards; b) the school does not conduct systematic reviews of its curriculum to identify gaps based on student performance; c) the school does not regularly review scope and sequence to ensure presentation of content in time for testing; d) the sequence of topics across grade levels and content areas does not focus on core (prioritized) learning objectives; e) the staff lacks understanding and/or consensus as to how the curriculum documents and related program materials are used to effectively deliver instruction; f) there is a lack of programs and materials available to deliver the curriculum effectively.
Meets standard	The school: a) curriculum aligns with the state standards; b) conducts systematic reviews of its curriculum to identify gaps based on student performance; c) the school regularly reviews scope and sequence to ensure presentation of content in time for testing; d) has a sequence of topics across grade levels and content areas that is prioritized and focuses on the core learning objectives; e) the staff understands and uniformly uses curriculum documents and related program materials to effectively deliver instruction; f) programs and materials are available to deliver the curriculum effectively.

The current curricular model being implemented at Fall Creek Academy is a hybrid of the Treasures curriculum, the A+ online curriculum (which is based on Core Knowledge), and materials put together by the teaching staff, with the scope and sequence documents from the Warren Township curriculum used to provide a structure and alignment to the state standards. This ad hoc curriculum will be used for the current academic year as the school fully adopts the Core Knowledge curriculum. The Core Knowledge curriculum was part of the original charter of Fall Creek, and has been part of the vision for the school since its beginning.

The current curriculum does align with the state standards, as it relies on the documents outlining the Warren Central curriculum maps that are also aligned to the state standards. It was reported during the teacher focus groups and in the interview with Mr. Hunt, that Mr. Hunt reviews the curriculum map and aligns teachers lesson plans to the Warren Township pacing charts, and scope and sequence every 3 weeks.

As noted above, the school is moving toward a more robust implementation of Core Knowledge and there is a good plan in place to make the transition. As part of the shift to full implementation of the Core Knowledge curriculum, Mr. Hunt is planning for the future use of the Common Core Curriculum. He is also planning to keep the Treasures curriculum currently being used, and in combination with A+, these materials will be available as curricular options for the teaching staff to use when they are differentiating instruction.

The school is very data driven, and they are putting the mechanisms in place for systematic reviews of the curriculum to identify gaps in performance. Mr. Hunt is a data driven school leader (a fact that was cited as one of the compelling reasons for why GEO and the Board chose him to be the school leader) and uses Acuity to drive assessments. He has also stated the goal of improving the quality and use of classroom assessments to drive instruction. In short, Mr. Hunt is aware of the issues with the current curriculum and has put procedures in place to make sure that this transitional year does not hinder student growth and impact the quality of instruction.

The one indicator that prevented Fall Creek Academy from meeting this standard is the lack of program materials to deliver the curriculum effectively. As noted above, this evaluation is based on the current state of Fall Creek Academy, and at this time the majority of the teachers report that they currently have the programs and materials needed to deliver the curriculum effectively. However, more than one classroom teacher reported that the books or supplies that they need to implement their curriculum are ordered but have not arrived. While those teachers waiting for their materials to arrive did not express any discontent, the lack of materials for some of the classes is a problem. It should be acknowledged that this is a reflection of the very short time since the beginning of the semester, and in the future all of these needs will be met, however at this time there are gaps in the curricular materials.

Fall Creek Academy High School

The current state of the curriculum at the high school is similar to that of the primary school, with the addition of the courses being taught at Ivy Tech. The school has also moved to implement Project Lead the Way this year starting with the middle school with plans to roll it out one year at a time each year through high school, which will add to the strength of the curriculum and complement the presence of the Ivy Tech classes.

Areas of strength: The move toward adopting the Core Knowledge curriculum will greatly improve the cohesiveness of the curriculum used at Fall Creek Academy.

Implementing Project Lead the Way will provide the already strong high school curriculum with complementary classes as supports or alternatives to the Ivy Tech coursework.

Recommendations: The current system for organizing the curriculum is not ideal, and the school leadership must be diligent in its oversight of the scope and pacing of the teachers and the content being delivered in the classroom to ensure that the students' needs are being met.

4.2. Are the teaching processes (pedagogies) consistent with the school's mission?	
Does not meet standard	The school presents significant concerns in <u>two or more</u> of the following areas: a) the curriculum is not implemented in the majority of classrooms according to its design; b) as delivered, instruction is not focused on core learning objectives; c) the pace of instruction/lessons and content delivery lacks the appropriate rigor and challenge; d) instructional activities lack variety and/or limited use of differentiated strategies to engage a wide range of student interests, abilities and learning needs; e) staff do not receive feedback on instructional practices.
Approaching standard	The school presents significant concerns in <u>one</u> of the following areas: a) the curriculum is not implemented in the majority of classrooms according to its design; b) as delivered, instruction is not focused on core learning objectives; c) the pace of instruction/lessons and content delivery lacks the appropriate rigor and challenge; d) instructional activities lack variety and/or limited use of differentiated strategies to engage a wide range of student interests, abilities and learning needs; e) staff do not receive feedback on instructional practices.
Meets standard	The school exhibits the following characteristics: a) the curriculum is implemented in the majority of classrooms according to its design; b) as delivered, instruction is focused on core learning objectives; c) the pace of instruction/lessons and content delivery possesses the appropriate rigor and challenge; d) instructional activities possess variety and/or use of differentiated strategies to engage a wide range of student interests, abilities and learning needs; e) supplies sufficient feedback to staff on instructional practices.

This is a very difficult standard to evaluate, for all the reasons cited in the discussion of standard 4.1. Fall Creek Academy is operating with a mixture of curricular materials that are serving as place holders until the Core Knowledge curriculum can be fully implemented. The teaching staff and Mr. Hunt are working to ensure that the state standards are being met through the use of the Warren Township scope and sequence documents, which are fully aligned to the state standards. Further, the curricular resources (Treasures, Connections, and the Social Sciences and Science materials at each grade level) were specifically selected to support instruction of the standards.

Mr. Hunt provides a great deal of information to the teaching staff regarding the quality of their teaching practices. Through the use of quick walkthroughs and extended observations, he provides each instructor with frequent and high quality information. Particularly impressive is the use of a Google Docs application that allows Mr. Hunt to perform a classroom observation and through the use of an iPad to enter the data, produce an almost instantaneous summary of the observation for the teacher to use to improve practice. Also available, although not yet completed for this year at Fall Creek Academy, are extensive pedagogy reports provided by each teacher to the principal on a quarterly basis that focus on the student assessment data and give teachers valuable information regarding the strengths and weaknesses of their classroom practice.

Regarding the use of core learning objectives in the classroom, they were noted in the classroom instruction in only 7 out of 20 classroom observations (35%) and were physically posted in only 6 out of 20 classrooms (30%). Fifteen of the 18 lesson plans (83%) provided did explicitly list core learning objectives, suggesting that the teaching staff is aware of the importance of the core learning objectives, but that they do not engage in the practice of making these learning objective explicitly known to students and the content of their instruction may stray from these objectives.

The pace and content of the lessons was of appropriate rigor, with 16 out of 20 classrooms (80%) displaying rigorous and challenging content. There was a commendable amount of differentiation observed in the classrooms, with 5 out of 20 classroom (25%) showing differentiated instruction.

Areas of strength: Differentiation of classroom practices was noted in addition to a sensitivity to the individual needs of the students that is commendable.

The teachers receive regular feedback regarding the quality of their instruction.

Recommendations: Adopt the Core Knowledge curriculum as soon as possible.

4.3 For secondary students, does the school provide sufficient guidance on and support and preparation for post-secondary options?	
Does not meet standard	The school presents significant concerns in two or more of the following areas: a) the school's academic program lacks challenging coursework (e.g., Advanced Placement courses, internships, independent study) to prepare students for rigorous post-secondary opportunities; b) there is a lack of high expectations to motivate and prepare students for post-secondary academic opportunities; c) insufficient material resources and personnel guidance are available to inform students of post-secondary options; d) limited opportunities exist for extracurricular engagement and activities (e.g., athletics, academic clubs, vocational) to increase post-secondary options; e) the school does not meet Indiana Core 40 graduation standard requirements.
Approaching standard	The school presents significant concerns in one of the following areas: a) the school's academic program lacks challenging coursework (e.g., Advanced Placement courses, internships, independent study) to prepare students for rigorous post-secondary opportunities; b) there is a lack of high expectations to motivate and prepare students for post-secondary academic opportunities; c) insufficient material resources and personnel guidance are available to inform students of post-secondary options; d) limited opportunities exist for extracurricular engagement and activities (e.g., athletics, academic clubs, vocational) to increase post-secondary options; e) the school does not meet Indiana Core 40 graduation standard requirements.
Meets standard	The school: a) has challenging coursework (e.g., Advanced Placement courses, internships, independent study) to prepare students for rigorous post-secondary opportunities; b) has high expectations to motivate and prepare students for post-secondary academic opportunities; c) has sufficient material resources and personnel guidance available to inform students of post-secondary options; d) presents opportunities for extracurricular engagement and activities (e.g., athletics, academic clubs, vocational) to increase post-secondary options; e) meets or exceeds Indiana Core 40 graduation standard requirements.

The high school provides an extraordinary opportunity for students to experience challenging coursework at Ivy Tech. The benefits of this program are an increased confidence among the students regarding their ability to do college level work, the instantiation of Fall Creek Academy's high expectations for their students, and their use of the Ivy Tech curriculum to enhance the offering of Fall Creek Academy.

A focus group interview with student attending Ivy Tech revealed that the students were actively encouraged to take advantage of the opportunities that Ivy Tech has to offer, and that in their opinion, Fall Creek Academy staff have actively worked to remove barriers to their attending classes at Ivy Tech. They welcomed the addition of the guidance counselor to the teaching staff, noting that they had felt somewhat adrift in the college application process, but that they were now receiving the guidance they needed. Surprisingly, these students, some of who have over 20 credit hours completed, were not confident that they were competitive with other students when applying to

colleges and universities. It would be beneficial for them to know that not only are they competitive, but that they should be actively pursuing scholarships and financial aide at the top schools.

With the addition of the new guidance counselor, Fall Creek has provided students with excellence guidance and support for post-secondary options.

Areas of strength: The Ivy Tech collaboration provides many benefits for the high school students.

Recommendations: None at this time.

4.4. Does the school effectively use learning standards and assessments to inform and improve instruction?	
Does not meet standard	The school presents significant concerns in <u>two or more</u> of the following areas: a) standardized and/or classroom assessments are not accurate or useful measures of established learning standards/objectives; b) assessment results are not received by classroom teachers in a timely or useful manner to influence instructional decisions; c) assessments lack sufficient variety to guide instruction for a wide range of student learning abilities; d) there is limited frequency or use of assessments to inform instructional decisions effectively; e) assessment results are not used to guide instruction or make adjustments to curriculum.
Approaching standard	The school presents significant concerns in <u>one</u> of the following areas: a) standardized and/or classroom assessments are not accurate or useful measures of established learning standards/objectives; b) assessment results are not received by classroom teachers in a timely or useful manner to influence instructional decisions; c) assessments lack sufficient variety to guide instruction for a wide range of student learning abilities; d) there is limited frequency or use of assessments to inform instructional decisions effectively; e) assessment results are not used to guide instruction or make adjustments to curriculum.
Meets standard	The school: a) standardized and/or classroom assessments are accurate and useful measures of established learning standards/objectives; b) assessment results are received by classroom teachers in a timely and useful manner to influence instructional decisions; c) assessments have sufficient variety to guide instruction for a wide range of student learning abilities; d) there is sufficient frequency or use of assessments to inform instructional decisions effectively; e) assessment results are used to guide instruction or make adjustments to curriculum.

The teachers report that they use Acuity to influence instructional decisions. The classroom teachers also report using A+ as part of a system of educational supports that are in addition to the new curriculum materials being provided by the school. If used correctly, A+ has a series of effective assessments that can be used. The primary grades use DIBELS to assess progress in student reading. There were also a variety of different in class assessments noted during the classroom observations. Mr. Hunt reports that all results are available to the teacher staff online. Both Mr. Hunt and the teaching staff reported that they are given printouts of key reports, such as Item Analyses, Item Distractors, and data breakdowns by class and by student. The teachers noted that time is spent as curricular teams and with Mr. Hunt to go over the data. The teaching staff reported using data to determine grouping for remediation, tutoring and for differentiated instruction. Further, Mr. Hunt reports that he has access to support from the GEO Foundation if he needs help with the Acuity reports or with additional disaggregation of the data.

Focus group interviews with the teaching staff revealed that they are using data-driven instruction in their classrooms, and that they use the data daily in their classroom practices, particularly in grouping students and in differentiating instruction. One teacher noted that he uses data to "check vocabulary

proficiency, check mastery levels for the week, track mastery, track “due now’s” and “completes”, post weekly standard assessments on the wall, and assign seats based on data.”

High School

The high school students are tested using Acuity for Algebra 1, Gates-MacGintie, ECA, and the PSAT, and in keeping with the college focus of the high school and the school’s encouragement of the students to take class at Ivy Tech, all high school students are given the COMPASS test (Ivy Tech’s entrance exam) in their freshman year. The COMPASS test is used to help guide students to the appropriate level of courses at Ivy Tech. For the high school, the math and science courses are curricular-based using the courses outlined in their course specific texts, while in Language Arts and Social Studies the teachers created course specific calendars and pacing guides of their own.

Areas of strength: Fall Creek Academy is a data-driven school that implements a variety of standardized and classroom based assessments that guide teaching and learning.

Recommendations: None at this time.

4.5. Has the school developed adequate human resource systems and deployed its staff effectively?	
Does not meet standard	The school presents significant concerns in <u>two or more</u> of the following areas: a) hiring processes are not organized to support the success of new staff members; b) inefficient or insufficient deployment of faculty and staff limits instructional time and capacity; c) faculty and staff are not certified/trained in areas to which they are assigned; d) professional development (PD) does not relate to demonstrated needs for instructional improvement; e) PD is not determined through analyses of student attainment and improvement; f) the teacher evaluation plan is not explicit and regularly implemented with a clear process and criteria.
Approaching standard	The school presents significant concerns in <u>one</u> of the following areas: a) hiring processes are not organized to support the success of new staff members; b) inefficient or insufficient deployment of faculty and staff limits instructional time and capacity; c) faculty and staff are not certified/trained in areas to which they are assigned; d) professional development (PD) does not relate to demonstrated needs for instructional improvement; e) PD is not determined through analyses of student attainment and improvement; f) the teacher evaluation plan is not explicit and regularly implemented with a clear process and criteria.
Meets Standard	The school exhibits the following characteristics: a) hiring processes are organized and used to support the success of new staff members; b) the school deploys sufficient number of faculty and staff to maximize instructional time and capacity; c) faculty and staff are certified/trained in areas to which they are assigned; d) professional development (PD) is related to demonstrated needs for instructional improvement; e) PD opportunities are determined through analyses of student attainment and improvement; f) the teacher evaluation plan is explicit and regularly implemented with a clear process and criteria.

The hiring processes used by Fall Creek Academy are being developed, and the current staff was hired using a set practices that were necessary for the time frame in which the school leadership was working. Because of the high turnover rate from the 2010-11 school year, the current leadership was left with quite a few positions to fill prior to the first day of school this fall. Given these constraints, the process was streamlined and fairly quick. The teaching positions were announced through the DOE website and other commonly used job portals. The initial pool of candidates was reduced to 3 candidates for each position who were then interviewed by Mr. Hunt and as many of the staff members as were available during the summer months in which this was occurring.

The staff that was assembled is relatively new to the profession and is predominantly Teach for America, Woodrow Wilson Fellows and Indianapolis Scholars. All of the teaching staff is certified to teach in the area in which they are assigned. There are only 3 teachers who have been at Fall Creek longer than 3 years, and they all teach in the elementary school. Consequently extensive new staff mentoring by the current staff would be difficult. Mr. Hunt reports, however, that Fall Creek Academy does take advantage of the teacher-mentoring programs offered by Teach for America,

Woodrow Wilson Fellowship, and Indianapolis Teaching Fellows. In addition, Fall Creek Academy provides a teacher-mentoring program designed to support new and veteran teachers in meeting the needs of all students. As he noted "Our Title 1 staff, special education staff, and administration often serves as "coaches" providing mentoring and on-going professional development. These staff members mentor all teachers by:

- Modeling lessons.
- Observing and coaching teachers on the use of modeled lessons.
- Observing and coaching teachers on instruction of the core literacy and math programs.
- Guiding data interpretation and appropriate responses.
- Identifying and sharing professional development resources.
- Individually coaching teachers who are struggling with new instructional concepts and practices.
- Group coaching for grade level teams on new instructional concepts and practices."

The staff is very happy with their professional development opportunities and report that when they have asked for additional training they have had no problem receiving support from the school leadership. In fact, one teacher reported that the school leadership brought a professional development opportunity to his attention and strongly encouraged him to attend, which he did. There does seem to be a lack of purposeful and intentional professional development in the past, and that may have made it difficult for teachers to fully engage with the A+ curriculum and the other basic goals of the Fall Creek model. Going forward, Mr. Hunt's plan for the professional development in Core Knowledge and the Common Core are appropriate for the needs of the school and should add to the quality of instruction. Mr. Hunt's plan includes teachers setting professional goals and developing a process for achieving these professional goals within the year. Professional development will be guided by the individual teacher goals and overall school goals for the year. A teacher's progression towards meeting or exceeding their goal is a part of the professional evaluation.

Teacher evaluation consists of frequent classroom observations and walk-throughs performed by Mr. Hunt and the administration team. Formal observations take place 4 times per year. Mr. Hunt reports that data is used to monitor student growth and teacher effectiveness. ISTEP, ECA, DIBELS, Acuity, Curricular Data (three week assessments), Gates-McGinty, DRA, Achieve 3000,

and Compass are all a part of the data used to monitor student progress, which in turn is part of a teacher evaluation system that includes examining data to determine if instruction is supporting student growth. All of these data points are used to complete the State of Indiana teacher effectiveness rubric. Mr. Hunt reports, however, that he is designing a Fall Creek rubric that is tied to the state rubric, but has some key areas that support the specific needs of the school.

Areas of strength: Fall Creek Academy provides a great deal of supports and data driven professional development for the teaching staff.

Recommendations: None at this time.

4.6. Is the school's mission clearly understood by all stakeholders?	
Does not meet standard	The school presents significant concerns in <u>both</u> of the following areas: a) significant disagreements exist among stakeholders about the school's mission; b) there is a lack of widespread knowledge and commitment to the intentions of the school's mission.
Approaching standard	The school presents significant concerns in <u>one</u> of the following areas: a) significant disagreements exist among stakeholders about the school's mission; b) there is a lack of widespread knowledge and commitment to the intentions of the school's mission.
Meets standard	The school: a) has a mission that is shared by all stakeholders; b) has stakeholders possessing widespread knowledge and commitment to the intentions of the school's mission.

The schools mission is very well understood by teachers, parents and students. Even in the elementary classes the basic message of "all roads lead to college" is being instantiated by the teaching staffs focus on perseverance, resilience and the knowledge that their students can do anything they set their minds to.

Areas of strength: The school mission of Fall Creek Academy is known by staff, students, parents and the Board of Directors. The staff is implementing the mission everyday in their classrooms.

Recommendations: None at this time.

4.7. Is the school climate conducive to student and staff success?	
Does not meet standard	The school presents significant concerns in <u>two or more</u> of the following areas with no evidence of a credible plan to address them: a) The school does not have clearly stated rules that enforce positive behavior; b) the school's discipline approach does not possess high expectations for student behavior; c) interactions between faculty and students are disrespectful and/or unsupportive and there are non-existing or unclear processes for resolution of conflicts; d) interactions between faculty and administration are unprofessional and/or unproductive.
Approaching standard	The school presents significant concerns in <u>one</u> of the following areas with no evidence of a credible plan to address it: a) The school does not have clearly stated rules that enforce positive behavior; b) the school's discipline approach does not possess high expectations for student behavior; c) interactions between faculty and students are disrespectful and/or unsupportive and there are non-existing or unclear processes for resolution of conflicts; d) interactions between faculty and administration are unprofessional and /or unproductive.
Meets standard	The school exhibits the following characteristics: a) the school has clearly stated rules that enforce positive behavior; b) the school's discipline approach possesses high expectations for student behavior; c) interactions between faculty and students are respectful and supportive and faculty and students are clear about processes for resolution of conflicts; d) interactions between faculty and administration are professional and constructive.

The school has a clearly stated behavioral policy, the TRACKS program. TRACKS has been very successful at Fall Creek Academy, and in a very short amount of time has affected student behavior and discipline, particularly in the elementary school. The Focus group with 3rd through 5th grades students revealed that they are fully engaged with the TRACKS system, and are very eager to earn TRACKS "bucks." The students reported that the TRACKS system "made people more interested and makes them want to help and do right things so you can get TRACKS bucks."

Student focus groups did reveal that the middle school students are aware of, and concerned with, gang members who are students at the school. When asked specifically about gang activity on the school grounds, several students mentioned an incident from last year, but acknowledged that there has been no problem this year. They did express concern for their safety when in school, but again noted that while there were gang members attending Fall Creek Academy, there was no gang activity at the current time. During the interview with Mr. Hunt he acknowledged that the presence of gangs in the neighborhood presented a challenge, particularly for the middle school, and noted that he plans to address the gang issues through education aimed specifically at the middle school students and outreach to the gangs in order to curtail their activity near the school grounds.

The middle school students also noted that they had less freedom under the current administration, and in particular that the middle school as a whole was a particular focus of the teachers and the administration. They particularly disliked that they were made to wear their uniforms all the time,

and that they were often being asked to tuck in their shirt and adjust their pants, because as one student put it “some boys are going to sag.” Overall, their comments reflected that the administration and teaching staff are consistently implementing the school dress code and disciplinary procedures, which as the students themselves reported, is a change from the previous academic year.

The interactions between faculty and students, as well as between faculty, were always respectful, considerate and kind. There was genuine affection noted between the teaching staff and the students, but there was also the appropriate amount of respect. Student behavior during the focus group interviews was exemplary—it was a pleasure to talk with them. One elementary school student, when asked why he liked Fall Creek Academy, reported that “I like everything at this school-- it’s like a big family here.” It was also noted by the elementary school students that they had not experienced problems with bullying, and that they felt safe at the school because if there was a problem “you would go to see Mr. Bryant and he would call your parents.” The students expressed a great deal of respect for Mr. Bryant and Mr. Hunt, as well as for the teaching staff, noting that the teachers are “around all the time” and that made the students feel safe.

The teaching staff noted during focus group interviews that their relationship with the administration is very supportive. The nature of the focus group interviews with the teaching staff were, on the whole, forward looking and the events of the previous year were rarely mentioned. In this one area, however, the teaching staff was very clear that the changes have been dramatic and welcome. The teachers noted, that unlike last year, they felt fully supported by Mr. Hunt and Mr. Bryant in regards to student discipline. One teacher noted “the hope is that you as a teacher will deal with the (discipline) issues, but that after you have exhausted your system and you want Mr. Bryant’s voice in the conversation then that is acceptable.” Another noted that “it’s okay to ask for help—it’s not seen as your fault when they (the students) need discipline.”

Areas of strength: The TRACKS program has been very effective in creating a school climate that encourages respect.

The interactions between the students and staff are respectful and based on mutual respect and affection.

There does not seem to be a bullying problem at Fall Creek Academy with the students reporting that the majority of them feel safe in the school.

Recommendations: Be aware of potential gang activity, and take actions to ensure that the middle school students feel safe from gang activity in the school.

4.8. Is ongoing communication with students and parents clear and helpful?	
Does not meet standard	The school presents significant concerns in <u>two or more</u> of the following areas: a) there is a lack of active and ongoing communication between the school and parents; b) school communication is neither timely nor relevant to the parental concerns; c) student academic progress and achievement reports are not clearly reported and/or misunderstood; d) the school's communication methods are not well-designed to meet the needs of a diverse set of parents (e.g., not communicating in parents' native languages, communicating only in writing when many parents cannot read, holding meetings at inconvenient times for parents).
Approaching standard	The school presents significant concerns in <u>one</u> of the following areas: a) there is a lack of active and ongoing communication between the school and parents; b) school communication is neither timely nor relevant to the parental concerns; c) student academic progress and achievement reports are not clearly reported and/or misunderstood; d) the school's communication methods are not well-designed to meet the needs of a diverse set of parents (e.g., not communicating in parents' native languages, communicating only in writing when many parents cannot read, holding meetings at inconvenient times for parents).
Meets standard	The school: a) has active and ongoing communication between the school and parents; b) utilizes communications that are both timely and relevant to the parental concerns; c) communicates student academic progress and achievement in reports that are understood by parents; d) the school's communication methods are designed to meet the needs of a diverse set of parents (e.g., communicating in parents' native languages, not communicating only in writing when many parents cannot read, holding meetings at convenient times for parents).

The parent focus group was attended by four parents from the PTO, and it should be noted that two of the parents were employees of the GEO Foundation. This relationship with GEO did not appear to influence the content of their comments, and the information was volunteered by the parents at the beginning of the focus group. Discussions revealed that the communication between parents and teachers is very good, with the teachers calling the student's home whenever there are issues of discipline or of academic concerns. Most tellingly, the parents noted that the teachers often called to tell them about their student's good behavior or success in school, a practice that they greatly appreciated. The parents noted that they have noticed the consistency and focus of the new school administration, also noting that consistency had been lacking in the past few years. The parents noted that communication from the school had improved dramatically in this academic year, and that Mr. Hunt was very responsive to their concerns. The use of a new telephone system to share announcements was appreciated by the parents, as was the traditional use of weekly newsletters by many of the teachers. It was noted that a weekly school newsletter would be appreciated.

The webpage is up to date and informative, and the parents were aware of the online grade portal, although they did request that the grades be updated more frequently. One parent expressed

dissatisfaction with the current mastery grading scale, noting that it was a hindrance for the high school students who needed good grades to get into college.

It was noted that the PTO is very active and has a good relationship with school leadership, and there have been many family oriented events at the school that have been well attended.

Areas of strength: The parents at Fall Creek Academy are supportive of the current administration and appreciate the changes that have been made.

The PTO is active and adding to the quality of life at the school.

Recommendations: Continue with the good communication practices with the parents, and try to expand them beyond the use of the automated phone calls.

Appendix A:

Fall Creek Academy Classroom Observation Summary

20 out of 21 classrooms at Fall Creek Academy were observed on site using the classroom observation instrument provided by the Office of Education Innovation. The observations lasted approximately 25 minutes, 20 classrooms were observed once and 5 were observed twice.

Classroom observers spent 10.2 hours (610 minutes) observing 20 classrooms, 369 students, and 20 teachers. On average, each observation lasted 26 minutes and the observed student to teacher ratio was 18:1. Five of the teachers were observed by both classroom observers at the same time in order to ensure inter-judge reliability.

Classroom Environment

30% (6/20) had posted objectives. 10% (2/20) had posted state standards. 80% (16/20) used critical vocabulary. 80% (16/20) had challenging content. 25% (5/20) exhibited differentiation. 85% (17/20) of the instruction observed built on prior knowledge.

Learning Environment

The observers categorized observed learning experiences into four main categories. 100.0% (20/20) of observed activities were Remember/Understand Activities. 95% (19/20) were Apply/Perform Activities. 25.0% (5/20) were Analyze/Evaluate Activities. 10% (2/20) were Create/Design Activities. 10% (2/20) of activities were found to be ineffective.

60% (12/20) of classrooms contained rich print materials. 55% (11/20) showed examples of exemplary work. 55% (11/20) displayed a daily schedule. 75% (15/20) had posted behavior expectations. 60% (12/20) had culturally relevant materials.

Behavior Management

The site team observed proactive and reactive techniques. The site team recorded 13 (65%) classrooms using proactive discipline. 19 (95%) classrooms using reactive discipline were recorded. Student engagement measures can be seen in the table below.

Site Visit Classroom Observations

Number of Site Visitors: 2

Total Time Observing (Min)	Average Time in Classroom
610	26.66

Students Observed	Teachers Observed	Ratio (S:1T)
368	20	18.1

Topic of Lesson	
Vocabulary	Ancient Writing Forms
Scientific Notation	Animal Moms and Dads
Possessive Nouns	Counting
Geometry	Reading Comprehension
Elements of a Cave	Group work
Algebra	Verb Charts
Branches of Government	Physical Education
Spelling	Vocabulary
Vocabulary	Reading Comprehension
Silent Sustained Reading	Math Inequalities

Proportion of Students Engaged During:	All		Most		Half		Few		None	
	Record ed	% Total	Record ed	% Total	Record ed	% Total	Record ed	% Total	Record ed	% Total
Beginning of Lesson	6	30.0	12	60.0	1	5.0	1	5.0	0	0.0
First Interval	8	40.0	8	40.0	4	20.0	0	0.0	0	0.0
Second Interval	5	25.0	11	55.0	4	20.0	0	0.0	0	0.0
Third Interval	5	25.0	9	45.0	5	25.0	1	5.0	0	0.0
End of Lesson	5	25.0	11	55.0	3	15.0	1	5.0	0	0.0



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Indianapolis, IN 46208-3771

Ms. Beth Bray, Director of Charter Schools
Indianapolis Mayor's Office of Charter Schools
2501 City Court Building
200 E. Washington Street
Indianapolis, IN 46201

Re: Analysis of Fall Creek Academy:
Section 2.1 of the Indianapolis Charter Schools Performance Framework – Expanded
Criteria

Dear Mr. Dick and Ms. Bray:

Umbaugh was engaged by Fall Creek Academy at the direction of the Charter Schools Department of the Indianapolis Mayor's Office. The purpose of our engagement is to provide an analysis of Fall Creek Academy based upon the criteria set forth in Section 2.1 of the Indianapolis Charter Schools Performance Framework – Expanded Criteria. For clarity, this section reads as follows:

2.1 Is the School in Sound Fiscal Health?

The purpose of this section, as defined by the Indianapolis Mayor's Office is to evaluate the following areas:

- a. The results of the state financial audits
- b. The financial staffing and systems
- c. The School's ability to achieve a balanced budget in the previous three years
- d. The adequacy of the School's projections of revenues and expenses for the next three years

Our letter will not cover the following section as it primarily relates to direct communication between Fall Creek Academy and the Indianapolis Mayor's Office.

- e. Its fulfillment of financial reporting requirements under Sections 10 and 17 of the Charter Agreement

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To prepare this letter, we relied upon information obtained directly from Fall Creek Academy, the GEO Foundation, our workpapers, independent auditors and other information publicly available as of the date of this letter. We would like to recognize Fall Creek Academy and GEO Foundation for their cooperation in our efforts to complete this analysis.

We understand that our letter may be read by accounting professionals, educators and public servants. As such, we will provide technical statements to satisfy the accounting professionals that may read this letter and we will also attempt to provide a more general explanation that replaces industry jargon with more broadly accepted explanations so that this letter is more useful to each reader.

Section 2.1a: Evaluation of the Results of State Financial Audits

Discussion:

Our analysis revealed that the most recent audit of Fall Creek Academy is dated March 19, 2010 and covers the period July 1, 2007 to June 30, 2009. Fall Creek Academy received an unqualified opinion on this audit from the Indiana State Board of Accounts. Auditors can issue one of four opinions: Unqualified, Qualified, Disclaimer or Adverse. Of these, the Unqualified Opinion is the “best”. An unqualified opinion states that the Auditors have concluded that the information presented by the school is fairly presented in all material respects for the period covered. In general terms, this means that the reader of the financial statements can have confidence that the information reported in the audit is reliable. All other opinions would serve to scale back this level of confidence.

It is important to separate the opinion of the audit from the evaluation of financial health. An audit generally will not “grade” the fiscal health of the audited entity. Instead, it is up to the reader of the financial statements to utilize the information presented in the audit to draw their own conclusions about the fiscal health of the school.

Although the school received an unqualified opinion, the audit noted four audit results and comments (“ARCs”). It is important to note that these comments did not prevent the State Board of Accounts from issuing an unqualified opinion. Stated differently, the comments were necessary in order to point out departures from standards and identify areas for corrective action. As part of our analysis we inquired of management about corrective action plans implemented to specifically address each of the ARCs noted in the audit. Management provided copies of the GEO Accounting Policies and the School Corporation Accounting Policies. A cursory analysis of these policies revealed specific

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references to issues pointed out by the audit. This demonstrated to Umbaugh that the school took action to implement corrective action related to the findings from the audit. One specific example involved a finding that that general ledgers used by Fall Creek Academy were not prescribed or approved by the State Board of Accounts. In response to this, the School Corporation has migrated to an accounting and reporting package that is widely used by school corporations throughout the state.

During our interview with management, we discussed the accounting and reporting processes for grants and donations. Given that GEO Foundation is a supported organization, we felt it necessary to understand what processes are used to account for grant funds and donations that directly benefit Fall Creek Academy but were solicited and secured by GEO Foundation. Our findings revealed that dollars secured by GEO Foundation that are restricted specifically to Fall Creek Academy are accounted for as a receipt and subsequent disbursements on the financial records of Fall Creek Academy. However, if a grant or donation is received for a general nature, then those are not recorded on the financial statements of Fall Creek Academy and are instead reported as part of the activity of the GEO Foundation. We agree that there is no required reporting on the ledgers of Fall Creek Academy for general grants and donations received by GEO Foundation. We do however suggest deliberate and open communication with the school when such circumstances occur. From an accounting standpoint, these contributed services or assets are an event that would typically be recognized by Fall Creek Academy. However, since the primary accounting and reporting method in use by the school is cash basis, these types of transactions have no reporting protocol. In summary, grants and donations received by GEO Foundation that are general in nature are allocated at the discretion of the GEO Foundation (example given during our interview was the Allison Grant for Project Lead the Way). Grants and donations that are restricted for the benefit of Fall Creek Academy are recorded on the books and records of Fall Creek Academy (example given was the 21st Century Learning Center Community Grant). We did not find an exception to this process in the most recent audit.

Since grant and donation accounting and reporting affects both the GEO Foundation and Fall Creek Academy, we also requested the most recent audit of GEO Foundation. Our analysis revealed that the most recent audit of GEO Foundation is dated October 28, 2010 and covers the fiscal period ended June 30, 2010. GEO Foundation also received an unqualified opinion from their independent auditor, Katz, Sapper and Miller.

Findings:

Based on the above comments, we can suggest to the Mayor's Office that Fall Creek Academy has performed to standard in terms of achieving and unqualified opinion on their most recent audit and addressing audit findings.

Section 2.1b: Evaluation of Financial Staffing and Systems

Discussion:

Fall Creek Academy has utilized GEO Foundation as its primary resource for financial staffing since November 2010. Prior to this date, the financial staffing functions alternated among GEO Foundation and two different outsourced vendors. During the period of the most recent audit, the financial staffing was performed by an outsourced vendor. Fall Creek Academy reviewed and approved the work of the outsourced vendor.

Currently, the financial staffing and functions are primarily performed at the physical location of the GEO Foundation. The work is coordinated by a GEO Foundation employee that serves a dual role as the Treasurer for Fall Creek Academy. Fall Creek Academy maintains an extra-curricular account at the physical location of the school. This account receives and disburses activity that is not included as part of the basic financial statements of Fall Creek Academy.

The primary accounting and reporting system in use by Fall Creek Academy is Komputrol, a software product widely used by school corporations throughout the state. The school and GEO Foundation have determined that, in addition to the primary cash basis information processed and stored in Komputrol, they should maintain a secondary parallel accounting system in order to track receivables, payables, debt, capital assets and other assets and liabilities. While Komputrol allows them to meet the state reporting requirements, management has asserted that it has additional internal accounting and reporting needs. It is our observation that this is a voluntary level of accounting and reporting that exceeds the standards set forth by the Indiana State Board of Accounts.

It is our understanding that the Indiana State Board of Accounts will only audit the primary accounting and reporting system in place at the school, Komputrol. Any additional, duplicative or parallel accounting data would most likely be viewed by the State Board of Accounts as supplemental information.

Findings:

Based on the above comments, we can suggest to the Mayor's Office that Fall Creek Academy has financial staffing and systems in place to meet the accounting and reporting requirements set forth by the Indiana State Board of Accounts. We observe that the school has appeared to stabilize their financial staffing and increased the level of documentation and accounting policies. We can also state that the school has requested an audit for the fiscal year ended June 30, 2010.

Section 2.1c: Evaluation of Balanced Budget for Past Three Years

Discussion:

Fall Creek Academy develops its annual operating, debt service and capital budget during the timeframe of February through September of each year. The school Treasurer develops revenue estimates in February based upon historical averages and other fixed, known and measurable revenues. These revenue estimates are compared to preliminary spending plans in order to determine the relationship between planned spending and planned revenues. The Treasurer then works with the Principal to develop allocations of additional funding or to target areas for reduced spending (as appropriate). This results in a draft budget that is delivered to the finance committee (comprised of members of the Board of Directors) by the end of March. During April, the finance committee, Principal and Treasurer continue to develop the budget and make a recommendation to the full Board of Directors. The budget is then formally adopted toward the end of April. On July 1st of each year, the new budget begins. In September, budget adjustments are made based upon actual student counts that result in changes in revenue estimates. The finance committee, Principal and Treasurer develop budget adjustments that are then considered and adopted by the Board of Directors. It is our conclusion that the school can provide documentation of this process to the Indianapolis Mayor's Office if needed for this evaluation.

The school utilizes an online Business Purchasing System to control spending and to identify any areas of the budget that may need "rebalanced". The school follows a protocol that states that all expenditure must be approved by the Principal. Any expenditure in excess of \$500 must also receive an approval from the Treasurer. Due to time constraints and limitations of the scope of the engagement we did not sample expenditures to verify this policy. Instead, we satisfied ourselves through inquiry of management that Fall Creek Academy could provide documentation to the Indianapolis Mayor's Office of adherence to this policy.

The school, as would nearly all other organizations, adjusts its budget throughout the course of the year to account for changes in estimates, unexpected cost increases unanticipated revenues and other such items. Management represented to Umbaugh that the overall goal is to fund overruns through spending plan reductions in other areas in order to achieve no net change to the overall budget. Any departure from this would go to the Board of Directors for approval. Once again, we are satisfied that the school can provide documentation of such examples to the Indianapolis Mayor's Office if needed.

Findings:

Criteria 2.1c seeks an understanding of the school's success at achieving a balanced budget over the past three years. According to a letter from the Mayor's office dated June 29, 2009, a balanced budget is defined as "...one in which the school does not rely on its cash reserves to fund operational expenses. If the school uses its reserves.....it cannot use more than 5% of such reserves". The definition goes on to describe exceptions and protocol for those exceptions.

We can state the following. Ending total cash balances at June 30, 2009, 2010 and 2011 were \$53,930, \$62,009 and \$72,023 respectively. Ending General Fund Cash balances for those same periods also showed increases each year. On its surface, this is an indication that Fall Creek Academy has demonstrated an ability to manage cash flow and achieve a net surplus each year in both overall funding and in the General Fund. It also suggests that the school has achieved compliance with criteria 2.1c "balanced budget". However, it should be noted for consideration by the Indianapolis Mayor's Office that the GEO Foundation's management fee has a discretionary portion that can be foregone by GEO Foundation if it is deemed necessary to help the school meet management and budgetary objectives. In other words, if revenues are less than expected or periodic costs are more than anticipated, this discretionary portion of the management fee can be adjusted at the discretion of GEO Foundation to ensure that the school meets its objectives. Our analysis showed that for the school year ended June 30, 2011, all administrative and per pupil fee payments were made to GEO Foundation. In our view discretion over the payment of per pupil fees, in itself, is not a negative indicator but we do suggest that Fall Creek Academy, GEO Foundation and the Indianapolis Mayor's Office work together to enhance this criteria in order to provide a more comprehensive definition of "balanced budget" so that other factors besides cash balance can be evaluated.

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Section 2.1d: Evaluation of the School's Projections of Revenues and Expenses for the Next Three Years

Discussion:

Our interview with management revealed that Fall Creek Academy does not prepare a multiyear planning model. The school asserts that annual revenues are heavily dependent upon student counts and the resulting funding dollars from those student counts. As such, it is the school's position that there is not enough benefit to such an exercise.

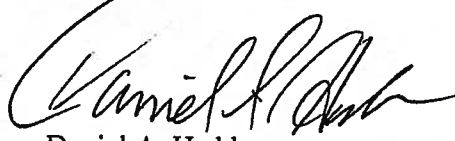
Findings:

The concept of operational accountability is, in our view, the core reason for this criteria. Operational accountability is the demonstration that an entity can continue to provide services in future accounting periods. For example, in any given year, an entity may be able to spend 150% of annual revenues, but such a model is not infinitely sustainable. The Indianapolis Mayor's Office, through section 2.1d of the performance framework is desirous to evaluate the school's willingness to demonstrate a long-range planning model.

Based on our interviews with management and the above comments, we suggest that the Indianapolis Mayor's Office and Fall Creek Academy exchange positions on this matter and resolve that a multi-year planning model should be utilized by the school. Multi-year planning models may not yield significant findings in the area of daily operations, but it will likely better identify periodic capital needs, allow for better debt management, and give the school another tool to evaluate changes in student trends.

We trust this letter has been of service to both Fall Creek Academy and the Indianapolis Mayor's Office. If you have any questions or need further assistance, please do not hesitate to contact me.

Very Truly Yours
UMBAUGH



Daniel A. Hedden

Cc: Mr. Kevin Teasley
Ms. Dana Johnson

AGREEMENT FOR SERVICES

Client: Fall Creek Academy
2540 N. Capitol Ave
Indianapolis, IN 46208

- I. Purpose of Agreement:** Greater Education Opportunities Foundation (“GEO Foundation” or “GEO”), an Indiana non-profit corporation, shall provide operational and business services to Fall Creek Academy (the “School”), as described in the Scope of Work, attached to this Agreement.

II. Engagement:

- a. **Authority:** Subject to the terms and conditions set forth in this Agreement, the School hereby engages GEO Foundation for operational and business services in support of the School. Subject at all times to the oversight and authority of the Board of Directors of the School, the Board hereby authorizes GEO, in performing its duties and fulfilling its obligations under this Agreement to take such actions as are necessary or desirable in GEO’s reasonable judgment to properly and effectively execute the operational and business duties of the School on behalf of the Board.
- b. **Compliance with Laws:** All such actions shall be consistent with federal and state law, and subject to the Charter Agreement held between the Board of Directors for the School and Ball State University as the Charter Authorizer.
- c. **Duties:** GEO shall perform all duties agreed upon in the “Scope of Work”, attached as Attachment A to this Agreement. Such duties may be changed by written agreement of both parties.
- d. **FERPA Designation:** The Board hereby designates employees of GEO, to the extent permitted by law, as agents of the school having a legitimate educational interest such that they are entitled to access to educational records under 20 U.S.C. § 5 1232g, the Family Educational Rights and Privacy Act (“FERPA”). GEO, its officers and employees, shall comply with FERPA at all times.
- e. **Right to Subcontract -** GEO may subcontract any function or service it is obligated to provide hereunder, provided that no such subcontract shall relieve or discharge GEO from any obligation or liability under this Agreement except as explicitly agreed upon in writing by the Board.
- f. **Controlling Provisions:** No provision of this Agreement shall interfere with the Board’s responsibility to perform its obligations under the Charter Agreement. The Board shall at all times remain legally responsible to the Authorizer for the operations and management of the School, and for ensuring that the terms and conditions of the Charter Agreement are satisfied.

III. TERM AND RENEWAL:

- a. **Length of Agreement:** This Service Agreement shall be in place commencing July 1, 2012, and terminating, without exception, on June 30, 2013.
- b. **Additional Services:** In the event this Agreement is not renewed and additional services be required from GEO Foundation to transition to a new service provider, such services performed after June 30, 2013 outside of this agreement shall be charged on an hourly basis.
- c. **Renewal:** There shall be no automatic renewal of this Agreement. Any renewal of this Agreement shall be by the express written consent of both parties.
- d. **Evaluation:** By December 31, 2012, the Board shall provide to GEO a written evaluation of GEO's current performance under this Agreement to date. Specifics shall include any areas of success, concerns the Board may have, and any recommendations or requests for correction and improvement.

IV. TERMINATION

- a. **Conditions:** This agreement may be terminated only under the following conditions:
 - i. By School - If GEO should fail to remedy a material breach in performance to the School's reasonable satisfaction within 90 days after written notice from the School.
 - ii. By GEO – should the school fail to make payment within 30 days of due date, as agreed upon in this Agreement.
- b. **Procedures upon Expiration or Termination:** Upon termination or expiration of this Agreement, the Parties agree to cooperate in good faith and use their best efforts to complete a prompt and orderly separation, to the benefit of the School, the staff, and the students.
 - i. GEO shall provide the School with copies of all school records in possession of GEO and not currently in possession of the Board.
 - ii. GEO shall provide the School with reasonable operational and business transition assistance for a period of (60) days after the termination of this Agreement, provided that the School shall pay to GEO all fees and costs due for such services.

V. HANDLING OF FUNDS

- a. GEO Foundation shall maintain, at a depository directed by the Board, the School's bank accounts in the School's name only. Such funds shall at all times remain separate from any other funds controlled or owned by GEO Foundation. GEO Foundation may manage such accounts only in accordance with the Scope of Work to this Agreement, and shall at no time have ownership over such funds.

VI. FEES

- a. For such services as agreed upon in the Scope of Work, and for the Term indicated in this Agreement, the School agrees to pay GEO the monthly sum of \$20,833, due and payable the first day of each month, beginning on July 1, 2012.
- b. Any services requested by the Board outside of this Scope of Work or for the Term of Engagement, provided GEO is willing and able to provide such, shall be billed at an hourly rate, to be agreed upon by both parties in writing and attached to this Agreement. Such additional costs shall be billed to the School on a monthly basis.

VII. MISCELLANEOUS

- a. **Operation of Good Faith** - Both parties agree to perform their respective duties under this Agreement in Good Faith, and agree to a collaborative relationship in support of the School, staff, and students therein, working in partnership and doing no harm to the other.
- b. **Modification** - This Agreement may be modified only upon express written consent of both parties.
- c. **Assignment** - The duties and responsibilities of both parties under this Agreement shall not be assigned to any third party without express written agreement of both parties.
- d. **Notice** - All notice, requests, demands and communications under this Agreement shall be in writing to the other party. Delivery shall be effective upon receipt, with signed confirmation or delivery by certified mail. Service by facsimile will NOT be considered effective.
- e. **Severability; Change of Law** - Any item or provision in this Agreement found to be in violation of the law shall be severed from this Agreement and shall be deemed null and void and shall not affect the validity of any other term or provision of this Agreement, to the extent that the remainder of the Agreement may be construed to give effect to the intention of the parties and purpose of the Agreement. In the event of the enactment of a statute, or adoption of a rule, regulation or position by a governmental body, or court of jurisdiction which would invalidate or have an adverse effect upon the whole of this Agreement or the ability of either party to perform under this Agreement, the parties agree to attempt to modify the Agreement to allow the intent of the parties to continue.
- f. **Waiver** - No consent or waiver, express or implied, by either party to any breach or default by the other party in the performance of the obligations created hereunder shall be deemed or construed to be a consent or waiver to any other breach or default in the performance of the other obligations of such other party. Failure on the part of either party to declare the party in default, irrespective of how long such failure continues, shall not constitute consent or waiver of the rights of such party.
- g. **Governing Law** - This Agreement shall be subject to and governed by the laws of the State of Indiana.
- h. **Entire Agreement** - This Agreement constitutes the entire agreement between the parties with respect to the specific subject matter set forth herein, and all other

agreements and understandings related thereto, whether written or oral, are hereby superseded.

Signed and agreed to, this ____ day of _____, 2012.

For Fall Creek Academy:

For GEO Foundation:

Signature

Signature

Printed

Printed

Title

Title

SCOPE OF WORK

GEO Foundation shall perform the following services for the School under this Agreement, in a professionally workman like manner, using all commercially reasonable methods accepted as standard in the charter school industry:

I. GEO Foundation shall be responsible for:

a. Finance/Accounting Functions

- i. Provide school treasurer
- ii. Preparation of financial statements
- iii. Processing of claims (accounts payable)
- iv. Cash management
- v. Record maintenance
- vi. Federal grant application, management, and reporting
- vii. Audit preparation and compliance
- viii. Annual 1099 contractor payments
- ix. Coordination with independent tax preparer (990)
- x. Other finance and reporting duties as needed to successfully fulfill the responsibilities above.

b. Operations:

- i. Design of transportation plan, contract with appropriate vendors
- ii. Food service contract management; Federal Lunch program compliance
- iii. Establish required insurance coverage
- iv. Technology support services, E-Rate application and administration support, electronic testing support and website support
- v. Compliance Support
- vi. Human Resources
 1. Payroll processing
 2. Benefits administration (PERF/TRF/COBRA, 403(b), other)
 3. Wage claims/Unemployment

II. GEO Foundation is specifically excluded from duties or responsibilities in the following areas:

- a. Academic issues, including curriculum, instruction and standardized test results
- b. Budget approval
- c. Hiring, discipline, and termination of Principal
- d. Community and Parent relations

LEASE

THIS LEASE, made as of the 1st day of July, 2012, by and between **Greater Education Opportunities Foundation**, ("Landlord"), and **Fall Creek Academy**, an Indiana not-for profit corporation ("Tenant");

WITNESSETH:

In consideration of the mutual covenants contained herein, Landlord and Tenant agree as follows:

1. Leased Premises. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the 30,500 square foot facility located at 2540 North Capital Avenue, Indianapolis, Indiana. Landlord shall be entitled to make additions, modifications, alterations and repairs to, and otherwise modify, the Building provided that the general character of the Building shall not be changed and further provided that such changes are not in violation of Landlord's other obligations under this Lease and do not materially interfere with or diminish Tenant's access to or normal business use of the Leased Premises. Landlord hereby grants to Tenant, its invitees and customers, the exclusive use of the property and facilities, with the exception of such space that Landlord might reserve for its own use from time to time.
2. Lease Term and Holding Over. Commensurate with the length of the Charter Agreement, the term ("Lease Term") of this Lease shall be a period commencing on July 1, 2012 ("Commencement Date") and ending at 11:59 p.m. on June 30, 2017. The first payment shall be due on July 1, 2012, with payment due on the First day of each month thereafter.
3. Rent. Tenant shall pay to Landlord as "minimum rent" for the Leased Premises a mandatory payment amount equal to Thirty Thousand (\$30,000) per month for the term of the Lease. "Rent" as used herein shall mean any and all sums, charges and payments owing from Tenant to Landlord pursuant to this Lease. All Rent shall be paid without relief from valuation and appraisal laws and shall be payable without offset for any amount due or claimed to be due from Landlord to Tenant.
4. Past Due Payments. In the event any Rent owing from Tenant to Landlord pursuant to this Lease shall become overdue for a period in excess of twenty-five (25) days, such unpaid amounts shall bear interest from the due date thereof to the date of payment at the rate of one and one-half percent (1-1/2%) per month.
5. Place of Payments. All payments required to be paid, and all statements required to be rendered by Tenant to Landlord shall be delivered to Landlord at its address set forth in Section 20 hereof or to such other address as Landlord specifies to Tenant.
6. Use of Leased Premises. The Leased Premises shall be occupied and used solely for educational uses. Tenant covenants and agrees that the Leased Premises shall not be used for any treatment, storage or disposal of or otherwise contaminated by any hazardous, special or other wastes, substances, materials, constituents, pollutants or contaminants as those terms are defined under applicable local, state and federal laws and regulations promulgated thereunder

(including, without limitation, the Resource Conservation and Recovery Act 42 U.S.C. 9601, *et seq.*, and the Indiana Environmental Management Act, Ind. Code 13-7-7-1, *et seq.*, and regulations promulgated thereunder); provided, however, that Tenant shall be entitled to store and use such wastes, substances, materials, constituents, pollutants and contaminants on the Leased Premises which are incidental to and necessary for Tenant's business so long as Tenant complies with all local, state and federal laws and regulations applicable to such storage or use. Tenant further covenants and agrees that:

- (i) Tenant shall not vacate or abandon the Leased Premises, allow any waste, damage or nuisance on the Leased Premises, or use or permit the use of the Leased Premises for any unlawful purpose;
- (ii) Tenant shall conduct its business and keep the Leased Premises safe, clean and in accordance with all guidelines, rules and regulations of the health, fire, building, environmental and other governmental agencies having jurisdiction over Tenant's business and/or the Leased Premises, and shall comply with all laws, ordinances, rules, regulations, orders and decrees of any governmental entity or personnel now or hereafter affecting or relating to the Leased Premises or the use thereof; and
- (iii) Tenant shall not dump or otherwise dispose of on the Leased Premises any chemicals, metals, garbage, trash or other industrial by-products and incidentals to Tenant's business and all waste removal facilities shall use proper, leakproof and fireproof containers and no foreign substance of any kind shall be placed on or near the Leased Premises and the expense of any breakage, stoppage, contamination, spillage or damage resulting from a violation of this provision shall be borne by Tenant, and all medical waste shall be disposed of by Tenant in a manner consistent with all laws and current customary medical practice.

7. Utilities. Tenant shall pay all usage and other charges for any and all utility services rendered or furnished to the Leased Premises, including, but not limited to, heat, water, gas, electricity, sewers and sprinkler fees. If any equipment installed by Tenant requires additional utility facilities, the costs of installing such additional facilities shall be borne by Tenant. Tenant shall pay all usage and other charges for telephone service to the Leased Premises.

8. Maintenance and Repairs.

(a) Maintenance by Landlord. Landlord, at Landlord's expense, shall keep (i) the slab, foundation and other structural, exterior or common parts, including pipes, wiring and similar building elements used in common by all tenants of the Building, the roof and exterior walls, windows and doors, of the Building and (ii) the Common Areas in good order, condition and repair; provided, however, Landlord shall not be responsible for making any repairs or replacements occasioned by any act of negligence of Tenant, its employees, contractors, agents, invitees, lessees, licensees, assignees or concessionaires, and provided, further, that Landlord's

expenses under (ii) above are subject to partial reimbursement by Tenant pursuant to Section 6 above.

(b) Maintenance by Tenant. Tenant, at Tenant's expense, shall keep, maintain, replace and repair the Leased Premises and every part thereof in good order, condition and repair, including, but not limited to the following items located within the Leased Premises: electrical, mechanical and utility equipment and systems; fixtures; plate glass; doors; and interior walls, floor and floor covering, and ceiling. Tenant shall not be responsible for the cost of repairs necessitated by the failure of the Landlord to maintain (i) the slab, foundation and other structural, exterior or common parts, including pipes, wiring and similar building elements used in common by all tenants of the Building, the roof and exterior walls, windows and doors, of the Building and (ii) the Common Areas. Should Tenant utilize the services of Landlord as Tenant's agent to perform Tenant's obligations under this Subsection 10(b), Tenant agrees to pay the mutually agreed charges of Landlord for such services. Tenant may utilize the services of a third party to perform such obligations; provided, however, the competency of any third party utilized by Tenant shall be subject to Landlord's approval, which approval shall not be unreasonably withheld.

(c) Notice. Tenant shall give Landlord prompt written notice of the need for any maintenance, replacement or repairs which Landlord is obligated to make under foregoing Subsection (a) and of any material damage to the Leased Premises or any part thereof.

(d) Recognition of Student Population – Landlord and Tenant acknowledge that the population of the Leased Premises and Common Areas shall consist of students and that children, by their nature, can be unpredictable. During any repairs or maintenance work, Tenant, Landlord and all third parties shall take all reasonable precautions to ensure the safety of the students.

9. Assignment and Subletting.

(a) Requirements of Landlord's Consent. Tenant shall not assign this Lease or any interest therein, or sublet the whole or any part of the Leased Premises or permit any other persons, including concessionaires or licensees, to operate in, on or from, or occupy the same for any purposes without Landlord's written consent, which shall not be unreasonably withheld. The consent by Landlord to any assignment or subletting shall not constitute a waiver of the requirement for such consent to any subsequent assignment or subletting.

(b) Assignment by Operation of Law. Any transfer of this Lease by operation of law (including, but not limited to, a transfer as a result of a change of control, merger, consolidation or liquidation of Tenant) shall constitute an assignment for purposes of this Lease.

10. Access to Leased Premises. Tenant shall permit Landlord and its agents to enter upon the Leased Premises at all reasonable times to inspect and examine the Leased Premises and to show the Leased Premises to prospective purchasers, mortgagees and, during the last ninety (90) days of the Lease Term if Tenant has not renewed this Lease, to prospective tenants. Tenant shall permit Landlord and its agents to

enter upon the Leased Premises at reasonable times and upon reasonable notice to make such repairs (including the bringing of materials that may be required therefor into or upon the Leased Premises) as Landlord may reasonably deem necessary without any such act constituting any eviction of Tenant in whole or in part, without Rent in any manner abating while such repairs are being made by reason of loss or interruption of Tenant's business in the Leased Premises, and without responsibility for any loss or damage to Tenant's business or property. Landlord's foregoing right of entry shall not be construed to impose upon Landlord any obligation or liability whatsoever for the maintenance or repair of the Leased Premises except as expressly provided in this Lease.

11. Insurance and Indemnification.

- (a) Public Liability Insurance: Tenant. Tenant, at Tenant's expense, shall maintain in full force and effect throughout the Lease Term a policy of commercial general liability insurance, issued by a company or companies satisfactory to Landlord, naming Landlord and its lender as additional insureds, and covering any and all claims for injuries to or death of persons and damage to property occurring in or upon the Leased Premises, in an amount not less than Three Million Dollars (\$3,000,000) for the combined single limit of liability for bodily injury and property damage per occurrence. If it becomes customary for other similar facilities in the Indianapolis metropolitan area to carry higher limits of liability coverage, Tenant shall, if requested by Landlord, increase the foregoing coverage to such customary limits.
- (b) Insurance on Tenant's Property. All of Tenant's fixtures, equipment, merchandise and other personal property shall be kept at Tenant's sole risk and expense, and Tenant, at Tenant's expense, shall maintain in full force and effect throughout the Lease Term fire and special coverage insurance on its fixtures, equipment, merchandise and other personal property in or upon the Leased Premises for its full insurable value on a replacement cost basis, if obtainable, and if not obtainable, for the full amount of the estimated cash value for such property.
- (c) Workmen's Compensation. Tenant shall comply with the provisions of the workmen's compensation law and shall insure its liability thereunder.
- (d) Insurance on Leased Premises. Landlord shall maintain in full force and effect throughout the Lease Term fire and special coverage insurance on the Leased Premises in such amounts as Landlord shall reasonably deem necessary.
- (e) Certificates of Insurance. For each type of insurance which Tenant is required to maintain under this Lease, Tenant shall furnish to Landlord, at Landlord's request, an endorsed copy of such insurance policy showing that each such type of insurance is in full force and effect and not cancelable without ten (10) days prior written notice to Landlord.

- (f) Waiver of Subrogation. Each of the parties hereto hereby waives and releases any and all rights of recovery which it might have against the other for any loss or damage, whether or not caused by any alleged negligence of the other party, its agents, licensees or invitees, to the extent that such loss or damage is covered by any insurance required to be maintained under this Lease. Each policy of insurance required under this Lease shall contain an endorsement to such effect.
 - (g) Tenant's Indemnification. Tenant assumes all risks and responsibilities for accidents, injuries or damages to person or property and agrees to indemnify and hold Landlord harmless from any and all claims, liabilities, losses, costs and expenses (including attorneys' fees) arising from or in connection with the condition, use or Tenant's control of the Leased Premises or the conduct of Tenant's business from the Leased Premises or any default by Tenant under Lease. Subject to subsection (f), Tenant shall be liable to Landlord for any damages to the Building and for any act done by Tenant or any person coming on the Building by the license or invitation of Tenant, express or implied (except Landlord, its agents or employees).
 - (h) Tenant's Waiver of Claims. Landlord shall not be liable for, and Tenant waives all claims against Landlord for, any injuries, damages (including, but not limited to, consequential or economic damages) or losses of or to person, property or otherwise, sustained by Tenant and not covered by insurance, unless resulting from Landlord's negligence. All property kept or stored in, upon or about the Leased Premises by Tenant shall be so kept or stored at the sole risk of Tenant; and Tenant shall hold Landlord harmless from any claims, costs or expenses, including attorneys' fees, arising out of damage thereto, unless such claim arises out of negligent or misconduct on the part of Landlord, its agents and employees.
12. Fire and Other Casualty. In the event of the total or partial destruction of the Leased Premises by fire or other casualty, the insurance proceeds, if any, which as a result of such destruction are payable under the fire and special coverage insurance to be maintained by Landlord in accordance with Section 13 hereof shall be payable to, and be the sole property of, Landlord and, subject to the terms of this Section 14, Landlord shall cause the repair and reconstruction of the Leased Premises to substantially the same condition as at the commencement of the term of this Lease, unless substantial improvements had been made in the interim, in which case the repair and reconstruction shall reflect those improvements as well. Notwithstanding the foregoing provision of this Section 14, in the event (a) the portions of the Leased Premises to be restored by Landlord are so destroyed that they cannot be restored within one hundred fifty (150) days after the date of the damage or destruction, (b) the damage or destruction is not covered by the policy of fire and special coverage insurance to be maintained by Landlord in accordance with Section 13 hereof and Landlord does not undertake to restore the Leased Premises within sixty (60) days after the date of such damage or destruction, or (c) the insurance proceeds (reduced by any application thereof by Landlord's mortgagee to its mortgage) are insufficient for restoration of the Leased Premises and Landlord does not undertake such restoration within sixty (60) days after the date of such

damage or destruction; then Landlord shall not be obligated to restore the Leased Premises and Landlord may, within ninety (90) days following the damage or destruction, terminate and cancel this Lease upon fifteen (15) days written notice to Tenant, and all obligations hereunder except those due or mature shall thereupon cease and terminate. Rent shall proportionately abate during the time that the Leased Premises or any part thereof is unusable by reason of any such damage to the Leased Premises. Tenant shall have the right to relocate the school in the event the Leased Premises become uninhabitable and shall have the right to maintain that relocation until the Leased Premises are restored. In the event that the Leased Premises cannot be restored within one hundred and eighty (180) days from the date of the damage or destruction, Tenant may terminate and cancel this Lease upon fifteen (15) days written notice to Landlord, and all obligations hereunder except those due or mature shall thereupon cease and terminate.

13. Eminent Domain. In the event that all or a substantial part of the Leased Premises is taken or condemned for public or quasi-public use under any statute or by the right of eminent domain, or that in lieu thereof all or a substantial part of the Leased Premises is sold to a public or quasi-public body under threat of condemnation, and such taking, condemnation or sale renders the Leased Premises unsuitable for operation of the Tenant's business therein, this Lease shall, at the option of either party, terminate on the date possession of all or such part of the Leased Premises is transferred to the condemning authority. All Rent shall be paid up to the date of termination; and all compensation awarded or paid for the taking or sale in lieu thereof shall belong to and be the sole property of Landlord; provided, however, Landlord shall not be entitled to any award made to the Tenant for loss of business, moving expenses or cost of removal of stock and fixtures.
14. Default by Tenant.
 - (a) Events of Default. Each of the following shall be deemed a default by Tenant:
 - (i) Tenant's failure to pay Rent as herein provided when due;
 - (ii) Tenant's failure to perform any other term, condition or covenant of this Lease to be observed by Tenant;
 - (iii) Tenant's abandonment of the Leased Premises;
 - (iv) The sale of Tenant's leasehold interest hereunder pursuant to execution;
 - (v) The making by Tenant of a general assignment for the benefit of creditors; or
 - (vi) The appointment of a receiver in equity for Tenant's property if such appointment is not vacated or satisfied within thirty (30) days from the date of such appointment.

- (b) Landlord's Right Upon Lessee's Default. In the event of any default provided in clause (i) of foregoing Subparagraph (a) and the continuance of such a default for five (5) days following written notice from Landlord to Tenant, or in the event of any default provided in clause (ii) of foregoing Subparagraph (a) and the continuance of such default for thirty (30) days following written notice from Landlord to Tenant (except in the event such default is of a nature as not to be reasonably susceptible to cure within said thirty (30) day period, in which case the period of cure shall be extended for an additional period as may be reasonably required, but in no event more than forty-five (45) additional days, so long as Tenant commences its efforts to cure within said thirty (30) day period and thereafter diligently pursues the same to completion) or in the event of any other default provided in foregoing Subparagraph (a) without any demand or notice, Landlord, in addition to any other rights or remedies at law or in equity, may:
- (i) elect to terminate this Lease; or
 - (ii) in the event that Tenant has failed to perform any of its covenants under this Lease other than a covenant to pay Rent, perform the covenant or covenants of Tenant which are in default (entering upon the Leased Premises for such purpose, if necessary); and Landlord's performance of any such covenant shall not be construed as a waiver of Tenant's default or of any other right or remedy of Landlord in respect of such default, nor as a waiver of any covenant, term or condition of this Lease.
- (c) Damages Upon Termination. In the event that Landlord at any time terminates this Lease for any default by Tenant, in addition to any other remedies Landlord may have, Landlord may recover from Tenant all damages Landlord may incur by reason of such default, including costs of recovering the Leased Premises, making reasonable and customary alterations and repairs for the purpose of re-letting, reasonable attorneys' fees, and the value at the time of such termination of the excess, if any, of the amount of Rent and charge equivalent to Rent reserved in this Lease for the remainder of the Lease Term over the then rental value of the Leased Premises for a maximum of six month period (or a reasonable time to relet the premises whichever is shorter) less any reasonably anticipated vacancy period, all as estimated by Landlord based on prevailing market standards. All such amounts shall be immediately due and payable from Tenant to Landlord. Upon any material breach by Landlord hereunder, Tenant shall have the right to recover the actual and foreseeable consequential damages which it incurs by reason of such material breach, including but not limited to reasonable moving or relocation costs and reasonable attorneys fees.
- (d) Indemnification Upon Default. Upon any default by Tenant hereunder, Tenant shall be liable for and hereby agrees to pay any and all liabilities, losses, and reasonable costs and expenses including attorneys' fees incurred by Landlord as a proximate result of Tenant's default and in exercising Landlord's rights and remedies in connection with such default. Upon any material breach by Landlord hereunder, Landlord shall be liable for any and all liabilities, losses, and

reasonable costs and expenses, including reasonable attorneys fees, incurred by Tenant as a proximate result of landlord's material breach.

15. Surrender. Upon the expiration of the Lease Term or earlier termination of this Lease, Tenant shall quit and surrender to Landlord the Leased Premises, broom clean and in the same condition as the Leased Premises existed on the Commencement Date, ordinary wear and tear excepted; provided, that Tenant shall not remove any property affixed to the Leased Premises or alterations to the Leased Premises which Landlord directs Tenant not to remove. If Tenant shall fail to remove any property or alterations that it is obligated to remove, Landlord may cause all or any item of such property or alteration to be removed at Tenant's expense. Tenant hereby agrees to pay all costs and expenses of any removal and of the repair of any damage to the Leased Premises caused by such removal. Any and all property remaining on the Leased Premises after the expiration of the Lease Term or earlier termination of this Lease shall, at the option of Landlord, become the property of Landlord and Landlord may dispose of and/or remove any such property without any liability whatsoever to Tenant. Tenant's obligation to observe and perform these covenants shall survive the expiration of the Lease Term or earlier termination of this Lease.

16. Subordination. Upon request by Landlord, Tenant shall subordinate this Lease to the lien of any mortgage given by Landlord if such mortgage provides that Tenant's rights under this Lease and possession of the Leased Premises shall not be disturbed as long as it performs its duties hereunder upon such mortgagee's customary terms and conditions.

17. Covenant of Quiet Enjoyment. Landlord agrees that if Tenant performs all the covenants and agreements herein provided to be performed by Tenant, Tenant shall, at all times during the Lease Term, have the peaceable and quiet enjoyment of possession of the Leased Premises without any manner of hindrance from Landlord or any persons claiming under Landlord.

18. Mechanic's Liens. Tenant shall not suffer or give cause for the filing of any mechanic's lien against the Building or Leased Premises. In the event any mechanic's lien is filed against the Building or Leased Premises or any part thereof for work claimed to have been done for, or material claimed to have been furnished to, the Tenant, Tenant shall cause such mechanic's lien to be discharged of record within ten (10) days after filing. Tenant shall indemnify and save Landlord harmless from all costs, losses, expenses and attorneys' fees in connection with any such mechanic's lien. All liens and encumbrances created or suffered by Tenant shall attach to Tenant's interest only. In the event Landlord suffers or gives cause for the filing of any mechanic's lien against the Building or Leased Premises occupied by Tenant which results in litigation or other legal proceedings which reasonably impair Tenant's use of the Leased Premises, Landlord shall cause such lien to be discharged within ten (10) days of receipt of written notice from Tenant including details or facts constituting the manner in which its use of the Leased Premises has been reasonably impaired.

19. Notices. Any notice, demand, consent or waiver required or permitted to be given or served by either party to this Lease shall be in writing and shall be deemed to have been duly given if delivered in person or sent by United States certified or registered mail, return receipt requested, addressed to the other party as follows:

Landlord: Greater Education Opportunities Foundation, 333 N. Pennsylvania Street, Suite 100, Indianapolis, IN 46204.

Tenant: Fall Creek Academy, 2540 North Capitol Avenue, Indianapolis, IN 46208

Any party may change its address for notice from time to time by serving notice on the other party as provided above. The date of service of any notice served by mail shall be the date upon which such notice is deposited in a post office of the United States Postal Service. Notice shall not be accepted by facsimile or other electronic means.

20. Miscellaneous Provisions.

(a) Waivers. No waiver of any covenant or condition or the breach of any covenant or condition of this Lease shall be deemed to constitute a waiver of any subsequent breach of such covenant or condition nor justify or authorize a non-observance upon any occasion of such covenant or condition or any other covenant or condition; nor shall the acceptance of Rent by Landlord at any time when Tenant is in default of any covenant or condition be construed as a waiver of such default or Landlord's right to terminate this Lease on account of such default.

(b) Remedies Cumulative. The remedies of Landlord and Tenant hereunder shall be cumulative, and no one of them shall be construed as exclusive of any other of any remedy provided by law or in equity. The exercise of any one such right or remedy by the Landlord or Tenant shall not impair its standing to exercise any other such right or remedy.

(c) Binding Effect of Lease. The covenants, agreements and obligations herein contained, except as herein otherwise specifically provided, shall extend to, bind and inure to the benefit of the parties hereto and their respective personal representatives, heirs, successors and assigns. Landlord, at any time and from time to time, may make an assignment of its interest in this Lease, and in the event of such an assignment of the covenants and agreements to be performed by Landlord herein, and an assumption by the assignee of the same, the successor landlord shall be deemed to be the "Landlord" under this Lease as of the date of the assignment and assumption; however, except as expressly provided otherwise, the successor landlord shall not be liable for acts, omissions or defaults of any prior landlord under this Lease, and the landlord assigning its interest shall be released from any and all liability for any acts, omissions or defaults under this Lease first arising after the date of the assignment. Tenant shall enter into an acknowledgment and acceptance agreement documenting such an assignment of landlord's interest, in the event such an agreement is so requested by Landlord.

(d) Counterparts. This Lease may be executed in separate counterparts, each of which when so executed shall be an original; but all of such counterparts shall together constitute but one and the same instrument.

DRAFT

IN WITNESS WHEREOF, the parties have executed or caused the execution of this Lease by their respective officers duly authorized as of the day and year first above written.

Landlord:

**GREATER EDUCATION OPPORTUNITIES
FOUNDATION**

By: _____

Printed: _____

Title: _____

Tenant:

FALL CREEK ACADEMY

By: _____

Printed: _____

Title: _____

LEASE

THIS LEASE, made as of the 1st day of February, 2011, by and between **Greater Education Opportunities Foundation**, ("Landlord"), and **Fall Creek Academy**, an Indiana not-for profit corporation ("Tenant");

WITNESSETH:

In consideration of the mutual covenants contained herein, Landlord and Tenant agree as follows:

1. Leased Premises. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the "North Annex modular" located at 2618 North Capital Avenue, Indianapolis, Indiana. Landlord shall be entitled to make additions, modifications, alterations and repairs to, and otherwise modify, the Building provided that the general character of the Building shall not be changed and further provided that such changes are not in violation of Landlord's other obligations under this Lease and do not materially interfere with or diminish Tenant's access to or normal business use of the Leased Premises. Landlord hereby grants to Tenant, its invitees and customers, the exclusive use of the property and facilities, with the exception of such space that Landlord might reserve for its own use from time to time.

2. Lease Term and Holding Over. The term ("Lease Term") of this Lease shall be a period commencing on January 1, 2011 ("Commencement Date") and ending at 11:59 p.m. on December 31, 2014. The first payment shall be due on January 1, 2011, with payment due on the first day of each month thereafter.

3. Rent. Tenant shall pay to Landlord as "minimum rent" for the Leased Premises a mandatory payment amount equal to Four Thousand Seven Hundred and 100/00 Dollars (\$4,700) per month for the first year. Landlord may increase the required rent payments on an annual basis at a maximum rate of 7% per year. "Rent" as used herein shall mean any and all sums, charges and payments owing from Tenant to Landlord pursuant to this Lease. All Rent shall be paid without relief from valuation and appraisal laws and shall be payable without offset for any amount due or claimed to be due from Landlord to Tenant.

4. Past Due Payments. In the event any Rent owing from Tenant to Landlord pursuant to this Lease shall become overdue for a period in excess of twenty-five (25) days, such unpaid amounts shall bear interest from the due date thereof to the date of payment at the rate of one and one-half percent (1-1/2%) per month.

5. Place of Payments. All payments required to be paid, and all statements required to be rendered by Tenant to Landlord shall be delivered to Landlord at its address set forth in Section 20 hereof or to such other address as Landlord specifies to Tenant.

6. Taxes and Operating Expenses.

(a) Excessive Power Requirements. If Landlord determines that Tenant's use of general service electricity is in excess of normal and customary office building

usage, as reasonably determined by Landlord, or if Tenant installs equipment requiring power in excess of that required for normal office use as reasonably determined by Landlord, Landlord, at its option and at Tenant's expense, may arrange for separate provision, sub-metering and/or direct billing (based on Landlord's reasonable estimate) of any related utility costs thereby incurred for services provided by Landlord.

- (b) Landlord Services. Landlord agrees to furnish the Leases Premises with the following services: (i) water, gas, electricity and sewer at those points of supply provided for general use of Tenant, subject to the provisions of the preceding paragraph. and (ii) supervision and general maintenance, including but not limited to landscaping care, trash and snow removal, of the Common Areas.
7. Use of Leased Premises. The Leased Premises shall be occupied from the Commencement Date through and including the last scheduled day of the 2014-2015 school year and used solely for educational uses. Tenant covenants and agrees that the Leased Premises shall not be used for any treatment, storage or disposal of or otherwise contaminated by any hazardous, special or other wastes, substances, materials, constituents, pollutants or contaminants as those terms are defined under applicable local, state and federal laws and regulations promulgated thereunder (including, without limitation, the Resource Conservation and Recovery Act 42 U.S.C. 9601, *et seq.*, and the Indiana Environmental Management Act, Ind. Code 13-7-7-1, *et seq.*, and regulations promulgated thereunder); provided, however, that Tenant shall be entitled to store and use such wastes, substances, materials, constituents, pollutants and contaminants on the Leased Premises which are incidental to and necessary for Tenant's business so long as Tenant complies with all local, state and federal laws and regulations applicable to such storage or use. Tenant further covenants and agrees that:
- (i) Tenant shall not vacate or abandon the Leased Premises, allow any waste, damage or nuisance on the Leased Premises, or use or permit the use of the Leased Premises for any unlawful purpose;
 - (ii) Tenant shall conduct its business and keep the Leased Premises safe, clean and in accordance with all guidelines, rules and regulations of the health, fire, building, environmental and other governmental agencies having jurisdiction over Tenant's business and/or the Leased Premises, and shall comply with all laws, ordinances, rules, regulations, orders and decrees of any governmental entity or personnel now or hereafter affecting or relating to the Leased Premises or the use thereof; and
 - (iii) Tenant shall not dump or otherwise dispose of on the Leased Premises any chemicals, metals, garbage, trash or other industrial by-products and incidentals to Tenant's business and all waste removal facilities shall use proper, leakproof and fireproof containers and no foreign substance of any kind shall be placed on or near the Leased Premises and the expense of any breakage, stoppage, contamination, spillage or damage resulting

from a violation of this provision shall be borne by Tenant, and all medical waste shall be disposed of by Tenant in a manner consistent with all laws and current customary medical practice.

8. Utilities. Tenant shall pay all usage and other charges for any and all utility services rendered or furnished to the Leased Premises, including, but not limited to, heat, water, gas, electricity, sewers and sprinkler fees. If any equipment installed by Tenant requires additional utility facilities, the costs of installing such additional facilities shall be borne by Tenant. Tenant shall pay all usage and other charges for telephone service to the Leased Premises.

9. Maintenance and Repairs.

(a) Maintenance by Landlord. Landlord, at Landlord's expense, shall keep (i) the slab, foundation and other structural, exterior or common parts, including pipes, wiring and similar building elements used in common by all tenants of the Building, the roof and exterior walls, windows and doors, of the Building and (ii) the Common Areas in good order, condition and repair; provided, however, Landlord shall not be responsible for making any repairs or replacements occasioned by any act of negligence of Tenant, its employees, contractors, agents, invitees, lessees, licensees, assignees or concessionaires, and provided, further, that Landlord's expenses under (ii) above are subject to partial reimbursement by Tenant pursuant to Section 6 above.

(b) Maintenance by Tenant. Tenant, at Tenant's expense, shall keep, maintain, replace and repair the Leased Premises and every part thereof in good order, condition and repair, including, but not limited to the following items located within the Leased Premises: electrical, mechanical and utility equipment and systems; fixtures; plate glass; doors; and interior walls, floor and floor covering, and ceiling. Tenant shall not be responsible for the cost of repairs necessitated by the failure of the Landlord to maintain (i) the slab, foundation and other structural, exterior or common parts, including pipes, wiring and similar building elements used in common by all tenants of the Building, the roof and exterior walls, windows and doors, of the Building and (ii) the Common Areas. Should Tenant utilize the services of Landlord as Tenant's agent to perform Tenant's obligations under this Subsection 10(b), Tenant agrees to pay the mutually agreed charges of Landlord for such services. Tenant may utilize the services of a third party to perform such obligations; provided, however, the competency of any third party utilized by Tenant shall be subject to Landlord's approval, which approval shall not be unreasonably withheld.

(c) Notice. Tenant shall give Landlord prompt written notice of the need for any maintenance, replacement or repairs which Landlord is obligated to make under foregoing Subsection (a) and of any material damage to the Leased Premises or any part thereof.

(d) Recognition of Student Population – Landlord and Tenant acknowledge that the population of the Leased Premises and Common Areas shall consist of students and that children, by their nature, can be unpredictable. During any repairs or maintenance work, Tenant, Landlord and all third parties shall take all reasonable precautions to ensure the safety of the students.

10. Assignment and Subletting.

- (a) Requirements of Landlord's Consent. Tenant shall not assign this Lease or any interest therein, or sublet the whole or any part of the Leased Premises or permit any other persons, including concessionaires or licensees, to operate in, on or from, or occupy the same for any purposes without Landlord's written consent, which shall not be unreasonably withheld. The consent by Landlord to any assignment or subletting shall not constitute a waiver of the requirement for such consent to any subsequent assignment or subletting.
- (b) Assignment by Operation of Law. Any transfer of this Lease by operation of law (including, but not limited to, a transfer as a result of a change of control, merger, consolidation or liquidation of Tenant) shall constitute an assignment for purposes of this Lease.

11. Access to Leased Premises. Tenant shall permit Landlord and its agents to enter upon the Leased Premises at all reasonable times to inspect and examine the Leased Premises and to show the Leased Premises to prospective purchasers, mortgagees and, during the last ninety (90) days of the Lease Term if Tenant has not renewed this Lease, to prospective tenants. Tenant shall permit Landlord and its agents to enter upon the Leased Premises at reasonable times and upon reasonable notice to make such repairs (including the bringing of materials that may be required therefor into or upon the Leased Premises) as Landlord may reasonably deem necessary without any such act constituting any eviction of Tenant in whole or in part, without Rent in any manner abating while such repairs are being made by reason of loss or interruption of Tenant's business in the Leased Premises, and without responsibility for any loss or damage to Tenant's business or property. Landlord's foregoing right of entry shall not be construed to impose upon Landlord any obligation or liability whatsoever for the maintenance or repair of the Leased Premises except as expressly provided in this Lease.

12. Insurance and Indemnification.

- (a) Public Liability Insurance: Tenant. Tenant, at Tenant's expense, shall maintain in full force and effect throughout the Lease Term a policy of commercial general liability insurance, issued by a company or companies satisfactory to Landlord, naming Landlord and its lender as additional insureds, and covering any and all claims for injuries to or death of persons and damage to property occurring in or upon the Leased Premises, in an amount not less than Three Million Dollars (\$3,000,000) for the combined single limit of liability for bodily injury and property damage per occurrence. If it becomes customary for other similar facilities in the Indianapolis metropolitan area to carry higher limits of liability coverage, Tenant shall, if requested by Landlord, increase the foregoing coverage to such customary limits.
- (b) Insurance on Tenant's Property. All of Tenant's fixtures, equipment, merchandise and other personal property shall be kept at Tenant's sole risk and

expense, and Tenant, at Tenant's expense, shall maintain in full force and effect throughout the Lease Term fire and special coverage insurance on its fixtures, equipment, merchandise and other personal property in or upon the Leased Premises for its full insurable value on a replacement cost basis, if obtainable, and if not obtainable, for the full amount of the estimated cash value for such property.

- (c) Workmen's Compensation. Tenant shall comply with the provisions of the workmen's compensation law and shall insure its liability thereunder.
- (d) Insurance on Leased Premises. Landlord shall maintain in full force and effect throughout the Lease Term fire and special coverage insurance on the Leased Premises in such amounts as Landlord shall reasonably deem necessary.
- (e) Certificates of Insurance. For each type of insurance which Tenant is required to maintain under this Lease, Tenant shall furnish to Landlord, at Landlord's request, an endorsed copy of such insurance policy showing that each such type of insurance is in full force and effect and not cancelable without ten (10) days prior written notice to Landlord.
- (f) Waiver of Subrogation. Each of the parties hereto hereby waives and releases any and all rights of recovery which it might have against the other for any loss or damage, whether or not caused by any alleged negligence of the other party, its agents, licensees or invitees, to the extent that such loss or damage is covered by any insurance required to be maintained under this Lease. Each policy of insurance required under this Lease shall contain an endorsement to such effect.
- (g) Tenant's Indemnification. Tenant assumes all risks and responsibilities for accidents, injuries or damages to person or property and agrees to indemnify and hold Landlord harmless from any and all claims, liabilities, losses, costs and expenses (including attorneys' fees) arising from or in connection with the condition, use or Tenant's control of the Leased Premises or the conduct of Tenant's business from the Leased Premises or any default by Tenant under Lease. Subject to subsection (f), Tenant shall be liable to Landlord for any damages to the Building and for any act done by Tenant or any person coming on the Building by the license or invitation of Tenant, express or implied (except Landlord, its agents or employees).
- (h) Tenant's Waiver of Claims. Landlord shall not be liable for, and Tenant waives all claims against Landlord for, any injuries, damages (including, but not limited to, consequential or economic damages) or losses of or to person, property or otherwise, sustained by Tenant and not covered by insurance, unless resulting from Landlord's negligence. All property kept or stored in, upon or about the Leased Premises by Tenant shall be so kept or stored at the sole risk of Tenant; and Tenant shall hold Landlord harmless from any claims, costs or expenses, including attorneys' fees, arising out of damage thereto, unless such claim arises out of negligent or misconduct on the part of Landlord, its agents and employees.

13. Fire and Other Casualty. In the event of the total or partial destruction of the Leased Premises by fire or other casualty, the insurance proceeds, if any, which as a result of such destruction are payable under the fire and special coverage insurance to be maintained by Landlord in accordance with Section 13 hereof shall be payable to, and be the sole property of, Landlord and, subject to the terms of this Section 14, Landlord shall cause the repair and reconstruction of the Leased Premises to substantially the same condition as at the commencement of the term of this Lease, unless substantial improvements had been made in the interim, in which case the repair and reconstruction shall reflect those improvements as well. Notwithstanding the foregoing provision of this Section 14, in the event (a) the portions of the Leased Premises to be restored by Landlord are so destroyed that they cannot be restored within one hundred fifty (150) days after the date of the damage or destruction, (b) the damage or destruction is not covered by the policy of fire and special coverage insurance to be maintained by Landlord in accordance with Section 13 hereof and Landlord does not undertake to restore the Leased Premises within sixty (60) days after the date of such damage or destruction, or (c) the insurance proceeds (reduced by any application thereof by Landlord's mortgagee to its mortgage) are insufficient for restoration of the Leased Premises and Landlord does not undertake such restoration within sixty (60) days after the date of such damage or destruction; then Landlord shall not be obligated to restore the Leased Premises and Landlord may, within ninety (90) days following the damage or destruction, terminate and cancel this Lease upon fifteen (15) days written notice to Tenant, and all obligations hereunder except those due or mature shall thereupon cease and terminate. Rent shall proportionately abate during the time that the Leased Premises or any part thereof is unusable by reason of any such damage to the Leased Premises. Tenant shall have the right to relocate the school in the event the Leased Premises become uninhabitable and shall have the right to maintain that relocation until the Leased Premises are restored. In the event that the Leased Premises cannot be restored within one hundred and eighty (180) days from the date of the damage or destruction, Tenant may terminate and cancel this Lease upon fifteen (15) days written notice to Landlord, and all obligations hereunder except those due or mature shall thereupon cease and terminate.
14. Eminent Domain. In the event that all or a substantial part of the Leased Premises is taken or condemned for public or quasi-public use under any statute or by the right of eminent domain, or that in lieu thereof all or a substantial part of the Leased Premises is sold to a public or quasi-public body under threat of condemnation, and such taking, condemnation or sale renders the Leased Premises unsuitable for operation of the Tenant's business therein, this Lease shall, at the option of either party, terminate on the date possession of all or such part of the Leased Premises is transferred to the condemning authority. All Rent shall be paid up to the date of termination; and all compensation awarded or paid for the taking or sale in lieu thereof shall belong to and be the sole property of Landlord; provided, however, Landlord shall not be entitled to any award made to the Tenant for loss of business, moving expenses or cost of removal of stock and fixtures.

15. Default by Tenant.

(a) Events of Default. Each of the following shall be deemed a default by Tenant:

- (i) Tenant's failure to pay Rent as herein provided when due;
- (ii) Tenant's failure to perform any other term, condition or covenant of this Lease to be observed by Tenant;
- (iii) Tenant's abandonment of the Leased Premises;
- (iv) The sale of Tenant's leasehold interest hereunder pursuant to execution;
- (v) The making by Tenant of a general assignment for the benefit of creditors; or
- (vi) The appointment of a receiver in equity for Tenant's property if such appointment is not vacated or satisfied within thirty (30) days from the date of such appointment.

(b) Landlord's Right Upon Lessee's Default. In the event of any default provided in clause (i) of foregoing Subparagraph (a) and the continuance of such a default for five (5) days following written notice from Landlord to Tenant, or in the event of any default provided in clause (ii) of foregoing Subparagraph (a) and the continuance of such default for thirty (30) days following written notice from Landlord to Tenant (except in the event such default is of a nature as not to be reasonably susceptible to cure within said thirty (30) day period, in which case the period of cure shall be extended for an additional period as may be reasonably required, but in no event more than forty-five (45) additional days, so long as Tenant commences its efforts to cure within said thirty (30) day period and thereafter diligently pursues the same to completion) or in the event of any other default provided in foregoing Subparagraph (a) without any demand or notice, Landlord, in addition to any other rights or remedies at law or in equity, may:

- (i) elect to terminate this Lease; or
- (ii) in the event that Tenant has failed to perform any of its covenants under this Lease other than a covenant to pay Rent, perform the covenant or covenants of Tenant which are in default (entering upon the Leased Premises for such purpose, if necessary); and Landlord's performance of any such covenant shall not be construed as a waiver of Tenant's default or of any other right or remedy of Landlord in respect of such default, nor as a waiver of any covenant, term or condition of this Lease.

(c) Damages Upon Termination. In the event that Landlord at any time terminates this Lease for any default by Tenant, in addition to any other remedies Landlord may have, Landlord may recover from Tenant all damages Landlord may incur by reason of such default, including costs of recovering the Leased Premises, making

reasonable and customary alterations and repairs for the purpose of re-letting, reasonable attorneys' fees, and the value at the time of such termination of the excess, if any, of the amount of Rent and charge equivalent to Rent reserved in this Lease for the remainder of the Lease Term over the then rental value of the Leased Premises for a maximum of six month period (or a reasonable time to relet the premises whichever is shorter) less any reasonably anticipated vacancy period, all as estimated by Landlord based on prevailing market standards. All such amounts shall be immediately due and payable from Tenant to Landlord. Upon any material breach by Landlord hereunder, Tenant shall have the right to recover the actual and foreseeable consequential damages which it incurs by reason of such material breach, including but not limited to reasonable moving or relocation costs and reasonable attorneys fees.

- (d) Indemnification Upon Default. Upon any default by Tenant hereunder, Tenant shall be liable for and hereby agrees to pay any and all liabilities, losses, and reasonable costs and expenses including attorneys' fees incurred by Landlord as a proximate result of Tenant's default and in exercising Landlord's rights and remedies in connection with such default. Upon any material breach by Landlord hereunder, Landlord shall be liable for any and all liabilities, losses, and reasonable costs and expenses, including reasonable attorneys fees, incurred by Tenant as a proximate result of landlord's material breach.

16. Surrender. Upon the expiration of the Lease Term or earlier termination of this Lease, Tenant shall quit and surrender to Landlord the Leased Premises, broom clean and in the same condition as the Leased Premises existed on the Commencement Date, ordinary wear and tear excepted; provided, that Tenant shall not remove any property affixed to the Leased Premises or alterations to the Leased Premises which Landlord directs Tenant not to remove. If Tenant shall fail to remove any property or alterations that it is obligated to remove, Landlord may cause all or any item of such property or alteration to be removed at Tenant's expense. Tenant hereby agrees to pay all costs and expenses of any removal and of the repair of any damage to the Leased Premises caused by such removal. Any and all property remaining on the Leased Premises after the expiration of the Lease Term or earlier termination of this Lease shall, at the option of Landlord, become the property of Landlord and Landlord may dispose of and/or remove any such property without any liability whatsoever to Tenant. Tenant's obligation to observe and perform these covenants shall survive the expiration of the Lease Term or earlier termination of this Lease.

17. Subordination. Upon request by Landlord, Tenant shall subordinate this Lease to the lien of any mortgage given by Landlord if such mortgage provides that Tenant's rights under this Lease and possession of the Leased Premises shall not be disturbed as long as it performs its duties hereunder upon such mortgagee's customary terms and conditions.

18. Covenant of Quiet Enjoyment. Landlord agrees that if Tenant performs all the covenants and agreements herein provided to be performed by Tenant, Tenant shall, at all times during the Lease Term, have the peaceable and quiet enjoyment of possession of the Leased Premises without any manner of hindrance from Landlord or any persons claiming under Landlord.

19. Mechanic's Liens. Tenant shall not suffer or give cause for the filing of any mechanic's lien against the Building or Leased Premises. In the event any mechanic's lien is filed against the Building or Leased Premises or any part thereof for work claimed to have been done for, or material claimed to have been furnished to, the Tenant, Tenant shall cause such mechanic's lien to be discharged of record within ten (10) days after filing. Tenant shall indemnify and save Landlord harmless from all costs, losses, expenses and attorneys' fees in connection with any such mechanic's lien. All liens and encumbrances created or suffered by Tenant shall attach to Tenant's interest only. In the event Landlord suffers or gives cause for the filing of any mechanic's lien against the Building or Leased Premises occupied by Tenant which results in litigation or other legal proceedings which reasonably impair Tenant's use of the Leased Premises, Landlord shall cause such lien to be discharged within ten (10) days of receipt of written notice from Tenant including details or facts constituting the manner in which its use of the Leased Premises has been reasonably impaired.

20. Notices. Any notice, demand, consent or waiver required or permitted to be given or served by either party to this Lease shall be in writing and shall be deemed to have been duly given if delivered in person or sent by United States certified or registered mail, return receipt requested, addressed to the other party as follows:

Landlord: Greater Education Opportunities Foundation, 333 N. Pennsylvania Street, Suite 100, Indianapolis, IN 46204.

Tenant: Fall Creek Academy, 2540 North Capitol Street, Indianapolis, IN 46208.

Any party may change its address for notice from time to time by serving notice on the other party as provided above. The date of service of any notice served by mail shall be the date upon which such notice is deposited in a post office of the United States Postal Service. Notice shall not be accepted by facsimile or other electronic means.

21. Miscellaneous Provisions.

(a) Waivers. No waiver of any covenant or condition or the breach of any covenant or condition of this Lease shall be deemed to constitute a waiver of any subsequent breach of such covenant or condition nor justify or authorize a non-observance upon any occasion of such covenant or condition or any other covenant or condition; nor shall the acceptance of Rent by Landlord at any time when Tenant is in default of any covenant or condition be construed as a waiver of such default or Landlord's right to terminate this Lease on account of such default.

(b) Remedies Cumulative. The remedies of Landlord and Tenant hereunder shall be cumulative, and no one of them shall be construed as exclusive of any other of any remedy provided by law or in equity. The exercise of any one such right or remedy by the Landlord or Tenant shall not impair its standing to exercise any other such right or remedy.

(c) Binding Effect of Lease. The covenants, agreements and obligations herein contained, except as herein otherwise specifically provided, shall extend to, bind and inure to the benefit of the parties hereto and their respective personal representatives, heirs, successors and

assigns. Landlord, at any time and from time to time, may make an assignment of its interest in this Lease, and in the event of such an assignment of the covenants and agreements to be performed by Landlord herein, and an assumption by the assignee of the same, the successor landlord shall be deemed to be the "Landlord" under this Lease as of the date of the assignment and assumption; however, except as expressly provided otherwise, the successor landlord shall not be liable for acts, omissions or defaults of any prior landlord under this Lease, and the landlord assigning its interest shall be released from any and all liability for any acts, omissions or defaults under this Lease first arising after the date of the assignment. Tenant shall enter into an acknowledgment and acceptance agreement documenting such an assignment of landlord's interest, in the event such an agreement is so requested by Landlord.

(d) Counterparts. This Lease may be executed in separate counterparts, each of which when so executed shall be an original; but all of such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have executed or caused the execution of this Lease by their respective officers duly authorized as of the day and year first above written.

Landlord:

**GREATER EDUCATION OPPORTUNITIES
FOUNDATION**

By:  _____

Printed: Kevin Tran _____

Title: President _____

Tenant:

FALL CREEK ACADEMY

By:  _____

Printed: ROLAN M DICK _____

Title: CHAIRMAN _____

LOAN AGREEMENT

This Loan Agreement is entered into this 1st day of July, 2012, by and between the GREATER EDUCATION OPPORTUNITIES FOUNDATION ("GEO") and the Board of Directors for the FALL CREEK ACADEMY charter school ("School").

WHEREAS,

1. According to the financial statements of the School for year-end June 2012, the School is indebted to GEO in the amount of _____; and
2. No formal repayment terms for this debt exist as of this date; and
3. The School and GEO wish to formalize a repayment arrangement for this debt;

THEREFORE, the parties agree to the following terms:

1. \$75,000 per year, beginning with the 2012-2013 school year, for 3 years.
2. \$100,000 per year, beginning with the 2015-2016 school year, for 5 years.
3. \$150,000, per year, beginning with the 2020-2021 school year, until the debt is fully retired.
4. Interest will accrue at the annual rate of 3%.
5. The School may pay more than the minimum amount per year, upon motion of the Board of Directors for the School.
6. This Agreement shall function independently of any other agreements between the parties, including Lease or Service Agreements.
7. This Agreement may not be accelerated or terms changed without express written agreement of both parties.

FOR FALL CREEK ACADEMY

FOR GEO FOUNDATION

Title/Date

Title/Date