



THE GOVERNOR JOHN ENGLER

**CENTER FOR  
CHARTER SCHOOLS**

CENTRAL MICHIGAN UNIVERSITY

# CHARTER CONTRACT 101



# THE CHARTER CONTRACT

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# Contract Terms and Conditions

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Terms and Conditions establish the rights and obligations of the contracting parties (the CMU University Board of Trustees and the academy board).

- Defines important terms
- Outlines the relationship between the academy and the University
- Explains the role of the University as an authorizer
- Explains the requirement that the academy act solely as a government entity
- Outlines the corporate structure of the academy
- Identifies legal requirements for operating a school
- Addresses tuition being prohibited
- Explains the amendment requirements
- Outlines revocation, termination and suspension process

## Schedule 1: Articles of Incorporation

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The Articles of Incorporation is a document that establishes the existence of a corporation within the state of Michigan.

A corporation is an association of persons, created by law and existing as an entity with powers and liabilities independent of those of its members.

A nonprofit corporation is one in which members may not receive any profits of the corporation. Some purposes of nonprofit corporations are those involving religious, educational and charitable activities.

Governance is prescribed by law, bylaws of the corporation and the resolutions and decisions of its members.

In order to form a corporation, Articles of Incorporation must be prepared and filed with the Michigan Department of Licensing and Regulatory Affairs (DLARA) –

## Corporations, Securities & Commercial Licensing Bureau.

### Articles of Incorporation must include the following:

- Name of corporation
- Name and address of Resident Agent
- The mission or purpose of the corporation
- Term of the corporation
- Name and addresses of the incorporators
- Any agreements between incorporators regarding terminations, dissolution, distribution of assets and any other matters as appropriate.

Annual reports must be filed with DLARA on or before October 1.

## Schedule 2: Organizational Bylaws

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A bylaw is a rule or law established by an organization or community to regulate itself. Bylaws are the first set of operating policies identifying set the framework for how the school will be governed and conduct business by outlining the:

### Board Powers

- Officer positions
- Method and selection
- Length of position term
- Number of positions
- Qualifications
- Oath of Public Office
- Tenure
- Removal and suspension
- Resignation
- Board vacancies
- Compensation

### Board Meeting

- Meeting requirements
- Quorum
- Manner of acting
- Open Meetings Act

### Committees

- Structure and guideline

## Officers of the Board

- Number
- Removal
- Vacancies
- President
- Vice President
- Secretary
- Treasurer
- Assistants and acting officers
- Salaries
- Filling more than one office

## Permissible Relationships

- Inappropriate board relationships
- Committees
- Annual and regular meetings
- Method of selection, appointment and removal

## Schedule 3: Fiscal Agent Agreement

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This Schedule outlines legal requirements set forth by the state of Michigan and financial duties of the fiscal agent, the authorizer.

Defines the financial responsibilities and reporting requirements of the board and addresses issues of liability.

## Schedule 4: Oversight, Compliance and Reporting Agreement

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This Schedule identifies the compliance and reporting responsibilities of the board, administration and the authorizer.

Examples of reporting responsibilities include items such as adopting and maintaining board policies, reporting litigation, and compliance with the authorizer reporting requirements.

## **Schedule 5: Description of Staff Responsibilities**

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This Schedule describes the structure the organization of the academy to fulfill its mission and meet the Educational Goal.

It also includes information related to position qualifications, evaluation systems, performance criteria and reporting structure.

If the academy board contracts with an ESP, the executed agreement between the academy board and the ESP is also included in this schedule.

## **Schedule 6: Physical Plant Description**

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This Schedule provides information on the school building(s) including its site and floor plans, facility agreement and Certificates of Use and Occupancy. Changes to the facility or physical plant generally require authorizer approval.

## **Schedule 7: Required Information for a Public School Academy**

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This Schedule contains mission-driven components that describe how your school will operate and structure its Educational Program. The information is organized in eight sections to cover the following topics:

- a. Governance Structure ties back to the bylaws and articles of incorporation establishing the board's existence and authority.
- b. Educational Goals and Related Measures outlines the objectives to be achieved by the academy. This section also addresses how student achievement and student growth will be measured.
- c. Educational Programs includes a narrative description of the academy's unique approach to delivering the Curriculum in order to fulfill the academy's mission and vision. The Educational Program also includes the mission and vision statements and academy's values.
- d. Curriculum methods used to deliver and implement the educational program.

- e. Methods of Pupil Assessment outlines the academic assessments utilized to measure the Educational Goal.
- f. Application and Enrollment of Students outlines policies and procedure for student enrollment.
- g. School Calendar and School Day Schedule ensures that the academy board comply with the instructional hours and days set by the Revised School Code.
- h. Age or Grade Range of Pupils to be Enrolled specifies which grades will be offered at the academy.

## **Schedule 8: Information Available to the Public and the Center**

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This Schedule provides a list of information the academy board shall collect, maintain and make available to the public and to the authorizer as required by state law for school districts. This includes but is not limited to contractual agreements, financial documents, public records, etc.



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