

**Beginning with Children
CHARTER SCHOOL
SECOND RENEWAL CHARTER**

This agreement is executed by and between the Chancellor of the city school district of the City of New York ("the **Chancellor**") and the Board of Trustees of the **Beginning with Children Charter School**, (the "**Board**"), an independent public school (the "**Charter School**") established under the New York Charter Schools Act of 1998.

W I T N E S S E T H:

WHEREAS, the State of New York enacted the New York Charter Schools Act of 1998, codified in part as Article 56 of the Education Law (the "**Act**");

WHEREAS, pursuant to §§ 2851 and §2852 of the Act, the Chancellor has the authority to approve applications to establish and renew charter schools in the State of New York and thereafter to enter into agreements with applicants setting forth the terms and conditions under which a charter school is to operate;

WHEREAS, an application for Beginning with Children Charter School was submitted to the Chancellor for the establishment of the Charter School pursuant to §2851 of the Act (as modified and supplemented, the "**Original Application**");

WHEREAS, the Chancellor approved the Original Application;

WHEREAS, pursuant to the Act, the Regents entered into a charter agreement (the "**Original Charter**"), and issued a provisional charter incorporating an education corporation to establish and operate the Charter School;

WHEREAS at its meeting, the Regents, pursuant to §2852 of the Act, approved the renewal application (the "**Renewal Application**") submitted by the Board;

WHEREAS pursuant to the Act, the Chancellor is authorized to enter into charter agreements with the applicants;

WHEREAS, pursuant to the Act, the Regents are authorized to approve a charter application and extend the Charter School's provisional charter for the term set forth herein;

NOW, THEREFORE, in consideration of the mutual covenants, representations, warranties and agreements contained here, the parties hereby agree as follows:

SECTION 1. STRUCTURE OF SCHOOL

1.1 Charter. This agreement and the exhibits hereto, specifically the Renewal Application which is incorporated herein and attached hereto as Exhibit A and the Monitoring Plan (the "**Monitoring Plan**") which is incorporated herein and attached hereto as Exhibit B, shall constitute the charter (the "**Charter**"). The Charter, together with the provisional charter, shall set the terms for the operation of the Charter School and shall be binding on the Board. The Charter School, as an education corporation incorporated by the Regents, is authorized to continue to operate a school in accordance with the Act and the terms and conditions of the Charter. Upon its effective date, the Charter supersedes and replaces the Original Charter and any other or previous agreements between the parties hereto.

1.2 Effective Date: Term. The Charter shall take effect upon approval by the Board of Regents ("**Effective Date**") and shall expire on June 30, 2016, unless earlier terminated or renewed pursuant to the terms hereof.

1.3 [RESERVED]

1.4 Location. The Charter School shall be located at the following site: 11 Bartlett Street, Brooklyn NY 11206 (the "**School Building**"). The Charter School shall ensure that all necessary leases, contracts, certificates of occupancy and health and safety approvals for the school building are valid and in force as of the Effective Date. The Charter School may change its physical location or obtain additional facilities within the same school district provided that the Charter School obtains the same permits and certificates as are required by ~~this paragraph, as well as satisfies the provisions of the Act,~~ including but not limited to §2853(1)(b-1), and provided further that (i) the Charter School notifies SED and CSO of the proposed change in location or addition of facilities not less than sixty (60) days prior to taking any final action in connection therewith; and (ii) SED and CSO does not issue a rejection to the Charter School within thirty (30) days of its receipt of such notification. SED and CSO shall issue a rejection only for good cause. SED and CSO may shorten or otherwise waive the 60-day notice requirement for good cause shown.

SECTION 2. OPERATION OF SCHOOL

2.1 Mission Statement. The Charter School shall operate under the mission statement set forth in the Renewal Application.

2.2 Age; Grade Range; Number of Students. The Charter School shall provide instruction to pupils in such grades and numbers in each year of operation under the Charter as described in the Renewal Application, provided that the Charter School, upon making all reasonable efforts to recruit students, may enroll a lesser or greater number of students in each grade without being deemed in material breach of the Charter. Notwithstanding the foregoing sentence, the Charter School must obtain prior written approval from Charter School Office ("CSO") prior to (i) enrolling any student, who, if enrolled, would cause the school's total enrollment to exceed the projected enrollment of the school for that academic year (as set forth in the Renewal Application) (the "**Projected Enrollment**") or (ii) commencing or continuing instruction where the total number of students enrolled is less than eighty-five percent (85%) of the Projected Enrollment or the total enrollment is less than fifty (50) students.

2.3 Admission; Enrollment; Attendance. The Charter School shall have in place and implement policies for admissions, enrollment and attendance that are consistent with applicable law, regulations and the policies, if any, set forth in the Renewal Application. The Charter School shall ensure the taking of attendance pursuant to 8 NYCRR § 104.1. Any child who is qualified under the laws of New York for admission to a public school is qualified for admission to the Charter School. Admission of students to the school shall not be limited on the basis of intellectual ability, measures of achievement or aptitude, athletic ability, disability, race, creed, gender, national origin, religion, or ancestry, provided that nothing in the Charter shall be construed to prevent the establishment of a single-sex charter school or a charter school designed to provide expanded learning opportunities for students at-risk of academic failure, as may be provided in the Renewal Application. The Charter School shall enroll each eligible student who submits a timely application as set forth in Education Law §2854(2)(b), unless the number of applications exceeds the capacity of the grade level or building. In such cases, students shall be accepted from amongst applicants by a random selection process. Notwithstanding the above, an enrollment

preference shall be provided to pupils returning to the Charter School in the second or any subsequent year of operation, unless expelled for cause; pupils residing in the school district or if the charter school is located within the City School District of the City of New York, the community school district) where the school is located; and siblings of pupils enrolled in the school. The Charter School may refuse admission to any student who has been expelled or suspended from a public school until such period of suspension or expulsion has expired, consistent with the requirements of due process. Additional admission policies and withdrawal procedures shall be implemented as set forth in the Renewal Application. The Charter School shall demonstrate good faith efforts to attract and retain a comparable or greater enrollment of students with disabilities, English language learner students, and students who are eligible applicants for the free and reduced price lunch program when compared with the enrollment figures of such students within the City School District of the City of New York.

2.4 Student Learning and Achievement. The Charter School shall implement the educational programs set forth in the Renewal Application so that its students may meet or exceed the performance standards set forth in the Renewal Application. The educational programs of the Charter School shall be designed to meet or exceed the student performance standards adopted by the Regents.

2.5 Evaluation of Pupils. The Charter School shall implement student assessment requirements applicable to other public schools and administer Regents examinations to the same extent such examinations are required of other public school students. In addition, the Charter School shall supplement the above assessment tools with the other assessment tools, if any, set forth in the Renewal Application.

2.6 Curriculum. The curriculum established by the Charter School shall be consistent with the model curriculum set forth in the Renewal Application. The Charter School shall have the right to make reasonable modifications to such curriculum to permit the school to meet its educational goals and student achievement standards. However, such modifications shall not be, either individually or cumulatively, of such a nature or degree as to cause the approved curricula as set forth in the Renewal Application to no longer be in operation. The approved curricula shall not be abandoned or substantially modified, and additional curricula shall not be adopted or implemented,

without the prior written approval of the Regents in accordance with Education Law §2852(a).

2.7 School Calendar; Days and Hours of Operation. The days and hours of the operation of the Charter School shall be as set forth in the Renewal Application and in no event shall the school provide less instructional time during a school year than is required of other public schools.

2.8 Disciplinary Code. The Charter School shall implement written rules and procedures for discipline, including guidelines for suspension and expulsion, set forth in the Renewal Application and disseminate those rules and procedures to students and parents. The rules and procedures shall be consistent with the requirements of due process, the provision of alternative instruction and with federal laws and regulations governing the placement of students with disabilities. The Charter School will adopt and implement the provisions of 34 CFR Part 300 relating to the discipline of students with disabilities. To the extent that any provision of the Renewal Application or its Appendices conflicts with the provisions of this paragraph or 34 CFR Part 300, the provisions of this paragraph and 34 CFR Part 300 shall govern.

2.9 Nonsectarian Status. The Charter School shall be nonsectarian in its programs, admissions policies, employment practices and all other operations. The Charter School shall ensure that the school is not wholly or in part under the control or direction of any religious denomination and that no denominational tenet or doctrine shall be taught.

2.10 Code of Ethics. The Charter School, its trustees, officers and employees shall be guided by the Code of Ethics of the school set forth in the Renewal Application, and the Charter School shall disseminate the code in written form to its trustees, officers and employees. The Code of Ethics must at all times conform to the relevant requirements set forth in the Education Law and General Municipal Law.

2.11 Non-discrimination. The Charter School shall not discriminate against any student, employee or any other person on the basis of ethnicity, national origin, gender, or disability or any other ground that would be unlawful if done by any other public school.

2.12 Governance. (a) The Charter School shall be governed by the Board, which shall consist of the individuals

specifically identified in the Renewal Application. All individuals elected or appointed to the Board shall possess the qualifications for such position as are set forth in the Renewal Application. Prior to the appointment or election of any individual to the Board, the Board must submit to CSO (pursuant to and together with a duly approved resolution of the Board) the name of the proposed member of the Board and such individual must timely provide to CSO, in writing and/or in person, such background information as CSO shall require (the "**School Trustee Background Information**"). Within forty-five days of receiving the name of the proposed member of the Board, CSO shall in writing reject or approve such individual. In the event that CSO does not provide in writing an approval or rejection within the forty-five day time period, the proposed member may be seated by the Board. A failure by the Board or the proposed member to timely provide the School Trustee Background Information to CSO shall be grounds for rejection. If the School Trustee Background Information contains material misstatements or material omissions of fact, this shall constitute misconduct and the Regents may remove the School Trustee. The Board shall operate pursuant to the by-laws and other rules and procedures set forth in the Renewal Application, including but not limited to, the term of office permitted and the provisions for the election and appointment of new members. The Board shall have final authority for policy and operational decisions of the school, though nothing shall prevent the Board from delegating decision-making authority to officers and employees of the Charter School.

(b) Except as provided by subparagraph (d) of this paragraph, the Board shall operate pursuant to the by-laws of the Charter School set forth in the Renewal Application or as amended pursuant to subparagraph (c) of this paragraph 2.12 (initially or as amended, the "**By-laws**") and the relevant governance provisions of the Not-for-Profit Corporation and Education Law.

~~(c) The By-laws shall not conflict with any term of the Charter or law, including provisions of the Education and Not-for-Profit Corporation Law applicable to charter schools.~~

(d) The Board shall require that each Trustee who has served on the Board during a school year shall file annually a **Disclosure of Financial Interest by a Charter School Trustee Report** ("report") with the Chancellor, the form and requirements of which shall be provided by the Regents. The report shall set forth and attest to transactions between the Charter School on

the one hand and a Trustee and any entity with which such Trustee is affiliated, on the other, as such transactions may be defined by the Regents. As set forth in paragraph 6.1 of this Charter Agreement, the Disclosure of Financial Interest by a Charter School Trustee Report for each Trustee shall be submitted yearly as part of the School's annual report ("**Annual Report**"). In the event that any Trustee fails to file a Disclosure of Financial Interest by a Charter School Trustee Report within thirty (30) days of its due date of August 1, or such report is in material respects incomplete, misleading or untruthful, and the Chancellor and/or their agents inform the Board of its determination in this regard, the Charter School, notwithstanding any provision of its By-laws, shall in a timely fashion remove such Trustee pursuant to a vote of the Board and the failure of the Board to so act shall be a material violation of the Charter and be subject to further action in accordance with law. Should a Trustee resign from or otherwise leave the Board without having submitted a Disclosure of Financial Interest by a Charter School Trustee Report for any year in which such Trustee served, the Charter School shall provide the Chancellor with a record of the transactions required by the Disclosure of Financial Interest by a Charter School Trustee Report for that Trustee for each relevant school year, such reports to be signed by the Charter School and due on August 1 as part of the Annual Report.

2.13 Partnership with a Management Company. To the extent that the Renewal Application contemplates entering into a contract with any entity (whether for-profit or not-for-profit), under which such entity will provide all or a substantial portion of the services necessary to manage and operate the Charter School, then the Charter School shall, by **August 1, 2011** enter into a legally binding and enforceable agreement with such entity named in the Renewal Application (the "**Management Company**") in a form substantially similar to that contained in the Renewal Application (the "**Management Contract**"). The Management Contract shall set forth with particularity inter alia; (i) the contingent obligations and responsibilities of each party in the event that the contract must be modified in order to obtain or maintain the Charter School's status under federal law as a 501(c)(3) entity, (ii) the number of schools served and staffing capacity of the Management Company, and (iii) the extent of the Management Company's participation in the organization, operation and governance of the Charter School. Thirty (30) days prior to entering into the Management Contract, the Charter School shall provide a copy of the Management Contract in proposed final form to the CSO. Such

Management Contract shall be accompanied by a letter from a licensed attorney retained by the Charter School stating that the Management Contract meets the attorney's approval. Such attorney may not represent the Management Company. The Management Contract will not be executed until the Charter School is notified by CSO that the Management Contract meets its approval. The Charter School shall not enter into any contract for comprehensive school management services to be performed in substantial part by any other entity not identified as such in the Renewal Application without receiving prior written approval from the Chancellor and the Regents in accordance with Education Law §2852(7).

2.14 Parental Involvement. The Charter School shall take such steps and implement such processes as are described in the Renewal Application to promote parental and staff involvement in school governance. The Charter School shall create (if not done so already) a version of a Parent Association.

2.15 Student Transportation. The Charter School shall meet the transportation needs of students not otherwise eligible for transportation pursuant to Education Law §3635, as provided in the Renewal Application. The Charter School may contract with a school district for the provision of supplemental transportation services to the school. All transportation provided by the Charter School shall comply with all safety laws and regulations applicable to other public schools. The Charter School shall not require parents to transport their child to and/or from the school or school-sponsored events related to the curriculum. Notwithstanding the above, the Charter School's failure to provide such supplemental transportation as is contemplated in the Renewal Application, where such transportation was to be provided by contract with the school district, shall not be deemed a material or substantial violation of the Charter, where the Charter School has attempted to negotiate such contract in good faith with the applicable school district. In such event, the Chancellor may require the Charter School to provide the contemplated supplemental transportation services by alternate means if such means would be reasonable under the circumstances.

2.16 Health Services. The Charter School shall provide health services as set forth in the Renewal Application and in accordance with Education Law §2854(1)(b).

2.17 Food Services. The Charter School shall provide food services as set forth in the Renewal Application.

2.18 F.O.I.L. and Open Meetings Law. The Charter School shall implement policies to ensure that it is in full compliance with Articles Six and Seven of the Public Officers Law.

SECTION 3. STUDENTS WITH DISABILITIES

3.1 Provision of Services. The Charter School shall provide special education, related services and accommodations to students with disabilities as set forth in the Renewal Application and in accordance with the Individuals with Disabilities Education Act (20 U.S.C. § 1401 et seq.) and Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), including such special education and related services set forth in a student's Individualized Education Program recommended by the committee or subcommittee on special education of the student's school district of residence.

3.2 Funding of Services. The Charter School is authorized to receive from a local school district direct payment of any federal or state aid attributable to a student with a disability attending the Charter School in proportion to the level of services for such student with a disability that the Charter School provides directly or indirectly. The amounts payable directly by a school district to a charter school may be increased by mutual agreement of such school district and the charter school in order to provide the appropriate levels of services required by the individualized education program of a student with a disability, in accordance with regulations of the Commissioner of Education.

SECTION 4. PERSONNEL

4.1 Status. The Board shall employ and contract with necessary teachers, administrators and other school personnel as set forth in the Renewal Application, provided, however, that the contract of employment of the principal, headmaster or other chief school officer of the Charter School shall include a provision requiring said individual to cooperate fully with any distinguished educator appointed by the Commissioner of the New York State Education Department pursuant to Education Law section 211-c.

4.2 Personnel Policies: staff responsibilities. The Board shall make available in written form its hiring and personnel policies and procedures, including the qualifications required by the Board in the hiring of teachers, school administrators and other school employees as well as a description of staff

responsibilities. An exit interview shall be conducted and documents maintained for each departing instructional staff, where possible. The Board shall provide the Commissioner of Education of the State of New York (the "**Commissioner**") with the name of and position held by each employee upon his or her commencement or termination of employment. Such policies and procedures shall be consistent with those set forth in the Renewal Application.

4.3 Instructional Providers. (a) The Charter School shall employ or otherwise utilize in instructional positions only those individuals who are certified in accordance with the requirements applicable to other public schools, or who are otherwise qualified to teach under clauses (i)-(iv) of §2854(3)(a-1) of the Act and applicable federal law. For purposes of this section, "instructional positions" means all those positions involving duties and responsibilities that, if otherwise undertaken in the public schools of New York State, would require teacher certification. Teachers exempted from certification under clauses (i)-(iv) of §2854(3)(a-1) of the Act shall not in total comprise more than thirty percent (30%) of the instructional employees of the Charter School, or five (5) teachers, whichever is less. A teacher certified or otherwise approved by the Commissioner of Education of the State of New York (the "**Commissioner**") shall not be counted against these numerical limits.

(b) Paraprofessionals. Paraprofessionals employed by the Charter School must meet all credentialing requirements imposed by applicable federal law.

4.4 Criminal History Checks. The Charter School shall implement its procedures, as described in its Renewal Application, for conducting criminal history record checks of all employees and prospective employees of the Charter School as well as all other individuals who have regular access to the students enrolled in the school (including but not limited to volunteers and employees and agents of any company and ~~organization which is party to a contract to provide services to~~ the School) as is required or permitted by law and regulation.

4.5 Pension payments. The employees of the Charter School may be deemed employees of the local school district for the purpose of providing retirement benefits, including membership in the teachers' retirement system and other retirement systems open to employees of public schools. The financial

contributions for such benefits shall be the responsibility of the Charter School and its employees. Notwithstanding any contrary provision of the Charter, the parties shall comply with § 119.2 of the Commissioner's regulations and with any additional regulations promulgated by the Commissioner, in consultation with the New York State Comptroller, to implement the provisions of this paragraph.

SECTION 5. FINANCE AND MANAGEMENT

5.1 Management and Financial Controls. The Charter School shall at all times maintain appropriate management and financial controls. The Charter School shall retain an independent certified public accountant (CPA) licensed in New York State that shall perform a review of the Charter School's management and financial controls.

5.2 Financial Statements; Interim Reports. The Charter School shall maintain financial statements that are prepared in accordance with generally accepted accounting principles. All statements required by the Financial Accounting Standards Board (FASB) Statement No. 117, *Financial Statements of Not-for Profit Organizations*, should be presented including a Statement of Financial Position, Statement of Activities, and Statement of Cash Flows. In addition, the statements shall include the required note disclosures and a supplemental schedule of functional expenses. The Charter School shall prepare and submit to the Chancellor within **forty-five (45) days** of the end of each quarter of its first year of operation a balance sheet and an unaudited statement of activities (revenues and expenses) for that preceding quarter in a format provided by SED. CSO may by written request require submission of such statements in future years of the Charter School's operation.

5.3 Audits. The Charter School shall retain an independent CPA, licensed in New York State, to perform an audit of the Charter School's annual financial statements. Section 2851(2)(f) of the Act requires that the audit be comparable in scope to those required of other public schools. The independent audit must be performed in accordance with generally accepted auditing standards and Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States, as well as any additional requirements and guidelines provided by the Chancellor and Regents. The audit must include a management letter, if applicable, and other reports required by GAGAS. The audited financial statements must be submitted to CSO and SED by November 1 of each fiscal year. The first such

audited financial statements must be submitted by **November 1 of each fiscal year**. The Charter School must submit this report along with a corrective action plan addressing any weaknesses or problems identified in the report. If the Charter School spends \$500,000 or more in federal awards during the fiscal year, an independent audit as prescribed in the federal Office of Budget and Management Circular A-133 must also be completed and filed with the federal government and SED and CSO. The Charter School must conduct programmatic audits as set forth in the application and provide copies of such audits to SED and CSO.

5.4 Fiscal Year. The fiscal year of the Charter School shall commence on July 1 of each calendar year of the term of this Charter and end on June 30 of the subsequent calendar year.

5.5 Annual Budget and Cash Flow Projections. The Charter School shall prepare an annual budget and quarterly cash flow projection for each fiscal year. If requested by CSO, the Charter School shall provide the annual budget and quarterly cash flow projections within 15 days of the request, but no sooner than 30 days from the start of the fiscal year.

5.6 Funding Procedure. The Charter School shall maintain accurate enrollment data and daily records of student attendance and shall report enrollment to the State Education Department and the school districts of residence of its students in a timely manner. Pursuant to §2856(1) of the Act, payments by the districts of residence shall be made in six substantially equal installments each year, the first on the first business day of July and every two months thereafter, such amounts to be calculated as set forth at 8 NYCRR 119.1.

5.7. Exemption from Taxation. The Charter School shall be exempt to the same extent as other public schools from all taxation, fees, assessments or special ad valorem levies on its earnings and its property, including property leased by the Charter School. ~~Instruments of conveyance to or from the Charter School and any bonds or notes issued by the Charter School, together with income therefrom, shall at all times be exempt from taxation.~~

5.8. Collateral for Debt. The Charter School may pledge, assign, or encumber its assets to be used as collateral for loans or extensions of credit. However, the Charter School shall not pledge or assign monies provided pursuant to §2856(1) of the Act in connection with the purchase or construction,

acquisition, reconstruction, rehabilitation, or improvement of a school facility.

5.9. Tuition and Fees. The Charter School shall not charge tuition or fees to any student, provided that the Charter School may require the payment of fees on the same basis and to the same extent as other public schools.

5.10. Outside Funding. The Board may accept gifts, donations or grants of any kind made to the Charter School and expend or use such gifts, donations, or grants in accordance with the conditions prescribed by the donor. However, no gift, donation or grant may be accepted if subject to a condition that is contrary to any provision of law or term of the Charter.

5.11. Maintenance of Corporate Status: Tax Exemptions. The Charter School shall maintain its status as an education corporation and its status as a corporation exempt from taxation pursuant to §501(c)(3) of the Internal Revenue Code. The Board shall obtain federal tax-exempt status no later than one (1) year following the Effective Date. The Charter School shall provide the Chancellor with copies of all applications and filings relating to its maintaining its federal tax-exempt status and shall immediately notify the Chancellor of any action by the Internal Revenue Service to withdraw the Charter School's status as a §501(c)(3) entity.

5.12. Insurance. The Charter School shall, at its own expense, continue to purchase and maintain the insurance coverage for liability, property loss, and the personal injury of students as described in the Renewal Application, together with any other additional insurance that the Charter School deems necessary. No later than **July 31 each year**, the Charter School shall provide CSO with certificates of insurance or other satisfactory proof evidencing coverage. All such insurance policies shall contain a provision requiring notice to the Chancellor, at least thirty days (30) in advance, of any material change, nonrenewal or termination. Notwithstanding any provision to the contrary, the Charter School shall take all steps necessary to comply with any regulations promulgated by the Commissioner and Superintendent of Insurance to implement §2851(2)(o) of the Act.

SECTION 6. REPORTS AND OVERSIGHT

6.1. Annual Reports. No later than August 1 of each year, the Charter School, pursuant to §2857(2) of the Act, shall

submit to the Chancellor and Regents an annual report (the "Annual Report") setting forth the academic program and performance of the Charter School for the preceding school year. The Annual Report shall be in the format prescribed by the Commissioner and shall include at least the following components:

(a) a report card, which shall include measures of the comparative academic and fiscal performance of the Charter School, as prescribed by the Commissioner in 8 NYCRR § 119.3. Such measures shall include, but not be limited to, graduation rates, dropout rates, performance of students on standardized tests, college entry rates, total spending per pupil and administrative spending per pupil. Such measures shall be presented in a format that is easily comparable to similar public schools, and the Charter School shall ensure that such information is easily accessible to the community;

(b) a discussion of the progress made toward achievement of the goals set forth in the Charter; and

(c) a financial statement certified by the president of the Board and the director of the Charter School setting forth, by appropriate categories, the revenues and expenditures for the preceding school year, including a copy of the most recent independent fiscal audit of the Charter School.

In addition, the Charter School shall provide the following information:

(d) the school calendar for the present school year, setting forth the days and hours of operation for the regular school session as well as the summer session in the succeeding school year, if any;

(e) a statement that all applicable leases, certificates and approvals necessary to operate the school at the school building are in full force and effect;

(f) a Disclosure of Financial Interest by a Charter School Trustee report for each Trustee who served on the Board during the preceding year in such form and manner as prescribed by the Regents and as contained in the Annual Report Guidelines;

(g) a statement regarding rates of attrition for both students and teachers during the previous fiscal and school year, the form and requirements of which shall be determined by

the Regents and as contained in the Annual Reporting Guidelines;
and

(h) efforts taken by the charter school in the existing school year, and a plan for efforts to be taken in the succeeding school year, to meet or exceed enrollment and retention targets set by the board of regents or the board of trustees of the state university of New York, as applicable, of students with disabilities, English language learners, and students who are eligible applicants for free or reduced price lunch.

The Commissioner may require the Charter School to provide other reasonable supplements to the Annual Report.

6.2. Monitoring Plan. The Charter School and the Board acknowledge that the Chancellor and the Regents are authorized to oversee the Charter School's operations in all respects, including the right to visit, examine into and inspect the school and its records. To permit the Chancellor and the Regents to fulfill this oversight function under the Act and ensure that the Charter School is in compliance with all applicable laws and regulations, and the terms and conditions of the Charter, the Charter School agrees to abide by and implement the Monitoring Plan, appended to this Charter as Exhibit B. It is understood that the Monitoring Plan is preliminary in nature and that amendments and revisions may be made to such plan, in consultation with the Charter School and with notice to the Regents.

6.3. Corrective Action. If CSO determines that the Charter School is not progressing toward one or more of the performance or education goals set forth in the Charter, that the quality of the Charter School's educational program or governance is not satisfactory, or that the Charter School is not in compliance with the terms and conditions of the Charter and/or applicable law or regulations, then CSO, in consultation with the Charter School, may develop and implement a corrective action plan. ~~Nothing contained herein shall be in derogation of the~~ Chancellor and the Regents' ability to revoke the Charter, place the Charter School on probationary status, or initiate mandatory remedial action in accordance with the Act and section 8.3 of this Charter Agreement.

SECTION 7. OTHER COVENANTS AND WARRANTIES

7.1. Compliance with Laws and Regulations. The Charter School shall operate at all times in accordance with the Act and shall meet the same health and safety, civil rights, and student assessment requirements, as applicable to other schools. The Charter School acknowledges that the laws that it must comply with include Education Law §409-h and the regulations promulgated there under which set forth requirements for notification of pesticide applications.

7.2. Transactions with Affiliates. The Charter School shall not, directly or indirectly, enter into or permit to exist any transaction (including the purchase, sale, lease or exchange of any property or the rendering of any service) with any affiliate of the Charter School, any member of the Board or any employee of the Charter School, unless the terms of such transaction (considering all the facts and circumstances) are no less favorable to the Charter School than those that could be obtained at the time from a person that is not such an affiliate, member or employee.

SECTION 8. RENEWAL AND REVOCATION

8.1. Renewal Applications. No later than the first of November in the year prior to expiration of the Charter, the Charter School may provide to the Chancellor an application to renew the Charter in accordance with §2851(4) of the Act (the "**Renewal Application**"). The Renewal Application shall contain (i) a report of the progress of the Charter School in achieving the educational objectives set forth in the Charter; (ii) a detailed financial statement, in a form prescribed by the Regents, disclosing the cost of administration, instruction, and other spending categories for the Charter School that will allow a comparison of such costs to other schools, both public and private; (iii) copies of each of the annual reports of the Charter School, required by §2857(2) of the Act, including the Charter School report cards and the certified financial statements; (iv) evidence of parent and student satisfaction; ~~and (v) such other material and information as is required by~~ the Chancellor.

Nothing herein shall require the Chancellor or the Regents to approve a Renewal Application. In the event that an application for renewal is not approved, the parties to the Charter shall fulfill their respective obligations hereunder until expiration of the term of the Charter, and the Charter

School shall follow the procedures for dissolution as set forth in §2851(2)(t) of the Act and section 8.4 of this Charter.

8.2. Grounds for Revocation. This Charter may be terminated and revoked:

(a) by the Chancellor or the Regents in accordance with §2855 of the Act; or

(b) by mutual agreement of the parties hereto.

8.3. Notice and Procedures. Should the Chancellor or the Regents determine that one or more of the grounds set forth in §2855(1) of the Act exists for revocation of the Charter, the Chancellor or the Regents may, at their discretion, elect:

(a) to revoke the Charter in accordance with the procedures set forth in §2855(2) of the Act; or

(b) to place the Charter School on probationary status, pursuant to §2855(3) of the Act, and cause the Charter School to implement a remedial action plan, the terms and conditions of which the Charter School must agree to abide by in all respects. Conduct which may lead to a charter school's probationary status includes, but is not limited to: failure to implement the educational program outlined in the charter; excessive staff attrition; fiscal mismanagement or a dysfunctional board of trustees in that it fails to provide adequate board oversight. The failure of a Charter School to comply with the terms and conditions of a remedial action plan may result in summary revocation of the school's Charter.

8.4. Dissolution. In the event of termination or revocation of the Charter, the Charter School shall follow the procedures set forth in the Renewal Application and §2851(2)(t) of the Act, for the transfer of students and student records to the school district in which the Charter School is located and for the disposition of the Charter School's assets to the City School District of the City of New York or to another charter school located within the school district. In addition, in case of such an event, the Charter School will follow any additional procedures required by CSO and SED to ensure an orderly dissolution process, including compliance with the applicable requirements of Education Law §§ 219 and 220.

8.5. Escrow Account for Dissolution. The Charter School agrees to establish an escrow account of no less than \$70,000 to

pay for legal and audit expenses that would be associated with a dissolution should it occur.

SECTION 9. MISCELLANEOUS

9.1 Disclaimer of Liability. The parties acknowledge that the Charter School is not operating as the agent, or under the direction and control, of the CSO, the Chancellor, SED, or the Regents, except as required by law, and that the CSO, the Chancellor SED or the Regents do not assume any liability for any loss or injury resulting from: (i) the acts and omissions of the Charter School, its directors, trustees, agents or employees; (ii) the use and occupancy of the building or buildings, occupied by the Charter School, or any matter in connection with the conditions of such building or buildings; or (iii) any debt or contractual obligation incurred by the Charter School. The Charter School acknowledges that it is without authority to extend the faith and credit of CSO, the Chancellor, SED, the Regents or the public schools, to any third party.

9.2 Governing Law. This Charter shall be governed by, subject to and construed under the laws of the State of New York without regard to its conflicts of laws provisions.

9.3. Waiver. No waiver of any breach of this Charter shall be held as a waiver of any other or subsequent breach.

9.4 Counterparts: Signature by Facsimile. This Charter may be signed in counterparts, which shall together constitute the original Charter. Signatures received by facsimile by either of the parties shall have the same effect as original signatures.

9.5 Terms and Conditions of the Renewal Application. The parties hereto expressly agree that the Renewal Application sets forth the overall goals, standards and general operational policies of the Charter School, and that the Renewal Application ~~is not a complete statement of each detail of the Charter School's operation.~~ To the extent that the Charter School desires to implement specific policies, procedures or other specific terms of operation that supplement or otherwise differ from those set forth in the Renewal Application, the Charter School shall be permitted to implement such policies, procedures, and specific terms of operation, provided that such policies, procedures and terms of operation are (i) not otherwise prohibited or circumscribed by the Act or the Charter,

and (ii) are not materially different from those set forth in the Charter.

9.6 Revision. This Charter may be revised only by written consent of the parties hereto and, in the case of material revisions, only pursuant to §2852(7) of the Act.

9.7 Assignment. This Charter may not be assigned or delegated by the Board under any circumstances, it being expressly understood that the Charter granted hereby runs solely and exclusively to the benefit of the Charter School.

9.8 Notices. Any notice, demand, request or submission from one party to any other party or parties hereunder shall be deemed to have been sufficiently given or served for all purposes if, as of the required date, it is delivered by hand, overnight courier or facsimile (with confirmation and followed by the original). If delivered by registered or certified mail, postage prepaid, such notice, demand, request or submission shall be mailed 5 days prior to the date required. All notices, demands, requests or submissions will be provided to the Charter School at the address provided by the Charter School to CSO for the purposes of receiving such notices. Such notices will be provided to the Chancellor at the following address:

Charter School Office
New York City Department of Education
52 Chambers Street, Room 413
New York, New York 10007

To the Charter School
Tim Gembka

w/copy to the Board President
John Day

9.9 Severability. In the event that any provision of this Charter or its application thereof to any person or in any circumstances shall be determined to be invalid, unlawful, or unenforceable to any extent, the remainder of this Charter and the application of such provision to persons or circumstances other than those as to which it is determined to be invalid, unlawful or unenforceable, shall not be affected thereby, and each remaining provision of this Charter shall continue to be valid and may be enforced to the fullest extent permitted by law.

9.10 Entire Charter. This Charter supersedes and replaces any and all prior agreements and understandings between the Chancellor and the Board. Where there is a conflict between the terms of the Charter Agreement and the Renewal Application, the Charter Agreement shall govern.

9.11 Construction. This Charter shall be construed fairly as to both parties and not in favor of or against either party, regardless of which party prepared the Charter.

New York City Department of Education

By: [Signature]
Name: Marc Sternberg
Title: Deputy Chancellor, on behalf of Chancellor Cathie Black
Date: 4/5/2011

Beginning with Children Charter School

By: [Signature]
Name: John Day
Title: President, Board of Trustees
School: Beginning with Children Charter School
Date: 4/7/11

DEPARTMENT OF EDUCATION ACKNOWLEDGMENT

STATE OF NEW YORK

)

)

ss. :

COUNTY OF NEW YORK

)

On this 5th day of April, 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared one Chancellor or an authorized designee, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual or person upon behalf of which the individual acted, executed the instrument.

[Signature]

MICHAEL P. CONEYS
Notary Public, State of New York
No. 4970264
Qualified in Westchester County
Commission Expires August 6, 192014

NOTARY PUBLIC

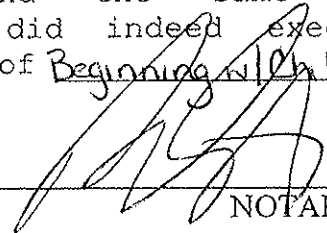
CONTRACTOR ACKNOWLEDGMENT

STATE OF NY)

) ss.:

COUNTY OF NY)

On this 7 day of April 2011, before me personally came one John R. Day, to me known and known to me to be the Board Chair, to execute the foregoing Agreement for and on behalf of Beginning w/ Children Charter and, the same John R. Day, attested that he/she was duly authorized to execute the foregoing Agreement for and on behalf of Beginning w/ Children Charter School and the same John R. Day acknowledged that he/she did indeed execute the foregoing Agreement for and on behalf of Beginning w/ Children Charter School.



NOTARY PUBLIC

BRIAN STEMMER
Notary Public
Essex County
My Commission Expires May 9, 2011

NYC DOE Charter Contract -- Exhibit B
Charter School Monitoring Plan

As provided in Paragraph 6.2 of the Agreement, the Charter School agrees to abide by a Monitoring Plan, the general components of which are set forth below. The requirements of the Monitoring Plan are in addition to any notification, record-keeping, or reporting requirements set forth in the Agreement or required by law, including any obligation to receive the written approval of the Chancellor and/or Board of Regents.

A. To ensure the Charter School's full compliance with the Act and the Charter, the Chancellor and/or his agents will:

1. evaluate the Charter School annually, to conduct an informal review of the school's progress to date. Reports will be filed with the New York City CSO;
2. conduct comprehensive and special education monitoring by appropriate special education staff at least once during the Charter School's charter. Such comprehensive monitoring will include, but not be limited to assessing compliance with: applicable provisions of the No Child Left Behind Act of 2001, English Language Learner Requirements, and Charter provisions.
3. assign a staff member from the New York City CSO as the primary contact for the Charter School. The staff member(s) will respond to all queries from and about the Charter School, liaison with the State Department of Education Office of Public School Choice, and investigate, on behalf of the Chancellor, any formal complaints that may be received;
4. conduct announced and unannounced visits, as well as reviews, interviews and audits, and institute any other procedures deemed necessary, as circumstances warrant, to ascertain the ongoing fiscal and educational soundness of the Charter School;
5. conduct investigations as appropriate in response to (a) concerns raised by students, parents, employees, local school districts, and other individuals or groups,

including but not limited to complaints brought pursuant to § 2855(4) of Education Law, and (b) material changes in the items set forth at subsections B or the occurrence of items set forth at subsection C of this Monitoring Plan. Where appropriate, the Chancellor shall issue remedial orders as permitted by § 2855(4) of Education Law; and,

6. maintain communication with the Charter School and review the Charter School's operations to determine whether any changes in such operations require formal revision of the charter pursuant to § 2852(7) of Education Law.

B. The Charter School shall provide a written request to the CSO at least thirty (30) days prior to the anticipated implementation of any change to the approved charter (including charter agreement), but not limited to:

1. a significant change in the Charter School's curriculum or instructional approach;
2. a change in the Charter School's by-laws; and,
3. a change in the Charter School's code of ethics.

C. The Charter School shall provide written notice to CSO within five (5) business days of the occurrence of any of the following:

1. additions to or removals of members of the board of trustees;
2. hiring or dismissal of the director/principal of the Charter School;
3. execution of contracts or incurring of debt in excess of \$50,000; and,
- ~~4. receipt of a summons and/or complaint in which either the Charter School or any member of the board of trustees (acting in his or her capacity as a member of the board of trustees) is named a party to the action.~~

D. The Charter School shall maintain the following records in its offices for inspection by the Chancellor, the Regents, and/or their agents:

1. records concerning the enrollment and admissions process including all applications received and documents concerning the lottery process, if conducted;
2. student academic and health records;
3. attendance records for students including withdrawals of students from the school;
4. Individualized Education Programs (IEPs) for students with disabilities enrolled in the Charter School;
5. staff rosters, including records of hiring and termination of employees of the Charter School;
6. evidence of credentials for all teachers including certifications;
7. evidence of credentials of Title I paraprofessionals if applicable;
8. evidence that required background checks, if any, have been conducted;
9. certificates of occupancy;
10. other facility-related certifications or permits;
11. lease and deed agreements;
12. loan documents;
13. records pertaining to the receipt and expenditure of all grants;
14. contracts in excess of \$5,000;

15. school policies in areas such as financial management, personnel, student discipline (including suspension and expulsion), health and safety, student records access, and transportation;
16. complaints and/or grievances received by the Charter School, including but not limited to, complaints received by the board of trustees pursuant to §2855(4) of Education

Law, together with all documentation of all actions taken in response;

17. inventory of all assets of the Charter School;

18. minutes of each meeting of the Board of Trustees and documentation of public notifications of such meetings; and,

19. all records regarding the events and occurrences set forth in subsections B-D of the Monitoring Plan.

E. The Charter School shall ensure that a timely response is made to all of the Department's requests. The Charter School's failure to do so will be grounds for action under §2855 of the Education Law.