

APPENDIX 12

CHARTER MANAGEMENT ORGANIZATION/EDUCATION MANAGEMENT ORGANIZATION (CMO/EMO) QUESTIONNAIRE

The U.S. Department of Education's Nonregulatory guidance of the Charter Schools Program (CSP) recognizes that a community school may enter into a contract with a for-profit entity to manage the day-to-day operations of the community school. However, federal regulations mandate that a community school grant recipient must "directly administer or supervise the administration of [the grant]." When administering or supervising the administration of the grant, the community school that contracts with a Charter Management Organization (CMO) or Education Management Organization (EMO) should ensure that it and its governing board are independent of the for-profit CMO/EMO.

A copy of the [Charter Schools Program, Title V, Part B of the ESEA, Nonregulatory Guidance](#) can be found at the federal CSP webpage (link provided).

All Ohio Charter Schools Program (CSP) applicants must complete the Charter/Education Management Organization questionnaire found below. This will assist the Ohio Department of Education to fulfill its responsibility to ensure that subgrant recipients utilizing the services of a CMO/EMO are independent of that management organization.

If your school *does not or will not* have a contract with a CMO/EMO, please indicate "N/A" in the Name of Charter/Education Management Organization section below. Should your school *have or will have* a contract with a CMO/EMO respond to *all* questions completely, regardless of whether it is a for-profit or non-profit entity.

Relevant excerpts from the signed community school contract between the governing authority and the sponsor may be used (please indicate if the information provided was included in the signed community school contract). **The CMO/EMO questionnaire must be signed by the governing authority president of the community school.**

Community School Name: _____ IRN: _____

Sponsor: _____

Legal Name of CMO/EMO: _____ EIN _____

- a) Will the non-profit entity receiving the CSP subgrant directly administer or supervise the administration of the subgrant? Describe the key staff responsible for the administration and/or supervision of the subgrant entity, including the specific roles, responsibilities, and duties of each individual as they pertain to the subgrant. Include any areas where there may be CMO/EMO providing back office services.

- b) Are any of the community school's governing authority members selected by the CMO/EMO?

- c) Does the governing authority include members who are employees of the CMO/EMO?

- d) Does the community school have an attorney that is independent from the CMO/EMO?
- e) Does the community school have a treasurer that is independent from the CMO/EMO?
- f) Does that community school have an audit firm that is independent from the CMO/EMO?
- g) Was the contract between the community school and the CMO/EMO negotiated at “arms-length” (e.g. multiple bids, etc.)? Please explain how the CMO/EMO was selected.
- h) Does the contract between the community school and CMO/EMO clearly describe each party’s rights and responsibilities, and specify reasonable and feasible terms under which either party may terminate the contract (e.g., the community school does not lose the right to use facilities or materials)? **Include a copy of the management agreement with Appendix 10.**
- i) Explain the fee structure for the management services being provided by the CMO/EMO. What percent of state funds or fixed fee, if any, are to be paid to the CMO/EMO under its contract with the school’s governing authority? Please explain what services are covered by fees paid to the CMO/EMO. Describe the reasonableness of the fee structure and/or fixed fee.
- j) Are there any other agreements (e.g., loans, leases, etc.) between the community school and the CMO/EMO? Please list amounts and creditor for each loan. Please explain how any loans, leases, etc. are fair and reasonable, documented appropriately, aligned with market rates, and include terms that will not change if the management contract is terminated?
- k) Does the contract between the school’s governing authority and the CMO/EMO include a clause which allows either party to terminate the contract for cause prior to the end of the contract term? If so, provide the page and section number of the contract with the CMO/EMO.

By signing below, I certify to the best of my knowledge and belief all the statements contained herein are true, correct, complete, and made in good faith.

Name of Individual Completing Form: _____

Title: _____

Signature: _____ Date: _____