

Documentation of the Effort Expended by Carrie Bailey to Transform Khepera Charter School from a Vision to a Reality

This document has two sections. They are:

- Record of Carrie Bailey's effort supplemented with sample details from Khepera Board minutes.
- Valuation of Carrie Bailey's effort

Record of Carrie Bailey's Effort

1. Conceived, produced and submitted a successful application for a \$20,000 charter school planning grant.
2. Organized, hosted and led an approximately 11-person team of charter school application writers.
3. Generated widespread excitement and support for Khepera through involvement and presentations at community organizations, orientation events that she produced, and appearances on radio talk shows.

From September 2003 CAO Report

- Rachel Randolph and Carrie DM Bailey represented Khepera CS on Commissioner Sandra Dungee Glenn's radio show on WURD.
 - Khepera had an informational table on "Let's Love Logan Day."
 - Carrie DM Bailey was asked to make a presentation.
 - Applications were submitted.
 - Over one hundred signatures were collected.
4. Solicited approximately 25 letters of support to include in the charter school application.
 5. Received approximately 80 enrollment application to include in the charter school application.
 6. Wrote the bulk of the charter school application.
 7. Edited typed and combined the work of the other writers to produce the final product.
 8. Led the presentation at the charter school application review in March 2003 and was awarded a provisional charter.
 9. Conceived approaches to addressing 15 conditions for receiving a full charter, did the work to fulfill the conditions and produced the documentation to support their fulfillment.

From December 2003 minutes

- **Action Item 5: Complete and submit application for Board liability insurance. (SRC condition 3).**
 - Responsible Person: Carrie Bailey
 - Due Date: January 14, 2004
- **Action Item 6: Obtain declaration page for Board liability insurance. (SRC condition 3).**
 - Responsible Person: Carrie Bailey
 - Due Date: January 30, 2004
- **Action Item 8: Resubmit Khepera Charter School Application plan to ensure a diverse student body. (SRC condition 14).**
 - Responsible Person: Carrie Bailey
 - Due Date: January 14, 2004
- **Action Item 9: Advertise for students in community newspapers. (SRC condition 14).**
 - Responsible Person: Carrie Bailey
 - Due Date: April 1, 2004

From February 2004 minutes

- **Action Item 121003-5: Complete and submit application for Board liability insurance. (SRC condition 3).**
 - Responsible Person: Carrie Bailey
 - Due Date: February 11, 2004
 - Task complete
 - Action Item closed
- **Action Item 121003-8: Resubmit Khepera Charter School Application plan to ensure a diverse student body. (SRC condition 14).**
 - Responsible Person: Carrie Bailey
 - Due Date: February 11, 2004
 - Task complete
 - Action Item closed

Business Item 2: School Reform Commission's Conditions.

- The trustees and advisors reviewed the current version of the package that satisfies the fifteen conditions set forth by the School Reform Commission's resolution of April 11, 2003. The final package will be delivered to the School Reform Commission on or before March 1, 2004.
- The package consists of Board meeting minutes, the supporting document for each of the fifteen conditions, and an explanatory cover sheet preceding the supporting document for each condition.
- The current status of the fifteen conditions for gaining a full charter set forth by the School Reform Commission's resolution of April 16, 2003 follows.

- **Condition 1:** That the applicant submits evidence satisfactorily to the General Counsel that a board of trustees has been formally organized, has met, and had authorized the signing of the charter and Statement of Assurances.
Done. Supporting document: Signed, sealed and notarized Oath of Office.
- **Condition 2:** The above mentioned board of trustees has sufficient membership and includes parent and community representation.
Done. Supporting document: Signed, sealed and notarized Oath of Office.
- **Condition 3:** That the above insurance coverage, as evidenced by declaration pages, has been obtained in the amounts stated in the School District of Philadelphia charter contract.
Forthcoming. (Action Item 121003-6).
- **Condition 4:** That the charter's board of trustees formally agrees to submit, electronically, monthly enrollment data to the School District of Philadelphia and to provide the School District a copy of the charter school's PDE-361 Enrollment Form when as said form is submitted to the state.
Done. Supporting document: Resolution that satisfies SRC conditions 4, 5, 11, 13 and 15.
- **Condition 5:** That the Charter's board of trustees agrees to pay the School District for each charter school participant in the District's extracurricular activities, in accordance with the fee scale established by the District.
Done. Supporting document: Resolution that satisfies SRC conditions 4, 5, 11, 13 and 15.
- **Condition 6:** That the charter school has been registered with the Commonwealth as a public, nonprofit corporation.
Done. Supporting document: Stamped Articles of Incorporation.
- **Condition 7:** That a school facility has been leased or purchased and all applicable laws governing the facility's renovations, if any including competitive bidding and payment of prevailing wages has been followed.
Lease forthcoming. In addition to the lease, a resolution that affirms Khepera's intent to follow "applicable laws governing the facility's renovations" will support the satisfaction of this condition.
- **Condition 8:** That a use and occupancy certificate has been obtained for the facility to be used as a school.
Done. Supporting document: Certificate of Occupancy.
- **Condition 9:** That the school will be housed in one facility, capable of accommodating the proposed enrollment.
Done. Supporting document: Corporate Reality's facility assessment letter.
- **Condition 10:** That the charter has provided evidence of a plan to recruit and serve English Language Learners.

Done. Supporting document: Plan to recruit and serve English Language Learners.

- **Condition 11:** The applicant agrees to adopt an accounting plan for the proposed school and agree to follow Generally Accepted Accounting Principles.
Done. Supporting document: Resolution that satisfies SRC conditions 4, 5, 11, 13 and 15.
- **Condition 12:** That the applicant submits a schedule of all 2004-2005 board meetings.
Done. Supporting document: Schedule of all 2005-2005 Board meetings.
- **Condition 13:** That complete employment data, including but not limited to the names, address and certifications of all professional employees is submitted on forms to be supplied by the school district.
Done. Supporting document: Resolution that satisfies SRC conditions 4, 5, 11, 13 and 15.
- **Condition 14:** That the charter applicant has submitted a plan to ensure that the proposed school will enroll a diverse student body.
Done. Supporting document: Plan to ensure that Khepera Charter School will enroll a diverse student body.
- **Condition 15:** That the charter school submit the following information, documentation and data as Appendix "J" to each annual Report submitted to the School Reform Commission of the School District of Philadelphia and the Commonwealth of Pennsylvania Secretary of Education on or before August 1st of each year:
 - a) Copies of all insurance declaration pages for all insurance coverage, including health and general liability.
 - b) Copies of building code or safety certificates.
 - c) Annual student suspension and expulsion data, including the full name and address of each expelled student.
 - d) The schedule of board meetings for the upcoming year.
 - e) Copies of all parent and/or student policies and manuals other than what is attached as Appendix "H".
 - f) The names and address of all students who were admitted outside of the lottery process along with the reason for such exemption.
 - g) A copy of the independent financial audit required by 24 P.S. 17-1719-A and 24 P.S. 4-437.
 - h) Information on the progress toward charter school renewal targets, as will be more specifically described in the Accountability Plan.
 - i) All other documents as may be required by the School Reform Commission or the Commonwealth upon reasonable notification
 - j) No rights or obligations shall accrue pursuant to this resolution before each of the foregoing conditions have been met, as the School Reform Commission in its sole discretion shall determine.

Done. Supporting document: Resolution that satisfies SRC conditions 4, 5, 11, 13 and 15.

- *Thirteen of the fifteen conditions have been satisfied. The two remaining are 3-insurance and 7-facility.*
- **Action Item 5: Get direction from legal counsel on resolution package formatting and how and when it should be presented.**
 - Responsible Person: Carrie Bailey
 - Due Date: February 17, 2004
- **Action Item 6: Deliver current resolution package to legal counsel.**
 - Responsible Person: Carrie Bailey
 - Due Date: February 17, 2004
- **Action Item 7: Deliver final resolution package to the School Reform Commission.**
 - Responsible Person: Carrie Bailey
 - Due Date: March 1, 2004

From March 2004 minutes

- **Action Item 121003-6: Obtain declaration page for Board liability insurance. (SRC condition 3).**
 - Responsible Person: Carrie Bailey
 - Due Date: February 25, 2004
 - Task complete
 - Action Item closed

10. Introduced herself to and gained the trust and admiration of the owners of the current site of the school.

From July 2003 minutes

Business Item 4: Cecilian Academy Facility

- CAO Carrie Bailey reported that the owners of this facility are extremely interested in having Khepera Charter School as tenants. They feel that Khepera's vision and spirit aligns with theirs. They are offering attractive terms. This is a huge opportunity!
- The CAO distributed the facility's floor plans. If Khepera leases this facility, renovations and the services of an architect will be needed.
- Cecilian Academy's Board plans to present a formal letter of intent to Khepera. Upon receiving it, Khepera's Board will review it and enter into a formal dialog.
- **Action Item 7: Obtain a letter of intent from Cecilian Academy. Distribute it to Khepera Board members.**
 - Responsible Person: Carrie Bailey
 - Due Date: August 13, 2003

From September 2003 minutes

- **Action Item 070903-7: Obtain a letter of intent from Cecilian Academy. Distribute it to Khepera Board members.**
 - Responsible Person: Carrie Bailey
 - Due Date: August 13, 2003
 - Carrie Bailey reported in her CAO report that Cecilian Academy verbally agreed to lease to Khepera. Other parties are interested, so we must move diligently to a decision.
 - Action Item closed

From January 2004 minutes

Business Item 1: CAO Report

- Carrie Bailey distributed her letter to the School Reform Commission documenting the change from the New Bethlehem facility stated in the Khepera Charter School Application to the Cecilian Academy facility. (Action Item 121003-3).
- The trustees and advisors reviewed the draft of Carrie Bailey's letter to Sister Kelly of Cecilian Academy. That letter is official communication that will lead to a letter of intent from Cecilian to lease their facility to Khepera. (SRC condition 7).
- The trustees and advisors reviewed the draft of Carrie Bailey's letter to New Bethlehem. That letter terminates further consideration of use of their facility. (Action Item 121003-4).

11. Negotiated the lease agreement.

From April 2004 minutes

Cecilian Academy

Carrie Bailey reported:

- A lease with the start date changed from April 1, 2004 to May 1, 2004 has been produced.
- Khepera will receive a set of keys on May 1, 2004.

12. Obtained insurance for the board.

From December 2003 minutes

- **Action Item 5: Complete and submit application for Board liability insurance. (SRC condition 3).**
 - Responsible Person: Carrie Bailey
 - Due Date: January 14, 2004
- **Action Item 6: Obtain declaration page for Board liability insurance. (SRC condition 3).**

- Responsible Person: Carrie Bailey
- Due Date: January 30, 2004

From February 2004 minutes

- **Action Item 121003-5: Complete and submit application for Board liability insurance. (SRC condition 3).**
 - Responsible Person: Carrie Bailey
 - Due Date: February 11, 2004
 - Task complete
 - Action Item closed

From March 2004 minutes

- **Action Item 121003-6: Obtain declaration page for Board liability insurance. (SRC condition 3).**
 - Responsible Person: Carrie Bailey
 - Due Date: February 25, 2004
 - Task complete
 - Action Item closed
- **Action Item 021104-1: Consult with legal counsel on how to properly handle the insurance payment.**
 - Responsible Person: Carrie Bailey
 - Due Date: February 17, 2004
 - Carrie Bailey will make the initial payment from personal funds and seek reimbursement after we receive funding.
 - Task complete

13. Obtained legal services for the board.

14. Delivered the package documenting the fulfillment of the 15 conditions in April 2004, and was awarded a full charter pending the fulfillment of 3 additional conditions by June 2004.

From March 2004 minutes

- **Action Item 021104-5: Get direction from legal counsel on resolution package formatting and how and when it should be presented.**
 - Responsible Person: Carrie Bailey
 - Due Date: February 17, 2004
 - Task complete
 - Action Item closed
- **Action Item 021104-6: Deliver current resolution package to legal counsel.**
 - Responsible Person: Carrie Bailey
 - Due Date: February 17, 2004

- Task complete
- Action Item closed
- **Action Item 021104-7: Deliver final resolution package to the School Reform Commission.**
 - Responsible Person: Carrie Bailey
 - Due Date: March 1, 2004
 - Task complete
 - Action Item closed

15. Conceived approaches to addressing the additional conditions, and produced the documentation to support their fulfillment.

From April 2004 minutes

Business Item 3: English Language Learners Plan

- **Action Item 2: Ascertain what specifically the SRC sees as deficiencies in our plan and correct them.**
 - Responsible Person: Carrie Bailey
 - Due Date: June 16, 2004

From May 2004 minutes

Business Item 4: June 16, 2004 Delivery to the School Reform Commission

- **Action Item 6: Produce a package that includes: (1) the architect's plan for accommodating 275 students on September 1, 2004 (Action Item 052604-1), (2) the enhanced English Language Learners plan (Action Item 042804-2), and (3) the resolution that amends the Khepera Charter School Application for the change in location (Action Item 042804-3).**
 - Responsible Persons: Carrie Bailey and William Bailey
 - Due Date: June 16, 2004
- **RESOLVED. The Khepera Charter School Board of Trustees authorizes the school's location change from 4820 N. 11th Street, Philadelphia to 144 W. Carpenter Lane, Philadelphia.**
 - Moved by John Holmes
 - Seconded by Richard Isaac
 - Resolution adopted
- **Action Item 7: Deliver the June 16, 2004 package to the School Reform Commission.**
 - Responsible Person: Carrie Bailey
 - Due Date: June 16, 2004

From June 2004 minutes

- **Action Item 042804-2: Ascertain what specifically the SRC sees as deficiencies in our (ELL) plan and correct them.**
 - Responsible Person: Carrie Bailey

- Due Date: June 16, 2004
- Task complete
- Action Item closed

- **Action Item 052604-1: Receive architect's report that shows how Khepera's facility will accommodate 275 students on September 1.**
 - Responsible Person: Carrie Bailey
 - Due Date: June 14, 2004
 - Task complete
 - Action Item closed

- **Action Item 052604-6: Produce a package that includes: (1) the architect's plan for accommodating 275 students on September 1, 2004 (Action Item 052604-1), (2) the enhanced English Language Learners plan (Action Item 042804-2), and (3) the resolution that amends the Khepera Charter School Application for the change in location (Action Item 042804-3).**
 - Responsible Persons: Carrie Bailey and William Bailey
 - Due Date: June 16, 2004
 - Task complete
 - Action Item closed

- **Action Item 052604-7: Deliver the June 16, 2004 package to the School Reform Commission.**
 - Responsible Person: Carrie Bailey
 - Due Date: June 16, 2004
 - Task complete
 - Action Item closed

16. Obtained the crucial certificate of occupancy for the site of the school.

From June 2004 minutes

- **Action Item 052604-2: Visit L&I. Ascertain if the existing Certificate of Occupancy relieves us from mandatory major renovations.**
 - Responsible Person: Carrie Bailey
 - Due Date: June 1, 2004
 - The existing Certificate of Occupancy in-fact does grandfather the use of our facility as a school and does relieve us from mandatory major renovations.
 - Task complete
 - Action Item closed

17. Sought and gained a \$500,000 construction loan.

From June 2004 minutes

- **Action Item 052604-3: Complete The Reinvestment Fund's loan application.**
 - Responsible Persons: Carrie Bailey and William Bailey

- Due Date: June 1, 2004
- Task complete
- Action Item closed

Business Item 4: Renovation Loans

- The Reinvestment Fund approved a \$500,000 loan pending submittal of a business plan and identification of a business manager.
18. Gained the trust admiration and dedication of the architect and contractors to work for her before she had the loan money to pay them.
19. Managed the major and complex construction project to prepare the school for opening in a short two-month period.

From April 2004 minutes

Business Item 2: Facility

- On Tuesday April 27, Carrie Bailey and SRC representatives, Alice Heller and Bill Montgomery, inspected the facility to estimate the level of effort required to bring it up to code.
- **Action Item 1: Manage the renovation process.**
 - Responsible Person: Carrie Bailey
 - Due Date: September 1, 2004

From May 2004 minutes

Business Item 1: Facility Renovation

- Carrie Bailey has obtained and is pleased with the services of architect Bryan Kemper. He is the architect that the Sisters of Saint Joseph use.
- The architect is engaged in two tasks:
 1. Producing architect plans. (Carrie Bailey spent four days with Bryan Kemper measuring the building.)
 2. Preparing a report for our June 16 delivery that will show how the facility will accommodate 275 students on September 1.
- **Action Item 1: Receive architect's report that shows how Khepera's facility will accommodate 275 students on September 1.**
 - Responsible Person: Carrie Bailey
 - Due Date: June 14, 2004
- Carrie Bailey paid Bryan Kemper's \$750 retainer fee.
- Carrie Bailey received valuable information from L&I. The existing Certificate of Occupancy may allow us to use our facility as a school in its current state. A visit to L&I is in order.
- **Action Item 2: Visit L&I. Ascertain if the existing Certificate of Occupancy relieves us from mandatory major renovations.**
 - Responsible Person: Carrie Bailey
 - Due Date: June 1, 2004

From June 2004 minutes

- **Action Item 052604-1: Receive architect's report that shows how Khepera's facility will accommodate 275 students on September 1.**
 - Responsible Person: Carrie Bailey
 - Due Date: June 14, 2004
 - Task complete
 - Action Item closed

From July 2004 minutes

Business Item 4: Facility Renovation

- Drayton Construction submitted a proposal.
- A hazardous materials report has been obtained.
- Requests for construction permits have been submitted.

From August 2004 minutes

Business Item 4: Facility Renovation

- Architect Bryan Kemper and Drayton Construction are exhibiting an extraordinary level of dedication and cooperation in a commitment to get the school ready for opening on September 7. A great measure of this is undoubtedly due to the rapport the architect and contractor have with the Sisters of St. Joseph.
- The renovations will cost approximately \$200,000. The Reinvestment Fund requires a follow-on plan that specifies how additional funds would be utilized before committing more of the \$500,000 that have been approved. The architect and contractor have developed a follow-on plan.

20. Recruited a teaching and support staff of 16 people.

21. Recruited an enrollment of 275 students.

From October 2003 CAO Report

- Applications – Seventy-five applications have been submitted to Khepera.

From June 2004 minutes

- **Action Item 121003-9: Advertise for students in community newspapers. (SRC condition 14).**
 - Responsible Person: Carrie Bailey
 - Due Date: June 18, 2004
 - A striking advertisement appeared in the Metro on Monday, June 21. It generated an avalanche of responses from parents and job seekers. The advertisement will appear a second time on Thursday, June 24.

- Action Item closed

Business Item 6: Student Recruitment

- Thanks to the June 21 Metro advertisement, as of the date of the subject meeting, our eleven classes are either nearly filled or overfilled. We need to conduct a lottery.
- Our legal counsel will devise lottery procedures.
- Although we are planning for twenty-five students per class, if necessary we have the flexibility to offset a few less in one class with a few more in another.
- **Action Item 7: Get lottery procedures from legal counsel.**
 - Responsible Person: Carrie Bailey
 - Due Date: July 14, 2004

From July 2004 minutes

Business Item 3: Student Enrollment

- Geraldine Newton, Rachel Randolph and Carrie Bailey are performing this 7-day week task.
- Recruitment ads were placed in the Metro, Mount Airy Express and Germantown Courier.
- Student enrollment lotteries were held on July 9 and July 12.
- 160 students were registered as of the date of the subject meeting.
- **Action Item: 1: Manage the student enrollment process.**
 - Responsible Persons: Geraldine Newton and Carrie Bailey
 - Due Date: September 7, 2004

22. Conceived approaches to addressing the 20 items required to gain the \$500,000 construction loan.

From July 2004 minutes

Business Item 9: The Reinvestment Fund Checklist

The requirements on this checklist must be fulfilled before the TRF will grant the \$500,000 loan to Khepera. Loan closing is scheduled for August 6. The itemized list follows.

Item 1: Evidence that the School is a duly licensed charter school, with an unconditional charter awarded by the Philadelphia School District, authorized to operate in the Commonwealth of Pennsylvania.

Our charter will be drawn from the records of the secretary.

Item 2: Original or duplicate policies of insurance, or evidence of insurance on an ACORD 27 (in the case of property insurance) or ACORD 25 (in the case of liability insurance) form of certificate, each in effect for a period of not less than one year following closing, as follows: (i) builder's all-risk extended coverage insurance (non-reporting Completed Value with Special Cause of Loss form) in amounts based upon

the completed replacement value of the improvements to be constructed, but in no event less than the amount of the Loan, endorsed to provide that occupancy by any person will not void such coverage, and naming Lender, its successors or assigns, as their interests may appear, as a mortgagee under a standard mortgagee endorsement clause, and (ii) comprehensive general public liability insurance for Borrower, covering injury and damage to persons and property with limits satisfactory to Lender, and naming Lender, its successors or assigns as their interest may appear, as an additional insured. All policies or certificates must provide that Lender will receive written notice of cancellation at least 30 days prior to any such cancellation taking effect. All insurer(s) must be satisfactory to Lender and have an Alfred M. Best Company, Inc. rating of no less than "A-", and be of a financial size category not less than IX.

Item 3: True and correct copies of Borrower's articles of incorporation , by-laws, tax identification number and subsistence certificate.

These documents will be drawn from the records of the secretary.

Item 4: Certification by Borrower's corporate secretary that its board of directors has, among other things, authorized incurring the indebtedness of the Loan, and execution and delivery of all documentation necessary to carry out the transactions contemplated under this letter. Such certification must also certify the incumbency of those officers authorized to execute and deliver the Loan Documents, together with signature samples of those officers.

Item 5: A true and correct copy of the lease agreement between Landlord and Borrower with term (or combination of initial term and options to renew) greater than or equal to term of loan, and any modifications or extensions to it.

This document will be drawn from the records of the secretary.

Item 6: True and correct copies of all building permits issued in connection with the Project, together with any other evidence required by Lender that the Project's anticipated use conforms to all applicable zoning and/or other governmental requirements.

The architect/construction manager team will address this item.

Item 7: A true and correct copy of the final specifications to be used in constructing the Project.

The architect/construction manager team will address this item.

Item 8: Certification to Lender by Architect that the plans and specifications conform to all applicable legal requirements, including, but not limited to, health and handicap access laws, and the availability of all requisite permits and approvals needed to carry out construction of the Project.

The architect/construction manager team will address this item.

Item 9: A true and correct copy of the final, stamped plans for the Project, prepared by Architect, together with evidence that they have been approved by any and all municipal authorities having jurisdiction over the Project's design and proposed use.
The architect/construction manager team will address this item.

Item 10: A final development budget for the project (showing sources and uses of all funds), certified as true, correct, final and complete by Borrower.
The architect/construction manager team will address this item.

Item 11: True and correct copies of the executed contracts between Borrower and (i) Architect; (ii) General Contractor and (iii) the Engineer;. All such contracts must be embodied in the "A" or "B" series of AIA standard contract documents, as appropriate., and the qualifications of the Architect and General Contractor must be supported by AIA forms B431 (Architect) and A305 (General Contractor).
The architect/construction manager team will address this item.

Item 12: Waivers of liens, executed by the General Contractor, marked to indicate filing with the Prothonotary of Philadelphia County.
The architect/construction manager team will address this item.

Item 13: An executed contract between Borrower and a professional construction manager (the "Construction Manager") to be determined. The Construction Manager must be satisfactory to Lender in all respects; have at least 5 years' prior experience as a full-time construction manager, and must support his/her credentials by submission to Borrower of a statement of qualifications, which must be substantially similar in form to AIA form A305, Contractor's Qualification Statement.
The architect/construction manager team will address this item.

Item 14: A detailed construction schedule which reasonably supports Borrower's plan to obtain a certificate of occupancy for the Premises on or before September 1, 2004.
The architect/construction manager team will address this item.

Item 15 Evidence that Borrower is current on all business and operating taxes.

Item 16: Evidence of plan to recruit and enroll at least 275 students.

Item 17: Evidence of plan to recruit and hire sufficient number of teachers for enrollment of at least 275 students.

Item 18: A true and correct copy of the executed contract between Borrower and _____, ("Business Manager"). The Business Manager must be satisfactory to Lender in all respects, and said contract must specify a minimum number of hours per week that the Business Manager will spend at the Premises engaged in managing the business affairs of Borrower.

Item 19: A final 5 year cash-flow projection prepared by Business Manager for the operations of the Charter School during the Permanent Term. Such projections must account for all typical operating expenses, together with the debt service required for the Loan. The projections must demonstrate a debt service coverage ratio of no less than 1.20:1 during any one year of operations.

Item 20: Evidence that Borrower has entered into an "automated clearinghouse" agreement, or other similar agreement, between Borrower, Lender and a commercial bank satisfactory to Lender, under which Borrower's main operating account will be automatically debited, and a designated account of Lender automatically credited for the amount of monthly debt service specified in 2(c)(ii) of this offer letter. Borrower acknowledges and agrees that the payments required to be made in Section 2(c)(ii) of this offer letter, together with accrued and unpaid interest and any other charges then owing under the Loan, will be due and payable in full on their designated due date whether or not said account contains sufficient funds to make the specified payments.

23. Did the work to fulfill the items, produced and delivered the documentation to support their fulfillment.

From July 2004 minutes

- **Action Item 7: Produce the package of documents that fulfills the requirements of The Reinvestment Fund Checklist.**
 - Responsible Persons: Carrie Bailey and William Bailey
 - Due Date: August 5, 2004

- **Action Item 8: Deliver the package of documents that fulfills the requirements of The Reinvestment Fund Checklist to our loan officer.**
 - Responsible Person: Carrie Bailey
 - Due Date: August 6, 2004

- **Action Item 9: Participate in The Reinvestment Fund loan closing.**
 - Responsible Persons: Carrie Bailey and William Bailey
 - Due Date: August 6, 2004

From August 2004 minutes

- **Action Item 071404-7: Produce the package of documents that fulfills the requirements of The Reinvestment Fund Checklist.**
 - Responsible Persons: Carrie Bailey and William Bailey
 - Due Date: August 5, 2004
 - This due date was based on the tentative closing date of August 6, which was much too ambitious. The level of effort - especially on the parts of the architect and construction manager - requires postponing closing for about a month.
 - New Due Date: August 27, 2004

- **Action Item 071404-8: Deliver the package of documents that fulfills the requirements of The Reinvestment Fund Checklist to our loan officer.**
 - Responsible Person: Carrie Bailey
 - Due Date: August 6, 2004
 - Closing postponed
 - New Due Date: September 2, 2004
- **Action Item 071404-9: Participate in The Reinvestment Fund loan closing.**
 - Responsible Persons: Carrie Bailey and William Bailey
 - Due Date: August 6, 2004
 - Closing postponed
 - New Due Date: September 2, 2004

24. Conceived approaches to addressing the 17 items required by the Philadelphia School District for new charter schools.

From May 2004 minutes

Business Item 3: Ongoing Chartering Process

- Carrie Bailey reported that the attorney for the SRC has prepared a contract and a checklist for new charter schools for Khepera.
- **Action Item 5: Review the checklist for new charter schools and devise a plan for fulfilling its requirements.**
 - Responsible Persons: Carrie Bailey and William Bailey
 - Due Date: June 16, 2004

From July 2004 minutes

Business Item 8: School District of Philadelphia Checklist

The requirements on this checklist must be fulfilled before the SDP will begin releasing funds to Khepera. Documents fulfilling the requirements must be delivered to our legal counsel by July 22. The itemized list follows.

Item 1: Certified Articles of Incorporation and any and all Amendments thereto from the Pennsylvania Department of State.

These documents will be drawn from the records of the secretary.

Item 2: Certified Charter Board Resolution authorizing execution of Charter and performance of transactions set forth in the Charter.

RESOLVED, That the Board of Trustees, in compliance with the Resolution forwarded by the School District of Philadelphia dated April 16, 2003, hereby authorizes the President of the Board of the corporation to sign a written charter with the School Reform Commission of Philadelphia.

- Moved by William Bailey
- Seconded by Carnley Norman
- Resolution adopted by unanimous vote

Item 3: Good Standing or Subsistence Certificate of the Charter School from the Pennsylvania Department of State.

This document will be drawn from the records of the secretary.

Item 4: Certificate of Secretary of Charter Board with the following attached: (i) certified copy of the Bylaws of the Charter School, (ii) incumbency certificate of the Charter School officers, and (iii) copy of the Charter School's 501(c)(3) IRS determination letter.

RESOLVED, That the Board of Trustees adopts the version of our ByLaws submitted by legal counsel on July 7, 2004, thereby superceding the original version adopted on October 7, 2003.

- Moved by William Bailey
- Seconded by Carnley Norman
- Resolution adopted by unanimous vote

The other documents will be drawn from the records of the secretary.

Item 5: Evidence of Charter Board organizational meeting and authorization of receipt and execution of charter school contract for the Charter School

RESOLVED, That the Board of Trustees, in compliance with the requirements of Standard Charter Issuance Checklist No. B-2 forwarded by the School District of Philadelphia dated May 27, 2004, hereby authorizes the receipt, execution, delivery and performance of the Charter issued for the 2004-2009 term.

- Moved by William Bailey
- Seconded by John Holmes
- Resolution adopted by unanimous vote

The organizational meeting minutes of June 18, 2003 will be drawn from the records of the secretary.

Item 6: Detailed proposal for the composition and operation of the Charter Board, including list of initial members and officers.

The proposal will be drawn from the Khepera Charter School Application. The list will be drawn from he records of the secretary.

Item 7: School District Enrollment forms signed by the parent or legal guardian of each student enrolled in the Charter School.

As per understanding with the school district's charter school office, this item will be delivered at a later date.

Item 8: Employment Verification Forms, with criminal and child abuse background checks and all necessary certifications.

As per understanding with the school district's charter school office, this item will be delivered at a later date.

Item 9: Proposal for Parent and caregiver involvement and community involvement in advancing the Charter School's academic objectives.

This document will be drawn from the Khepera Charter School Application.

Item 10: Admissions Policy.

This document will be drawn from the Khepera Charter School Application.

Item 11: Copy of signed Lease or of recorded Deed for each Charter School Facility.

This document will be drawn from the records of the secretary.

Item 12: Valid Certificate of Occupancy for each Charter School facility from the City of Philadelphia Department of Licenses and Inspections.

As per understanding with the school district's charter school office, this item will be delivered at a later date.

Item 13: Charter School Application.

This document will be drawn from the records of the secretary.

Item 14: Management Contracts (if any).

There are no management contracts.

Item 15: School Calendar.

This document will be generated within the process of producing the subject delivery package.

Item 16: Accountability Plan

This document will be drawn from the Khepera Charter School Application.

Item 17: Insurance Certificate acceptable to the School District's Director of Risk Management

This document will be drawn from the records of the secretary.

25. Did the work to fulfill the items, produced and delivered the documentation to support their fulfillment.

From July 2004 minutes

- **Action Item 4: Produce the package of documents, including the school calendar, which fulfills the requirements of the School District of Philadelphia Checklist.**
 - Responsible Persons: Carrie Bailey and William Bailey
 - Due Date: July 21, 2004
- **Action Item 5: Deliver the package of documents that fulfills the requirements of the School District of Philadelphia Checklist to legal counsel.**
 - Responsible Person: Carrie Bailey
 - Due Date: July 22, 2004

From August 2004 minutes

- **Action Item 071404-4: Produce the package of documents, including the school calendar, which fulfills the requirements of the School District of Philadelphia Checklist.**
 - Responsible Persons: Carrie Bailey and William Bailey
 - Due Date: July 21, 2004
 - Task complete
 - Action Item closed
- **Action Item 071404-5: Deliver the package of documents that fulfills the requirements of the School District of Philadelphia Checklist to legal counsel.**
 - Responsible Person: Carrie Bailey
 - Due Date: July 22, 2004
 - Task complete
 - Action Item closed

26. Conceived approaches to addressing the 14 items required by the Pennsylvania Department of Education for new charter schools.

From July 2004 minutes

Business Item 10: Pennsylvania Department of Education Checklist

The requirements on this checklist must be fulfilled before Khepera will be eligible for state and federal entitlements. The itemized list follows.

Item 1: Official Charter – contract signed by officers of the authorizing school board(s) and the officers of the charter school

Our charter will be drawn from the records of the secretary.

Item 2: Approved Charter Application – addressing the five elements of school design outlined in the model state application

Our charter school application will be drawn from the records of the secretary.

Item 3: Application Fact Sheet – containing opening date, projected enrollment and short form of the charter school's entities in the Commonwealth (FEIN) **Page 4 of charter application

This document will be drawn from our charter school application.

Item 4: Completed PDE Budget Form 2028 – annual approved budget format for all charter school entities in the Commonwealth (part of charter application)

Item 5: Completed Wire Transfer Form – ACH Form – Banking information

Item 6: Application Addendum – federal grant requirement **page 5 of charter application

Item 7: Assurances – federal grant requirement **page 6 of charter application

Item 8: Master Agreement Process started by PDE. Completion of this checklist begins this process. When you receive it, please be sure pages 1 and 3 have matching dates.

This is a PDE action.

Item 9: Financial training session for business agent (training held in summer of each year – you are confirming someone will be in attendance from your charter school)

Item 10: AUN Number assigned by PDE when this checklist is submitted to PDE
This is a PDE action.

Item 11: 501.C3 Non-Profit Inc. Agreement

Item 12: Completed Penn*Link Application

Item 13: Copy of official notice of Federal ID Number
This document will be drawn from the records of the secretary.

Item 14: ImaginePA (www.imaginepa.state.pa.us) Vendor Number

27. Did the work to fulfill the items, produced and delivered the documentation to support their fulfillment.

From July 2004 minutes

- **Action Item 10: Produce the package of documents that fulfills the requirements of the Pennsylvania Department of Education Checklist.**
 - Responsible Persons: Carrie Bailey and William Bailey
 - Due Date: August 20, 2004

28. Handled the approximately 20 phone calls and 10 emails per day during spring and summer 2004 from the Philadelphia School District, the Pennsylvania Department of Education, the loan officer, the landlord, the architect, the contractor, job seekers, and parents, all requesting immediate attention.

29. Selected, ordered and received delivery of textbooks.

From July 2004 minutes

Business Item 6: Books Procurement

- Books have been ordered.
- **Action Item 3: Manage the books procurement process.**

- Responsible Person: Carrie Bailey
- Due Date: September 7, 2004

From August 2004 minutes

- **Action Item 071404-3: Manage the books procurement process.**
 - Responsible Person: Carrie Bailey
 - Due Date: September 7, 2004
 - Status: Reading books and math books for lower grades have been delivered. Science books and math books for upper grades are forthcoming.

30. Selected, ordered and received delivery of furniture. (*NOTE that Carrie Bailey had to assume responsibility for this item due to the board president's nonperformance.*)

From May 2004 minutes

Business Item 5: Responsibilities

- William Bailey noted that Carrie Bailey, with support from him and Kevin Fennell, is currently handling all the work that Khepera requires. Khepera's success depends upon spreading responsibilities among committed and capable people.
- Among the tasks for which we need individuals to step forward and take charge are: pulling carpets, selecting and ordering books and equipment, acquiring employee benefits plans, setting up financial procedures, setting up payroll, hiring staff and enrolling students.
- **Action Item 8: Manage the school furniture and janitorial supplies acquisition processes.**
 - Responsible Person: Richard Isaac
 - Due Date: September 1, 2004

From June 2004 minutes

- **Action Item 052604-8: Manage the school furniture and janitorial supplies acquisition processes.**
 - Responsible Person: Richard Isaac
 - Due Date: September 1, 2004

From July 2004 minutes

- **Action Item 052604-8: Manage the school furniture and janitorial supplies acquisition processes.**
 - Responsible Person: Richard Isaac
 - Due Date: September 1, 2004
 - Carrie Bailey has taken action on this task.
 - New action item assigned below

- Action Item closed

Business Item 5: Furniture Procurement

- Furniture has been ordered.
- **Action Item 2: Manage the furniture procurement process.**
 - Responsible Person: Carrie Bailey
 - Due Date: September 7, 2004

From August 2004 minutes

- **Action Item 071404-2: Manage the furniture procurement process.**
 - Responsible Person: Carrie Bailey
 - Due Date: September 7, 2004
 - Status: Furniture will arrive during the week of August 30. Young people will be hired to move it.

31. Commissioned and managed the production of the Khepera brochure.

32. Commissioned the tailoring of school uniforms.

33. Developed and maintained the Khepera website.

34. Produced the school's handbooks.

35. Opened the bank accounts.

From July 2004 minutes

- **Action Item 6: Open a Khepera Charter School, Inc. business checking account.**
 - Responsible Person: Carrie Bailey
 - Due Date: July 27, 2004

From August 2004 minutes

- **Action Item 071404-6: Open a Khepera Charter School, Inc. business checking account.**
 - Responsible Person: Carrie Bailey
 - Due Date: July 27, 2004
 - Task complete
 - Action Item closed

36. Risked approximately \$50,000 of personal money for pre-funding financing of Khepera's expenses.