

**AGREEMENT FOR EDUCATIONAL SERVICES
BETWEEN
THE DISTRICT SCHOOL BOARD of PASCO COUNTY
AND
BAYCARE BEHAVIORAL HEALTH, INC.
HARBOR BEHAVIORAL HELTHCARE INSTITUTE ADOLESCENT
RESIDENTIAL CENTER ACADEMY**

This agreement, made and entered into this ~~June 7,~~ *August 16,* 2011, by and between THE DISTRICT SCHOOL BOARD OF PASCO COUNTY, FLORIDA, hereinafter referred to as the "DISTRICT," and BAYCARE BEHAVIORAL HEALTH, INC., hereinafter referred to as the "BAYCARE".

WHEREAS, the DISTRICT must fulfill its constitutional obligation to educate children of compulsory school age; and

WHEREAS, the DISTRICT has determined that certain children need alternative programs, settings, and/or strategies to achieve their educational goals; and

WHEREAS, the DISTRICT has the authority as provided by Section 1003.52, Florida Statutes (F.S.), to engage in a contractual relationship with nonprofit corporations which has been formed for the purpose of providing a cooperative educational service to the district; and

WHEREAS, BAYCARE accepts clients who are residents of the STATE OF FLORIDA and who are now enrolled in educational programs under the jurisdiction of the DISTRICT; and

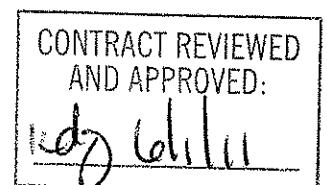
WHEREAS, BAYCARE is: designated by the DISTRICT as an approved deliverer of educational services to BAYCARE for Healthcare Administration/Department of Children and Families youth enrolled in or remanded to its programs and agrees to be liable for, and to indemnify, defend, and hold the DISTRICT harmless for all claims, suits, judgments, or damages, including court costs and attorney fees, arising out of or in the course of its provision of the services called for in this agreement and shall secure and maintain in force liability insurance to provide such indemnification; and

WHEREAS, BAYCARE operates the educational program.

NOW, THEREFORE, in consideration of the mutual covenants embodied herein, and other valuable considerations, the parties to this agreement mutually agree as follows.

I. TERMS OF AGREEMENT

- A. TERM: The term of this agreement shall be for three (3) school years, and will be renewable on a yearly basis. The term of this agreement is based on a 180-day school term as required by state statute and approved by the DISTRICT in accordance with the DISTRICT approved calendar. BAYCARE shall be reimbursed for no more than 180-student days each school year during the period covered by this agreement.



B. DISPUTE RESOLUTION:

1. The parties agree to attempt to handle dispute resolution at the lowest level possible at all times.
2. In the event of any agreement dispute, the Executive Director of BAYCARE and the Contract Manager designated by the DISTRICT are expected to make good faith efforts to resolve any differences.
3. In the event that those differences are not resolved, the Assistant Superintendent for Curriculum and Instructional Services or designee for the District School Board of Pasco County shall meet with the Vice President of BAYCARE for final resolution. The Executive Director of BAYCARE and the Contract Manager shall be required to provide written documentation of the issue(s) under dispute to the Assistant Superintendent for the District School Board of Pasco County prior to a meeting. A written report shall be issued formalizing the agreement that emerges as a result of the meeting.
4. In the event of a dispute as to matters of this agreement, both the DISTRICT and BAYCARE agree that such disputes that cannot be resolved as described above shall be resolved by informal or formal procedures consistent with Section 120.57, F.S. The parties agree that prior to such action the matter shall be submitted for mediation by the Florida Department of Education (FLDOE).

C. NOTICE PROVISION: When any of the parties desire to give notice to the other, such notice must be in writing, sent by U.S. Postal Service, postage prepaid, addressed to the party for whom it is intended at the place last specified; the place for giving notice shall remain until it is changed by the written notice in compliance with the provision of this paragraph. For the present, the parties designate the following as respective places for giving notice:

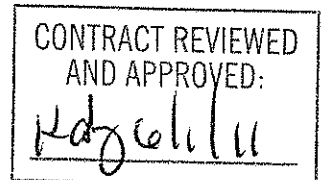
To the School DISTRICT:

District School Board of Pasco County, Florida
7227 Land O' Lakes Blvd.
Land O' Lakes, Florida 34638
Attention: Asst. Superintendent for Curriculum and Instructional Services

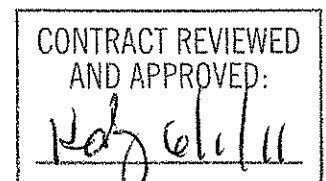
To BAYCARE:

Baycare Behavioral Health, Inc.
7809 Massachusetts Avenue
New Port Richey, Florida 34653
Attention: Contract Manager

D. INDEMNIFICATION CLAUSE: Each party assumes the responsibility for negligence of its own respective employees, appointees, or agents, while acting within the scope of their employment, and each party shall defend its own respective employees, appointees, or agents in the event of any claim for damages or lawsuits for any remedy. Nothing herein shall be construed as a waiver of the sovereign immunity of the DISTRICT or BAYCARE.

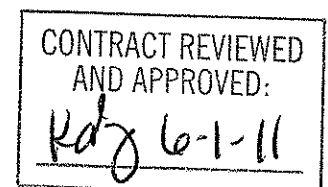


- E. **AUTHORITY:** Each person signing this agreement on behalf of either party individually warrants that s/he has full legal power to execute this agreement on behalf of the party for whom s/he is signing and to bind and obligate such party with respect to all provisions contained in this agreement
- F. **NONDISCRIMINATION:** The parties shall not discriminate against any employee or participant of this program because of race, age, religion, color, gender, national origin, marital status, disability, or sexual orientation.
- G. **GOVERNANCE:** BAYCARE shall govern itself according to applicable federal laws, state statutes, Florida Department of Education Rules, District School Board of Pasco County Policies/Procedures, the Cooperative Agreement between the District School Board of Pasco County, the BAYCARE for Healthcare Administration, Department of Children and Families, and the contents of this agreement.
- H. **AMENDMENT:** This agreement may be modified or amended only by mutual written consent of the parties hereto.
- I. **TERMINATION:**
1. In the case of termination without cause, either party reserves the right to terminate this agreement, without cause, upon notifying the other party by United States Postal Service certified mail, return receipt requested. In the event that the agreement is cancelled without cause, BAYCARE shall be reimbursed based on the full-time equivalent (FTE) survey window and the number of days in the term. Termination of this agreement without cause shall be effective 60 calendar days from the date notice was received.
 2. In the case of termination with cause, either party reserves the right to terminate this agreement, with cause, upon notifying the other party by United States Postal Service certified mail, return receipt requested. Termination of this agreement, with cause, shall be effective, as agreed upon in writing by the parties, but no less than ten calendar days and no more than 30 calendar days from the date notice was received.
 3. In the event that BAYCARE ceases operation or this agreement is not renewed or is otherwise terminated, any public unencumbered funds of the BAYCARE shall revert to the DISTRICT. Once public unencumbered funds are returned to the DISTRICT, BAYCARE shall have no further liability for those funds.
 4. In the event that BAYCARE ceases operation or this agreement is not renewed or is otherwise terminated, any BAYCARE property and improvements, furnishings, equipment, and instructional materials purchased with public funds shall be delivered to the DISTRICT and automatically revert to full ownership by the DISTRICT. If the accounting records of the BAYCARE fail to clearly establish whether a particular asset was purchased with public funds or nonpublic funds, ownership of the asset shall revert to the DISTRICT.



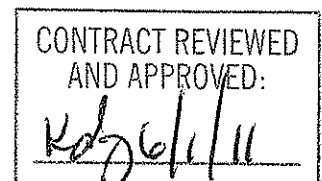
II. STUDENT ELIGIBILITY:

- A. WRITTEN PROCEDURES: BAYCARE shall provide to the DISTRICT its written procedures governing intake evaluation, dismissal, and separation of students 10 days upon DISTRICT approval of this agreement. Students may be referred and placed by the BAYCARE or Healthcare Administration/Department of Children and Families.
- B. COST CENTER NUMBER: Only students entered under cost center 2101 shall be considered eligible for services and funding under this agreement.
- C. ENTRY AND WITHDRAWAL OF ESE STUDENTS: Prior to placement of a student eligible for Exceptional Student Education (ESE) services, an Individual Education Plan meeting shall be held to identify appropriate services based on current student level of need. ESE Students shall not be dismissed from BAYCARE for disciplinary reasons unless approved by the Superintendent's designee. Upon notification that an ESE student is experiencing difficulty, the Superintendent's designee shall contact the DISTRICT's Director of ESE to schedule technical assistance.
- D. EDUCATIONAL REENTRY/TRANSITION INFORMATION: If a student is terminated or discharged from the program, BAYCARE shall complete and submit the Educational Reentry Information form to the Contract Manager. The form shall include: proposed transition plan, educational program progress with pre- and posttest results, anecdotal notes, and any other information needed for making appropriate school placement decisions. BAYCARE agrees to participate to the extent necessary in the Reentry Committee.
- E. VICTIMIZATION POLICY: 1006.13, F.S., outlines the provisions of zero tolerance for crime and victimization of students and/or his or her siblings within the public school system. The DISTRICT is required to adopt a victimization policy that takes all steps necessary to protect the victims of violent crimes or their siblings from any further victimization. BAYCARE is also required to abide by this statute and DISTRICT policy regarding victimization in its enrollment process. Offenders shall be identified, no-contact orders shall be enforced, and all steps must be taken to protect victims and siblings.
- F. ALTERNATIVES: Since the offenders covered by the victimization policy may not be subject to immediate removal from BAYCARE or are unable to attend any other school in the district, BAYCARE shall take every reasonable precaution to keep the offender and victim, or victim's sibling, separated while in classes. BAYCARE'S reentry process shall be utilized to evaluate the best placement of offenders in day treatment programs. In cases where a no-contact order cannot be reasonably enforced, BAYCARE will arrange the immediate removal or transfer of the offender to an alternate setting. BAYCARE shall cover all costs associated with this transfer and subsequent placement. BAYCARE and the DISTRICT shall work collaboratively in communicating with the court regarding such situations.



III. STUDENT RECORDS:

- A. REQUEST FOR RECORDS: No later than five days following entry of a student, BAYCARE shall request the educational records (including ESE records) from all previous schools of attendance. BAYCARE shall request records, to include health and immunization records, from the last school of attendance within five days of entry. BAYCARE shall clearly state that these records are to be sent to BAYCARE within ten school days of request receipt, if records are not received within the required time period, BAYCARE should contact the DISTRICT'S Contract Manager for assistance.
- B. REQUIRED CONTENT: The educational records shall include, but not be limited to, academic assessments, psychosocial profiles, grade reports, attendance data, current IEP, and cumulative records. Records must include immunization records. Students may not remain enrolled if documentation of required immunizations is not received within 30 days of entry.
- C. AUTOMATED STUDENT MANAGMENT INFORMATION SYSTEM (MIS) ENROLLMENT: BAYCARE shall provide the required student records documents to the DISTRICT for entry into the MIS system upon enrollment into the program and to enter and maintain all district and FLDOE-required student information including, but not limited to: student enrollment student schedules, daily attendance, and/or other assessment data, transportation data, FTE reports, personnel information, master schedule, bell schedule, ESE IEP/Matrix data, and discipline referral data, including SESIR Discipline data, which will be reported to FLDOE. The DISTRICT shall provide the necessary technical support needed to maintain the Management Information System (MIS).
- D. MASTER SCHEDULE: Prior to the beginning of each semester and no later than the second week of each semester, BAYCARE will develop a master schedule of courses comprising a minimum of 300 minutes of instruction per day to be entered into MIS. The master schedule cannot be changed without the approval of the Contract Manager. The change, if approved, cannot be implemented until the approval is received in writing. The schedule will indicate: courses, state approved course numbers, and time schedules (beginning/end of student day, breaks, and lunch periods).
- E. STORAGE OF RECORDS: BAYCARE shall maintain copies of individual educational records in a form prescribed by the DISTRICT for each student and will store such copies for a period of three years. Original educational records will be stored at Marchman Technical Education Center. At the end of the three-year period, said records shall be transferred to the District School Board of Pasco County. District Records shall include attendance reporting forms/data, class schedules, cumulative transcripts, teacher plan books, teacher grade books, FTE forms, and other records as requested.
- F. SHARING OF RECORDS: The DISTRICT and BAYCARE shall share and make educational records available upon request.



- G. CONFIDENTIALITY: BAYCARE agrees not to conduct research, use, or disclose any information concerning a recipient of services under this agreement for any purpose not in conformity with district, state, and federal law, statute, rule, regulation, policy, or procedure or without written parent or guardian consent Release of any school records for the purpose of responding to an order or subpoena shall be done after parental notification as required by Section 1002.20, F.S.
- H. GRADUATION CHECKS: In cooperation with the Contract Manager, a graduation checklist is to be completed on each student upon entry. The graduation checklist shall be reviewed at the end of each semester to ensure that the student has been properly scheduled into courses required for graduation. Student records will be shared with the student's school of origin for graduation completion and diploma.
- I. CREDITS AND GRADES: Upon the student's withdrawal from the BAYCARE'S program, BAYCARE shall submit credits and grades earned and shall issue a final grade. The DISTRICT shall be responsible for posting to the official transcript and FASTER transcript.
- J. ATTENDANCE AND FTE SURVEY RECORDKEEPING:
1. Attendance shall be maintained and reported through the MIS system through regular records submitted to the DISTRICT by BAYCARE.
 2. A MIS-generated attendance report shall be included as part of the invoice submitted for payment
 3. The School District shall provide to BAYCARE an attendance report to be signed by BAYCARE administrator and maintained for FTE audit purposes.
 4. Only students documented to have been in attendance during the FTE Survey period as required shall generate funding. Poor student attendance during the FTE Survey period shall lower the funding amount provided by the agreement adjustments to the agreement shall be made following FTE Survey periods.
 5. Attendance shall be taken once per class period or during each course. Time spent in field trips, counseling, performances, or other school-based services may be counted for attendance purposes. Certain interruptions for which BAYCARE has no control, such as safety drills, lockdowns, bomb scares, court and student meetings with law enforcement personnel, should not be deducted from direct instruction time reported for FTE.

IV. STUDENT ASSESSMENT:

- A. ASSESSMENT ADMINISTRATION: BAYCARE shall inform the DISTRICT of the person or persons assigned to administer assessments.
- B. ACADEMIC PLACEMENT AND PLANNING: BAYCARE shall conduct an academic assessment of each student upon intake. The results of this assessment shall be combined with information from the student's records and the student's previous class schedule to



determine educational goals and strategies to be employed while the student is enrolled in the BAYCARE'S educational program. All courses offered must lead to a standard high school diploma or ESE special diploma. For ESE students, the ESE teacher, or the regular teacher in consultation with the ESE teacher, shall modify or provide accommodations to the curriculum as stated on the Individual Educational Plan (IEP).

- C. ESE SUPPORT: BAYCARE shall appoint appropriate personnel to conduct proper screening, referral, identification, evaluation, and placement services to ensure the most appropriate educational services are provided to students. The DISTRICT shall appoint an ESE Staffing Specialist to work cooperatively with BAYCARE and to assist in this process. BAYCARE, in coordination with the ESE Staffing Specialist, shall coordinate to the ESE reevaluation process as required and shall administer academic assessments as needed. BAYCARE shall release staff to attend all training as necessary to ensure that this process is appropriately implemented. All reevaluation assessments shall be conducted according to state and School District policies and procedures.

- D. DISTRICT/STATE ASSESSMENTS: BAYCARE shall be responsible for administering the FCAT and all state or district-required assessments in the manner prescribed by the state and the district. The BAYCARE administrator shall be held accountable for ensuring that test security and test administration are aligned with state and district requirements. The BAYCARE administrator shall ensure that the School DISTRICT (MIS) Student Information System and all FTE fix files are corrected according to the DISTRICT and FLDOE guidelines. BAYCARE shall appoint a test coordinator who shall be required to attend all DISTRICT-offered test coordinator training and meetings. BAYCARE shall appoint a person or persons responsible for administering the FCAT and any other state- or district-mandated assessments. The test coordinator shall be responsible for organizing the assessment process and training all test administrators. BAYCARE shall provide an environment and facilities that maximize student success on assessment, meet state and district guidelines, and meet test security requirements.

- E. GED ADMINISTRATION: The general education development (GED) test shall be administered through the DISTRICT'S Adult and Community Education Program. Cost of testing shall be the responsibility of BAYCARE or the student's parent/guardian.

- F. PROGRESS REPORTS: An individual student progress report shall be completed for each student and submitted as each student is withdrawn during the school year and no later than two weeks following the end of the school year for students remaining in the program at the end of the year. The individual student progress reports shall include, at a minimum: name of student; number of months in program; date of birth; Indication of ESE, ESOL, or 504 eligibility; entrance/exit assessment results; exit transition information; State of Florida assessment results; credits or course completion; reason for withdrawal/continuation; and educational gains information. Aggregated data from these reports shall be reported in writing to the School Advisory Council and shall be used as a part of the overall school improvement and school effectiveness evaluation.



V. INDIVIDUAL EDUCATION PLAN or TRANSITION/INDIVIDUAL EDUCATION PLAN (T/IEP):

- A. REQUIREMENTS: A T/IEP shall be developed for all ESE students using the DISTRICT'S ESE PlanMaker system.
- B. PERSONS RESPONSIBLE: BAYCARE'S Academic Manager and designated instructional staff are responsible for preparing the T/IEP. The parent must be invited to a meeting to develop the T/IEP, and BAYCARE must use the DISTRICT'S Parent Participation form for inviting the parent and any other invitees to attend the T/IEP meeting and to document the invitations.
- C. The T/IEP team shall develop the T/IEP for ESE students within ten days of entry. An ESE student may not be counted for ESE funding during the FTE period if no active T/IEP is in place and if the reevaluation date is not current.
- D. T/IEP DEVELOPMENT: The T/IEP team shall review all relevant data provided in the screening process to develop a T/IEP identifying all areas of student need and appropriate services for meeting those needs. The DISTRICT shall provide support and training to ensure that BAYCARE is competent in the area of T/IEP development, maintenance, and use.
- E. T/IEP UTILIZATION: BAYCARE shall use the T/IEP as required in federal laws and state statutes and rules. BAYCARE shall monitor to ensure that each T/IEP is implemented as developed and that all accommodations and modifications identified in the T/IEP are provided. The DISTRICT shall assign an ESE Staffing Specialist to monitor IEP compliance and development. The DISTRICT shall assume all administrative oversight for the development and implementation of the T/IEP and, at least one time each year, the ESE Program Office shall conduct an on-site review to ensure that the program is delivering services in compliance with T/IEP requirements.
- F. PERIODIC REVIEW OF T/IEP: BAYCARE shall implement a system of periodic T/IEP review to assess student progress towards meeting' goals and objectives.

VI. INSTRUCTIONAL PROGRAM AND ACADEMIC EXPECTATIONS:

- A. EDUCATIONAL SERVICES: BAYCARE shall provide a free and appropriate education, consistent with all state and federal statutes, rules, and regulations and in accordance with all provisions and duration of this agreement, to all students enrolled in BAYCARE'S program. The curriculum shall be challenging, provoke critical thinking, and incorporate daily living skills, goal setting, and the achievement of socially acceptable patterns of behavior. Instruction shall facilitate learning and build self-esteem by incorporating a variety of modalities.
- B. DAYS/LENGTH OF INSTRUCTION: BAYCARE shall provide the DISTRICT with a 180-day school term in accordance with the DISTRICT approved school calendar. Any

CONTRACT REVIEWED
AND APPROVED:
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changes to the calendar after School DISTRICT approval shall require an amendment to the agreement and shall have to be School DISTRICT approved, A minimum of 50 minutes per day of instruction shall be provided by BAYCARE in the areas of English, Math, Science, and Social Studies, Reading requirements must be met as described below. All students must be registered for and enrolled in academic or vocational courses, for five hours, or 300 minutes per day/1500 minutes per week. All vocational courses and students enrolled in such courses shall have completed the required paperwork in order for credits to be awarded and for FTE to be earned.

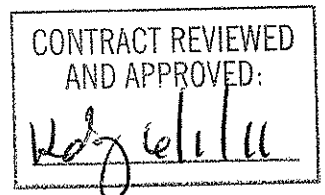
C. ACADEMIC CURRICULAR OFFERINGS: BAYCARE shall provide the DISTRICT (for DISTRICT approval) a list of courses that shall be taught. Only courses included in the FLDOE Course Code Directory shall be utilized. Textbooks, software, and instructional materials shall be aligned with the Sunshine State Standards. BAYCARE shall make every effort to purchase adopted instructional materials from the Florida School Book Depository and to be in compliance with Section 1006.40 (2), F.S. relative to the provision of instructional materials to students. Adequate and appropriate educational materials and supplies shall be provided by BAYCARE.

D. READING REQUIREMENTS:

1. BAYCARE is required to provide a teacher who is identified as being responsible for teaching reading.
2. The teacher shall hold certification or endorsement in reading or shall be working toward the reading endorsement.
3. BAYCARE shall be responsible for the cost of providing professional development opportunities for the reading teacher.
4. The reading teacher may participate in district professional development in reading on a space-available basis and is encouraged to attend district reading coach meetings.
5. Students identified as having reading deficiencies as a result of an FCAT Reading Level 1 or 2 are to be provided with direct reading instruction and shall be screened, progress-monitored, and assessed as required by FLDOE. BAYCARE shall be responsible for entering reading screening and assessment data into the Florida Center for Reading Research (FCRR) Progress Monitoring and Reporting Network (PMRN) as required by FLDOE.
6. All students, regardless of their reading level, shall be provided instruction that shall enable them to document mastery of the Next Generation Sunshine State Standards/Reading.

E. REMEDIATION AND TUTORIAL ACTIVITIES:

1. All students not meeting FCAT levels in reading, math, science, and/or writing defined by the state as proficient shall be provided intensive interventions in the identified areas of deficiency by BAYCARE.



2. BAYCARE is expected to demonstrate that it is adding value to the educational experience for its clients through measurable goals and by the Contract Manager.

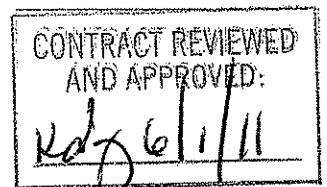
F. CAREER/VOCATIONAL TECHNICAL CURRICULUM: BAYCARE shall adopt only courses listed In FLDOE Course Code Directory as its list of course offerings and shall provide a list of vocational courses offered to the DISTRICT all middle school students shall be enrolled in the FLDOE- required career curriculum In seventh or eighth grade and shall create the ePEP. The DISTRICT shall provide access to the training and support needed to ensure that the ePEP is met. BAYCARE shall provide vocational programs as required and permitted by FLDOE.

G. EXCEPTIONAL STUDENT EDUCATION SERVICES:

1. BAYCARE shall provide appropriate services to students eligible for Exceptional Student Education (ESE), to include related services, in accordance with their individual educational plans (IEP) and shall provide certified and highly qualified ESE teachers to deliver these services.
2. Funds generated by ESE students and provided to BAYCARE shall be utilized to provide services for ESE students.
3. BAYCARE shall comply with the Individuals with Disabilities Education Act (IDEA) as amended and applicable federal regulations, with companion state law and rules.
4. BAYCARE shall indemnify and hold the DISTRICT harmless for any BAYCARE failure to comply with IDEA and related laws and rules. BAYCARE shall immediately advise the DISTRICT upon receipt of a due process request or a complaint under IDEA or ESE-related laws or rules. The DISTRICT reserves the absolute right in its sole discretion to assume the defense at BAYCARE'S expense of any such request or complaint including, but not limited to, the right to select legal counsel of its choice and the right to settle or compromise the complaint or due process.
5. Only ESE students whose parents are considered residents of Florida are eligible for funding under the Florida Education Finance Program (FEFP). The cost of services for ESE students whose parents are not residents of Florida are the responsibility of the Local Education Authority where the parents reside. A nonresident ESE student may not be reported for FEFP funding.

H. SERVICES REQUIRED BY SECTION 504 OF THE REHABILITATION ACT

1. BAYCARE shall comply with Section 504 of the Rehabilitation Act of 1973.
2. BAYCARE shall provide accommodations to eligible students as required by Section 504 plans developed jointly by the BAYCARE and the DISTRICT.
3. BAYCARE shall indemnify and hold the DISTRICT harmless for any BAYCARE failure to comply with Section 504 and related laws and rules. The BAYCARE shall



immediately advise the DISTRICT upon receipt of a due process request or a complaint under Section 504. The DISTRICT reserves the- absolute right in its sole discretion to assume the defense at BAYCARE'S expense of any such request or complaint including, but not limited to, the right to select legal counsel of its choice and the right to settle or compromise the complaint or due process.

- I. LIMITED ENGLISH PROFICIENT (LEP) SERVICES: The BAYCARE shall provide students identified as LEP with instruction by ESOL-certified teachers. Evaluation, development and implementation of an ESOL plan shall be handled jointly between the BAYCARE and the DISTRICT.
- J. GED PREPARATION AND ACCESS: GED preparation may be an instructional tool for use by the BAYCARE for eligible students. BAYCARE agrees to notify students who have filed a form indicating their intent to terminate school enrollment of the option of enrolling in a program to obtain a General Education Development (GED) diploma. Registration for the test will be conducted at Adult and Community Education (ACE) according to ACE guidelines and timelines. Special testing accommodations are available for candidates with documented disabilities. Prior to testing, the Contract Manager must approve the GED Testing Authorization form, which must be presented to the Chief GED Examiner. GED testing fees for DJJ students must be waived to the extent and amounts allowed by the FLDOE. in order for the fee to be waived, the GED Request to Waive Fee form must be completed 30 days in advance. No student should be registered for GED testing until the required scores on the GED practice tests have been obtained.
- K. SUPERVISION OF STUDENTS: Supervision and control of students while in the educational program shall be the responsibility of BAYCARE. However, BAYCARE shall inform the DISTRICT when a student(s) is involved in a serious discipline incident, is injured, or commits a crime. Initial notice shall be on the date of the incident followed by a written description within five days. In the event that a student commits an expellable offense that results in a recommendation for termination or withdrawal from BAYCARE'S educational program, BAYCARE will be required to forward a request for expulsion for the student to the Superintendent of Schools District School Board of Pasco County. In addition, BAYCARE is required to report all instances of physical restraint and/or secured seclusion to the FLDOE, in accordance with FS 1073.
- L. CLASSROOM MANAGEMENT POLICIES: BAYCARE shall provide the DISTRICT with written discipline policies and procedures used for classroom and program behavior management by July 1, 2011, or upon School DISTRICT approval, whichever is later.
- M. TRANSPORTATION: BAYCARE shall provide transportation to and from the program for its enrolled students.



- N. LUNCH PROGRAM: BAYCARE shall provide students eligible for free or reduced lunches the opportunity to participate in the school lunch program. BAYCARE shall provide opportunities for meals to all students, other student lunches may be provided on an advanced payment basis coordinated through the DISTRICT'S Food Service Office. Such activity shall be arranged through a separate agreement with the District Food Service Office and the Florida Department of Education.
- O. PROMOTION/RETENTION AND GRADE PLACEMENT: BAYCARE shall comply with the DISTRICT'S Student Progression Plan when making promotion, retention, and grade placement decisions. It is understood, however, that BAYCARE shall utilize a performance-based model and shall award credits based on student mastery of course and Sunshine State Standards rather than on seat time. Promotion, retention, and grade placement decisions shall be made collaboratively with the DISTRICT'S Contract Manager. Documentation of student work, to include test results and a portfolio, must be available to the DISTRICT for audit purposes.
- P. The staff of the DISTRICT shall be permitted to review the program, provided by BAYCARE and confer with staff according to mutually agreed upon schedules.
- Q. The DISTRICT shall fully adhere to its policies and procedures, federal laws, and state statutes in the provision of educational services at BAYCARE'S program. BAYCARE shall correct any deficiencies, found through the Quality Assurance process within the prescribed time period provided by FLDOE.
- R. The DISTRICT shall provide technical assistance, site-based monitoring, oversight, and direct support to BAYCARE to ensure student success and program compliance with the agreement, statute, and rule relative to the educational program.

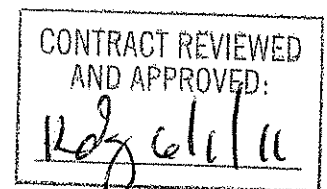
VII. QUALIFICATIONS AND PROCEDURES FOR SELECTION OF STAFF:

- A. PRINCIPAL: BAYCARE'S Program Director is designated as the principal of record to conduct the business of this agreement. The district appointed principal shall have the responsibility and administrative accountability for oversight and monitoring of the educational program, to include decisions related to student progression (promotion/retention) and other district and statutory duties that are not delegated.
- B. EDUCATIONAL DIRECTOR OR LEAD TEACHER; BAYCARE shall hire an educational director or lead teacher to whose responsibility it is to coordinate the educational program and interface on day-to-day matters with the district. BAYCARE shall provide the DISTRICT with the job description and name of the educational director or lead teacher.
- C. STAFF SUPERVISION AND EVALUATION: The teachers and staff are employees of BAYCARE. The DISTRICT shall assume no liability for the supervision of the teachers and staff employed by the BAYCARE under the terms of this agreement. The DISTRICT agrees to provide technical assistance, site-based oversight and direct support to



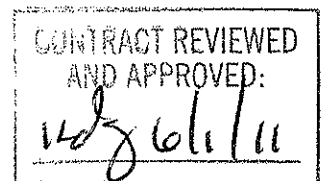
BAYCARE'S teachers and staff to support student success and program compliance with the agreement, state statute and rules, and federal laws. In addition, BAYCARE shall use a teacher evaluation system that is consistent with current FLDOE requirements.

- D. TEACHER CERTIFICATION: BAYCARE shall staff the program with Florida-certified teachers, or teachers possessing valid temporary Florida teaching certificates, employed to teach only in the field(s) of certification.
- E. NUMBER OF CERTIFIED AND HIGHLY QUALIFIED TEACHERS: BAYCARE shall employ a sufficient number of certified teachers to maintain an average instructional ratio as defined in the STATE of FLORIDA AGENCY FOR HEALTH CARE ADMINISTRATION CONTRACT.
- F. CLASSES THAT REQUIRE CERTIFIED TEACHERS: All classes assigned in accordance with the Florida Course Code Directory shall require that instructional staff possess appropriate certification to instruct the classes. All parents must be notified in writing when a teacher is appointed to an out-of-field instructional position and documentation of the notice must be provided to the DISTRICT.
- G. CLASSES THAT REQUIRE HIGHLY QUALIFIED TEACHERS: All core-courses shall be staffed by a highly qualified teacher as defined by No Child Left Behind. All parents must be notified in writing when a non-highly qualified teacher is appointed to an instructional position and documentation of the notice must be provided to the DISTRICT.
- H. ESOL/ESE CERTIFICATION: BAYCARE shall provide ESOL and ESE-certified teachers to instruct students requiring either an LEP plan or an IEP. BAYCARE shall consult with the DISTRICT in making a decision as to whether to use a direct instruction or consultative model in the provision of these services.
- I. EMPLOY APPROPRIATELY CREDENTIALLED INSTRUCTIONAL STAFF: The district shall have the opportunity to assist BAYCARE with the verification of highly qualified individuals regarding teaching certification and other pertinent requirements.
- J. STAFFING WITH NONCERTIFIED TEACHERS: If BAYCARE staffs the program with noncertified teachers, the agreement may be immediately cancelled.
- K. EDUCATIONAL PERSONNEL FILES: BAYCARE shall provide the DISTRICT'S Contract Manager with the following no later than the day after DISTRICT approval of this agreement and no later than five working days after hiring any new teacher during the term of this agreement: the job description of the teachers, a copy of the master schedule, copies of the valid teacher's certificate, and the social security number of each teacher hired.
- L. SUBSTITUTE TEACHERS: BAYCARE shall employ substitute teachers. All substitutes must be cleared for hire as a result of the required background screening completed through the District School Board of Pasco County, Human Resources Department.



- M. **NONCERTIFIED INSTRUCTIONAL PERSONNEL:** Noncertified teachers or temporary substitutes must be approved by the DISTRICT. A completed personnel file for a noncertified teacher candidate must be sent to the DISTRICT's Human Resources Department prior to employment. Employment shall not be offered until approval is received from the DISTRICT.
- N. **NONINSTRUCTIONAL SUPPORT PERSONNEL:** Paraprofessional or instructional assistants hired with Title I funds, shall be highly qualified as defined under No Child Left Behind. BAYCARE must meet all Title I rules, regulations and qualifications to receive Title I funds.
- O. **BAYCARE PROFESSIONAL DEVELOPMENT ACTIVITIES:** BAYCARE agrees to develop and implement a professional development plan that includes activities throughout the year. For teachers to receive in-service credits, each BAYCARE activity must first be submitted for prior approval to the Contract Manager for submission to the Staff Development Office.
- P. **DISTRICT, PROFESSIONAL DEVELOPMENT- ACTIVITIES:** BAYCARE'S instructional and non-instructional staff shall have access to the DISTRICT'S professional development activities. An in-service calendar can be accessed online at the DISTRICT'S Staff Development website- see AVATAR.
- Q. **BEGINNING TEACHER PROGRAMS:** If BAYCARE employs teachers with valid temporary teaching certificates, those teachers will participate in the DISTRICT'S Teacher Induction Program in order to receive, a permanent certificate. BAYCARE, in collaboration with the DISTRICT'S Contract Manager and the DISTRICT'S Staff Development office, shall be responsible for the school-based administrative responsibilities of this program. The DISTRICT shall be responsible for providing adequate training to ensure that these administrative responsibilities can be conducted by BAYCARE. BAYCARE shall furnish a Teacher Induction Program form to each eligible teacher to be forwarded to the Contract Manager.
- R. **TEACHER TERMINATION:** BAYCARE shall notify the Contract Manager in writing within five days after a teacher leaves employment. Any special circumstances surrounding the termination shall be included.
- S. **BACKGROUND CHECKS:** BAYCARE will comply with all requirements of Sections 1012.32 and 1012.465, Florida Statutes, by certifying that all of its employees who provide services under this agreement have completed the background screening required by the referenced statutes and meet the standards established by the statutes. Background screenings must be completed through the District School Board of Pasco County, Human Resources Department.

BAYCARE will bear the cost of acquiring the background screening required by Section 1012.32, F.S., and any fee imposed by the Florida Department of Law Enforcement to maintain the fingerprints provided with respect to BAYCARE and its employees.

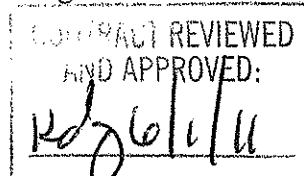


BAYCARE will provide a list of its employees who have completed background screening as required by the referenced statutes and meet the statutory requirements. BAYCARE will update these lists in the event that any employee listed fails to meet the statutory standards or new employees who have completed the background check and meet standards are added.

BAYCARE will notify the District School Board of Pasco County within 48 hours in the event that any employee who BAYCARE has certified as completing the background check and meeting the statutory standards then is convicted of any disqualifying offense.

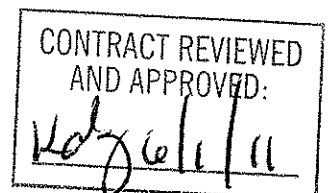
VIII. FUNDING:

- A. **PAYMENTS:** BAYCARE shall provide in writing to the DISTRICT the actual number of student slots allocated to BAYCARE by BAYCARE for Healthcare Administration for BAYCARE projection purposes. The DISTRICT shall make payments to BAYCARE on a monthly basis upon approval of this agreement, based upon the estimated annual budget which is determined by the projected enrollment. The DISTRICT shall provide BAYCARE with a written itemization of projected revenue and payments upon approval of this agreement and shall amend these figures at each FTE period. The monthly payment shall be adjusted after each FTE survey and the final payment shall be adjusted to the actual FTE earned. BAYCARE shall invoice the DISTRICT within 30 days of the end of the month based on a written calculation provided by the DISTRICT to BAYCARE. Student attendance documentation shall accompany each invoice for payment the final adjustment. Invoice, and payment shall be made as soon as final FTE data is provided to the DISTRICT, subject to certification by the Contract Manager that all requirements of the agreement have been fulfilled. No payment shall be made for FTE earned above the agreed upon enrollment number of students.
- B. **FUNDING BASIS:** Payments by the DISTRICT to BAYCARE shall be calculated based upon the estimated projected FTE for BAYCARE. The projected revenue shall be reduced by 15 percent, which is the DISTRICT'S administrative cost. A description of the administrative services provided to BAYCARE as funded by the 15 percent shall be provided to BAYCARE upon written request.
- C. **RATE OF PAYMENT:** The rate of payment shall be equal to 85 percent of the revenue generated by BAYCARE'S FTE. In addition, the DISTRICT shall allocate 100 percent of the instructional materials categorical dollars earned.
- D. **CONDITIONS OF CHANGE:** If at any time during the term of this agreement the Legislature changes the funding formula for allocation of funds, said increase or decrease shall be passed along to BAYCARE.
- E. **FEFP REQUIREMENTS:** A student is in membership when s/he is officially assigned to courses or the program through the DISTRICT'S MIS system. To be reported for funding, each student must be enrolled and scheduled appropriately in MIS, in attendance as verified by dally automated attendance records, and reported through the



state automated data system. The student must be in attendance for a minimum of 1500 minutes of instruction per week. The school term shall include 180 days.

- F. OPERATING BUDGET REQUIREMENTS: The operating budget shall reflect the monies being allocated BAYCARE in keeping with this agreement, state board rules, and statutes. A detailed description of each line item shall accompany the operating budget. For example, a budgeted salary amount shall include: a detailed description of each salaried position to be funded, the salary amount for each position, and the detail of benefits to be provided.
- G. EXPENDITURES: All funds paid to BAYCARE must be used to provide instructional services. Expenditures for direct student services and support services shall be of the type defined in the Financial and Program Cost Accounting and Reporting for Florida Schools (Red Book), within the following parameters:
1. Instruction (5000): At least 90 percent of the portion of the FTE generated and provided to BAYCARE shall be expended for direct instructional services. Expenditures shall be for activities dealing directly with the teaching of students or the interaction between instructional, staff and students, to include the activities of instructional assistants providing support with the instructional process. Pupil transportation costs are not included. The lead teacher or educational director may be funded out of the 90 percent
 2. Instructional Support Services (6000): A maximum of ten percent of the FTE generated dollars provided to BAYCARE may be expended for Support Services. Expenditures shall be for administrative, technical (such as guidance counselors), and/or logistical support to facilitate and enhance instruction.
 3. One hundred percent of all categorical funding must be spent in the categories as specified by state statutes and State Board of Education Rules. Documentation for categorical spending must be maintained.
 4. No funds shall be paid out of this agreement unless the terms and conditions of all previous contracts and agreements with any and all DISTRICT entities have been met. The DISTRICT's Finance Department shall deduct the monies due to the DISTRICT from dollars generated. In this agreement BAYCARE agrees that the Contract Manager will deduct any reimbursements that are 30 days late and due to the DISTRICT from the amounts due on monthly invoices.
- H. FINANCIAL RECORDS MAINTENANCE: BAYCARE is required to maintain all necessary accounting books, records, documents, and all other evidence (including electronic storage media) pertaining to the administrative costs and expenses of the agreement to the extent and in such detail as will properly reflect all revenues, all net costs, direct and apportioned, and other costs and expenses of whatever nature for which reimbursement is claimed under this agreement. BAYCARE shall maintain all financial records related to the educational component of the program for at least three years. All records, books, and documents shall be maintained in accordance with



generally accepted accounting procedures and practices which sufficiently and properly reflect all revenues and expenditures of funds provided by the DISTRICT under this agreement.

- I. FINANCIAL RECORDS INSPECTION: BAYCARE shall be required to make records subject, at all reasonable times, to inspection, review, copying, and/or audit by district; state, or federal personnel and other authorized personnel. Records requested will be made available within two working days.
- J. RECORDS REPORTING: BAYCARE shall maintain and file with the DISTRICT such progress, fiscal, and inventory reports as the DISTRICT may require within the period of this agreement. Such reporting requirements shall be reasonable given the scope of this agreement. BAYCARE shall provide a financial accounting of all expenditures toward the educational component of the program on a quarterly basis to the DISTRICT within 30 days after the close of each quarter and a summary financial report within 30 days of last day of June of each year. The accounting reports shall be in a format as outlined by the DISTRICT and shall include at a minimum a balance sheet and statements of revenues, expenditures, and changes in fund balance. Failure to provide required financial reports according to timelines may result in withholding of FEFP funds and/or termination/nonrenewal of this agreement.
- K. PROJECTIONS: BAYCARE shall submit to the DISTRICT in writing the number of projected student slots that shall be available for the next school year by 1st of May of each year and within five days of receiving a notice of change of slot allocations by BAYCARE for Healthcare Administration. This number shall be used in the forecasting process to be reported to FLDOE.
- L. TRAINING: The DISTRICT shall provide FTE training and FTE meetings, and it is expected that BAYCARE staff assigned roles associated with FTE reporting shall attend all such activities.
- M. STATE AUDIT FINDINGS: In the event that an audit is performed on BAYCARE'S educational program and it is determined through the Auditor General and/or the Department of Education that the program is not in compliance, BAYCARE agrees that upon final decision disallowing FTE award, BAYCARE shall be responsible for its full portion of the disallowed FTE provided such failure is not attributable to the action or inaction of the DISTRICT. BAYCARE agrees to comply with the programmatic elements necessary to receive FTEs and any disallowance shall be the liability of BAYCARE. The DISTRICT shall be responsible for that portion, of the FTE allocation kept for administrative purposes.
- N. AUDITS PERFORMED BY DISTRICT: DISTRICT internal auditors, finance department, cost accounting staff, and/or the FTE: department may conduct audits of the educational program, the DISTRICT shall give notice of a minimum of ten working days prior to such audits.



- O. BAYCARE shall be required, at the end of the fiscal year, to enlist the services of a qualified independent CPA to perform procedures and issue an opinion under attestation standards in accordance with Generally Accepted Governmental Auditing Standards (GAGAS). The procedures for rendering the opinion must include testing Pasco County School remittances for compliance with expenditure requirements outlined in this agreement and to provide an assessment regarding internal control procedures. The payment for the cost of this service shall be the responsibility of BAYCARE. The report must be completed for each fiscal year ending June 30th and submitted to the DISTRICT by November 30th of each year. Failure to submit the opinion by the deadline will be grounds for agreement cancellation.
- P. VIOLATION OF LAW: In the event that BAYCARE violates any federal or state law, statute, or rule, School DISTRICT policy, or covenant set forth herein, and said violation results in a financial loss to the DISTRICT, BAYCARE shall reimburse the DISTRICT for the full amount of the loss. This provision shall remain in force, even if the agreement is terminated, for a period of three years or until all applicable audits have occurred, whichever comes first.

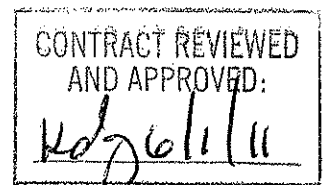
IX. AGREEMENT NEGOTIATIONS:

A. BAYCARE REQUIREMENTS:

1. BAYCARE has experience in providing educational services.
2. BAYCARE has sufficient financial stability and resources to hire adequate numbers of certified teachers and personnel as prescribed by the program.
3. BAYCARE does not commingle funds provided by the DISTRICT with funds from any other entity. In the event of comingling, all such funds shall be deemed as funds provided by the district.
4. BAYCARE shall have a fully executed agreement with the Agency for Healthcare Administration to provide services to youth. A copy of the agreement between BAYCARE and the Agency for Healthcare Administration shall be provided to the DISTRICT'S Contract Manager two calendar weeks prior to DISTRICT approval of this agreement, if such agreement is not received according to timelines, the agreement between BAYCARE and the DISTRICT shall be considered terminated.
5. BAYCARE shall possess liability insurance coverage as required by the DISTRICT. BAYCARE shall provide the DISTRICT'S Risk Management Office a current copy of the liability insurance coverage certificate covering the agreement period, thereof indemnifying and specifically holding harmless the DISTRICT. Such certificate must satisfy and comply with the requests of the DISTRICT'S Risk Management Office.

X. INTERVENTIONS AND SANCTIONS:

- A. BAYCARE'S inability and/or refusal to comply with the terms of this agreement shall be considered a default. Only the Superintendent of schools may declare BAYCARE in default and the notice of such shall be sent via the United States Postal Service, certified mail, return receipt requested. Upon receipt of the Superintendents action, giving notice by United States



Postal Service certified mail, return receipt requested, the matter shall then be arbitrated. During arbitration BAYCARE'S educational programs shall continue, but the DISTRICT shall withhold payment. If the dispute is resolved in BAYCARE'S favor, all payments previously withheld shall be released. If resolved in the DISTRICT'S favor, all funds previously withheld shall be forfeited, and the agreement shall be immediately terminated. Dollars previously paid to BAYCARE may also be in jeopardy.

XI. COORDINATION (RESPONSIBLE POSITIONS):

- A. DISTRICT DESIGNEE; DISTRICT designee for the purposes of administering this agreement shall be the Superintendent of Schools. The Superintendent of schools shall assign a designated administrator for monitoring compliance and educational program administration.
- B. BAYCARE DESIGNEE: BAYCARE shall identify one person with whom the DISTRICT is to communicate on all compliance issues related to this agreement. BAYCARE, at its option, may designate another person with whom the DISTRICT is to communicate regarding; the operation of its educational program.

XII. FACILITIES:

- A. SAFETY REQUIREMENTS: The facility provider for BAYCARE shall comply with the facility safety requirements embodied in the State Uniform Building Code for Educational Facilities and the Department of Education's State Requirements for Educational Facilities.
- B. ADDRESS OF FACILITY
 - 1. The mailing address of the facility shall be: 7809 Massachusetts Avenue, New Port Richey FL 34653.
 - 2. The physical location of the facility shall be: 6205 Trouble Creek Road, New Port Richey, FL 34653
- C. SANITATION AND HEALTH CERTIFICATES: The host facility provider shall maintain current sanitation and health certificates, copies of which shall be provided to the DISTRICT.
- D. REQUIRED SETTINGS: The host facility shall provide classrooms with a minimum of adequate usable square feet per pupil. Instructional personnel must be provided with adequate space for a desk, file cabinets, instructional materials, and secured storage of DISTRICT owned equipment and confidential documents, such as tests and records. Additional space shall be provided for ESE/Section 504/ESOL staffing and psychological or other evaluations.
- E. BUILDING MAINTENANCE: The host facility provider shall maintain (in a state of good repair) all buildings used for the education, program. All damages by BAYCARE'S program shall be the responsibility of BAYCARE to repair.



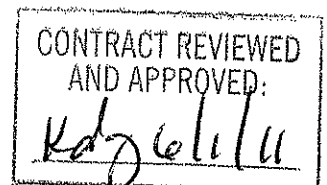
XIII. ADDITIONAL CONSIDERATIONS:

- A. SCHOOL ADVISORY COUNCIL: BAYCARE shall form a School Advisory Council as described by Florida statute; Membership shall be reported to the Contract Manager and to the DISTRICT'S School Improvement Contact The School Advisory Council shall report School Improvement Plan data to the School DISTRICT and to the school community as part of the end of the year evaluation and documentation of adequate progress. Failure to adhere to the timelines established by the DISTRICT'S calendar shall result in cancellation of this agreement.
- B. SCHOOL IMPROVEMENT PLAN: BAYCARE shall develop, implement, and monitor implementation of a School Improvement Plan, a described by Florida statute; The School Improvement Plan shall include reasonable and measurable objectives in the areas described by statute. The plan shall be submitted to the Contract Manager by the date, specified by the district for review and then approval by the DISTRICT. All School Improvement reports shall be completed as specified by the DISTRICT and forwarded to the Contract Manager. Failure to adhere to the timelines established by the DISTRICT calendar shall result in cancellation of this agreement.
- C. DEADLINES: Meeting established due dates and deadlines is Important to agreement compliance. If the BAYCARE anticipates the inability to meet a timeline, notice shall be provided to the Contract Manager with a request to revise the due date. Failure to meet deadlines may cause delay in the reimbursement process. Chronic failure in this area will be a consideration upon request for agreement renewal.
- D. COMPLIANCE MONITORING REVIEW: At the beginning of the agreement period, the Contract Manager shall conduct on-site visit to retrieve documents required to initiate compliance as needed. The visit will be scheduled in keeping with the requirements of the FLDOE Standards. At least once during the agreement period a monitoring review will be conducted by DISTRICT staff as needed. Advance notice of visits and focus will be provided. Following the monitoring visit(s), a draft report for response and comments, will be submitted to BAYCARE. A final report will then be issued. If findings require the development of a corrective action plan, timelines will be established. Compliance will be tracked to ensure that any findings are resolved according to timeline,

Other Provisions:

The staff of the School Board will be permitted to review the programs provided by BAYCARE and confer with its staff at reasonable times. Further, the District and BAYCARE agree to abide by all procedures and guidelines developed and mutually agreed upon by both parties regarding the implementation of this agreement.

BAYCARE shall provide written notification to the District School Board of Pasco County regarding any intentions to increase its youth capacity. Notifications must be received with a minimum of 90 days prior to any increases. In the event of an enrollment increase, BAYCARE shall provide adequate classroom space and all necessary equipment, textbooks, student's desks and other classroom equipment.



BAYCARE shall comply with all applicable laws, ordinances, codes, and statutes of any and all local, state, or national governing bodies included within this section. BAYCARE shall comply with the regulations of the Civil Rights Act of 1964, in which no person in the United States shall on the grounds of race, creed, color, or national origin be excluded from participation in or be denied the proceeds of, or be subject to discrimination in the performance of this Agreement. Also, all the funds, services, materials, property, etc. inclusive in this Agreement shall not be used in the performance of any partisan political activity or to further the election or defeat of any candidate for public office.

To the extent authorized by Florida law, the parties indemnify and hold harmless each other and/or all of it's officers, employees or agents from any and all suits, claims, demands, actions, causes of actions, judgment liability, loss damage, attorney's fees or court costs, which each party, it's officers, employees or agents may incur arising from the negligence of the other party during the performance of any provision of this agreement. Neither party shall assign this agreement; however, the parties may modify it in writing in mutual agreement.

This agreement is a three-year agreement, renewable annually by mutual agreement of both parties. The first year of the agreement covers the period of July 1, 2011 through June 30, 2012. This agreement and subsequent renewals will be subject to final approval by the School Board.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

DISTRICT SCHOOL BOARD OF
PASCO COUNTY

BAYCARE BEHAVIORAL HEALTH, INC.

Chairman
District School Board of Pasco County

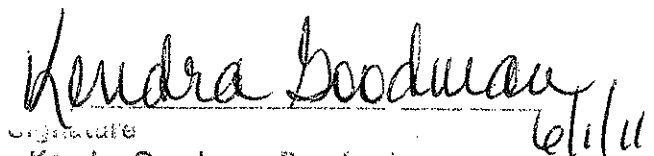


Executive Director
Baycare Behavioral Health, Inc.

Superintendent
District School Board of Pasco County



Witness



Kendra Goodman, Purchasing Agent
District School Board of Pasco County