

**BALL STATE UNIVERSITY
OFFICE OF CHARTER SCHOOLS’
POLICY REGARDING
ORGANIZER GOVERNANCE**

July 3, 2008

A. INTRODUCTION

At the time the Organizer submits its Proposal for sponsorship of a charter school pursuant to I.C. 20-24 to the Ball State Office of Charter Schools (“OCS”), it shall have complied with this OCS Policy Regarding Organizer Governance.

B. ORGANIZER GOVERNANCE

1. Corporate Structure and Bylaws

Pursuant to I.C. 20-24-1-7 and this Policy, all Organizers shall be properly incorporated as Indiana Nonprofit Corporations pursuant to I.C. 23-17 et seq. In addition to its Articles of Incorporation and evidence of incorporation from the Indiana Secretary of State, an Organizer shall also include proposed corporate bylaws with its Proposal. The Model Bylaws attached hereto and incorporated herein as Exhibit A represent corporate bylaws which contain provisions generally acceptable to OCS in most situations. An Organizer may submit proposed corporate bylaws containing provisions different from, or in addition to, those contained in Exhibit A for consideration by OCS. As part of the proposal process, OCS will evaluate such corporate bylaws differing from Exhibit A to determine if they are acceptable in whole or in part.

2. Internal Revenue Service Determination

Pursuant to I.C. 20-24-1-7(1), the Organizer shall have been determined by the United States Internal Revenue Service (“IRS”) to be operating under Section 501(c)(3) status, or shall have applied for such determination. An Organizer shall include with its Proposal the following: (a) the formal IRS determination of Section 501(c)(3) status; (b) a complete copy of its Form 1023 application submitted to the IRS; and (c) evidence of submission of the Form 1023 to the IRS if a formal determination of the Organizer’s nonprofit status has not yet been completed by the IRS.

3. Education Management Organizations

An Organizer which contracts with an education management organization shall include with its Proposal a signed copy of its contemplated contract with the educational management organization. The terms of this contract shall comply with Ball State University’s Office of Charter Schools Guidelines and Policy for Contracting with

an Educational Management Organization. Moreover, contracting with an educational management organization shall not relieve an Organizer of its statutory obligations under I.C. 20-24 or of its responsibility to comply with this Policy Regarding Organizer Governance.

4. Compliance

Effective July 1, 2008, prospective charter schools seeking to be sponsored by Ball State University shall comply with all provisions of this Policy. As to existing charter schools currently sponsored by Ball State University, the Organizers currently must be in compliance with Sections 2 and 3 of this Policy, and shall be in compliance with this Section 1 of the Policy at the time of charter renewal.