
2011 School FIRST for Charter Schools

Per 19 TAC 109.1002 (e)

for Fiscal Year 2009-2010

CDNumber 057807 Charter School: LIFE SCHOOL

Charter Holder: LifeSchool of Dallas

(A) The annual financial audit report was received within 180 days after close of fiscal year. Yes

Fiscal Year August 31 Date Due: 2/27/2011 Date Received: 1/25/2011

(B) The annual financial audit report indicates assets \geq 80% of liabilities. Yes

Total Assets: \$37,686,165

Total Liabilities: \$27,792,915

80 percent of Total Liabilities: \$22,234,332

Excess Assets over Liabilities: \$15,451,833

(C) The annual financial audit report did not indicate a qualified or adverse opinion or an opinion disclaimed because of a scope limitation Yes

Rating Issued

STANDARD ACHIEVEMENT

* In order to achieve a "Standard Achievement", the charter school must receive a "Yes" on all of the above indicators. The rating is "Substandard Achievement" if the charter school receives a "No" on any of the above indicators. If no audit report is received, the rating is "Suspended-Data Quality".

Life School FIRST Annual Financial Management Report - 2010

CHARTER DISTRICT

Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System, Section 109.1005. Amended to be effective 2/3/11.

Chancellor's and Executive Superintendent's Current Employment Contract

A copy of the superintendent's current employment contract at the time of the School FIRST hearing is to be provided. In lieu of publication in the annual School FIRST financial management report, the charter school may choose to publish the superintendent's employment contract on the charter school's Internet site. If published on the Internet, the contract is to remain accessible for twelve months.

Reimbursements Received by the Chancellor, Executive Superintendent and Board Members

For the Twelve-Month Period
Ended August 31, 2010

Description of Reimbursements	Dr. Tom Wilson	Brent Wilson	Justin Lathrop	Sharon Williams	Christopher Clemmons	Ruben Martinez	Dr. Matt Moreland	Cara Railey	Theo Washington
Meals	2491.73	244.61	108.34	0.00	0.00	40.27	0.00	0.00	0.00
Lodging	2373.29	218.11	315.88	0.00	0.00	342.72	0.00	0.00	0.00
Transportation	956.61	177.61	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Motor Fuel	207.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	1256.41	4.54	542.48	0.00	0.00	542.48	0.00	0.00	0.00
Total	\$ 7,285.48	\$ 644.87	\$ 966.70	\$ -	\$ -	\$ 925.47	\$ -	\$ -	\$ -

All "reimbursements" expenses, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order are to be reported. Items to be reported per category include:
 Meals - Meals consumed out of town, and in geographic-boundary meals at area restaurants (outside of board meetings, excludes catered board meeting meals).
 Lodging - Hotel charges.
 Transportation - Airfare, car rental (can include fuel on rental, taxis, mileage reimbursements, leased cars, parking and tolls).
 Motor fuel - Gasoline.
 Other: - Registration fees, telephone/cell phone, internet service, fax machine, and other reimbursements (or on-behalf of) to the superintendent and board member not defined above.

Summary Schedule of Data Submitted under the Financial Solvency Provisions of TEC §39.0822

General Fund - First-Quarter Expenses By Object Code

Report 2010-2011 first-quarter (first three months of fiscal year 2010-2011) NET ASSETS expenses by object code using whole numbers.

Payroll- Expenses for payroll costs	object codes 6110-6149	\$ 4,003,515.00
Contract Costs- Expenses for services rendered by firms, individuals, and other organizations	object code series 6200	\$ 1,791,856.00
Supplies and Materials- Expenses for supplies and materials necessary to maintain and/or operate furniture, computers, equipment, vehicles, grounds, and facilities	object code series 6300	\$ 527,709.00
Other Operating- Expenses for items other than payroll, professional and contracted services, supplies and materials, debt service, and capital outlay	object code series 6400	\$ 174,699.00
Debt Service- Expenses for debt service	object code series 6500	\$ 92,361.00
Capital Outlay- Expenses for land, buildings, and equipment	object code series 1500	\$ 9,747,240.00

Additional Financial Solvency Questions

1) At any time in the last two years, has your charter school borrowed funds to pay for operating expenses without repaying these funds within 12 months from the time that they were borrowed?

Yes _____ No X

2) Has the charter school declared bankruptcy within the past two years?

Yes _____ No X

3) Provide comments or explanations for WADA-to-staff ratios outside of the norm, rapid depletion of net asset balances, or any significant discrepancies between actual budget figures and projected revenues and expenses, or any other information that may be helpful in evaluating the charter school's financial solvency.

<u>Ratio</u>	<u>85% of Mean WADA-to-ALL STAFF</u>	<u>STAFF Ratio</u>	<u>Charter School Size</u>
12.87	10.94	Under 100	
12.93	10.99	100 to 249	
14.25	12.11	250 to 499	
15.16	12.89	500 to 999	
14.92	12.68	1,000 to 1,599	
15.56	13.22	1,600 to 2,999	
16.32	13.87	3,000 to 4,999	
16.96	14.42	5,000 to 9,999	

All staff to WADA = 13.21 (4793.810/363) Only full time staff to WADA = 15.03 (4793.810/319)

4) How many executive directors/superintendents has your charter school had in the last three years? _____ 2

5) How many business managers has your charter school had in the last three years? _____ 1

**LIFE SCHOOL
CHANCELLOR'S CONTRACT**

THE STATE OF TEXAS

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COUNTY OF DALLAS

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This Contract is entered into by and between the Governance Board ("the Board") of Life School ("the School"), and Tom Wilson ("the Chancellor").

WHEREAS, the Board desires to provide the Chancellor with a written Employment Contract (the "Contract") in order to enhance administrative stability and continuity within the School, which the Board believes generally improves the quality of its overall education program; and

WHEREAS, the Board and the Chancellor believe that a written Employment Contract is necessary to describe specifically their relationship, and to serve as the basis of effective communication between them;

NOW, THEREFORE, the Board and the Chancellor, for the consideration herein specified, agree as follows:

I. Term

1.1 The Board hereby agrees to employ the Chancellor as Chancellor for the School for a term commencing on 28th day of July, 2010 and ending on the 28th day of July, 2015, unless terminated earlier by mutual consent of both parties, or as otherwise permitted under this Contract. Each school year shall require a minimum of 224 days of service. This agreement is subject to and conditioned on Life School's anticipated charter renewal in 2013 and on continued funding and appropriations by the State of Texas for Life School's charter.

1.2 The Board has not adopted any policy, rule, regulation, or practice providing for tenure. No right of tenure is created by this Contract. No property interest, express or implied, is created in continued employment beyond the Contract term.

II. Employment

2.1 The Chancellor is the Chief Executive Officer of the School's charter holder, and shall faithfully perform the duties of the Chancellor, as prescribed in a job description for that position, and/or as may be described in the School's Charter, which may be amended from time to time, and as may be assigned by action of the Board, and shall comply with all Board directives, state and federal law, School policy, rules, regulations and the School's charter, as they exist or may be amended. The Chancellor shall perform his duties with care, diligence, skill, and expertise, and shall devote substantially all of his time, skill, labor, and attention to his employment and the performance of his duties during the term of this Contract.

2.2 The Chancellor shall be permitted to attend all meetings of the Board, both public and closed, with the exception of those closed meetings involving the consideration or discussion of any action on the Chancellor's Contract, evaluation of the Chancellor's performance or the Chancellor's salary, terms or benefits of employment, as set forth in this Contract. The Chancellor may also be excused by the Chairman of the Board from such meetings where the Board is meeting to resolve internal Board conflicts, or when the Board is acting in its capacity as a tribunal.

2.3 The Board, individually and collectively, shall refer all substantive criticisms, complaints, and suggestions called to the Board's attention to the Chancellor or his designee

for study and appropriate action, and the Chancellor shall either investigate or designate appropriate staff to investigate such matters and inform the Board of the results of such action, if any.

2.4 Throughout the term of this Contract, the Chancellor shall conduct himself in accordance with Board policy and directives, the Code of Ethics of the American Association of School Administrators, and the Code of Ethics and Standard Practices for Texas Educators, as such may be amended.

2.5 The Chancellor cannot be reassigned from the position of Chancellor to another position without the Chancellor's express written consent.

2.6 The School does hereby agree to defend, hold harmless, and indemnify Chancellor from any and all demands, claims, suits, actions, judgments, expenses and attorneys' fees incurred in any legal proceedings brought against him in his individual or official capacity as an employee and as Chancellor of the School, providing the incident(s), which is (are) the basis of any such demand, claim, suits, actions, judgments, expenses and attorneys' fees, arose or does arise in the future from an act or omission of the Chancellor as an employee of the School, acting within the course and scope of his employment with the School; excluding, however, any such demand, claim, suits, actions, judgments, expenses and attorneys' fees for those claims or any causes of action where it is determined that the Chancellor willfully committed a wrongful act or omission, or an act or omission constituting gross negligence, or acted in bad faith; and excluding any costs, fees, expenses or damages that would be recoverable or payable under an insurance contract, held either by the School or by the Chancellor. The selection of the Chancellor's legal counsel shall be

with the mutual agreement of the Chancellor and the School if such legal counsel is not also the School's legal counsel. A legal defense may be provided through insurance coverage, in which case the Chancellor's right to agree to legal counsel provided for him will be that of the terms of the applicable insurance contract. The provisions of this section shall survive the termination of this Contract.

III. Compensation

3.1 The School shall pay the Chancellor an annual salary of Two Hundred Fifty Thousand and No/100 Dollars (\$250,000.00), to be paid in installments of one-twelfth (1/12th) of the total annual salary, on the last workday of each month, for his services rendered during the preceding month, or in accordance with the schedule of salary payments in effect for other employees, at the option of the Chancellor.

3.2 The School shall pay for and provide health insurance benefits to the Chancellor and his dependents. The benefits shall be the standard health insurance benefits provided to other professional employees of the School.

3.3 In further addition to the compensation provided in 3.1 above, the School shall, for the duration of this Contract, provide the Chancellor with a cell phone allowance and laptop computer with unrestricted local and national access for both professional and personal use.

3.4 The Chancellor shall devote his time, attention and energy to the development, direction and promotion of the School. The Board, however, encourages the continued professional growth of the Chancellor through his active attendance at, and participation in, appropriate professional meetings at the local, regional, state, and national levels. The Board

shall encourage the use of data and information sources, and shall encourage the membership and participation of the Chancellor in pertinent associations, education seminars, conferences, and courses as well as participation in informational meetings with those individuals whose particular skills, expertise, or backgrounds would serve to improve the capacity of the Chancellor to perform his professional responsibilities for the School. In its encouragement of the Chancellor to grow professionally, he shall devote a reasonable amount of time to attend such seminars, courses, conferences or meetings at the Chancellor's discretion.

3.5 The Chancellor shall be required to comply with the requirements contained in Chapter 19 of the Texas Administrative Code §100.1103, pertaining to training for Chief Executive Officers of open-enrollment charter schools at the expense of the School.

IV. Annual Performance Goals

4.1 The Board will conduct annual evaluations of the Chancellor based on a list of goals for the School developed by the Chancellor, and approved by the Board.

V. Renewal and Termination of Employment Contract

5.1 Unless action is taken otherwise by the Board, this Contract shall be automatically renewed for an additional year upon its anniversary date.

5.2 This Contract shall be terminated by the mutual agreement of the Chancellor and the Board, in writing, upon such terms and conditions as may be mutually agreed upon, or upon the retirement or death of the Chancellor.

5.3 The Board may dismiss the Chancellor during the term of this Contract for good cause.

5.4 In the event the Board determines that this Contract should be terminated for good cause before its term expires, the Chancellor shall be afforded reasonable notice and an opportunity to appear before the Board, at which time the Board shall demonstrate its cause(s), and the Chancellor may offer evidence and argument in rebuttal. This opportunity to appear does not limit or restrict either party's right to bring any action to enforce or interpret this Contract in a court of law or equity with appropriate jurisdiction.

5.5 The Parties understand and agree that the familial ties of the Chancellor to the current Executive Superintendent supervised by the Chancellor, while serving as a member of the governance Board is permitted under current Texas law as a result of the academic success of the School. The Parties further agree and understand that future disqualification for this legal exception will terminate or modify this Contract to the extent required by law.

VI. Miscellaneous

6.1 This Contract shall be governed by the laws of the State of Texas, and shall be performable in Dallas County, Texas, unless otherwise provided by law.

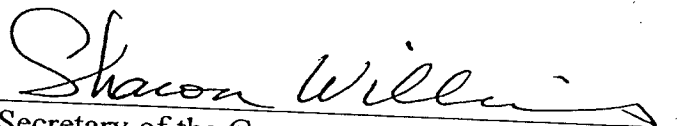
6.2 This Contract embodies the entire agreement between the parties hereto, and cannot be varied except by written agreement of the undersigned parties.

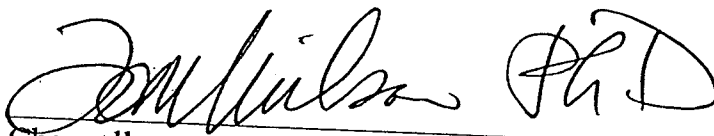
6.3 In the event any one or more of the provisions contained in this Contract shall, for any reason, be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. All existing agreements and contracts, both verbal and written, between the parties hereto regarding the employment of the Chancellor have been superseded by this Contract,

and this Contract constitutes the entire agreement between the parties, unless amended pursuant to the terms of this Contract.

6.4 This Contract is subject to and conditioned upon the Texas Commissioner of Education's approval of the School's charter amendments reorganizing the School's governance/administration, to be submitted to the Commissioner within fourteen (14) days of the approval of this Contract.

Approved by action of the Governance Board of Life School at a lawfully called meeting on the 28th day of July, 2010 and EXECUTED in triplicate originals by the last party to sign on the 28th day of July, 2010.


Secretary of the Governance Board of
Life School


Chancellor

**LIFE SCHOOL
EXECUTIVE SUPERINTENDENT'S CONTRACT**

THE STATE OF TEXAS

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COUNTY OF DALLAS

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This Contract is entered into by and between the Governance Board ("the Board") of Life School ("the School"), and Brent Wilson ("Executive Superintendent").

WHEREAS, the Board desires to provide the Executive Superintendent with a written Employment Contract in order to enhance administrative stability and continuity within the School, which the Board believes generally improves the quality of its overall education program; and

WHEREAS, the Board and the Executive Superintendent believe that a written Employment Contract is necessary to describe specifically their relationship, and to serve as the basis of effective communication between them;

NOW, THEREFORE, the Board and the Executive Superintendent, for the consideration herein specified, agree as follows:

I. Term

1.1 The Board hereby agrees to employ the Executive Superintendent for a term commencing on the 28th day of July, 2010 and ending on the 28th day of July, 2012, unless terminated earlier by mutual consent of both parties, or as otherwise permitted under this Contract. Each school year shall require a minimum of 224 days of service.

1.2 The Board has not adopted any policy, rule, regulation, or practice providing for tenure. No right of tenure is created by this Contract. No property interest, express or implied, is created in continued employment beyond the Contract term.

II. Employment

2.1 The Executive Superintendent is the educational leader of the School, and shall faithfully perform the duties of the Executive Superintendent, as prescribed in a job description for that position, and/or as may be described in the School's charter, which duties may be amended from time to time, and as may be assigned by action of the Chancellor and/or the Board, and shall comply with all superior directives, state and federal law, School policy, rules, regulations and the School's Charter, as they exist or may be hereafter amended. The Executive Superintendent shall report directly to the Chancellor, managing day to day operations of the School, organizing the School's central administration, selecting and assigning School employees and officers (subject to approval of the Chancellor and/or the Board), and performing all other assigned duties. The Executive Superintendent shall perform his duties with care, diligence, skill, and expertise, and shall devote substantially all of his time, skill, labor, and attention to his employment and the performance of his duties during the term of this Contract.

2.2 Pursuant to the School Charter, the Executive Superintendent shall serve as the Board President, and shall attend all meetings of the Board, both public and closed, with the exception of those closed meetings devoted to the consideration of any action or lack of action on the Executive Superintendent's Contract, or the Executive Superintendent's salary and benefits, as set forth in this Contract, or the Executive Superintendent's evaluation, or

for the purposes of resolving conflicts between individual Board members, or when the Board is acting in its capacity as a tribunal.

2.3 Throughout the term of this Contract, the Executive Superintendent shall conduct himself in accordance with Board policy and directives, the Code of Ethics of the American Association of School Administrators, and the Code of Ethics and Standard Practices for Texas Educators, as such may be amended.

2.4 The School does hereby agree to defend, hold harmless, and indemnify the Executive Superintendent from any and all demands, claims, suits, actions, judgments, expenses and attorneys' fees incurred in any legal proceedings brought against him in his individual or official capacity as an employee, and as Executive Superintendent of the School, providing the incident(s) which is (are) the basis of any such demand, claim, suits, actions, judgments, expenses and attorneys' fees, arose or does arise in the future from an act or omission of the Executive Superintendent as an employee of the School, acting within the course and scope of his employment with the School; excluding, however, any such demand, claim, suits, actions, judgments, expenses and attorneys' fees for those claims or any causes of action where it is determined that the Executive Superintendent committed a willfully wrongful act or omission, or an act or omission constituting gross negligence, or acted in bad faith; and excluding any costs, fees, expenses or damages that would be recoverable or payable under an insurance contract, held either by the School or by the Executive Superintendent. Selection of the Executive Superintendent's legal counsel shall be with the mutual agreement of the Executive Superintendent and the School if such legal counsel is not also the School's legal counsel. A legal defense may be provided through insurance

coverage, in which case the Executive Superintendent's right to agree to legal counsel provided for him will be that of the terms of the applicable insurance contract. The provisions of this section shall survive the termination of this Contract.

III. Compensation

3.1 The School shall pay the Executive Superintendent an annual salary of One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00), to be paid in installments of one-twelfth (1/12th) of the total annual salary, on the last workday of each month, for his services rendered during the preceding month, or in accordance with the schedule of salary payments in effect for other employees, at the option of the Executive Superintendent.

3.2 The School shall pay for and provide health insurance benefits to the Executive Superintendent and his dependents. The benefits shall be the standard health insurance benefits provided to other professional employees of the School.

3.3 In further addition to the compensation provided in 3.1 above, the School shall, for the duration of this Contract, provide the Executive Superintendent with a cell phone allowance and laptop computer with unrestricted local and national access for both professional and personal use.

3.4 The Executive Superintendent shall devote his time, attention and energy to the direction, administration, and supervision of the School. The Board, however, encourages the continued professional growth of the Executive Superintendent through his active attendance at, and participation in, appropriate professional meetings at the local, regional, state, and national levels as approved by the Board.

3.5 The Executive Superintendent shall comply with the requirements contained in Chapter 19 of the Texas Administrative Code § 100.1103, pertaining to training for central administrative officers of open-enrollment charter schools at the expense of the School.

IV. Renewal and Termination of Employment Contract

4.1 This Contract shall be terminated by the mutual agreement of the Executive Superintendent and the Board, in writing, upon such terms and conditions as may be mutually agreed upon, or upon the retirement or death of the Executive Superintendent.

4.2 The Board may dismiss the Executive Superintendent during the term of this Contract for good cause.

4.3 In the event the Board determines that this Contract should be terminated for good cause before its term expires, the Executive Superintendent shall be afforded reasonable notice and an opportunity to appear before the Board, at which time the Board shall demonstrate its cause(s), and the Executive Superintendent may offer evidence and argument in rebuttal. This opportunity to appear does not limit or restrict either party's right to bring any action to enforce or interpret this Contract in a court of law or equity with appropriate jurisdiction.

4.4 The parties understand and agree that despite familial ties of the Executive Superintendent to the current Chancellor, and notwithstanding other potential legal impediments to dual service of the Executive Superintendent as both a School employee and Board President, under current Texas law, the academic success of the School and state law permits these dual roles and familial ties to exist at this time. The parties

further agree and understand that future disqualification under the law may terminate or modify this Agreement to the extent required by law.

V. Miscellaneous

5.1 This Contract shall be governed by the laws of the State of Texas, and shall be performable in Dallas County, Texas, unless otherwise provided by law.

5.2 This Contract embodies the entire agreement between the parties hereto, and cannot be varied except by written agreement of the undersigned parties.

5.3 In the event any one or more of the provisions contained in this Contract shall, for any reason, be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. All existing agreements and contracts, both verbal and written, between the parties hereto regarding the employment of the Executive Superintendent have been superseded by this Contract, and this Contract constitutes the entire agreement between the parties, unless amended pursuant to the terms of this Contract.

5.4 This Contract is subject to and conditioned upon the Texas Commissioner of Education's approval of the School's charter amendments reorganizing the School's governance/administration, to be submitted to the Commissioner within fourteen (14) days of the approval of this Contract.

Approved by action of the Governance Board of Life School at a lawfully called meeting on the 28th day of July, 2010 and EXECUTED in triplicate originals by the last party to sign on the 28th day of July, 2010.

Sharon Williams

Secretary of the Governance Board of
Life School

Brent Hill

Executive Superintendent