

## **Exhibit R - Institutional Partnership Agreement**

### **The Ross Institute for Advanced Study and Innovation in Education**

December 23, 2005

Megan Silander  
Ross Global Academy Charter School  
560 Broadway, Suite 301  
New York, NY 10012

Dear Megan:

The Ross Institute for Advanced Study and Innovation in Education (the "Ross Institute") is committed to being the Institutional Partner of the Ross Global Academy Charter School (the "Ross Global Academy") as described in detail below. The Ross Institute is uniquely positioned to educate teachers in best practices and applied theory for 21<sup>st</sup> century education. The Ross Institute provides professional development in such areas in a variety of formats for pre-service and in-service educators.

We have outlined below the terms of the Institutional Partnership between the Ross Institute and the Ross Global Academy.

1. The contact person at the Ross Institute shall be

Scott Runyon, Executive Assistant to the Founder  
560 Broadway, Suite 301  
New York, NY 10012  
646-613-8303 (t)  
646-613-9081 (f)  
[srunyon@rossinstitute.org](mailto:srunyon@rossinstitute.org)

2. The Ross Institute is a New York not-for-profit corporation. A copy of the Ross Institute's Certificate of Incorporation is attached hereto as Exhibit R-1
3. The Ross Institute is exempt from Federal income tax as a Code Section 501(c)(3) organization. A copy of the Ross Institute's IRS determination letter is attached hereto as Exhibit R-2.
4. A copy of the Ross Institute's most recent annual report is attached hereto as Exhibit R-3.
5. As Institutional Partner, the Ross Institute will furnish Ross Global Academy with the following services:

- Training and mentoring of Ross Global Academy teaching staff in content, process and best practices central to the Ross Model of teaching, including workshops, in-service experiences and other opportunities to enable Ross Global Academy staff to implement and operate a Ross Model school
- License to use Ross Model curriculum and exemplars as described in detail in paragraph 10, below
- Access to Ross Institute's scholars and teacher mentors for professional development
- Opportunities to participate in activities with other Ross Model teachers and students through exchanges, videoconferences and other project-based learning experiences
- A credit line of up to \$632,500 from Ross Institute to provide operating funds to the extent needed during the Start-Up Year and Years 1 (July 1, 2006 through June 30, 2007) and 2 (July 1, 2007 through June 30, 2008) of operations. This line of credit may be used only to fund operational costs associated with delivering the instructional program and not to fund the cost of facilities. Mrs. Ross has provided a personal guaranty of the availability of the full amount of the \$632,500 credit line to Ross Global Academy. All loans taken under the credit line will be provided at an annual interest rate of 5%. Interest payments on the loan must begin in Year 1. It is expected that no additional loans will be needed after Year 2. Therefore, a repayment loan amortization schedule has been prepared that assumes a minimum annual payment of \$75,000 over a ten-year period beginning in Year 3 (interest payments are expected in Years 1 and 2). The charter school's current budgets do not include anticipated additional resources from fundraising and grants. Any fundraising and grants received by Ross Global Academy Charter School will be used to reduce, to the extent possible, the amount needed from the Ross Institute (i.e., fundraising and grant efforts will focus on covering program expenses). The 10-year loan repayment schedule will remain in force regardless of whether the Institutional Partnership Agreement continues. If the charter expires or is not renewed following the initial five year charter or at any time thereafter, the loan shall be accelerated and the full balance shall be due and payable immediately. Notwithstanding the foregoing, it is the intention of the Ross Institute to assist the charter school through the initial five year charter and through extensions of the charter to the point of sustainability.

6. The Ross Institute will conduct an annual review of the Ross Global Academy to assure that it embodies or is developing the core elements of a Ross Model school. During the first year of the Institutional Partnership, a team from Ross Institute and the Ross Global Academy will design a mutually acceptable set of standards and a time frame that reflect how the Ross Model will be implemented at the Ross Global Academy. In its annual review, the Institute will assess the extent to which the Ross Global Academy is meeting such standards.

7. The Board of Trustees of the Ross Global Academy will conduct an annual review of the services furnished by the Ross Institute. Such review will include, but not be limited to, feedback from faculty about services provided, analysis of value added as a result of these services, assessment of the extent to which Ross Global Academy is meeting the performance goals described above and identification of the contributions of the Ross Institute to the performance of Ross Global Academy.

8. In exchange for the professional services described above and the use of the Ross Institute's intellectual property as described in paragraph 10, below, Ross Global Academy will compensate the Institute in the form of fees intended to cover the costs of the Institute of providing such services and materials. As reflected in the Start-Up and Five-Year Budget, these fees will range from \$182,404 in the Start-Up Year to \$318,750 in Years 4 and 5, for an average annual fee of \$249,151 through the initial five-year charter period.

9. Ross Global Academy agrees that, from time to time, it will accommodate educators, public officials and other visitors who wish to learn more about the adaptation of the Ross Model to an urban, public school in New York City.

10. Ross Institute will grant Ross Global Academy a nonexclusive license to its curriculum builder (software application and the curriculum contained in it) ("Work"), for use only by the Ross Global Academy's teachers and only in connection with educational activities associated with Ross Global Academy on the condition that any derivative works created during the use of the Work are assigned back to Ross Institute (but made available to the Ross Global Academy under the license). Ross Institute retains all rights in the Work, and reserves the right to exercise rights in it by licensing other institutions.

11. For so long as Ross Institute is associated with Ross Global Academy and Ross Global Academy meets the standards described in paragraph 6, Ross Institute will also grant Ross Global Academy a non-exclusive license to use the service mark ROSS GLOBAL ACADEMY as part of its name.

12. While Ross Institute will train and mentor the faculty at Ross Global Academy in the content and best practices central to the Ross Model, Ross Institute retains ownership of the content of the materials and workshops used to teach the Ross Model and the means of implementing the leadership training for administrators and teachers who implement the Ross Model.

13. Ross Institute warrants and represents that it is the sole author of the Work or that it has obtained rights for any third-party material contained in the Work; this commitment letter does not violate any other agreement regarding the licensed rights in the Work; the Work does not infringe any copyright, trademark, or other proprietary right of any third-party; the Work does not invade the right of privacy or publicity of any third party; nor does it contain any matter which is libelous of any third party. Ross Institute agrees to indemnify, defend, and hold the Ross Global Academy harmless from any claims, losses, damages, expenses, and costs

(including reasonable attorney's fees) arising from or related to any third-party claim which, if true, would amount to a breach of the foregoing warranties and representations, so long as the Ross Global Academy cooperates (at the Ross Institute's expense) in the defense of the Ross Global Academy. The Ross Global Academy may participate in the defense with its own counsel (at the Ross Global Academy's expense). The Ross Institute will not settle or take any other action that binds the Ross Global Academy without the Ross Global Academy's consent, which the Ross Global Academy shall not unreasonably withhold.

14. This agreement shall remain in effect through the period of the first five years of operations, beginning on the date of the charter authorization and ending on June 30, 2011. The agreement shall then be automatically renewed unless, within ten days following the end of the term, either party provides thirty days' written notice of its intention to terminate.

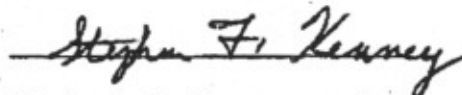
15. The Ross Institute will not participate in the management of the Ross Global Academy, will not act as a management company for the Ross Global Academy and nothing contained herein shall be interpreted as such.

If you agree to the terms of this letter, please sign the acknowledgment below.

Sincerely,

THE ROSS INSTITUTE FOR ADVANCED  
STUDY AND INNOVATION IN EDUCATION

By:



[Authorized officer or agent]

Accepted and Agreed to this  
23 day of December, 2005

  
Megan Silander

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December 9, 2005

Ms. Shelia Evans-Tranumn, Associate Commissioner  
Office of School Improvement and Community Services  
55 Hanson Place, Room 400  
Brooklyn, NY 11217

Dear Ms. Evans-Tranumn:

Fifteen years ago, I founded Ross School in East Hampton, NY to serve as an incubator for a scalable education model that would address the challenges facing public education. Since its founding, the School has benefited from the involvement of leading scholars of education, as well as applied developments in technology to create a unique learning environment. After creating and refining the Ross Model, we are prepared to introduce and adapt our methods into an urban environment in the United States. Ross Global Academy Charter School will soon become a reality, and both the Ross Institute and Ross School are committed to ensuring its success.

As the Institute's first charter school, Ross Global Academy Charter School plays a critical role in demonstrating the potential for Ross Model's effectiveness in an urban, public setting. We know that the Ross Model can succeed in educating a student population that is diverse in academic preparation, learning style, culture and language given our work with existing Ross School students and work with Tensta Gymnasium in Stockholm, Sweden. Tensta Gymnasium provided us with our first opportunity to take the Ross Model to public education. Serving a vibrant, multicultural student body that is 80% immigrant and refugee in origin, Tensta was selected to adopt the Ross Model as part of an approach to revitalize the school, increase attendance and improve the quality of student learning. The early indications are that the Ross Model has been extremely well received, and has resulted in dramatic improvements across a range of performance measurement criteria including enrollment levels student academic performance, quality of professional development and teaching, level of technology application, and functionality of physical space.

We have spent this year working with New York University and Ross School faculty and staff to design, plan and propose how this model will be adapted in New York City. Our work culminated in the charter application for Ross Global Academy Charter School that was approved by New York City Department of Education for submission to the New York State Board of Regents for final approval. However, the real work of making this a reality is just beginning. I am writing this letter to clarify that my motivation for working daily to make Ross Global Academy Charter School a success is unwavering and is part of my long-standing commitment to transforming public education by example. This is the task that engaged me fifteen years ago and one that I maintain is of foremost importance.

In order for the Charter School to thrive beyond its development phase, we must draw upon what we have learned at Ross School about sustainability. It is critical to create a feasible strategic plan that includes varied sources of funding. In fact, we believe this is so important; we have made sustainability an element of the Ross Model. The development plan we are creating for the Ross Global Academy Charter School will include varied sources for fund raising with the purpose of diversifying fundraising potential and income. Federal, state and municipal funding will play a key role during the development phase, but the plan will also seek support from individuals and private and corporate foundations. The

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Ross Institute's development arm is working hand-in-hand with key members of the charter school's Design Team and Board to assist and support the efforts of Ross Global Academy Charter School during this critical phase.

As an additional assurance that the Charter School will come to fruition, I agree to personally guarantee the performance of the following services and financial commitments to be provided by Ross Institute, to the extent that the Ross Institute is unable to perform any such obligation: up to \$410,000 of personnel services over the first two years, as well as \$80,000 toward salary and benefits for the President and Director during the planning year prior to the opening of the Charter School, and a credit facility of up to \$632,500 over the first five years of the scale up of the Charter School. I expect that my guarantee obligations will cease upon a demonstration, to the reasonable satisfaction of the Board of Regents, that Ross Institute is an effective going concern.

Through the hard work and dedication of the faculty, staff and leadership of Ross School, Ross Institute and concerned individuals from our network, we believe that we have created a necessary and meaningful option for public education. There can be no stronger commitment to Ross Global Academy Charter School than that of those who have given so much of their time, knowledge and resources to developing the Ross Model. Our goal is not only to see New York City's Ross Global Academy succeed in its own right, but also to ensure that is the first in a network of Ross Global Academies.

Sincerely,



Courtney Sale Ross

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## **Overview**

### **Ross Institute Investment in and Commitment to Ross Global Academy Charter School**

#### **Charter Application Process and Ross Global Academy Charter School Design and Planning (\$410,374)**

Ross Institute has fully supported the design and planning for Ross Global Academy Charter School and the preparation of the Concept Paper, Charter Application and all follow-up documentation.

- 75% of two Ross Institute staff members assigned to the design and development of Ross Global Academy Charter School with primary responsibility for managing the charter application process and documentation and coordinating implementation plan for the Charter School once approval is granted. Ongoing support to be redistributed as needed in subsequent years. \$162,187 each year for two years: **\$324,374.**
- Financial and Development support of Ross Global Academy at 10% of staff in these departments for planning year and first year of operation. Ongoing support to be evaluated and distributed as needed in subsequent years. \$38,750 each year for two years: **\$77,500.**
- Materials, photocopying and mailing costs associated with preparation of charter application and all follow up documents: **\$5,000.** This cost is ongoing through planning year.
- Recruitment efforts: Ross Institute is supporting the costs associated with recruitment (advertising, mailing and developing a web site) for Ross Global Academy Charter School and has spent approximately **\$3,500** to date. This cost is ongoing through the recruitment cycle during the planning year.

#### **Ross Institute Grant: Leadership Positions for Planning Year (\$80,000)**

Ross Institute has donated **\$80,000** toward salary and benefits for the President and Director during the planning year prior to the opening of the School. This allowed Ross Global Academy Charter School to hire both of these positions in the planning year and bring the leadership team on board at the same time.

#### **Ross Institute Loan: Operations**

Ross Institute commits to loan Ross Global Academy Charter School **\$632,500** over the first five years of the scale up of the Charter School. This represents a significant commitment to the development and success of Ross Global Academy Charter School, as repayment of this loan amount to Ross Institute is dependent on the School's student performance and overall sustainability through development initiatives.

#### **Development of Ross Model**

Over the past 15 years Ross Institute has invested in the development of the Ross model, incubating it at Ross School and piloting adaptations of the model in public school locations such as Tensta Gymnasium in Stockholm, Sweden. We estimate that the costs associated with developing and adapting this model to serve public education in the form of the proposed Charter School are in the tens of millions of dollars. This substantial investment represents not only our commitment to Ross Global Academy Charter School and the underpinning ideas upon which it is designed, but also our stake in its success.

- Development of globally-based K-12 curriculum in all disciplines with an interdisciplinary approach to developing in students the integrated understandings necessary for intercultural understanding, critical thinking and problem solving. This curriculum is aligned to meet or exceed New York State standards.
- Development of a pedagogical approach that supports the philosophy of the Ross model and the commitment to success for all students.
- Funding for scholars and mentors to design aspects of curriculum and work with teachers to provide authentic implementation opportunities.
- Development of core faculty who are well-versed in teaching variety of students using this model. They are ready to serve as mentors and critical friends, guiding faculty who are new to the Ross model.

#### **Institutional Advancement and Fundraising**

Ross Institute will provide Ross Global Academy Charter School with fundraising and development support in its role as institutional partner.

- Ross Institute grant writer has undertaken substantial research in search of grants and awards that are in alignment with Ross Global Academy needs and philosophy. Upon approval we will begin the process of applying for these grants. In preparation for this, the grant writer has worked extensively with Ross Institute CFO to prepare case statements for use with future development work on behalf of Ross Global Academy.
- Ross Institute has submitted, on behalf of Ross Global Academy, a grant for \$50,000 to NYC Center for Charter School Excellence.

**Governance Expertise and Guidance**

- Ross Institute will assist Ross Global Academy in building a strong and supportive board and facilitating training of the Board as necessary to enhance the capacity and commitment.

**Research**

- Ross Institute will coordinate implementation of research about best practices.
- Ross Institute serves as the catalytic agent for Ross Institute Consortium, which joins scholars from several partnering institutions including New York University, University of Southern California, University of Pennsylvania and the State University of New York.

**Guaranty**

- Courtney Sale Ross agrees to absolutely, unconditionally and irrevocably guarantee the performance of the following services and financial commitment made hereunder, to the extent that the Ross Institute is unable to perform any such obligation, pursuant to a fully negotiated Guaranty Agreement to be entered into among the parties:
- Up to **\$410,000** of personnel services over the next two years, as well as **\$80,000** toward salary and benefits for the President and Director during the planning year prior to the opening of the School
- Provide a credit line of up to **\$632,500** over the first five years of the scale up of the Charter School.
- Courtney Sale Ross' guarantee obligations shall cease upon a demonstration to the reasonable satisfaction of the Board of Regents that the Ross Institute is an effective going concern.