SERVICES CONTRACT

THIS SERVICES CONTRACT ("Contract") is made as of this April 19, 2011 between Edvantage Partners, L.L.C., ("Contractor"), and Grand Canyon Preparatory Academy, ("School", and collectively with Contractor, the "Parties").

RECITALS

WHEREAS, Contractor is in the business of providing certain professional services to charter schools (the "Services"); and Contractor has agreed to perform specified Services for School to the extent that School agrees and complies with certain responsibilities necessary for Contractor to perform those Services.

NOW, THEREFORE, the Parties, intending to be legally bound, agree as follows:

CONTRACT

1. Entire Contract. This Contract embodies the entire agreement between the Parties. The Parties agree that there are no other verbal, implied or understood agreements between them other than as expressly set forth herein and that they, their successors and assigns will all be bound by this Contract.

2. Scope of Services. Contractor shall provide to School those Services set forth in Appendix A, "Scope of Services", attached hereto. School shall comply with each and every responsibility contained in Appendix A.

3. Compensation. School shall compensate Contractor for the Services in accordance with the fee schedules set forth in Appendix A. The Parties agree that the fees paid by School to Contractor for the Services are reasonable and do not exceed the fair market value of such Services. School acknowledges that Contractor may receive compensation from providers of property or services to School in connection with the provision of such property or services to School.

4. Insurance.

   a. Contractor shall be responsible for providing all health, liability, worker's compensation, and other required insurance for Contractor's employees in connection with performance of the Services. Upon request of School, Contractor shall furnish certificates of insurance to School evidencing the appropriate insurance and coverage throughout the term of this Contract. Contractor will provide Financial Institution bonding on its employees.

   b. School shall be responsible, at its sole cost, to procure and maintain in full force and effect during the term of this Contract valid and collectible insurance policies in connection with insurance against such losses and risks that are generally insured against by comparable educational and business activities.

5. Limitation of Liability. In no event shall Contractor or its officers, employees or agents be liable for any consequential, indirect, special, punitive or incidental damages or lost profits, whether foreseeable or unforeseeable, based on School's claims or a third party claim, arising out of breach of contract, misrepresentation, strict liability in tort or otherwise. Contractor's liability to School for any claim, demand or cause of action, whether based on contract, indemnity, warranty, tort or otherwise, or for any losses, damages arising out of or resulting from this Contract shall be limited to direct damages and shall not exceed the fees and related expenses paid by School to Contractor hereunder.

6. Independent Contractor. Contractor shall, in providing the Services, act solely as an independent contractor and no relationship of agency, master/servant, or venture shall be created or exist between Contractor and School.

7. Term. This Contract shall commence July 1, 2011, and shall continue until June 30, 2012 (the "Term"). This Contract shall automatically extend for additional one year terms (each, an "Additional Term") at the expiration of the current Term or Additional Term unless either School or Contractor provides the other party with at least 30 days written notice prior to the end of the Term, or Additional Term, of its intention not to renew this Contract. The terms for each area of service identified in the Appendix attached hereto may be more specific and limited than the term provided in this paragraph. Fees associated with this Contract are subject to change at the beginning of each Additional Term. Such fee shall be established 30 days prior to the beginning of the new Additional Term.

8. Professional Responsibility. Contractor shall use those efforts that a skilled, competent, experienced, and prudent organization would use to perform and complete the requirements of this Contract in a timely manner conforming to the standards and quality generally recognized and accepted within the profession of public charter school education throughout the United States.

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9. Suspension. Notwithstanding anything in this Contract to the contrary, at any time School is in excess of 30 days past due on any amount owed to Contractor under the terms of this Contract, Contractor may, at its option, immediately suspend any further work or services under this Contract and Contractor may withhold all work product related to services rendered for School prior to the cessation of work until such time as School has brought its account current with Contractor.

10. Termination.

    a. This Contract may be terminated by either School or Contractor for any reason or no reason upon thirty (30) days written notice to the other party.

    b. Upon termination of this Contract by either Party, Contractor will not provide any services to School from termination date forward. For an additional fee, paid in advance, Contractor will provide any additional services agreed to by the Parties after termination.

11. Transfer of Data.

    a. Ownership. Contractor recognizes that School is the sole owner of data files, records of transactions, and documentation related to School; however, this does not include the computer program by which information is processed.

    b. Data Transfers. Provided that School has paid all fees and expenses due hereunder, Contractor shall transfer possession of data files, records of transactions and documentation to School within two weeks of receipt of School's written request. Any costs incurred with such transfer shall be the responsibility of School.

    c. Additional Service Charges. As set forth in Appendix A, Contractor may, upon notification to School, charge an additional fee including, without limitation, for conversion of data, special programming, rate differential for processing at other than normally assigned times, pickup or delivery at other than normally scheduled times, special reports, reruns or changes in the scope of the Services. Such fee(s) shall be paid in advance.

12. Acts Beyond Control. Contractor shall not be responsible to School for any interruption of Services being performed for School if such interruption is due to causes beyond the control of Contractor, including but not limited to, fire, flood, or other catastrophe, acts of God, legal acts of public authorities, strikes, riots, acts of terrorism, civil unrest, warfare, failure of communication or power supply, and mechanical difficulties with equipment which could not reasonably be forecasted or protected against.

13. Testimony/Legal Services. Contractor will be entitled to additional service fees as set forth in Appendix A for time spent on behalf of School to prepare for and attend any judicial, administrative or governmental proceeding in which Contractor, or any of its agents or employees, are required to be present (or if School should request their presence), including but not limited to, depositions or governmental meetings. Contractor will be entitled to additional fees as set forth in Appendix A for legal services sought on behalf of, or in the interest of, School.

14. Governing Law. This Contract shall be construed in accordance with laws of the State of Arizona without reference to the choice of law principles thereof.

15. Arbitration.

    a. Mandatory Arbitration. In the event of any Dispute (as defined below) between the Parties, the Parties agree that any Dispute shall be resolved by binding arbitration in accordance with the terms of this arbitration clause. A "Dispute" shall include any action, dispute, claim, or controversy of any kind, whether founded in contract, statutory or common law, equity, or otherwise, now existing or hereafter occurring between the Parties arising out of, pertaining to or in connection with this Contract or any related agreements, documents, or instruments. The Parties understand that pursuant to this section of this Contract, the Parties agree that all Disputes shall be submitted to arbitration rather than being decided through litigation in court and that upon a final judgment rendered by an arbitrator, the claims involved cannot later be brought, filed or pursued in court.

    b. Governing Rules and Location. Arbitrations conducted pursuant to this Contract shall be administered by the American Arbitration Association ("AAA") pursuant to the AAA's Commercial Arbitration. Arbitrations conducted pursuant to the terms hereof shall be governed by the laws of the State of Arizona without regard to its choice of law principles thereof. Judgment upon any award rendered hereunder may be entered in any court having jurisdiction. Arbitration proceedings hereunder shall be conducted in Phoenix, Arizona at a location determined by the AAA. Any Party who fails to submit to binding arbitration following a lawful demand by the opposing Party shall bear all costs and expenses, including reasonable

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attorney's fees incurred by the opposing Party in compelling arbitration of any Dispute.

c. No Waiver, Preservation of Remedies, Multiple Parties. No provision of, nor the exercise of any rights under this arbitration clause shall limit the right of any party to obtain provisional or ancillary remedies such as injunctive relief, sequestration, attachment, replevin, or garnishment. The institution and maintenance of an action as described above shall not constitute a waiver of the right of any Party, including the plaintiff, to submit the Dispute to arbitration, nor render inapplicable the compulsory arbitration.

d. Selection of Arbitrator, Length of Arbitration, and Awards. The Parties shall mutually agree on one arbitrator who shall be required to be a practicing attorney with no less than 10 years practice in commercial law in the State of Arizona. The arbitrator may be selected outside the AAA panel of arbitrators. To the maximum extent practicable, the arbitrator and the Parties shall take any action necessary to cause an arbitration proceeding hereunder to be concluded within 180 days of the filing of the Dispute with the AAA. The decision of the arbitrator shall be binding upon the Parties.

e. Each Party shall pay the expenses of its own witnesses. All other costs of the arbitration, including, without limitation, the fees and expenses of the arbitrator, the costs of the record or transcripts thereof, if any, administrative fees, the attorney's fees of the Parties, and all other fees and costs shall be allocated to Contractor and School as determined by the arbitrator.

16. Assignment. Contractor shall not, except with respect to its subsidiaries or affiliates, assign its rights, duties or obligations under this Contract without the prior written consent of School. Such consent shall not be unreasonably withheld. School shall not assign its rights, duties or obligations under this Contract.

17. Titles. The section and subsection headings contained herein are for reference purposes only and shall not in any way affect the meaning and interpretation of this Contract.

18. Severability. In the event that any provision or any portion of any provision of this Contract shall be held invalid, illegal or unenforceable under applicable law, the remainder of this Contract shall remain valid and enforceable in accordance with its terms.

19. Counterparts. This Contract may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

20. Waiver. The failure of a Party to insist upon strict performance of any of the provisions of this Contract or to exercise any rights or remedies provided by this Contract, or a Party's delay in the exercise of any such rights or remedies shall not release the Party in breach from any of its responsibilities or obligations imposed by law or by this Contract and shall not release the Party in breach from any of its responsibilities or obligations imposed by law or by this Contract and shall not be deemed a waiver of any right of the Party not in breach to insist upon strict performance of this Contract.

21. Non-Solicitation. School will not, at any time during the period commencing on the date of this Contract and continuing for a period of [two years] after the expiration of the Term and all Additional Terms, as applicable, directly or indirectly, whether alone or with any other person as a partner, officer, director, employee, agent, shareholder, consultant, independent contractor, sales representative or otherwise, solicit, or assist in the solicitation of, any person employed or engaged by Contractor in any capacity (including without limitation as an employee or independent contractor), to terminate such employment or other engagement, whether or not such person is employed or engaged pursuant to a contract with Contractor and whether or not such person is employed or otherwise engaged at will.

22. Notice. All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given if sent by facsimile, receipt confirmed, if personally delivered at or if mailed by certified mail, postage prepaid, addressed as follows:
If to Contractor:

EdVantage Partners, LLC
2400 West Dunlap Avenue – Suite 150
Phoenix, Arizona 85021
Attention: Curtis Porter, President
Facsimile: (602) 944-4533

If to School:

Grand Canyon Preparatory Academy
5301 S. McClintock Drive
Tempe, Arizona 85283
Attention: David Gordon, Chancellor
Facsimile: (480) 755-3791

Please initial each page.

26. Acknowledgment of Retention of Responsibility by School. School hereby acknowledges the following:

    a. Notwithstanding the Services provided hereunder, School is ultimately responsible for overseeing the operations of its charter school and retains the ultimate responsibility for meeting the terms of its charter.

    b. School, rather than Contractor, is responsible for setting and approving broad School policies such as the budget, curriculum, admissions procedures, student conduct, and School calendars.

    c. School is ultimately responsible for preserving and maintaining its fiscal health and not Contractor.

27. Amendment. The Parties may only amend this Contract only by written agreement signed by Contractor and School.

EdVantage Partners, LLC
"Contractor"

By: Curtis W. Porter

Name: Curtis W. Porter

Title: President

Date: April 19, 2011

Grand Canyon Preparatory Academy

"School"

By:

Name: David Gordon

Title: School Chancellor

Date: 4/19/11

Please initial each page.

APPENDIX A
SCOPE OF BUSINESS SERVICES
COMPENSATION, FEES & EXPENSES

Contractor's responsibility with respect to the services set forth in this Appendix is merely one of consultation, assistance and guidance only. The ultimate responsibility for School's business operations and financial affairs rests solely with School. Contractor shall have no responsibility within the scope of this Contract to provide any service that is not expressly mentioned in this Appendix or another appendix to this Contract. Any service that is requested by School that is outside the scope of this Appendix, or another appendix to this Contract, shall be deemed an additional service not within the purview of this Contract unless there exists a mutual and written agreement to provide that additional service. School agrees that it will provide the staff necessary to implement the financial and related or ancillary services necessary for Contractor to provide its services and will comply with the Responsibilities set forth in this Appendix and any other request by Contractor necessary for Contractor to perform their Services.

SCOPE OF SERVICES

Contractor shall provide the following services:

1. Assist with budget development and long-range financial planning

   Contractor will work with School and its Governing Board to determine School's expected revenues and to establish the budget for current and future years. In performing such work, the Contractor will:

   a. Assist in forecasting of salaries and expenses for all departments

   b. Assist in finding ways to achieve financial goals

   c. Assist with the determination of each department's expected revenues and establish the budget for current and future years, based on a thorough analysis of School's needs, resources and objectives

   d. Provide copies of budget to School for its review and approval

   e. Work with a designee of School to monitor status of budgets

   f. Assist in reporting all required state, federal and other financial reports associated with School (to include budget and AFR uploads to ADE). This assistance does not include those filings, which are deemed corporate (i.e., income tax, non-profit applications, and corporate reports). Contractor will submit reports to School in a mutually agreed upon format so forms can be completed by a third party accounting firm provided by School for these reports

   g. Review school budget limit calculations, projections, budget calendars and accounting controls to properly safeguard School's money and assets

2. Establish and provide an accounting program to record in detail all transactions and provide all accounting functions.

   The Contractor will:

   a. Maintain and operate a computerized accounting system

   b. Set up an accounting system for School according to legal and industry standards

   c. Enter journal entries and maintain the general ledger according to generally accepted accounting principles

   d. Input purchase requisitions as authorized by School and generate purchase orders based on authorized requisition and print such purchase orders for signature

   e. Generate accounts payable checks for signature once a week. Additional check runs will result in additional fees

   f. Provide School with appropriate monthly, quarterly and annual reports, or as reasonably requested. Such reports shall include the following:

      i. Balance sheets and operating statements

      ii. Budget vs. Expense reports

      iii. Cash flow statements

      iv. Bank reconciliations

      v. Other customarily required reports upon request

   g. Assist in training school staff members on proper accounting procedures

Please initial each page.

3. Process payroll, under the following Service Plan:

   (NOTE – NO PAYROLL SERVICES ARE PROVIDED UNDER THIS CONTRACT)

   ☐ PLEASE INITIAL

4. Supervise the collection, safekeeping and distribution of all funds

   The Contractor will assist School in establishing proper safeguards and procedures for the collection, safekeeping and distribution of cash and other funds. Such assistance will include:

   a. Preparation of bank reconciliations for the School's general fund

   b. Monitoring bank reconciliation prepared by School staff for local bank accounts (e.g., revolving accounts) as necessary

   c. Monitoring of funds apportionment for charter schools

   d. Drawing down of grant funds (if applicable)

   e. Recommending the development of procedures for collection and deposit of funds

   f. Assisting the School in complying with legal and audit requirements

5. Work with other government agencies on behalf of the School in answering questions within the scope of these services.

6. Upon request, provide financial information and necessary reports when School applies for state and federal grants.

7. Advise administrative staff members on business and financial questions. This service does not include legal advice.

8. Ensure school financial operations conform to the Single Audit Act of 1984

   a. Provide guidance to ensure school records and procedures are in compliance with the Single Audit Act of 1984

   b. Keep financial records sufficient to satisfy an independent audit in accordance with the Single Audit Act of 1984

   c. Provide guidance on state and federal regulations

   d. Provide legislative updates

   e. Review existing business and financial procedures for compliance with GAAP.

9. Provide guidance in maintaining a fixed asset listing as required by audits

   a. Reconcile expenditures to fixed asset listings provided by School

   b. Provide training to school staff in maintaining a fixed asset listing for asset control and audit requirements

10. Provide training and consulting for staff and School's Governing Board on any financial service provided under contract upon request.

COMPENSATION, FEES & EXPENSES

1. Compensation for Business Services

   a. School shall pay Contractor an annual fee of $19,000.00 in consideration for its performance of the Services described in this Appendix. The Services annual fee will be billed in 12 equal monthly installments and automatically drafted from the School's operating account. Each monthly payment will be due on the 5th of each month beginning on July 5, 2011. Payments over 15 days past due will be charged a late payment penalty of 1.5% of the amount past due for each month or part thereof until payment is made, not to exceed usury fee limits with respect to applicable law.

   b. Each fiscal year during the term of this Contract, Parties shall execute an Annual Fee Schedule substantially in the form set forth below in order to reflect the fee for Services due hereunder for the then current fiscal year.

2. Additional Service Fees: (for work mutually agreed on by School and Contractor outside the scope of services included in this Contract, including annual independent audit preparation and/or coordination work performed subsequent to Termination of Contract in accordance with paragraph 7 or 10 of the Service Contract).

   a. Support staff time charges at $50.00 - $250.00 per hour.

   b. Consulting staff time charges at $50.00 - $250.00 per hour.

   c. Travel at cost.

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SCHOOL RESPONSIBILITIES

1. Business Services

   a. School agrees to execute all necessary authorizations to allow Contractor to electronically debit fees owed to Contractor from School's account per attached ACH schedule at the time the Contract is approved.

   b. School agrees to provide a copy of all corporate filings and state/federal tax identification numbers to Contractor at the time the Contract is approved.

   c. School will provide electronic read-only access to School's bank account statements.

   d. School shall secure Contractor with a unique ADE Common Log-on user name and password.

   e. School shall add Contractor to ADE General Statement of Assurances.

   f. School agrees to comply with all state & federal tax reporting and payment requirements, including EFT of state and federal tax deposits.

   g. School will provide Contractor with a copy of all invoices for accounts payable at least once per week.

   h. School will provide Contractor with enrollment and/or ADM data on a monthly basis, and will keep Contractor apprised of any changes in ADM throughout the school year.

   i. School shall inventory and label all fixed assets and school assets and provide a list of the inventory and label codes to Contractor annually prior to the annual audit.

   j. School will keep Contractor informed of any financial problems or concerns affecting the proper functioning of School as they occur.

   k. School will provide copies of all receipts or other documentation for any expenses claimed as operating expenses or as related to grants as they are generated.

ANNUAL FEE SCHEDULE

In accordance with the Services Contract ("Contract") dated as of April 19, 2011, between the "School" and the "Contractor", the annual fee due the Contractor for the fiscal year is $19,000.00 based on the provisions of the Contract. Pursuant to the terms of the Contract, this annual fee will be billed on a monthly basis payable on the 5th day of each month during such fiscal year, according to the following schedule:

FY 2011/12	
July 5, 2011	$1,583.33
August 5, 2011	$1,583.33
September 5, 2011	$1,583.33
October 5, 2011	$1,583.33
November 5, 2011	$1,583.33
December 5, 2011	$1,583.33
January 5, 2012	$1,583.33
February 5, 2012	$1,583.33
March 5, 2012	$1,583.33
April 5, 2012	$1,583.33
May 5, 2012	$1,583.33
June 5, 2012	$1,583.37
Total	**$19,000.00**

Edvantage Partners, LLC
"Contractor"

By: Curtis W. Porter

Name: Curtis W. Porter

Title: President

Date: April 19, 2011

Grand Canyon Preparatory Academy

"School"

By: _____

Name: _____

Title: _____

Date: _____

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