



IDEA Headquarters
2115 W. Pike Boulevard
Weslaco, Texas 78596
Phone 956.377.8000
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Request For Qualifications Addendum

Addendum Number 2: RFQ Questions & Answers

Date: 01/19/2022

RFQ: # 1-RFQ-OHIO-2022 Ohio School Treasurer

To: All Prospective Vendors

The following questions were sent in response to the referenced Solicitation for further clarification. Questions and Answers are listed below.

Question 1: Is it IDEA's plan to open one school with two campuses, or are the schools registered under different IRN numbers?

Answer: We will operate under one IRN across all IDEA schools/campuses in Cincinnati.

Question 2: What is the legal name of the school(s)?

Answer: IDEA Greater Cincinnati, Inc.

Question 3: Please describe where the schools are in the charter process. If you have a signed charter, please provide a copy.

Answer: We have our preliminary agreement signed with the Fordham Foundation. We have been approved to open 4 schools on 2 campuses in fall 2022, and to open an additional campus containing two schools in 2023. We will receive our actual contract this spring.

Question 4: Who is the school(s) Authorizer(s)/Sponsor(s)?

Answer: Thomas B. Fordham Foundation



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Question 5: Please clarify the definition of “respondent.” Specifically, please confirm that an organization that directly employs licensed Fiscal Officers can respond to the RFQ and may designate a specific School Treasurer/Fiscal Officer who may then delegate duties accordingly.

Answer: For purposes of this RFQ, a “respondent” may be either (a) an individual qualified to serve as a fiscal officer for an Ohio community school or (b) an organization who employs individuals qualified to fulfill the duties of a fiscal officer.

Question 6: On what schedule will School Board Meetings be held?

Answer: Once school operations commence, we aim to hold a monthly meeting

Question 7: How often will the school(s) require onsite representation from the School Treasurer? Will the School Treasurer be allowed to participate via phone or video conference?

Answer: The treasurer will need to participate in board meetings, which will be held monthly during the school year (9-12 board meetings per year). If the board allows, the treasurer may join remotely. Currently, meetings are held virtually.

Question 8: Please provide a copy of the school(s)’ management agreement(s) with IDEA. If this is not possible, please describe the relationship between the management company and the school(s)

Answer: Please see agreement and attached org chart

Question 9: Please provide a specific scope of services; what precisely will the Respondent be responsible for on a daily, weekly, and monthly basis?

Answer: IPS will cover daily accounting functions for IDEA Greater Cincinnati. The treasurer will not participate in day-to-day operations.

Monthly statements and board meetings: Once IPS completes the month-end close for IDEA Greater Cincinnati, the treasurer will review statements in detail, follow up with the IPS team on any issues, and prepare a presentation for the IDEA Greater Cincinnati board.



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Compliance reporting: Treasurer will assist IPS with preparing reporting to various governmental entities, including quarterly reports, financial reports, etc. The treasurer will manage the reporting calendar and run point on reports to governmental entities.

Annual audit: To the extent required by Ohio state law, the treasurer will support the external audit process.

Local knowledge: As appropriate, the treasurer will provide IPS staff with updates regarding changes in local funding or financial requirements and will ensure these are put into action by IPS and IDEA Greater Cincinnati.

Question 10: If not the Respondent, who will perform general accounting duties (ex: payroll, AP/AR, journal entries, etc.). Please also describe the team performing these duties (ex: team size, team years of experience in Ohio).

Answer: Members of the IPS finance team do not have experience working with community schools in Ohio.

Question 11: Will any staff members require training from the Respondent?

Answer: IPS would like training on Ohio-specific financial requirements and reporting process, as well as general compliance training, for the IPS accounting team. This can happen virtually. We would ask the treasurer to create the agenda & materials for these trainings.

Question 12: What is your prior experience in the Ohio Community School market?

Answer: Cincinnati is the first community in Ohio that IDEA will serve. As such, we do not have prior experience in Ohio. IDEA has experience operating schools in Texas (22 years), Louisiana (4 years), and Florida (1 year).

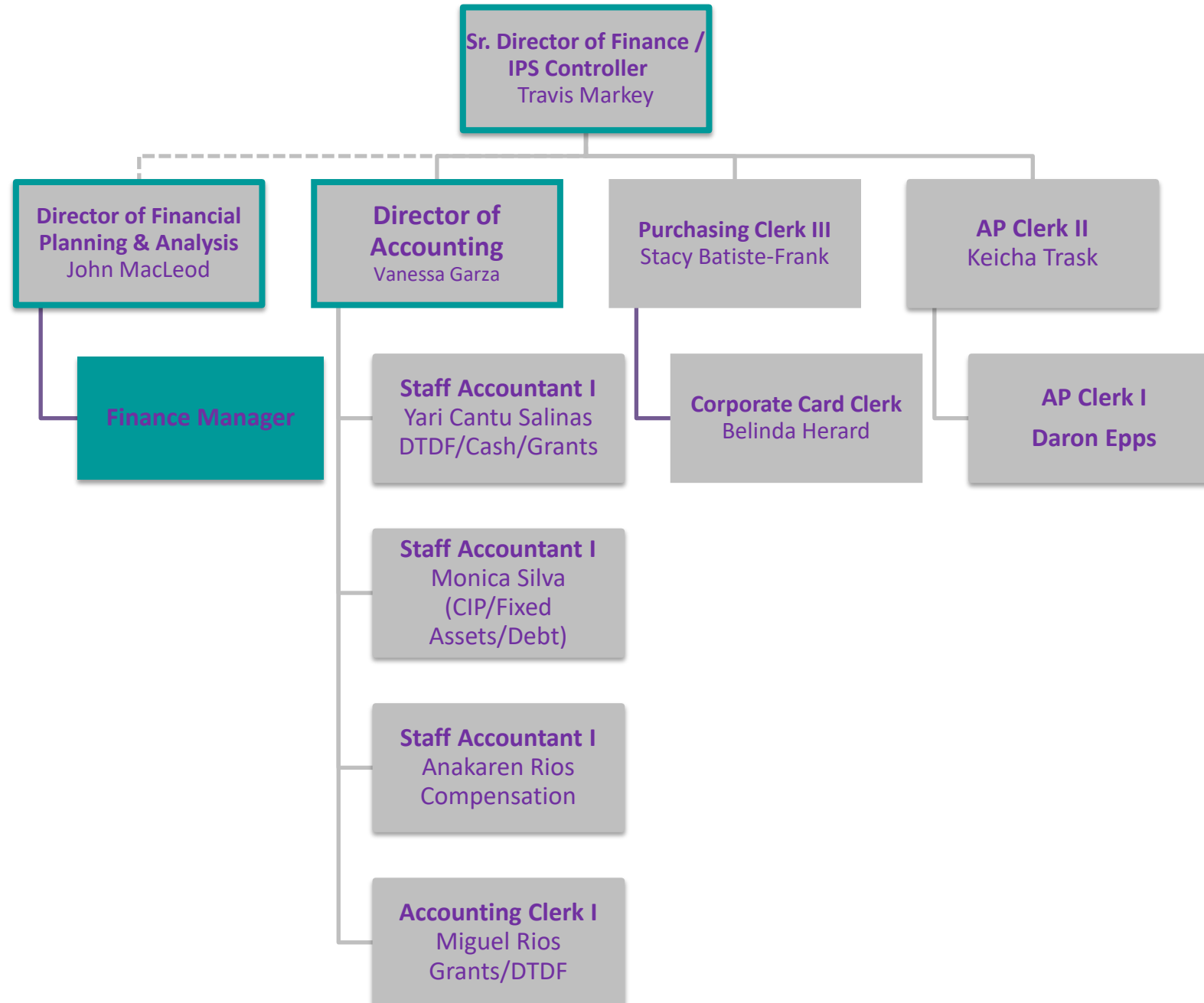
Attachments:

1. IDEA Organizational Chart
2. Management Agreement

End of Addendum

2021-22 IPS Enterprises Finance Team Org Chart

Attachment 1



Legend

Gray – Active FTE in budget

Purple – Active IPS FTE in budget

Blue – Vacant

SUBORDINATION OF MANAGEMENT AGREEMENT

This Subordination of Management Agreement (this "Agreement") is dated as of December __, 2021, by and among IDEA GREATER CINCINNATI, INC., an Ohio nonprofit corporation (the "School"), IPS CINCINNATI LLC, a Texas limited liability company (the "Institution"), and REGIONS BANK, a New York banking corporation, as trustee (the "Trustee").

Pursuant to the terms of a Trust Indenture and Security Agreement, dated as of December 1, 2021 (the "Indenture"), between Port of Greater Cincinnati Development Authority, a port authority and political subdivision of the State of Ohio (the "Issuer") and the Trustee, the Issuer has agreed to issue its (i) Education Revenue Bonds, (IPS Cincinnati LLC – IDEA Greater Cincinnati, Inc. Projects), Series 2021A (the "Series 2021A Bonds"), in the original aggregate principal amount of \$_____, and (ii) Education Revenue Bonds, (IPS Cincinnati LLC – IDEA Greater Cincinnati, Inc. Projects), Series 2021A (the "Series 2021A Bonds"), Taxable Series 2018B (the "Series 2021B Bonds" and together with the Series 2021A Bonds, the "Bonds"), in the original aggregate principal amount of \$_____.

The Initial Beneficial Owners, as the original purchasers of the Bonds, require as a condition to purchasing the Bonds that the School, the Institution, and IPS Enterprises, Inc., a Texas nonprofit corporation (the "Manager"), agree to subordinate the School's obligation to pay management fees and the Manager's right to receive management fees under that certain Management Agreement, dated as of December __, 2021, by and between the Manager and the School (as it may be amended or supplemented from time to time and together with any successor agreement, the "MA") to the lien and payment of the School's obligation under the Master Lease Agreement, dated as of December 1, 2021, between the School and the Institution (the "Lease") to pay Lease Payments (as defined in the Lease) and the Institution's obligations under the Bond Documents.

ACCORDINGLY, in consideration of the foregoing and other good and valuable consideration, the School and the Institution do hereby agree as follows:

1. Subordination. The School's obligation to pay management fees and the Manager's right to receive management fees under the MA are hereby, and shall at all times continue to be, subject and unconditionally and irrevocably subordinate in all respects in payment to the payment in full of the School's obligation under the Lease to pay the Lease Payments and the Institution's obligations under the Deed of Trust, the Series 2021 Notes, the Loan Agreement, the Master Indenture and the other Bond Documents and to any renewals, extensions, modifications, assignments, replacements or consolidations thereof and the rights, privileges and powers of the Trustee thereunder, for so long as the Manager, or an affiliate/subcontractor as permissible under the MA, is performing any educational or operational services with respect to the School. The Institution and the School hereby acknowledge such subordination.

2. MA. The School represents that the MA is in full force and effect, has not been modified or assigned and no event has occurred or failed to occur as of the date hereof which but for the passage of time, the giving of notice or both, would be a default thereunder. The School and the Manager agree that no change in the terms of the MA shall be valid without notice to the Trustee.

3. Payment of Costs. The School and the Institution hereby agree to pay all costs and expenses (including without limitation reasonable attorneys' fees) which the Trustee may incur in exercising any of its rights under this Agreement.

4. Assignment. This Agreement shall be binding upon the School and its successors and assigns, and shall inure to the benefit of the Trustee and its successors and assigns, for the benefit of the owners of the Bonds. The Trustee may assign its rights under this Agreement without the consent of the School, the Institution or the Manager; provided that the Trustee shall provide notice of any such assignment to the School, the Institution and the Manager. However, neither the School nor the Manager may assign their obligations or rights under the MA or under this Agreement without the prior written consent of the Trustee.

5. Modification. This Agreement can be waived, modified, amended, terminated or discharged only explicitly in a writing signed by the parties hereto. A waiver signed by the Trustee shall be effective only in a specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of the Trustee's rights or remedies hereunder. All rights and remedies of the Trustee shall be cumulative and may be exercised singularly or concurrently, at the Trustee's option, and the exercise or enforcement of anyone such right or remedy shall neither be a condition to, nor bar the exercise or enforcement of, any other.

6. Notices. All notices, consents, approvals and requests required or permitted hereunder shall be sufficient if sent (i) by return receipt requested or registered or certified United States mail, postage prepaid, (ii) by a nationally recognized overnight delivery service for overnight delivery, charges prepaid or (iii) by hand delivery and shall be delivered in accordance with the following:

If to the Manager:

If to the School:

with a copy to:

If to the Institution:

with a copy to

If to the Trustee:

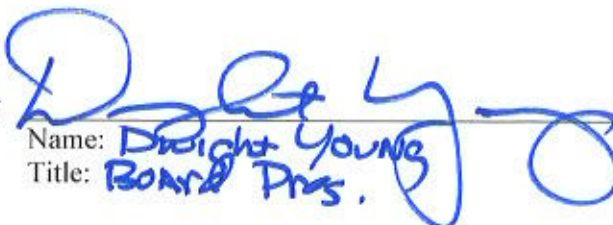
7. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of New York, without regard to conflict of laws principles.

8. Counterparts. This Agreement may be executed in any number of counterparts (whether original, facsimile, portable document format or otherwise), each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

9. Defined Terms. Capitalized terms used in this Agreement and not defined herein shall have the meanings granted to them in the Indenture.

IN WITNESS WHEREOF, the School, the Institution and the Trustee have executed this Subordination of Management Agreement, dated as of the date above first written.

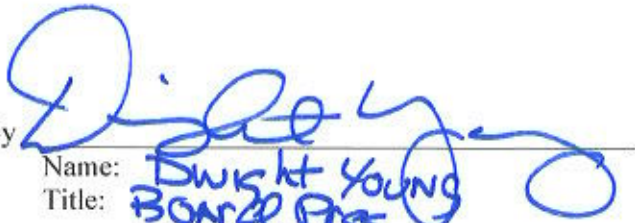
IDEA GREATER CINCINNATI, INC., as School

By 
Name: Dwight Young
Title: Board Pres.

(Signature Page to Subordination of Management Agreement)

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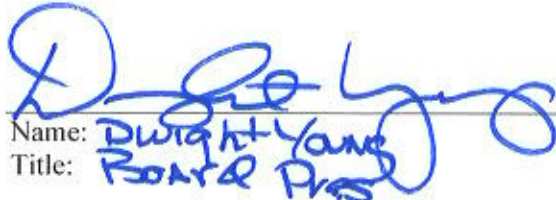
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