



FISCAL AGENT AGREEMENT – SCHEDULE 2

This Agreement is made as of July 1, 2025, and shall have an effective date of July 1, 2025, by and among Saginaw Valley State University Board of Control (“University Board”), an authorizing body as defined by the School Code of 1976 as amended, (the “Code”), the State of Michigan (the “State”) and the Board of Directors of Faxon Academy (“Academy”), a public school academy.

Preliminary Recitals

WHEREAS, the University Board and the Academy are entering into a Contract to Charter a Public School Academy dated July 1, 2025, the (the “Contract”), and

WHEREAS, pursuant to the Code and the Contract, the University Board, as authorizing body, is the fiscal agent for the Academy, and

WHEREAS, the University Board is required by law to forward any State School Aid Payments received from the State on behalf of the Academy to the Academy,

NOW, THEREFORE, in consideration of the premises set forth below, the parties agree to the following:

ARTICLE I **DEFINITIONS AND INTERPRETATIONS**

Section 1.01. Definitions. Unless otherwise provided, or unless the context requires otherwise, the following terms shall have the following definitions:

“Account” means an account established by the Academy for the receipt of State School Aid Payments at a bank, savings and loan association, or credit union which is eligible to be a depository of surplus funds under Sections 5 or 6 of Act No 105 of the Public Acts of 1855, being Sections 21.145 and 21.146 of the Michigan Compiled Laws.

“Agreement” means this Fiscal Agent Agreement executed by the University Board, the Treasurer of the State of Michigan and the Academy.

“Contract” means the contract to charter a public school academy which the University Board and the Academy are entering into.

“Fiscal Agent” means the University Board or an officer or employee of Saginaw Valley State University as designated by the University Board.

“Other Funds” means any other public or private funds which the Academy receives and for which the University Board may act as fiscal agent.

“State School Aid Payment” means any payment of money the Academy receives from the school aid fund established pursuant to Article IX, Section 11 of the Michigan Constitution or under the School Aid Act of 1979, as amended, net any deductions set forth in Section 2.2 hereof.

“State” means the State of Michigan.

“State Treasurer” means the office responsible for issuing funds to public school academies for State School Aid Payments pursuant to the School Aid Act of 1979, as amended.

ARTICLE II

FISCAL AGENT DUTIES

Section 2.01. Receipt of School Aid Funds. The University Board is the Fiscal Agent for the Academy. The Fiscal Agent will receive State School Aid Payments from the State, as provided in Section 3.02.

Section 2.02. Transfer to Academy. The Fiscal Agent shall transfer, net any amount(s) authorized to be withheld by the Fiscal Agent pursuant to applicable law, including but not limited to, the 3% oversight fee charged pursuant to MCLA 380.502(6) and any amounts charged pursuant to Section 2.4 of the Contract, all State School Aid Payments, and all Other Funds received on behalf of the Academy to the Academy within ten (10) days of receipt or as otherwise required by the provisions of the State School Aid Act of 1979 or applicable state board rules. The State School Aid Payments and all Other Funds shall be transferred into the Account designated by a resolution of the Board of Directors as the Academy’s authorized depository account, except as provided in Section 6.03 below, and by a method of transfer acceptable to the Fiscal Agent.

Section 2.03. Limitation of Duties. The Fiscal Agent has no responsibilities or duties to verify the Academy’s pupil count, as defined in the State School Aid Act of 1979, as amended, or to authorize, to approve or to determine the accuracy of the State Aid School Payments received on behalf of the Academy from the State Treasurer. The Fiscal Agent’s duties under this Agreement are separate from the University Board’s duties outlined in the Contract.

ARTICLE III

STATE DUTIES

Section 3.01. Eligibility for State School Aid Payments. The State, through its Department of Education, has sole responsibility for determining the eligibility of the Academy to receive State School Aid Payments. The State, through its Department of Education, has sole responsibility for determining the amount of State School Aid Payments, if any, the Academy shall be entitled to receive.

Section 3.02. Method of Payment. Each State School Aid Payment for the Academy will be made to the Fiscal Agent by the State Treasurer by issuing a warrant and delivering the warrant to the Fiscal Agent or by electronic funds transfer into an account specified by the Fiscal Agent. The State shall make State School Aid Payments at the times specified in the State School Aid Act of 1979, as amended.

ARTICLE IV

ACADEMY DUTIES

Section 4.01. Compliance with State School Aid Act. In order to assure that funds are available for the education of pupils, an Academy shall comply with all applicable provisions of the State School Aid Act of 1979, as amended.

Section 4.02. Expenditure of Funds. An Academy may expend funds from the State School Aid Fund for any purpose permitted by the State School Aid Act of 1979 and may enter into contracts and agreements determined by the Academy as consistent with the purposes for which the funds were appropriated.

Section 4.03. Mid-Year Transfers. Funding for students transferring into or out of the Academy during the school year shall be in accordance with the State School Aid Act of 1979.

Section 4.04. Repayment of Overpayment. The Academy shall be directly responsible for reimbursing the State for any overpayments of State School Aid Payments. At its option, the State may reduce subsequent State School Aid Payments by the amount of the overpayment or may seek collection of the overpayment from the Academy.

ARTICLE V

RECORDS AND REPORTS

Section 5.01. Records. The Fiscal Agent shall keep books of record and account of all transactions relating to the receipts, disbursements, allocations and application of the State School Aid Payments and Other Funds received, deposited or transferred for the benefit of the Academy, and these books shall be available for inspection at reasonable hours and under reasonable conditions by the Academy and the State. The Academy shall make all books and records available to Fiscal Agent and provide reports to Fiscal Agent as required under this Agreement or the contract.

Section 5.02. Reports. The Fiscal Agent shall prepare and send to the Academy annually a written report dated as of June 30 summarizing all receipts, deposits and transfers made on behalf or for the benefit of the Academy during the period beginning on the latter of the date hereof or the date of the last such written report and ending on the date of the report, including without limitation, State School Aid Payments received on behalf of the Academy from the State Treasurer and any Other Funds for which the University Board acted as Fiscal Agent under this Agreement.

ARTICLE VI

CONCERNING THE FISCAL AGENT

Section 6.01. Representations. The Fiscal Agent represents that it has all necessary power and authority to enter into this Agreement and undertake the obligations and responsibilities imposed upon it in this Agreement and that it will carry out all of its obligations under this Agreement.

Section 6.02. Limitation on Liability. The liability of the Fiscal Agent to transfer funds to the Academy shall be limited to the amount of State School Aid Payments as are from time to time delivered by the State and the amount of Other Funds as delivered by the source of those funds, and any interest the Fiscal Agent actually collects on funds improperly withheld by the Fiscal Agent.

The Fiscal Agent shall not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, nor shall the Fiscal Agent be responsible for the consequences of any error of judgment, and the Fiscal Agent shall not be answerable except for its own action, neglect or default, nor for any loss unless the same shall have been through its gross negligence or willful default.

The Fiscal Agent shall not be liable for any deficiency in the State School Aid Payments received from the State Treasurer to which the Academy was properly entitled. The Fiscal Agent shall not be liable for any State School Aid overpayments made by the State Treasurer to the Academy for which the State subsequently seeks reimbursement.

Section 6.03. State Aid Re-Direction. The Fiscal Agent, in its sole discretion at the Academy's timely request, may consent to enter into an agreement with the Academy and a third party whereby State School Aid is directed by the Fiscal Agent for receipt by a third party. In the event the Academy wishes the Fiscal Agent to undertake such a re-direction, it shall provide documentation to the Fiscal Agent sufficiently in advance of the date at which the re-direction is requested for the Fiscal Agent to review the propriety of the request. The Fiscal Agent reserves the right to charge the Academy a fee for undertaking such service to the Academy.

ARTICLE VII
MISCELLANEOUS

Section 7.01. Notice. Any notice, authorization, request, or demand required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given when mailed by regular first class mail and addressed as follows:

To the Academy: Board President
 Faxon Academy
 26275 Northwestern Highway
 Southfield, Michigan 48076

To the Fiscal Agent: Director
 School/University Partnerships
 Saginaw Valley State University
 7400 Bay Road
 University Center, Michigan 48710

To the State: State Treasurer
 Treasury Building
 430 W. Allegan Street
 Lansing, Michigan 48922

A United States Post Office registered or certified mail receipt or overnight courier receipt showing delivery of such documents shall be conclusive evidence of the date and fact of delivery. Any party to this Agreement may change the address to which notices are to be delivered by giving to the other parties not less than ten (10) days prior notice of the change.

Section 7.02. Termination of Responsibilities. Upon the taking of all the actions as described in this Agreement by the Fiscal Agent or upon the suspension, termination or revocation of the Academy's contract with the University Board, the Fiscal Agent shall have no further obligations or responsibilities under this Agreement to the Academy or any other person or persons in connection with this Agreement and this Agreement shall be discharged.

Section 7.03. Binding Agreement. This Agreement shall be binding upon the Fiscal Agent, the State, and the Academy and their respective successors and legal representatives and shall incur solely to the benefit of the Academy, the Fiscal Agent and the State and their respective successors and legal representatives.

Section 7.04. Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, the invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid or illegal or unenforceable provisions had never been contained in this Agreement.

Section 7.05. Michigan Law Governs. This Agreement shall be governed exclusively by the provisions of this Agreement and by the applicable laws of the State of Michigan.

Section 7.06. Amendment. This Agreement is made for the benefit of the Fiscal Agent, the Academy and the State and it may be altered or amended in writing only if the University Board and the Academy have followed the procedures set forth in Article VIII of the Contract and only upon approval of the Academy, the University Board and the State. However, if the Code is amended after the effective date of this Agreement in a manner which alters the responsibilities or duties of the Fiscal Agent under the Code, the responsibilities and duties of the Fiscal Agent shall be so altered as of the effective date of such amendment to the Code.

Section 7.07. Term of Agreement. The term of this Agreement shall coincide with the term of the Contract.

Section 7.08. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original instrument, but all such counterparts together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective and duly authorized officers as of the day and year indicated herein.

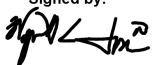
ACADEMY:

AUTHORIZING BODY:

Faxon Academy

Saginaw Valley State University

By: Wyatt Jones

Signed by:

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By: _____

Title: Board President

Title: Director, School/University Partnerships

Date: 6/17/2025

Date: _____



ACKNOWLEDGEMENT OF RECEIPT

The undersigned, on behalf of the State of Michigan, Department of Treasury, acknowledges receipt of the forgoing Fiscal Agent Agreement that is part of the Contract issued by Saginaw Valley State University to the Faxon Academy.

By: _____

Alyson Hayden, Director
Bureau of State and Authority Finance
Michigan Department of Treasury
430 W. Allegan Street
Lansing, Michigan 48922

Date: _____