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Sara R. Blevins
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July 15, 2019

Via Email - Thomas Burroughs thomas.burroughs@bitloft.com
and U.S. Mail:

Thomas G. Burroughs
Attorney at Law
510 East 96th Street, Ste. 510
Indianapolis, Indiana 46240

Indiana Virtual Pathways Academy
500 East 96th Street, Ste. 400
Indianapolis, Indiana 46240

Indiana Virtual School
510 East 96th Street, Ste. 180
Indianapolis, Indiana 46240

Re: Notice of Default of Resolution Agreement

Dear Mr. Burroughs,

This shall constitute notice of default pursuant to Paragraph 8(a) of the Resolution Agreement between Daleville Community School Corporation (“DCS”) and Indiana Virtual Education Foundation, Inc. d/b/a Indiana Virtual School (“IVS”) and Indiana Virtual Pathways Academy (“IVPA”), dated June 19, 2019.

As previously indicated, there are several items from the Resolution Agreement and Closure Protocols that are now overdue and unaddressed:

1. Resolution Agreement, Paragraph 7:
 - a. 7(a) –
 - i. Monthly report on course enrollment (7(a)(i)) – first monthly report was due July 5, 2019. We have not received this report.
 - ii. Monthly report on internships (7(a)(ii)) – first monthly report was due July 5, 2019. We have not received this report.

- iii. Monthly report on instructor/student communications (7(a)(iii)) – first monthly report was due July 5, 2019. We have not received this report.
 - iv. Monthly report on discussion-based assessments (7(a)(iv)) – first monthly report was due July 5, 2019. We have not received this report.
 - v. Monthly report on Tier 1, Tier 2, and Tier 3 students (7(a)(vi)) – first monthly report was due July 5, 2019. We have not received this report.
 - b. Pursuant to Paragraph 7(b) of the Resolution Agreement, IVS and IVPA were to “provide DCS with unrestricted access to Invision such that DCS is able to view data on all teachers, students, and courses” and, pursuant to Paragraph 7(c) of the Resolution Agreement, IVS and IVPA were to “provide DCS with unrestricted access to Edmentum, Buzz, Plato, and/or any and all other LMS used by the Charter Schools such that DCS is able to view data on all teachers, students, and courses.” This access was to be granted no later than July 1, 2019. As of the date of this Notice, DCS does not have any access to any of these systems. Attempts to grant access to Plato have been unsuccessful – no student data or records are accessible.
 - c. Pursuant to Paragraph 7(d), IVPA was to provide DCS with a proposed onboarding process by July 1, 2019. As of the date of this Notice, we have not received any onboarding proposal.
 - d. Pursuant to Paragraph 7(e), IVPA was to provide DCS with a copy of its engagement policy. As of the date of this Notice, we have not received a copy of this policy.
 - e. Pursuant to Paragraph 7(i), IVS and IVPA were to provide DCS with a copy of each school’s master school year calendars for 2018-2019 and 2019-2020 no later than June 22, 2019. We have received a copy of the 2018-2019 master calendars, but have not received a copy of the 2019-2020 master calendars.
2. Closure Protocol – IVS:
- a. IVS was required to cease all enrollment activities as of June 19, 2019 pursuant to the Closure Protocol (page 6) and Paragraph 3(c) of the Resolution Agreement. As of the date of this Notice, the IVS website continues to accept online enrollment applications.
 - b. IVS was required to cease all recruitment activities by June 20, 2019 (Closure Protocol, page 7). In light of the fact that online enrollments can still be submitted via the IVS website, this does not appear to have occurred. We have received no objective verification that recruitment activities for IVS have ceased.
 - c. By June 21, 2019, IVS was to have distributed a letter to faculty and staff outlining certain matters, pursuant to the Closure Protocol (page 5). Although we have been told that staff meetings have occurred, we have received no objective verification that any letter complying with the Closure Protocol was distributed to faculty and staff.
 - d. IVS was required to distribute a closure letter to parents and adult students with specific items no later than July 3, 2019 (Closure Protocols, page 4). We have received a copy of the letter, but have received no objective verification that the letter has been sent to parents and adult students. John Williams has specifically requested documentation as to whom the letters were sent and has not received this or any other objective verification of compliance with this requirement.
 - e. IVS was required to notify “districts materially impacted by the closure decision” of certain items identified in the Closure Protocol (pgs. 5-6) no later than July 3, 2019.

- As of the date of this Notice, we have received no objective verification that this has occurred. Furthermore, we have received no information regarding what districts IVS considers to be “materially impacted.”
- f. By July 3, 2019, IVS was to have notified federal programs and teacher retirement programs (TRF/PERF) of closure (Closure Protocol, page 6). We have received no objective verification that this has been done.
 - g. By July 10, 2019, the following were to be completed by IVS (Closure Protocol, page 10), however we have received no objective verification that any of these items have been completed:
 - i. Formulate a list of all contractors with current contracts and provide notification and other action items as specified in the Closure Protocol.
 - ii. Formulate a list of all creditors and debtors with information specified in the Closure Protocol.
 - iii. Solicit from each creditor a final accounting and related action items as specified in the Closure Protocol.
 - iv. Reconcile DCS billings and payments.
3. Closure Protocol – IVPA:
- a. IVPA was to post closure notification on the front page of its website no later than July 3, 2019. The notification that has been posted does not include all of the items required by the Closure Protocol (page 4).
 - b. IVPA was required to notify “districts materially impacted by the closure decision” of certain items identified in the Closure Protocol (pg. 6) no later than July 3, 2019. As of the date of this Notice, we have received no objective verification that this has occurred. Furthermore, we have received no information regarding what districts IVPA considers to be “materially impacted.”
 - c. By July 3, 2019, IVPA was to have notified SBOA, federal programs, and teacher retirement programs (TRF/PERF) of closure (Closure Protocol, page 6). We have received no objective verification that this has been done.
 - d. By July 3, 2019, IVPA was to have distributed a letter to faculty and staff outlining certain matters, pursuant to the Closure Protocol (page 5). Although we have been told that staff meetings have occurred, we have received no objective verification that any letter complying with the Closure Protocol was distributed to faculty and staff.

Please note that additional items under the IVPA Closure Protocol (page 10) are coming due on July 19, 2019.

Pursuant to Paragraph 8(a) of the Resolution Agreement, this letter shall constitute a notice of alleged non-compliance. DCS considers these items to be a material breach of the Resolution Agreement by IVS and IVPA. Please cure all noted deficiencies and/or provide us with objective verification that each item has been completed. Failure to sufficiently cure or otherwise remedy the identified issues may result in DCS pursuing any and all remedies available under the Resolution Agreement and/or applicable law, including but not limited to issuing a revocation notice pursuant to the IVS and IVPA Charter Agreements, as amended.

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Furthermore, we are in receipt of the notices from the Indiana Department of Education (IDOE) dated July 12, 2019 addressed to IVS and IVPA regarding reduction of tuition support. Representatives from IVS and IVPA have previously indicated that this action by IDOE may result in immediate and/or imminent closure of IVS and/or IVPA. Please be advised that in the event that IVS and/or IVPA elects to close sooner than the timelines stated in the Resolution Agreement and Closure Protocols, we expect written notification of the same with specific closure dates. DCS will work with IVS and IVPA to create modified closure protocols in the event of early closure and will require complete cooperation from IVS and IVPA in good faith with all closure protocol items. Please notify us immediately regarding IVS and IVPA's intentions moving forward regarding the closure timeline.

Given that we are less than a month into the Resolution Agreement and Closure Protocols and are in a position where we need to be sending this default notice, we have significant concerns about how IVS and IVPA will handle any immediate and/or imminent closure. IVS and IVPA continue to have obligations to students and other stakeholders which we fully expect to be professionally fulfilled by IVS and IVPA, even in the event of immediate or imminent closure. We request full transparency and cooperation during the closure process.

Please contact me with any questions or concerns. Otherwise, we hope all the above identified deficiencies will be sufficiently cured and addressed no later than July 22, 2019.

Thank you for your prompt attention to this matter.

Sincerely,

LEWIS & KAPPES, P.C.

/s/ Sara R. Blevins

Sara R. Blevins

Cc: Paul Garrison, Superintendent of Daleville Community Schools
Percy Clark, Superintendent of Indiana Virtual School and Indiana Virtual Pathways
Academy
John Williams
Lynn Black