

Sec. 1.9.1. LEADERSHIP EDUCATION FOUNDATION PROPERTY GENERALLY.

The Board of Directors of **Leadership Education Foundation** shall be the final authority for authorizing the use of Public Property. **Leadership Education Foundation** shall not authorize use or application of public property inconsistent with this policy.

Sec. 1.9.2. PUBLIC PROPERTY DEFINED.

An interest in real estate or personal property acquired, improved, or maintained using state funds that were received by the Board of Directors of **Leadership Education Foundation** on or after September 1, 2001, is public property for all purposes under state law. The date on which the property was acquired, improved, or maintained is not determinative. An interest in real estate acquired, improved, or maintained using state funds that were received by the charter holder before September 1, 2001, is public property only to the extent specified by 19 TAC § 100.1065 (relating to Property Acquired with State Funds Received Before September 1, 2001–Special Rules). Where the property is acquired with federal funds, federal law may preempt this Policy and state law in whole or part.

Sec. 1.9.3. FIDUCIARY RESPONSIBILITIES.

Public property is held by the charter holder in trust for the benefit of the students of the charter school. With respect to the public property they manage, the members of the governing body of a charter holder, and the members of the governing body and officers of **Leadership Education Foundation**, are trustees under Texas law; and the students enrolled in the school are beneficiaries of a trust. Each trustee shall be held to the standard of care and fiduciary duties that a trustee owes the beneficiary of a trust under Texas law.

Public property may be used only for a purpose for which a school district may use school district property, implementing a program described in **Leadership Education Foundation's** open-enrollment charter and only to implement a program that is described in the open-enrollment charter and is consistent with law and Rule.

Notwithstanding the delegation of authority, the Board and officers of the charter school shall remain fully responsible to authorize all uses and applications of public property and to enforce this policy.

Sec. 1.9.4. PERSONAL USE OF PUBLIC PROPERTY.

In compliance with Commissioner of Education Rule, **Arrow Academy** employees shall use **Leadership Education Foundation** public property only for purposes described in the **Leadership Education Foundation** charter. **Arrow Academy** employees may use local telephone service, **Leadership Education Foundation**-issued cellular phones, electronic mail, Internet connections, and similar property for incidental personal use, provided that such does

not, as determined by the **Arrow Academy** administration, impede **Arrow Academy** functions or, result in direct cost paid with state funds. Should said employee use result in direct cost paid with state funds, **Arrow Academy** shall require the employee incurring the cost to reimburse **Leadership Education Foundation** for such cost within five (5) business days of **Arrow Academy**'s having incurred the costs.

In further compliance with Commissioner Rule, only incidental amounts of employee time, comparable to a five–seven minute coffee break during each day, may be used by employees for such personal matters.

This policy does not authorize incidental personal use of public property for private commercial purposes. Any such incidental use of public property is a privilege not a right, and the **Arrow Academy** administration may remove or rescind such privilege from time to time on a case-by-case basis for any employee, or all employees.

Sec. 1.9.5. USE OF PUBLIC PROPERTY REAL ESTATE FOR CHARTER AND NON-CHARTER ACTIVITIES.

Joint use of **Leadership Education Foundation**'s public real property for charter and non-charter activities shall be approved by separate vote and recorded in the minutes of the meeting of the Board of Directors of **Leadership Education Foundation**, setting forth the methodology to be used to allocate shared costs and the percentage allocation basis between charter and non-charter activities.

Sec. 1.9.6. CONTRACT FOR USE OF PUBLIC PROPERTY.

Leadership Education Foundation may contract for the use of its property for the purpose of providing goods or services under the contract, if such use is an express contract term, factored into the price of the contract, and the contract is one that is authorized by the Board of Directors

Sec. 1.9.7. ACCOUNTING FOR PUBLIC PROPERTY.

Leadership Education Foundation's annual audit report shall separately disclose the cost basis and accumulated depreciation of public or privately held or owned property held, acquired, improved, or maintained by **Leadership Education Foundation**'s operating Board and charter holder, or provide with the annual audit report a statement that all property acquired, improved, or maintained during the term of **Leadership Education Foundation**'s charter, and all property presently held by the charter holder Board, is public property.

Sec. 1.9.8. RETURN OF LEADERSHIP EDUCATION FOUNDATION PROPERTY.

Upon separation of employment with **Arrow Academy** or cessation of volunteer services, or upon the request of **Arrow Academy**, an individual will return to **Leadership Education**

Foundation all such materials, including copies thereof, in the individual's possession or under the individual's control. Such materials will be returned within 24 hours of notice of separation or upon request of **Arrow Academy**, whichever comes first.

The cost of repairing or replacing any supplies, materials, or equipment belonging to **Leadership Education Foundation**, or other property that is damaged (other than normal wear and tear), stolen, or lost by an employee or that is not returned to **Leadership Education Foundation** upon separation of employment may be deducted from the employee's wages, so long as the deduction does not take the employee's pay below minimum wage or, if the employee is a salaried employee, reduce the salary below the minimum required legal amount.

Any materials created by staff members for use by **Arrow Academy**, or created on **Arrow Academy's** time, or produced using the staff or resources of **Arrow Academy**, are considered works-for-hire and all intellectual property rights are vested exclusively in **Leadership Education Foundation**.