



ALBERT EINSTEIN ACADEMIES

**REQUEST FOR
PROPOSALS****Independent Management
Consultant***Organizational and Financial Sustainability
Review*

Pursuant to Section 19.11 of the Lease Agreement related to the
California Municipal Finance Authority Charter School Revenue Refunding Bonds
(Albert Einstein Academies Project), Series 2021 (Taxable)

RFP Issued	September 3, 2026
Questions Due	September 8, 2026 at 12:00 p.m. Pacific Time
Proposals Due	September 9, 2026 at 5:00 p.m. Pacific Time
Submission	To: bbaquial@aeacs.org

3035 Ash Street | San Diego, California 92102 | (619) 795-1190 | aeacs.org

1. Purpose and Intent

Albert Einstein Academies (“AEA”) is seeking proposals from qualified, independent consultants to serve as AEA’s **Independent Management Consultant** pursuant to Section 19.11 of the Lease Agreement associated with the California Municipal Finance Authority Charter School Revenue Refunding Bonds (Albert Einstein Academies Project), Series 2021 (Taxable).

AEA’s unaudited Coverage Ratio for the fiscal year ended June 30, 2026 was below the 1.10 Coverage Ratio Requirement. Section 19.11 requires AEA and 458 26th Street Holdings, LLC to retain an Independent Management Consultant, obtain a written report containing the recommendations identified below, consider the consultant’s recommendations, and, to the extent feasible and required by the Lease Agreement, implement the recommendations with the goal of long-term financial and organizational sustainability.

AEA has already implemented significant staffing and operating reductions through its approved 2026-27 budget. AEA is not seeking an open-ended engagement or a review limited to identifying additional budget cuts. Rather, AEA seeks a clearly defined, right-sized, and cost-effective engagement that begins with a holistic assessment and focuses resources on the areas most likely to strengthen long-term financial sustainability, governance, enrollment stability, organizational effectiveness, communication, and stakeholder confidence.

Recent Board and Finance Committee discussions emphasized that the purpose, scope, and expected value of this engagement must be clear and specific. Respondents should explain the scope of their proposed work, how it complements work already underway, and what practical support and measurable outcomes AEA should expect.

Required covenant outcome

The selected consultant must satisfy the applicable financing-document requirements for an Independent Management Consultant, perform or coordinate the complete review, and deliver the written report required by Section 19.11 within 90 days after retention. AEA will consider the proposal structures described in Section 4.7, provided one lead consultant accepts responsibility for all Section 19.11 duties and the final report. AEA anticipates seeking contract authority of up to \$50,000, subject to Board approval.

2. Organizational Background

AEA is a California nonprofit public benefit corporation and public charter school organization serving approximately 1,380 students in transitional kindergarten through grade eight at two campuses in San Diego. AEA operates Albert Einstein Academy Charter Elementary School and Albert Einstein Academy Charter Middle School and is planning for future expansion to serve high school students.

AEA is in a period of organizational stabilization and strategic renewal following recent leadership transitions. Recent Board strategic-planning and Finance Committee discussions identified continuing work related to governance structure, organizational alignment, communication, enrollment, financial sustainability, facilities, and future growth. AEA intends for this engagement to inform and complement that work while preserving the consultant’s independent judgment regarding the areas most consequential to long-term sustainability.

Current priorities include maintaining financial sustainability and bond covenant compliance; strengthening governance, organizational alignment, and communication; stabilizing enrollment and ADA; improving policy implementation, financial controls, and operational consistency across campuses; preparing for charter renewal; managing significant facilities projects; and planning responsibly for future organizational growth.

3. Engagement Objectives

- Satisfy the Independent Management Consultant requirements in Section 19.11 of the Lease Agreement.
- Begin with a holistic review of the AEA organization and independently identify the primary focus areas most likely to improve AEA’s financial and organizational sustainability.
- Evaluate whether actions already incorporated into the 2026-27 budget are reasonable, measurable, sustainable, and supported by appropriate monitoring.

- Identify practical governance, enrollment, communication, operational, financial, and strategic improvements most likely to strengthen long-term performance and stakeholder confidence.
- Deliver a report containing clearly scoped, right-sized, and cost-effective recommendations that avoid unnecessary duplication and provide demonstrable value.
- Provide a prioritized implementation roadmap, measurable indicators of progress, and a plain-language summary suitable for the Board and external stakeholders.

4. Scope of Work

The core requirements below summarize the scope of work to be performed by the consultant. Sections 4.1 through 4.7 describe supporting review areas and process expectations that inform that core work. AEA has not predetermined a single primary topic; respondents may propose different levels of emphasis across the supporting areas, but the base scope may not omit any Section 19.11 requirement. One lead consultant must accept responsibility for the complete Section 19.11 review and final report.

Covenant-Required Core Review

- Review and analyze the financial, enrollment, attendance, operating, and other reports required by the Lease Agreement.
- Inspect the Premises identified in the Lease Agreement and review its operation and administration. The consultant may visit other AEA facilities when useful to the broader organizational review.
- Conduct targeted interviews with appropriate representatives of the Board, executive leadership, school-site leadership, business services, ExED, and, where materially useful, staff or family representatives selected in consultation with AEA.
- Prepare a written report to the Landlord, Tenant, Underwriter, and Trustee containing findings and recommendations concerning the operation and administration of the Premises and AEA.
- Complete the report within 90 days after retention and support AEA in understanding and prioritizing implementation of the recommendations.

4.1 Initial Review and Focus Confirmation

- Review recent Board strategic-planning materials, prior organizational or financial reviews, publicly available financial information, current-year monitoring, and corrective actions already implemented or underway.
- Within 30 days after retention, and after initial document review, interviews, and site work, confirm in writing for AEA's review and agreement the one or more supporting areas that warrant deeper analysis, the rationale for the recommended emphasis, and the process for implementing the deeper analysis. This may be provided as a concise project update.
- Distinguish work already completed from unresolved gaps so the engagement does not duplicate prior reviews or simply restate reductions already adopted.
- Confirm the resulting project plan with AEA while retaining independent judgment and complete all work within the 90-day reporting period.

4.2 Financial Sustainability and Bond Covenant Compliance

- Review AEA's current financial condition, unaudited 2025-26 results, approved 2026-27 budget, cash position, Coverage Ratio, and multi-year projections.
- Evaluate the principal factors contributing to the 2025-26 Coverage Ratio result, including enrollment and ADA performance, staffing, contracted substitute services, special education services, overtime, legal expenses, and other material revenue or expenditure trends.
- Assess the reasonableness and sustainability of corrective actions already incorporated into the 2026-27 budget without assuming that additional expenditure reductions are the sole or preferred solution.
- Identify practical opportunities to strengthen future Coverage Ratio performance, liquidity, budget reliability, and financial resilience.
- Evaluate financial monitoring, forecasting, reporting, procurement, contracting, internal controls, and management oversight relevant to long-term sustainability and early identification of material variances.

4.3 Enrollment and Organizational Sustainability

- Review historical and current enrollment, matriculation, attrition, student retention, available capacity, attendance, and ADA trends.
- Evaluate current enrollment, recruitment, retention, communication, and community-engagement strategies.
- Identify actions that could improve enrollment stability, family and staff confidence, student retention, and conversion of available capacity into sustainable revenue.
- Assess organizational capacity to support planned growth and major facilities initiatives, including future high school expansion, where material to financial sustainability.

4.4 Governance and Organizational Effectiveness

- Review Board governance structures, recent and ongoing governance-related strategic-planning work, oversight practices, roles, delegations, decision-making protocols, and accountability systems.
- Evaluate the functionality and effectiveness of relationships among the Board, Superintendent, school-site leaders, and administrative departments, including consistency of authority and practices across campuses.
- Assess whether financial and operational information is presented to the Board in a manner that supports timely, informed Board oversight.
- Identify opportunities to strengthen policy implementation, internal controls, organizational continuity, communication, transparency, and stakeholder trust.
- Recommend targeted Board training, governance protocols, committee practices, or management systems only where supported by the assessment and likely to reduce organizational or financial risk.

4.5 Strategic Alignment and Implementation

- Use the Board's recent strategic-planning materials as context without duplicating or replacing the Board's strategy-setting role.
- Independently identify which areas are most consequential to AEA's financial and organizational sustainability.
- Prioritize recommendations by impact, urgency, feasibility, cost, responsible party, and implementation timeframe.
- Recommend measurable indicators that AEA, its Board, and investors can use to monitor progress over the following 12 to 24 months, including indicators suitable for periodic public reporting.

4.6 Right-Sized Scope and Cost Control

- The required base scope must fully satisfy Section 19.11, including the required review, site inspection, written report, and recommendations.
- AEA seeks a fixed-fee or not-to-exceed engagement and does not seek open-ended activities or unnecessary duplication of work already completed.
- AEA anticipates seeking Board authorization for a consultant agreement not to exceed \$50,000 in total value. A respondent that believes a covenant-compliant base scope cannot reasonably be completed within that amount should clearly explain why and provide the lowest-cost compliant alternative.
- Any optional services or expanded modules must be separately described, justified, and priced. No optional work may proceed without prior written authorization from AEA.
- Respondents should use efficient methods, targeted stakeholder engagement, and a proportionate level of site work while maintaining the independence and quality of the assessment.

4.7 Permitted Proposal Structures

- AEA will consider the following proposal structures:
 - Single-firm proposal.** One qualified lead consultant performs or directly coordinates the complete Section 19.11 engagement.
 - Focused proposal.** The lead consultant performs the complete covenant-required review but proposes deeper analysis in one or more supporting areas where the consultant believes the greatest value can be provided. A focused proposal may not omit any Section 19.11 requirements.

Team-based proposal. A qualified lead consultant partners with one or more disclosed specialists. The lead consultant remains responsible for coordination of the complete engagement and issuance of the final Section 19.11 report.

- Respondents should identify the supporting area or areas in which they believe deeper analysis will provide the greatest value to AEA and may identify additional services as optional.
- Current or former AEA service providers may submit proposals but must fully disclose their relationships, identify any prior or current work that would be subject to review, and explain the safeguards that will preserve independent judgment and objectivity. A current AEA service provider will not be awarded the lead Independent Management Consultant role unless AEA determines, following review by legal counsel and/or bond counsel, that the proposer satisfies the applicable financing-document requirements for an Independent Management Consultant and that retention will not violate applicable conflict-of-interest laws.
- AEA may negotiate the depth of review in supporting areas or approve a disclosed team structure after proposal review, provided the final agreement satisfies Section 19.11 and the required reporting timeline.

5. Required Deliverables

#	Deliverable	Minimum Expectation
1	Kickoff and work plan	Confirmed information request, interview and site-visit plan, milestones, communication protocol, and immediate priorities.
2	Initial review and focus confirmation	Within 30 days after retention, following initial document review, interviews, and site work, confirm in writing for AEA's review and agreement the supporting areas recommended for deeper analysis, explain the rationale, distinguish prior work from remaining gaps, and confirm the work plan.
3	Document and data review	Review required Lease reports and relevant financial, enrollment, governance, operational, policy, public-communication, and strategic-planning materials.
4	Targeted interviews and site inspection	Interview designated stakeholders and inspect the Premises and operations, with additional site or stakeholder engagement only where materially useful.
5	Preliminary findings discussion	Working session with designated AEA representatives to validate factual accuracy and identify any additional information required.
6	Draft written report	Draft findings, analysis, prioritized recommendations, implementation roadmap, monitoring indicators, and estimated resource implications.
7	Plain-language executive summary	Concise summary explaining the purpose, scope, key findings, expected value, recommendations, and next steps for Board and external stakeholder use.
8	Final Section 19.11 report	Final written report suitable for delivery to the Landlord, Tenant, Underwriter, and Trustee and availability to Beneficial Owners within 90 days after retention.
9	Board presentation	Presentation of findings and recommendations to the AEA Board of Trustees or a designated Board committee.

Report format and usability. The consultant’s work products should clearly explain the circumstances necessitating the review, what was examined, and what practical value the recommendations provide. The report should distinguish immediate, current-year, and longer-term recommendations; identify the evidence supporting each recommendation; estimate implementation cost and ongoing budget implications where practical; identify suggested owners, milestones, and performance measures; and distinguish core recommendations from optional enhancements.

Public availability and notice. Following retention, AEA will provide the Trustee with a notice identifying Section 19.11, the selected consultant, and the purpose of the engagement for notice to bondholders. Respondents should also assume that the final report, the consultant’s identity, and related engagement information may be provided to and relied upon by the Trustee, Underwriter, bondholders, the AEA Board, authorizing agencies, and the public, including through EMMA or public meeting materials as appropriate.

Communication. The final report must include a concise, plain-language executive summary suitable for discussion with the Board, investors, employees, families, authorizing agencies, and the public.

6. Anticipated Schedule

Milestone	Anticipated Date
RFP issued	September 3, 2026
Deadline for written questions	September 8, 2026, 12:00 p.m. PT
AEA responses to questions	September 8, 2026, by end of day
Proposals due	September 9, 2026, 5:00 p.m. PT
Interviews, if needed	September 10, 2026
Selection and reference checks	September 10-11, 2026
Contract finalization and retention	Target: September 11, 2026; no later than September 13, 2026
Notice of consultant retention to Trustee	Immediately following execution
Kickoff	Immediately following execution
Final report	Within 90 days after actual retention, as required by Section 19.11.

Note: The schedule is intentionally accelerated because Section 19.11 requires AEA and 458 26th Street Holdings, LLC to retain the Independent Management Consultant within 75 days following the June 30, 2026 testing date. AEA may modify interim procurement dates, conduct interviews, request clarifications, or negotiate scope and fees as necessary, provided the consultant is retained within the applicable covenant timeline. AEA anticipates seeking delegated Board authorization on September 8, 2026 so the final consultant may be selected and retained promptly after proposal review.

7. Minimum and Preferred Qualifications

Minimum qualifications

- The lead consultant must satisfy the applicable financing-document requirements for an **Independent Management Consultant**, including the definitions of “Management Consultant” and “Independent” identified in Appendix B.
- Demonstrated independence and ability to provide objective findings and recommendations, including safeguards against self-review or other conflicts that could impair objectivity.
- Ability to begin work immediately and complete the final report within 90 days after retention.

- Capacity to conduct or coordinate document review, interviews, site inspection, analysis, report writing, and presentation within the proposed fee and schedule.
- No actual or potential conflict of interest that would impair the consultant's independence.
- Ability to serve as the lead Independent Management Consultant, satisfy the financing-document qualification standard and independence requirements, and accept responsibility for all Section 19.11 requirements, whether services are performed directly or through a fully disclosed team.

Preferred qualifications

- Experience with California charter schools, local educational agencies, or comparable public education organizations.
- Understanding of charter school finances, including but not limited to LCFF, ADA, enrollment, special education, public governance, and multi-year budgeting.
- Experience with municipal bond covenants, covenant remediation, institutional investors, trustees, or continuing disclosure.
- Experience working directly with governing boards and executive leadership teams.
- Experience developing prioritized implementation plans and monitoring frameworks following an organizational review.
- Experience structuring focused, cost-effective engagements for public or nonprofit organizations with constrained budgets.

8. Proposal Content and Format

AEA recognizes the accelerated procurement timeline and does not expect extensive custom narrative.

Respondents may reference existing materials or provide links to representative work where appropriate. Proposals should be concise and include the following:

1. **Cover Letter and Availability.** Identify the firm or individual, primary contact, legal business name, address, telephone number, email address, and confirm immediate availability to meet the schedule.
2. **Understanding and Proposed Approach.** Briefly describe the respondent's understanding of AEA's needs and Section 19.11 and identify the proposed structure under Section 4.7 (single-firm, focused, or team-based). Describe the overall analytical approach and how strategic-planning materials will be used without compromising independence.
3. **Scope, Deliverables, and Exclusions.** Confirm the complete covenant-required base scope and deliverables, identify any supporting areas proposed for deeper analysis, and separately identify assumptions, exclusions, partner responsibilities, or optional services.
4. **Project Team and Relevant Experience.** Identify the lead consultant and any partners or subconsultants, their roles and availability, and up to three relevant engagements demonstrating the lead consultant's knowledge of public or private school operations and skill and experience in school management consultation. Include resumes as an appendix.
5. **References.** Provide two client references.
6. **Project Schedule.** Provide a concise schedule demonstrating ability to begin immediately and complete the report within 90 days after retention.
7. **Fee and Value.** Provide a fixed fee or not-to-exceed amount for the complete required base scope, payment schedule, assumptions, separately identified travel/reimbursables, and optional services.
8. **Independence and Conflicts.** Disclose all current or recent relationships with AEA, 458 26th Street Holdings, LLC, AEA Board members or employees, California Municipal Finance Authority, ExED, Baird,

Zions Bancorporation, Morgan Stanley, Kutak Rock LLP, Young, Minney & Corr LLP, or any other entity the respondent knows to be involved in the Series 2021 financing or this procurement. Current or former AEA service providers must identify work that may be subject to review and explain safeguards proposed to preserve independent judgment and objectivity. The respondent must also confirm that the proposed lead consultant satisfies the financing-document definition of “Independent” identified in Appendix B.

9. **Financing Document Compliance and Lead Responsibility.** Provide a concise description confirming that the proposed lead consultant satisfies the applicable financing-document requirements for an **Independent Management Consultant**, including the definitions identified in Appendix B, and that the proposed base scope satisfies each Section 19.11 duty, including report review, site inspection, recommendations, recipients, and the 90-day reporting deadline. Identify any exceptions or items requiring clarification before contract execution.
10. **Optional Supporting Materials.** A sample work product is not required with the initial proposal. Respondents may provide a link to a representative report or make a sample available upon request, with confidential information redacted as necessary.

9. Evaluation and Selection

9.1 Threshold Review (Pass/Fail)

Before weighted scoring, AEA will determine whether each proposal satisfies the following threshold requirements. A proposal that does not satisfy a threshold requirement may be rejected or returned for prompt clarification at AEA’s discretion.

Threshold Requirement	Pass/Fail Standard
Financing-document qualification	The proposed lead satisfies the applicable financing-document requirements for an Independent Management Consultant, including the definitions of “Management Consultant” and “Independent” identified in Appendix B.
Section 19.11 compliance	The required base scope addresses the covenant-required review, site inspection, written report, recommendations, recipients, and 90-day deadline.
Lead responsibility	One entity is identified as the lead Independent Management Consultant and accepts responsibility for the complete report and all team members.
Independence and conflicts	Disclosures and safeguards demonstrate that actual or perceived conflicts, including self-review risks, are allowed and will not impair objective judgment.
Schedule and fee completeness	The respondent can begin immediately, meet the required timeline, and provide a complete base-scope fee and assumptions.

9.2 Weighted Evaluation

Proposals that pass the threshold review will be evaluated using the following weighted criteria. AEA may conduct reference checks, interview one or more respondents, request clarification or a best-and-final offer, and negotiate scope and price before award. Selection will not necessarily be based on the lowest cost.

Evaluation Criterion	Weight
Relevant experience and qualifications	25%
Understanding of AEA's needs and clarity of the right-sized approach	25%
Service capability, availability, and ability to meet the required timeline	20%
Cost and overall value	20%
References and past performance	10%
Total	100%

Evaluation team and approval. Proposals will be reviewed by AEA leadership, finance and business-services representatives, Board representatives, and/or advisors designated by AEA. AEA anticipates seeking Board authorization on September 8, 2026, for the Interim Superintendent to execute a consultant agreement in an amount not to exceed \$50,000. Such authorization would not itself constitute selection of a respondent.

10. General Terms and Conditions

- AEA reserves the right to amend, suspend, or cancel this RFP; reject any or all proposals; waive informalities; request additional information; and negotiate any element of a proposal.
- AEA may negotiate the depth of review in supporting areas or approve a disclosed team structure consistent with Section 4.7 and Section 19.11, and may elect not to purchase separately priced optional services.
- AEA may award the engagement to one consultant or to a disclosed team. One lead entity must contract with AEA, coordinate all subcontractors or team members, and accept responsibility for the complete Section 19.11 review and final report.
- A current or former AEA service provider is not automatically disqualified from responding. However, AEA will not award the lead Independent Management Consultant role to a current service provider unless AEA determines, following review by legal counsel and/or bond counsel, that the proposer satisfies the applicable financing-document requirements for an Independent Management Consultant and that retention will not violate applicable conflict-of-interest laws. AEA may reject any proposal if the disclosed relationship or proposed safeguards do not provide sufficient independence for the Section 19.11 role.
- The selected consultant may not perform or invoice for services beyond the approved scope without prior written authorization from AEA.
- Costs incurred in preparing a proposal, participating in an interview, or negotiating an agreement are the respondent's responsibility and will not be reimbursed.
- All questions and communications regarding this RFP must be directed to the designated AEA contact. Respondents may not contact individual Board members, employees, investors, the Trustee, or the Underwriter regarding this procurement unless expressly authorized by AEA.
- Proposals and related materials may be subject to disclosure under the California Public Records Act, subject to applicable exemptions. Respondents should clearly identify information they believe is confidential or proprietary, but AEA cannot guarantee confidentiality.
- The selected consultant will be an independent contractor and must comply with all applicable AEA contracting, insurance, confidentiality, data-security, campus-safety, visitor, and clearance requirements. AEA's standard insurance requirement is commercial general liability coverage of at least \$1,000,000 per occurrence and \$2,000,000 aggregate, including a certificate of insurance and additional insured endorsement naming Albert Einstein Academies, subject to modification or waiver by AEA where appropriate. Professional liability coverage may also be required based on the proposed services.

- The resulting contract must meet the requirements of the Lease Agreement and Tax Regulatory Agreement. Before execution, AEA may request confirmation from legal counsel and/or bond counsel that the selected lead consultant and scope satisfy the financing documents. Any contract award remains subject to applicable budget and Board-approval requirements.
- The selected consultant must protect confidential student, employee, legal, financial, and organizational information and must comply with applicable privacy and records requirements.
- Consistent with AEA's Fiscal Policy, AEA will give priority, when possible, to qualified minority-owned, veteran-owned, women-owned, and local organizations and vendors.
- Proposals should remain valid for at least 60 days after the submission deadline.

11. Questions and Submission Instructions

Questions due: Tuesday, September 8, 2026 at 12:00 p.m. Pacific Time

Proposals due: Wednesday, September 9, 2026 at 5:00 p.m. Pacific Time

Submit to: Brad Baquial, Director of Business Services

Email: bbaquial@aeacs.org

Subject line: RFP - Independent Management Consultant

Questions may be submitted on a rolling basis through the deadline, and AEA will respond as promptly as practicable. Questions and proposals must be submitted electronically. Proposals should be sent as one searchable PDF attachment. AEA may share responses to substantive questions with all known respondents to promote a fair process.

Authorized solicitation

This RFP is issued by Albert Einstein Academies with the authorization of Interim Superintendent Jorge Mora. Brad Baquial will serve as the administrative contact for questions, receipt of proposals, and procurement coordination.

Appendix A — Relevant Excerpt from Section 19.11

The following excerpt is provided for respondent reference. In the event of any inconsistency, the executed Lease Agreement and related financing documents control.

Section 19.11. Coverage Ratio.

(a) The Landlord and the Tenant covenant and agree that the Landlord and the Tenant will maintain on a combined basis a Coverage Ratio of at least 1.10 as of each June 30, commencing June 30, 2022 (the "Coverage Ratio Requirement").

The Lessor and the Lessee will provide the Trustee and the Underwriter within forty-five (45) days following each June 30, commencing June 30, 2022, with a certificate stating the Coverage Ratio as of the applicable June 30 and if the requirements set forth above have been satisfied. In the event that the Coverage Ratio falls below the requirement set forth above as of any testing date, the Landlord and the Tenant shall retain an Independent Management Consultant within seventy-five (75) days following the end of such annual testing date at the Tenant's expense and shall cause the Trustee to send notice of such retention to the Bondholders.

The Independent Management Consultant shall review and analyze the reports required by this Lease, inspect the Premises, their operation and administration, submit written reports to the Landlord, the Tenant, the Underwriter and the Trustee, and make such recommendations as to the operation and administration of the Premises as such Independent Management Consultant deems appropriate. Such reports shall be completed within 90 days of the date the Independent Management Consultant is retained and shall be made available to any Beneficial Owner requesting a copy.

The Landlord and the Tenant agree to consider any recommendations of the Independent Management Consultant and, to the extent feasible, follow and carry out such recommendations as will substantially achieve the results expected from such recommendations (excepting certain limited instances when an Opinion of Counsel is obtained excusing such actions by the Landlord and the Tenant or where the Landlord and the Tenant make a good faith determination in a statement to the Trustee that the Independent Management Consultant's recommendations would violate State or federal law, the educational or charitable purpose of the Landlord and the Tenant or the charter contracts of the Tenant).

(b) Any contract entered into between the Tenant and any Independent Management Consultant engaged by the Tenant pursuant to this Section 19.11 must meet the requirements of this Lease and the Tax Regulatory Agreement.

Appendix B — Relevant Definitions of Independent Management Consultant

The following definitions are provided for respondent reference. In the event of any inconsistency, the executed financing documents control.

“Management Consultant” means a firm of professional management consultants, or a school management organization, knowledgeable in the operation of public or private schools and having a favorable reputation for skill and experience in the field of public or private school management consultation, which term may include any Person formerly serving as financial advisor to the Corporation or the Borrower.

“Independent” when used with respect to any Person means such a Person who (i) is independent in fact, (ii) does not have a direct financial or any material indirect financial interest in the Corporation or the Borrower, and (iii) is not connected with the Corporation or the Borrower as an officer, employee, promoter or member of the governing body thereof.

The lead consultant must satisfy both applicable requirements in order to serve as AEA’s Independent Management Consultant under Section 19.11.

END OF REQUEST FOR PROPOSALS