

**Exhibit C: Parking**



**Merit Academy may use up to eight (8) parking spaces for Merit students adjacent to the softball field.**

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#### **Exhibit D: Insurance Requirements**

##### **General Conditions:**

The School agrees to secure, at or before the time of execution of this Agreement, the following insurance covering all operations, goods or services provided pursuant to this Agreement. The School shall keep the required insurance coverage in force at all times during the Term of the Agreement, or any extension thereof. The required insurance shall be underwritten by an insurer licensed or authorized to do business in Colorado and rated by A.M. Best Company as "A-" VIII or better. Each policy shall contain a valid provision or endorsement requiring notification to the District in the event any of the required policies be canceled or non-renewed before the expiration date thereof. Such written notice shall be sent to the parties identified in the Notices section of this Agreement. Said notice shall be sent thirty (30) days prior to such cancellation or non-renewal unless due to non-payment of premiums for which notice shall be sent ten (10) days prior. If such written notice is unavailable from the insurer, the School shall provide written notice of cancellation, non-renewal and any reduction in limits to the parties identified in the Notices section by certified mail, return receipt requested within three (3) business days of such notice by its insurer(s). The insurance coverages specified in this Agreement are the minimum requirements, and these requirements do not lessen or limit the liability of the School. The School shall maintain, at its own expense, any additional kinds or amounts of insurance that it may deem necessary to cover its obligations and liabilities under this Agreement.

##### **Proof of Insurance:**

The School shall provide a copy of this Agreement to its insurance agent or broker. The School shall provide the District all required certificates of insurance and additional insured endorsements. The School may not commence services or work relating to the Agreement prior to placement of coverage. The School certifies that the certificate of insurance complies with all insurance requirements of this Agreement. The District's acceptance of a certificate of insurance or other proof of insurance that does not comply with all insurance requirements set forth in this Agreement, shall not act as a waiver of the School's breach of this Agreement or of any of the District's rights or remedies under this Agreement. The District's Business Services Department may require additional proof of insurance including but not limited to policies and endorsements.

##### **Additional Insureds:**

For commercial General Liability and Auto Liability, the School's insurer(s) shall name Woodland Park School District RE-2, and its elected officials, employees, representatives, and agents, as additional insureds with respect to liability arising out of the activities performed by, or on behalf of the School.

##### **Contents (FFE):**

The School is responsible for insuring its own contents, furniture, fixtures, equipment, betterments and improvements and shall maintain All-Risk Form Property Insurance on a replacement cost basis in an amount not less than the current value of its contents, furniture, fixtures and equipment.

##### **Builder's Risk or Installation Floater:**

For any construction, remodel or renovation projects funded by and managed through the School, the School shall maintain limits equal to the completed value of the project. The policy shall not include a co-insurance clause, and any deductible amounts under such insurance policy

shall be the responsibility of the School. Coverage shall be written on an all risk, replacement cost basis including coverage for soft costs, flood and earth movement, and, if applicable, equipment breakdown coverage including testing. Woodland Park School District RE-2, Contractor, and subcontractors shall be Additional Named Insureds under the policy. Policy shall remain in force until acceptance of the project by the School.

**Subcontractors and Subconsultants:**

All Subcontractors and Subconsultants, including Independent Contractors, Suppliers or other entities providing goods or services required by this Agreement, shall be subject to all of the insurance requirements. The School shall include all such Subcontractors as Additional Insured under such policies (with the exception of Workers' Compensation) or shall ensure that all such Subcontractors and Subconsultants maintain the required coverages. If Subcontractors and Subconsultants cannot meet any of the insurance coverage requirements, the School shall confer with the District's Business Services Department to determine whether the insurance coverages herein may be modified or waived.

## **Exhibit E: Department of Technology Services Guidelines and Regulations**

The District Department of Technology Services has created strict guidelines to support technology work performed in all District facilities. The following guidelines shall apply when Merit Academy's IT staff needs to connect any services or equipment to the District's Telecom or Network Services or the District's IT infrastructure and are intended to protect against the disruption of the District's Telecom and Network services. The District will maintain at its own expense all District-owned IT infrastructure which is located at Merit Academy.

### **Telecommunication Closets (MDF/IDF):**

Telecommunication Closets are reserved for network, voice, camera, and data switching equipment only. Merit Academy's IT staff and their representatives must coordinate the installation of all services/equipment in the closets with District IT staff. District will work with Merit Academy to ensure that all voice and data equipment is installed and maintained correctly in the closets. District staff will determine if there is adequate rack space for the equipment, and if not Merit Academy will be responsible for any costs associated with providing additional rack space. District IT staff will facilitate all fiber and copper connections between closets (MDF to IDF and IDF to IDF) over the existing infrastructure where available. Merit Academy will be responsible for the cost of any additional work necessary to install additional services and equipment. Merit Academy must provide all equipment specifications to District IT staff for review prior to installation. Upon receipt of these specifications, District IT staff will determine if there are adequate resources available for the Charters School's equipment. Merit Academy will be responsible for any costs and expenses to add any necessary electrical circuits. District IT staff will determine if the BTU output of the Charter School's equipment could surpass the manufacturer recommended heat load of the equipment located in the closets. Merit Academy will be responsible for the costs associated with any necessary environmental upgrades (e.g., air conditioning units in the closets). Merit Academy must coordinate all access to the closets with District IT staff prior to entering. All requests for support must be submitted to [merithelpdesk@wpsdk12.org](mailto:merithelpdesk@wpsdk12.org).

### **Voice and Data Networks:**

District IT prohibits Merit Academy access to the District's voice and data networks and attaching any equipment to these networks. Per Section 2.A., Merit Academy is required to cost share with the District's Internet Service Provider (ISP). Merit Academy will utilize existing WAN connections (including firewall and filtering), voice services (including external carrier lines, phone system and telephone handsets) and share costs as specified in Exhibit F. Merit Academy is required to provide its own systems otherwise, including computers, printers, software licenses, televisions, and cables, unless otherwise specified in this agreement. Merit Academy will be responsible for all costs associated in providing those services to the designated closets. Merit Academy must provide District IT proof of compliance with the Children's Internet Protection Act on an annual basis. District will not be responsible for monitoring and/or maintaining Merit Academy's voice and data networks, including any pre-existing wireless network. Merit Academy will utilize two separate SSIDs, one open and one with WPA2 encryption. Merit Academy will ensure that proper procedures are followed to prevent unauthorized distribution of the encryption passphrase. District IT staff may require Merit Academy to change SSIDs and pass phrases if they become exposed or conflict with other systems. District Technical Services Staff will provide technical support under the maintenance buyback for IT services.

**Structured Wired and Wireless:**

District has developed strict standards and specifications to ensure the high quality of the structured wired and wireless infrastructure. District requires Merit Academy contact the District help desk and create a ticket for any repairs and/or modifications to the structured wired or wireless infrastructure. District IT Network Services staff will review the Charter School's modifications plan and coordinate the approved plan with District approved, manufacture certified contractors. District IT/Network Services staff will facilitate all repairs and/or modifications to the structured wiring infrastructure. District will be responsible for any troubleshooting of Merit Academy's voice equipment, data equipment, and networks. The structured wired and wireless infrastructure includes racks, wiring, raceway, jacks, overhead paging speakers, and wireless access points. Merit Academy will make no modifications to the infrastructure. District Technical Services Staff will provide technical support to structured wired and wireless infrastructure under the maintenance buyback for IT services.

**911 compliance:**

All telephones that reside within District facilities must adhere to all applicable local, State (House Bill 1084), and Federal E911 regulations.

**Multi-School overhead zone paging:**

District Technical Services Staff will design a solution to provide overhead, building-wide paging for the FUA Premises. Merit Academy will be responsible for not disrupting or un-installing any of the connections to the paging system. District Technical Services Staff will provide technical support under the maintenance buyback for IT services.

**Requesting Support from District Technology Services:**

All requests for support must be submitted through the existing IT help desk ticketing system. Requests are submitted to [merithelpdesk@wpsdk12.org](mailto:merithelpdesk@wpsdk12.org). All devices, software, and services not owned and maintained by the District are the responsibility of Merit, including computers, tablets, printers, and peripheral devices. District Technology Services exclusively provides support for the following equipment/systems:

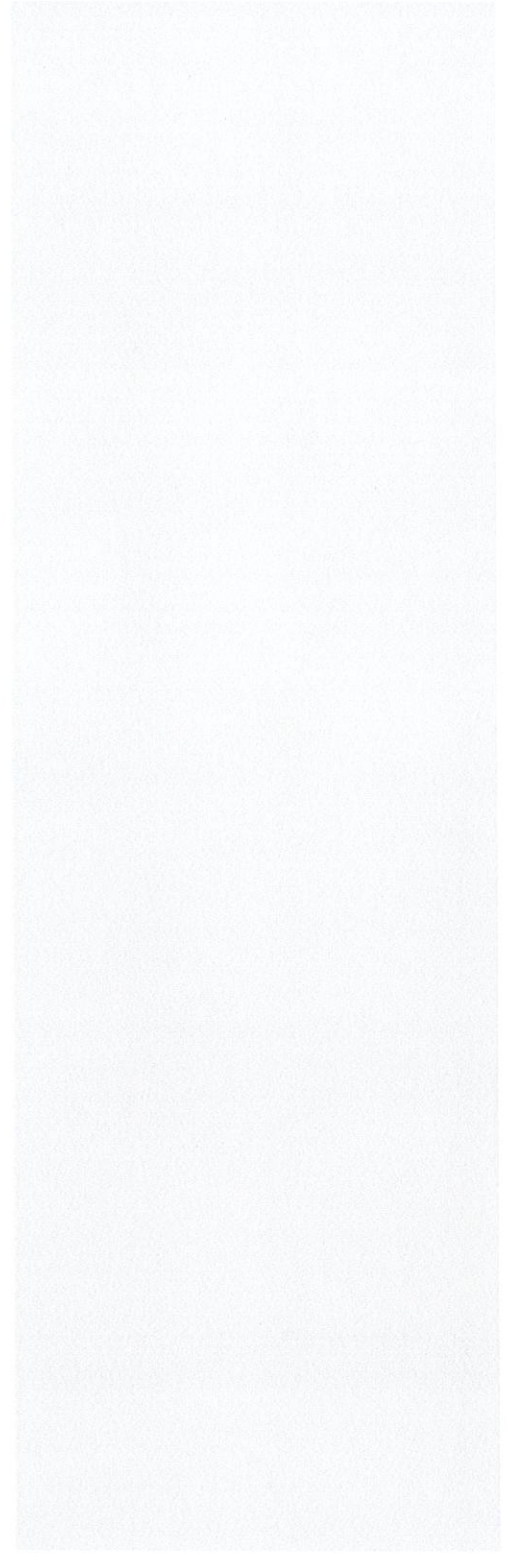
- A. Telecommunications closets (IDF/MDF)
- B. IDF/MDF environmental units (AC)
- C. Ethernet wiring, raceways, wall plates, and jacks
- D. Wireless access points
- E. Overhead paging equipment and speakers
- F. District VoIP phones
- G. Any other district-owned devices

**Exhibit F: Optional Purchased Services Pertaining to Facility Use by Merit Academy**

(Also, refer to Charter School Contract Attachment 10 for all other Non-Facility Purchased Services)

Exhibit F to be updated if optional services are purchased by Merit Academy.

4853-9216-6435, v. 1





**Woodland Park School District Re-2**

**Merit Academy Charter School Contract**

(amended, effective as of August 9, 2023)

600 E Kelley's Rd., Woodland Park, CO 80863

**MERIT ACADEMY**  
**CHARTER SCHOOL CONTRACT**

This Charter School Contract ("Contract"), dated this 20th day of May, 2022, is made and entered into by and between Woodland Park School District Re-2 ("District") and Merit Academy ("MA" or the "School"), a public charter school organized as a Colorado non-profit corporation (collectively, the "Parties").

**SECTION ONE: RECITALS**

1.1. WHEREAS, the Colorado General Assembly has enacted the Charter Schools Act ("Act"), C.R.S. §§ 22-30.5-101 et seq., for certain purposes as enumerated in C.R.S. §§ 22-30.5-102(2) & (3); and

1.2. WHEREAS, in September 2020, the School submitted an Application for Charter ("Application") to the District, which the School District's Board of Education ("Board") denied; and in August 2021 the School opened as a K-8 public school within the boundaries of the District, pursuant to a contract with Education ReEnvisioned BOCES; and

1.3. WHEREAS, on April 13, 2022, the Board re-adopted a Memorandum of Understanding ("MOU") with the School, originally dated January 26, 2022, establishing a period of no longer than 90 days to complete and sign a charter contract for a term of five years to begin on July 1, 2022 **Attachment 1**; and

1.4. WHEREAS, the Parties further agreed in the MOU that reasonable pre-opening and operating conditions, to include finance, staffing, exceptional student services, enrollment, and educational program plans acceptable to the Board will be included in the charter contract; and

WHEREAS, in accordance with the MOU and applicable law, the District and MA desire to enter into this mutually acceptable charter school contract;

NOW THEREFORE, in consideration of the foregoing Recitals and the mutual understandings, releases, covenants and payments contained herein, the Parties agree as follows:

**SECTION TWO: ESTABLISHMENT OF SCHOOL**

2.1. **Term and TABOR Clause.** This Contract is effective as of July 1, 2022 and shall continue through June 30, 2027. Although this Contract is for operation of the School for a period of five (5) years, any financial commitment on the part of the District contained in this Contract is subject to annual appropriation by the District and the Parties agree that the District has no obligation to fund the financial obligations under this Contract other than for the current year of the Contract term. The District has not irrevocably pledged and held for payment sufficient cash reserves for funding MA or for providing services herein for any subsequent fiscal year during the remaining term of the Contract. The Contract may be renewed for an additional period upon application for renewal in accordance with state law and District policy and subsequent District Board approval of the renewal application.



2.2. **Charter School Legal Status.** MA is incorporated as a Colorado non-profit corporation and is recognized as a Section 501(c)(3) tax-exempt entity by the Internal Revenue Service. MA shall continue to operate as a Colorado non-profit corporation and shall assure that its operation is in accordance with its Articles of Incorporation ("Articles") and Bylaws. The School shall notify the District promptly of any change in its corporate and/or tax-exempt status. The purpose of the School as set forth in its Articles will be limited to the operation of a public school.

The School is organized and maintained as a separate legal entity from the District for all purposes of the Contract. As provided by the Act, MA shall constitute a public school in Colorado. Notwithstanding its existence as a separate legal entity, the educational programs conducted by MA are considered to be operated by MA as a charter school that is part of the District. As such, MA is subject to Colorado laws and District policies that apply to all public schools unless waived in accordance with Section 5.7 of this Contract. Further, MA is a public entity within the meaning of C.R.S. §24-10-106, and is therefore entitled to the protections of the Colorado Governmental Immunity Act, and is a local public body within the meaning of C.R.S. §24-6-402(1)(a), and is additionally subject to the Colorado Open Meetings Law, C.R.S. §24-6-401 *et seq.*, and the Colorado Open Records Act, C.R.S. §24-71-201 *et seq.*

The School and the School's governing board ("Charter Board") shall encourage and recruit for participation on the Charter Board parents of students at the School and District residents. The Bylaws also shall require that the School's officers shall be Charter Board members. The Articles and Bylaws are attached to this Contract as **Attachment 2**.

### **SECTION THREE: DISTRICT-SCHOOL RELATIONSHIP**

#### **3.1. District Rights and Responsibilities.**

A. Right to Review. MA shall operate under the auspices of, and shall be accountable to, the District and subject to, unless specifically waived or delegated pursuant to the Contract, all applicable federal and state laws and regulations, District policies and regulations. All records established and maintained in accordance with the provisions of this Contract, District policies and regulations, and federal and state law and regulations shall be open to inspection and review and made available in a timely manner to District officials. Records include, but are not limited to, the following:

- i. School records and policies including, but not limited to, student cumulative files, records of special education and related services;
- ii. Financial records;
- iii. Educational program, including test administration procedures and student protocols;
- iv. Personnel records, including evidence that criminal background checks have been conducted;
- v. MA's operations, including health, safety and occupancy requirements;

- vi. Inspection of the facility; and
- vii. Charter Board minutes, meeting notices, agendas, other records and communications.

Further, the District may make announced or unannounced visits to the School to fulfill its oversight responsibilities. Except in emergencies, and when directed by responsible District administrative officials, visits should be pre-arranged in a professional manner to avoid needless disruption of the educational process.

Notwithstanding anything to the contrary herein, the District shall not have access to (1) documents constituting communication with the School's attorney concerning a matter that is protect by attorney client privilege or the attorney work product doctrine; or (2) documents that would otherwise be executive session minutes or subject to the work product exception relating to negotiations with the District.

- B. Complaints. The District agrees to notify the School regarding any complaints about the School that the District receives. Except in exceptional circumstances, the District shall direct the person making the complaint to present that complaint to the MA Administration and/or Charter Board, as appropriate. If the person or persons making the complaint are adamant about not wishing to take the complaint directly to the School as a first step in the complaint process, the District shall notify the School within ten (10) days of the receipt of the complaint by the District and shall include information about the substance of the complaint, together with copies of any communications or evidence, taking into consideration any complainant's request for anonymity.
- C. School Health or Safety Issues. The District shall immediately notify the School of any circumstances requiring School closure, lockdown, emergency drills or any other action that may affect the health and safety of the School's students or staff.
- D. Access to Data and Information. The District will timely provide the School with access to any data and information pertaining to the School that the District receives from the State or other sources, including but not limited to, test scores, Every Student Succeeds Act ("ESSA") school improvement status, SPF, accreditation, special education, and funding information.
- E. Accreditation Data and Process. No later than five (5) business days following the receipt of the information, the District shall provide to the School data used by the Colorado Department of Education ("CDE") to conduct its analysis of the School's performance and CDE's initial recommendation considering the type of performance plan the School should be required to implement. The District shall give due consideration to any appeal made by the School to the plan assignment, provided that the School has submitted valid and reliable data for consideration in accordance with a reasonable deadline established by the District. The District shall represent any appeal it deems valid to the Department in accordance with 1 CCR 301-1, 10.03. No later than five (5) business days following the receipt of the information, the District shall provide to the School

the final plan assignment determination that the School shall implement, and the final accreditation status assigned to the School and the District's assessment of the progress made by the School toward the goals and objectives set forth in Section 7.3 of this Contract.

- F. Access to Student Records. The District shall timely make available to the School cumulative files and/or student information for any student transferring from a District-operated school to MA, including but not limited to information regarding special education and related services for students of the School. The School shall use such information exclusively for fulfillment of its educational responsibilities or for compliance with the law and shall not use student information acquired from the District for any other purpose.

**3.2. School's Rights and Responsibilities.**

- A. Records. The School agrees to comply with all federal, state, and District record keeping requirements including those pertaining to students, governance, and finance. This includes maintaining up-to-date information about enrolled students in the District's student information systems (currently Infinite Campus and Enrich), including attendance records, grades, transcripts, standardized assessments, cumulative files, and special education records. In addition, the School and the District shall ensure that records for students enrolling in the School or other District schools are transferred in a timely manner, but not to exceed fourteen (14) business days following request for the same unless prior approval for a delay is provided by the requesting entity. Financial records shall be posted online in accordance with the Financial Transparency Act (C.R.S. §22-44-301 et seq.) and reconciled at least monthly. All records shall be maintained at the School and shall be open to inspection, consistent with law, during reasonable business hours. The School further agrees to assist the District in accessing or reviewing any record as part of its oversight responsibility or to address compliance requirements.

B. Notifications provided to the District.

The School shall *timely notify* the District (and other appropriate authorities) in the following situations:

- i. The discipline of employees at the School arising from misconduct or behavior that may have resulted in harm to students or others; or
- ii. Any complaints filed against the School, or complaints opened for investigation, by any governmental agency, including, but not limited to, OCR, CDE, CCRD, and EEOC.

The School shall *immediately notify* the District of any of the following:

- i. Conditions that may cause MA to vary from the terms of this Contract, applicable District requirements, federal, and/or state law;

- ii. Any circumstance requiring the closure of MA, including, but not limited to, a natural disaster such as an earthquake, storm, flood or other weather related event, other extraordinary emergency, or destruction or damage to School facilities;
  - iii. The arrest, dismissal or resignation of any member of the Charter Board or School employees for a crime punishable as a felony or any crime related to the misappropriation of funds or theft or any misdemeanor criminal offenses involving children, or for an act that constituted serious violations of law, including an incident of school violence, as that term is defined by C.R.S. § 24-10-106.3. Additionally, the School shall comply with the provisions of C.R.S. § 22-30.5-110.7, § 22-1-130, and other relevant laws as required;
  - iv. Misappropriation of funds;
  - v. A default on any obligation, which shall include debts for which payments are past due by sixty (60) days or more, or
  - vi. Any change in its corporate status with the Colorado Secretary of State's Office or status as a 501(c)(3) entity.
- C. Compliance. The School shall comply with all applicable federal and state laws, local ordinances, and District policies applicable to charter schools, except to the extent that MA has obtained waivers from state law and regulations and District policies in accordance with Section 5.7 of this Contract.
- D. Satisfaction Surveys. The School shall conduct regular staff, parent, and student satisfaction surveys and shall share de-identified, aggregated results with the School Community and the District's Superintendent.
- E. Reports. The School shall timely provide to the District any reports necessary and reasonably required for the District to meet its oversight and reporting obligations. Required reports include, but are not limited to those listed below along with projected due dates for the current school year. Timely notification shall be provided when due dates are changed or additional reports are to be provided. The District will annually update the list of required reports and due dates and provide this information to the School. Failure to provide reports within ten (10) days after the date due, unless previously coordinated with the District, is a material violation of the Contract, and the District may take actions outlined in this Section. If any date identified in this Section and its Subsections falls on a Saturday, Sunday or a legal holiday, the report shall be due on the next following business day.
- i. Reports Related to Accreditation. The School shall provide the District all required documents set forth on the Data Submission timeline that include but are not limited to: (1) a financial statement disclosing costs of administration, instruction, facilities, instructional materials, and other categories of expenditures, and revenues; (2) a description of the

assessments used to measure student progress; (3) a summary of student assessment results, including evidence the School met, exceeded, or made reasonable progress toward meeting its objectives; (4) a description of the staffing of the School, summarizing the qualifications of staff members in accordance with ESSA, if required by CDE or the District; (5) a description of the District services provided to the School and their effectiveness and efficiency; and (6) CDE annual report requirements not otherwise listed above.

- ii. Financial Reports and Reporting of Enrollment Projections. School shall submit required financial reports and enrollment projections as indicated in the timeline below and as otherwise required by this Contract or applicable law. Required financial reports shall be timely submitted in a readily-usable format requested by District and in accordance with C.R.S. §§ 22-44-301 *et. seq.*
  - a) On or before May 30, 2022, current year (2021/2022) budget with projected actuals, 2022/2023 adopted budget, and projected 5 year budget.
  - b) On or before May 30, 2022, identification of all of the School's current outstanding loans (and similar ongoing financial obligations), the source of the loans, and the repayment obligations after July 1, 2022.
  - c) Proposed balanced budget for the following school year on or before April 15 per Section 8.2.
  - d) Projected enrollment for the following school year on or before November 1 (for District planning purposes).
  - e) Projected enrollment for the following school year, initially on or before May 30, 2022, and then ongoing on or before February 28 per Section 8.3 (for funding purposes).
  - d) Revised budget for the present school year on or before December 15.
  - e) Final revised School budget for the current school year on or before January 15.
  - f) Adopted Budget for the following school year on or before May 30.
  - g) Quarterly and Year-End financial reporting: In accordance with Section 8.7, School shall prepare quarterly financial reports for the District in compliance with C.R.S. § 22-45-102(l)(b), and post required reports pursuant to C.R.S. §§ 22-44-301 *et seq.* Such reports shall be submitted to the District on or before the following dates:
    - i. 1<sup>st</sup> Quarter by October 31;
    - ii. 2<sup>nd</sup> Quarter by January 31;
    - iii. 3<sup>rd</sup> Quarter by April 30; and
    - iv. 4<sup>th</sup> Quarter by July 31.

An unaudited year-end financial report shall be submitted by August 30 (beginning with August 2022 covering 2021/2022). Any other year-end reports shall be submitted upon request.

- h) Reporting of Audit: Annual audit drafts are due by October 15 (beginning with October 2022 covering 2021/2022) and final copies on or before October 31 (beginning with October 2022 covering 2021/2022). Audit information includes an audit performed by a Certified Public Accountant, CDE data pipeline file, and CDE Assurances for Financial Accreditation.
  - i) Certification of Non-Commingling: Consistent with Section 8.8 of this Contract, at the time School submits its annual audit, School shall annually certify that assets, funds, liabilities and financial records of the School have been kept separate from assets, funds, liabilities and financial records of any other person, entity, or organization, including any Education Management Provider (EMP) with which School has an agreement.
- iii. School Calendar. The School shall provide the school calendar for the following school year on or before October 1 of each year.
- iv. Health and Safety Information. The following information shall be reported, including:
- a) an updated monthly report of fire and safety drills for the current school year pursuant to the School's Emergency Drills Summary on or before the last day of each month;
  - b) a report of previous year's fire and other safety drills shall be submitted by August 1;
  - c) updated emergency plans, emergency contact information, etc. to be submitted by September 1, and within seven (7) business days of any revisions thereafter.
- v. Bond Documentation. The School shall provide closing documents and bank statements no later than five (5) business days after request by District.
- vi. Safe School Plan. The School shall comply with the Colorado Safe Schools Act, including C.R.S. § 22-32-109.1, and shall comply with District policy addressing safe schools, including Policy ADD, unless otherwise waived, and complete the required information annually by August 31 of each school year. The School shall submit the information to the Superintendent. The School will be responsible for communicating the information to local responders.
- vii. Governance Information. The School shall provide the following information to the District's Superintendent or designee before the dates, identified below:
- a) Charter Board membership (i.e., names/contact info, terms) - August 15;

- b) Charter Board member conflict of interest disclosures – August 15; and
  - c) School’s Articles or Bylaws – within ten (10) business days after any material changes.
- viii. Insurance Certification. The School shall annually provide certificates of insurance to the District’s Superintendent or designee by August 15 for each year of the Contract’s term, evidencing the insurance required by this Contract.
- F. Indemnification. To the extent permitted by law and not covered by insurance or not otherwise barred by the Colorado Governmental Immunity Act, the District and the School each agree to indemnify and hold the other and its respective employees, directors, officers, agents and assigns harmless for all liability, claims and demands of third parties arising on account of personal injury, sickness, disease, death, property loss, or damage or any other losses of any kind whatsoever that are proximately caused by the negligent, grossly negligent or intentional acts of the indemnitor or its respective employees, directors, officers, agent and assigns. The foregoing provision shall not be deemed a relinquishment or waiver of any applicable bar or limitation on liability provided by the Colorado Governmental Immunity Act or other law. The indemnitee shall reasonably seek to recover any amounts due under this Section from any applicable insurance policy paid for by the indemnitor before withholding funds otherwise due to the indemnitor.
- G. Procedures for Articles of Incorporation and Bylaws Amendments. The School shall follow any requirements of the Colorado Revised Non-Profit Corporations Act in amending its Articles of Incorporation and Bylaws and shall provide the District with notice of any such changes. The Bylaws or policies of the School shall include a requirement that each Charter Board member annually sign a conflict of interest disclosure, which shall, at a minimum, meet the requirements set forth in **Attachment 3**.
- H. District-School Dispute Resolution. All disputes arising out of the implementation of this Contract, and not subject to immediate appeal to the State Board of Education, shall be subject to the dispute resolution process set forth in this Section; unless specifically otherwise provided. All timelines in this Section may be extended by mutual agreement:
- i. The School and the District agree that the existence and details of a dispute notwithstanding, both parties shall continue without delay their performance hereunder, except for any performance that may be directly affected by such dispute.
  - ii. Either party shall notify the other party that a dispute exists between them within thirty (30) days from the date the dispute arises. Such notification shall be in writing and shall identify the article and section of the Contract that is in dispute and the grounds for the position that such article and section is in dispute. The matter shall be immediately submitted to the Chief Action Officer of the School and the Superintendent of the District, or their respective designees, for further consideration and discussions to attempt to resolve the dispute.

- iii. In the event these representatives are unable to resolve the dispute informally pursuant to this procedure within thirty (30) days after the date of notification by one to the other of the existence of such dispute, then either party may elect to submit the matter to the boards of the School and the District for their consideration. The submission to the boards shall be made in writing to the other party and to the board Presidents for delivery to the boards, no later than forty (40) days after the initial date of notification by one party to the other of the existence of the dispute. The Presidents of both boards are required to place the item on the agenda at the earliest meetings for discussion by the respective boards. The board Presidents are required to inform each other in writing of any resolution proposed by their respective boards within ten (10) days after the board meeting at which the item is discussed. The board Presidents may elect to meet to identify possible solutions.
- iv. If the matter is not resolved by the boards, then the matter shall be submitted by either party to non-binding mediation by notice in writing to the other party within thirty (30) days following the board meetings. The thirty (30) days shall be determined by the date of the last board meeting at which the matter is discussed.
- v. If either party submits a notice of mediation, it shall at the same time designate in writing a proposed mediator. If the other party does not agree with the designation, then it shall designate an alternate mediator within five (5) days. If the other party does not agree with the alternate designation, it shall give notice within five (5) days, and the two proposed mediators shall meet within ten (10) days and agree upon a third person to act as mediator. Each party shall pay one-half of the reasonable fees and expenses of the neutral mediator. All other fees and expenses of each party, including without limitation, the fees and expenses of its counsel, witnesses and others acting for it, or mediators not jointly appointed, shall be paid by the party incurring such costs.
- vi. The mediators shall have no authority to add to, delete from, or otherwise modify any provision of this Agreement or to issue a finding having such an effect.
- vii. Mediation shall be scheduled and concluded within one hundred twenty (120) days of the moving party's written request for mediation, with final written findings entered by the mediator and served on both Parties within said 120-day timeframe. The mediator shall also apportion all costs reasonably related to the mediation equally between both Parties. The mediation process shall be closed to the public and all information submitted during mediation shall be confidential to the extent permitted by law. If the dispute is still not resolved at the conclusion of the mediation, the mediator shall make an advisory recommendation to the District Board, which shall in turn make a decision on the matter and



release the mediator's written findings within thirty (30) days of its receipt of the advisory recommendation.

viii. The decision of the District Board shall be final; provided, however, that the School may appeal to the State Board concerning those matters within the State Board's jurisdiction in accordance with governing law within thirty (30) days of the written release of the mediation opinion.

- I. School Violations of Law or this Contract. If the School is subject to nonrenewal or revocation for any of the reasons listed in C.R.S. § 22-30.5-110(3), or any of the other reasons listed in this Contract, is in material (as opposed to merely technical) violation of state or federal law or regulations, or otherwise materially breaches the Contract, the District may, but is not required to, impose other remedies prior to initiating revocation procedures in accordance with Section 11.3. Remedies include, but are not limited to, those listed below. These remedies may be applied individually, in succession, or simultaneously. Prior to taking any of the actions below, the District shall send a notice as provided in subsection J below.
- i. Withholding Funds. This remedy may be applied in situations where the School could reasonably take actions to remedy the breach prior to the withholding of funds. The District may only withhold funds in situations as allowed by C.R.S. § 22-30.5-105(2)(c)(IV). Any action taken pursuant to this subsection is subject to review as provided in C.R.S. § 22-30.5-112(8).
  - ii. Plan Submission. The District may require the submission of a plan to remedy the deficiency. Upon the written request of the District, the School shall develop a plan to remedy the failure or deficiency and submit it to the District for review and comment. The plan may be revised at the discretion of the School. The District may require the School to review and revise the plan if it reasonably determines that the plan is not effective in remedying the deficiency. This remedy may be applied if the School fails (a) to make progress toward achieving its goals and objectives as described in this Contract after a reasonable period of time, (b) to achieve District accreditation requirements, (c) to implement its educational program as described in this Contract after a reasonable period of time, or (d) fails to complete two or more required reports by the established deadlines.
  - iii. Seeking Technical Assistance. The District may require the School to seek technical assistance from a provider if the School is required to prepare and implement a priority improvement plan or turnaround plan. If the School has an education management provider, the School shall seek technical assistance from a provider other than the School's education management provider.
  - iv. Exercise of Emergency Powers. The District may request that the Commissioner issue a temporary or preliminary order in accordance with C.R.S. §§ 22-30.5-701 *et seq.*, if the conditions of an emergency exist, as defined therein.
- J. Procedural Guidelines for School Violations of Law or this Contract. Prior to applying a remedy other than seeking an order under the Emergency Powers set

forth in C.R.S. §§ 22-30.5-701 *et seq.*, the District shall, to the extent practicable, engage in the following process:

- i. The District shall give the School written notice of a deficiency. The notice shall state the deficiency, the basis for the finding, the time by which the District expects the deficiency to be remedied, and the expected remedy.
  - ii. The District shall give the School a reasonable opportunity to contest the District's determination that a breach has occurred. In a non-emergency situation, this means the Chief Action Officer or **school's** designee shall be given an opportunity to meet with the Superintendent or designee to discuss the notice within five (5) business days.
  - iii. If the breach is not cured within the time specified in the notice, the District may apply remedies 3.2.H. (i) through (iv).
- K. District Violations of Charter School Law or Contract. If the School believes that the District has violated any provision of this Contract or law, the School may initiate the dispute resolution procedures of Section 3.2.H, file an appeal with the State Board, or seek other remedies provided by law.
- L. Emergency Powers. If the District seeks a preliminary order under the Emergency Powers set forth in C.R.S. §§ 22-30.5-701 *et seq.*, it shall follow the procedures set forth therein.

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#### SECTION FOUR: SCHOOL GOVERNANCE

4.1. **Governance.** The School's Articles of Incorporation and Bylaws shall not conflict with the School's obligation to operate in a manner consistent with this Contract. The policies of the Charter Board shall provide for governance of the operation of the School consistent with this Contract and state and federal law. The Charter Board shall operate in accordance with these documents. The School shall follow any requirements of the Colorado Revised Nonprofit Corporation Act, C.R.S. §§ 7-121-101 to 7-137-301, in amending its Articles of Incorporation and Bylaws. Any material modification of the Articles or the Bylaws must be submitted to the District within ten (10) business days of its ratification or adoption by the Charter Board. As used herein, a "material modification" shall mean a modification that changes the purpose of the entity. The Bylaws or policies of the School shall include a requirement that each Charter Board member annually sign a conflict of interest disclosure. The School agrees that its Articles, Bylaws, policies, operating agreement with its EMP, if any, and any other documents or practices shall comply with the Charter Schools Act, the Colorado Revised Nonprofit Corporation Act, the Open Meetings Law, the Open Records Act, and all other Colorado or federal law that applies to the School or its operation as a charter school in Colorado.

4.2. **Corporate Purpose.** The purpose of the School as set forth in its articles of incorporation shall be limited to the operation of a charter school pursuant to the Colorado Charter Schools Act, C.R.S. §22-30.5-101 *et seq.*

4.3. **Transparency.** The School shall make Charter Board-adopted policies, meeting agendas, minutes, the School's School Accountability Committee meeting agendas and minutes, and related documents readily available for public inspection, including posting of such

information on the School's website. The School shall also post on its website in a timely manner information about Charter Board members, Charter Board meetings, financial information and audits, relevant School documents (including this Contract), the School's process for resolving public complaints, and other information that may be of interest to students, parents, and community members. The School shall conduct meetings consistent with principles of transparency, the Colorado Sunshine and Open Records laws, and shall adopt and strictly enforce a conflict of interest policy.

**4.4. Nonreligious, Nonsectarian Status and Commitment to Nondiscrimination.** The School shall operate, in all respects, as a nonreligious, nonsectarian, and, consistent with applicable law and District policy. The School shall not be affiliated in any way with any nonpublic sectarian school or religious organization. The School shall not discriminate against any person on the basis of race, color, creed, national origin, sex, marital status, sexual orientation, gender identity, gender expression, religion, ancestry, disability, or any other protected category under federal or state law.

**4.5. Administrator Evaluation.** The Charter Board shall conduct a performance evaluation of the School's Chief Action Officer at least annually.

**4.6. Employee Evaluation.** The Chief Action Officer or designee shall conduct performance evaluations of the School's employees at least annually in accordance with the School's personnel policies.

**4.7. School Dashboard and Annual Performance Report.** The School shall develop a School dashboard that reflects the School's focus on specific measures and metrics to determine the overall success of the School. This dashboard shall be reported quarterly to the District and included in the Annual Performance Report.

**4.8. Complaints.** The School shall establish a process for resolving public complaints, including complaints regarding curriculum, which shall include an opportunity for complainants to be heard. The final administrative appeal shall be heard by the Charter Board, not the District's Board of Education.

**4.9. Contracting for Core Educational Services.**

- A. MA agrees to first obtain District approval before negotiating for contracted core education services, including special education and related services. Upon written authorization by the District, the School shall have the authority to enter into the necessary contracts to the full extent permitted by state law. Such contracting is conditioned upon the School developing a management agreement with the EMP that meets the conditions set forth in **Attachment 4, EMP Guidance**. The District further acknowledges that the School may end its contract with its EMP and become self-managed, or may elect to hire a new EMP. The District must approve any such change, prior to its taking effect. If the School fails to comply with this Section, it shall be a material breach of the Contract. The District hereby approves instruction of MA students by Falcon Aerolab.

B. Notwithstanding Section 4.9.A of this Contract, the School or EMP may negotiate and contract with a school food authority, or any third party for the use, operation and maintenance of a school building and grounds, the provision of any service, activity or undertaking that the School is required to perform in order to carry out the educational program described herein.

4.10. **Contracting for Operational and Administrative Services.** Pursuant to relevant law, the School may contract with third party providers for operational and administrative services. The School shall follow applicable laws, as they apply to charter schools, related to procuring and contracting for goods and services and adhere to best practices, including standards related to arms-length negotiations and arrangements and conflicts of interest. The School will adopt policies and procedures relating to the procurement and contracting of goods and services.

4.11. **Volunteer Requirements.** Any requirement adopted by the School that requires parents to commit to or accrue a number of volunteer hours shall be subject to a waiver process that considers individual family circumstances, and the School shall not condition the continued enrollment of any student on the commitment of the student's parents to provide any number of volunteer hours or donations in lieu thereof. A copy of the School's volunteer policy and any changes thereto shall be provided to the Superintendent.

4.12. **Conflict of Interest.** Members of the Charter Board or any governing committee established for the School shall comply with state law and District policies and regulations regarding ethics and conflict of interest. Subject to approval of the District as applicable, if the School enters into a contract with a charter school management consultant, then School acknowledges and agrees that its board members shall not be employed by such consultant or such consultant's affiliate and shall not be employed with another charter school who retains the services of such consultant.

4.13. **Training.** The Charter Board shall adopt a policy for its annual training plan. Further, each charter board member will satisfactorily complete the online charter school governing board training modules recommended by CDE, or comparable training, within six months of executing this Contract (for those members currently serving on the Board) or being seated on the Board (for all future board members), whichever comes first. Failure to complete this requirement will be noted in the Annual Performance Report compiled by the District.

## **SECTION FIVE: OPERATION OF SCHOOL AND WAIVERS**

5.1. **Operational Powers.** The School and its EMP, if applicable, shall be responsible for the School's operations, and shall have authority independently to exercise the following powers (together with such powers as provided for elsewhere in this Contract): contracting for goods and services; preparation of budgets; selection, supervision, evaluation, and determination of compensation for personnel; promotion and termination of personnel; procure insurance; lease or otherwise acquire facilities for school purposes; purchase, lease or rent furniture, equipment and supplies; retain fees collected from students in accordance with law; and accept and expend gifts, donations, or grants of any kind in accordance with such conditions prescribed by the donor as are consistent with law and not contrary to any of the terms of this Contract; selection, delivery and assessment of curriculum; development of curriculum and standards; and, adoption of policies and bylaws consistent with the terms of this Contract.

5.2. **Transportation.** The District and the School acknowledge and agree that transportation will not be provided by the District to students attending the School unless otherwise mutually agreed in writing. Any transportation of students to the School shall be the sole responsibility of the School, with all costs borne by the School. The School and the District agree to meet on an annual basis to discuss how the Parties might collaborate to provide transportation options for students of the School.

5.3. **Food Services.** The District and the School acknowledge and agree that food services are not required to be provided to students attending the School. If requested to do so by the School, the District may consult with the School to provide school meals, including free and reduced price meals, in a manner determined by the District and in accordance with Board policy and applicable federal and state laws. The costs associated with all food services shall be borne by the School and may be passed on to students, as appropriate. The School and the District agree to meet on an annual basis to discuss how the Parties might collaborate to provide a food service program accessible to students of the School.

5.4. **Insurance.** During the term of this Contract, the School and its EMP (if applicable) shall maintain insurance coverage for the School and EMP either purchased by the School or its EMP on the open market or through the District. The School shall purchase insurance protecting the School and Charter Board, employees, and volunteers, and District where appropriate, consisting of comprehensive general liability insurance, errors and omissions liability insurance (school entity liability insurance), and such other insurance as identified below which identifies the minimum coverages for the current school year:

A. Commercial General Liability. School will maintain commercial general liability insurance covering all operations by or on behalf of the School, including operations of any subcontractor, on an occurrence basis against claims for personal injury (including bodily injury or death) and property damage (including loss of use). Such insurance will have the following limits and coverages:

i. Minimum Limits:

- \$2,000,000 each occurrence
- \$5,000,000 general aggregate
- \$5,000,000 products and completed operations aggregate

ii. Coverages:

- Occurrence form
- Products and completed operations coverage
- Personal injury
- Contractual liability
- Defense in addition to the limits of liability

- Sexual abuse and misconduct coverage (full limits of general liability policy)
- Coverage for athletic activities, if the School participates in athletic programs
- Special events coverage
- Cyber incident coverage
- Severability of interests provision
- District to be added as an Additional Insured onto both the School's and EMP's (if applicable) policies. The School and EMP (if applicable) are to provide the Additional Insured endorsement to the District

B. Automobile Liability. School will maintain business auto liability coverage covering liability arising out of any auto (including owned, hired, and non-owned autos):

i. Minimum Limits:

- \$2,000,000 combined single limit each accident

ii. Coverages:

- District to be added as an Additional Insured onto both the School's and EMP's (if applicable) policies. The School and EMP (if applicable) are to provide the Additional Insured endorsement to the District
- Excess coverage for employees as insured using personal vehicles on School business

C. Workers Compensation Insurance. The School and its EMP will maintain workers' compensation insurance coverage for their respective employees, if any, including occupational disease provisions covering the School or EMP as appropriate in accordance with applicable state laws and employer's liability insurance:

i. Minimum Limits:

- Workers' compensation- statutory limits
- Employer's liability: \$250,000 bodily injury for each accident; \$250,000 each employee for disease and \$500,000 disease aggregate

- D. Educators Legal Liability. During the term of the Charter Contract, the School and its EMP shall maintain Educators' Legal Liability Insurance covering its professional errors and omissions with a limit of not less than \$2,000,000 per claim/aggregate. If coverage is purchased on a "Claims Made" basis, coverage must be endorsed to cover acts of the entity from the first date of operation. In addition, if operations of the entity cease, an extended reporting period of at least ten years must be purchased. An umbrella policy may be used to meet the limits requirement.
- E. Directors and Officers Liability. During the term of the Charter Contract, School and its EMP shall maintain Directors and Officers Liability Insurance covering the wrongful acts, errors and omissions of its governing Board arising out of the administration of the School with a limit of not less than \$2,000,000 per occurrence/\$5,000,000 annual aggregate. This coverage may be included in the Educators' Legal Liability coverage. Coverage shall also include Employment Practices Liability. If coverage is purchased on a "Claims Made" basis, coverage must be endorsed to cover acts of the entity from the first date of operation. In addition, if operations of the entity cease, an extended reporting period of at least ten years must be purchased.
- F. Excess/Umbrella Liability. School shall maintain umbrella/excess liability on an occurrence basis in excess of general liability, auto liability, employer's liability insurance described above, and excess of the Educators' Legal Liability and Directors and Officers Liability coverages:
- i. Minimum Limits:
    - \$2,000,000 each occurrence and aggregate
- G. Property Insurance. All property (building and contents) owned or leased by the School or its EMP will be the responsibility of the School or EMP respectively unless otherwise agreed by contract. The School or its EMP will carry property insurance covering its owned or leased property, including improvements made by the School or its EMP, on an all risk form, including replacement cost coverage, equipment breakdown, and business interruption/extra expense.
- H. Crime Insurance. School or its EMP will maintain employee theft, fraud and dishonesty coverage in an amount of not less than \$250,000 to protect it from theft of money and securities by employees. Coverage must also include volunteers as employees.

The School shall have on file at all times a copy of the purchased insurance policies that, at a minimum meet the above requirements, as well as evidence that payment of premiums for such policies have been timely made. The School shall provide at least sixty (60) days' prior written notice to the District if these coverage limits are changed, and all changes shall be commercially reasonable. Insurance terms and conditions must be reasonably acceptable to the District and underwritten by insurers that are legally authorized in the State of Colorado and that are rated by A.M. Best Company not lower than "A-VII". The School shall provide certificates of insurance and Additional Insured

endorsements to the Superintendent or designee by June 1 annually. All of the School's insurance policies purchased by the School shall state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits, except after thirty (30) calendar days prior written notice by certified mail, return receipt requested, sent to the School and the Superintendent or designee. The School shall notify the Superintendent or designee within ten (10) calendar days if for any reason there is a lapse in insurance coverage. The School is solely responsible for any deductibles payable under the policies purchased by the School. Both Parties shall secure policies that are primary and noncontributory to insurance obtained by the other party and/or any obligation of indemnification under this contract.

5.5. **Bidding Requirements.** Unless purchased from or through the District, contractual services and supplies, materials and equipment shall be procured through a system of competitive bidding, which will comport with best practices for charter schools and state law.

5.6. **Collaboration with District.** The School shall provide reasonable notice to the District before entering into any inter-governmental agreements with other government entities.

5.7. **Waivers.**

A. State laws and regulations.

- i. Automatic Waivers. Pursuant to C.R.S. § 22-30.5-103, automatic waivers are those automatically granted upon the establishment of a charter contract. Pursuant to C.R.S. § 22-30.5-104(6), the State Board will adopt, by rule, a list of automatic waivers for which the School is *not* required to submit a replacement plan, or statement, to CDE, to specify the manner in which the School intends to comply with the intent of the state statute or State Board rule. The list in effect as of the Effective Date is attached in **Attachment 5**.
- ii. Waiver Requests. Waivers are neither necessary nor appropriate when a statute or rule by express terms does not apply to a charter school, or when a District power or duty has been fully delegated, as more specifically stated in this Contract, to the School. The School is expected to seek waivers only if a statute or rule applies to the School and is inconsistent with the School's operational or educational needs.
- iii. Procedures for Non-Automatic Waiver Requests. Any request for waivers of state statutes or rules must include a replacement plan articulating how the School plans to comply with the intent of the statute or rule for which waiver is requested. The District Board of Education agrees to jointly request waivers of the state laws and regulations, in addition to those automatically granted, that are listed in **Attachment 6**, which shall include the School's rational and replacement plan for each state statute and rule the School seeks to waive. To the extent that the State Board does not grant the requested waivers or imposes conditions upon the School with respect to such waivers, it is agreed that representatives of the Parties shall meet to negotiate the effect of such State Board action.



- iv. Subsequent Waiver Requests. The School may request additional waivers after the original request. Any such requests for waivers must include a replacement plan articulating how the School plans to comply with the intent of the statute or rule for which waiver is requested. Upon receipt of such request, District officials shall have thirty (30) calendar days to review the request and, thereafter, shall present the matter before the District Board at its next regular meeting. The Board shall, unless otherwise agreed by the Parties, have thirty (30) calendar days to consider the matter prior to rendering a decision at a regular meeting. The District agrees to jointly request such a waiver from the State Board, if the District's Board first approves the request. District Board of Education approval of requests to waive state law or regulations shall not be unreasonably withheld. To the extent that the State Board does not grant the requested waivers or imposes conditions upon the School with respect to such waivers, it is agreed that representatives of the Parties shall meet to negotiate the effect of such State Board action.

B. District Policies.

- i. Waivers. The School shall be granted certain waivers from District policies set forth in **Attachment 7**, which shall include the School's rationale and replacement plan for each District policy the School seeks to waive. On or before June 15, 2022, the School shall submit its rationale and replacement plan for each District policy the School seeks to waive. The replacement plans are subject to approval by the Superintendent, which shall not be unreasonably withheld, and will be attached to this Contract as an addendum to Attachment 7.
- ii. Subsequent Waiver Requests. The School may request additional waivers after the original request. Any such requests for waivers must include a replacement plan articulating how the School plans to comply with the intent of the District policy for which waiver is required. Upon receipt of such request, District administrators shall have thirty (30) calendar days to review the request and, thereafter, shall present the matter before the District Board at its next regular meeting. The Board shall, unless otherwise agreed by the Parties, have thirty (30) calendar days to consider the matter prior to rendering a decision at a regular meeting. Waivers of District policies may be granted only to the extent permitted by state law. Waiver of District policies shall not be unreasonably withheld.
- iii. Waiver Requests After Policy Adoption or Revision by District. To the extent that District adopts a new District policy and/or revises District policy, notice shall be provided to the Charter School within ten (10) business days after the policy takes effect. The School may request a waiver to such new policy or revised District policy within thirty (30) calendar days after the date notice was given to the School, providing its rationale and replacement plan. The District shall have thirty (30) calendar days to review the request and, thereafter, shall present the