

## POWER TECH AND TRADE ACADEMY

### CHARTER SCHOOL CONTRACT

This Charter School Contract (“Contract”), dated effective as of \_\_\_ day of October, 2015, is made and entered into by and between Falcon School District No. 49 (“District”) and James Irwin Charter Schools, a Colorado Charter School Collaborative and public charter school organized as a Colorado non-profit corporation (“JICS” or “Collaborative”). The District and JIS are collectively referred to herein as the “Parties”. JICS will operate a public charter school with the name of Power Technical Early College (“PTEC” or “the School”). PTEC will operate under a unique school code and shall keep and maintain records and financial accounts separate from the other operations of JICS.

#### 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, on July 9, 2015, the School District’s Board of Education (“Board”) approved PTEC’s charter application and directed a Contract be negotiated; and
- 1.3. WHEREAS, PTEC seeks approval of its charter and contract and desires certain waivers from School District policies/regulations and state law/rules, attached and incorporated herein as Attachments 6 and 7 respectively; and
- 1.4. WHEREAS, the Board has the authority to waive School District policies and regulations only to the extent permitted by law; and;
- 1.5. WHEREAS, the authority of the Board, as approved by the State Board of Education, to provide waivers from the requirements of state law only extends to provisions contained in Title 22 of the Colorado Revised Statutes;

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.** This Contract is effective as of July 1, 2016 and shall continue through June 30, 2021. Although this Contract is for operation of the Charter School for a period of five 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; and that the District has not irrevocably pledged and held for payment sufficient cash reserves for funding PTEC or for providing services herein for any subsequent fiscal year during the remaining term of the Contract. The

Parties agree that either party may reopen negotiations of Section 3.2(L), and only that section, one time after May 1, 2018 and before August 1, 2018. If either party desires to reopen negotiations of Section 3.2(L) they shall send notice to the other party within the timeframe stated herein. Negotiations shall concluded within 90 days of one party sending notice of their desire to open negations. Any section of this Contract may be renegotiated by mutual consent.

- 2.2. **Charter School Legal Status.** JICS has been recognized as a Section 501(c)(3) tax-exempt entity by the Internal Revenue Service. Unless the parties agree otherwise in writing, JICS shall continue to operate as a Colorado non-profit corporation and shall assure that its operation is in accordance with its articles of incorporation and bylaws. The School shall notify the District promptly of any change in its corporate and/or tax-exempt status. The Parties acknowledged that JICS may request to transfer this Contract to another Colorado nonprofit corporation whose sole member is JICS. The District agrees to consider such transfer within thirty (30) days of JICS making such written request and the District will not unreasonably deny the request.

The School is organized and maintained as a separate legal entity from the District for all purposes of the Contract. As provided by the Charter Schools Act, PTEC shall constitute a public school in Colorado. Notwithstanding its existence as a separate legal entity, the educational programs conducted by PTEC are considered to be operated by PTEC as part of the District. As such, PTEC is subject to Colorado laws and District policies that apply to all public schools unless waived in accordance with Section 5.5 of this Contract. Further, PTEC 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 therefore subject to the Sunshine Law and the Open Records Act.

### SECTION THREE: DISTRICT-SCHOOL RELATIONSHIP

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

- A. Right to Review. PTEC 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, Board policies and regulations. All records established and maintained in accordance with the provisions of this Contract, Board 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 who have legitimate educational interests in such records within the meaning of the Family Educational Rights and Privacy Act (FERPA). Records include, but are not limited to, the following:
- i. School records including, but not limited to, student cumulative files, policies, special education and related services;
  - ii. Financial records;

- iii. Educational program, including test administration procedures and student protocols;
- iv. Criminal background check verifications;
- v. PTEC's operations, including health, safety and occupancy requirements; and,
- vi. Inspection of the PTEC facility.

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 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 material complaints about the governance, safety or contractual compliance of the School that the District receives within three (3) working days of the receipt of the complaint by the District and shall include information about the substance of the complaint, taking into consideration any complainant's request for anonymity. The District further agrees to direct any complaining party to the School's internal grievance policy, so that the School and the complaining party may address the complaint at the School level, prior to any involvement by the District. Any written complaint shall be provided to the School as soon as possible but no later than three (3) days after receipt by the District.
- 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.
- 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, Elementary and Secondary Education Act (ESEA) school improvement status, , 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 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, 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.
- G. District Responsibility to Report Costs/Accounting to the School. Within ninety (90) days after the end of each fiscal year, the District shall provide to the School the costs of services actually provided to the School from among the District's central administrative overhead costs and any direct costs that were charged to the School in accordance with the provisions of C.R.S. § 22-30.5-112(2)(a.4)(I,II). Pursuant to subsection -112(2)(a.4)(II), any difference between the amount initially charged to the charter school and the actual cost shall be reconciled and paid to the owed party. Projected cost figures for any service to be purchased by the School from the District shall be provided to the School during its budget formulation phase.
- H. Reasonable Assistance. The District shall, within three business days, provide all requested signatures and, when necessary, all requested supporting documentation in order to permit the School to apply for any state, federal, or charitable grant of the School's election.

### 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 School's student information system. In addition, the School shall ensure that records for student enrolling in other Schools are transferred in a timely manner. Financial records shall be posted 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 or at JICS's primary office 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 that constituted serious violations of law; or
  - ii. Any complaints filed against the School by any governmental agency.

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

- i. Conditions that may cause PTEC to vary from the terms of this Contract, applicable District requirements, federal, and/or state law;
  - ii. Any circumstance requiring the closure of PTEC, 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 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;
  - 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, if applicable.
- 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 PTEC has obtained waivers from state law and regulations and District policies in accordance with Section 5.5 of this Contract. A list of some, but not all, of the federal and state laws with which the School must comply are listed in Attachment 3.
- D. 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. 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, may constitute a material violation of the Contract, and the District may take actions outlined in Section 3.6.
- i. Accreditation report, including the Unified Improvement Plan, in accordance with state requirements.

- ii. Annual Performance Report (APR) to include:
  - a. Quarterly reports, due within 30 days after each quarter, or October 30, January 30, April 30, and July 30, that include:
    - 1. Quarterly projected and actual enrollment
    - 2. Quarterly financial reports
    - 3. Governance information to include the charter school board roster and contact information, signed board disclosure/conflict of interest forms for each board member and policies addressing conflicts of interest, nepotism, excess benefits, and discrimination by October 30.
    - 4. Anything else as may be included in the District's Annual Performance Report and required of its charter schools.
- iii. Required financial reports in addition to posting financial data on-line in accordance with C.R.S. §§22-44-301 *et seq.* (including current year budget and the two immediately prior two years' budgets).
  - 1. Proposed Budget-due April 15
  - 2. PTEC Board approved budget-due June 1
  - 3. Annual Audit-due October 15
  - 4. End of the year balance- due August 20
- iv. School calendar – due June 1
- v. Insurance certification – due September 1

E. Reserved.

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, the Charter Schools Act, and/or the Charter School Collaboratives 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 the each Board member annually sign a conflict of interest disclosure, which shall, at a minimum, meet the requirements set forth in Attachment 4.
- 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 President of the Board of the School and the President of the Board 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. In the event that 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. Any and all disputes which cannot be resolved informally shall be addressed by mediation to the extent not inconsistent with the requirements of state law, subject to either party's right of appeal to the State Board. The parties expressly agree that the mediator(s) shall be required to render a written opinion concerning the matters in controversy, together with their findings.
  - vi. 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.
  - vii. 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.
  - viii. Either party may appeal to the State Board within thirty (30) days of the written release of the mediation opinion.
- I. Other Remedies. If the School is subject to nonrenewal or revocation pursuant to C.R.S. § 22-30.5-110(3), state or federal laws or regulations, or if the District has finally adjudicated that the School materially breached 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 applying a remedy other than that described in Section 3.2.K (Emergency Powers), the District shall send a notice of breach and provide the School an opportunity to cure. The notice shall state the deficiency and the basis (evidence), provide an opportunity for the School to contest the deficiency, and indicate a reasonable timeframe for remedying the deficiency and the expected results. Unless extraordinary circumstances dictate a different period, the School shall have thirty (30) days from receipt of notice to cure any perceived deficiency.

- i. Withholding up to Eight percent (8%) of Funds Due to the School. This remedy may be applied in situations where the School could reasonably



take actions to remedy the breach prior to the withholding of funds. These situations include, but are not limited to, failure to submit reports listed in Section 3.2.D by the established deadlines, failure to submit other required information or records by the date requested, and failure to submit a budget to the District that meets the requirement of Section 8.3. Any action taken pursuant to this subsection is subject to review as provided in C.R.S. § 22-30.5-112(9).

- ii. Submission of Plan to Remedy Deficiency. At the request of the District, the School shall develop a remediation plan to cure a deficiency and submit it to the District for review and comment. The plan may be revised at the discretion of the School and then submitted to the charter board for approval. The approved plan shall include a statement that directs the School's staff to implement the plan and provide the charter board and the District's board with periodic reports of progress. The District may request the School to review and revise the plan if it reasonably determines it is not effective in remedying the deficiency. This remedy may be applied if the School fails to 1) make progress toward achieving its goals and objectives as described in this Contract after a reasonable period of time, 2) achieve District accreditation requirements, 3) implement its educational program after a reasonable period of time, or 4) complete two (2) or more required reports by the established deadlines.
- J. 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.
- K. 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.
- L. Contracts with Third Parties. The District acknowledges the autonomy of the School to enter into contracts to meet the various needs of the School. The School acknowledges that the District must provide financial oversight of the School. The School agrees that all contracts, including, but not limited to contracts for educational services, business or charter management, employee or employee equivalents, professional services, products, equipment, or any other contract is subject to review by the District prior to being entered into by the School. This process shall be governed in accordance with Exhibit 10 entitled, Right to Support or Not Support Contracts.

#### 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 School Board's policies shall provide for governance of the operation of the School consistent with this Contract. The governing 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, or the Colorado Charter School Collaboratives Act, C.R.S. Sec. 22-30.5-601 to 22-30.5-605 in amending its articles of incorporation and bylaws. The bylaws or policies of the School shall include a requirement that each charter school board member annually sign a conflict of interest disclosure. The School agrees that its articles, bylaws, policies, operating agreement with an educational service provider (ESP), 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. The School further agrees that any changes to any documents that affect the fundamental governance of the School must be reviewed and approved by the District prior to such changes becoming effective.

- 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 its Board-adopted policies, meeting agendas, minutes, and related documents readily available for public inspection and 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. **Administrator Evaluation.** The governing board shall conduct a performance evaluation of the school's lead administrator at least annually in accordance with C.R.S. § 22-9-106, unless waived, in which case a replacement plan and rationale shall be submitted and approved in accordance with Section 5.5 of this Agreement.
- 4.5. **School Dashboard and Annual Performance Report.** The School's Board shall develop a school dashboard that reflects the Board'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.
- 4.6. **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 PTEC Board of Directors, not the District's Board of Education.
- 4.7. **Contracting for Core Educational Services.**
  - A. The District acknowledges that the School will be operated as part of the James Irwin Charter Schools Collaborative. With respect to this operation, no management contract will be required. Further, it may in the future contract with a EMP for implementation of parts of its core educational program if approved pursuant to Exhibit 10, Right to Support or Not Support Contracts. 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.

- B. Notwithstanding section 4.7.A of this Contract, the School 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.
- 4.8. **Board Training.** The School's Board shall adopt policy for its annual training plan. Further, each charter board member will satisfactorily complete charter school governing board training modules online [<http://onlinelearning.enetcolorado.org/>] and report progress on module completion at least annually by June 1 or comparable training within the discretion of the School and at the expense of the School, within a year 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 shall be fiscally responsible for its own 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; 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 is not required to be provided to students attending the School. However, students attending the School may utilize transportation provided by the District on the same terms as students attending District operated schools. Transportation of special education students who require transportation on a related service shall be provided by the district consistent with the service agreement by which the district will serve students at PTEC with special needs (those with Individualized Education Plans).
- 5.3. **Food Services.** The District and the School acknowledge and agree that foodservices are not required to be provided to students attending the School. If requested to do so by the School, the District shall 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.

5.4. **Insurance.** During the term of this Contract, the School shall maintain insurance coverage either purchased in its own right or through the District. Such insurance shall at a minimum include the following:

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:
  - \$1,000,000 each occurrence
  - \$2,000,000 general aggregate
  - \$2,000,000 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
  - Coverage for athletic participants, if the School participates in athletic programs
  - Special events coverage
  - Severability of interests provision
  - Additional insured endorsement on behalf of the District

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

- i. Minimum Limits:
  - a. \$1,000,000 combined single limit each accident
- ii. Coverages:
  - a. Additional insured endorsement on behalf of the District
  - b. Excess coverage for employees as insured using personal vehicles on School business

C. Workers' Compensation Insurance: School will maintain workers' compensation insurance, including occupational disease provisions covering the School in accordance with applicable state laws and employer's liability insurance:

- i. Minimum Limits:
  - a. Workers' compensation – statutory limits

- b. 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 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 two 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 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 claim/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 two 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, if available, excess of the Educators' Legal Liability and Directors and Officers Liability such that the total coverage for each policy combined with the umbrella/excess liability policy has a minimum limit of \$2,000,000.00 for each occurrence and aggregate.
- G. Property Insurance: All property (building and contents) owned or leased by the School will be the responsibility of the School unless otherwise agreed by contract. School will carry property insurance covering its owned or leased property on an all risk form, including replacement cost coverage, equipment breakdown (if applicable), and business interruption/extra expense.
- H. Crime Insurance: School will maintain employee 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.

5.5. **Waivers.**

- A. State laws and regulations.
  - i. Automatic Waivers. The District agrees to seek waivers from the State Board of Education of state statutes and regulations that are automatically

approved, upon request pursuant to 1 Colo. Code of Regulations 301-35. The School agrees to provide acceptable replacement policies for these automatic waivers. The waivers from state law or regulation, to be requested jointly, are set forth in Attachment 7.

- ii. Additional 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 Additional Waiver Requests. 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. 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. 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, which shall not be unreasonably withheld, conditioned, delayed or denied. 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.

#### 5.6. **District Policies**

- A. Automatic Waivers. The District shall grant automatic waivers that are necessary or appropriate when a policy by its express terms does not apply to a charter school. Through this Contract, the District has delegated this authority to the School. Such automatic waivers from District policy are subject to compliance with all state and federal laws, rules and regulations. In addition, any District policies enacted after the Effective Date of this Contract shall not apply to PTEC

unless and until the School's governing board passes a resolution agreeing to be bound by the same.

- B. Additional Waivers. The School shall be granted certain waivers from District policies set forth in Attachment 6 and any other waivers upon request by the School and approved by the District Board in its discretion, which shall not be unreasonably withheld, conditioned, delayed or denied.
- C. Subsequent Waiver Requests. The School may request additional waivers after the original request. 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.

## SECTION SIX: SCHOOL ENROLLMENT AND DEMOGRAPHICS

- 6.1. **Student Grade Levels**. The School may serve students in grades 6 through 14 and will apply to operate as a Pathways in Technology Early College as defined in C.R.S. §22-35.3 **Pathways in Technology Early College High Schools**. The School may elect to start with a smaller grade span and grow into the full range over time.
- 6.2. **Student Demographics**. The School shall abide by the provisions of the Colorado Charter Schools Act, C.R.S. §22-30.5-104(3). The School shall have and implement a recruitment and enrollment plan that ensures that it is open to any child who resides within the District. The School shall make reasonable efforts to enroll a percentage of students that are eligible for free or reduced lunch programs consistent with District averages, taking into account the demographics of other public schools within a reasonable proximity to the School. The School shall consistently attempt to make reasonable progress toward this goal.
- 6.3. **Minimum Enrollment**. The School's enrollment procedures shall be consistent with C.R.S. § 22-30.5-104(3). The School will have a waiting list when the planned capacity of its facilities is reached. The minimum enrollment is 100 student FTEs, which is determined to be the lowest enrollment necessary for financial viability.
- 6.4. **Eligibility for Enrollment/Admissions**. Students shall be enrolled/considered for admission into the School without regard to race, color, creed, national origin, sex, sexual orientation, marital status, religion, ancestry, disability or need for special education services.
- 6.5. **Admission Process and Procedures for Enrollment of Students with Disabilities or a Section 504 Plan**. The School shall follow admission procedures from Attachment 2 to ensure that the needs of students with disabilities are met. The Parties acknowledge and

agree that some programs of the School include the operation of dangerous machinery, so to the extent allowed by law, JICS may limit participation in programs if necessary for the safety reasons.

- 6.6. **Participation in Other District Programs.** No student may be jointly enrolled in the School and another District school or program without the written permission of the District and the School. Such written permission shall include the manner in which the costs of instruction shall be divided between the School and the District. Payment by the School to the District, if any, pursuant to any such agreement shall be deemed payment for a purchased service under the Charter Schools Act.
- 6.7. **Extracurricular Activities.** Subject to the provisions of C.R.S. § 22-32-116.5 and this Contract, the School's students may participate in nonacademic activities at other schools in the School District provided that the prerequisites for participation are met and there is space available in the desired activity or program. Where such participation requires payment of a fee, PTEC or the student shall be responsible for payment of the fee consistent with the policies and practices of PTEC. PTEC students shall not be eligible for enrollment in academic courses at other schools on a part-time basis.
- 6.8. **Student Movement after October 1.** After October 1, any movement of students between the School and any other school, including a school serving the student's resident address that is not operated pursuant to a charter school contract, is subject to an agreement between the School and the superintendent of such school or such superintendent's designee. The School agrees to use the standard applicable administrative transfer process for such students. Requests for transfer from the School to a school serving the student's resident address shall not be unreasonably denied. Notwithstanding anything else herein, the School retains discretion to create and implement its own enrollment policies, consistent with Colorado and federal law. *See* C.R.S. § 22-30.5-104(3) & 7(a).
- 6.9. **Expulsion and Denial of Admission.** The authority to hold expulsion hearings shall remain with the District Board of Education. However, the charter board, or its designee shall make findings of fact and recommendations to the District Chief Education Officer and a decision to expel a student from the District may be appealed to the District Board. Any decision to expel a charter school student by the District Board shall specify which District school(s) the student is expelled from attending and which schools, if any, the student may attend as an alternative. Any general education services required by law to be provided to suspended or expelled students shall be the sole responsibility of the District. All costs for truancy shall be paid for by the School. The School may deny admission to a student pursuant to 22-33-106, C.R.S.
- 6.10. **Continuing Enrollment.** Students who enroll in the School shall remain enrolled in the School through the fourteenth grade, absent expulsion, graduation, court ordered placement, or IEP placement. Students wishing to transfer from the School to another school in the District may do so only through the District's within-District transfer procedures.



- 6.11. **Volunteer Requirements.** Any requirement that parents commit a number of volunteer hours shall be subject to a waiver process that considers individual family circumstances. The School shall not condition the enrollment of any student on the commitment of the student's parents to provide any number of volunteer hours or on otherwise donating volunteer hours to the School.

## SECTION SEVEN: EDUCATIONAL PROGRAM

- 7.1. **Vision.** Students who graduate from PTEC will have the necessary skills to be workforce ready in a world that demands firm mathematical, technological, and communication expertise. Graduates from PTEC will possess the work ethic and positive character traits that will not only allow them to be successful, but also have the fortitude to rise to the top of their respective trades.
- 7.2. **Mission.** The mission of Power Technical Early College is to prepare students to enter the workforce with the skills necessary to be successful in a trade while also having the character and work ethic to become the most valuable members in their chosen trade. These goals will be attained through student and activity centered projects that develop academic, technical and team skills.
- 7.3. **School Goals and Objectives.**

Student Performance. If the School fails to maintain a rating of Performance on the Colorado School Performance Framework, it will be required to submit a corrective action plan to the District. Two (2) consecutive years of ratings below Improvement will entitle the District to pursue non-renewal and/or revocation of the charter contract.

- 7.4. **Educational Program Characteristics.** The School shall implement and maintain the following characteristics of its educational program:

Power Technical Early College shall incorporate plans to operate PTEC as a Pathways in Technology (P-Tech) early college, consistent with current legislation and funding options for Pathways in Technology Early Colleges as specified in Article 35.3 of Title 22 of the Colorado Revised Statutes as may be further revised.

Power Technical Early College is strongly committed to providing an excellent education to a diverse group of students. Our recruitment and policies will strive to attract a population of students that represents the racial, ethnic and socioeconomic diversity of Colorado Springs and the surrounding communities.

PTEC shall align its graduation requirements with District graduation requirements.

PTEC shall identify specific partnerships with local education providers and community organizations to support the mission and vision of PTEC.

The student learning goals, typical student day, pupil evaluation processes, use of school dashboard, and additional school goals shall be as set forth in the original Charter School Application on pages 5-10 therein.

- 7.5. **GED and On-line Programs.** The School's educational program as contained in the Application and reviewed by the District does not include a GED program or online program; accordingly, the School is prohibited from offering such GED or online programs, without permission of the District.
- 7.6. **Curriculum, Instructional Program, and Pupil Performance Standards.** The School shall have the authority and responsibility for designing and implementing its educational program, subject to the conditions of this Contract. The educational program, pupil performance standards and curriculum designed and implemented by the School shall meet or exceed any content standards adopted by the District, shall be designed to enable each pupil to achieve such standards, and shall be consistent with the School's vision and mission.
- 7.7. **English Language Learners.** The School shall provide resources and support to English language learners to enable them to acquire sufficient English language proficiency to participate in the mainstream English language instructional program. The School shall follow the District's procedures of identifying, assessing and exiting English language learners.
- 7.8. **Indigent Students.** The School shall waive all applicable fees for indigent students (meaning students who qualify for free lunch under the federal guidelines) in accordance with School District policy/regulations, unless waived, and applicable federal and state law. The School shall survey its student population for eligibility for free and reduced lunches under federal guidelines in accordance with State Board of Education regulations. On all fee lists and schedules, the School shall include notification of the policy of waiver of fees for indigent students. The School shall comply with all state and federal requirements regarding the provision of services to students eligible for free and reduced lunches if and when the School offers food service.
- 7.9. **Gifted and Talented Students.** The parties agree that the School's curriculum offers the potential of meeting the needs of students identified as gifted and talented. The District agrees to flow through to the School, on a per pupil basis, any state or federal funds received and granted to support such a program for those the School students who are properly identified and qualified using District criteria or criteria that have been approved by the District's Board of Education.
- 7.10. **Education of Students with Disabilities.**
  - A. The District shall provide special education support services to students at the School, except that the School may hire its own special education teacher(s) subject to review of licensing and approval by the Chief Education Officer. The School shall staff its special education program applying the same staffing

formula used within other District schools. Therefore, special education services at the School shall be commensurate with those provided at other District schools. The District shall assign other special education support staff as necessary to meet student needs. Support services shall include psychologists, social workers, nurses, physical therapists, occupational therapists, audiologists, speech therapists, staff development and administrative and office support. Support services do not include legal costs or special education instructional service costs.

- B. A description of the special education services to be provided by the District pursuant to Section 7.10.A above and their cost is provided in Attachment 8. District services for special education shall include, but not be limited to, the District being responsible for providing and paying the cost of defense of any and all charges, complaints, or investigations concerning special education by the Office of Civil Rights (OCR), the Department's Federal Complaints Officer, or IDEA due process proceedings. The District and the School agree that enrollment at the School is a choice and as such students with disabilities are generally not eligible for transportation services. Should transportation be required for a student with disabilities, it shall be the responsibility of the District.
- C. The School agrees to comply with all Board policies and regulations and the requirements of state and federal laws and regulations concerning the education of students with disabilities, and shall provide for the attendance of any School employees who should be present at any meetings at which IEPs are developed or modified. If the School and the District disagree as to the correct interpretation or application of a statute or regulation concerning the education of students with disabilities, the District's position shall control.
- D. The School shall direct the development and/or modification of any IEP for special education students of the School and may request the District's assistance. The District's Executive Director of Exceptional Student Services, or designee, shall maintain the same administrative responsibilities and authority in the School as in all other District special education programs and services. The School shall use District special education forms and procedures and shall document compliance with the requirements of state and federal law, including procedural due process. The District shall respect the School's curriculum, instructional program, and mission in the development of IEPs for students enrolled in the School.
- E. The School's special education teachers are not required to attend, but shall nonetheless be invited to participate in relevant staff meetings, professional development, and trainings sponsored by the District.
- F. The District or the School may identify from time to time changes to the educational program of the School that (1) are reasonably necessary to comply with applicable law for educating students with disabilities, or (2) provide cost savings or other benefits in connection with educating students with disabilities.

After good faith discussion of these changes with the School, the District shall have the right to require such changes necessary to comply with law, and shall have the right to request other changes on behalf of students with disabilities.

- G. Special education programs and services shall be available to each student as part of the regular school day in accordance with the least restrictive environment mandate of state and federal law.

## **SECTION EIGHT: FINANCIAL MATTERS**

### **8.1. Revenues/Funding.**

- A. During the term of this Contract, the parties agree that the School District shall provide funding to the School in the amount of one hundred percent (100%) of the School District per pupil revenues (“PPR”), as defined by C.R.S. § 22-30.5-112(2)(a.5)(II), for each funded FTE pupil enrolled at the School. The District, however, shall retain the actual amount of the School’s per pupil share of the central administrative overhead costs for services actually provided to the School; except that such amount shall not exceed five (5%) of the District’s PPR for each funded FTE pupil enrolled at the School. The District may also withhold the per pupil costs of services purchased by the School from the District as specified in Attachment 9, to include funds to cover the School’s obligation to offset SPED LEA costs and potential risk associated with potential students with “severe” needs, as defined by the District. The term “funded FTE pupil,” as used in this Section, shall be deemed to mean a full-time equivalent student enrolled as of the counting dates or periods set forth in the Public School Finance Act of 1994, C.R.S. §§ 22-54-101 *et seq.*, or corresponding provisions in any successor acts, and State Board of Education regulations. Children enrolled in the preschool program shall not be counted in any student count. The funds withheld by the District to cover the actual costs of central administrative overhead, services purchased under this Contract, as specified in Attachment 9, and any actual direct costs as negotiated between the parties prior to the beginning of each fiscal year under this Contract shall be subject to an itemized accounting and presented to the School within ninety (90) days after the end of the fiscal year and shall be reconciled to actual costs for services actually provided within ninety (90) days after the end of the fiscal year as required by C.R.S. § 22-30.5-112(2)(a.4). If the actual costs of central administration overhead, direct costs, and the costs of services directly purchased by the School are less than the funds withheld, the difference between the amount initially charged to the School and the actual cost shall be paid to the School. Conversely, if the amount withheld is less than the actual costs, the difference shall be repaid to the District on a per pupil basis by withholding over the remainder of the budget year.
- B. Financial Adjustments. Any CDE audits of district pupil counts and per pupil revenue that impact the funding received by the School shall be reflected as an adjustment to subsequent payments from the District to the School, spread out

over the remaining months in the school year, rather than as a “lump sum” in any one month’s distribution.

- C. Mill Levy Funds and Capital Expenditures. The District shall pay to the School its proportionate share of the Mill Levy Override Funds for which it is eligible. The School agrees to use such funds in accordance with District guidelines. Funds shall be made available to the School on the same schedule that they are made available to other District schools.

The School shall re-evaluate its long-term facility needs on or before April 1 of each year in connection with the development of its proposed annual budget. Requests by the School to fund necessary capital construction projects through ballot questions for approval of bonded indebtedness and/or a special mill levy shall be submitted in writing with a capital construction plan as specified in C.R.S. §22-30.5-404(3) and other supporting documentation to the School District’s designee as far in advance of the November election date as possible, and such requests shall be considered and action thereon shall be taken in accordance with governing law. As provided in the Charter Schools Act, funding to the School under this Contract shall be reduced by the amount of any direct payments of principal and interest due on any bonds which may be issued on behalf of the School by a governmental entity other than the School District for the purpose of financing capital construction that were made by the State Treasurer or the School District on behalf of the School. Payment of principal and interest due on any bonds or notes which may be issued on behalf of PTEC by a non-governmental entity will be the responsibility of the School as established by the financing documents, as appropriate.

- D. Federal Categorical Aid. Each year the District shall provide to the School the School’s proportionate share of applicable federal Elementary and Secondary Education Act (ESEA) funding (*e.g.*, Titles I through V) received by the District for which the School is eligible and/or proportionate share of services pursued in a coordinated and collaborative manner – generally to maximize effectiveness through greater scale. When fund distributions are the chosen option, Schools are eligible for such funds upon approval of their plans for such funds either by the District or CDE as required. Funds shall be distributed on a documented expenditure reimbursement basis on a monthly interval as long as the School provides the District with the required documentation.

- E. State Categorical Aid. On or before January 15 of each school year, the District shall provide to the School the School’s proportionate share of applicable state categorical aid (*e.g.*, English Language Proficiency, Gifted and Talented, capital construction funds, or transportation funding) received by the District for which the School is eligible and/or proportionate share of services pursued in a coordinated and collaborative manner – generally to maximize effectiveness through greater scale. When fund distributions are the chosen option, Schools are

eligible for such funds upon approval of their plans for such funds either by the District or CDE, as required.

- F. Significant Changes to the Public School Finance Act. The Parties agree that if the Public School Finance Act of 1994, C.R.S. § 22-54-101 et seq., is significantly changed, then the Parties will re-negotiate the financial portions of this Contract that are affected so that they align with the new public school finance law.
- G. Grant Funding. One hundred percent of any and all revenues from grants applied for and/or received by the School ("Grant Revenues") shall be retained by the School and no such financing shall be due or payable to the District, unless such Grant Revenues are explicitly awarded to the School and the District as joint grant applicants or to the District as the local education agency (LEA), or as otherwise set forth in the terms of the grant award.

**8.2. Disbursement of Per Pupil Revenue.**

- A. For the term of this Contract, funding under this Section will be made available to the School in monthly installments on the 25th of each month, subject to adjustments, deductions and annually contracted services as set forth in Attachment 9 and as provided in this Contract. The School District will transfer and deposit such monthly payments into a separate account established by the School in the financial institution of its choosing.

- 8.3. Budget.** The School shall prepare and administer its budget in accordance with the laws and regulations governing charter school budgets and the state mandated chart of accounts. The School shall present its proposed budget to the District on or before May 1 of each year so that the District can review the School's proposed budget for the upcoming fiscal year in order that the amounts may be coordinated in conjunction with the School District's and the School's budget development and adoption process. Any significant changes in adjustments in the amounts withheld by the School District for special education, support and access to District-wide programs, central administrative overhead costs, other direct purchases of services and agreed direct costs necessitated by changes in revenue and/or expenses shall be memorialized in writing. The School's provision of its proposed budget and any subsequent approved revisions shall be submitted to the District along with the Charter Board's resolution approving the budget or budget revision.

- 8.4. Enrollment Projections.** The School shall provide the District with its latest and best estimates of its anticipated enrollment for the next school year by April 30, along with any discussion or plans under consideration for any increase or decrease of enrollment greater than 10 percent (10%) of the official enrollment for the current school year. The Parties agree that the purpose of this Section is to provide information to allow the District to prepare its future budgets, and that any information provided under this

Section shall not be used by the District for the purpose of restricting PTEC's enrollment or otherwise inhibiting the growth of PTEC.

- 8.5. **TABOR Reserve.** The School shall maintain its own TABOR reserve.
- 8.6. **Contracting.** The School shall not extend the faith and credit of the District to any third person or entity. The School acknowledges and agrees that it has no authority to enter into a Contract that would bind the District, and PTEC's authority to contract is limited by the same provisions of law that apply to the District. Unless otherwise agreed in writing by the District each contract or legal relationship entered into by PTEC shall include the following provisions:
- A. The contractor acknowledges that PTEC is not an agent of the District, and accordingly contractor expressly releases the District from any and all liability under this agreement.
  - B. Any financial obligations of PTEC arising out of this agreement are subject to annual appropriation by its Board of Directors.
- 8.7. **Annual Audit and Trial Balance.**
- A. Annual Audit. The School, separate from JICS' other operations, will undergo an independent, outside governmental audit by a certified public accountant, chosen by the School's governing body, of its financial and administrative operations on an annual basis, in accordance with state and CDE rules and regulations. The results of the audit shall be provided to the School District in written form within the same statutory time limits required of the School District and shall be published and posted as required by law. The School will bear the costs of its independent audit. PTEC is aware of the interactive nature of its audit and that of the District and will ensure that its independent auditor cooperates with the District auditor in providing relevant information by October 1 so that both audits might be finalized by October 20. The District, in turn, will attempt to provide preliminary figures associated with the annual itemized accountings for central administrative overhead costs, purchased services and agreed direct costs in advance of the ninety (90) day period from the end of the fiscal year as required by C.R.S. § 22-30.5-112(2)(a.4). In the event the School fails to provide the financial information to the District in the form and on the dates provided for in this Contract or as otherwise required by the state or federal government, the School District, after providing written notice to the School, may withhold up to ten percent (10%) of any monthly funding flow due the School until such time as PTEC complies with the financial reporting requirements.
  - B. Trial Balance. The School shall transmit the final trial balance to the District using the CDE chart of accounts with the submission of the annual audit in accordance with the dates and procedures outlined above. The School shall

transmit any preliminary trial balance reports provided to their auditors at the same time they are sent to their auditors.

- 8.8. **Quarterly Reporting.** The School shall prepare quarterly financial reports for the District in compliance with C.R.S. §22-45-102(1)(b) and post required reports pursuant to C.R.S. §22-44-301 *et seq.* Such reports, in addition to a detailed trial balance, shall be submitted to the District no later than twenty-five (25) days following the end of each quarter except that all fourth quarter and year end reports shall be submitted with the annual independent financial audit.
- A. The Parties covenant and agree to cooperate with one another and the officers and agents of each in order to provide such information and assistance as is reasonably necessary to meet all financial reporting deadlines.
- 8.9. **Non-commingling.** Except as may be permitted within the Collaborative pursuant to Colorado law, assets, funds, liabilities and financial records of the School shall be kept separate from assets, funds, liabilities, and financial records of any other person, entity, or organization.
- 8.10. **Loans.** No loans may be made by the School to any person or entity (other than an affiliated entity) for any purpose without District approval.
- 8.11. **Direct Costs/District Services.** The School shall be responsible for all costs associated with its operations, including the cost of contracting for goods and services. The School may purchase from the School District the services and materials specified in Attachment 9 at the costs as calculated in accordance with provisions of the Charter Schools Act. Costs shall be re-determined each subsequent year this Contract is in effect and attached as addenda to Attachment 9. Annually, when adopting its budgets, The School will commit to purchasing the services it selects from the School District for the entire budget year. If the School wishes to terminate a contracted service during a budget year, it may do so only with mutual agreement with the District. Costs may be adjusted periodically by the School District based upon its then-current budget/forecast and reconciled to actual costs within ninety (90) days after the end of each fiscal year as required by C.R.S. §22-30.5-112(2)(a.4), and any difference between the amount initially charged to PTEC and the actual cost shall be paid to the owed party in a timely manner. If the School does not purchase optional services, it shall be responsible for performing those activities or services itself, in the manner required by law for other schools in the school district, unless otherwise waived. The parties acknowledge and agree that the provision of services, whether there are charges for such services, and the amount of charges for such services, may be negotiated at the end of each fiscal year for the immediately following fiscal year. The parties mutually recognize that the District is barred from withholding funding for direct costs unless the payment of such costs has been negotiated and memorialized in writing prior to the beginning of each fiscal year.



## SECTION NINE: PERSONNEL

9.1. **Employee Matters.** The parties agree that teachers and other staff employed at the School are employees of the School or Collaborative (collectively, the “Employer”), and are not employees of the School District. The Employer will be solely responsible for selecting, supervising, disciplining, determining compensation for, and terminating its employees. No person employed by the Employer shall be considered an employee of the School District by virtue of such employment, and the School District shall have no liability or responsibility for such persons.

A. Hiring of Personnel. Personnel may be selected by the Employer, subject to compliance with all state and federal rules and regulations, including, without limitation, requirements concerning the recruitment of applicants and the use of background and criminal checks, unless a specific waiver is obtained from the State Board of Education or other proper authority. The Employer may terminate the employment of any personnel without cause and for any reason not prohibited by law.

B. Employee Compensation, Evaluation and Discipline. The Employer shall adopt its own written policies in compliance with federal and state law concerning the recruitment, promotion, discipline, and termination of personnel; methods for evaluating performance; and a plan for resolving employee-related problems, including complaint and grievance procedures. Final administrative appeals in matters regarding employment and employee discipline shall be determined by the governing board of the Employer and not by the School District’s Board. Nothing in this Section shall be construed to alter the at-will status of any employee of the Employer.

The School shall immediately notify the School District and other appropriate authorities, in accordance with state law, of discipline of employees at PTEC arising from misconduct or behavior that may have resulted in harm to students or others or that may have constituted violations of law or applicable School District policy/regulations.

9.2. **Instructional Providers.** The Employer shall employ or otherwise utilize in instructional positions only those individuals who are qualified in accordance with applicable state and federal laws, rules and regulations (unless waived), including the federal Elementary and Secondary Education Act, as amended or its equivalent.

9.3. **Background Checks, Fingerprinting.** The School shall establish and implement procedures for conducting background checks (including a check for a criminal record) of all employees to the extent required by applicable laws, rules and regulations.

## SECTION TEN: FACILITIES

10.1. **School Facilities.** The School shall be responsible for the construction, renovation and maintenance of any facilities owned or leased by it, although any leased facilities shall be

subject to the agreement between the School and any appropriate third party as to renovation and maintenance arrangements. If the Board of Education of District 49 declares space in a district facility to be surplus, then PTEC may request access to conduct operations in that space. Absent a surplus declaration, the district and PTEC may enter into a lease agreement for available district space and equipment.

- 10.2. **Use of District Facilities.** The School may not use District facilities for activities and events without prior written consent from the District.
- 10.3. **Impracticability of Use.** If use by the School of a facility is rendered impracticable by any cause whatsoever, or if the funds necessary to construct/renovate or upgrade a facility cannot be secured, the District shall not be obligated to provide an alternative facility for use by the School to operate. However, should such impracticability occur, the District will look favorably toward allowing PTEC the use of under-utilized District facilities until such time as the impracticability condition is corrected.

#### **SECTION ELEVEN: CHARTER RENEWAL, REVOCATION AND SCHOOL-INITIATED CLOSURE**

- 11.1. **Renewal Process.** The School shall submit its renewal application during the 2020-2021 school year in accordance with then-current District procedures and process. The District Board of Education shall act on the renewal application by resolution no later than February 1, 2021, unless the term of this Contract has been previously extended by Board action. Before the District Board takes action, it shall allow a public hearing wherein the School shall have the opportunity to address the Board about its renewal request. If the Board of Education decides to not renew the Contract, it shall detail the reasons in its resolution.
- 11.2. **Renewal Application Contents.** In addition to contents required by law, the renewal application may include comments and additional information provided by the School about its progress toward meeting the District's accreditation indicators. The format of the renewal application shall be provided to the School by the District prior to September 1 of the year in which the application is due.
- 11.3. **Criteria for Renewal or Non-renewal and Revocation.** The District may terminate, revoke or deny renewal of the Contract for any of the grounds provided by state law, C.R.S. §22-30.5-110(3), as they exist now or may be amended, or material breach of this Contract. Grounds for termination, revocation, or denial also include, but are not limited, to the following:
  - A. Pursuant to C.R.S. §22-11-210(1)(d), the School is accredited with a priority improvement plan or turnaround plan for a combined total of five (5) consecutive years or any lesser number of years established by the State Board of Education after which closure or restructuring is required.

- B. The School is accredited with a turnaround plan and does not attain a higher accreditation rating at its next performance review in accordance with C.R.S. §22-11-406(3).
- 11.4. **Termination and Appeal Procedures.** The District shall provide the School written notice of the grounds for termination and the date of the termination hearing before the District Board. Prior to providing this notice, the District shall, to the extent practicable, send the School a notice of concern and a notice of breach, the content of which are described in Section 3.2.I. Termination shall not take effect until the School has exhausted its opportunity to appeal such decision to the State Board of Education.
- 11.5. **School-initiated Closure.** Should the School choose to terminate this Contract before the end of the Contract term, it may do so in consultation with the District at the close of any school year and upon written notice to the District given at least ninety (90) days before the end of the school year. Notice would ideally be given by January 1 to allow families to take advantage of district choice enrollment dates.
- 11.6. **Dissolution.** In the event the School should cease operations for whatever reason, including the non-renewal or revocation of this Contract, the School agrees to continue to operate its educational program until the end of the school year or another mutually agreed upon date. The District shall supervise and have authority to conduct the winding up of the business and affairs for the School, provided, however, that in doing so, the District does not assume any liability incurred by the School beyond the funds allocated to it by the District under this Contract and state law. Should the School cease operations for whatever reason, the District maintains the right to continue the School's operations as a District facility until the end of the school year, without acquiring any equity interest in the facilities if such facilities are held by another nonprofit entity, under lease to the School. The District's authority hereunder shall include, but not be limited to:
- A. The return and/or disposition of any assets acquired by donation or purchase by the School during the time of its existence, subject to the limitations of Section 11.7 below, and,
- B. Reassignment of students to different schools within the District. School personnel and the School's Board of Directors shall cooperate fully with the winding up of the affairs of the School including convening meetings with the parents at the District's request and counseling with students to facilitate appropriate reassignment.
- 11.7. **Return of Property.** In the event of termination or dissolution, all property owned by the School that was purchased in whole or in part with funding provided by the District, including, but not limited to, real property, shall be returned to and shall remain the property of the District. Notwithstanding the foregoing, the District shall not have the right to retain property owned, or held in the name of any other entity related to PTEC or JICS property that specifically does not belong to the School, JICS property includes but is not limited to any fees earned by JICS for operations of the School). All non-

consumable grants, gifts and donations of assets purchased from these revenue sources shall be considered the property of the School unless otherwise identified by the donor in writing. Assets purchased exclusively with tuition paid by parents for a preschool program operated by or in conjunction with the School shall not be subject to this paragraph. Assets not purchased with public funding provided by the District may be donated to another mutually agreeable not-for-profit organization.

## SECTION TWELVE: GENERAL PROVISIONS

- 12.1. **Order of Precedence.** In the event of any conflict among the organic documents and practices defining this relationship, it is agreed that the Contract shall take precedence over policies of either Party and the Application, applicable policies of the District Board of Education that have not been waived shall take precedence over policies and practices of the School and the Application, and policies of the School or mutually-acceptable practices developed during the term of the Charter Contract shall take precedence over the Application.
- 12.2. **Amendments.** No amendment of the Contract shall be valid unless ratified in writing by the District Board and the School's Board of Directors and executed by authorized representatives of the Parties.
- 12.3. **Merger.** This Contract contains all terms, conditions, and understandings of the Parties relating to its subject matter. All prior representations, understandings and discussions are merged herein and are superseded by this Contract.
- 12.4. **Non-assignment.** Neither Party to this Contract shall assign or attempt to assign any rights, benefits, or obligations accruing to the Party under this Contract unless the other Party agrees in writing to any such assignment. Such consent shall not be unreasonably withheld, conditioned or delayed.
- 12.5. **Governing Law and Enforceability.** This Contract shall be governed and construed according to the Constitution and laws of the State of Colorado and applicable federal laws of the United States. If any provision of this Contract or any application of the Contract to the School is found contrary to law, such provision or application shall have effect only to the extent permitted by law. Either Party may revoke this Contract if a material provision is declared unlawful or unenforceable by any court of competent jurisdiction or the parties do not successfully negotiate a replacement provision. The Parties agree, upon the request of either, to meet and discuss in good faith any material changes in law that may significantly impact their relationship.
- 12.6. **No Third-party Beneficiary.** The enforcement of the terms and conditions of this Contract, and all rights of action relating to such enforcement, shall be strictly reserved to the School District and the School. Nothing contained in this Contract shall give or allow any claim or right of action whatsoever by any other or third person. It is the express intent of the Parties to this Contract that any person receiving services or benefits hereunder shall be deemed an incidental beneficiary only.


- 12.7. **No Waiver.** The Parties agree that no assent, express or implied, to any breach by either of them of any one or more of the covenants and agreements expressed herein shall be deemed or be taken to constitute a waiver of any succeeding or other breach.
- 12.8. **Notice.** Any notice required or permitted under this Contract shall be in writing and shall be effective upon personal delivery (subject to verification of service or acknowledgement of receipt) or three (3) days after mailing when sent by certified mail, postage prepaid, to 5525 Astrozon Blvd, Colorado Springs, CO 80916, Attn: CEO , in the case of notice being sent to the School, or to the District's Administrative Offices, 10850 East Woodmen Road, Falcon, CO 80831 in the case of notice being sent to the School District. Either Party may change the address for notice by giving written notice to the other Party.
- 12.9. **Severability.** If any provision of this Contract is determined to be unenforceable or invalid for any reason, the remainder of the Contract shall remain in full force and effect, unless otherwise terminated by one or both of the Parties in accordance with the terms contained herein.
- 12.10. **Interpretation.** In the event of any disagreement or conflict concerning the interpretation or enforcement of this Contract, the Application, and School District policies, regulations, procedures or other requirements, other than those for which waivers have been granted, it is agreed that the provisions of this Contract and School District policies/regulations shall control over the Application, and that compliance by the School shall be required and measured in the same manner as may be applied and expected by the District of otherwise comparable District schools.

[Signature Page Follows]




IN WITNESS WHEREOF, the Parties have executed this Contract as of the date first above written.

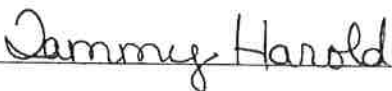
James Irwin Charter Schools

By   
President, Board of Directors


ATTEST:

  
Secretary, Board of Directors

FALCON SCHOOL DISTRICT NO. 49

By:   
President, Board of Education

ATTEST:

  
Secretary, Board of Education

Approved as to form:



School District Attorney

Approved as to form:



Charter School Attorney

