

CHARTER SCHOOL CONTRACT

THIS CHARTER SCHOOL CONTRACT, dated this 14th day of March, 2017, is made and entered by and between SCHOOL DISTRICT 27J (the "School District" or the "District") and Eagle Ridge Academy (hereinafter referred to as the "School"), by its Founding Board (hereinafter referred to as "Governing Board").

RECITALS

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 § 22-30.5-102(2) and (3); and

WHEREAS, on January 24, 2017, the Board of Education of School District 27J voted to renew the charter for Eagle Ridge Academy; and

WHEREAS, the School seeks a contract with the District commencing July 1, 2017 and ending June 30, 2022 and seeks certain waivers from School District policies/regulations and state law; and

WHEREAS, the Board has the authority to waive School District policies and regulations only to the extent permitted by law; and

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 certain provisions contained in Title 22 of the Colorado Revised Statutes;

WHEREAS, the School District desires to approve the School charter and contract in accordance with the terms stated herein.

NOW, THEREFORE, in consideration of the foregoing Recitals and their mutual covenants contained herein, the parties agree as follows:

AGREEMENT

1.0 Mission Statement. The mission statement contained in section B of the Application is approved by the School District to the extent that it is consistent with the principles of the General Assembly's declared purposes for enacting the Charter Schools Act as set forth in C.R.S. § 22-30.5-102(2) and (3). The mission statement may be modified from time to time by the School's Governing Board, provided that any change in the mission statement which is directly inconsistent with the Charter School's Application or this Agreement shall require approval of the School District. The School will notify the School District within 30 days of any material modifications to the Mission Statement, and provide the School District with a copy of all modifications.

2.0 Goals, Objectives, and Pupil Performance Standards. The goals and objectives set forth in the Goals, Objectives, and Pupil Performance Standards Section C of the Application are accepted by the School District, subject to the conditions set forth below:

2.1 Student Attendance, Conduct, and Discipline. The School's students shall comply with a code of conduct to be developed by the School (referred to herein as the "School Code of Conduct") consistent with the principles set forth in Section P, of the original Application, titled "Expulsion, Suspension, and Student Discipline" and with all School District policies and regulations concerning student attendance, standards of conduct, and discipline. The School Code of Conduct shall be provided to the School District and attached to this contract as Exhibit B. The School Code of Conduct shall be implemented in compliance with all federal and state laws. The School's Head of School is the Board's designee for matters of suspension, to include extended suspensions consistent with C.R.S. § 22-33-105(2)(a) and (b). To the extent appeal in such cases is required by applicable law, appeal may be made to the School's Governing Board. In cases where expulsion is either mandated by law or otherwise indicated, the cases shall be referred to the School District's Superintendent or designee for consultation prior to expulsion. The Governing Board shall have final authority regarding appeals in student expulsion cases. Any general education services required by law to be provided to suspended or expelled students shall be the sole responsibility of the School. Any special education and related services required by law to be provided to suspended or expelled students shall be the responsibility of the School District, only to the extent provided for in Paragraph 5.6. In no situation may a student be denied a Free and Appropriate Education without due process. In addition, the School may not allow a student to withdraw in lieu of an expulsion.

2.1.1 Attendance of students at the School shall be in compliance with Colorado's compulsory attendance laws, including but not limited to the hours requirements and the distinction made between excused and unexcused absences.

2.1.2 The School shall submit a written report to the Director of Student Services on or before the 15th day of each month in which school is in session identifying all special education students placed on expulsion during the preceding month and describing the circumstances causing the imposition of discipline. No report need be submitted if no students are suspended or expelled in the prior month.

2.1.3 The School shall submit a written report to the Superintendent on or before the 15th day of each month identifying all students who have been expelled during the preceding month and describing the circumstances causing the imposition of discipline. No report need be submitted if no students are expelled in the prior month.

2.2 Student Welfare and Safety. The School shall comply with all Board and/or Superintendent approved policies and regulations (unless waived), and shall comply with all applicable federal and state laws concerning student welfare, safety, and health, including, without limitation, Board and/or Superintendent policies and laws addressing the reporting of child abuse, accident prevention and disaster response, the adoption and implementation of a Safe School Plan, as required by C.R.S. § 22-32-109.1(2), and any state regulations governing the operation of school facilities.

2.3 Identification of Academically Low-Achieving and At-Risk Students. The School shall identify academically low-achieving, at-risk students and "exceptional children," as defined in regulations adopted by the Colorado State Board of Education ("State Board"), and shall provide its educational program to these students in a manner that best serves their needs as set forth in the Application and this Contract.

2.4 Accountability and Accreditation. The School shall operate under the auspices of, and be accountable to, the School District and the Board, and shall be subject to all Board and/or Superintendent approved policies and regulations, unless specifically waived, as such may exist from time to time. Except to the extent waived, the School shall comply with the educational accountability provisions of Colorado law, as amended from time to time, including without limitation, the Educational Accountability Act of 1971, C.R.S. §§ 22-7-101 *et seq.*; the Educational Reform Act, C.R.S. §§ 22-7-401 *et seq.*; the School Accountability Reporting Act, C.R.S. §§ 22-7-601 *et seq.*; the Educational Accreditation Act of 1988, C.R.S. §§ 22-11-101 *et seq.*; the State Board of Education's Accreditation Rules, 1 CCR 301-1; guidelines for S.B. 163 implementation as finalized in August 2010 and referenced in the following link <http://www.cde.state.co.us/scripts/reforms/detail.asp?itemid=623952>; District policy and the terms of any Accreditation Contract between the School District and the State Board, as amended from time to time, and shall take action compatible with School District procedures, goals, and objectives, including but not limited to the Unified Improvement Plan developed by the School and the District in accordance with state law. The School shall provide an annual

accountability report to the District on or before August 1 of each year which shall include, but not be limited to, a Unified Improvement Plan, parent surveys evaluating the School in its delivery of educational services, S.B. 163 reporting requirements, and student testing results on assessments required by state law or School District policy.

2.4.1 The School shall maintain appropriate academic standards based on S.B. 163 ratings as finalized in August 2010. The School shall maintain a rating of improvement or above, as demonstrated on any school accountability report issued by the state. If the School receives a rating of low or below on any school accountability report issued by the state for two consecutive years following implementation of the Contract, the School shall develop the plan reasonably designed to improve the School's performance, which plan shall be subject to the approval of the School District. If the School receives a rating of low or below on any school accountability report issued by the state for three consecutive years following implementation of this Contract, the Board may deem that such ratings constitute a material breach of this Contract, grounds for termination of the Contract unless the School agrees to reasonable intervention strategies proposed by the School District, and/or grounds for denying a renewal application.

3.0 Community Support. The District finds that sufficient support exists for the continuation of the School as a charter school in the School District.

4.0 Statement of Need. The District has determined that the Application and the level of community support for the School sufficiently establish a need for educational choice within the School District and that the charter school program intends to meet that need in a manner that would promote the best interests of the School community.

5.0 Educational Program, Pupil Performance Standards, and Curriculum. The educational program set forth in the original Application sufficiently informs the Board as to the nature of the educational program offered by the School. The School's educational program does not include an on-line program pursuant to C.R.S. § 22-33-104.6, or a GED and the School accordingly prohibited from offering such on-line or GED programs.

5.1 Curriculum. The School shall have the authority and responsibility for refining the design and implementation of its educational program, subject to the conditions of this Contract, in a manner consistent with state law, including, without limitation, requirements regarding content standards.

5.1.1 The educational program, pupil performance standards, and curriculum designed and implemented by the School shall align with and meet or exceed any content standards adopted by the School District and shall be designed to enable each pupil to achieve such standards.

5.1.2 On or before February 1 of each year, the School will provide to the School District written information about any new or substantially modified program anticipated to be offered during the ensuing school year. The School shall provide evidence reasonably acceptable to the School District of the complete scope and sequence of such program of instruction. The intent of this requirement is to ensure that students of the School have sound educational foundations that meet or exceed content standards for applicable courses.

5.1.3 The School agrees to comply with all state statutory requirements concerning subjects of instruction, unless specifically waived by the State Board of Education, including, without limitation, instruction in the areas of state and federal history and civil government, C.R.S. § 22-1-104; honor and use of the United States Flag, C.R.S. § 22-1-106; the federal Constitution, C.R.S. § 22-1-108; and the effect of using alcohol and controlled substances, C.R.S. § 22-1-110.

5.1.4 The School shall develop and submit to the District for approval a policy setting forth its graduation requirements that align with the expectations established by the Colorado Department of Education.

5.2 Records.

5.2.1 The School agrees to comply with all reasonable record-keeping requirements of the District, as set forth in applicable Board and/or Superintendent Policies, and/or federal or state law and shall provide any reports as necessary to meet the School District's reporting obligations to the State Board, Colorado Department of Education ("CDE"), and U.S. Department of Education.

5.2.2 The School shall comply with all reasonable Board-approved policies and regulations, and applicable federal and state laws, concerning the maintenance, retention, and disclosure of student records, including, without limitation, the Colorado Public Records Law, C.R.S. §§ 24-72-204 *et seq.*; and the Family Educational Rights and Privacy Act of 1974, 20 U.S.C. § 1232g. The parties understand that the records of the School do not include records of Eagle Ridge Academy or other independent contractors with the School, even though such records may be pertinent to the School, except to the extent that applicable law, this Contract, requires that such records be treated as records of the School. The 27J Board of Education, its Superintendent, and their designees (whom the School District has determined to have legitimate educational interests) shall have access to all student records of the School in the same manner as they would have access to the records of any other public school in the School District. Student records include, without limitation, immunization records, class schedules, records of academic performance, disciplinary actions, attendance and standardized test results, and documentation required under federal and state law regarding the education of students with

disabilities (collectively, “Student Information”). The School will provide the Student Information via Infinite Campus (IC) the District’s student information system. The School shall adhere to all system requirements and reasonable District directives with respect to such use. The District will use Infinite Campus to collect and transfer student data to the Colorado Department of Education as required by applicable law. The School shall install and maintain such equipment and software necessary to use such system and shall pay to the District the District’s actual costs required to add the School to and maintain the School in the system. The School shall regularly maintain the student information through the District’s information processing system as a method of satisfying the requirement that such records be made available to the District, including the student discipline reporting requirement in Section 2.1.3 of this contract.

5.3 Nonreligious, Nonsectarian Status. The educational program of the School shall be nonreligious, nonsectarian, and, consistent with applicable law and School District policy, shall not discriminate against any student on the basis of race, creed, color, national origin, sex, sexual orientation, marital status, religion, ancestry, or disability.

5.4 Enrollment.

5.4.1 As required by the Colorado Charter Schools Act, C.R.S. 22-30.5-104(3), School enrollment decisions shall be made by the School in a nondiscriminatory manner as specified in the charter school application. 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, and has a diverse student population which includes, but is not limited to, making 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 with a reasonable proximity to the School. The School shall make reasonable progress toward this goal.

In cases where ERA student demographics meaningfully deviate from average student demographics of schools with similar grade configurations in School District 27J, ERA will use a weighted lottery the following year to foster a diverse student population. The intended use or non-use of a weighted lottery should be communicated via writing from ERA to SD27J no later than December 1 of the preceding year. For example, this should be communicated by 12/1/18 for enrollment for the 2019-20 year. In cases of disagreement, the ERA Head of School and the SD27J Charter School Liaison shall meet and resolve no later than December 10 of that same year. School District 27J reserves the right to compel use of a weighted lottery in cases where disagreement cannot be amicably resolved. Eagle Ridge Academy reserves the right to determine logistics of conducting the weighted lottery.

5.4.2 The School shall provide the School District with continual updates on student enrollment including for the ensuing school year. By April 1 of each year, the School shall notify the School District of the names, ages, grade levels, addresses, and

neighborhood schools of record ("schools of record") of all students who will be enrolled in the School during the ensuing school year. The School shall use its best efforts to ensure that student enrollment numbers submitted to the School District are as close to the actual October 1 count as possible. The School shall provide to the School District by October 15 the same information for students who have been admitted and are in attendance, in accordance with normal October count procedures. All such information shall be provided through Infinite Campus or other School District-approved student accounting software.

5.4.3 The School and the School District agree that enrollment at the School will not exceed building capacity by more than 10% without School District approval, as allowed in C.R.S. 22-30.5-109(7). First preference for enrollment shall be given to students who were enrolled in the previous year, whether or not District residents. Once accepted for enrollment, a non-District resident student may reenroll for subsequent school years until completing his or her schooling at the School. Next preference for enrollment will be given to the following categories of students (whether District residents or not) who may comprise no more than 10% of the enrolled students: children who at the time of initial enrollment are children, grandchildren, or great-grandchildren of currently serving Governing Board members or children, grandchildren, or great-grandchildren of employees of the School. Applicants who are siblings of currently enrolled students at the School will then be given priority for enrollment, without a percentage limit. After these priority categories, next preference shall be given to new students who are District residents, and then finally to new students who are not District residents. Priorities shall be applied based on available space at each grade level or for specific programs if applicable. Students shall be selected from the School's wait list within relevant priority categories by lottery.

5.5 Admissions Procedures. Students shall be considered for admission into the program in a manner consistent with this Contract, the School District's policies and in all cases without regard to race, creed, color, national origin, sex, sexual orientation, marital status, religion, ancestry, or disability. Denial of admission shall be handled in a manner consistent with state law and School District policy and regulation. After October 1, any movement of students between the School and any District school shall be limited to the start of the academic semester, except by agreement of ERA's Head of School and the 27J building principal. Requests for transfer to a District school shall not be unreasonably denied.

5.6 Education of Students with Disabilities. The School agrees to comply with all Board-approved policies and regulations and the requirements of federal and state law concerning the education of children with disabilities by providing special education and related services. At its option Eagle Ridge Academy may purchase related services per the Purchased Services Contract (see attached). Notification of ERA's desire to purchase such services shall be communicated to the Director of Student Services no later than April 15th of each year.

Following enrollment of a School District resident student, the School and the School District shall determine whether the student has been identified as a child with disabilities. If so, the parties shall obtain a copy of the student's individualized education program ("IEP"). A properly constituted IEP team shall be convened to determine whether the School is the least restrictive environment for the student, and if so, what services are necessary to allow progress on IEP goals as well as access to the ERA curriculum with appropriate accommodations. ERA does not allow for the modification of its academic standards or curriculum to the extent that students require alternative standards or assessments. Where a student's special education need(s) can be met appropriately by the School's certified staff, services will be provided on the School's campus to the extent reasonably practical and as required by applicable law. Should the IEP team conclude that the School is not the least restrictive environment for the student with special needs, the School will inform the LEA (School District) of its decision. The District, as the local educational agency (LEA), is responsible for the School's compliance with the requirements of state and federal special education law and regulations and may be required to establish that special education and related services are provided in the School in the same manner as they are provided in other schools in the District. Accordingly, the School shall provide the Director of Student Services (The Director) of the District by August 15 of each year, with all necessary or appropriate documentation concerning staff licensure with the Colorado Department of Education. The School shall promptly provide the Director with updated documentation during the course of the school year to the extent the School has made changes in its personnel. The Director may review and monitor the School's referral processes, evaluations, reevaluations, eligibility determinations, placement decisions, and development and implementation of IEPs for students with disabilities at the School. The District's Section 504 Coordinator may perform similar review and monitoring with regard to Section 504 compliance. In matters in which the School and the District may have a disagreement as to the correct interpretation of a particular statute or regulation concerning the education of students with disabilities, the District and the School will confer and share the advice of respective counsel in the matter as appropriate. If the disagreement persists, the disagreement shall be resolved in accordance with the provisions of subparagraph 12.9 below, provided that during the pendency of the resolution of such dispute the School District may require such steps be taken as it reasonably determines is necessary to comply with applicable law.

5.6.1 If a student with disabilities who is not a resident of the School District applies for admission to the School, enrollment acceptance is contingent upon an appropriate IEP team meeting being convened to determine if a free appropriate public education is available for the student at the School. The student will not be accepted as a student at the School if the IEP team finds that a free appropriate public education is not available for the student at the School. If the school accepts the student, but then determines that the student requires transportation as a related service, the School shall be solely responsible for arranging for the financing and provision of said services. If the non-resident student with disabilities is one for whom tuition may be charged or excess costs collected, the School District is entitled to collect said monies on behalf of the School.

5.6.2 The School shall remain solely responsible for the costs of providing those services required under an IEP and which are typically provided by regular classroom teachers through the normal classroom program, including without limitation, the cost of the classroom teacher, typical classroom supplies and services and supplies generally made available to all students. Special Education funding shall be received by the School as outlined in 7.1.6. The School shall be responsible for ensuring that its employees properly carry out the applicable requirements of each IEP.

5.6.3 The District will provide an updated list on or before the first day of each month in which school is in session to the School containing the names of every student with an IEP (with identification of each student's state disability category(ies)). The School will communicate any updates or changes to the list directly to the District Student Services Data Technician within one week of receiving the list from the District.

5.6.4 In the event that any student of the School submits a request for a due process hearing or causes any other administrative complaint or litigation to be filed in connection with the School's special education program, or 504 planning or ELL programming, if and to the extent that the School is unable to make financial commitments reasonably satisfactory to the School District that protect the School District against risk of loss in the matter: (i) the School District shall be permitted to select counsel, in consultation with the School, to defend against such matter, (ii) except to the extent the School's financial funding arrangement with the School District constitutes an agreement to insure against such costs, the School shall bear all awards, judgments and reasonable costs, expenses, and attorney fees incurred by the School District in connection with such matter, (iii) the School District and the School shall reasonably cooperate with each other in such proceedings, and (iv) the School District shall consult with the School for purposes of deciding whether to settle or contest such matters, and any settlement of such matter shall be subject to the approval of both the School District and the School, which approval shall not be unreasonably withheld or delayed.

5.6.5 District Administrative Support. The School shall pay the District its proportionate share of indirect costs as determined by Colorado Department of Education.

The Special Education Department provides the following types of direct and indirect support services to the School.

- The development of an annual financial and operational plan for the use of federal and state funds for the administrative unit that is acceptable to CDE
- Oversight of the process for evaluating disabled, GT, and 504 student needs and determining individual plans, including attendance at staffings or meetings concerning specific students at the School. Reasonable review of School procedures and documentation to determine that the parent involvement criteria have been met and that documentation of all evaluations, plans and revenues has been prepared according to state and federal regulations
- Attendance at the mandatory state meetings for administrative units
- Preparation of all of the federal and state grant and state reimbursement student data
- Preparation of all of the state required special education staff data

The parties agree to meet during August to review the School's administrative oversight of its special education, 504 and GT programming during the just completed school year and its proposed oversight during the upcoming school year.

5.7 Section 504, English Language Learners, and Gifted/Talented. As a recipient of federal funds, the School is responsible for complying with the provisions of Section 504 of the Rehabilitation Act of 1973 as to students with disabilities who qualify for protections hereunder. The School also agrees to follow School District policy in identifying students who are English Language Learners and Gifted and Talented students and to provide them appropriate educational services.

5.8 Tuition and Fees. The School may not charge tuition to students who reside in the School District, except for intersession programs, administered by the School. If the School enrolls a nonresident student with disabilities, the School District shall collect from the school district of residence tuition for excess costs incurred in educating the child, pursuant to CDE guidelines developed in accordance with C.R.S. § 22-20-109(5). Student fees may be charged by the School so long as in accordance with applicable Colorado law and regulations, including but not limited to, the provisions of C.R.S. §§ 22-32-110(1)(o) and (p) and 22-32-117.

5.9 Extracurricular Activities. Subject to the provisions of C.R.S. § 22-32-116.5 and this Contract, the School students who meet the prerequisites for participation may try out for nonacademic activities, not offered at the School, at the school in the School District that would otherwise be the student's regular school of attendance based upon their residence. The School and the School's student shall comply with all applicable rules of the School District and the school of participation, all eligibility requirements, and all responsibilities and standards of conduct, including related classroom and practice requirements. Where such participation

requires the payment of a fee, the student shall be responsible for payment of any such fees which shall be equal to 100 percent of the fee amount the school of participation would charge an enrolled student to participate in the activity. The District shall not be required to provide transportation of the School's students to the District for participation in extracurricular and athletic practices, rehearsals, and meetings at District facilities or to otherwise expand transportation provided for such activities and events. The parents of students enrolled in the School shall be responsible for transportation for such activities for all students of the School, including students with disabilities, as necessary for such participation. Appropriate insurance liability forms and permission forms for parents to transport students will be completed prior to students being transported. In the event the District provides transportation for an extracurricular group or athletic team to participate in a competition, students of the School shall be provided District transportation from the same departure and return points as provided to the other District student participants in the activity. Students in other schools in the District may participate in extracurricular activities of the School subject to the same requirements and conditions as apply to students of the School; provided that for this purpose alone such students shall not be deemed to be residents of the School. Nothing herein shall be construed to require modification by either party of any calendar or schedules for extracurricular programs.

5.10 District Transportation. The District and the School acknowledge and agree that transportation will not be provided by the District to students attending the School. In the event the School hereafter desires that the District provide transportation to students at the School, and provided the District determines in its sole discretion that it can deliver such services to the School without compromising its transportation of other District students, the School may contract with the District for transportation services at cost by separate written agreement. This agreement may include transportation services for extra-curricular events, including, but not limited to sporting events at the discretion of the District.

5.11 School Transportation. The School may provide occasional and sporadic transportation to students by vans or vehicles other than school buses and in such event shall be solely and fully responsible for compliance with applicable laws, rules, and regulations without compliance review by the District. If the School desires to provide daily transportation to its students by school bus, it shall first submit a plan to the District for approval before providing such services and shall submit any proposed plan amendments to the District's transportation director for approval before implementing such amendments. The plan or amendments shall include assurances that the School's delivery of transportation complies with all applicable laws, rules and regulations promulgated by the federal or state governments, including those concerning vehicle safety and driver qualifications, and a procedure to allow the District's transportation department to review the School's compliance documentation on a quarterly basis. If the plan or proposed amendments meet the requirements of this Section, the District's approval shall not be unreasonably withheld.

6.0 Evaluation of Pupil Performance and Procedures for Corrective Action. The Board accepts the School's methods for evaluating pupil performance as contained in Section F of the Application and corrective action contained in Section F of the Application. The Board approves the School's proposal for the use of multiple tools for assessment of student performance which shall include but not be limited to standardized achievement tests as described in Section F of the application. The School agrees to cooperate with School District administrators to coordinate testing and reporting of test data with the School District's statistical reporting needs. The School agrees to conduct standardized testing using forms and schedules prescribed by the School District. The School also agrees to implement any testing requirements or assessments necessary to meet the School District's obligations under Colorado law including, without limitation, the Educational Accountability Act and the Educational Accreditation Act, and the requirements of S.B. 163 as finalized in August 2010.

The School shall pay to the School District the pro-rata costs associated with all such tests and assessments such as, but not limited to, the cost of test booklets and scoring and tabulating results.

6.1 Timeline. The School agrees to use reasonable good faith efforts to follow its timeline for achieving its goals as stated in Section C of the Application.

7.0 Economic Plan, Budget, and Annual Audit.

7.1 Funding.

7.1.1 Subject to the provisions of this Section 7.1 and Paragraph 5.4, the School District shall provide funding for the School in the amount of 100 percent of the School District per pupil revenues ("PPR"), as defined by C.R.S. § 22-30.5-112(2)(a)(III)(A) less an amount charged for central administrative overhead costs for services actually provided to the charter school not to exceed 5% of district per pupil revenue for each pupil enrolled in the charter school. By June 30th of each fiscal year, the School's ending fund balance must comply with the emergency reserve requirements of Article X, Section 20 of the Colorado Constitution. The parties agree that funding levels provided for in this Contract, including the purchased services and allocated costs below, comply with the financing guidelines of the Act. The School must meet the deadline of August 30th each year for completion and submission of the Automated Data Exchange (ADE). The CAFR is due on October 30. The ADE must match the CAFR, and no rounding is allowed.

7.1.2 As long as the School is not in material breach of this Contract and except as expressly otherwise provided herein, any funding provided by the School District will be made available to the School in twelve monthly installments commencing on July 1 of each school year based on the student enrollment at the School determined in accordance with Section 7.1.5, with adjustments for changes in such enrollment in the manner described in Section 7.1.5.

Funding under this Contract shall commence on July 1, 2017, for the first year and on July 1 in each year of the Charter thereafter, subject to adjustments, deductions, or annually contracted purchased services as provided herein.

7.1.3 On or before April 15 of each year , the School and the School District will begin negotiations in conjunction with the School District's and the School's budget development and adoption process concerning funding for the ensuing fiscal year. In future fiscal years, it is agreed that the amount of funding provided to the School from the School District shall not be less than 100 percent of the School District's PPR, minus actual administrative costs, multiplied by the number of funded FTE pupils enrolled in the School, subject to the provisions of this Contract including purchased services and allocated costs.

7.1.4 Projected student enrollment data for the following year, including names, ages/grades, addresses, and schools of record shall be supplied to the School District Infinite Campus system on or before April 1.

7.1.5 July and August funding shall be based on the number of students officially registered for enrollment with Infinite Campus or subsequent data system replacement by July 1. At the end of the first week of school for the new school year, the School will submit to the School District, written certification of the actual number of students in attendance at the School and the subsequent fund transfer will be adjusted to reflect that number. Funding will be adjusted again in December to reflect the official October count required by the State. Funding adjustments shall cause the total funding of the School for the full year to be based on the final official October count. The parties acknowledge that under the current version of the School Finance Act, neither the School nor the School District will receive funding for students in the year of enrollment if the student first enrolls in the School or the School District after the October 1 count date. In addition, to the extent that the School District experiences any reduction or increase in state equalization support by a legislative rescission or other action, or reductions or increases in authorized pupil count determined by the Colorado Department of Education, proportionate reductions or increases will be made to the School's funding by adjustment or setoff concurrent with funding changes from CDE.

7.1.6 Except as otherwise expressly provided herein, it is the intent of the parties that the School should be financially supported for all aspects of its program that are supported financially in other School District schools, including without limitation special education funding (except to the extent the District has assumed receipt of such funding in connection with the computation of charges to the School for related services), mill levy override funding, at-risk funding, available grant funding, federal entitlements funding, and other similar state and federal funding, with the exception of any funding that by its express terms is for a specific designated purpose and therefore legally cannot be shared with the School. Accordingly,

unless otherwise expressly provided herein or agreed upon by the parties, the School shall be paid its appropriate proportionate allocable share of all external source revenue received which is directly attributable to the School or its students. Specifically, federal entitlements funding shall be distributed with the intent provided by federal guidelines. The School District intends that the School be credited for a proportionate share of funding provided under the Exceptional Children's Educational Act ("ECEA"), C.R.S. §§ 22-20-101 *et seq.*, and the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1401 *et seq.* ("IDEA") for special education, and under the English Language Proficiency Act (ELPA), C.R.S. §§ 22-24-101 *et seq.*, for students who are second language learners, and other federal and state grant sources, to the extent that the School complies with the conditions and requirements, including reporting requirements of such grants and applicable law. ELPA and Title 1 funds distribution is controlled by the School District based on specific grant criteria and not on a per pupil basis. The parties acknowledge that the School District currently has one mill levy override permitting an additional mill levy to raise revenues of up to \$750,000 per year which commenced with the 2000-2001 budget year. The School shall be entitled to participate in such funding on an equitable basis with other schools in the School District. The parties acknowledge that such funding is currently being shared on the basis of the number of School District resident students in each of the schools located in the School District. The School District and the School shall each be free to make grant or contribution requests separately for their individual purposes. However, the District and the Charter School shall each use their best efforts to coordinate grant or contribution requests with each other and to make joint requests where it is in their mutual best interests to do so, and each shall use reasonable good faith efforts to provide notice to the other of available grant requests and to provide any requested support to such grant requests. The School shall be entitled to receive an appropriate share of the ECEA, IDEA and other special education funding sources received by the School District. The School may apply for state and federal funding, if any, that is provided for gifted and talented students and for other state and federal categorical programs on the same basis as other School District schools, to the extent that the School is serving students who are eligible for such aid, complies with the conditions and requirements of such programs and applicable law, fulfills the reporting requirements under such programs, and is not purchasing services under such programs from the School District. The School may purchase services from the School District to address the needs of English Language Learners as set forth in Paragraph 7.2.3 below.

7.1.7 The level of funding provided by the School District for the School in this Section 7.1 and the term of such funding is based upon the assumption that the School will not be occupying School District facilities. Should the School District determine that facilities are available and the School notifies the School District that it has a need for such facilities, the School and the School District agree to negotiate in good faith the use of such facilities and a decrease in the total funding provided for in this Contract for future fiscal years in accordance with applicable law.

7.1.8 Unless prohibited under applicable law, the School District shall provide funding to the School equal to the School's appropriate proportionate share of any mill

levy override funding (The parties acknowledge that such funding is currently being shared on the basis of the number of School District resident students in each of the schools located in the School District), whether existing or pursuant to future elections; except for any future mill levies intended to benefit a specific grade, a specific program, or a specific school and, as a result, is not available to be offered to the School, unless the School participated in the request for the funding. The School District shall notify the School of any plans with regard to future mill levy override election questions, and shall cooperate in good faith to include the School in any such requests on an appropriate proportionate basis. The School District shall cooperate in good faith with any request by the School to submit an election question to voters for charter school capital construction. 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 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 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 or 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, plus reasonable administrative costs associated with the making of such direct payments.

7.2 Budget. Each year, the School shall submit a proposed budget in the School District's format which identifies revenues and expenditures according to the CDE chart of accounts to the School District by June 15. The contents of the budget are mandatory per C.R.S. 22-44-105. The budget and appropriations' resolution must be submitted to District in CDE approved format by June 15 of each year as required by C.R.S. 22-44-107. Furthermore, the Budget format for submission will specify a breakdown by object codes of salaries, benefits, purchased services, supplies and materials, and equipment. In addition, the expenditures will be categorized by programs- Instruction, Student Services, etc. The District will not accept a budget format that lists a record of all services under purchased services in the chart of accounts. The school's financial account structure must comply with the Financial Policies and Procedures Handbook required by C.R.S. 22-44-204. The School must follow the State Chart of Accounts as outlined in C.R.S. 22-44-105(4)(a).

7.2.1 The per pupil funding shall be determined in accordance with Section 7.1 above.

7.2.2 The School shall be responsible for all costs associated with its school operations, including the cost of contracting for goods and services. The School may elect to purchase available services from 27J in accordance with the annually negotiated purchased services options and contract. The School may elect, but shall not be required, to

purchase all insurance coverage from the School District as provided in section 10.1 below. Exact costs will be determined on a yearly basis as part of the budgeting process. If the School does not purchase optional services from the School District, it shall be responsible for performing those activities or services itself, in the manner required by law for other schools in the School District.

7.2.3 Annually, when adopting its budget, or as soon thereafter as the costs thereof have been provided to the School by the School District, the School will commit to purchasing certain services from the School District for the entire budget year, provided School elects to purchase services from School District. Costs of services shall be adjusted annually by the School District based upon its adopted budget of the ensuing fiscal year and shall be reconciled annually to actual costs within ninety days after the end of each fiscal year to the extent contemplated by C.R.S. § 22-30.5-112(2)(a.4) and any difference between the amount initially charged to the School and the actual cost shall be paid to the owed party. Unless otherwise expressly agreed, all services shall be based on a per pupil allocation. Transportation services are not provided under this Contract, subject to section 11.0 below.

7.2.4 The School acknowledges that in the event of a dispute between the School and the School District, the School District's legal counsel shall represent the School District and not the School with respect to such dispute. Any potential conflict arising from the representation of the School by the School District's legal counsel shall be resolved in accordance with the Colorado Rules of Professional Conduct. The School shall have access to legal consultation and advice where such assistance is requested through the School District's Superintendent or designee. In further consideration of the funding provisions, the School District shall defend any federal complaint or due process hearing request related to a student with disabilities in attendance at the School, to the extent of any alleged involvement of a School District employee in a violation of state or federal law. Within ten days after the receipt of any federal complaint or due process hearing request that includes allegations against both the School and School District employees, the parties shall meet to explore efficiencies and to determine the course of action in providing a defense including, without limitation, the potential for a joint defense absent a conflict of interest or other legal impediment. The parties agree that the intent of this provision related to federal or due process claims is that each party shall defend at its expense any obligation incurred as a result of actionable claims or omissions by its own employees, and not for the other's. An insurance certificate from the School naming the District as an additional insured must be issued to the District by August 30, of each year.

7.2.5 If the School elects not to contract with the School District for the performance of fingerprinting and background checks required by law, the School shall assure that such fingerprinting and background checks are conducted in accordance with state law and shall provide to the School District, upon its request, documentation establishing such compliance.

7.2.6 If the School elects not to contract with the School District for student health services, the School shall provide hearing and vision screening in accordance with the requirements of state law and support and accommodations for chronic health conditions required under federal and state law. The School shall further assure compliance with state law and School District policy/regulation regarding immunization of students, that medications are administered in accordance with state law, and that health services are provided in accordance with the Nurse Practice Act, C.R.S. §§ 12-38-101 *et seq.*

7.3 Financial Records and Annual Audit. Financial statements are to be submitted to the School District according to the reporting schedule as specified below in Section 8.10 of this Contract. The School shall establish, maintain, and retain appropriate financial records in accordance with all applicable federal, state, and local laws, rules, and regulations, and make such records available to the School District as reasonably requested from time to time; provided that, for those services that the School District agrees to perform under this Contract, the School District shall maintain and make available such records. The School shall cooperate in an independent, outside audit by a certified public accountant of financial and administrative operations on an annual basis that complies with state requirements. The selection of the auditor should follow guidance in Financial Policies and Procedures Handbook. 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. This annual audit must match the ADE exactly. Any cost associated with the audit of the School shall be paid by the School.

8.0 Governance and Operation. The School shall provide training and orientation for each member of its Governing Board in matters concerning responsibilities for governance and operation as provided in this Contract, the Schools bylaws, relevant policies, and applicable law. The School District may require the School to provide documentation from time to time during the term that such orientation and training has occurred.

8.1 Conflict of Interest. Members of the School Governing Board and other committees of the School shall comply with state law and Board policies and regulations regarding ethics and conflicts of interest.

8.2 Nonreligious, Nonsectarian Status. The School agrees that it shall operate in all respects as a nonsectarian, nonreligious, non-home-based public school. The School shall not be affiliated with any nonpublic sectarian school or religious organization.

8.3 Commitment to Nondiscrimination. The School shall comply with all applicable federal, state, and local laws, rules, regulations, and School District policies

prohibiting discrimination on the basis of race, creed, color, national origin, sex, sexual orientation, marital status, religion, age, ancestry, or disability.

8.4 Open Meetings Law. The School acknowledges and agrees that it is subject to the provisions of the Colorado Open Meetings Law, C.R.S. §§ 24-6-401 *et seq.*, and that it will comply with the provisions of such law in connection with all of its activities. Public notice of all regular and special meetings of the Governing Board shall be given and posted in accordance with law.

8.5 Indigent Students. The School shall waive all fees for indigent students in accordance with Board policy and applicable federal and state law. If requested by the School District, 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 its policy of waiving 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. The school shall provide McKinney-Vento homeless supports at the school's cost, and shall receive commensurate Mc-Kinney-Vento funding for said students as a straight pass-through from School District 27J.

8.6 Operational Powers. Subject to the conditions and provisions of this Contract, the School shall be fiscally responsible for its own operations within the limitations of any funding provided by the School District and other revenues derived by the School consistent with law.

8.6.1 The School shall have authority to exercise independently, consistent with federal and state law, the following powers (including such other powers as provided for elsewhere in this Contract or as otherwise permitted under applicable law) to the extent consistent with this Contract and within its adopted budget: contract for goods and services; lease facilities for school purposes; prepare a proposed budget; select, hire, evaluate and terminate personnel, and determine their compensation; contract for professional services; contract for personnel services; procure insurance; 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 the conditions prescribed by the donor, as consistent with law and not contrary to any of the terms of this Contract.

8.6.2 The School shall insert the following language in every contract that it enters into with an independent contractor or subcontractor: "It is acknowledged that the School District 27J (School District) is not a party to this agreement. Eagle Ridge Academy has no authority to enter into any agreements that obligate the School District in any manner whatsoever. The School District has neither financial obligation under this agreement nor any

obligation to undertake any action in furtherance of the contractual relationship established herein."

8.6.3 The School shall comply with applicable provisions of Article X, Section 20 of the Colorado Constitution. The School shall not have any authority to enter into any agreement or make any commitment that gives rise to a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever on the part of the School or the School District without the prior express written consent of the School District.

8.6.4 In exercising its powers, the School shall comply with all applicable Board-approved policies, except as amended by this Contract and except as otherwise required by law, unless a specific waiver is obtained. Upon adoption by the Board, all policy changes will be forwarded or made available to the School in the same manner as to other schools within the School District. The School shall furnish to the Board copies of all written policies or procedures it may develop relating to its operations and educational program. The School agrees to comply with future policies unless the School demonstrates to the School District that the policy would materially interfere with essential elements of the School's educational program as implemented pursuant to its Application or Contract as amended herein. In that case, the parties agree to negotiate the potential for a waiver of such policy.

8.6.5 The School shall clearly indicate to vendors and other entities and individuals outside the School District that the obligations of the School under any agreement are solely the responsibility of the School and are not the responsibility of the School District.

8.6.6 The School shall report all gifts or donations of cash or property having a reasonable value in excess of \$500 to the School District by recording the same in the financial records required under Section 7, above. The School shall report to the Board within fourteen days the acceptance of any gift or donation in excess of \$10,000, and shall obtain prior Board approval for the acceptance of any grant, gift, or donation that would involve any condition or obligation on the part of the School District. Grants and gifts to the School's fundraising activities shall be consistent with School District policies and will not affect funding by the School District pursuant to this Contract. Unless otherwise expressly agreed by the School District and the School, all such grants, gifts, and donations shall be considered the property of the School, unless otherwise provided in writing by the donor. The School shall have the right to use such items in accordance with the conditions prescribed by the donor; however, no gift, donation, or grant shall be accepted by the School if it is subject to any condition contrary to law or to this Contract.

8.6.7 All District and School buildings shall include provisions requiring the facility to be in full compliance with all applicable federal, state, and local laws and

ordinances, including but not limited to, the Americans with Disabilities Act and Section 504 of the Rehabilitation Act. The School will be located at 3551 Southern Street, Brighton, CO 80601. The School may contract to purchase a facility, change its location, expand existing facilities, or construct new facilities only after complying with C.R.S. § 22-32-124(1.5), receiving approval from the Board, and demonstrating that the proposed facility meets state requirements for public schools, including but not limited to compliance with code requirements adopted by the Division of Oil and Public Safety and issuance of a certificate of occupancy documenting same.

8.7 Waivers. The School has been granted certain waivers from Board-approved policies and regulations upon approval by the Board of acceptable replacement policies pursuant to Paragraph 10.2.1. in accordance with C.R.S. 22-30.5.2(a). The waivers from Board policies and the conditions therefore, are set forth in attached Exhibit D, which is hereby incorporated into this Contract.

8.8 Bidding Requirements. As required by District policy and State law, the School's contractual services (except professional services) and purchases of supplies, materials, and equipment by the School shall be procured in accordance with a purchasing policy which includes in part a system of competitive bidding in appropriate circumstances (e.g. contracts above a reasonable dollar threshold).

8.9 Periodic Review of Progress. The School shall be subject to a review of its operations and finances by the Board or a designee upon reasonable advance written notice. The School shall provide to the School District written reports concerning its operations, including, without limitation, progress made towards achieving its educational goals and objectives, content standards, policy development issues, student performance standards, student attendance and discipline information, personnel matters, and other provisions of its Application and this Contract as specified below.

8.10 Quarterly and Annual Reporting: The School shall provide financial statements in accordance with the Financial Transparency Act and as noted in attached reporting schedule. These reports must include exact dollars and cent amounts. Amounts are not to be rounded and the formats must comply with C.R.S. 22-45-102. The School shall also submit quarterly reports concerning its operations in a format reasonably acceptable to the District., with such reports to be submitted in accordance with the attached reporting schedule. The School shall be responsible for providing to the School District upon written request, written revenue and expenditure reports with comparisons to budget and a financial statement that reports the costs of administration, instruction, and other spending categories, consistent with the format required by state law.

8.10.1 In the event the School fails to submit complete and accurate reports or data to the District in the formats required and by the deadlines established in this Contract, the District may give the School notice of such failure and an opportunity to cure

during the next 15 business days. Such notice shall be given in accordance with the provisions of subparagraph 12.3 below. The cure period shall commence upon the first receipt of notice by one of the School's designees. Should the School fail to provide complete and accurate reports or data within the fifteen day cure period, the District may thereafter withhold up to \$10,000.00 from the next monthly payment due from the District until such time as complete data is received by the District.

8.10.2 Upon receipt of complete data, the District will release any funds withheld under this section within forty-eight (48) hours. The reports that may trigger withholding under this section are those listed in Exhibit E to this Contract. The parties may update Exhibit E from time to time to reflect any changes in required reporting made during the term of this Contract

8.11 Term. This Contract shall be effective as of the date first written above for a period of three fiscal years and is to terminate on June 30, 2018, but the term of operation for funding purposes will commence July 1, 2014. C.R.S. 22-30.5-110(1). Although this Contract provides for a four year Charter, any financial commitment on the part of the School District contained in this Contract is subject to annual appropriation by the Board. The School may apply for renewal of this Contract in accordance with procedures set forth in state law, C.R.S. 22-30.5-110, and School District policy/regulation.

8.12 Termination.

8.12.1 This Contract may be terminated and the Charter revoked by the Board for any of the grounds provided by state law, C.R.S. § 22-30.5-110(3) and/or for any material breach of this Contract. The School shall be given a reasonable opportunity to cure the breach after receiving written notice from the School District. Reasonable opportunity to cure shall mean: a) cure within fifteen days of the effective date of such notice; or b) in the case of breaches which cannot practically be cured within fifteen days, commencement of the cure within fifteen days and diligent pursuit of the cure to the reasonable satisfaction of the School District until the cure is complete. To the extent reasonably practical, the School District shall exhaust the dispute resolution provisions set forth in Paragraph 12.9 or, in the event the School appeals the proposed termination, such appeal is exhausted with the State Board of Education. Should the School choose to terminate this Contract and revoke its Charter before the end of the Contract term, it may do so with the Board's approval, at any time, upon sixty days' advance written notice. In the event of termination, all assets including facilities and equipment not requiring return or transfer to donors or grantors or required for discharge of existing liabilities and operations of the School shall be delivered and turned over to the School District. The School shall maintain an inventory of assets in accordance with guidelines provided by the School District and its independent auditors. Unless a donor or grantor specifically provides

otherwise in writing, all gifts, donations, and grants shall be included among the assets returned to the School District upon termination of this Contract. Leased facilities and equipment are not property of the School and are not subject to this paragraph, provided that the School District shall be given a reasonable opportunity to assume such leases.

8.12.2 Notwithstanding any other provision of this Contract, in the case of any breach which the Board reasonably determines poses a serious and imminent threat to the physical safety of the School District or School students or community, and if the Board reasonably determines that such threat requires emergency action, the School District, in accordance with state law, may use the emergency powers provisions of C.R.S. §§ 22-30.5-701, et seq.

8.13 Dissolution. In the event the School should cease operations for whatever reason, including the nonrenewal or revocation of the Charter, it is agreed that the Board shall supervise and have authority to conduct the closure of the business and affairs of the School provided, however, that in doing so, the School District does not assume any liability incurred by the School beyond the funds allocated to it by the School District under this Contract. The School District's authority hereunder shall be delayed while the nonrenewal or revocation is under appeal to the State Board of Education. The School shall have 30 days to file an appeal. The School District's authority hereunder shall include, but not be limited to, the return and/or disposition of any assets acquired by purchase or donation by the School during the time of its existence, consistent with any donor conditions.

9.0 Employment Matters. The parties acknowledge that operations at the School, including the employment of personnel to work at the School, will be governed by the Board and managed by the Head of School. To the extent permitted by, Eagle Ridge Academy will provide all labor and supervision necessary for the provision of educational services to students and the management, operations and maintenance of the School in accordance with goals adopted by the School's Governing Board. The School, the Board, and the Head of School assume the responsibility for employment matters such as employee relationships, job descriptions, and terms and conditions of employment and specific personnel policies to the extent specifically described below and subject to the following conditions and other provisions of this Contract. The School District and the School agree that teachers and other staff employed at the School are employees of Eagle Ridge Academy and are not employees of the School District. Eagle Ridge Academy will be solely responsible for selecting, supervising, disciplining, determining compensation for, and terminating its employees. No person employed by Eagle Ridge Academy 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.

9.1 Hiring of Personnel. All persons who perform services as an employee for the School shall be considered "at-will" employees of Eagle Ridge Academy during the period that the contract is in effect, unless otherwise expressly agreed by the Governing Board in

writing. The School may select its personnel directly without prior authorization from the District, subject to compliance with this Section 9.1 and all federal and state rules and regulations, including, without limitation, requirements concerning the recruitment of applicants and the use of background and criminal checks. The School shall comply with the requirement of the No Child Left Behind Act that certain employees be "Highly Qualified." Employee records concerning licensure and Highly Qualified status will be made available to the District annually on or before Sept. 15.

9.2 Employee Compensation, Evaluation, and Discipline. During the period that the Contract is in effect, personnel at the School will be employees of Eagle Ridge Academy, unless otherwise agreed by the Governing Board in writing. Eagle Ridge Academy will maintain policies concerning the compensation, evaluation, promotion, discipline, and termination of employees working at the School, subject to compliance with all applicable state and federal rules and regulations.

9.2.1 The School will utilize Eagle Ridge Academy 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. The School, however, shall not have authority, by virtue of such policies or procedures or other actions of the Governing Board, to change the "at-will" nature of the employment relationship of faculty and staff.

9.2.2 The School shall notify the School District and other appropriate authorities, in accordance with state law, within 24 hours of discipline of employees at the School arising from misconduct or behavior that may have resulted in harm to students or others or that constituted violations of law or policy or has in fact resulted in a report to social services or to law enforcement officials. The notice shall also include those measures being implemented by the School to address the alleged misconduct, mitigate harm to affected parties and reduce the likelihood of similar occurrences in the future.

9.2.3 The School's Governing Board shall be responsible for annually evaluating the performance of the School's Head of School.

9.3 Payroll. Employees shall be paid according to payroll procedures required to meet federal regulatory guidelines for recording employee work hours, overtime, absences, leaves, vacation, and other adjustments, as contained in applicable Eagle Ridge Academy policies and regulations. The payroll records are to be kept in a format acceptable to receive reimbursements or to substantiate records for state and federal grants such as IDEA-Part B, ECEA, Charter School Start-up grants, etc.

9.4 Benefits. Benefits for Eagle Ridge Academy employees will be provided according to Eagle Ridge Academy policies and regulations, consistent with federal and state law.

9.5 PERA Membership. Persons employed by Eagle Ridge Academy to work at the School shall participate in the Public Employees Retirement Association (PERA). Persons employed by the School to work at the School shall be members of the Public Employees' Retirement Association and subject to its requirements. The School shall be responsible for the cost of the School District's/employer's respective share of any required contributions.

9.6 Equal Opportunity Employer. The School affirms that, consistent with applicable law and School District policies, it shall not discriminate against any employee on the basis of race, creed, color, national origin, sex, sexual orientation, marital status, religion, age, ancestry, or disability in its recruitment, selection, training, utilization, termination, or other employment-related activities.

9.7 Employee Welfare, Safety, and Training. The School shall comply with all Board-approved policies, and applicable federal and state laws, concerning employee welfare, safety, and health issues, including, but not limited to, the requirements of federal law for a drug-free workplace, required annual training concerning the Child Protection Act of 1987, C.R.S. §§ 19-3-301 *et seq.*, and other statutorily required training. In addition, the School shall provide annual training on pertinent topics including, but not limited to, technology usage, sexual harassment, reporting child abuse, etc. Documentation of required training shall be maintained on site and submitted to School District's General Counsel by September 30th of each year.

9.8 Employee Records. The School shall comply with all Board-approved policies and regulations, as modified and not waived herein, and applicable federal and state laws, concerning the maintenance, retention, and disclosure of employee records, including, without limitation, the requirements of the Colorado Public Records Law, C.R.S. §§ 24-72-204 *et seq.*

9.9 Conflicts of Interest. All Board members and employees at the School shall comply with the Board's policy and regulation and applicable state law concerning actual and potential Board member and employee conflicts of interest.

10.0 Insurance and Legal Liabilities.

10.1 Insurance. Subject to the provisions of this Contract, it is agreed that during the term the School District will make available to the School insurance coverages consistent with the coverages available to the School District itself. The School may also

contract with third parties to provide insurance coverage. The School shall maintain policies of general liability, property and casualty insurance, as well as workers' compensation insurance (to the extent applicable), unemployment compensation insurance (to the extent applicable), motor vehicle insurance, and personal liability bonds for School employees (to the extent applicable) with policy limits and terms not less than those maintained by the District. The School shall designate the District as an additional insured on all such policies, and shall provide the District with documentation of such coverage by August 1st of each year. The Board may reasonably require the School to adjust the coverages and limits provided for under the terms of any particular contract or policy. The School will pay any deductible amounts attributable to any acts or omissions of the School, its employees, or agents. The School will provide the District, as required in Section 7.2.5, with Certificates of Coverage or other proof of insurance each year. If the School purchases insurance coverage from the School District, the School agrees that it will coordinate all risk management activities through the School District's risk management office. This will include the prompt reporting of any and all pending or threatened claims including but not limited to, notices of claim, charges of discrimination, complaint or other notice of potential litigation, the filing of timely notices of claim, cooperating fully with the School District in the defense of any claims, and complying with the defense and reimbursement provisions of the Colorado Governmental Immunity Act and the School District's applicable insurance policies. The School shall neither compromise, settle, negotiate, nor otherwise affect any disposition of potential insured claims asserted against it, to the extent that the School District is a party to the matter or to the extent such claim is covered by insurance extended by the School District that might adversely affect the School District, without the School District's prior written approval. In consideration of the School District providing the described insurance coverage, the School agrees to pay to the School District for insurance extended by the School District the amounts related to Contracted Purchased Services (as annually revised consistent with the School District's budget for risk management) multiplied by the number of funded FTE pupils enrolled in the School. Any annual deductibles applicable to any claim under the insurance coverage provided to the School hereunder shall be paid by the School for non-purchased School District services at the rate of \$5,000 per occurrence and \$10,000 in the aggregate and the insurance coverage shall include the same coverage as is provided for employees and authorized volunteers of the School District itself.

10.2 Legal Liabilities. The School shall operate in compliance with all Board-approved policies and regulations and all applicable federal, state, and local laws, rules, and regulations, unless specifically waived as indicated in attached Exhibit D or unless such waiver is obtained from the proper authority pursuant to the procedures of Paragraph 10.2.1 below, subsequent to the execution of this Contract. In no event shall the School District, its directors, officers, employees, or agents be responsible or liable for the acts or omissions of the School, its directors, officers, employees, or agents, except to the extent attributable to the action or inaction of the School District or its employees or other agents.

10.2.1 Waivers. The waivers of Board policies and regulations set forth on Exhibit D are hereby expressly approved by the School District, and the School and the School District shall cooperatively seek approval by the State Board of the waivers of state law set forth in accordance with C.R.S. 22-30.5-105(3). Following the effective date of this Contract, further waivers from specific Board-approved policies or regulations and/or state law may be requested by submitting such a request, in writing, to the School District's Superintendent or designee. The request shall include the reasons the School is in need of or desires the waiver and any alternative or substitute policies proposed. The Superintendent or designee shall have ten school days, to review the request and, thereafter, will present the matter before the Board at its next regular meeting. The Board shall have twenty school days to consider the matter prior to rendering a decision at a regular meeting. Waivers of Board-approved policies and regulations may be granted only to the extent permitted by state law. In the event the School District policy or regulation from which the School seeks a waiver is required by state law, or where the School otherwise requests release from a state regulation, the School District agrees to jointly request such a waiver from the State Board, if the School District's Board first approves the request.

10.2.2 Faith and Credit. The School shall not attempt to, purport to, or actually extend the faith or credit of the School District to any third person or entity. The School acknowledges and agrees that it has no authority to enter into a contract or incur obligations that would bind the School District, including, without limitation, any waiver or modification of the provisions of the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101 *et seq.*, and it agrees to include a statement to this effect in each contract it enters into with third parties. The School acknowledges that its authority to contract is limited by the same provisions in law or School District policy that apply to the School District itself, including but not limited to Article X, Section 20 of the Colorado Constitution. The School also is limited in its authority to commit its funds by the amount of funds obtained from and held on its behalf by the School District, as provided hereunder, or from other independent sources.

10.2.3 Indemnification. To the extent of claims not covered by insurance or otherwise barred by the Colorado Governmental Immunity Act and to the extent permitted by law, the School and District each agree to indemnify and hold the other, its Board, agents, and employees, except to the extent attributable to the intentional acts, negligence or malfeasance of indemnitee's employees or agents, harmless from all liability, claims, and demands on account of personal injury, sickness, disease, death, property loss, or damage or any other losses of any kind whatsoever brought in connection with or related to the operations of the indemnitor and/or the conduct of any of the indemnitor's employees, agents, or representatives or that are proximately caused by employees or agents of the Indemnitor. The foregoing provision shall not be deemed a relinquishment or waiver of any kind of applicable limitations of liability provided by the Colorado Governmental Immunity Act. The indemnitor's indemnification and hold harmless obligation hereunder shall include all attorney fees, costs, and expenses incurred by the indemnitee in defense of said suits, actions, grievances, charges, and/or proceedings.

10.2.4 Indemnification by Independent Entities/Governmental Immunity.

In the event the School authorizes, with the School District's approval, another person or entity to operate an intersession, or other program within the School facility, such person or entity shall provide separate insurance coverage for general liability and errors and omissions with limits consistent with the School District policies and naming the School, the School District, and the property owner as additional insured. Such person or entity will also agree to indemnify and hold the School, the School District, and the property owner harmless from all liability, claims, and demands on account of injury, loss, or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss, or damage, tort and civil rights claims, or any other losses of any kind whatsoever that arise out of or are in any manner connected with such person's or entity's operations. Nothing contained in this Contract shall be deemed a relinquishment or waiver by the School District or the School of any kind of applicable limitations of liability provided by the Colorado Governmental Immunity Act.

11.0 Transportation. The School District and the School acknowledge and agree that transportation will not be provided to students attending the School. If the School subsequently determines to provide transportation during the term of this Contract, the School may contract with the School District for transportation services at cost, by separate written agreement, in accordance with C.R.S. 22-30.5-112.5.

12.0 Miscellaneous Provisions.

12.1 Entire Agreement. This Contract, with attachments, contains all terms, conditions, and provisions hereof and the entire understandings and all representations of understandings and discussions of the parties relating thereto, and all prior representations, understandings, and discussions are merged herein and superseded and canceled by this Contract. All provisions of this Contract shall supersede and control over any conflicting or inconsistent language contained in the Application. For purposes of all references in this Contract and the Application or state law or any understanding any party hereto may have, the Charter of the School shall be this Contract and the Application, to the extent the Application is not superseded or modified by this Contract.

12.2 Amendment. This Contract may only be modified or amended by further written agreement executed by the parties hereto.

12.3 Notice. Any notice required, or permitted, under this Contract, shall be in writing and shall be effective upon personal delivery or delivery by facsimile (subject to verification of service or acknowledgment of receipt) or three days after mailing when sent by

certified mail, postage prepaid, to the Head of School or designee in the case of notice being sent to the School, or to the Charter School Liaison or designee, for notice to the School District.

12.4 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.

12.5 Invalidity. If any provision of this Contract is determined to be unenforceable or invalid for any reason, the remainder of the Contract shall remain in effect, unless otherwise terminated by one or both of the parties in accordance with the terms contained herein.

12.6 Interpretation. In the event of any disagreement or conflict concerning the interpretation or enforcement of this Contract, the Application, and Board policies, procedures, regulations, or other requirements applicable to the School, other than those for which waivers have been granted, it is agreed that these documents shall control in the following order of priority: (i) this Contract, (ii) the Application, and (iii) such Board policies, procedures, regulations and other requirements applicable to the School.

12.7 Standing and Capacity. The School Governing Board shall have standing and capacity to enter into and enforce any of the terms of this Contract on behalf of the School. Any action by the School's representative body on behalf of the School shall be limited to enforcing the terms of this Contract and recovering the amounts provided for herein and shall not include any action or proceeding for other amounts or damages.

12.8 Assignment. The School shall not assign its Charter nor any of its rights or obligations under this Contract to any person or entity, including, without limitation, a body corporate formed by the School, without the prior written approval of the Board, which approval may be withheld for any reason or no reason as determined by the Board in its sole discretion.

12.9 Dispute Resolution. In the event any dispute arises between the School District and the School concerning this Contract, including, without limitation, the implementation of or waiver from any policies, regulations, or procedures, such dispute shall first be submitted to the Charter School Liaison or designee for review. Thereafter, representatives of the School District and the School shall meet and attempt in good faith to negotiate a resolution of the dispute. In the event these representatives are unable to resolve the dispute informally pursuant to this procedure, the party that initiated the action in the first instance shall inform the other party of an intent to invoke C.R.S. § 22-30.5-107.5. Within thirty days after receipt of written notice, the parties shall have agreed upon an independent mediator. If the parties are unable to agree upon a mediator within that time, the moving party shall obtain a list of five names from the Judicial Arbitrator Group, Denver, Colorado, and submit them to the other party, who shall strike one, return the list to the moving party, and so forth, until one name

remains. The remaining person shall be selected as the mediator. This striking process shall be completed within ten days after delivery of the list to the non-moving party. The mediation shall be scheduled and concluded within one hundred twenty 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 one hundred twenty day timeframe. The mediation process shall be closed to the public and all information submitted during mediation shall be confidential to the extent provided by law. Participation in the dispute resolution process shall constitute neither an admission nor denial of State Board jurisdiction over the dispute.

12.10 Mutual Cooperation. The parties pledge to collaborate in good faith through two-way communication and mutual respect, to attempt to informally and amicably resolve any issues that may arise between them. To promote their common goals of addressing the educational needs of all students within the School District, the parties agree to avoid competition between and dispensing negative information about the educational programs offered by either. They acknowledge that they are cooperatively involved in making a reasonable continuum of educational services available for students of the School District who are at risk. Toward this end, the parties agree that if a student should withdraw from the School or another school of the School District, they will cooperate in the potential integration of the student into another program as may be appropriate to the student's needs.

12.11 School District Policies and Regulations. School District represents to the School that it has provided the School with a true and complete copy of all applicable School District Board and/or Superintendent Policies, regulations, and similar rules and procedures (the "District Written Policies"). The School District shall make reasonable efforts to distribute to the School, in the same manner as it does to other schools, information concerning new or amended laws, regulations, and policies which may apply to the School. The School District shall give written notice to the School of any changes to the District Written Policies adopted by the Board and/or the Superintendent for the School District. Such changes shall automatically become applicable to the School within 30 days after such written notice unless either: (i) the School District has previously waived the application of such policies to the School, (ii) the School applies for and is granted a waiver from such policies, or (iii) the School provides written notice of its objection to the application of any such changes to the School within 30 days after receiving such notice. Upon receipt of such written objection: (a) if the School District's change would require the School to make a change in operations or any other aspect of the School that is inconsistent with this Contract or the Application and such change is not required by applicable law, the School District shall be deemed to have granted a waiver from the application of such policy change to the School, and (b) otherwise, the School may apply to the School District for a waiver of such policy change, which waiver shall be subject to the approval of the Board in accordance with Section 12.14 below.

12.12 Charter School Liaison. The parties acknowledge that the School District has currently contracted with a part-time person to perform liaison services between the School District and the School (the “Charter School Liaison”). The parties shall jointly participate in the services provided by the Charter School Liaison, including the following types of direct and indirect support services to the School and the School District:

- Primary contact for the School and School District representatives
- Coordinates the delivery of School District services purchased by the School
- Identifies and follows up on instances of perceived or actual non-compliance with the Contract by the School or by the School District

The costs for the Charter School Liaison services shall be borne by the School District in the amount of 25 percent and by the School District’s authorized charter schools (including the School) in the amount of 75 percent. The School District’s charter schools shall pay their portion of this cost based upon their individual per pupil enrollment as a percentage of total enrollments in the School District’s charter schools. The School’s share of these costs shall be payable in the manner described in Section 7.1.1 above.

12.13 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, subject to the provisions of Section 12.7. 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.

12.14 Approval of the School District. Whenever this Contract provides that any decision or action to be taken by the School requires the approval or consent of the School District, the Board, or any employee of the School District, or otherwise in any manner requires the assent of the School District in any manner, unless such Contract provision specifically states that such approval, consent or assent may be given in the sole or unilateral discretion of the School District, or words to that effect, then otherwise the School District shall not unreasonably withhold or delay such approval, consent or assent.

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

	Eagle Ridge Academy
	By: _____ For the Governing Board
Attest: _____	
	School District 27J By: _____ President, Board of Education
Attest: By: _____ Secretary	