

MITCH CHARTER SCHOOL
MITCH TIGARD-TUALATIN CHARTER SCHOOL

RESOLUTION 2008-02

A RESOLUTION APPROVING THE CONTRACT WITH THE
TIGARD-TUALATIN SCHOOL DISTRICT FOR THE OPERATION
OF A MITCH CHARTER SCHOOL IN THE DISTRICT

WHEREAS, Multi-sensory Instruction Teaching Children Hands-on desires to renew the Charter Contract dated June 17, 2002, which has been amended and extended through August 31, 2009 with the Tigard-Tualatin School District, and has submitted a letter dated November 27, 2007 requesting renewal; and

WHEREAS, the Tigard-Tualatin School Board voted to approve the MITCH Charter School application at its December 13, 2007 meeting; and

WHEREAS, the parties desire that MITCH be authorized to operate and conduct its affairs in accordance with the terms of an agreed contract and ORS Chapter 338; and

WHEREAS, The Tigard-Tualatin School District and MITCH Bylaws require a MITCH Board Resolution authorizing the signing of the contract,

NOW THEREFORE, THE MITCH CHARTER SCHOOL BOARD
RESOLVES AS FOLLOWS:

Section 1. Adoption: The Board hereby approves the ten-year contract with the Tigard-Tualatin School District, which will begin July 1, 2008.

Section 2. Corporate Authorization: The Board hereby authorizes the Corporation to enter into the contract.

Section 3. Authorization to sign: The Board hereby authorizes the Vice-Chair to execute the contract on behalf of the Corporation.

Section 4. Effective Date: This Resolution shall become effective immediately.

Duly passed by the MITCH Charter School Board this Third day of March, 2008.


Ben Ochs, Ph.D.
Vice Chair, Board of Directors


Gordon Fiddes
Secretary, Board of Directors

**Charter School Contract
between
Tigard-Tualatin School District
and
Multi-sensory Instruction Teaching
Children Hands-on
(MITCH)**

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CHARTER SCHOOL CONTRACT

THIS CONTRACT is made and entered into by and between Tigard-Tualatin School District ("District") and Multi-sensory Instruction Teaching Children Hands-on, an Oregon nonprofit corporation operating a charter school in conjunction with Tigard-Tualatin School District under the assumed business name "MITCH Tigard-Tualatin Charter School" ("MITCH").

RECITALS

WHEREAS, the Oregon Legislature has enacted ORS Chapter 338 for certain purposes enumerated in that chapter; and

WHEREAS, the District and MITCH are parties to a Charter School Contract dated June 17, 2002, which has been amended and extended through August 31, 2009.

WHEREAS, MITCH has submitted to the District a letter dated November 27, 2007 (attached as Exhibit B) evidencing an intention to renew their Charter Contract with the District, this letter was pursuant to and conforming to the requirements of ORS 338.065.

WHEREAS, the Board of the District held a public hearing on the provisions of the proposal in accordance with ORS 338.065 and evaluated the criteria set forth in ORS 338.065; and

WHEREAS, the Board of the District has determined that MITCH has demonstrated sustainable support for the charter school by teachers, parents, students, and other community members, including comments received at the public hearing; has demonstrated the capability of MITCH in terms of support and planning to provide comprehensive instructional programs to students including those identified by MITCH as academically low achieving, and that the proposal of MITCH addresses the criteria required in the proposal process in ORS 338.045 and in District Policy; and

WHEREAS, by a resolution adopted December 13, 2007 (attached and incorporated as Exhibit C) the District Board approved the renewal of the Charter Contract, contingent upon negotiation and execution of a contract acceptable to MITCH and the District and other elements enumerated in Section 2 of this Contract; and

WHEREAS, this Contract between MITCH and the District, including the Exhibits, will constitute the full and complete agreement between the parties regarding the governance and operation of MITCH; and

WHEREAS, the parties desire that MITCH be authorized to operate and conduct its affairs in accordance with the terms of this agreement and ORS Chapter 338.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual understandings, releases, covenants and payments herein described, the parties agree as follows:

CONTRACT

1. Grant of Charter

MITCH Charter School is granted, in accordance with ORS Chapter 338 and the terms and conditions of this Contract, a charter to operate a single public charter school located within the boundaries of and in conjunction with the Tigard-Tualatin School District as described herein.

2. Effective Date

This Contract shall commence on July 1, 2008, and shall expire on June 30, 2018.

3. Educational Program, Student Assessment and Curriculum

A. Age and Grade Range

- (i) During each year of operation, MITCH may provide instruction to students in kindergarten through eighth grade. MITCH may add or subtract grades to those served in the previous year, including kindergarten and up to and including eighth grade. MITCH will notify the District by April 1st of each year regarding which grades will be added or subtracted the following school year.
- (ii) As provided in state law, currently ORS 338.115(5), MITCH shall maintain an active enrollment of at least twenty-five (25) students. The total maximum enrollment will not exceed 250.
- (iii) MITCH shall follow District policy regarding age and admission eligibility for Kindergarten and first grade students.

B. Curriculum

The District agrees to waive its curricular requirements, to the extent permitted by state law, but subject to the implementation of MITCH's instructional programs outlined in Section 3 (C) below.

- (i) MITCH shall have the authority and responsibility of designing and implementing its educational program, subject to the conditions of this Contract in a manner which is consistent with state law.
- (ii) The educational program, pupil performance standards and curriculum designed and implemented by MITCH shall meet or exceed any content standards adopted by the State of Oregon and shall be designed to enable each pupil to achieve such standards.

- (iii) MITCH will comply with all state requirements concerning academic content areas as defined in ORS 329.045.
- (iv) MITCH will obtain prior approval from the District before making a fundamental change to the educational program or curriculum outlined in its application. A fundamental change is defined as changing the academic focus of MITCH or adopting a curriculum that does not meet district or state standards. A change in curriculum includes the implementation of any curriculum not outlined in this agreement or the exhibit provided under Section 3. Paragraph C, subparagraph i, or failing to implement a curriculum outlined in the charter. The District may, at its sole discretion, approve or disapprove fundamental changes in the educational program.

C. Educational Program

- (i) MITCH will provide an outline of its core curriculum and educational program. This is attached and labeled Exhibit A.

D. Student Assessment

- (i) All students enrolled and attending kindergarten through eighth grade at MITCH shall participate and take part in all statewide assessments developed by the Oregon Department of Education under ORS 329.485, as well as any assessment developed by the Oregon Department of Education, the United States Department of Education or the Oregon Legislature to implement the federal No Child Left Behind (NCLB) assessment requirements. All costs associated with administering and scoring required assessments shall be paid by the District, this cost payment shall include costs associated with the necessary training for MITCH staff on administering the testing.
- (ii) If any of the assessments described in Section 3, Paragraph D, subparagraph (i) of this Contract are discontinued, the parties shall mutually agree on the assessment tool to be used by MITCH to determine the student performance standards for the MITCH's students.

E. Records

MITCH shall comply with all record keeping requirements of federal law pertaining to student records and shall cooperate with the District by providing key reports or records to the District, as necessary, to meet the District's reporting obligations to the Oregon Department of Education or the U.S. Department of Education.

F. Nondiscrimination

The education program of MITCH, without limitation, shall conform to all statutory and constitutional provisions prohibiting discrimination on the basis of age, race, creed, color, sex, national origin, religion, ancestry, disability, marital status, sexual orientation, or political beliefs and/or affiliations.

G. Nonreligious

The educational program of MITCH shall be nonsectarian and nonreligious. The educational program shall not be affiliated with any nonpublic sectarian school or religious organization. ~~This section shall not preclude MITCH from providing instruction in a facility leased from a church or religious organization.~~

H. Open Enrollment

- (i) For each school year covered by this Contract, enrollment shall be open to any child eligible to attend grades served subject to state law (currently ORS 338.125(1)).
- (ii) Maximum enrollment during each school year covered by this Agreement shall be limited to 250 students.
- (iii) The minimum enrollment for each school year shall be 25 full-time students. The District may terminate this Contract at a semester break if student enrollment in MITCH falls and remains below 25 students for thirty (30) days or longer during any school year.

I. Admission

- (i) Admission of students to MITCH shall be conducted in accordance with state law (currently ORS 338.125 (1)) and federal law. "Admission" means that the student has (1) applied to MITCH; (2) successfully completed the lottery; and (3) been formally accepted as a MITCH student by MITCH.
- (ii) In the case of a student who is eligible for special education and related services under the Individuals with Disabilities Education Act, the resident district's Individual Education Plan or Program (IEP) team must have deemed MITCH to be a proper placement for the student to be admitted.

J. Enrollment Process

- (i) MITCH is a school of choice. Enrollment at MITCH is and must be voluntary. All students, including students with disabilities, who are residents of the District, are eligible for enrollment. Age and grade are the only criteria.

- (ii) If the number of applications from resident students exceeds the number of spaces available, MITCH must select all students for enrollment through an equitable lottery. If space is available, MITCH may admit students from out of the District.
- (iii) After MITCH has met its student capacity, waiting lists will be established pursuant to MITCH policy and applicable state law. A resident student waiting list for each age level will be established, and selection of students to be admitted from this list will be through an equitable lottery. A separate non-resident student waiting list will be established for each age level with the selection of students for admission achieved through an equitable lottery. School student vacancies will be filled by selecting students from the list by a lottery. Students on the resident waiting lists at each grade level will fill vacancies prior to students on the non-resident list. Students who apply after the final annual enrollment period has closed will be added to the respective lists in a manner consistent with state law and MITCH policy.
- (iv) This process may be modified in accordance with any waiver granted by the Oregon State Board of Education.

K. Preferences after First Year

As provided in ORS 338.125(1), in subsequent years of operation MITCH may give admissions preference to students who were enrolled in MITCH in the prior year and siblings of students enrolled and attending MITCH.

Once these students are identified, all other students will be selected through an equitable lottery, as described in Section 3, Paragraph J, subparagraphs (ii) and (iii).

L. Student Attendance, Conduct and Discipline

- (i) MITCH shall implement a system of uniform student conduct. MITCH shall notify its students of the students' rights and responsibilities at the beginning of each school year, or as a student meets the admission requirements as stated in this Contract. MITCH shall maintain accurate enrollment data and daily records of student attendance and shall provide this data to the District on a monthly basis by no later than the 5th of each month.
- (ii) MITCH shall notify the District immediately upon a student being expelled from MITCH.
- (iii) MITCH and the District shall each extend full faith and credit to the suspension and expulsion of a student of the other, unless both parties

agree in writing to a variance from this requirement.

M. Education of Students with Disabilities

MITCH shall comply with all District policies and regulations and the requirements of federal and state law concerning the education of children under the Individuals with Disabilities Education Act ("IDEA"). Compliance by MITCH includes, but is not limited to, the following:

- (i) ~~MITCH shall comply with all District policies regarding discipline of special education students.~~
- (ii) The Individual Education Plan and Program (IEP) team are determined by federal law.
- (iii) The student's IEP team will determine the appropriate educational program and placement for the student. MITCH shall abide by the IEP team's decision on program and placement.
- (iv) MITCH staff shall comply with training required by an IEP team for the delivery of services to a MITCH student. Required training shall, to the extent possible, be conducted outside MITCH instructional time. Additionally, all MITCH employees will attend an annual training seminar concerning special education and IEP procedures presented by the Tigard-Tualatin School District.
- (v) The funds from the Oregon Department of Education representing the Average Daily Membership weighted (ADMw) for special education for MITCH special education students shall be retained by the District, if the student is a resident of the District.
- (vi) The District has the discretion to determine which specialized programs will be offered on site at the MITCH site.
- (vii) For a nonresident MITCH student eligible under IDEA, MITCH and the resident district may enter into a written agreement for the provision of special education services to the student. The Tigard-Tualatin District is in no way responsible for these services or the costs thereof.
- (viii) The student's IEP team may recommend any appropriate placement for the student based on the student's needs, whether in or out of MITCH. MITCH shall not change the student's placement or IEP without IEP team action.
- (ix) If it is required as a related service on a MITCH student's IEP, the resident District will provide transportation to MITCH.

- (x) MITCH shall notify the student's resident district if a student may need special education services.
- (xi) If, after a student is enrolled and attending MITCH, the staff of MITCH suspects a student may be eligible for special education and related services under IDEA, MITCH shall comply with the District practices and policies for referral of the student for evaluation.
- (xii) The resident district retains responsibility for offering and providing a free appropriate public education to all resident special education students who attend MITCH.
- (xiii) MITCH will ensure that all individuals applying for admission to MITCH receive equal opportunity for admission without regard to whether individuals are considered disabled under any applicable state or federal law.

N. Tuition and Fees

MITCH shall not charge tuition to students attending MITCH. MITCH shall not charge tuition for programs, classes or courses of study which are part of the regular school program. MITCH may charge reasonable fees for textbooks (including deposits applied to damages), instructional materials, operational after-school programs and student activities pursuant to state law (currently ORS 339.141, 339.147 and 339.155). Tuition for kindergarten programs shall match District Policy.

O. Student Welfare and Safety

MITCH shall comply with all applicable state and federal laws concerning student welfare, safety and health, including, without limitation, the reporting of child abuse, accident prevention and disaster response, and any local, state or federal regulations governing the operation of school facilities.

- (i) MITCH is responsible for the reporting of child abuse and neglect in accordance with state law (currently ORS 339.370, 372 and 375).
- (ii) MITCH shall comply with state and federal law relating to drug administration to students.
- (iii) MITCH shall comply with OAR 584-020-0041, the Teacher Standards and Practices Commission requirements that the chief administrator report certain acts of gross neglect of duty by licensed staff.

P. School Year; School Day; Hours of Operation

MITCH shall operate an instructional program in accordance with Section 3, Paragraph B and C. Students will receive at least the minimum number of annual instructional hours pursuant to state laws or administrative rule. MITCH's calendar may differ from the District's calendar. MITCH will determine its school calendar annually and will provide a copy to the District by May 15th of each year.

Q. Alternative Education Model

Subject to applicable state law, federal law, and the terms of this Contract MITCH shall be allowed to promote and implement learning situations that are flexible with regard to environment, time, structure and pedagogy.

R. Participation in District Offerings

MITCH students may participate in District classes and activities subject to availability as determined by the District and subject to the same costs as District students. Charter School students may participate in District sports programs under the same terms and conditions, including costs, as District students and subject to Oregon School Activities Association (OSSA) rules and requirements. In situations where the number of students who can participate is limited, MITCH Students will not be given priority over other District students so as to bump District students out of the activity. Non-resident MITCH students must comply with applicable OSAA rules and District policy before they are eligible to participate in extracurricular activities in a District school.

- (i) MITCH may request that its students be able to use certain District facilities in the same manner that other District students are able to use them and subject to all applicable District policies relating to the use of such facilities. Examples of such facilities include but are not limited to school libraries, outdoor track, large meeting rooms, computers, and science laboratories. In response to such a request, the parties will negotiate in good faith separate agreements whereby MITCH may use such facilities. There will be no charge to MITCH for such use except for actual out-of-pocket expenses incurred by the District directly due to such use by MITCH.
- (ii) MITCH may request that the District provide services to MITCH that it provides to other District schools, such as food services. In response to such a request the parties will negotiate in good faith a separate agreement whereby the District will provide such services on terms, including reimbursement of District costs, mutually agreeable to the parties.
- (iii) The District shall not be required to provide transportation for a MITCH student to and/or from an extracurricular activity. However, the district

may provide transportation services to a MITCH student to and/or from an extracurricular activity. The District is not required to add or extend existing bus routes or provide other transportation services to accommodate a MITCH student.

4. Evaluation of Student Performance and Procedures for Corrective Action

A. Reasonable Progress

MITCH shall pursue and make reasonable progress toward achievement of the goals, objectives and student performance standards consistent with those set forth in this section, provided that such goals, objectives and student performance standards shall at all times remain in compliance with Oregon law and the provisions of this Contract.

B. Curriculum Alignment

The learning goals for MITCH students will be aligned to the Oregon Standards. All additional assessments used by MITCH to measure and monitor student progress, will be based on Oregon Standards.

C. Statewide Assessment

- (i) MITCH will fully participate in the Oregon statewide assessment system. MITCH will administer the Oregon statewide assessments to its students on the same schedule as the Tigard-Tualatin School District and in conformity with state law.
- (ii) In order to ensure an accurate testing procedure and environment for its students, MITCH will make staff available for training alongside District employees in state assessment testing processes and procedures.

D. Information from the District

The District will provide MITCH the same assessment result information as all other District schools with disaggregated data for comparison and goal-setting purposes, as noted in Section 3. D.

E. Student Participation

MITCH will ensure that no less than 95 percent of the students in each grade participate in the statewide assessments.

- F. MITCH will pursue Adequate Yearly Progress (AYP) as established by the state of Oregon under the federal No Child Left Behind Act (NCLB) of 2002 and as measured by participation rates and scores on the Oregon Statewide Assessments.

attendance and any other criteria used by the state to determine AYP for all public schools. MITCH will be subject to applicable federal and state sanctions for any failure to make AYP.

- G. Each subgroup identified in NCLB will make Adequate Yearly Progress, as established above and measured by the Oregon Statewide Assessments.
- H. Either the District or MITCH will identify student or school performance that has fallen below specified annual achievement goals, and notify the other party in writing. ~~Within 60-calendar days of this occurrence, MITCH will develop plans~~ to address the identified deficiencies and will describe those plans, anticipated results of their implementation, and specific steps of correction in a written Plan of Correction that is acceptable to the District. The District and MITCH will agree upon a process, timelines and monitoring of the Plan of Correction.
- I. The District shall report to MITCH the same state assessment result information as all District schools with disaggregated data for comparison and goal-setting purposes as soon as possible but not beyond thirty (30) business days of receiving those scores.

5. Economic Plan, Budget and Annual Audit

A. Funding

- (i) For kindergarten through eighth-grade students: The District shall provide funding to MITCH in an amount per weighted average daily membership (ADMw) of MITCH that is equal to a minimum of 80 percent of the amount of the District's general purpose grant per ADMw as calculated under ORS 327.013 for MITCH students in grades kindergarten through eighth except as amended by this Contract under Section 3, paragraph M, subparagraph (v) for students eligible for special education services under IDEA. Funding shall be determined based on enrollment as of the date by which the District must submit its December Report to the Oregon Department of Education. So long as MITCH is not in violation of ORS Chapter 338, this funding will be made available to MITCH, commencing on the date set forth and according to the distribution schedule set forth in Section 5, paragraph C, subparagraph (vi) below. The District, at its sole discretion, may advance funds to MITCH upon request. The District will adjust the funding to reflect the actual funded pupil count as of October 1st. In addition, to the extent the District experiences any reduction or increase in its state funding "General Purpose Grant" under ORS 338.155, proportionate reductions or increases will be made to MITCH by adjustment or setoff in subsequent months. This amount is calculated by the Oregon Department of Education and provided to the District on the State School Fund District Estimate that the Department of Education periodically provides to school districts.

- (ii) Any financial commitment on the part of the District contained in this Contract is subject to appropriation by the State of Oregon and the parties agree that the District has no obligation to fund MITCH operations except as expressly provided herein or in ORS Chapter 338.
- (iii) MITCH shall provide enrollment data regarding numbers of in district students, out of district students, former home schooled students and students coming from District schools. Estimates shall be provided no later than December 10th of each year with final estimates submitted on or before March 15th of each year covered by this Contract.

B. Budget

- (i) On or before March 15th of each year, MITCH shall submit to the District the MITCH proposed budget for the upcoming school year.
- (ii) On or before July 15th of each year, MITCH shall submit to the District the MITCH adopted budget for the upcoming school year.
- (iii) MITCH shall be responsible for all costs of subcontracting for goods and services, except as expressly provided in this Contract.
- (iv) The fiscal year of MITCH shall begin on July 1st of each year and end on June 30 of the subsequent year to coincide with the District's fiscal year.
- (v) The cost of any service(s) provided to MITCH by the District above and beyond the terms of this Contract shall be deducted from payments due to MITCH from the District's payments outlined in Section 5, Paragraph A of this Contract. The parties shall have a mutually written agreement on the type of service and any affiliated costs prior to the implementation of this service.

C. Financial Records, Audits and Accounting Reports

- (i) MITCH agrees to establish, maintain and retain appropriate financial records in accordance with applicable state and federal laws and to make such records available to the District. MITCH shall submit monthly income and expense reports, a monthly balance sheet showing liabilities and assets and an Aged Accounts Payable statement showing any accounts that are 30, 60, 90 or 90+ days past due to MITCH by the 10th of each month. If these financial records have not been reviewed at the time of submission to the District, any corrections required upon review by the MITCH board shall be submitted to the District the following month.
- (ii) MITCH shall have an annual audit of its accounts in accordance with

Municipal Financial Audit Law, ORS 297.405 to 297.555 and 297.998.
MITCH shall submit this audit to the District by October 15th of each year.

- (iii) MITCH shall provide to the District the MITCH's Internal Revenue Service Form 990 by November 15th of each year.
- (iv) MITCH shall operate in accordance with generally accepted accounting principles (GAAP) or other generally accepted standards of fiscal management, provided that MITCH's accounting methods shall comply in all instances with applicable governmental accounting requirements.
- (v) MITCH shall submit by the 5th of each month to the District student enrollment counts for purposes of calculating distribution of ADMw funding to MITCH.
- (vi) The District shall distribute to MITCH funds as determined in Section 5. Paragraph A, subparagraphs (i) of this Contract, in the following amounts on or before the following dates for each school year:
 - July 25-16.66 percent
 - August 25-8.33 percent
 - September 25-8.33 percent
 - October 25-8.33 percent
 - November 25-8.33 percent
 - December 25-8.33 percent
 - January 25-8.33 percent
 - February 25-8.33 percent
 - March 25-8.33 percent
 - April 25-8.33 percent
 - May 25-8.33 percent
- (a) The parties mutually agree that the above payment schedule is intended to follow the disbursement schedule of State School Fund payments to the District under ORS 327.095. The parties further agree that should the disbursement schedule of the State School Fund be modified during the term of this Contract, the

disbursement schedule of payments from the District to MITCH shall be modified to reflect such changes. The District shall still be required to transfer the payment due MITCH under this Contract within ten (10) business days of the receipt of such payment from the State School Fund. [For example should the Oregon Legislature amend the State School Fund disbursement schedule and move the May 2009 payment to July 2009, the District shall not be required to transfer the payment to MITCH until ten (10) business days after the District has its State School Fund disbursement in July 2009.]

- (vii) In the event that this Contract is revoked, terminated or not renewed by the District, MITCH shall refund to the District all unspent public funds that were paid to MITCH by the District after all debt has been paid.
 - (viii) The parties acknowledge that under ORS 338.155(9)(b) MITCH is entitled to other state sources of funds from the Oregon Department of Education that are available to school districts based solely on the weighted average daily membership (ADMw) of the school district which are not included in this Contract. The District will cooperate pursuant to District policy.
 - (ix) The parties acknowledge that under ORS 338.155(9)(a) MITCH may apply for any grant that is available to school districts or non-chartered public schools from the Oregon Department of Education, federal government or private entity. The District will cooperate pursuant to District policy.
 - (x) MITCH may accept gifts, donations or grants pursuant to ORS Chapter 338, provided that no such gifts, grants or donations may be accepted if contrary to applicable law or the terms of this Contract. In the event that MITCH solicits funding from other sources than the District, it shall comply with all applicable state and federal laws regarding reporting of such charitable solicitations. MITCH shall annually report all gifts, donations and grants to the District by recording same in the financial records described in Section 5, Paragraph C above. This does not require reporting the names of, or individual contribution amounts from individual donors, unless MITCH is required to disclose this information under law.
 - (xi) MITCH shall provide the District with all copies of letters and the audit report from MITCH's auditor to the MITCH Board or the MITCH Director.
- D. Notwithstanding Section 5, paragraph A, subparagraphs (i) and Section 5, paragraph C, subparagraph (vi) of this Contract, if MITCH has not timely submitted the proposed budget, the adopted budget, the required annual audit, any other information required by law, or this contract, by the date MITCH is

obligated to provide the information to the District, or the District requests additional documentation in regards to MITCH's financial stability and it is not produced within 30 days of the request, the District shall withhold any and all State School Fund payments to MITCH until the information is received by the District.

6. Building and Facilities

- A. MITCH may change its physical location or obtain additional facilities provided that MITCH fulfills the obligations and provides the information set forth in this section with respect to such new or additional facilities and provided further that MITCH notifies the District by April 1st of the proposed change in location for the following school year.
- B. Should MITCH lease, rent or purchase part of an existing church facility then MITCH shall ensure that there will be no visible church signs or symbols within the school entryway, hallway or classrooms. MITCH further ensures that the entrance to the charter school building will have a secular appearance. MITCH further ensures that the entrance to the charter school will be separate from the church's main entrance. MITCH further ensures that students shall have no exposure to religious materials. No church functions will be coordinated jointly with any of MITCH's operations or activities.
- C. If MITCH is found to be in violation of Section 6, paragraph B of this Contract the District shall issue a written notice to MITCH requesting that MITCH address the issue within ten (10) calendar days of the receipt of such notice.
- D. Upon receiving a written notice to address from the District under Section 6, paragraph C, MITCH shall address the issue that resulted in the notice being issued by the District within ten (10) calendar days of the date of receipt of such notice, and notify the District in writing that it has addressed the issue.
- E. If MITCH does not cure the issue that resulted in the District sending a notice under Section 6, paragraph C of this Contract within the required ten (10) calendar days, the District shall take action to terminate this Contract.
- F. Should any individual(s), group(s) or entity bring a legal action against the District asserting that the District is, or was, in violation of the Establishment Clause of the First Amendment to the United States Constitution or Section 5, Article I of the Oregon Constitution due to MITCH's operation as a public charter school within the District, MITCH shall defend and hold the District harmless from any judgment or order. This shall include MITCH holding the District harmless, and reimbursing the District for any and all costs associated with defending such an action. This shall include, but not be limited to, fees, court costs and attorney fees.

- G. Pursuant to state law the District shall make public a list of unused public buildings and portions of buildings that may be suitable for the operation of a charter school, and this list shall be provided to MITCH within 30 days of receipt of a request in writing by MITCH. This does not require that such unoccupied premises be sold or leased to MITCH.

7. Governance and Operation

MITCH shall govern and operate the charter school as set forth in its corporate documents to the extent permissible under federal and state law and subject to all conditions of this Contract.

A. Corporate Status

- (i) Multi-sensory Instruction Teaching Children Hands-on is and shall remain for the term of this Contract an Oregon nonprofit corporation. Within thirty (30) calendar days after making any changes to its Articles of Incorporation or Bylaws, Multi-sensory Instruction Teaching Children Hands-on shall notify the District of the changes that have been made to such documents.
- (ii) The parties recognize that MITCH is an Oregon non-profit corporation currently doing business as Multi-sensory Instruction Teaching Children Hands-on. The parties further recognize that Multi-sensory Instruction Teaching Children Hands-on is also legally authorized to engage in other lawful activities consistent with its Bylaws and Oregon law, including, but not limited to, the operation of other educational programs and charter schools. If and when Multi-sensory Instruction Teaching Children Hands-on decides to operate another charter school, business entity or educational program, Multi-sensory Instruction Teaching Children Hands-on shall notify the District of its intent as soon as possible and such notification shall be prior to Multi-sensory Instruction Teaching Children Hands-on's final decision to operate another charter school business entity or educational program. Such notification is a mandatory requirement of this contract. Upon notification, the District and Multi-sensory Instruction Teaching Children Hands-on will negotiate terms that are mutually acceptable to the parties that address the District's concerns about liability and financial issues and agree on an amendment to this contract which satisfies those concerns.
- (iii) If Multi-sensory Instruction Teaching Children Hands-on fails to notify the District of its intent to operate other charter schools or business entities or operations, the parties agree that this is a material breach of the contract and the District may exercise its rights of termination under the contract.
- (iv) This agreement is made with the understanding that Multi-sensory

Instruction Teaching Children Hands-on is an Oregon non-profit corporation that operates charter schools in conjunction with school districts under different assumed business names. however this contract is made only in regard to Tigard-Tualatin School District and the Multi-sensory Instruction Teaching Children Hands-on charter school operated within the Tigard-Tualatin School District boundaries (for the purposes of section 7. paragraph A of this contract. referred to as MITCH Tigard-Tualatin). There is no relationship between any other charter school that may be operated by Multi-sensory Instruction Teaching Children Hands-on in conjunction with any other school district, and the Tigard-Tualatin School District. MITCH Tigard-Tualatin and any other charter school, at all times relating to this contract shall be treated as separate entities. No liabilities of Multi-sensory Instruction Teaching Children Hands-on other than that operated in conjunction with the Tigard-Tualatin School District shall be imputed to MITCH Tigard-Tualatin or the District. At no time will money distributed to MITCH Tigard-Tualatin by the District be expended for any purpose other than the operations of MITCH Tigard-Tualatin, nor shall these be used to satisfy any obligation incurred by Multi-sensory Instruction Teaching Children Hands-on outside of the operations of MITCH Tigard-Tualatin. This separation will be maintained through the following requirements:

- a) Multi-sensory Instruction Teaching Children Hands-on shall maintain all accounts and funds for MITCH Tigard-Tualatin separate from any other charter school operated by Multi-sensory Instruction Teaching Children Hands-on in conjunction with other School Districts. At no point will there be an intermingling of MITCH Tigard-Tualatin funds with the funds of any other Multi-sensory Instruction Teaching Children Hands-on charter school established with another school district. It is acceptable to share the costs of administration and other joint expenses incurred in school operations, accounting for these expenses separately by each charter school and school district.
- b) Multi-sensory Instruction Teaching Children Hands-on shall utilize accounting techniques to keep all MITCH Tigard-Tualatin finances separate from all other Multi-sensory Instruction Teaching Children Hands-on charter school finances. All financial reports due to the District under this agreement shall demonstrate that all funds distributed to MITCH Tigard Tualatin are not commingled with or expended towards the liabilities of, any Multi-sensory Instruction Teaching Children Hands-on operations separate from MITCH Tigard-Tualatin.
- c) At no point will any employee of Multi-sensory Instruction Teaching Children Hands-on, other than MITCH Tigard-Tualatin.

represent to any third party that they are acting in concert with or at the request of MITCH Tigard-Tualatin or the Tigard-Tualatin School District. Additionally, no employee of MITCH Tigard-Tualatin shall work for a Multi-sensory Instruction Teaching Children Hands-on charter school operated in conjunction with another school district absent a separate employment agreement with that Multi-sensory Instruction Teaching Children Hands-on charter school.

B. Nonreligious, Nonsectarian Status

MITCH agrees that it shall operate in all respects as a nonsectarian, nonreligious public charter school. MITCH shall not be affiliated with any nonpublic sectarian school or religious organization. This section shall not preclude MITCH from leasing or renting a facility from a church or religious organization.

C. Nondiscrimination

MITCH, without limitation, shall uphold statutory and constitutional provisions prohibiting discrimination on the basis of disability, age, race, creed, color, sex, national origin, religion, ancestry, marital status, political beliefs and/or affiliations, or sexual orientation.

D. Public Meeting and Public Records

MITCH and its Board of Directors are subject to the provisions of Oregon Public Meetings Law, ORS 192.610 to 192.690 and Oregon Public Records Law, ORS 192.410 to 192.505.

E. Operational Powers

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

- (i) MITCH shall have the authority to exercise independently, also consistent with federal and state law, all powers granted to nonprofit corporations and charter schools so long as such powers are not inconsistent with the terms of this Contract, including without limitations the following powers (and including such other powers as provided for elsewhere in this Contract): making all personnel decisions, including hiring, firing and discipline of all teachers, supervisors, and staff; contract for goods and services necessary for the operation of MITCH; prepare a budget; procure insurance and necessary bonds; lease facilities for school purposes; purchase lease or rent furniture, equipment and supplies; retain fees

collected from students in accordance with state law; organize and carry out fund-raising efforts; and accept and expend gifts, donations or grants of any kind in accordance with such conditions prescribed by the donors as are consistent with law and not contrary to any of the terms of this Contract.

F. Third Party Contracts

MITCH shall not enter into any contract for comprehensive school management or operation services to be performed in substantial part by an entity not a party to this Contract.

G. Annual Report and Site Visit(s)

MITCH shall submit an annual report by each November 5th to the District and to the State Board of Education which will include, without limitation, the following:

- (i) The annual municipal audit required under Section 5, Paragraph C of this Contract and including proof of insurance;
- (ii) A copy of the latest MITCH Board policy book;
- (iii) Information on the performance of the school overall, including summary enrollment levels, attendance rates, student conduct and discipline data, an analysis of the students' progress toward meeting academic goals and objectives, summary data on the accomplishment of the school's educational program and operational goals, an outline of goals for the upcoming year along with an action plan to achieve those goals and evaluation plan to measure attainment of those goals; and
- (iv) Any other information the District reasonably deems necessary to demonstrate that MITCH is in compliance with state and federal law and the terms of this Contract. The District will notify MITCH of any additional information it requires by August 1st of each year.
- (v) Upon mutual agreement by the District and MITCH, the date which the annual report is due may be modified. If the date is changed, the need for any additional information under subparagraph (iv) will be communicated to MITCH 90 days prior to the modified due date.

District Board and staff members may visit the MITCH Charter site at any time during operating hours. Pursuant to state law (currently ORS 338.095(1)), the District or its designee at least annually will visit the MITCH site and review the public charter school's compliance with the terms and provisions of the charter. Other visits will take place after reasonable notice is given to MITCH, in a similar

manner as when District officials visit other schools in the District.

H. Term

- (i) This Contract becomes effective on July 1, 2008, and will last for a period of 10 school years.

I. Termination

(i) To the extent allowed by ORS Chapter 338 the District may revoke the charter and terminate this Contract on any of the following grounds:

- a) Violation of or failure to meet and sustain any terms of this Contract or ORS Chapter 338.
- b) Failure to meet the requirements for student performance stated in Section 4 of this Contract.
- c) Failure to correct any violation of a federal or state law that is described in ORS 338.115.
- d) Failure to maintain insurance as described in Section 9, Paragraph A of this Contract.
- e) Failure to maintain financial stability. The School shall be deemed to be financially stable if it can achieve the following:
 - MITCH is able to report positive net income from operations (excluding federal charter school implementation grant funding), a positive cash balance, current assets in excess of current liabilities, and a positive unreserved ending fund balance.
 - Funds disbursed to MITCH by the District, pursuant to Section 5 of this contract and ORS 338.155, are not utilized for any Multi-sensory Instruction Teaching Children Hands-on ventures or liabilities not associated with or arising out of MITCH Tigard-Tualatin and the performance of this contract.
 - The determination of financial stability will be made from evaluation of the Statement of Revenues, Expenditures and Changes in Fund Balances for Governmental Funds and the Balance Sheet for Governmental Funds included in audited financial statements, and any other financial reports due to the District from MITCH under this contract.

- (ii) The District shall provide sixty (60) calendar days' prior written notice of its intent to terminate the charter agreement. This notification must include the grounds for termination and be sent to MITCH's business address. MITCH may appeal the District's decision to terminate the charter agreement directly to the District's Board. MITCH must request this appeal in writing to the District, and the District has 30 days in which to provide MITCH a hearing on the proposed termination. MITCH may respond to the allegations in the District's written notification by offering ~~documentary evidence and oral argument. The District bears the burden of~~ proving the allegations in the written notification by a preponderance of the evidence. MITCH has the burden of proof for any affirmative defense to the allegations by a preponderance of the evidence. The District Board's decision may only be appealed to the state Board of Education according to ORS 338.105. The state Board of Education will, where possible, issue its final order within 60 days of the District's notification; if this is not possible MITCH shall remain open pending issuance of the state Board of Education's final order.
- (iii) Notwithstanding Section 7, paragraph I, subparagraphs (i) and (ii), the District may terminate MITCH immediately if MITCH is endangering the health or safety of the students enrolled in the public charter school. MITCH may appeal this decision in writing to the District Board. The District Board has 10 days to provide an opportunity for a hearing. Under this subparagraph, the charter school shall remain closed at the discretion of the District.
- (iv) MITCH may only terminate this charter at the end of a semester. MITCH shall notify the District in writing at least 180 calendar days prior to the proposed effective date of termination, dissolution or closure of MITCH.
- (v) In the event of termination of MITCH as a public charter school, all assets purchased with public funds paid to MITCH by the District in accordance with this Contract shall be given to the state Board of Education for disbursement in accordance with state law (currently ORS 338.105(6)).

J. Dissolution

In the event MITCH should cease operations as a public charter school for whatever reasons, including but not limited to, the non-renewal or revocation of its charter, or dissolution of the nonprofit corporation, it is agreed that MITCH's legal authority to operate as a private school or other program governed by state and federal non-profit law shall not be abridged.

K. Property Inventory Control

(i) MITCH shall maintain records of purchase orders and invoice records for all assets over \$ 500.00. These records shall indicate whether the assets were purchased with public funds, or non-public funds. The MITCH Charter School shall provide the District with a copy of this purchase order and invoice records no later than July 15th of each year that the MITCH Charter School operates as a public charter school in the District. For purposes of this section, public funds shall include any and all funds distributed to MITCH:

- a) By the District, pursuant to ORS 338.155 and ORS 338.165;
- b) By the Oregon Department of Education, including any and all federal grant funds that MITCH may apply for and be awarded by the Oregon Department of Education; or
- c) By any agency, division or branch of the United States Government, or any entity created by an agency, division or branch of the United States Government.

(ii) Any asset which was purchased by MITCH with public funds shall be given to the State Board of Education upon termination pursuant to ORS 338.105(6). MITCH may retain any asset which was purchased with non-public funds upon termination. If MITCH does not maintain records of purchase orders and invoice records for all assets, or cannot provide records showing that an asset was purchased with non-public funds, then it shall be assumed that the asset was purchased with public funds, and upon termination the asset in question shall be given to the State Board of Education pursuant to ORS 338.105(6).

8. Employment Matters

MITCH shall be the employer of all employees of MITCH. Employees of MITCH shall not be considered, for any purpose, employees of the District. Employees of MITCH shall not be entitled to, or be covered by, any collective bargaining agreement that the District has entered into with any of its respective employees or their exclusive representative for purposes of collective bargaining.

A. Criminal Background checks

(i) MITCH shall not knowingly employ an individual for whom a criminal background investigation has not been initiated or who has been convicted of an offense that would preclude that individual from working in a public school in Oregon. No later than October 15th of each school year that MITCH operates as a public charter school under this agreement, MITCH shall provide to the District a list containing the names and job positions of all its employees. Such list shall also indicate for each employee the

date of initiation of the criminal background investigation required by Oregon law (currently ORS 181.534, 181.539, 326.603, 326.607 and 342.232) and all known results of the investigation.

B. Teacher and Administrator Licensure and Registration with the Teacher Standards and Practices Commission (TSPC)

(i) At least one-half of the total full-time equivalent (FTE) teaching and administrative staff at the public charter school shall be licensed by TSPC pursuant to ORS 342.135, 342.136, 342.138, or 342.140.

(ii) Any teaching or administrative staff not licensed by the Oregon Teacher Standards and Practice Commission (TSPC) will register with TSPC in accordance with ORS 338.135(7)(a)-(c) and OAR 584-023-0005.

C. Highly Qualified Staff for Purposes of No Child Left Behind

(i) All teachers and paraprofessionals employed by MITCH who are licensed or registered with TSPC shall also comply with OAR 584-100-0090 or 584-100-0095, as applicable.

D. Building Administrator

(i) MITCH shall have a building level administrator.

E. The District will invite MITCH staff to participate in all professional development activities offered through the District. MITCH staff will pay the same rate as District staff to participate in professional development trainings, workshops and other activities. The District will recommend to Northwest Regional Education Service District that School staff pay the same rate as District staff for ESD training and professional development activities.

9. Insurance and Legal Liabilities

A. Insurance

(i) MITCH shall, at its own expense, secure and retain and provide proof of the following insurance and in the amounts agreed on by the parties (attached as Exhibit D) as of the time this Contract is executed: commercial and general liability insurance; errors and omissions insurance; directors and officers liability insurance; automobile liability insurance; workers' compensation insurance; employee dishonesty insurance; property insurance. All insurance shall be sufficient to cover all activities engaged in by Multi-sensory Instruction Teaching Children Hands-on, and not be limited to the activities of MITCH Tigard-Tualatin.

- (ii) No later than August 1, 2008, and at any time thereafter upon request of the District, MITCH shall provide the District with certificates of insurance or other satisfactory proof evidencing coverage in the types and amounts set forth herein. All such insurance policies shall contain a provision requiring notice to the District, at least 30 days in advance, of any material change, non-renewal or termination.

B. Legal Liabilities

(i) The following federal and state laws apply to MITCH pursuant to state law (currently ORS 338.115(1)) and shall be observed by MITCH where applicable:

- a) Federal law.
- b) ORS 192.410 to 192.505 (Public Records Law).
- c) ORS 192.610 to 192.690 (Public Meetings Law).
- d) ORS 297.405 to 297.555 and 297.990 (Municipal Financial Audit Law).
- e) ORS 181.539, 326.603, 326.607 and 342.232 (criminal records checks).
- f) ORS 337.150 (textbooks).
- g) ORS 339.141, 339.147, and 339.155 (tuition and fees).
- h) ORS 659.150 and 659.155 (discrimination).
- i) ORS 30.260 to 30.300 (tort claims).
- j) Health and safety statutes and rules.
- k) The statewide assessment system developed by the Oregon Department of Education under ORS 329.485.
- l) ORS 329.045 (academic content areas).
- m) Any statute or rule that establishes requirements for instructional time provided by a school each day or during a year.
- n) ORS 339.250(12) (prohibition on infliction of corporal punishment).

- o) ORS 339.370, 339.372 and 339.375 (reporting of child abuse).
 - p) ORS Chapter 338.
- (ii) MITCH and the District will also comply with any statute adopted by the Legislature and any validly adopted administrative rule promulgated by the Oregon State Board of Education (OSBE) or the Oregon Teacher Standards and Practices Commission (TSPC) regarding public charter schools.
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- (iii) MITCH shall furnish to the District copies of any written policies or procedures it may develop with respect to any matter relating to its operation and educational program within 30 days of adoption of such policy by MITCH's governing Board.
- (iv) Pursuant to Section 7, Paragraph A, subparagraph (iv), any liabilities incurred by any entity operated by Multi-sensory Instruction Teaching Children Hands-on outside of the purview of MITCH Tigard-Tualatin shall be separate from MITCH Tigard-Tualatin, and these liabilities will not be imputed to MITCH Tigard-Tualatin or the District.

C. Waiver

MITCH may apply to the state Board of Education for a waiver consistent with ORS 338.025. MITCH shall notify the District in writing thirty (30) calendar days prior to requesting a waiver from the state Board of Education. The written notification shall state the waiver being sought, the reasons for the waiver and how the waiver will meet one or more of the waiver criterion outlined in state law (currently ORS 338.025(2)).

D. Full Faith and Credit

MITCH agrees that it shall not extend the full faith and credit of the District to any third person or entity. MITCH acknowledges and agrees that it has no authority to enter into a contract that would bind the District. MITCH's governing Board has the authority to approve contracts to which MITCH is a party subject to the requirements and limitations of the Oregon Constitution, state law and provisions of this Contract.

E. Indemnification

- (i) To the extent not covered by insurance or otherwise barred by the Oregon Tort Claims Act in ORS Chapter 30, MITCH agrees to indemnify and hold the District, its Board, agents and employees harmless from all liability, claims, and demands on account of injury, loss or damage, including, without limitation, claims arising from (1) the possession,

occupancy or use by MITCH of property of MITCH or its landlord, its faculty, employees, students, patrons, guests or agents; (2) civil rights violations, bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever which arise out of the acts or omissions of MITCH. This indemnification shall not apply to any liability, claims, or demands resulting from the negligence or wrongful act or omission of any District Board member, officer or employee. This indemnification shall not apply to any liability, claims, or demands resulting from the negligence or wrongful act of any District employee working at MITCH whose negligence or wrongful act or omission is caused in whole or in part, or directed by the District. This indemnification shall not apply to any damages incurred regarding any act or omission of MITCH or the MITCH Board that is later determined to be required by law or this Contract. MITCH agrees to indemnify, hold harmless and defend the District from all contract claims in which MITCH has obligated the District without the District's prior written approval. The foregoing provision shall not be deemed a relinquishment or waiver of any kind of applicable limitations of liability provided in the Oregon Tort Claims Act.

- (ii) To the extent not covered by insurance or otherwise barred by the Oregon Tort Claims Act in ORS Chapter 30, the District agrees to indemnify and hold MITCH, its Board, agents and employees harmless from all liability, claims, or demands on account of injury, loss or damage, including, without limitation, claims arising from civil rights violations, bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever which arise out of the acts or omissions of the District. This indemnification shall not apply to any liability, claims, or demands resulting from the negligence or wrongful act or omission of any MITCH Board member, officer or employee. This indemnification shall not apply to any liability, claims, or demands resulting from the negligence or wrongful act of any MITCH employee working at the District whose negligent or wrongful act or omission is caused in whole or in part, or directed by MITCH. This indemnification shall not apply to any damages incurred regarding any act or omission of the District or the District Board that is later determined to be required by law or this Contract. The foregoing provision shall not be deemed a relinquishment or waiver of any kind of applicable limitations of liability provided in the Oregon Tort Claims Act.
- (iii) This indemnification, defense and hold harmless obligation on behalf of MITCH and the District shall survive the termination of this Contract. Any indemnified party shall have the right, at its own expense, to participate in the defense of any suit, without relieving the indemnifying party of any of its obligations hereunder.

F. District Disclaimer of Liability

The parties to this Contract expressly acknowledge that MITCH is not operating as an agent, or under the direction and control, of the District Board except as required by law or this Contract, and that the District Board assumes no liability for any loss or injury resulting from:

(i) The acts or omissions of MITCH, its governing Board, trustees, agents or employees:

(ii) The use and occupancy of the building occupied by MITCH or any matter in connection with the condition of such building; or

(iii) Any debt or contractual obligation incurred by MITCH.

G. ADA/§504 Obligations

MITCH acknowledges that it is legally responsible to comply with Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990 and ORS Chapter 659 with respect to its students, staff and patrons. MITCH shall indemnify and hold harmless the District from all claims under these statutes.

H. Transportation

(i) In accordance with ORS 338.145, MITCH shall be responsible for providing transportation to students who reside within the school district and who attend MITCH. MITCH shall adopt a transportation plan acceptable to the District and transmit it to the District by May 1st of each year. For the 2008-09 school year, the transportation plan shall be submitted by August 1, 2008.

(ii) MITCH students may obtain transportation through the student's parent/guardian or existing public school bus lines. The District shall not be obligated to add or extend existing bus routes or add bus routes for purposes of providing transportation to MITCH's students. A District bus may stop at the MITCH facility to drop-off and pick-up MITCH students, if the MITCH facility is on a designated District bus route. The District is responsible for providing transportation to MITCH students along existing public school bus lines within the District.

10. Renewal of Charter

Renewal shall be governed by state law (currently ORS 338.065).

A. Process and Bases for Renewal

- (i) The District shall base the charter renewal decision on a good faith evaluation of whether MITCH is:
 - a) In compliance with ORS Chapter 338 and all other applicable state and federal laws;
 - b) In compliance with this contract;
 - c) Meeting or working toward meeting the student performance goals and agreements specified in Section 4 of this Contract, including any attachments to this Contract, and
 - d) Fiscally stable. Criteria used in making this determination are those criteria specified in Section 7 (I)(i)(e) of this Agreement and no audit findings and no material misstatements of financial statements in the audit report.
- (ii) The District shall base the renewal evaluation described in paragraph (i) of this section primarily on a review of the public charter school's annual performance reports, annual audit of accounts and annual site visit and review as required by state law (currently ORS 338.095) and any other information mutually agreed upon by the governing Boards of the District and MITCH.

- B. No earlier than January 1, 2017, and no later than January 1, 2018, MITCH may request, in writing, that this Contract be renewed.
- C. Within twenty (20) business days of receiving the written request from MITCH the District shall indicate in writing what additional information, if any, it will need to make its decision to renew the Contract.
- D. Within twenty (20) business days of receiving the District's request for additional information MITCH shall provide the requested additional information to the District.
- E. Within twenty (20) business days of receiving any additional information requested, the District shall hold a public hearing regarding the request for renewal. In the event that the District does not request any additional information from the School, the public hearing will be held within forty five (45) business days of the District's receipt of the School's request to renew the contract.
- F. Within twenty (20) business days from the date the District held the public hearing under Section 10, paragraph E of this Contract, the District shall inform MITCH, in writing, of its decision on renewal of the Contract.
- G. If the District determines that it will renew the Contract, the two parties shall meet

and negotiate a contract. It shall be the goal of the two parties to complete negotiation of the contract within ninety (90) calendar days of the date the District provides notice to MITCH that it will renew the contract. If it is not practically possible to complete the negotiation within ninety (90) calendar days, the parties shall work in good faith, with all due diligence, to complete negotiation of the contract as quickly as possible. If no agreement is met within this ninety day period, and the period is not extended by mutual assent of both the District and MITCH, the agreement will be treated as if it were never renewed under Section 10, paragraph E of this Contract.

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- H. The District may make the renewal of this Contract conditional upon the following factor(s):
- (i) MITCH remaining in compliance with all provisions of this Contract for the remainder of the school year;
 - (ii) MITCH remaining in compliance with all federal laws governing public charter schools for the remainder of the school year;
 - (iii) MITCH remaining in compliance with all state laws governing public charter schools for the remainder of the school year.
- I. If the District does not renew the Contract, MITCH's Board may address the reasons stated by the District and any remedial measures suggested by the District and submit a revised request for Contract renewal to the District. A revised request must be submitted within fifteen (15) business days of contract non-renewal. The District will then reconsider the renewal request and notify the School of its decision within twenty (20) business days of receiving the revised request.
- J. If the District determines that it will not renew the Contract, then MITCH shall cease to be a charter school sponsored by the District on June 30, 2018.
- K. Pursuant to ORS 338.065(4)(h), upon mutual assent, the District and MITCH may agree to a renewal process timeline other than that outlined in Section 10, paragraphs A through J of this Contract.

II. Miscellaneous Provisions

A. Entire Agreement

This Contract, including the Exhibits, contains all terms, conditions and provisions hereof and the entire understanding 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.

B. Governing Law

This Contract shall be governed by, subject to and construed under the laws of the State of Oregon. The parties intend that where this Contract references state or federal law, they be bound to any amendment to such law upon the effective date of such amendments to the extent they apply to charter schools. If, at any time during the term of this Contract, a change in state or federal law requires modification of this Contract, MITCH and the District will review this Contract and conform it accordingly.

C. Assignment

MITCH shall not, under any circumstances, assign, delegate, or contract with any entity to provide the educational program described in this Contract and the attached Exhibits. It is expressly understood that the charter granted by this Contract to operate the educational program runs solely and exclusively to MITCH.

D. Terms and Conditions of Application

The parties to this Contract agree that Exhibit A sets forth the overall goals, standards and general operational policies of MITCH, and that the Exhibit A is not a complete statement of each detail of MITCH's operation. To the extent that MITCH desires to implement specific policies, procedures or other specific terms of operation that supplement or otherwise depart from those in Exhibit A, MITCH shall be permitted to implement such policies, procedures and specific terms of operation, provided that such policies, procedures and terms of operation are consistent with the goals, standards and general operational policies set forth in this Contract and ORS Chapter 338.

E. Conflict between Application and Contract

The parties agree and acknowledge that should there be a conflict between any provision of this Contract and the Charter Application, the Contract provision(s) shall supersede any provision contained in the Charter Application.

F. District Liaison

The District shall designate, for purposes of this Contract, the District Superintendent, or his/her designee, as the official District liaison between the District and MITCH.

G. Amendment

This Contract may be modified or amended only by written agreement between

MITCH and the District.

H. Notice

Any notice required, or permitted, under this Contract, shall be in writing and shall be effective upon personal delivery (subject to verification of service or acknowledgment of receipt) or three (3) business days after mailing when sent by certified mail, postage prepaid, to the office of the Director of MITCH, or the office of the District Liaison.

I. Definition of Business Day

For purpose of this Contract, "business day" means a day in which the District administrative offices are open. "Business day" does not include Saturdays, Sundays, official state holidays listed in ORS 336.010, federal holidays, any day(s) in which the administrative office is closed due to inclement weather or any day that the District administrative office is closed due to action taken by, or ordered to be closed by, the District Board of Directors or its designee, any instrumentality of the Cities of Tigard or Tualatin, any instrumentality of Washington County, the State of Oregon or the federal government.

J. Address of Parties for Purpose of Written Notice

The following addresses are the addresses to be used when sending a written notice required by law or this Contract:

For the District:

Tigard-Tualatin Public School District
Attn: Superintendent
6960 SW Sandburg St
Tigard, Oregon 97223 8039

For MITCH:

MITCH Charter School
Attn: Director
PO Box 230575
Tigard, OR 97281

Should these addresses change, the parties agree to notify the other party within ten (10) calendar days of the address changing.

K. 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 to be taken to constitute a waiver of any succeeding or other breach.

L. Dispute Resolution

In the event any dispute arises between the District and MITCH 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 District Superintendent for review. If the District and MITCH are unable to resolve the dispute, either party may submit the matter to the District's Board for its consideration. The decision of the District's Board shall be final and binding on the parties; provided, however, MITCH may appeal to the state Board of Education concerning those matters within its jurisdiction under ORS Chapter 338.

M. Severability

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

N. Delegation

The parties agree and acknowledge that with regard to this charter agreement between the District and MITCH, the functions and powers of the District Board may be exercised by the District Liaison, provided that any ultimate decision regarding renewal, non-renewal or revocation of this Contract be made only by the District Board.

O. Attorney Fees

If any suit, action or arbitration is commenced or instituted to interpret or enforce the terms of this Contract, to exercise any remedy on account of a default, or otherwise relating to the provisions of this Contract, the prevailing party or non-defaulting party shall be entitled to recover from the losing or defaulting party its reasonable attorney fees and costs, in addition to all other sums provided by law, at trials or arbitration or any court proceedings. Such sums shall be determined by the court or arbitrator.

P. Incorporation of Application and Other Exhibits

The following Exhibits are attached and incorporated by reference:

Exhibit A: MITCH Renewal Application.

Exhibit B: November 27, 2007 letter.

Exhibit C: District Board resolution dated December 13, 2007.

Exhibit D: Proof of insurance documentation.

Q. Authority to Enter Into Contract

- (i) MITCH expressly affirms that the signatories on its behalf who sign below have the authority to enter into this Contract on behalf of MITCH and that the Board of Directors of MITCH has duly approved this Contract. MITCH shall provide a copy of its written resolution authorizing MITCH to enter into this Contract. to the District.
- (ii) The District expressly affirms that the signatories on its behalf who sign below have the authority to enter into this Contract on behalf of the District and that the Board of Directors of the District has duly approved this Contract. The resolution authorizing the execution of this contract is attached as Exhibit C.

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

TIGARD-TUALATIN PUBLIC
SCHOOL DISTRICT

Tigard-Tualatin Public School
Board of Directors

M.I.T.C.H. CHARTER SCHOOL

M.I.T.C.H. Charter School
Board of Directors

By: Carol B. Nayak
School Board Chair

By: [Signature]
M.I.T.C.H. Board Vice Chair

Date: 3/20/08

Date: March 3, 2008

Approved as to form:

District Legal Counsel

[Signature]