

CHARTER SCHOOL CONTRACT

**BETWEEN THE
Audubon Center of the North Woods – the AUTHORIZER**

**AND THE
Oshki Ogimaag Charter School - the CHARTER SCHOOL**

This contract and the indicated attachments as part and parcel of this contract is entered into by and between the **Audubon Center of the North Woods (ACNW), the Authorizer** (hereinafter “the AUTHORIZER”) and the **Oshki Ogimaag Charter School** (hereinafter “the CHARTER SCHOOL”).

The CHARTER SCHOOL is a Minnesota nonprofit corporation under Minnesota Statutes chapter 317A as specifically identified in **Attachment 1: CORPORATE STATUS**. This contract is effective from the latest dated indicated in the section BINDING AGREEMENT for the operation of an active school with enrolled students through June 30, 2014, unless this contract is terminated pursuant to section 15.

The parties’ understanding is that the CHARTER SCHOOL is located in Grand Portage, Minnesota.

WHEREAS, the parties are authorized under Minnesota law to contract for the development and management of a results-oriented charter school under Minnesota Statutes, section 124D.10 (2011), as amended, (“the Act”), and

NOW, THEREFORE, IT IS AGREED:

1. PURPOSE

The purpose of this Contract is to authorize and permit the Board of Directors of the CHARTER SCHOOL to manage a results-oriented charter school consistent with the information provided by the CHARTER SCHOOL. The description of the program, including the governance, management, and administrative plan for the school as well as the specific academic and nonacademic outcomes that pupils must achieve is provided in **Attachment 2: DESCRIPTION**. The Attachment shall include the school group’s CHARTER SCHOOL Application including the statement of assurances. This contract when utilized for an existing school in renewal or transfer shall include the strategic plan for the future of the CHARTER SCHOOL including an updated statement of assurances. When the strategic plan is further developed by the CHARTER SCHOOL’S Board of Directors and school leadership, the strategic plan shall be consistent with the original description of the program. The CHARTER SCHOOL’s strategic plan (template available from ACNW), whenever finalized for implementation or modification must be forwarded to the AUTHORIZER WITHIN 20 days

and upon written acceptance by the AUTHORIZER shall become an amendment to Attachment 2.

For initial contracts, the ACNW's Affidavit to authorize the CHARTER SCHOOL is attached as **Attachment 3: AFFIDAVIT**. This affidavit confirms the authorization for the CHARTER SCHOOL, consistent with the Commissioner's action authorizing negotiation of a Charter School Contract.

- 1.1 The overall purpose of the CHARTER SCHOOL is to provide an educational program for its students. The specific purpose(s) which the charter school intends to carry out and how the school will report its implementation of these purpose(s) are included in **Attachment 4: PURPOSES**. These specific purposes shall be consistent with charter school law purposes for establishing a new public charter school listed in Minnesota Statutes, section 124D.10, Subd.1.
- 1.2 The CHARTER SCHOOL shall be nonsectarian in its programs, admission policies, employment practices and all other purposes.
- 1.3 The CHARTER SCHOOL will not charge Minnesota residents tuition for admission to the school.
- 1.4 The CHARTER SCHOOL shall not be used as a method of providing education or generating revenue for students who are being home schooled.

2. **TERM**

The term of this contract is for 2 school operational years, Fiscal year 2013 through Fiscal year 2014, except that this Contract may be terminated pursuant to section 15 of this Contract.

3. **AMENDMENTS**

The Contract and its attachments may not be amended absent written agreement executed by both parties and properly authorized. If the authority of the CHARTER SCHOOL, as operator, or the AUTHORIZER, is altered by legislative act, this Contract is automatically modified to conform to the new law.

4. **GOVERNANCE, MANAGEMENT AND ADMINISTRATION**

- 4.1 The CHARTER SCHOOL shall be exempt from all Minnesota statutes and rules applicable to a school, a school board or a school district, except as provided by Minnesota Statutes, section 124D.10 or as otherwise specified in this Contract.
- 4.2 The CHARTER SCHOOL shall be governed by a Board of Directors elected in accordance with policies and procedures in the CHARTER SCHOOL's Bylaws in

Attachment 5: BYLAWS. Bylaws shall be amended in accordance with the procedures specified in the CHARTER SCHOOL's Bylaws. Updated CHARTER SCHOOL Bylaws (as amended) must be forwarded to the AUTHORIZER within 20 days and upon written acceptance by the AUTHORIZER shall become an amendment to **Attachment 5**.

- 4.3 The ongoing Board of Directors of the CHARTER SCHOOL must be elected before the completion of the 3rd year of operation. Employees at the school including teachers providing instruction under a contract with a cooperative, and all parents or legal guardians of children enrolled in the school are the voters eligible to elect the members of the CHARTER SCHOOL Board of Directors. The election shall take place in accordance with the policies and procedures set forth in the CHARTER SCHOOL's Bylaws. The Board must notify eligible voters at least 30 days before the election. The Board of Directors must be composed of at least 5 non-related members; at least one a teacher, one a parent, and one a community member as described in Minnesota Statutes, section 124D.10. Ex Officio, non-voting members of the Board shall at least include the chief administrator and the chief financial officer.
- 4.4 Meetings of the CHARTER SCHOOL Board of Directors shall comply with the Minnesota Open Meeting Law, Minnesota Statutes, Chapter 13D.
- 4.5 If the CHARTER SCHOOL chooses to engage in collective bargaining, the CHARTER SCHOOL shall comply with Minnesota Statutes, Chapter 179A, the Public Employment Relations Act (PERA).
- 4.6 The CHARTER SCHOOL Board of Directors shall employ and contract with necessary teachers, as defined by Minnesota Statutes, section 122A.15, Subdivision 1, who hold valid licenses to perform the particular service for which they are employed at the CHARTER SCHOOL. In addition, teaching duties may be performed with special permission of the Minnesota Board of Teaching.
- 4.7 Teachers employed by the CHARTER SCHOOL shall be treated by the CHARTER SCHOOL as public school teachers for the purposes of Minnesota Statutes, chapters 354 and 354A.
- 4.8 The CHARTER SCHOOL Board of Directors may employ necessary employees who are not required to hold teaching licenses to perform duties other than teaching and may contract for other services.
- 4.9 The CHARTER SCHOOL Board of Directors may discharge teachers and non-licensed employees.
- 4.10 The CHARTER SCHOOL Board of Directors shall decide matters related to operation of the CHARTER SCHOOL, including, but not limited to, budgeting, curriculum, and operating procedures.

- 4.11 The CHARTER SCHOOL shall have all powers, duties and responsibilities provided by law to a results-oriented charter school.
- 4.12 The CHARTER SCHOOL shall abide by all applicable federal laws, statutes and regulations.
- 4.13 The CHARTER SCHOOL shall employ or contract with a Minnesota licensed director of special education to be responsible for program development, coordination, evaluation, in-service training, general special education supervision, and administration for the school's total special education system (TSES). This administrator shall also be responsible for overseeing that the CHARTER SCHOOL has a written Child Find Policy, and shall oversee the implementation of this policy, as well as the school's continued compliance with this policy and special education services to students.

The CHARTER SCHOOL shall pursue all financial resources available to charter schools to provide special education services. As the first step, the school will notify the school district of residence within 30 days, in a manner required by state law, of a special education student who resides in a traditional district of residence that is entitled to receive special education services at the CHARTER SCHOOL. This will entitle the CHARTER SCHOOL through the Minnesota Department of Education (MDE) to 'bill' school district(s) for costs over the state and federal reimbursements. Moreover, the CHARTER SCHOOL will report through the MDE/EDRS reporting system and match with the school's UFARS data to collect all state and federal aid reimbursements available for special education expenditures.

- 4.14 The CHARTER SCHOOL shall demonstrate governance practices of a viable organization as measured by indicators including but not limited to: ongoing training for the Board of Directors, proper oversight by the Board of Directors, active participation by members of the Board of Directors, adopting of required policies, annual self evaluation, and other indicators identified in the AUTHORIZER'S Authorizer Manual.
- 4.15 The CHARTER SCHOOL shall demonstrate operational practices of a viable organization as measured by indicators including but not limited to: evaluation of leadership and staff, gathering of appropriate student achievement and other data, timely and accurate submission of reports, employing appropriate and qualified staff, using effective and efficient transportation and food programs, having appropriate insurances in place, maintaining a safe and healthy school environment, and other indicators identified in the AUTHORIZER'S Authorizer Manual.
- 4.16 If the CHARTER SCHOOL chooses to contract with a third-party provider for comprehensive education design and operation services or comprehensive

management services, the CHARTER SCHOOL must comply with provisions of **Attachment 12: Provisions for Education Service or Management Contract.**

5. AUTHORITY OF THE CHARTER SCHOOL

- 5.1 The CHARTER SCHOOL may exercise those powers reasonably necessary to accomplish its obligations in this Contract.
- 5.2 Except as stated herein or otherwise required by law, the AUTHORIZER shall have no authority, control, power, or administrative or financial responsibility over the CHARTER SCHOOL. This clause does not prohibit the parties from contracting for any services deemed appropriate in the future.
- 5.3 The CHARTER SCHOOL may lease space from any government, public, or nonprofit, nonsectarian private organization, as it deems necessary. However, before entering into any facility lease agreement, the CHARTER SCHOOL will submit the lease contract for review by Minnesota Department of Education and the AUTHORIZER.
- 5.4 The CHARTER SCHOOL shall indemnify and hold harmless the Commissioner and the AUTHORIZER, its officers, and their agents and employees from any suits, claims, or liability arising under this Contract. The parties recognize and agree that the Commissioner and the AUTHORIZER are immune from liability under this Contract under Minnesota Statutes, section 124D.10, Subdivision 25 and this paragraph is not intended to modify or otherwise affect that provision or any other law.

6. PERFORMANCE INDICATORS AND EVALUATION

- 6.1 The Performance goals for the Charter School are set forth in **Attachment 6: GOALS:**

The process for regular CHARTER SCHOOL study of the goals in section 6.1 shall be as follows:

Goals shall be developed for the term of the contract by the CHARTER SCHOOL and in collaboration with the AUTHORIZER as per guidelines provided by the AUTHORIZER. Goals must include annual indicators. Goals must be approved by the Board of Directors of the CHARTER SCHOOL. Updated (amended) goals, properly authorized by the Board of Directors will be incorporated in this Contract only by written agreement executed by both the CHARTER SCHOOL and the AUTHORIZER.

In addition, the CHARTER SCHOOL shall conduct a review of progress concerning the academic, academic-related (non-academic), financial, operational, and governance and non-academic goals at the school level with all staff a minimum of two times per year. Minutes of these meetings shall be reviewed by the CHARTER SCHOOL Board and the AUTHORIZER.

In the event the CHARTER SCHOOL has not met the annual indicators, the CHARTER SCHOOL shall advise the AUTHORIZER and the CHARTER SCHOOL staff, students and parents on how it plans to achieve the school's goals. Notification may be accomplished by incorporation of plans into the CHARTER SCHOOL's annual report.

- 6.2 In addition to or in conjunction with the above mentioned goals in Attachment 6, the CHARTER SCHOOL must also set forth environmental goals and corresponding activities as per guidelines provided by AUTHORIZER in **Attachment 7: ENVIRONMENTAL FOCUS**.

Updated (amended) goals, properly authorized by the Board of Directors will be incorporated into this contract only by written agreement executed by both parties.

Environmental goals will be reviewed and activities updated as needed annually. The CHARTER SCHOOL will update interested parties on these goals and activities by including a progress update in the annual report.

- 6.3 The AUTHORIZER will conduct an annual performance evaluation of the CHARTER SCHOOL to determine the progress and effectiveness of the CHARTER SCHOOL program in attaining their goals and communicate the results of the evaluation to the Board of Directors of the CHARTER SCHOOL.
- 6.4 The AUTHORIZER will conduct at minimum an annual evaluation of the financial performance, operational performance and governance of the CHARTER SCHOOL as decided upon by the AUTHORIZER. (see Section 17).
- 6.5 Graduation Standards. The CHARTER SCHOOL will comply with the requirements of the Minnesota Graduation Standards, as defined by Minnesota Statutes, sections 120B.02 and 120B.024; and Minnesota Rules parts 3501.0010-.0280; and the CHARTER SCHOOL will document the levels of student performance on the state assessments developed and administered by the Department.
- 6.6 *No Child Left Behind* (NCLB) Elementary and Secondary Education Act (ESEA) (Pub.L. 89-10, 79 Stat. 27, 20 U. S. C. ch.70). The CHARTER SCHOOL will comply with the responsibilities and obligations of the Title I, Part A accountability provisions specified in the Federal No Child Left Behind Act and its implementing regulations established by the U. S. Department of Education, including, but not limited to, participating in statewide assessments, meeting the state adequate yearly progress ("AYP") definition, meeting public and parent reporting requirements, implementing school sanctions if the CHARTER SCHOOL is identified for improvement, and meeting the highly qualified teacher and paraprofessional requirements. In addition, the CHARTER SCHOOL will comply with ESEA requirements to the degree it pursues, qualifies for and benefits from Title funding. This includes programs required

for English language learners and all other special populations included in ESEA. The CHARTER SCHOOL will fulfill program requirements, financial management, reporting, and accounting for each active ESEA program and will comply with all Minnesota Statutes and applicable rules implemented pursuant to ESEA in Minnesota

7. ADMISSIONS POLICIES AND PROCEDURES

- 7.1 The Charter School is open to all Minnesota students for the grades/ages that the CHARTER SCHOOL is authorized. The school need not necessarily offer all grades/ages for which the school is authorized.
- 7.2 The CHARTER SCHOOL may not limit admission to pupils on the basis of intellectual ability, measures of achievement or aptitude, or athletic ability.
- 7.3 The CHARTER SCHOOL shall enroll an eligible pupil who submits a timely application as indicated by being filed with the CHARTER SCHOOL before the CHARTER SCHOOL's published deadline for applications, unless the number of applicants exceeds the capacity of the program, class, or grade level. In such cases, selection shall be by lot. A sibling of an enrolled pupil and a foster child of that pupil's parents will be given preference for enrollment as consistent with Minnesota Statutes, section 124D.10. The lottery policy and process that will be used will be published on the CHARTER SCHOOL's website and in a document made available with the applications for enrollment.
- 7.4 The enrollment application form shall be made available to all interested parties and its requirements for information to be submitted on the form shall be limited to the data that is legally required to apply.

8. FINANCIAL MANAGEMENT

- 8.1 The CHARTER SCHOOL will utilize the Uniform Financial Accounting and Reporting Standards (UFARS). Student accounting will comply with the Minnesota Accounting and Reporting Student System (MARSS). All accounting records will be audited annually by a public accounting firm engaged by the CHARTER SCHOOL Board of Directors.
- 8.2 The CHARTER SCHOOL will comply with the same financial audits, audit procedures, and audit requirements of school districts (Minnesota Statutes, sections 123B.75 to 123B.83) except when deviations are necessary because of the program of the CHARTER SCHOOL. The program, financial and compliance audits may be conducted by the Minnesota Department of Education, the State Auditor, or Legislative Auditor.

- 8.3 The CHARTER SCHOOL shall provide the AUTHORIZER with a final copy of the annual audit within fifteen (15) days of its completion, but no later than January 14 of the year following school's fiscal year end.
- 8.4 The CHARTER SCHOOL shall be a financially viable organization as measured by indicators including but not limited to: fund balance, audit findings, proper use of public funds, appropriate financial systems, quality internal control processes, timely reporting, timely payment of invoices, percentage of funds dedicated to instruction, and other indicators identified in the AUTHORIZER'S Authorizer Manual.

9. TRANSPORTATION

- 9.1 Transportation for pupils enrolled at the CHARTER SCHOOL may be provided by the CHARTER SCHOOL. If the CHARTER SCHOOL elects to provide transportation, it shall be provided as follows:
- a. The CHARTER SCHOOL shall notify the independent school district in which the school is located and the Minnesota Department of Education by March 1 for operating charter schools whether it will provide transportation or request that the school district provide transportation for pupils enrolled at the CHARTER SCHOOL for the fiscal year.
 - b. The CHARTER SCHOOL shall provide transportation at least within the school district within which the CHARTER SCHOOL is located unless the School Board chooses to designate another transportation area consistent with transportation provisions in Minnesota Statutes, section 124D.10.
 - c. The Minnesota Department of Education shall pay transportation aid to the CHARTER SCHOOL according to Minnesota Statutes, section 124D.11, Subd. 2.
 - d. For pupils who reside outside of the district in which the CHARTER SCHOOL is located, the CHARTER SCHOOL is not required to provide or pay for transportation between the pupil's residence and the border of the district.
 - e. The CHARTER SCHOOL may reimburse a parent for costs of transportation from the pupil's residence to the border of the district if the pupil is from a family whose income is at or below the poverty level as determined by the federal government. The reimbursement may not exceed the pupil's actual cost of transportation or 15 cents per mile traveled, whichever is less. Reimbursement may not be paid for more than 250 miles per week.
- 9.2 All transportation routes, pick-up points and times, student bus assignments, method of transportation, and other transportation scheduling shall be established by the School District in which the CHARTER SCHOOL is located unless the CHARTER SCHOOL provides the transportation. If the CHARTER SCHOOL provides transportation then all

transportation routes, pick-up points and times, student bus assignments, method of transportation, and other transportation scheduling shall be established by the CHARTER SCHOOL subject to the applicable laws.

- 9.3. The CHARTER SCHOOL may enter into a separate Contract, if desired by the CHARTER SCHOOL, with a school district or another contractor to receive additional transportation services for extracurricular events, field trips, and other activities.

10. HEALTH AND SAFETY, HUMAN RIGHTS, AND STUDENT DISMISSAL GUIDELINES.

THE CHARTER SCHOOL WILL:

- 10.1 Meet the same health and safety requirements of a school district;
- 10.2 Comply with Minnesota Statutes, section 121A.15, requiring proof of student immunization against measles, rubella, diphtheria, tetanus, pertussis, polio, mumps, and homophiles influenza type b and hepatitis B prior to enrollment.
- 10.3 Comply with the Minnesota Human Rights Act, Chapter 363, which prohibits unfair discriminatory practices in employment, public accommodations, public services, or education; and comply with Minnesota Statutes, section 121A.04, which governs provision of equal opportunities for members of both sexes to participate in athletic programs;
- 10.4 Comply with the Minnesota Pupil Fair Dismissal Act (MPFDA), Minnesota Statutes, sections 121A.40 to 121A.56. The CHARTER SCHOOL Board of Directors shall have adopted a discipline policy and procedure consistent with MPFDA and submit it for review to the AUTHORIZER at least 30 days prior to the first day of school, if the school is a new school.
- 10.5 Comply with the Minnesota Public Schools Fee Law, Minnesota Statutes, sections 123B.34 to 123B.39, which governs authorized and prohibited student fees.
- 10.6 Comply with Minnesota Statutes, section 125A and 124D.10, and rules relating to the education of pupils with a disability as though it were a school district;
- 10.7 Parties acknowledge the provisions of Minnesota Statutes, section 124D.10 Subd. 6 (10) regarding the CHARTER SCHOOL's obligation to provide certain data to the Commissioner. At such time as the CHARTER SCHOOL has determined the number of its students who have disabilities as defined in Minnesota Statutes, sections 125A.03-24 and 125A.65, the CHARTER SCHOOL shall provide to the Commissioner a description of the financial parameters by input to the MDE Educational Data and Reporting System (EDRS) system within which the CHARTER

SCHOOL will operate to provide special education instruction and services to such children.

11. LENGTH OF SCHOOL YEAR

The CHARTER SCHOOL shall provide instruction each year for at least the number of days or at least the number of hours specified in its proposal to become a charter school and / or as agreed to in any prior contract with the AUTHORIZER. The school calendar shall be provided in **Attachment 8: SCHOOL CALENDAR**. The CHARTER SCHOOL may provide instruction throughout the year according to Minnesota Statutes, sections 124D.12 to 124D.128. If the number of days or number of hours is projected to be less than the calendar provided in Attachment 8, the new instructional time shall be approved only by written agreement executed by both parties.

12. INSURANCE

Notwithstanding anything to the contrary in this Contract, the CHARTER SCHOOL shall be considered a school district for the purposes of tort liability under Minnesota Statutes, Chapter 466.

The CHARTER SCHOOL shall acquire and keep in continuous coverage all insurances as required by state and or federal law. The CHARTER SCHOOL must submit changes in liability insurance carrier or policy under chapter 466 within 20 days of the change. The CHARTER SCHOOL shall acquire and keep in full force and affect the following insurance coverage and maintain a file of these insurance policies at the school for review by the AUTHORIZER:

- General Liability Insurance. The minimum insurance coverage shall be at limits established for a municipal corporation by Minn. Stat. 466.04, subd. 1 of \$500,000 per individual claim and \$1,500,000 for any number of claims arising out of a single occurrence. If Minnesota Statutes, section 466.04, Subd. 1 is changed during the term of this contract, then the new minimums will apply. The CHARTER SCHOOL will also provide to the AUTHORIZER a certificate from the insurance company naming the Audubon Center of the North Woods (ACNW) as an “additional insured.”
- Officers and Directors Errors and Omissions Insurance with coverage of at least \$400,000 per individual claim and at least \$1,200,000 for any number of claims arising out of a single occurrence.
- Property Insurance adequate to cover losses and maintain the standard of school operation prior to the loss.
- Workers Compensation to all eligible employees with coverage to meet state and federal guidelines based upon the school’s payroll expense.

13. PROPERTY OWNERSHIP

13.1 Upon termination of this Contract, and in the event of subsequent dissolution of the CHARTER SCHOOL, all property which it might lease, borrow or contract for use,

shall be promptly returned to those organizations or individuals from which the CHARTER SCHOOL has leased or borrowed the materials.

13.2 All property which has been purchased by the CHARTER SCHOOL will remain its own, unless acquired by funds made available to the school through Charter School Planning and/or Implementation Federal Grant. In the event of subsequent dissolution of the CHARTER SCHOOL, owned property will be donated to the extent permitted by law and the CHARTER SCHOOL articles of incorporation after all financial obligations are met.

13.3 All property personally and/or individually owned by the trained and licensed teachers or other staff employed by the CHARTER SCHOOL shall be exempt from distribution of property and shall remain the property of the individual teachers and staff. Such property includes, but is not limited to, curriculum manuals, personal mementos and other materials or apparatus which have been personally financed or personally developed by teachers or staff.

14. GENERAL AUTHORITY AND IMMUNITY

The CHARTER SCHOOL may not levy taxes or issue bonds. It shall have the right to sue or be sued. The Commissioner, the AUTHORIZER, members of the Board of Directors of the AUTHORIZER in their official capacity, and employees of the AUTHORIZER are immune from financial, civil, or criminal liability with respect to all activities related to the operation of the CHARTER SCHOOL. If Minnesota Statutes, section 124D.10, Subd. 25 regarding AUTHORIZER immunity from liability is eliminated from the Statutes, this contract is immediately rendered void.

15. NON-RENEWAL AND TERMINATION OF CONTRACT

15.1 The AUTHORIZER may determine not to renew this Contract at the end of the term for any ground listed hereafter in paragraph 15.6. In addition, the AUTHORIZER may unilaterally terminate the Contract during the term for any grounds listed in paragraph 15.6.

15.2 At least 60 days before not renewing or terminating this Contract, the AUTHORIZER shall notify the CHARTER SCHOOL of the proposed action, in writing, such notice to be sent by certified U. S. mail return receipt requested. The notice shall state the grounds for the proposed action in reasonable detail and that the CHARTER SCHOOL Board of Directors may request, in writing, an informal hearing before the AUTHORIZER within fourteen (14) days of receiving notice of non-renewal or termination of this Contract or 21 days from date of mailing the notice, whichever is less. If at the end of a contract term, either the AUTHORIZER or the charter school Board of Directors wants to voluntarily terminate the contract, a change in AUTHORIZERS is allowed if the commissioner approves the decision of a different eligible AUTHORIZER to authorize the CHARTER SCHOOL. The party intending to

terminate the contract must notify the other party and the commissioner of its intent at least 90 days before the date on which the contract ends. The AUTHORIZER that is a party to the existing contract must inform the approved different eligible AUTHORIZER about the fiscal and student performance of the school. If no different eligible AUTHORIZER is approved, the school must be dissolved according to applicable law and the terms of the contract.

15.3 Failure by the CHARTER SCHOOL Board of Directors to make a written request for a hearing within the 14-21 day period referred to in paragraph 15.2 shall be treated as acquiescence to the proposed action.

15.4 Upon receiving a timely written request for a hearing, the AUTHORIZER shall give reasonable notice to the CHARTER SCHOOL Board of Directors of the hearing date. The AUTHORIZER shall then conduct an informal hearing at a mutually agreeable time before taking final action.

15.5 The AUTHORIZER shall take final action to renew or not to renew the Contract by the last day of classes in the last school year of any contract period.

15.6 The AUTHORIZER may unilaterally determine not to renew this Contract or may terminate the Contract during the term of this Contract for these grounds:

- a. Failure to meet the requirements for pupil performance goals in Attachment 6, referenced in section 6 of this Contract;
- b. Failure to meet generally accepted standards of fiscal management;
- c. For violations of law;
- d. Other good cause shown.

15.7 Violations of law. The CHARTER SCHOOL will immediately notify the AUTHORIZER of all complaints that allege that a violation of state or federal law or regulation has been committed by the CHARTER SCHOOL unless such reporting would be in non-compliance with a state or federal law.

15.8 The AUTHORIZER requires to be informed by the CHARTER SCHOOL on a current basis any significant areas of concern and/or change that may arise at the CHARTER SCHOOL; including, but not limited to financial, staff, student /parent, and community issues. The extent to which the CHARTER SCHOOL is proactive in keeping the AUTHORIZER well informed during the contract period may be a significant factor in the AUTHORIZER's consideration of Contract termination or non-renewal.

15.9 The AUTHORIZER, should it determine that it will no longer perform in the role of Minnesota Charter School Authorizer, will notify the CHARTER SCHOOL at least 12 months prior to the last day of the term of this contract. There is no guarantee that the AUTHORIZER will continue beyond the term of this contract.

15.10 If this Contract is terminated or not renewed, the CHARTER SCHOOL shall be dissolved according to the applicable provisions of Minnesota Statutes, Chapters 308A and 317A. The Plan for the CHARTER SCHOOL to close shall be as detailed in **Attachment 9: CLOSURE PROCEDURES.**

16. RENEWAL

16.1 The AUTHORIZER shall actively consider renewal at least 6 months prior to last day of the term of this contract. There is no guarantee of renewal. The length of the renewal is at the discretion of the AUTHORIZER based on the CHARTER SCHOOL's performance

16.2 The AUTHORIZER, should it determine that it will no longer perform in the role of Minnesota Charter School Authorizer, will notify the CHARTER SCHOOL at least 12 months prior to the last day of the term of this contract. There is no guarantee that the AUTHORIZER will continue beyond the term of this contract.

16.3 To consider renewal the AUTHORIZER requires a 3 year Strategic Plan including the governance, management, professional development, financial and administrative plans for the CHARTER SCHOOL, as well as the specific academic and nonacademic outcomes that pupils will achieve. This Plan should provide content to be useful to the school, is expected to be implemented, and will be used as a basis for consideration by the AUTHORIZER for renewal of the contract by the AUTHORIZER.

16.4 The AUTHORIZER requires to be informed by the CHARTER SCHOOL on a current basis any significant areas of concern and/or change that may arise at the CHARTER SCHOOL; including, but not limited to financial, staff, student/parent, and community issues. The extent to which the CHARTER SCHOOL is proactive in keeping the AUTHORIZER informed during the contract period will be a major factor in considering renewal of the AUTHORIZER.

17. CHARTER SCHOOL REPORTING, AUTHORIZER OVERSIGHT, AND EVALUATION PROCESS

Sections 15.7 and 15.8 delineate the significant responsibility of the CHARTER SCHOOL to be in active communication with the AUTHORIZER. Both the Board of Directors and the school leader shall participate in the active communication with the AUTHORIZER.

17.1 The CHARTER SCHOOL shall follow its responsibilities of reporting as indicated in the document: *AUDUBON CENTER OF THE NORTH WOODS – AUTHORIZER OVERSIGHT Mission / Governance / Finance / Student Performance / General Operations & Follow-through*. This document is included in **Attachment 10: AUTHORIZER OVERSIGHT**. Updates to the document must be forwarded by the

AUTHORIZER to the CHARTER SCHOOL within 20 days and will become amendments to this agreement upon written acceptance by both parties.

17.2 The CHARTER SCHOOL shall provide all reports required by the Commissioner.

17.3 The AUTHORIZER criteria, processes, and procedures used for ongoing oversight of the fiscal, operational, and student academic performance of the CHARTER SCHOOL, as specified in Minnesota Statutes, section 124.10, are included in the document *AUDUBON CENTER OF THE NORTH WOODS – AUTHORIZER OVERSIGHT* and as updated as Attachment 10.

17.4 The AUTHORIZER Ready-to-Open standards shall be utilized by the AUTHORIZER to determine if the CHARTER SCHOOL is ready to open the CHARTER SCHOOL or ready to open at an additional site if approved by the MDE. The AUTHORIZER “Ready to Open” expectations are:

1. Healthy enrollment
2. Demonstrated parent involvement
3. Adequate facility
4. School leadership with a demonstrated capacity to lead the program
5. Adequate curriculum development and
6. A Board of Directors that is responsive, has dealt properly with conflicts of interest, and has actively worked to establish a mutually productive relationship with the Authorizer

17.5 Attendance at the AUTHORIZER scheduled annual required meetings for the CHARTER SCHOOL is required for the oversight process to be effectively administrated. The AUTHORIZER will inform the CHARTER SCHOOL the dates of such required meetings each year no later than August 1. Costs to the CHARTER SCHOOL, if any, will be limited to transportation, meals and lodging.

17.6 Liaison. The AUTHORIZER will designate a liaison for the CHARTER SCHOOL and will inform the CHARTER SCHOOL if the liaison changes. The CHARTER SCHOOL will notify staff, parents and stakeholders that the liaison is accessible for communication of concerns or commendations. The AUTHORIZER will communicate how it will respond to communications from the CHARTER SCHOOL and its stakeholders and handle potentially negative reports. The liaison will have freedom to communicate with designated individuals and enter the CHARTER SCHOOL with reasonable notice and request.

18. AUTHORIZER OVERSIGHT FEE

18.1 The AUTHORIZER shall monitor and evaluate the fiscal, operational, and student academic performance of the CHARTER SCHOOL as specified in Minnesota Statutes, section 124.10 and will for these purposes assess the CHARTER

SCHOOL an annual fee. As per section 124D.10, the total fee payable to the AUTHORIZER each year is the greater of: (1) the basic formula allowance; or (2) the lesser of: (i) The maximum fee factor (4.0 in FY13 and beyond) times the basic formula allowance for that year; or (ii) The fee factor (.015 in FY13 and beyond) times the basic formula allowance times the charter school's adjusted marginal cost pupil units (AMCPU) for that year. The AMCPU will be calculated based on Minnesota Funding Reports posted on the Minnesota Department of Education website. An initial fee calculation will be sent by the AUTHORIZER to the CHARTER SCHOOL in April of each year for the following fiscal year, with a payment of at least 50% of the fee payable by the CHARTER SCHOOL to the AUTHORIZER by September 15 of each year. A revised calculation will be sent by the AUTHORIZER to the CHARTER SCHOOL in October based on current AMCPU information for the fiscal year. In addition, this revised invoice will include an adjustment for previous fiscal year fees based on final AMCPU counts for that year. The final 50% of fees (with appropriate adjustments for the current and prior years) are payable by the CHARTER SCHOOL to the AUTHORIZER by December 15 of each year. No additional costs for oversight will be charged to the school. Fees may be adjusted during the term of this contract consistent with 124D.10.

18.2 Non-payment of AUTHORIZER fees shall be considered grounds for contract termination.

19. RESIDENT DISTRICT AUTHORIZERSHIP

Nothing in this Contract is intended to prohibit the CHARTER SCHOOL from seeking AUTHORIZER status from the public school district in which it is located. This Contract terminates if a contract with an AUTHORIZING district is implemented.

20. CHARTER SCHOOL BOARD MEMBER SIGNED AGREEMENTS

The CHARTER SCHOOL must attach to this agreement a list of Board members current as of the signing of this contract. Each current CHARTER SCHOOL board member on the list shall complete a signed statement that they have read and reflected on this contract and agree to comply with all federal and state laws, governing, programmatic, and financial requirements applicable to charter schools. These documents are included as **Attachment 11: CHARTER SCHOOL BOARD MEMBERS, SIGNED ASSURANCES**.

Each new Board member appointed/elected to the Board shall complete a signed statement that they have read and reflected on this contract and agree to comply with all federal and state laws, governing, programmatic, and financial requirements applicable to charter schools. A new director must complete the statement within 30 days of being

appointed or elected. The statement must be forwarded to the AUTHORIZER within 20 days of execution by the new Board member.

21. DISCLAIMER

This Contract is not intended to be, nor shall it be interpreted in such manner as, an employment contract, subcontracting contract, or assignment of normal curricular, co-curricular, or extra-curricular duties by and between any party or person referred to therein.

22. WAIVER

No waiver by either party or any breach of any covenant or provision of this Contract shall be deemed to be a waiver of any succeeding breach of the same or any other covenant or provision.

23. SEVERABILITY

If any provision of this Agreement is held to be unenforceable for any reason, the Agreement will be modified rather than voided, if possible, to achieve as fully as possible the original intent of the parties. Any provision held to be overbroad will be deemed amended to narrow its application to the extent necessary to make the provision enforceable under applicable law. All other provisions of this Agreement will be deemed valid and enforceable to the full extent permitted by law.

24. ENTIRE AGREEMENT: MODIFICATION AND WAIVER

This Agreement represents the entire agreement of the parties. The parties also agree that the terms of this Agreement shall not be modified by any conflicting course of dealing or performance. No modification or waiver of any provision of this Agreement will be binding unless set forth in a written document signed by both parties.

25. COUNTERPARTS

This Agreement may be executed in counterparts.

Oshki Ogimaag Charter School
(CHARTER SCHOOL)

By Halcy Brickner
(Signature)

Board Chair
Title

Halcy Brickner
(Print Name)

6/20/12
Date

Audubon Center of the North Woods
(AUTHORIZER)

By Melanie Shipman
(Signature)

Co-Executive Director
Title

Melanie Shipman
(Print Name)

6/27/12
Date

Attachment 1: CORPORATE STATUS	MN Non-Profit Corporation Registration
Attachment 2: DESCRIPTION/PLAN	Original Proposal &/or Strategic Plan
Attachment 3: AFFIDAVIT	FROM ACNW: 2010-11 ACNW Authorizing Manual
Attachment 4: PURPOSES	One or more of the 6 purposes in charter school law
Attachment 5: BYLAWS	School Bylaws w/amendments
Attachment 6: GOALS	Academic & School wide goals
Attachment 7: ENVIRONMENTAL FOCUS	School Environment goals
Attachment 8: SCHOOL CALENDAR	FY 2013 & updated each year
Attachment 9: CLOSURE PROCEDURES	From ACNW: 2010-11 ACNW Authorizing Manual
Attachment10: AUTHORIZER OVERSIGHT	From ACNW: 2010-11 ACNW Authorizing Manual
Attachment 11: CHARTER SCHOOL BOARD MEMBERS, Signed Assurances	Roster kept current as additions & changes occur
Attachment 12: PROVISIONS FOR EDUCATION SERVICE OR MANAGEMENT CONTRACT	Provided by ACNW