



The Lighthouse School
"Lighting the way to a brighter future."
62858 Hwy 101
Coos Bay, Oregon, 97420
(541) 751-1649



Board Meeting Agenda July 7, 2021

1. Call to order

REGULAR MEETING – REPORTS AND DISCUSSION

2. Public comment –

(The board welcomes comments and questions from the public. If you wish to address the Board this evening, please sign in. We ask that you limit your comments to three minutes. If more than one person will be addressing the same topic, we ask that you appoint a spokesperson to speak for the group. Speakers may offer objective criticism of school operations and programs, but the Board will not hear complaints concerning individual school personnel. (Policy BDDH: Public Participation in Board Meetings)

3. Union report—

4. Discuss & Approve June 2, 2021 Minutes:

5. Consent Agenda - all reports on hold due to Summer Recess.

6. Report from last District Board meeting –

7. Old Business – **Action item**

- Charter Renewal – John Gibson

8. New Business –

- Meeting Calendar – please mark your calendars with dates provided
- Employee Resignations
 - i. Amanda Rowe
 - ii. Diane McMahan
- Board Resignations
 - i. Scott McEachern

9. Roundtable / Good of the Order-

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CHARTER SCHOOL AGREEMENT
BETWEEN THE BOARD OF EDUCATION OF
COOS BAY SCHOOL DISTRICT #9
AND
THE LIGHTHOUSE SCHOOL
an Oregon Nonprofit Corporation
2021-2026

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CHARTER SCHOOL AGREEMENT

DATED: June 7, 2021

PARTIES: BOARD OF EDUCATION OF
COOS BAY SCHOOL DISTRICT #9 ("District")

AND: THE LIGHTHOUSE SCHOOL
an Oregon Nonprofit Corporation ("Nonprofit Corporation")

RECITALS

- A. The Oregon legislature in 1999 enacted Senate Bill 100 ("SB 100") (1999 Oregon Laws, Chapter 200), most of which is codified in ORS Chapter 338, for certain purposes relating to charter schools as enumerated in that act.
- B. On March 14, 2016, an application was submitted by the Nonprofit Corporation to the District for formation of The Lighthouse Public Charter School ("Charter School") as a charter school to operate within the District. The Application consisted of a draft of this Agreement and a copy of the Lighthouse School Handbook. The Lighthouse School operated as a charter school from 2002-2016 under the sponsorship of the North Bend School District. The Lighthouse School moved to the Coos Bay School District in 2016, and terminated their sponsorship with the North Bend School District and moved their sponsorship over to the Coos Bay School District at this time.
- C. The District Board held a public hearing on the provisions of the Application and evaluated the criteria set forth in ORS 338.055, and the District has now determined that the Application, as amended by this Agreement, complies with the purposes and requirements of SB 100 and ORS Chapter 338.
- D. March 28, 2016, by resolution adopted, the District Board conditionally approved the Application and agreed to become the sponsor of The Lighthouse School (a public Charter School) contingent upon the negotiation and execution of a contract acceptable to the Nonprofit Corporation and the District. On December 14, 2020, the Board voted to renew The Lighthouse Charter agreement for a new term.
- E. This Agreement, including the Exhibits, will constitute the agreement between the parties regarding the governance and operation of the Charter School and the legal authorization for the establishment of the Charter School under ORS 338.065(1).
- G. The parties desire that the Charter School be authorized to operate and conduct its affairs in accordance with the terms of this Agreement and Oregon law.

CHARTER AGREEMENT

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

1. Grant of Charter.

The Coos Bay School District Board of Education (referred to herein as either the “District” or the “District Board”) has approved the Nonprofit Corporation’s charter school proposal (“Application”) and is the sponsor of The Lighthouse School (“Charter School”) that is to be operated by the Nonprofit Corporation in accordance with the terms of this Agreement.

2. Effective Date; Term; Renewal.

2.1 Effective Date. When this Agreement has been duly executed by both the District Board and the Nonprofit Corporation’s board of directors, this Agreement shall be legally binding on both parties and shall act as the legal authorization for the establishment of The Lighthouse School as a public charter school, as provided in ORS 338.065(1).

2.2 Term. The Nonprofit Corporation shall be permitted to operate the Charter School for a term of 5 school years, subject to the other terms of this Agreement, and thus the term of this Agreement shall expire on July 30 following the end of the 2025-2026 school year.

2.3 Renewal.

2.3.1 The term may be renewed upon the authorization of the District Board as provided in ORS 338.065.

3. Application is Incorporated; Conflict between Application and Agreement.

The District accepts the Application of the Nonprofit Corporation, including all the terms and provisions therein, except as modified by the historical operations of the Charter School and this Agreement. In the case of any conflict between any term of the Application, the historical operations of the Charter School, and any term of this Agreement, this Agreement shall govern. A failure by the Charter School or the Nonprofit Corporation to perform or fulfill any term or provision of the Application may be determined by the District to be a breach of this Agreement, subject to the provisions of Sections 19 and 20.

4. Relationship Between Nonprofit Corporation and Charter School.

The Nonprofit Corporation, and not the Charter School, is a party to this Agreement. Although many provisions in this Agreement refer to the Charter School and grant rights or impose obligations on the Charter School, it is the Nonprofit Corporation that has the legal responsibility under this Agreement to the District. Therefore, it is the responsibility of the Nonprofit Corporation to ensure that the Charter School fulfills all its obligations under this Agreement, and it is the Nonprofit Corporation that shall be held responsible for any failure of the Charter School to fulfill those obligations. Failure by the Charter School to fulfill its obligations under this Agreement may be cause for District to terminate this agreement pursuant to Section 19 or for District to refuse to renew this agreement pursuant to Section 2.

5. **Grade Range of Charter School; Number of Students per Grade; Minimum.**

5.1 Maximum Number of Students in Each Grade. The maximum number of students that shall be enrolled in any single grade or classroom shall be determined by the Charter School. The maximum total student enrollment in the Charter School during this agreement shall not exceed 432. The Charter School may, during the term of this Agreement, add a pre-kindergarten program.

5.2 Minimum Number of Students in School. As provided in ORS 338.115(5), the Charter School shall maintain an active enrollment of at least 25 students. If student enrollment falls below 25 full-time enrolled students at any time during the Charter School year, the District must be notified. Subject to the limitations of State requirements, and based upon the circumstances of the reduced enrollment, the District and the Charter School will consider what action, if any, will be taken. Action which may be taken may include, but is not limited to, application by the Nonprofit Corporation for a waiver to the state or termination of this Agreement and operation of the Charter School for the current school year only.

6. **Enrollment and Admissions.**

6.1 Voluntary Enrollment; Who is Eligible. Student enrollment in the Charter School shall be voluntary. All students who reside within the District and meet grade level requirements are eligible for enrollment. Students who reside outside of the District ("Non-Resident Students") are also eligible for enrollment subject to the terms and conditions of this Section 6. A student will be deemed admitted to and enrolled in the Charter School when the student's application has been unconditionally accepted by the Charter School following completion of a phase of the enrollment process described below and after conditions to such acceptance have been satisfied. Enrollment of special education students is governed by Section 7.

6.2 Phased Enrollments; Deadlines. The Charter School may, in its discretion, elect to conduct a series of open enrollments (but not more than three) for each school year, provided the process conforms to this Agreement. Each year, the Charter School will set deadlines by which such applications must be received for each phase of the enrollment process. These deadlines may change from year to year at the discretion of the Charter School.

6.3 Application Process; First Phase of Enrollment Process. Beginning January 1 of each year or a date set thereafter by the Charter School, prospective students may apply for admission to the Charter School for the school year that begins the following August. For the first phase of the enrollment process, if the number of applications received by the deadline for the first phase is less than or equal to the maximum number of students allowed for each grade under Section 5.1, then all the applications for that grade will be accepted (including applications from nonresidents, as described in Section 6.8). To illustrate, if the maximum number of students for a grade is 20, and if 15 applications are received, then all 15 applicants will be accepted. The remaining five "available spaces" will be filled in the second or third phases.

If the number of applications received for any grade is greater than the maximum number of students determined in 5.1 for that grade, then the Charter School will conduct an equitable lottery, taking into consideration the criteria in section 6.6, in a manner determined by the Charter School and consistent with state law to admit the maximum allowed number of students for that grade and to create a waiting list for subsequent admission should a space become available later. To illustrate, if the maximum number of students for a grade is 20, and if 35 applications are received, then 20 applicants will be accepted through the lottery

process, and a waiting list of 15 can be determined, with order of priority on the waiting list also determined through the lottery process.

6.4 Second and Third Enrollments. If the Charter School receives fewer applications than the maximum number of students determined by 5.1 for any grade, then the Charter School may set a second application deadline. The admissions process will be the same as with the first phase, but will apply only with respect to the “available spaces,” if any, for each grade.

The Charter School may also accept additional applicants in order to create or expand a waiting list for any grade.

If after the second enrollment there still remain “available spaces” in any grade, or the Charter School desires to create or expand a waiting list for any grade, the Charter School may hold a third phase of enrollment, which will end shortly before the school year begins. Students who apply will be enrolled (if space is available) or added to the waiting list in the order the applications are received. Thereafter, including during the school year, additional students who apply will be enrolled (if space is available) or added to the waiting list in the order the applications are received.

6.5 Use of Waiting List; Filling Spaces if No Waiting List. If at any time a student who has been enrolled declines to attend the Charter School, or if an attending student withdraws or is permanently expelled, the Charter School may admit the next student on its waiting list for the applicable grade.

The following provision applies after the final phase of enrollment under Section 6.4 has been completed and during the school year, if there is no waiting list or if all students on the waiting list have already enrolled or have been extended an offer to enroll and have declined: in the foregoing situation, if a space becomes available in any grade, the Charter School may enroll the first student who applies.

6.6 Preferences After First Year. As provided in ORS 338.125(1), in the second and following years of operation, the Charter School may give admissions preference to (1) students (including non-resident students) who were enrolled in the Charter School in the prior year; (2) applicants who have siblings who are presently enrolled in the Charter School and who were enrolled in the Charter School in the prior year; (3) students who are on the waiting list in the previous year and have re-applied for admission without regard to resident status; (4) students who reside within the boundaries of the District but are not eligible under categories 1-3; and (5) nonresident students who are not eligible under subparagraphs 1-3.

The foregoing priority level shall be applied at each phase of enrollment, with students within each level being selected, if necessary, by random lottery.

6.7 Nondiscrimination. As provided in ORS 338.125(3), the Charter School may not limit student admission based on ethnicity, national origin, disability, gender, income level, proficiency in the English language or athletic ability, but may limit admission to students within a given age group or grade level,

6.8 Nonresident and Resident Students; Limitations.

To the extent allowed by law, and subject to the terms of any waiver of the student enrollment provisions set forth in ORS 338.125 as may be granted by the Oregon State Board of Education, resident District students enrolled in the Charter School will not exceed 65% of total Charter School enrollment unless the number of non-resident students enrolled in or applying for admission to, the Charter School is less than 35% of total Charter School

enrollment, in which case the Charter School may enroll additional students seeking admission without regard to residency. Students who were enrolled at the time The Lighthouse School changed sponsors from North Bend School District to Coos Bay School District, and their siblings, shall not be considered “non-resident” students to the extent allowed by law. Furthermore, preference will be given to non-resident siblings of students who are currently enrolled pursuant to section 6.6.

7. Special Education Students.

7.1 Special Education Students; IDEA. In this Agreement, the term “special education students” means children with disabilities to whom the Individuals with Disabilities Education Act (“IDEA”) applies.

7.2 Application and Enrollment.

7.2.1 The District and the Charter School recognize that the District is responsible for providing services to all special education students that attend the Charter School. The District will provide the special education services for all students in the Charter School that are eligible for special education and related services under state and federal law. The District shall provide special education and related services to Charter School special education students in the same manner as the District provides such services, to special education students enrolled in District schools, whether by District personnel or through contracted service providers. The District will monitor and supervise the Charter School’s special education, whether by District personnel or through contracted service providers. The Charter School will be compliant with all District’s special education policies and procedures.

7.2.2 The District will request all IEPs and implement the program, whether by District personnel or through contracted service providers, until a new IEP is developed by the IEP Team.

7.2.3 The Charter School will admit students without regard to their status as special education students. The parties intend by this process to ensure that the Charter School does not unintentionally discriminate against enrolling special education students or otherwise violate applicable laws.

7.3 Child Find; Accepted Students Later Determined to be Special Education Students.

For students enrolled in the Charter School, Oregon’s Charter School Law leaves the “Child Find” responsibility with the school district in which the Charter School is located, regardless of parental resident district.

7.4 Administering the IEPs.

7.4.1 The District will be responsible for providing required special education services in the Charter School in a timely and appropriate manner through a continuum of services, whether by District personnel or through contracted service providers.

7.4.2 The District, whether by District personnel or through contracted service providers, in conjunction with the Charter School will schedule and hold all IEP meetings for each enrolled special education student to determine how to meet the

goals of the IEP and how to arrange for the special accommodations and services required in accordance with the Oregon Statutes.

7.5 Funding for Special Education Students. ORS 338.165 governs funding relating to special education students stating that the school district in which a public charter school is located:

- A. Shall receive funding from the State School Fund as provided by this section for students who are eligible for special education and related services and who are enrolled in the public charter school; and
- B. Is eligible to receive high cost disabilities grants as provided by ORS 327.348 for students who are enrolled in the public charter school; and
- C. Students who are eligible for special education and related services shall be considered students of the school district in which the public charter school is located for purposes of data collection and reporting.

Any funds allocated to and or received by the District due to a student's status as a special education student shall be retained by the District and be used to provide special education services to Charter School special education students. Additionally, the District will allocate Tier 2 dollars (calculated by ADMw) to provide special education services.

8. School Year; School Day; Hours of Operation.

The Charter School may be flexible in its calendar and in the scheduling of its daily activities, provided it conforms to any requirements of state law. The Charter School anticipates that its school year generally may begin about one week earlier than district schools and may end later than district schools. Whenever possible, the Charter school will work to match up with the district with regard to statewide in-service days, and state holidays. The number of instructional hours during each school year shall comply with requirements of state law.

9. Records.

The Charter School shall comply with all record keeping requirements of federal and state law and shall provide any reports, as necessary, to meet the District's reporting obligations to the Oregon Department of Education. The District shall provide the Nonprofit Corporation with a list of records and information required for the District to meet its state reporting requirements. The Charter School shall comply with all applicable federal and state laws concerning the maintenance, retention and disclosure of student records, including, without limitation, the Oregon Public Records Law. All records established and maintained in accordance with this Agreement shall be open to inspection by the District.

10. Program and Curriculum, Goals, and Evaluation.

10.1 Acceptance by District of Program and Curriculum.

10.1.1 The District accepts the curriculum and program design of the Charter School as set forth in the Application, and as historically provided by the Charter School and agrees to waive any District program and curricular requirements that are not incorporated into such curriculum design. The District's intent is to allow the Charter School, within the requirements of state law, to promote and implement new, innovative, and flexible programs, curricula, learning environments, and learning methods.

10.1.2 The parties agree that the Application sets forth the overall goals, standards

and general operational policies of the Charter School, and that the Application is not a complete statement of each detail of Charter School's operation. To the extent that the Charter School desires to implement specific programs, policies, procedures or other specific terms of operation that supplement or otherwise differ from those in the Application and historical operations of the Charter School, the Charter School shall be permitted to implement such programs, policies, procedures and specific terms of operation, provided that they are consistent with the goals, standards and general operational policies set forth in the Application, this Agreement and ORS Chapter 338.

10.2 Responsibilities of Charter School. The Charter School is responsible for doing the following in compliance with state law:

10.2.1 Designing and implementing its curriculum and other components of its educational program as set forth in the Application.

10.2.2 Conforming to all state requirements concerning required subjects of instruction, academic content, work samples and curriculum framework, and other educational matters.

10.2.3 Providing required services, if any, to students who are English Language Learners (ELL students) under ORS 336.079 and other provisions of the law.

10.2.4 Providing required services, if any, to academically low achieving students.

10.2.5 The Charter School shall implement all required state and federal assessments for grades three through eight (3-8). The Charter School will participate in District assessments as required to identify students who may need additional services. The Charter School students' academic performance must meet average growth and performance of similar populations of District students when reviewed over a three-year time period with regard to all state and federal assessments and adequate yearly progress standards, when instituted. Both the District and the Charter School recognize that comparisons are best made by looking at an individual student's academic growth from year to year rather than comparing by grade (i.e., this year's third grade with last year's third grade). Furthermore, both parties acknowledge that the Charter School may in fact see an increase in students with special needs as the years progress, and that this can influence overall scores. Valid comparisons between Charter School populations and District populations may be difficult to achieve, as the Charter School will have only one class per grade, and small increases in special needs students can adversely affect overall percentages of students meeting benchmarks. The Charter School shall adhere to regulations and requirements for staff training with regard to testing.

10.2.6 Cooperating with the District in surveying its student population for eligibility for free and reduced lunches under federal and state law.

10.2.7 Developing and servicing 504 plans.

10.3 Participating in District Extracurricular Activities. Charter School students are eligible to participate in extracurricular activities provided at other District schools at the same cost, if any, that is required of District students. Nonresident Charter School students must comply with applicable OSAA rules before being eligible to participate in extracurricular activities in another District school. The District shall not be responsible for providing

transportation for a Charter School student to and from an extracurricular activity.

10.4 Goals and Evaluation. Although the Charter School has many goals, many of which are set forth in the Application, only the specific goals relating to student performance that are set forth in Section 10.2.5 are to be considered in evaluating whether the Charter School has failed to meet the requirements for student performance, (and thus could be considered a basis for termination of this Agreement) under ORS 338.105(1)(b) or non-renewal pursuant to Section 2 of this agreement.

10.5 Annual Report. The Charter School will submit an annual report to the District and the State Board of Education in accordance with ORS 338.095(1) on the performance of the Charter School and its students. This report will include information necessary to make a determination of compliance with the requirements of ORS Chapter 338. This report will include, among other things, information relating to the goals and evaluation described in Section 10.4, and shall also include a report on student attendance and discipline. The annual report shall also include an analysis of student academic performance data, accomplishments of the previous year, academic goals for the coming year, an action plan to achieve those goals, and a plan for evaluation of the goals.

11. Student Attendance, Conduct and Discipline

11.1 The Charter School shall maintain accurate enrollment data and daily records of students' attendance and shall provide this data to the District in writing upon request. Student attendance at the Charter School shall comply with Oregon's compulsory attendance laws.

11.2 Discipline Policies. The Charter School shall maintain a discipline policy that provides an age-specific code of conduct, rules, student rights and appeal procedures that comply with all state and federal laws and are consistent with the discipline and student rights policies of the District. The Nonprofit Corporation will deliver a copy of any amendments to its discipline policies to the District within thirty (30) days of adoption. The Charter School shall notify its students of the student rights and responsibilities and shall keep its discipline, conduct, and students' rights policies in a location accessible to students and the public.

11.3 Discipline involving suspension and expulsion shall be administered according to Oregon Law. All Charter School expulsion proceedings shall be administered according to Charter School policies to age level. Grounds for expulsion from the Charter School shall be consistent with the expulsion policies of the District, as the parties intend and agree that each shall extend full faith and credit to the suspension and expulsion of a student of the other, subject to each parties right to enroll and admit any student expelled by the other on a probationary basis. The Nonprofit Corporation shall be responsible for all costs associated with an expulsion hearing.

Upon determining that initiation of expulsion proceedings is warranted, the Charter School shall provide the District with written notice within three (3) days of such determination and no later than five (5) days following the suspension of a student with a summary statement of the grounds and evidence warranting suspension. The Charter School shall also promptly notify the District in writing of the disposition of any expulsion appeal proceeding.

12. School Facility and Expenses; Transportation.

12.1 Location; Expenses.

12.1.1 At an agreed upon charge to the Nonprofit Corporation, the Charter School

will have the right to exclusively use the Bunker Hill Elementary School, located at 62858 Highway 101, Coos Bay, Oregon, 97420, and its grounds.

For the 2021-2022 school year, the Charter School agrees to pay the District rent in ten (10) equal payments, beginning in September each year. As per the Lease Agreement the rent shall be based on square footage of 16 classrooms, with the largest classroom being 1067.04 feet squared for a total of 17,072.64 square feet (not including the multipurpose room). The amount per square foot for the 2021-2022 school year, shall be \$5.00.

The rent for the 2021-2022 school year shall be \$85,363.20. Annual rent for each succeeding one-year period (July 1 through June 30) shall represent a four percent (4%) increase (per square foot) over the prior year.

2021-2022 = \$5.00	\$85,363.20
2022-2023 = \$5.20	\$88,777.73
2023-2024 = \$5.41	\$92,362.98
2024-2025 = \$5.63	\$96,118.96
2025-2026 = \$5.86	\$100,045.67

If the District decides to sell Bunker Hill during or immediately upon termination of this Agreement, the Nonprofit Corporation shall have a right of first refusal to purchase the property.

Any structural modifications to the facility and grounds must have prior approval by the District.

Any improvements to the property made by the Charter School that can be removed without damage to the property shall remain the property of the Charter School.

The Charter School will be responsible for securing all utilities, including power, water, sewer, internet, etc.

The District retains the unrestricted right to inspect at any time the Bunker Hill facility. The Charter School shall have full responsibility for equipping and maintaining the facility in good repair and appearance and in compliance with all District, city, county, state and federal laws and requirements, including but not limited to environmental requirements. The Charter School shall be responsible for all loss protection and liabilities associated with the facility. This statement does not limit any loss or liability requirements stated elsewhere in this proposal.

The District shall be responsible for repairing or replacing, as needed, the structural elements of any building on the property, including, but not limited to, (i) the roof and ceilings, (ii) foundation, (iii) exterior walls and interior load-bearing walls, support beams and columns, (iv) floor slabs, and (v) drainage systems, unless such maintenance and repairs are caused in part or in whole by the act, neglect, fault or omission of any duty by the Charter School, its agents, employees or invitees.

Charter School will maintain, at Charter School's cost and expense, the building in the same condition, repair, working order, and appearance, normal wear and tear excepted, existing when Charter School first began occupying the building. To this end, Charter School has the following repair and maintenance obligations, which

Charter School will complete at Charter School's cost and expense (i) repair and maintain interior walls (including without limitation, the painting of such walls), doors, windows, and related hardware, light fixtures and switches; (ii) all glass, both exterior and interior to the building; (iii) any repairs or maintenance necessitated by the negligence of Charter School; (iv) snow and ice removal from entryways and walkways; (v) utility costs to maintain the internal temperature of the buildings at commercially reasonable standards; (vi) all other repairs, maintenance, replacement, alterations, and/or improvements to the building which the District is not expressly required to make.

The parties agree to enter into a building use and lease agreement (Exhibit B), reflecting the above-reference terms and such other terms as the parties may mutually agree upon.

12.1.2 The Nonprofit Corporation agrees to the 95% funding percentage set forth in Section 13.2.2.

12.1.3 The District shall provide lunch for students in accordance with Oregon Department of Education's Child Nutrition Program.

12.1.4 Lighthouse School may request nursing services to be provided by a contracted service provider through the District.

12.2 Transportation. Under ORS 327.043 & 338.145

12.2.1 The District shall provide two full-size buses, serving the Bunker Hill area and at least two common pick-up/drop-off sites within the boundaries of the Coos Bay School District. At least one such site shall be close to the city boundary with North Bend, and Afternoon bus service shall include a drop-off stop at the Boys and Girls Club of Southwest Oregon. Any additional miles will be reimbursed by Lighthouse Charter School at the end of the school year, at the amount that is not reimbursable from the state. The parties recognize that this is a limited transportation service and that ultimately it is the responsibility of the Charter School to provide transportation of the students to and from school.

12.2.2 For Charter School field trips and other special events for which it requests the District to provide bus transportation, the District will make reasonable efforts to do so, provided that any additional expenses incurred by the District for such services will be reimbursed (a) by the state Department of Education, (b) by the Charter School, or (c) by a combination of the state Department of Education and the Charter School.

13. Financial Matters; Funding; Annual Budgets; Annual Audit

13.1 No Tuition; Fees. The Charter School will not charge tuition to students K-8. As noted in ORS 338.115(1)(g), the following laws shall apply to the Charter School: ORS 339.141, ORS 339.147, and ORS 339.155. In accordance with state law, the Charter School may charge reasonable fees for the processing of applications, instructional materials, after-school programs, and student activities. The Charter School shall waive all fees for indigent students in accordance with applicable federal and state law.

13.2 Annual Funding,

13.2.1 Keeping Count The Charter School shall identify and count, and keep accurate records of, its number of enrolled students and their days present and

absent; attendance; special education students; students eligible for and enrolled in an English as a Second Language program under ORS 336.079; and other data required in order to calculate average daily membership, weighted average daily membership (ADMw), and related terms necessary to determine funding under state law, particularly ORS 338.155 and 327.013. The Charter School shall provide attendance through the District's chosen attendance software.

13.2.2 Calculating ADMw and Funding For each school year, the District shall provide funding to the Nonprofit Corporation in accordance with ORS 338.155(2), as that formula may be changed from time to time, except as follows: the funding shall be 95% (instead of 80% as provided in the law) of the District's General Purpose Grant per ADMw (as calculated under ORS 327.013) multiplied by the Charter School ADMw.

- (a) The Charter School's ADMw for the period to be covered shall be determined by using the enrollment report feature of Synergy. The Charter School may ask the District Office to prepare this report for them.
- (b) The calculation of the additional amounts under ORS 327.013(7)(a) shall include, but not be limited to, an additional 0.5 for each student in average daily membership eligible for and enrolled in an English Language Learner program under ORS 336.079 as provided by ODE.
- (c) In addition, the District will fund the "poverty factor" pursuant to ORS 327.013 based on the Students in Poverty ADM provided by ODE.
- (d) This Agreement will be changed to conform to any changes in state law relating to the calculation of ADMw or otherwise that affects funding of charter schools.
- (e) District will provide comparable technical assistance to closely align data retrieved from enrollment information with ODE submission.

13.2.3 Dates of Payments by District to Charter School. Pursuant to ORS 338.155(8), the District shall send payment to the Charter School in the percentages set out below within 10 days after receiving payments from the State School Fund pursuant to ORS 327.095, which payments from the State are due on the following dates:

August 15- 16.67%
October 15 - 8.33%
November 15 - 8.33%
December 15 - 8.33%
January 15- 8.33%
February 15 - 8.33%
March 15-8.33%
April 15 - 8.33%
May 15 - balance

There will be an adjustment with the final (May) payment, as provided in state law, to reflect changes in calculation of ADMw, changes, if any, in the general purpose grant amount, and changes, if any, with respect to funding during prior school years.

Should the Charter School face a negative adjustment of \$10,000 or greater that creates a financial hardship, the Charter School may submit a request in writing to the

district for payment options.

13.2.4 End of State Funding. The financial commitment on the part of the District contained in this Agreement is subject to annual appropriation by the State of Oregon, and the District has no obligation to fund Charter School operations other than to the extent that District receives appropriate funding from the State for that purpose during the term of this agreement.

13.3 Initial Budget; Annual Budgets. On or before ~~March~~ April 1 of each year, once the first SSF estimate has been released by ODE, the Charter School shall consult with the District regarding assumptions for school funding for the following year. Based on this consultation, the Charter School will build a preliminary budget. The final budget will be adopted by the Charter School and submitted to the District by August 1.

13.3.1 The Charter School shall be responsible for all costs associated with school operations, including the costs of subcontracting for goods and services, except as expressly provided in this Agreement.

13.3.2 If the budget adopted by the Nonprofit Corporation for operation of the charter school filed with the District does not balance, the District may declare the Nonprofit Corporation and/or the Charter School to be financially unstable and this may constitute grounds for termination of this agreement as provided in Section 19 herein, or non-renewal as provided by Section 2 herein.

13.4 Fiscal Agent. The Charter School shall act as its own fiscal agent.

13.5 Fiscal Year. The fiscal year of the Charter School shall begin on July 1 of each year and end on June 30 of the subsequent year.

13.6 Financial Records, Audits and Accounting Reports. The Nonprofit Corporation shall maintain and retain appropriate financial records in accordance with all applicable federal and state laws. In accordance with ORS 338.095(2), the Charter School shall have an annual audit of the accounts of the Charter School prepared in accordance with the Municipal Audit Law, ORS 297.405 to 297.555 and 297.990. The annual audit shall be forwarded to the District, and to the State Board of Education, and the Department of Education by December 31.

13.6.1 The Nonprofit Corporation and/or Charter School will provide the District with copies of its fiscal year annual accounting reports. The Nonprofit Corporation may use the same auditor that conducts the District's annual audit. The Nonprofit Corporation shall pay any costs associated with such audit. Otherwise, the Nonprofit Corporation shall retain a certified public accountant to conduct the annual audit.

13.7 Financial Management. The Nonprofit Corporation shall operate in accordance with Generally Accepted Accounting Practices (GAAP) or other generally accepted standards of fiscal management, provided that the Charter School's accounting method shall comply in all instances with applicable governmental accounting requirements. Subject to this Agreement, the Nonprofit Corporation, through its Board of Directors, shall be fiscally responsible for Charter School operations within the limitations of any funding provided by the District and other revenues derived by Charter School.

13.8 Other Sources of Funds for Charter School; Fund Raising. In addition to the funding under Section 13.2, the Nonprofit Corporation and/or Charter School may accept gifts, donations, grants and loans, including those described in ORS 338.155(9) and ORS

338.185. The District shall also transfer to the Nonprofit Corporation its proportionate share of any federal, state, or other government grants (or other funding,) that are made or available to the District, where the amount of the grant (or other funding or services) is based solely on the District's ADMw. The District shall include The Lighthouse School in any federal, state, or other government grants (or other funding) in which The Lighthouse School is eligible to receive funds under the District by means of ADMw. The Charter School must comply with all provisions for receiving federal, state, or other government grants (or other funding) as well as submit any paperwork required by the entities for expenditures or use of the funds. This provision does not apply to title funds for which the Charter School is not eligible or to federal IDEA 2004 funding. The District may charge the Charter School an administrative or other fee for any grants received by Charter School and administered by the District beyond the general ADMw funding described in Section 13.2, as provided in the grant. The Nonprofit Corporation shall comply with all state and federal laws regarding reporting of charitable contributions. The Nonprofit Corporation shall record all gifts, donations, loans, and grants in the financial records required in Section 13.6. As provided in ORS 338.125(4), the Charter School may conduct fund-raising activities, but it shall not require a student to participate in fund-raising activities as a condition of admission to the Charter School.

13.9 Refund of Unspent Funds. In the event that this agreement is revoked or is not renewed by the District, the Nonprofit Corporation and Charter School shall refund to the District all unspent District funds. In this event, no unauthorized expenditures of District funds will be made by the Nonprofit Corporation prior to such refund.

14. Governance and Operation.

14.1 Corporate Status; Governing Board.

14.1.1 The Nonprofit Corporation is and will remain an Oregon Nonprofit Corporation throughout the term of this Agreement. The Nonprofit Corporation shall govern and operate the Charter School as set forth in this Agreement, and the governing board of the Charter School will be the board of directors of the Nonprofit Corporation.

14.1.2 At the request of the District, the Nonprofit Corporation will give the District a copy of its Articles of Incorporation and Bylaws. If the Nonprofit Corporation makes any changes to its Articles of Incorporation or Bylaws, it will give copies of the changes to the District. If the District believes that any such changes violate either this Agreement or state or federal law, it will so notify the Nonprofit Corporation. If the Nonprofit Corporation agrees, it will make necessary changes to the Articles or Bylaws to conform to this Agreement or the applicable law; if the parties do not agree, the matter will be resolved under Section 20.8.

14.1.3 The Nonprofit Corporation's Bylaws will include a provision specifying that upon termination of this Agreement or dissolution of the Charter School, the assets of the Charter School that were purchased with public funds shall be given to the State Board of Education, as provided in ORS 338.105(6).

14.2 Exempt Status under Section 501(c)(3) of Internal Revenue Code. As provided in ORS 338.035(2)(c), the Charter School will retain its status as a 501(c)3 organization, and will remain established as a nonprofit organization under the laws of Oregon.

14.3 Nonreligious, Nonsectarian Status. As provided in ORS 338.035(7), the Charter School shall not be affiliated with any nonpublic sectarian school or religious institution. As

provided in ORS 338.115(4), the Charter School shall not violate the Establishment Clause of the First Amendment to the United States Constitution or Section 5, Article I of the Oregon Constitution, or be religion based.

14.4 Public Meetings. The Nonprofit Corporation and its Board of Directors, when acting as the Governing Body of the Charter School, are subject to the provisions of the Oregon Public Meetings Law, ORS 192.610 to 192.690.

14.5 Operational Powers. Subject to applicable federal and state laws and any restrictions in this Agreement, the Charter School shall have authority to exercise independently all powers granted to charter schools under Oregon law.

15. Employment Matters.

15.1 Nonprofit Corporation is Employer. All provisions of this Section 15 are subject to state and federal laws. The District shall not be the employer of any employees of the Nonprofit Corporation or the Charter School. The Nonprofit Corporation may choose to enter into contracts to provide services to the School or to fulfill responsibilities of the Charter School under this Agreement, in which case the people actually providing the services or fulfilling the responsibilities will be employees of such contractor; otherwise, the Nonprofit Corporation will be the employer of the staff at Charter School. The Nonprofit Corporation shall control the selection of employees.

15.2 Staff Hiring, Compensation, Benefits, PERS.

15.2.1 The Nonprofit Corporation governing board, in its sole discretion, has complete authority to hire, evaluate, promote, discipline, supervise, and terminate Charter School employees, and to set all terms and conditions of employment, including all decisions regarding compensation and benefits. However, the Charter School will in good faith consider applications from teachers who are employed by the District and agrees to give preference in hiring teachers formerly employed by the District who have lost their teaching positions with the District due to budget reductions.

15.2.2 At least one-half of the total full-time equivalent (FTE) teaching and administrative staff at the Charter School shall be licensed in accordance with ORS 338.135(7). For any individual hired as a teacher, the Charter School shall provide the District with evidence of certification, if any, or other qualification within 60 days after the individual's initial date of hire or when requested by the District.

15.2.3 If any Charter School teacher requires a substitute, the Charter School will be responsible for providing substitute teachers.

15.2.4 For any employee of the District who chooses to work for the Charter School, any leave of absence from the District shall be governed by ORS 338.135.

15.2.5 Licensed and classified staff and other employees of the Charter School will not be included in the District's respective bargaining units. Employee membership in a labor organization and collective bargaining shall be governed by ORS 338.135. To the extent employees at the Charter School are part of a union, both Licensed and Registered employees along with Classified employees of the Charter School, will be bargaining members of the OSEA chapter 160.

15.2.6 Pursuant to ORS 338.135(5), the Charter School shall participate in the Public Employees Retirement System (PERS) for its employees.

15.2.7 The Charter School shall be responsible for paying its employees through their payroll department and for filing all reports required by the State and Federal government. Charter School employees shall not be paid through the payroll department of District.

15.3 Employee Records. The Charter School shall be responsible for establishing and maintaining personnel records for its employees, and for the maintenance, retention and disclosure of employee records, all in compliance with all applicable federal and state laws. The Charter School shall meet any and all reporting obligations to the Teacher Standards and Practices Commission ("TSPC") regarding its employees.

15.4 Criminal Records Checks. As provided in ORS 338.115(1)(e), ORS 181.539, 326.603, 326.607, and 342.232 (relating to criminal records checks) shall apply to the Charter School.

16. Application of and Compliance with Laws.

16.1 Compliance with Laws: Non-Exemption from Certain Laws. The Nonprofit Corporation and the Charter School shall comply with all applicable federal, state, and local laws and regulations (including Oregon Administrative Rules developed by the Oregon Department of Education regarding charter schools). As provided in ORS 338.115(1), although statutes and rules that apply to school district boards, school districts or other public schools shall generally not apply to the Nonprofit Corporation or Charter School, the following laws shall apply to the Nonprofit Corporation and the Charter School;

- a. Federal law.
- b. ORS chapters 279A, 279B and 279C (Public Contracting Code).
- c. ORS 192.311 to 192.478 (Public Records Law).
- d. ORS 192.610 to 192.690 (Public Meetings Law).
- e. ORS 297.405 to 297.555 and 297.990 (Municipal Audit Law).
- f. ORS 181A.195, 326.603, 326.607 and 342.223 (criminal records checks). (Criminal Records Checks).
- g. ORS 326.565 to 326.575 and 326.580 (student Records).
- h. ORS 329.496 (Physical Education Participation).
- i. ORS 336.840 (Personal Electronic Devices).
- j. ORS 337.150 (Textbooks).
- k. ORS 339.119 (Consideration for Educational Services).
- l. ORS 339.141, 339.147 and 339.155 (Tuition and Fees).
- m. ORS 339.326 (Notice Concerning Students Subject to Juvenile Court Petitions).

17.2.1 Charter School Indemnifies District To the extent not covered by insurance or otherwise barred by the Oregon Tort Claims Act (ORS Chapter 30), Nonprofit Corporation and Charter School agrees to indemnify, defend, 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 of property of Charter School (including after school use of buildings by outside groups), its faculty, students, patrons, employees, 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 or are in any manner connected with Charter School's operations. The Nonprofit Corporation and Charter School agrees to indemnify, hold harmless and defend the District from all contract claims in which the Nonprofit Corporation and/or Charter School 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.

17.2.2 District Indemnifies Charter School. Subject to the limits of the Oregon Constitution and the Oregon Tort Claims Act, ORS Chapter 30, District agrees to defend, indemnify, and hold Nonprofit Corporation Charter School, 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) civil rights violation, claims brought pursuant to the individuals with Disabilities Education Act, bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever which arise out of or are in any manner the result of any negligence or intentional acts of the District causing any such liability, claim, or demand. This indemnification shall not apply to any liability claims or demands resulting from the negligence or wrongful act or omission of any Charter School or Nonprofit Corporation 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 Charter School whose negligent or wrongful act or omission is caused or directed by Nonprofit Corporation or Charter School. This indemnification shall not apply to any damages incurred regarding any act or omission of the District or 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.

17.2.3 Survival of Indemnification. This indemnification, defense and hold harmless obligation on behalf of Nonprofit Corporation and Charter School and the District shall survive the termination of this Agreement. 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.

18. Relationship between District and Charter School.

18.1 Full Faith and Credit. The Nonprofit Corporation and Charter School agrees that it will not extend the faith and credit of the District to any third person or entity. The Nonprofit Corporation and Charter School acknowledges and agrees that it has no authority to enter into a contract that would bind the District. The Charter School's governing board has the authority to approve contracts to which the Charter School is a party, subject to the requirements and limitations of the Oregon Constitution, state law, and the provisions of this Agreement.

18.2 District Disclaimer of Liability. The parties to this Agreement expressly acknowledge that the Charter School is not operating as the agent, or under the direction and control, of the District Board except as required by law or this Agreement, and that the District Board assumes no liability for any loss or injury resulting from:

18.2.1 The acts or omissions of the Nonprofit Corporation and/or Charter School, its directors, trustees, agents or employees;

18.2.2 The use and occupancy of the portions of the building occupied by Charter School; or

18.2.3 Any debt or contractual obligation incurred by the Nonprofit Corporation and/or Charter School.

19. Termination.

19.1 Grounds for Termination. As provided in ORS 338.105(1), the grounds for termination of this Agreement by the District are as follows:

- (a) Failure by Nonprofit Corporation or Charter School to meet the terms of this Agreement or ORS Chapter 338.
- (b) Failure by Nonprofit Corporation and/or Charter School to meet the requirements for student performance stated in this Agreement.
- (c) Failure by Nonprofit Corporation and/or Charter School to correct a violation of a federal or state law that is described in ORS 338.115.
- (d) Failure by Nonprofit Corporation and/or Charter School to maintain insurance as described in Exhibit A of this Agreement.
- (e) Failure by Nonprofit Corporation and/or Charter School to maintain financial stability.
- (f) Failure to maintain, for one or more consecutive years, a sound financial management system described in the proposal submitted under ORS 338.045 and incorporated into the written charter under ORS 338.065.

19.2 Notice of Breach; Opportunity to Cure; Dispute Resolution.

19.2.1 The parties recognize that the grounds for termination in Section 19.1 may involve subjective judgment and may involve disputes between the parties as to whether proper grounds for termination exist, and therefore the following process is agreed to as a means for dealing with alleged breaches of this Agreement.

19.2.2 If the District believes that any breach of this Agreement by the Nonprofit Corporation or Charter School has occurred, it will give the Nonprofit Corporation written notice setting forth the alleged breach.

19.2.3 If the Nonprofit Corporation or Charter School agrees that a breach has occurred, the Nonprofit Corporation will cure the breach within thirty (30) days after the District notice was given. If, however, the breach is such that the Nonprofit Corporation, by acting with due diligence, could not reasonably complete the cure

within such time, the Nonprofit Corporation shall not be in default unless the Nonprofit Corporation either (a) fails to commence to cure the breach within such 30-day or other specified period, or (b) fails to diligently prosecute to completion all steps necessary to completely remedy the breach as soon as is reasonably practicable after the District gives such notice.

19.2.4 If the Nonprofit Corporation does not agree that a breach has occurred, the Nonprofit Corporation will give the District a written explanation of the reasons why it believes no breach has occurred. The parties will then attempt in good faith to resolve their differences, and either party may at any time demand resolution of the dispute under Section 20.8.

19.3 Notice of intent to Terminate; Hearing; Appeal.

19.3.1 If the breach by the Nonprofit Corporation or Charter School has not been timely cured, or if it cannot be cured, and if the matter is not being resolved pursuant to the provisions of Section 20.8, then the District may decide to terminate this Agreement, in which case it will give the Nonprofit Corporation 60 days prior written notice of its intent to terminate this Agreement. Such notice shall state the grounds for termination.

19.3.2 The Nonprofit Corporation may appeal the District's decision to terminate this Agreement directly to the District Board. Nonprofit Corporation 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. Nonprofit Corporation has the burden of proof for any affirmative defense to the allegations by a preponderance of the evidence.

19.3.3 The Board's decision may only be appealed to the Oregon Department of Education according to ORS 338.105(3).

19.3.4 To the extent applicable, the provisions of Section 19.1 to 19.3 shall also apply to any proposed non-renewal of this agreement.

19.4 Prompt Termination for Health and Safety Reasons.

19.4.1 As provided in ORS 338.105(4), notwithstanding Sections 18, the District may terminate this Agreement immediately and close the Charter School if the Charter School is endangering the health or safety of its students.

19.4.2 The Nonprofit Corporation governing body may request a hearing from the District on the termination of this Agreement under this subsection 19. The District shall hold a hearing within 10 days after receiving the request.

19.4.3 The Nonprofit Corporation governing body may appeal a decision of the District under this subsection 18 to the State Board of Education. The State Board of Education shall hold a hearing within 10 days after receiving the appeal request.

19.4.4 Throughout the appeals process, the Charter School shall remain closed at the discretion of the District unless the State Board of Education orders the District to open the Charter School and not terminate this Agreement.

19.5 Termination by Charter School; Dissolution.

19.5.1 As provided in ORS 338.105(7), the Nonprofit Corporation governing body may only terminate the Agreement or dissolve or close the Charter School at the end of a semester, unless the District agrees to another date. If the Nonprofit Corporation intends to terminate this Agreement or dissolve or close the Charter School, it shall give notice to the District at least 180 days prior to the proposed effective date of the termination, closure or dissolution.

19.5.2 If the Charter School should cease operations for whatever reason, including, but not limited to, the non-renewal or termination of this Agreement, or dissolution of the Nonprofit Corporation, it is agreed that the Nonprofit Corporation governing board shall supervise and have authority to conduct the winding up of the business and affairs of the Charter School; provided, however, that in doing so, the District does not assume any liability incurred by the Nonprofit Corporation beyond the funds allocated to it by the District under this Agreement.

19.6 Effects of Termination or Dissolution.

19.6.1 Until the effective date of termination of this Agreement, (including pending resolution on appeal of any disputed termination), the District shall continue to make the funding payments under Section 12. As provided in ORS 338.105(5), termination of this Agreement shall not abridge the Nonprofit Corporation's legal authority to operate as a private or non-chartered public school. Upon dissolution or termination, all permanent records shall be transferred to the District to the extent required by law).

19.6.2 As provided in ORS 338.105(6), if this Agreement is terminated or the Charter School is dissolved, the assets of the Charter School that were purchased with public funds shall be given to the State Board of Education. The State Board of Education may disburse the assets of the Charter School to school districts or other public charter schools. Subject to the provisions of Section 13.9, all other assets (including without limitation gifts, donations, loans, and grants from sources other than public funds and property purchased with any of the foregoing) shall be the property of the Nonprofit Corporation.

20. Miscellaneous Provisions.

20.1 Entire Agreement. This Agreement, the attached Exhibits and the original charter application, contain all terms, conditions and provisions of the agreement between the parties relating to creation and operation of the Charter School, and contain the entire understanding and all representations of understandings and discussions of the parties relating thereto. All prior agreements, representations, drafts, statements, understandings, and discussions are merged herein and superseded and cancelled by this Agreement. Neither party is relying upon any statement or representation not embodied in this Agreement or in any other written agreement made concurrently herewith.

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

20.3 Amendment. This Agreement may be modified or amended only by written agreement between the Nonprofit Corporation and the District Superintendent (or designee) or District Board.

20.4 No Waiver. The parties agree that no assent, express or implied, to any breach by either of them of any one or more of the agreements expressed herein shall be deemed or be taken to constitute a waiver of any succeeding or other breach.

20.5 Governing Law. This Agreement shall be governed by, subject to and construed under the laws of the State of Oregon without regard to its conflicts of law provisions. The parties intend that where this Agreement references federal or state law that they be bound by any amendment to such laws, upon the effective date of such amendments.

20.6 Assignment; Successors and Assigns. This Agreement may not be assigned by the Nonprofit Corporation under any circumstances, it being expressly understood that the charter granted by this Agreement runs solely and exclusively to the Charter School. This does not limit the Nonprofit Corporation's or the Charter School's right to enter into contracts and Agreements to the full extent allowed to charter schools under Oregon law. Except as otherwise expressly provided in this Agreement, the provisions of this Agreement bind and benefit the legal representatives, successors and assigns of the parties.

20.7 Notice. Any notice, statement, demand, request, consent, approval or other communication (collectively referred to in this Section 20.7 as "notices" or "notice") required or permitted to be given or made by either party, or its agent, to the other, pursuant to this Agreement or pursuant to any applicable law or requirement of public authority, shall be in writing and given by one of the following methods (with the effective date of the notice to be as set forth below):

- (a) By personal delivery to the person indicated on the execution page of this Agreement (to be effective when actually delivered);
- (b) By facsimile to the facsimile number set out on the execution page of this Agreement, provided that the original notice is sent by one of the other methods described in this Section or by first class U.S. Mail (notice by facsimile to be deemed effective when receipt either is acknowledged by the addressee or its office or is confirmed by confirming transmission equipment (provided this occurs before 5:00 p.m. Pacific Time on a business day, otherwise it will be deemed effective on the next business day));
- (c) By registered or certified mail, postage prepaid, with return receipt requested (to be deemed effective two (2) days after mailing); or
- (d) By nationally recognized reputable overnight courier, prepaid (to be deemed effective on the date that the courier warrants that delivery will occur).

Notice sent by courier or mail shall be addressed to the other party (to the attention of the person identified on the execution page of this Agreement), at the address set forth on the execution page of this Agreement or such other person or address which may be designated by a party in writing.

20.8 Prior Actions. It is expressly agreed and understood that as a condition precedent to this agreement becoming effective on the effective date specified herein, the Nonprofit Corporation and/or Charter School shall have taken, completed, and satisfied on or before the dates specified herein any action or obligation which is required to be completed before

such effective date, and failure to do so shall constitute grounds for the District to declare this agreement null and void and of no further force or effect. If all conditions precedent are not completed to the satisfaction of District, and the District declares this agreement null and void, the District shall incur no liability to Nonprofit Corporation or Charter School in any respect whatsoever.

20.9 No Third Party Rights. Nothing in this Agreement is intended to create or confer any rights, claims or causes of action on behalf on any person(s) or entity not a party to this Agreement.

20.10 Dispute Resolution; Mediation.

20.10.1 If any dispute arises between the District and the Nonprofit Corporation concerning this Agreement, including, without limitation, an allegation of any breach or default, either party may request mediation of the matter. The party requesting mediation shall do so by giving written notice to that effect to the other party, specifying in the notice the nature of the dispute.

20.10.2 If the parties cannot agree upon a mediator, either party may request the Oregon Department of Education to appoint the mediator.

20.10.3 At any time during the mediation process, or if the parties are unable to reach an agreement through mediation, either party may give notice to the other party and to the mediator that it is terminating its participation in the mediation; after that, either party may request a hearing before and decision by the District Board.

20.10.4 The parties shall share equally the fees and expenses of any mediator and each party shall pay its own expenses incurred in any mediation.

20.10.5 As to any dispute that is not being determined through mediation, the Charter School may request a hearing before and decision by the District Board.

20.10.6 The Charter School may appeal to the State Board of Education concerning those matters within its jurisdiction under ORS Chapter 338.

20.10.7 Notwithstanding any other provision contained in Section 20 herein, either party may seek a remedy for breach of this agreement in any appropriate form. The parties may also agree to binding arbitration, to be conducted as follows:

Any controversy or claim arising out of or relating to this Agreement, including without limitation, the making, performance, or interpretation of this Agreement or the Agreement documents, shall be settled by arbitration. If the Parties disagree whether either is legally entitled to recover damages under this Agreement, then either party may make a written demand for arbitration. The parties agree to submit their controversy to binding arbitration before a single arbitrator. The arbitrator shall be an attorney licensed to practice law in the State of Oregon. The party seeking arbitration shall give written notice to that effect to the other and shall, in that notice, select an arbitrator. Within 15 days thereafter, the other party shall by written notice either agree to the arbitrator selected or suggest another person to act as arbitrator. If the parties cannot agree within 30 days to the selection of a single arbitrator after the election to arbitrate, either party may request that the selection of an arbitrator be made by a judge of the Circuit Court for Coos County, Oregon. The parties will pay their own costs of arbitration, and, unless costs are awarded by the arbitrator to the prevailing party, each is obligated to pay one half of the arbitrator's fee.

Unless otherwise agreed the arbitration shall be conducted in Coos County, Oregon. If arbitration is commenced, the parties agree to permit discovery proceedings of the type provided for by the Oregon Rules of Civil Procedure both in advance of and during recess of the arbitration proceedings. ORS 183.450(1) through (4), where applicable, shall control the admission of evidence at the hearing in any arbitration conducted hereunder, provided however no error by the arbitrator in application of the statute shall be grounds as such for vacating the arbitrator's award. Each party shall be entitled to present evidence and argument to the arbitrator. The arbitrator shall give written notice to the parties stating the arbitration determination and shall furnish to each party a signed copy of such determination and judgment so the award may be entered in any court having jurisdiction over the parties.

If arbitration is commenced, this contract shall be governed by and construed in accordance with the laws of the State of Oregon. The parties agree that the arbitrator shall have no jurisdiction to render an award or judgment for punitive damages. The parties agree that the decision of the arbitrator shall be final and binding on the parties and a judgment may be entered on the arbitrator's award. The parties agree that all facts and other information relating to any arbitration arising under this contract shall be kept confidential to the fullest extent permitted by law. Unless otherwise inconsistent herewith, the provisions of ORS Chapter 36 shall apply to any arbitration hereunder. In the event of arbitration under the provisions of this agreement, the prevailing party shall be awarded reasonable attorney fees and related costs, disbursements and expert witness fees as provided for in this Agreement. The duty to arbitrate shall survive the cancellation or termination of this Agreement.

20.11 Attorney Fees. In the event any action, suit, arbitration or other proceeding shall be instituted by either party to this Agreement to enforce any provision of this Agreement or any matter arising therefrom or to interpret any provision of this Agreement, including any proceeding to compel arbitration, the prevailing party shall be entitled to recover from the other a reasonable attorney fee to be determined by the Court or Arbitrator(s). In addition to recovery of a reasonable attorney fee, the prevailing party shall be entitled to recover from the other costs and disbursements, including all costs of Arbitration and the Arbitrator(s) fees, and expert witness fees, as fixed by the Court or tribunal in which the case is heard. In the event any such action, suit, arbitration or other proceeding is appealed to any higher court or courts, the prevailing party shall recover from the other a reasonable attorney fee for prosecuting or defending such appeal or appeals, in addition to the reasonable attorney fees in the lower court or courts or arbitration proceeding, such fee to be determined by the appellate court or lower court or arbitrator, as the appellate court may determine. In addition to recovery of a reasonable attorney fee on appeal, the prevailing party shall be entitled to recover from the other costs and disbursements and expert witness fees as fixed by the appellate court. All costs and disbursements which may be awarded pursuant to this paragraph shall bear interest at the maximum legal rate from the date they are incurred until the date they are paid by the losing party.

20.12 Delegation by District. The parties agree and acknowledge that the functions and powers of the District Board may be exercised by the Superintendent of the District, or by the Superintendent's designee, provided that any ultimate decision regarding renewal, non-renewal, or termination of this Agreement may be made only by the District Board.

20.13 Nonprofit Corporation Authority to Enter Into Agreement. The Nonprofit Corporation expressly affirms that the signatories on its behalf who sign below have the

authority to enter into this Agreement on behalf of the Nonprofit Corporation and that the Board of Directors of the Nonprofit Corporation has duly approved of this Agreement. The Nonprofit Corporation shall provide to the District a copy of its written resolution authorizing the Nonprofit Corporation to enter into this Agreement.

20.14 Incorporation of Application and Exhibits. Exhibit A (Insurance, referred to in Sections 17.1 and 19.1) and Exhibit B (Building Use Agreement) are attached hereto and incorporated herein by this reference.

COOS BAY SCHOOL DISTRICT #9

THE LIGHTHOUSE SCHOOL, an
Oregon Non-Profit Corporation

David Geels
Chair, Governing Board

John Gibson
President, Board of Directors

EXHIBIT A
TO CHARTER SCHOOL AGREEMENT
INSURANCE

1. Commercial General Liability Insurance.

1.1 The Non-Profit Corporation (NPC) shall maintain a commercial general liability insurance policy (occurrence form) with respect to the Charter School facility and the operation of the Charter School, in accordance with Section 17 this Agreement, and if necessary will add the District as an additional insured on any such Non-Profit Corporation policy. The policy shall be in effect no later than when the Charter School, or any of its employees, agents, or subcontractors, enters the School facility to do any work in connection with the School facility. The Non-Profit Corporation shall maintain such a policy thereafter throughout the term of the Agreement, including all extensions and renewals.

1.2 Subject to the following sentence, the limit of the Non-Profit Corporation policy shall be a minimum of \$2,000,000 for bodily injury and property damage per occurrence, \$2,000,000 annual aggregate. The minimum limits of liability may be satisfied by using a combination of commercial general liability insurance and commercial excess/umbrella liability insurance (following form). In addition, the Non-Profit Corporation's policy shall contain coverage for premises medical payments in a minimum amount of \$10,000.

1.3 Such policy shall provide for contractual liability coverage with respect to the indemnity obligation set forth in Section 17 of this Agreement.

2. Liability Insurance for Directors and Officers. The Non-Profit Corporation shall procure and maintain liability insurance for directors and officers in an amount not less than \$1,000,000 each loss, \$1,000,000 each policy year, covering the Charter School, the Non-Profit Corporation, the governing board of the Charter School, employees, and volunteers against liability arising out of wrongful acts and employment practices. Continuous "claims made" coverage will be acceptable, provided the retroactive date is on the effective date of this Agreement.

3. Business Auto Liability Insurance. The Non-Profit Corporation shall procure and maintain business auto liability insurance with coverage for all Charter School owned, non-owned and hired vehicles with combined single limits of liability of \$1,000,000 per occurrence for bodily injury and property damage.

4. **Workers' Compensation Insurance.** The Non-Profit Corporation shall procure and maintain workers' compensation insurance pursuant to ORS Chapter 656 on all Charter School employees.
5. **Policy Requirements.** The insurance policies required by this Agreement (i) shall be issued for periods of not less than one year; (ii) shall be issued by insurance companies admitted to do business in the State of Oregon; and (iii) shall contain a provision that they cannot be cancelled, reduced in amount, substantially modified, or not renewed without thirty (30) days prior written notice to the other party.
6. **Proof of Insurance.** Each party shall deliver to the other party certificates of insurance required by this Agreement. If a party fails to provide such a certificate within ten (10) days after demand by the other party, the other party may purchase the insurance required and bill the party who has failed to purchase the insurance. Each party shall procure and pay for renewals of such insurance prior to the time of expiration of such policies, and each party shall deliver to the other party certificates of such renewal policies before the expiration of any existing policy.

Exhibit B
BUILDING USE & LEASE AGREEMENT

The parties to this agreement are the Coos Bay School District, hereinafter called "District", and The Lighthouse Charter School, a non-profit corporation, hereinafter called "Charter School".

RECITALS:

1. The District and the Charter School have entered into a Charter School Agreement dated July 7, 2021
2. Section 12.1 of the Charter School Agreement provides that the Charter School will have the right to use the building and grounds commonly referred to as Bunker Hill School.
3. The District and the Charter School have agreed to implement the provisions of Section 12.1 by entering into this Building Use Agreement, identified as Exhibit B to the Charter School Agreement.

PURSUANT TO SECTION 12.1 OF THE CHARTER SCHOOL AGREEMENT DATED July 7, 2021, THE DISTRICT AGREES TO ALLOW THE CHARTER SCHOOL THE USE OF THE FOLLOWING DESCRIBED SCHOOL ON THE TERMS AND CONDITIONS STATED BELOW:

DESCRIBED PROPERTY: **Bunker Hill Elementary School**

SECTION 1. PROPERTY

- 1.1 Located at 62858 HWY 101, Coos Bay, Oregon 97420. 16 classrooms, 25,224sq ft. 9.8 Acres.

SECTION 2. TERM

- 2.01 This Agreement and the Charter School's rights under the Charter School Agreement shall begin on July 1, 2021, and continue so long as the Charter School Agreement remains in effect between the parties. -

SECTION 3. USE OF THE PROPERTY

- 3.01 ***Permitted Use.*** The rooms and common areas used by the Charter School pursuant to this Building Use Agreement shall be used for their intended use only and for no other purpose.
- 3.02 ***Restrictions on Use.*** In connection with the use of the Bunker Hill Elementary School, the Charter School shall:
 - 3.02(a) Conform to all applicable laws and regulations of any public authority not a party to the Charter School Agreement, affecting the use of the elementary school;

3.02(b) Refrain from any use which would be reasonably offensive to the District, or which could destroy or damage the rooms subject to this Building Use Agreement.

SECTION 4. REPAIRS AND MAINTENANCE

- 4.01 *District Obligations.*** The District shall be responsible for repairing or replacing, as needed, the structural elements of any building on the property, including, but not limited to, (i) the roof and ceilings, (ii) foundation, (iii) exterior walls and interior load-bearing walls, support beams and columns, (iv) floor slabs, (v) drainage systems, unless such maintenance and repairs are caused in part or in whole by the act, neglect, fault or omission of any duty by the Charter School, its agents, employees or invitees.
- 4.02 *Charter School Obligations.*** Charter School will maintain, at Charter School's cost and expense, the building in the same condition, repair, working order, and appearance, normal wear and tear excepted, existing when Charter School first began occupying the building. To this end, Charter School has the following repair and maintenance obligations, which Charter School will complete at Charter School's cost and expense (i) repair and maintain interior walls (including without limitation, the painting of such walls), doors, windows, and related hardware, light fixtures and switches; (ii) all glass, both exterior and interior to the building; (iii) any repairs or maintenance necessitated by the negligence of Charter School; (iv) snow and ice removal from entryways and walkways; (v) utility costs to maintain the internal temperature of the buildings at commercially reasonable standards; (vi) all other repairs, maintenance, replacement, alterations, and/or improvements to the building which the District is not expressly required to make.
- The Charter School shall be responsible for any maintenance, repairs or painting which are not "customary" and for such maintenance, repairs or painting which becomes necessary solely due to the manner in which the Charter School uses the rooms subject to this Building Use Agreement. Any such work, as well as any modifications to the grounds or structure, shall be performed only after consultation with and the approval of the District's Facilities Manager or designee, which approval shall not be unreasonably withheld.
- 4.03 *Good Faith Negotiation.*** In the event of a catastrophic event with either partial damage or destruction to the building referenced below, and notwithstanding either party's obligations to repair or restore the building, District and Charter School agree to meet promptly after such damage or destruction to consider modifications to the lease term, rent, and other material provisions of the lease of the building. Neither party shall be under any obligation to agree to specific terms of modification, but engage in good faith negotiations to minimize any disruption to Charter School's operations and the educational services provided to students.
- 4.04 *Partial Damage.*** If the building is partially damaged, the District will, within a reasonable amount of time after the date of the damage and subject to the availability of insurance proceeds, repair and restore the building to near the same condition as building existed prior to such damage provided such damage is not caused directly or indirectly through the fault of Charter School and/or Charter School's Agents. District will have no liability to Charter School for any inconvenience, loss of business, or

annoyance arising from any loss by fire (or any other casualty) or by any repair of any portion of the building. Repairs will be accomplished with all reasonable dispatch subject to interruptions and delays from labor disputes and matters beyond the control of District.

4.05 Destruction. If the building is destroyed or damaged such that the cost of repair or replacement exceeds fifty percent (50%) of the applicable replacement value before the damage, District will so notify Charter School in writing and either party may elect to terminate this Lease as of the date of the damage or destruction by written notice given to the other not more than thirty (30) days following the date of District's notice to Charter School. In such event, all rights and obligations of the parties will cease as of the date of termination and Charter School will be entitled to the reimbursement of any prepaid amounts paid by Charter School and attributable to the anticipated term. If neither party elects to terminate, District will proceed to restore the building to substantially the same form as prior to the damage or destruction. Work will be commenced as soon as reasonably possible and thereafter will proceed without interruption, except for work stoppages on account of labor disputes and matters not under the control of District.

4.06 Rent Abatement. If the building is partially damaged or destroyed in a manner that materially impairs the exercise of Charter School's rights under this Lease, rent will be abated for the period during which such damage or destruction is being repaired in reasonable proportion to the impairment suffered by Charter School.

SECTION 5. INSURANCE

5.01 The Charter School shall provide the liability insurance required by the Charter School Agreement, specified in Exhibit A to that Agreement, covering its use of the Bunker Hill facility.

SECTION 6. ASSIGNMENT

6.01 *Property Transfers.* No part of this agreement may be assigned, mortgaged, or subleased, nor may a right of use of any portion of the Bunker Hill School be conferred on any third person by any other means, without the prior written consent of the District. This provision shall apply to all transfers by operation of law and transfers to and by trustees in bankruptcy, receivers, administrators, executors, and legatees. No consent in one instance shall prevent the provisions from applying to a subsequent instance.

SECTION 7. RIGHTS OF FIRST REFUSAL

7.01 If the District decides to sell Bunker Hill during or immediately upon termination of this Agreement, the Nonprofit Corporation shall have a right of first refusal to purchase the property.

SECTION 8. TERMINATION

- 8.01** In the event the Charter School Agreement is terminated pursuant to Section 19 of that Agreement, this Building Use Agreement shall likewise terminate, and possession of all property subject to this Building Use Agreement shall immediately return to District.

SECTION 9. OSBA SERVICES

MEMORANDUM OF UNDERSTANDING BETWEEN Coos Bay School District AND The Lighthouse School REGARDING SERVICES PROVIDED BY THE OREGON SCHOOL BOARDS ASSOCIATION

This Memorandum of Understanding ("MOU") is between the Coos Bay School District and The Lighthouse School, collectively referred to as "Parties." This Agreement is effective upon signature by the Parties and shall remain in effect for the duration of the current charter contract between the Parties, unless terminated as allowed in this Agreement. The charter contract expires on June 30th, 2022.

RECITALS:

1. The Oregon School Boards Association ("OSBA") will be incorporated as a nonprofit corporation under ORS Chapter 65 beginning July 1, 2018. As a result, OSBA will be prohibited from accepting dues and service fees from entities that are not political subdivisions of the state as defined under Treas Reg § 1.103-1(b) and Revenue Ruling 78-276, 1978-2 CB 256. Under these definitions, Oregon charter schools are not political subdivisions of the state.
2. Beginning July 1, 2018, OSBA cannot offer associate memberships to charter schools or contract directly with them for services.
3. Charter schools can still access OSBA services through their sponsor, as long as the sponsor is a member of OSBA.

AGREEMENT:

1. The Coos Bay School District permits The Lighthouse School to access services through OSBA for the length of the charter contract. Before scheduling initial services, The Lighthouse School shall provide a fully executed copy of this MOU to OSBA.
2. When The Lighthouse School schedules a service with OSBA, OSBA will enter into a service agreement with the Coos Bay School District and will invoice the Coos Bay School District for the service, according to the MOU.
3. The Coos Bay School District will pay the OSBA invoice, and will invoice The Lighthouse School for the same amount.
4. The Lighthouse School shall remit payment to the Coos Bay School District in full within thirty (30) days of the invoice.
5. The Lighthouse School's failure to remit payment to the Coos Bay School District in a timely manner may result in the termination of this Agreement at the discretion of the Coos Bay School District.
6. This Agreement may be terminated or amended only by written approval of both Parties, except as authorized in 5. above.

Resignations Inbox x



TLS Director

to me, John ▾

Hello John and Michelle,

Wed, Jun 16, 1:42 PM



I wanted to formally let you know that both Diane and Amanda Rowe declined to sign their contracts for the 21-22 school year. Both teachers verbally notified me that they were resigning from their positions at the Lighthouse School on 6/16/2021 at 9:30am. I advised them to both put this into a written notification for the board, but at this time have yet to receive them.

Michelle-Both teachers returned the contracts to me along with their technology and keys

Shelley Lake

Director

The Lighthouse School

Resignation from Lighthouse Board

Inbox x



Scott McEachern

To: John, Lisa, me

Good afternoon, John, Lisa, and Michelle:

Effective immediately, I am resigning my position on the Lighthouse School board of directors. I have served for nearly 4 years and have a wonderful time helping the board and school in a variety of capacities. I will miss serving with you and the rest of the Board members. However, I am faced with a (very positive) moment in both my personal life and professional career during which I will not have the attention needed to be an effective board member. It would be unfair of me to you and the rest of the board to continue serving when my engagement is not at full capacity. Therefore, I relinquish my position, leaving it to another person who will be able to bring fresh perspective and 100% engagement.

Thank you for the opportunity to serve with you.

All best,

Scott McEachern

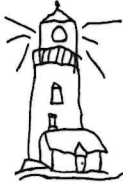
c: 503.701.9637

e: s.meachern@gmail.com

w: smeachern@southerncoos.org

Sun, Jun 13, 12:31 PM





The Lighthouse School
"Lighting the way to a brighter future."
62858 Hwy 101
Coos Bay, Oregon, 97420
(541) 751-1649



Board Meeting Minutes June 2, 2021

1. Call to order
 - ❖ The Board of Directors met June 2, 2021.
 - ❖ The meeting was held via video conference and called to order at 7:00 pm.
 - ❖ The meeting was a regularly scheduled meeting called by the Board of Directors.
 - ❖ The Directors present at the meeting were: Stephanie Ospina, Jenni Schmitt, Tim Hyatt, Stephanie Messerle, Avena Singh, Lisa LaGessee, Scott McEachern and John Gibson. Director- Shelley Lake, Curriculum Coordinator -Julie Graber, and Business Manager- Michelle Silva. A quorum was present because nine of the eleven board members were in attendance. Daniel Pruett entered at 8:10pm, Not Present were Paula Mosely and George von Dassow. Presiding officer was John Gibson.

REGULAR MEETING – REPORTS AND DISCUSSION

2. Public comment – none
(The board welcomes comments and questions from the public. If you wish to address the Board this evening, please sign in. We ask that you limit your comments to three minutes. If more than one person will be addressing the same topic, we ask that you appoint a spokesperson to speak for the group. Speakers may offer objective criticism of school operations and programs, but the Board will not hear complaints concerning individual school personnel. (Policy BDDH: Public Participation in Board Meetings)
3. Union report—Amanda Rowe
 - In lieu of a report, Amanda provided an email update on June 2, 2021 - "I would like to report that Negotiations/Bargaining is going well and we would like to continue to see improvements made on our contract moving forward in order to address issues with retention."
4. Discussed & Approved May 5, 2021 Board Minutes – unanimously approved, with change of alumni working with North Bend High School, not Marshfield High School (MM by Avena Singh/ 2nd by Lisa LaGessee.
5. Consent Agenda - all reports on hold due to Covid-19.
6. Directors Report—Shelley Lake, attached
7. Business Report—Michelle Silva, attached
8. Curriculum Report—Julie Graber, attached
9. Report from last Coos Bay School District (CBSD) Board meeting
 - Stephanie Ospina viewed the May CBSD board meeting. Sunset Middle School presented. Discussed trauma based school intervention. Trying to measure student engagement and academic progress. A parent spoke, advocating for full day instructions. Brian Trendal responded that the CBSD District is looking at the new guidelines and the goal is to get back to normal.
 - Stephanie O set up a Google doc for Lighthouse Board members to sign up for CBSD Board meetings.
10. Old Business –
 - Charter Renewal with CBSD – should have final charter agreement by July Board meeting. Working on details for shared responsibilities. Lighthouse Board expected to vote in July.
11. New Business –
 - June Board Retreat, will be in person, date pending per results of survey monkey – John Gibson
 - 21/22 Calendar presented for adoption – Shelley Lake/Julie Graber
 - i. Calendar committee reviewed and made changes from original proposal.

ii. Unanimous approval to adopt tentative calendar (MM Avena Singh/2nd Jenni Schmitt).

12. Roundtable / Good of the Order-

- Many, many expressions of appreciation and gratitude for everyone at the school working so hard throughout the school year under incredibly difficult circumstances due to Covid.

ADJOURNMENT: The meeting adjourned at 8:16 pm. The next meeting time and date will be Wednesday, July 7, 2021 at 7:00pm.

Signature of Secretary, Stephanie Messerle

Date
