

Charter School Contract
Between
Forest Grove School District
And
Forest Grove Community School

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CHARTER SCHOOL CONTRACT

THIS CONTRACT is made and entered into by and between the Forest Grove Public School District ("District") and the Forest Grove Community School, an Oregon nonprofit corporation.

RECITALS

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

WHEREAS, the District and the Forest Grove Community School entered into a contract to allow the Forest Grove Community School to operate as a charter school in the District on June 25, 2007, and

WHEREAS, the Forest Grove Community School requested in writing by the dates required in the charter school contract to renew the charter school contract; and

WHEREAS, both parties waived the requirement for a public hearing for the purposes of renewing the charter school contract; and

WHEREAS, this contract between Forest Grove Community School and the District, will constitute the full and complete agreement between the parties regarding the governance and operation of Forest Grove Community School; and

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

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

CONTRACT

1. Grant of Charter

The Forest Grove Community School Charter is granted, in accordance with ORS Chapter 338 and the terms and conditions of this Contract, a charter to operate a single public charter school located within the boundaries of the Forest Grove Public School District as described herein.

2. Effective Date

This Contract shall commence on July 1, 2013, and shall expire on June 30, 2018.

3. Educational Program, Student Assessment and Curriculum

A. Age and Grade Range

- (i) The Forest Grove Community School shall operate as a kindergarten through eighth grade (K-8) charter school.
 - (a) If the Forest Grove Community School wishes to extend its grade level offerings beyond the eighth grade, it may only do so at the beginning of an academic year and if it has the approval of the District.
 - (b) In order to extend its grade level offerings, the Forest Grove Community School must provide written notice to the District by March 1st that it intends to offer additional grade levels the following school year.
 - (c) The District shall provide to the Forest Grove Community School by April 1st a list of any additional information the District would need in order to determine if the Forest Grove Community School may provide academic offerings beyond the eighth grade.
 - (d) The District shall review the written request and any additional information provided by the Forest Grove Community School and issue a written decision to the Forest Grove Community School within sixty (60) days of receiving the written request. The District shall base its decision using the following criteria:
 - The capability of the Forest Grove Community School, in terms of support and planning, to provide a comprehensive instructional program to students beyond the eighth grade;
 - The capability of the Forest Grove Community School to comply with all state requirements concerning Common Curriculum Goals, Essential Learning Skills and academic content standards as defined in ORS 329.045 and administrative rules adopted by the Oregon Department of Education for curricular offerings beyond the eighth grade;
 - The capability of the Forest Grove Community School to

provide an instructional program to students beyond the eighth grade that meets the requirements of the High School Diploma as described in OAR 581-022-1130, or the Modified Diploma as described in OAR 581-022-1134 for those students who qualify for the Modified Diploma under OAR 581-022-1134(3);

- The ability of the Forest Grove Community School to demonstrate that adding any grade offerings beyond the eighth grade will not jeopardize the financial stability of the Forest Grove Community School; and
 - The ability of the Forest Grove Community School to provide special education and related to services to students with disabilities that may wish to attend the Forest Grove Community School beyond the eighth grade class offerings.
- (e) The decision of the District shall be final and is not appealable to either the Oregon Department of Education or the state Board of Education.
- (f) During the term of this Contract, Forest Grove Community School agrees not to add any additional grades above eighth grade, and agrees not to submit another charter proposal that would include grades nine through twelve.
- (ii) As provided in state law, currently ORS 338.115(5), the Charter School shall maintain an active enrollment of at least twenty-five (25) students. The total maximum enrollment will not exceed 250.
- (iii) The Forest Grove Community School shall follow District policy regarding age and admission eligibility for kindergarten and first grade students.

B. Curriculum

The District agrees to waive its curricular requirements, to the extent permitted by state law, but subject to the implementation of Forest Grove Community School's

instructional programs required by law and the School Improvement Plan required under Section 4 of this Contract.

- (i) The Forest Grove Community School shall have the authority and responsibility of designing and implementing its educational program, subject to the conditions of this Contract in a manner which is consistent with state law.
- (ii) The educational program, pupil performance standards and curriculum designed and implemented by the Forest Grove Community School shall meet or exceed any content standards adopted by the State of Oregon and shall be designed to enable each pupil to achieve such standards.
- (iii) The Forest Grove Community School will comply with all state requirements concerning Common Curriculum Goals, Essential Learning Skills and academic content standards as defined in ORS 329.045 and administrative rules adopted by the Oregon Department of Education.
- (iv) The Forest Grove Community School will obtain prior approval from the District before making a fundamental change to the educational program outlined in its application. A fundamental change is defined as changing the academic focus of the Forest Grove Community School or adopting a curriculum that does not meet district or state standards. Any such fundamental change would require an amendment to this contract.

C. Student Assessment

- (i) All students enrolled and attending kindergarten through eighth grade at the Forest Grove Community School shall participate and take part in all statewide assessments developed by the Oregon Department of Education under ORS 329.485, as well as any assessment under current or future state and federal law.
- (ii) If any of the assessments described in Section 3, Paragraph C, subparagraph (i) of this Contract are discontinued, the parties shall mutually agree on the assessment tool to be used by the Forest Grove Community School's students.

D. Records

The Forest Grove Community School shall comply with all record keeping requirements of state and federal law pertaining to student records and shall

cooperate with the District by providing key reports or records to the District, as necessary, to meet the District's reporting obligations to the Oregon Department of Education or the U.S. Department of Education.

E. Nondiscrimination

The Forest Grove Community School shall not discriminate against any student or staff on the basis of race, creed, color, sex, national origin, religion, ancestry, disability, marital status, sexual orientation, or political beliefs and/or affiliations.

F. Nonreligious

The educational program of the Forest Grove Community School shall be nonreligious and nonsectarian.

G. Open Enrollment

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

H. Admission

Admission of students to the Forest Grove Community School shall be conducted in accordance with state law (currently ORS 338.125). "Admission" means that the student (1) applied to the Forest Grove Community School; (2) successfully completed the lottery; and (3) has been formally accepted as a Forest Grove Community School student by the Forest Grove Community School and, (4) in the case of a student who is eligible for special education and related service under the Individuals with Disabilities Education Act, the Forest Grove School District's Individual Education Plan or Program (IEP) team deems the Forest Grove Community School to be a proper placement.

I. Enrollment Process

- (i) Forest Grove Community School is a school of choice. Enrollment at the Forest Grove Community School is and must be voluntary. All students, including students with disabilities, who are residents of the District, are eligible for enrollment. Age and grade are the only criteria.
- (ii) If the number of applications from resident students exceeds the number of spaces available, the Forest Grove Community School must select all students for enrollment through an equitable lottery. If space is available, the Forest Grove Community School may admit students from out of the District.
- (iii) After the Forest Grove Community School has met its student capacity, two waiting lists will be established. A resident student waiting list for each age level will be established with the order being established through an equitable lottery. Also, a non-resident student waiting list will be established for each age level with the order being established through an equitable lottery. School student vacancies will be filled by using the waiting lists. Students on the resident waiting lists at each grade level will fill vacancies prior to students on the non-resident waiting list. Students who apply after the final annual enrollment period has closed will be added to the respective list on a first come, first served basis.
- (iv) This process may be modified in accordance with any waiver granted by the Oregon State Board of Education.

J. Preferences After First Year

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

Once these students are identified, all other students will be selected through an equitable lottery, as described in the previous section.

K. Student Attendance, Conduct and Discipline

- (i) The Forest Grove Community School shall implement a system of uniform student conduct. The Forest Grove Community School shall notify its students of the students' rights and responsibilities at the

beginning of each school year, or as a student meets the admission requirements as stated in this Contract. The Forest Grove Community School shall maintain accurate enrollment data and daily records of student attendance and shall provide access to this data to the District on a monthly basis via Synergy student information system.

- (ii) The Forest Grove Community School shall notify the District immediately upon a student being expelled from the Forest Grove Community School.
- (iii) The Forest Grove Community School and the District shall each extend full faith and credit to the suspension and expulsion of a student of the other, unless both parties agree in writing to a variance from this requirement.

L. Education of Students with Disabilities

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

- (i) The Forest Grove Community School shall comply with all District policies regarding discipline of special education students;
- (ii) The members of an Individual Education Plan and Program (IEP) team are determined by federal law;
- (iii) The student's IEP team will determine the appropriate educational program and placement for the student. The Forest Grove Community School shall abide by the IEP team's decision on program and placement;
- (iv) The Forest Grove Community School staff shall comply with training required by an IEP team for delivery of services to a Forest Grove Community School student. Required training shall to the extent possible be conducted after the end of the instructional portion of the workday. Forest Grove Charter School employees shall incur the same expenses as District employees, if any.
- (v) The funds from the Oregon Department of Education representing the Average Daily Membership weighted (ADMw) for special education for the Forest Grove Community School special education students shall be

retained by the District. .

- (vi) The District has the discretion to determine which specialized programs will be offered on site at the Forest Grove Community School site;
- (vii) The student's IEP team may recommend any appropriate placement for the student based on the student's needs, whether in or out of the Forest Grove Community School. The Forest Grove Community School shall not change the student's placement or IEP without IEP team action.
- (viii) If it is required as related service on a Forest Grove Community School student's IEP, the District will provide transportation to Forest Grove Community School.
- (ix) The Forest Grove Community School shall notify the Forest Grove School District's Special Education secretary if a student may need special education.
- (x) If, after a student is enrolled and attending the Forest Grove Community School, the staff of the Forest Grove Community School suspects a student may be eligible for special education and related services under IDEA, the Forest Grove Community School shall comply with the District practices and policies for referral of the student for evaluation.
- (xi) The District retains responsibility for offering and providing a free appropriate public education to all special education students who attend the Forest Grove Community School.
- (xii) District employees providing special education and related services to students with disabilities attending the Forest Grove Community School shall not be required to provide those services on days when the District is closed, or District schools are not in session. The Forest Grove Community School may contract with the District to pay for the cost of District employees to provide special education and related services on days when the District closed, or District schools are not in session.

M. Tuition and Fees

The Forest Grove Community School shall not charge tuition to students attending the Forest Grove Community School. The Forest Grove Community School shall not charge tuition for programs, classes or courses of study which are part of the regular school program. The Forest Grove Community School may

charge reasonable fees for textbooks (including deposits applied to damages), instructional materials, operational after-school programs and student activities pursuant to state law (currently ORS 339.141, 339.147 and 339.155). The Forest Grove Community School shall not charge tuition for its half-day kindergarten program, but may charge tuition for the second half of any full-day kindergarten program that it chooses to make available as an option to enrolled kindergarten students.

N. Student Welfare and Safety

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

- (i) All staff at Forest Grove Community School are responsible for the reporting of child abuse and neglect in accordance with state law (currently ORS 339.370, 372 and 388).
- (ii) The Forest Grove Community School shall immediately inform the Forest Grove School District's Assistant Superintendent of any incident regarding child abuse and/or neglect.
- (iii) The Forest Grove Community School shall comply with state and federal law relating to drug administration to students.
- (iv) The Forest Grove Community School shall comply with OAR 548-02-0041, the Teacher Standards and Practices Commission requirements that the chief administrator report certain acts of gross neglect of duty or gross unfitness by licensed staff.

O. School Year; School Day; Hours of Operation

Students will receive at least the minimum number of annual instructional hours pursuant to state laws or administrative rule. Forest Grove Community School will determine its school calendar annually and will provide a copy to the District by May 15th of each year for the following school year. The Forest Grove Community School will reimburse the District for any additional cost for shared staff on Forest Grove School District's non-school days.

P. Alternative Education Model

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

Q. Participation in District Offerings

With prior approval Forest Grove Community School students may participate in District classes and activities subject to availability as determined by the District and subject to the same costs as District students. School students may participate in District sports programs under the same terms and conditions, including costs, as District students and subject to Oregon School Activities Association rules and requirements.

4. Evaluation of Student Performance and Procedures for Corrective Action

A. Use of Statewide Assessments

The Forest Grove Community School shall fully participate in the Oregon statewide assessment system developed under ORS 329.485. The Forest Grove Community School shall administer the Oregon statewide assessments to its students on the same schedule as the District's Assessment Calendar.

B. Student Participation

The Forest Grove Community School shall ensure that no less than 95 percent of the students in each grade participate in the statewide assessments.

C. Student Achievement and Accountability

- (i) The Forest Grove Community School shall ensure that its students participating in the statewide assessments achieve at or above students in the same grade level as District students participating in the statewide assessment. **(For example, if 80 percent of the District's 3rd grade students meet standards on mathematics, 80 percent or more of the Forest Grove Community School's 3rd grade students would need to meet standards in mathematics.)**
- (ii) If students of the Forest Grove Community School do not meet or exceed the student achievement standards of students in the same grade level as District students, an evaluation of the factors contributing to these results will be undertaken by the District and Forest Grove Community School personnel with expertise in teaching, learning, assessment and evaluation

to determine the likely causative factors. This determination will utilize principles of evaluation including a review of whether differences between grade level comparison groups as described in (i) are statistically significant. Should the determination related to grade level comparisons defined in (i) find that it is likely the factors contributing to the differences are not attributable to teaching and/or curricular programs, no further action will be taken. However, should it be found that the difference in grade level comparisons is likely based on instructional and/or curricular program issues, then the District and the Forest Grove Community School shall review and update its School Improvement Plan, required under Section 4, paragraph F of this Charter School Contract, to address the issues interfering with students achieving at a rate commensurate with other district students in comparable grades. The District shall review and provide input to Forest Grove Community School on its revised School Improvement Plan to be implemented to ensure student achievement standards of Forest Grove Community School students meet or exceed student achievement standards of students in the same grade level as District students on the following year's statewide assessments.

- (iii) If students of the Forest Grove Community School do not meet or exceed the achievement standards of students in the same grade level as District students on the following statewide assessment for two consecutive years, as outlined in (ii), the District and the Forest Grove Community School shall jointly revise the School Improvement Plan to address the issues interfering with students meeting benchmarks at a rate commensurate with other district students at the same grade level. The School Improvement Plan will specifically address teaching to the standards, effective teaching strategies, professional development and leadership practices to focus on the Forest Grove Community School students achieving at or above the rate at which students in the same grade level as District students achieve.
- (iv) The Forest Grove Community School shall provide access to the District the Forest Grove Community School's student scores on any of the statewide assessments within ten (10) business days of receiving the scores.
- (v) The District shall report to the Forest Grove Community School the same state assessment result information as all District schools with disaggregated data for comparison and goal-setting purposes as soon as possible but not beyond thirty (30) business days of receiving those scores.

D. Assessment of Essential Skills

The Forest Grove Community School shall prepare a written plan for implementing the requirements of OAR 581-022-0615 (Assessment of Essential Skills) and shall deliver the written plan to the District by November 1st.

E. Assessment of English Language Learners

If any of the Forest Grove Community School's students are identified as English Language Learners, the Forest Grove Community School shall administer the English Language Proficiency Assessment annually to assess the level of English proficiency. Forest Grove Community School agrees to coordinate all English language development services with the District.

F. Development of School Improvement Plan

The Forest Grove Community School shall develop a written School Improvement Plan that includes measurable student achievement goals, strategies to meet the student achievement goals, timelines to meet the student achievement goals and short-term and long-term professional development plans for staff. The plan may also include other measurable goals that are important to the culture and philosophy of the Forest Grove Community School. The plan shall be reviewed annually and forwarded to the District by November 1st of each school year.

G. Curriculum Alignment

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

5. Economic Plan, Budget and Annual Audit

A. Funding

- (i) For kindergarten through eighth-grade students: The District shall provide funding to the Forest Grove Community School in an amount per weighted average daily membership (ADMw) of the Forest Grove Community School that is equal to 85 percent of the amount of the District's general purpose grant per ADMw as calculated under ORS

327.013 for the Forest Grove Community School students in grades kindergarten through eighth except as amended by this Contract under Section 3, paragraph L, subparagraph 3.L(v) for students eligible for special education services under IDEA. Funding shall be determined based on enrollment as of the date by which the District must submit its December Report to the Oregon Department of Education. So long as the Forest Grove Community School is not in violation of ORS Chapter 338, this funding will be made available to the Forest Grove Community School, commencing on the date set forth and according to the distribution schedule set forth in Section 5, paragraph C, subparagraph (vi) below. The District, at its sole discretion, may advance funds to the Forest Grove Community School upon request. The District will adjust the funding to reflect the actual funded pupil count as of October 1st. In addition, to the extent the District experiences any reduction or increase in its state funding "General Purpose Grant SB 100," proportionate reductions or increases will be made to the Forest Grove Community School by adjustment or setoff in subsequent months. This amount is calculated by the Oregon Department of Education and provided to the District on the State School Fund District Estimate that the Department of Education periodically provides to school districts.

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

B. Budget

- (i) On or before March 15th of year, the Forest Grove Community School shall submit to the District the Forest Grove Community School proposed budget for the upcoming school year.
- (ii) On or before July 15th of each year, the Forest Grove Community School shall submit to the District the Forest Grove Community School adopted budget for the upcoming school year.

- (iii) The Forest Grove Community School shall be responsible for all costs of subcontracting for goods and services, except as expressly provided in this Contract.
- (iv) The fiscal year of the Forest Grove Community School shall begin on July 1st of each year and end on June 30 of the subsequent year to coincide with the District's fiscal year.
- (v) The cost of any service(s) provided to the Forest Grove Community School by the District above and beyond the terms of this Contract shall be deducted from payments due to the Forest Grove Community School from the District's payments outlined in Section 5, paragraph A of this Contract. The parties shall mutually agree on type of service and any affiliated costs prior to the implementation of this section.

C. Financial Records, Audits and Accounting Reports

- (i) The Forest Grove Community School agrees to establish, maintain and retain appropriate financial records in accordance with applicable state and federal laws and to make such records available to the District. The Forest Grove Community School shall submit monthly income and expense reports, a monthly balance sheet showing liabilities and assets and an Aged Accounts Payable statement showing any accounts that are 30, 60, 90 or 90+ days past due to the District by the 15th of each month.
- (ii) The Forest Grove Community School shall have an annual audit of its accounts in accordance with Municipal Financial Audit law, ORS 297.045 to 297.555 and 297.990. After the audit is completed, the Forest Grove Community School shall forward to the District and the Oregon Department of Education by December 15th the following:
 - (a) A copy of the annual audit;
 - (b) Any statements from the Forest Grove Community School that show the results of all operations and transactions affecting the financial status of the Forest Grove Community School during the preceding annual audit period for the school; and
 - (c) An electronic copy of any balance sheet containing a summary of the assets and liabilities of the Forest Grove Community School and related operating budget documents as of the closing date of the preceding annual audit period for the school.

- (iii) The Forest Grove Community School shall provide to the District the Forest Grove Community School's Internal Revenue Service Form 990 by November 15th of each year.
- (iv) The Forest Grove Community School shall have in place a sound financial management system. This sound financial management system shall minimally include:
 - (a) Accounting and financial record keeping procedures which reflect Generally Accepted Accounting Principals (GAAP);
 - (b) Procedures reflecting cash management, investment practices and financial reporting;
 - (c) Balance sheets reflecting received summary of assets and liabilities;
 - (d) Segregation of duties of those providing the necessary financial reports; and
 - (e) A process reflecting an annual review of financial systems by the Forest Grove Community School.
- (v) The Forest Grove Community School shall have student enrollment information current and available thru electronic query by the 5th of each month to the District student enrollment counts for purposes of calculating distribution of ADMw funding to the Forest Grove Community School.
- (vi) The District shall distribute to the Forest Grove Community School funds as determined in Section 5, paragraph A, subparagraph(s) (i) and (ii) of this Contract, in the following amounts on or before the following dates for each school year:
 - (a) July 25- 16.66 percent
 - (b) August 25- 8.33 percent
 - (c) September 25-8.33 percent
 - (d) October 25 - 8.33 percent
 - (e) November 25-8.33 percent

(f) December 25- 8.33 percent

(g) January 25- 8.33 percent

(h) February 25- 8.33 percent

(i) March 25-8.33 percent

(j) April 25 - 8.33 percent

(k) May 25- 8.33 percent

- The parties mutually agree that the above payment schedule is intended to follow the disbursement schedule of State School Fund payments to the District under ORS 327.095. The parties further agree that should the disbursement schedule of the State School Fund be modified during the term of this Contract, the disbursement schedule of payments from the District to the Forest Grove Community School shall be modified to reflect such changes. The District shall still be required to transfer the payment due the Forest Grove Community School under this Contract within ten (10) business days of receipt of such payment from the State School Fund. [For example, should the Oregon Legislature amend the State School Fund disbursement schedule and move the May 2012 payment to July 2012, the District shall not be required to transfer the payment to the Forest Grove Community School until ten (10) business days after the District has its State School Fund disbursement in July 2012.]

(vii) In the event that this Contract is revoked, terminated or not renewed by the District, the Forest Grove Community School shall refund to the District all unspent public funds that were given to the Forest Grove Community School by the District.

(viii) The parties acknowledge that under ORS 338.155(9)(b) the Forest Grove Community School is entitled to other state sources of funds from the

Oregon Department of Education that are available to school districts based solely on the weighted average daily membership (ADMw) of the school district which are not included in this Contract.

- (ix) The parties acknowledge that under ORS 338.155(9)(a) the Forest Grove Community School may apply for any grant that is available to school districts or non-chartered public schools from the Oregon Department of Education.
- (x) The Forest Grove Community School may accept gifts, donations or grants pursuant to ORS Chapter 338, provided that no such gifts, grants or donations may be accepted if contrary to applicable law or the terms of this Contract. In the event the Forest Grove Community School solicits funding from other sources than the District, it shall comply with all applicable state and federal laws regarding reporting of such charitable solicitations. The Forest Grove Community School shall annually report all gifts, donations and grants to the District by recording same in the financial records described in Section 5, paragraph C above. This does not require reporting the names of, or individual contribution amounts from individual donors, unless the Forest Grove Community School is required to disclose this information under law.
- (xi) The Forest Grove Community School shall provide the District with all copies of letters and the audit report from the Forest Grove Community School's auditor to the Forest Grove Community School Board or the Forest Grove Community School Director.

D. Annual Program Review

Forest Grove Community School agrees to submit to an annual third-party evaluation of its operations and educational program. The District is entitled to choose the evaluator(s) who will perform this annual evaluation. The District will notify Forest Grove Community School the identity of the evaluator(s) and Forest Grove Community School agrees to give access to its programs and operations and all necessary documents during regular business hours. The parties agree that the evaluator(s) chosen by the District will produce an evaluation report which will be provided to the District. The parties anticipate that the evaluation process will be completed by May 1 of each year.

E. Failure to Provide Necessary Financial Records

Notwithstanding Section 5, paragraph A, subparagraphs (i) and (ii) and Section 5, paragraph C, subparagraph (iv) of this Contract, if the Forest Grove Community

School has not submitted the proposed budget, the adopted budget, the required annual audit or any other financial information the District requests such as management letters, any State audits, bank reconciliations, etc., by the date the Forest Grove Community School is to provide the information to the District, the District shall withhold any and all State School Fund payments to the Forest Grove Community School until the information is received by the District.

6. Building and Facilities

A. Location of School

The Forest Grove Community School is currently located at 1914 Pacific Avenue, Forest Grove, Oregon 97116.

- (i) The Forest Grove Community School may change its physical location or obtain additional facilities provided that the Forest Grove Community School fulfills the obligations and provides the information set forth in this section with respect to such new or additional facilities and provided further that the Forest Grove Community School notifies the District of the proposed change in location or addition of facilities not less than thirty (30) business days prior to taking any final action in connection therewith.
- (ii) Should the Forest Grove Community School lease, rent or purchase part of an existing church facility, then the Forest Grove Community School shall ensure that there will be no visible church signs or symbols within the school entryway, hallway or classroom. The Forest Grove Community School further ensures that the entrance to the charter school building will have a secular appearance. The Forest Grove Community School further ensures that the entrance to the charter school will be separate from the church's main entrance. The Forest Grove Community School further ensures that students shall have no exposure to religious materials. No church functions will be coordinated jointly with any Forest Grove Community School operation or activity.
- (iii) If the Forest Grove Community School is found to be in violation of Section 6 of this Contract, the District shall issue a written notice to the Forest Grove Community School requesting that the Forest Grove Community School address the issue within ten (10) calendar days of the receipt of such notice.
- (iv) Upon receiving written notice to address from the District under this section, the Forest Grove Community School shall address the issue that

resulted in the notice being issued by the District within ten (10) calendar days of the date of receipt of such notice, and notify the District in writing that it has addressed the issue.

- (v) If the Forest Grove Community School does not cure the issue that resulted in the District sending a notice under Section 6 of this Contract within the required ten (10) calendar days, the District shall take action to terminate this Contract.
- (vi) Should any individual(s), group(s) or entity bring a legal action against the District asserting that the District is, or was, in violation of the Establishment Clause of the First Amendment to the United States Constitution or Section 5, Article I of the Oregon Constitution due to the Forest Grove Community School's operation as a public charter school within the District, the Forest Grove Community School shall defend and hold the District harmless from any judgment or order. This shall include, but not be limited to, court costs, attorney fees and any funds that were to be distributed to the District under ORS Chapter 327 which were withheld under ORS 327.109.

7. Governance and Operation

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

A. Corporate Status

- (i) The Forest Grove Community School is and shall remain for the term of this Contract an Oregon nonprofit corporation. Within thirty (30) calendar days after making any changes to its Articles of Incorporation or Bylaws, the Forest Grove Community School shall notify the District of the changes the Forest Grove Community School makes to such documents.
- (ii) The parties recognize that Forest Grove Community School is an Oregon non-profit corporation currently doing business as the Forest Grove Community School. The parties further recognize that Forest Grove Community School is also legally authorized to engage in other lawful activities consistent with its Bylaws and Oregon law, including, but not limited to, the operation of other educational programs and charter schools. If and when Forest Grove Community School decides to operate another charter school, business entity or educational program, Forest

Grove Community School shall notify the District of its intent as soon as possible and such notification shall be prior to Forest Grove Community School's final decision to operate another charter school business entity or educational program. Such notification is a mandatory requirement of this contract. Upon notification, the District and Forest Grove Community School will negotiate terms that are mutually acceptable to the parties that address the District's concerns about liability and financial issues and agree on an amendment to this contract which satisfies those concerns.

- (iii) If Forest Grove Community School fails to notify the District of its intent to operate other charter schools or business entities or operations, the parties agree that this is a material breach of the contract and the District may exercise its rights of termination under the Contract.

B. Nonreligious, Nonsectarian Status

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

C. Nondiscrimination

The Forest Grove Community School without limitation, statutory and constitutional provisions, prohibits discrimination on the basis of disability, age, race, creed, color, sex, national origin, religion, ancestry, marital status, political beliefs and/or affiliations, or sexual orientation.

D. Public Meeting and Public Records

The Forest Grove Community School and its Board of Directors are subject to the provisions of Oregon Public Meetings Law, ORS 192.610 to 192.690 and Oregon Public Records Law, ORS 192.410 to 192.505.

E. Operational Powers

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

- (i) The Forest Grove Community School shall have the authority to exercise independently, also consistent with federal and state law, all powers granted to nonprofit corporations and charter schools so long as such powers are not inconsistent with the terms of this Contract, including without limitation the following powers (and including such other powers as provided for elsewhere in this Contract): making all personnel decisions, including hiring, firing and discipline of all teachers, supervisors and staff; contract for goods and services necessary for the operation of the Forest Grove Community School; prepare a budget; procure insurance and necessary bonds; lease facilities for school purposes; purchase, lease or rent furniture, equipment and supplies; retain fees collected from students in accordance with state law; organize and carry out fund-raising efforts; and accept and expend gifts, donations or grants of any kind in accordance with such conditions prescribed by the donors as are consistent with law and not contrary to any of the terms of this Contract.

F. Third Party Contracts

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

G. Annual Report and Site Visit(s)

The Forest Grove Community School shall submit an annual report by each December 5th to the District and to the State Board of Education which will include, without limitation, the following:

- (i) The annual municipal audit required under Section 5 of this Contract and including proof of insurance;
- (ii) A copy of the latest school board policy book;
- (iii) Information on the performance of the school overall, including summary enrollment levels, attendance rates, student conduct and discipline data, an analysis of the students' progress toward meeting academic goals and objectives, summary data on the accomplishment of the school's educational program and operational goals, an outline of goals for the upcoming year along with an action plan to achieve those goals and evaluation plan to measure attainment of those goals; and

- (iv) Any other information the District reasonably deems necessary to demonstrate that the Forest Grove Community School is in compliance with state and federal law and the terms of this Contract. The District will notify Forest Grove Community School of any additional information it requires by September 1st of each year.

District board and staff members may visit the Forest Grove Community School site at any time during operating hours. Pursuant to state law (currently ORS 338.095(1)), the District or its designee at least annually will visit the Forest Grove Community School site and review the public charter school's compliance with the terms and provisions of the charter. The District will notify the school at least thirty (30) business days in advance of any formal site visit and/or review.

H. Term

This Contract is effective on July 1, 2013, and will last for a period of five (5) school years.

I. Termination

- (i) To the extent allowed by ORS Chapter 338, the District may revoke the charter and terminate this Contract on any of the following grounds:
 - (a) Violation of, or failure to meet and sustain any terms of this Contract or ORS Chapter 338.
 - (b) Failure to comply with the requirements of a School Improvement Plan created under Section 4 of this Contract.
 - (c) Failure to correct any violation of a federal or state law that is described in ORS 338.115.
 - (d) Failure to maintain insurance as described in Section 9 of this Contract.
 - (e) Failure to maintain financial stability.
- (ii) The District shall provide sixty (60) calendar days' prior written notice of its intent to terminate the charter agreement. The Forest Grove Community School may appeal the District's decision to terminate the charter agreement directly to the District's Board. The Forest Grove Community School 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. The Forest Grove Community School has the burden of proof for any affirmative defense to the allegations by a preponderance of the evidence. The District Board's decision may only be appealed to the State Board of Education according to ORS 338.105. Until the effective date of termination of this Contract, as determined by the District, the District shall continue to make the funding payments under Section 5 of this Contract to the Forest Grove Community School.

- (iii) The Forest Grove Community School may only terminate this charter at the end of a semester. The Forest Grove Community School shall notify the District in writing, at least 180 calendar days prior to the proposed effective date of termination, dissolution or closure of the Forest Grove Community School.
- (iv) In the event of termination of the Forest Grove Community School as a public charter school, all assets purchased with public funds given to the Forest Grove Community School by the District in accordance with this Contract shall be given to the state Board of Education for disbursement in accordance with state law (currently ORS 338.105(6)).

J. Dissolution

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

K. Property Inventory Control

- (i) The Forest Grove Community School shall maintain records of purchase orders and invoice records for all assets over \$100.00. These records shall indicate whether the assets were purchased with public funds, or non-public funds. The Forest Grove Community School shall provide the District with a copy of this purchase order and invoice records no later than July 15th of each year that the Forest Grove Community School operates as a public charter school in the District. For the purposes of this section, public funds shall include any and all funds distributed to the Forest Grove Community School:

- (a) by the District, pursuant to ORS 338.155 and ORS 338.165;
 - (b) by the Oregon Department of Education, including any and all federal grant funds that the Forest Grove Community School may apply for and be awarded by the Oregon Department of Education; or
 - (c) by an agency, division or branch of the United States Government, or any entity created by an agency, division or branch of the United States Government.
- (ii) Any asset which was purchased by the Forest Grove Community School with public funds shall be given to the State Board of Education upon termination pursuant to ORS 338.105(6). The Forest Grove Community School may retain any asset which was purchased with non-public funds upon termination. If the Forest Grove Community School does not maintain records of purchase orders and invoice records for all assets, or cannot provide records showing that an asset was purchased with non-public funds, then it shall be assumed that the asset was purchased with public funds, and upon termination the asset in question shall be given to the State Board of Education pursuant to ORS 338.105(6).

8. Employment Matters

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

A. Criminal Background Checks

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

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

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

- (i) At least one-half of the total full-time equivalent (FTE) teaching and administrative staff at the public charter school shall be licensed by TSPC pursuant to ORS 342.135, 342.136, 342.138 or 342.140.
- (ii) Any teaching or administrative staff not licensed by the Oregon Teacher Standards and Practices Commission (TSPC) will register with TSPC in accordance with ORS 338.135(7)(a)-(c) and OAR 584-023-0005.

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

All teachers and paraprofessionals employed by the Forest Grove Community School who are licensed or registered with TSPC shall also comply with OAR 584-100-0090 or 548-100-0095, as applicable.

D. Building Administrator

The Forest Grove Community School shall have a building level administrator.

E. Professional Development

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

9. Insurance and Legal Liabilities

A. Insurance

- (i) The Forest Grove Community School shall, at its own expense, secure, retain and provide proof of the following insurance and in the amounts set forth in the school district policy LBE and administrative regulation LBE-AR as of the time this Contract is executed: commercial and

general liability insurance; errors and omissions insurance; directors and officers liability insurance; automobile liability insurance; workers' compensation insurance; employee dishonesty insurance; property insurance.

- (ii) No later than October 1, 2010, and at any time thereafter upon request of the District, the Forest Grove Community School shall provide the District with certificates of insurance or other satisfactory proof evidencing coverage in the types and amounts set forth herein. All such insurance policies shall contain a provision requiring notice to the District, at least 30 days in advance, of any material change, non-renewal or termination.

B. Legal Liabilities

- (i) The following federal and state laws apply to the Forest Grove Community School pursuant to state law (currently ORS 338.115(1)) and shall be observed by the Forest Grove Community School where applicable:
 - (a) Federal law;
 - (b) ORS 30.260 to 30.300 (tort claims);
 - (c) ORS 192.410 to 192.505 (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 326.565, 326.575 and 326.580 (student records);
 - (g) ORS 181.534, 326.603, 326.607, 342.223 and 342.232 (criminal records checks);
 - (h) ORS 329.045 (academic content standards and instruction);
 - (i) ORS 329.451 (high school diploma, modified diploma, extended diploma and alternative certificate);
 - (j) ORS 329.496 (physical education);
 - (k) The statewide assessment system developed by the Department of Education for mathematics, science and English under ORS 329.485(2);
 - (l) ORS 337.150 (textbooks);
 - (m) ORS 339.141, 339.147 and 339.155 (tuition and fees);
 - (n) ORS 339.250 (12) (prohibition on infliction of corporal punishment);
 - (o) ORS 339.326 (notice concerning students subject to juvenile court petitions);
 - (p) ORS 339.370, 339.372, 339.388 and 339.400 (reporting of child abuse and training on prevention and identification of child

- abuse);
- (q) ORS chapter 657 (Employment Department Law);
- (r) ORS 659.850, 659.855 and 659.860 (discrimination);
- (s) Any statute or rule that establishes requirements for instructional time provided by a school during each day or during a year;
- (t) Health and safety statutes and rules;
- (u) Any statute or rule that is listed in the charter;
- (v) and
- (w) ORS Chapter 338.

- (ii) Forest Grove Community School will also comply with any statute adopted by the Legislature and any administrative rule adopted by the Oregon State Board of Education or the Oregon Teacher Standards and Practices Commission (TSPC) regarding public charter schools.
- (iii) The Forest Grove Community School shall furnish to the District copies of any written policies or procedures it may develop with respect to any matter relating to its operation and educational program upon adoption of such policy by the Forest Grove Community School's governing board.

C. Waiver

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

D. Full Faith and Credit

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

E. Indemnification

- (i) To the extent not covered by insurance or otherwise barred by the Oregon Tort Claims Act in ORS Chapter 30, the Forest Grove Community

School agrees to indemnify and hold the District, its Board, agents and employees harmless from all liability, claims, and demands on account of injury, loss or damage, including, without limitation, claims arising from (1) the possession, occupancy or use by the Forest Grove Community School of property of the Forest Grove Community School or its landlord, its faculty, employees, students, patrons, guests or agents; (2) civil rights violations, bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever which arise out of the acts or omissions of the Forest Grove Community School. This indemnification shall not apply to any liability, claims, or demands resulting from the negligence or wrongful act or omission of any District Board member, officer or employee. This indemnification shall not apply to any liability, claims, or demands resulting from the negligence or wrongful act of any District employee working at the Forest Grove Community School whose negligence or wrongful act or omission is caused in whole or in part, or directed by the District. The Forest Grove Community School agrees to indemnify, hold harmless and defend the District from all contract claims in which the Forest Grove Community 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.

- (ii) To the extent not covered by insurance or otherwise barred by the Oregon Tort Claims Act in ORS Chapter 30, the District agrees to indemnify and hold the Forest Grove Community School, its Board, agents and employees harmless from all liability, claims, or demands on account of injury, loss or damage, including, without limitation, claims arising from civil rights violations, bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever which arise out of the District's administration of this Contract. This indemnification shall not apply to any liability, claims, or demand resulting from the negligence or wrongful act or omission or any Forest Grove Community School 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 the Forest Grove Community School whose negligent or wrongful act or omission is caused in whole or in part, or directed by the Forest Grove Community 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.

- (iii) This indemnification, defense and hold harmless obligation on behalf of the Forest Grove Community School and the District shall survive the termination of this Contract. Any indemnified party shall have the right, at its own expense, to participate in the defense of any suit, without relieving the indemnifying party of any of its obligations hereunder.

F. District Disclaimer of Liability

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

- (i) The acts or omissions of the Forest Grove Community School, its governing Board, trustees, agents or employees;
- (ii) The use and occupancy of the building occupied by the Forest Grove Community School or any matter in connection with the condition of such building; or
- (iii) Any debt or contractual obligation incurred by the Forest Grove Community School.

G. ADA/§504 Obligations

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

H. Transportation

- (i) In accordance with ORS 338.145, the Forest Grove Community School shall be responsible for providing transportation to students who reside within the school district and who attend the Forest Grove Community School. The Forest Grove Community School shall adopt a transportation plan acceptable to the District and transmit it to the District by May 1st of each year.
- (ii) The Forest Grove Community School students may obtain transportation

through the student's parent/guardian or existing public school bus lines. The District shall not be obligated to alter existing bus routes or stops or add bus routes or stops for purposes of providing transportation to the Forest Grove Community School's students. Subject to availability of space, a District bus may stop at the Forest Grove Community School facility to drop-off and pick-up the Forest Grove Community School students, if the Forest Grove Community School facility is on a designated District bus route. The District is responsible for providing transportation to the Forest Grove Community School students along existing public school bus lines within the District, if space is available.

10. Renewal of Charter

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

A. Process and Bases for Renewal

- (i) The District shall base the charter renewal decision on a good faith evaluation of whether the Forest Grove Community School is:
 - (a) In compliance with ORS Chapter 338 and all other applicable state and federal laws;
 - (b) In compliance with the charter of the public charter school;
 - (c) Meeting or working toward meeting the student performance goals and agreements specified in Section 4 of this Contract which would include the failure of the Forest Grove Community School students to achieve at or above students in the same grade level as District students on statewide assessments for two consecutive years and failing to make adequate progress on the School Improvement Plan, and
 - (d) Fiscally stable. Criteria used in making this determination are those criteria specified in Section 5 of this Contract and no audit findings and no material misstatements of financial statements in the audit report.
- (ii) The District shall base the renewal evaluation described in paragraph (i) of this section primarily on a review of the public charter school's annual performance reports, annual audit of accounts and annual site visit and review as required by state law (currently ORS 338.095) and any other information mutually agreed upon by the governing boards of the

District and School.

- B. No earlier than December 15, 2017, and no later than February 1, 2018, the Forest Grove Community School may request, in writing, that this Contract be renewed.
- C. Within twenty (20) business days of receiving the written request from the Forest Grove Community School, the District shall indicate in writing what additional information, if any, it will need to make its decision to renew the Contract.
- D. Within twenty (20) business days of receiving the District's request for additional information, the Forest Grove Community School shall provide the requested additional information to the District.
- E. Within twenty (20) business days of receiving any additional information requested, the District shall hold a public hearing regarding the request for renewal. In the event that the District does not request any additional information from the School, the public hearing will be held within forty-five (45) business days of the District's receipt of the School's request to renew the Contract.
- F. Within twenty (20) business days from the date the District receives the additional information from the Forest Grove Community School, the District shall inform the Forest Grove Community School, in writing, of its decision on renewal of the Contract.
- G. If the District determines that it will renew the Contract, the two parties shall meet and negotiate a contract. It shall be the goal of the two parties to complete negotiation of the Contract within ninety (90) calendar days of the date the District provides notice to the Forest Grove Community School that it will renew the contract. If it is not practically possible to complete the negotiation within ninety (90) calendar days, the parties shall work in good faith, with all due diligence, to complete negotiation of the contract as quickly as possible.
- H. The District may make the renewal of this Contract conditional upon the following factors:
 - (i) The Forest Grove Community School remaining in compliance with all provisions of this Contract for the remainder of the school year;
 - (ii) The Forest Grove Community School remaining in compliance with all federal laws governing public charter schools for the remainder of the school year;

(iii) The Forest Grove Community School remaining in compliance with all state laws governing public charter schools for the remainder of the school year.

- I. If the District does not renew the Contract, the School's governing body may address the reasons stated by the District and any remedial measures suggested by the District and submit a revised request for Contract renewal to the District. A revised request must be submitted within fifteen (15) business days of contract non-renewal. The District will then reconsider the renewal request and notify the School of its decision within twenty (20) business days of receiving the revised request.
- J. If the District determines that it will not renew the Contract, then the Forest Grove Community School shall cease to be a charter school sponsored by the District on June 30, 2018.

11. Miscellaneous Provisions

A. Entire Agreement

This Contract contains all terms, conditions and provisions hereof and the entire understanding and all representations of understandings and discussions of the parties relating thereto, and all prior representations, understandings and discussions are merged herein and superseded and canceled by this Contract.

B. Governing Law

This Contract shall be governed by, subject to and construed under the laws of the State of Oregon without regard to its conflict of law provisions. The parties intend that where this Contract references federal or state law that they are bound by the laws in effect at the time this Contract is executed.

C. Assignment

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

D. District Liaison

The District shall designate, for the purposes of this Contract, the District

Superintendent, or his/her designee, as the official District liaison between the District and the Forest Grove Community School.

E. Amendment

This Contract may be modified or amended only by written agreement between the Forest Grove Community School and the District.

F. Notice

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

G. Definition of Business Day

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

H. Address of Parties for Purpose of Written Notice

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

For the District:

Forest Grove Public School District
Attn: Superintendent
1728 Main Street
Forest Grove OR 97321-2320

For the Forest Grove Community School:

The Forest Grove Community School
Attn: Administrator
1914 Pacific Avenue
Forest Grove OR 97116

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

I. No Waiver

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

J. Dispute Resolution

In the event any dispute arises between the District and the Forest Grove Community School concerning this Contract, including, without limitation, the implementation of or waiver from any policies, regulations or procedures, such dispute shall first be submitted to the District Superintendent for review. If the District and the Forest Grove Community School are unable to resolve the dispute, either party may submit the matter to the District's Board for its consideration. The decision of the District's Board shall be final and binding on the parties; provided, however, the Forest Grove Community School may appeal to the state Board of Education concerning those matters within its jurisdiction under ORS Chapter 338.

K. Severability

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

L. Delegation

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

M. Prior Actions

It is expressly agreed and understood that as a condition precedent to this Contract becoming effective on the effective date specified above in Section 2, the Forest Grove Community School shall have taken, completed and satisfied on or before the date 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 Contract null and void.

N. The Forest Grove Community School Authority to Enter Into Contract

The Forest Grove Community School expressly affirms that the signatories on its behalf who sign below have the authority to enter into this Contract on behalf of the Forest Grove Community School and that the Board of Directors of the Forest Grove Community School has duly approved this Contract. The Forest Grove Community School shall provide a copy of its written resolution authorizing the Forest Grove Community School to enter into this Contract, to the District.

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

**FOREST GROVE PUBLIC SCHOOL
DISTRICT**

FOREST GROVE COMMUNITY SCHOOL

**Forest Grove Public School Board of
Directors**

**Forest Grove Community School Board of
Directors**

By: _____
Alisa Hampton, School Board Chair

By: _____
Jon Stagnitti, School Board Chair

Date: June 24, 2013

Date: June 24, 2013