

THE FOUR RIVERS COMMUNITY SCHOOL CONTRACT

THIS CONTRACT ("contract"), dated this 10 day of December, 2015 is entered into by the State of Oregon acting by and through the Oregon State Board of Education ("Board") and the FOUR RIVERS COMMUNITY SCHOOL ("Four Rivers"), an Oregon nonprofit corporation.

RECITALS

WHEREAS the Oregon Legislature enacted ORS Chapter 338 which sets forth the laws under which charter schools are created and governed; and

WHEREAS the State Board of Education determined that the Application submitted to the Board for the formation of Four Rivers Charter School as a public charter school complied with the purposes and requirements of ORS chapter 338; and

WHEREAS by resolution adopted February 20, 2003, the Board determined the Application met the requirements of ORS chapter 338 and approved the Application and directed staff to begin the negotiation and drafting of a charter contract acceptable to the Board and Four Rivers Charter School; and

WHEREAS by resolution adopted June 25, 2015, the Board determined Four Rivers met the requirements of ORS chapter 338 for renewal and directed staff to begin the negotiation and drafting of a charter contract acceptable to the Board and Four Rivers Charter School; and

WHEREAS ORS chapter 338 contemplates and the parties agree that this contract, including the Exhibits (which include the Description of Educational Program and Performance Framework), will constitute the agreement between the parties regarding the governance and operation of Four Rivers Charter School as a public charter school and the legal authorization for the establishment of the charter school under ORS 338.075(2); and

WHEREAS the Oregon Superintendent of Public Instruction (Superintendent) or designee (as defined in Section 24N of this contract) shall have authority and responsibility for the administration of this contract on behalf of the Board, consistent with the provisions of ORS Chapter 326 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:

AGREEMENT

1. Grant of Charter. The Oregon State Board of Education is the sponsor of Four Rivers and grants a charter, in accordance with ORS Chapter 338 and the terms and conditions of this contract, to operate a single public charter school.
2. Establishment of Four Rivers. It is the intent of the parties that (1) ORS chapter 338, now or as amended, strictly apply to and are incorporated into this contract and shall supersede and control any conflicting language contained in this contract, including the Description of

Educational Program (Exhibit 1) except proposal for any waivers permitted and granted under ORS 338.025; (2) the provisions of this contract shall supersede and control any conflicting language contained in the Description of Educational Program; and (3) the provisions of ORS chapter 338, the Board Resolutions and this contract supersede and control any prior understandings written or oral with the Board regarding Four Rivers. Four Rivers represents that to its knowledge, this contract does not violate any existing contracts with third parties. Four Rivers represents the Articles and Bylaws of Four Rivers (Exhibit 2) provide for the operation of the public charter school in a manner consistent with this contract. Four Rivers agrees to amend the Articles and Bylaws if necessary to comply with this contract or amendments to this contract. Four Rivers shall promptly notify the Oregon Department of Education (ODE), Deputy Superintendent or designee of any proposed or actual changes to the Articles and Bylaws of Four Rivers.

3. Corporate Status. During the term of this contract, Four Rivers agrees to maintain (a) its status as a nonprofit organization under Oregon law. Four Rivers has applied for and received its status as an exempt organization under Section 501(c)(3) of the Internal Revenue Code and shall maintain such status during the term of this contract (Exhibit 3).

A. Authority of the Four Rivers Board. The Four Rivers governing board shall serve as fiscal agent for Four Rivers and shall be responsible for the school's compliance with applicable laws, rules, regulations, policies, procedures, and the terms and conditions of this contract, and the Description of Educational Program. The Four Rivers governing board may delegate its duties under this contract as provided in Section 24L of this contract.

4. Conditions of Continued Operation of Charter School. In order for Four Rivers to continue to operate as public charter school the following conditions shall be met:

A. By August 31, 2016 Four Rivers shall provide to the ODE Deputy Superintendent or designee updated policies and procedures in alignment with current law and this contract. If additional time is need, Four Rivers will submit a plan that shall include a timeline of dates for Four Rivers' board review and adoption of updated items. Copies of all policies will be submitted to the ODE Deputy Superintendent or designee by August 31, 2015 or date agreed upon in the plan.

B. By September 30, 2016 Four Rivers shall provide to the ODE Deputy Superintendent or designee evidence of the implementation of sections 16D through G of this contract.

C. By July 1, 2016 Four Rivers shall provide to the ODE Deputy Superintendent or designee a plan to enter into an agreement with Ontario School District consistent with section 17. The plan shall include a timeline of dates for Four Rivers' board review and approve the agreement.

D. By July 1, 2016 each member of the Four Rivers governing board shall submit a signed acknowledgment of understanding provided by the Oregon Department of Education and consistent with ORS 338.095(5).

- E. By July 31, 2016 Four Rivers shall submit a Description of Educational Program to be included as Exhibit 1 within this contract. The Department and Four Rivers will agree on the contents of the Description of Educational Program by September 30, 2016.
 - F. By March 1, 2016 Four Rivers shall submit a plan for implementing grades nine (9) through twelve (12). The plan shall include, but not be limited to, enrollment projections, staff qualifications and recruitment needs, graduation requirements, course offerings, dual language support, college-going supports, extracurricular activities, facilities, five-year budget, and administration.
5. Effective Date; Term; Review; Renewal. If all conditions contained in Section 4.A. through E. are met then this contract shall legally authorize the continued operation of Four Rivers, commencing July 1, 2016 and expiring on June 30, 2026.
- A. Review. Four Rivers will be subject to a review before June 30, 2021 to determine whether or not to continue the contract. The review will include an evaluation of Four Rivers' progress in meeting its annual performance goals and the expectations outlined in the Performance Framework. Continued operation after June 30, 2021 will be pursuant to Board resolution.
 - B. Renewal. Renewal shall be pursuant to ORS 338.065. In making its decision whether or not to renew Four Rivers, the Board may use the outcomes from the annual evaluations of the Four Rivers Performance Framework (Exhibit 4). The Board shall consider the evaluation of student Academic Performance from the Four Rivers Performance Framework as the most important indicator of Four Rivers' success. Four Rivers shall also report, and the Board shall consider at renewal, on how Four Rivers has met the other legislative goals of public charter schools set forth in ORS 338.015 including to (i) increase choices of learning opportunities for students; (ii) better meet individual student academic needs and interests (iii) build stronger working relationships among educators, parents and other community members; (iv) encourage the use of different and innovative learning methods; (v) provide opportunities in small learning environments for flexibility and innovation, which may be applied, if proven effective, to other public schools; (vi) create new professional opportunities for teachers; (vii) establish additional forms of accountability for schools and (viii) create innovative measurement tools.
6. Contracting.
- A. Four Rivers shall clearly indicate to vendors and other entities and individuals with which Four Rivers enters into any agreements for goods or services that the obligations of Four Rivers under such agreements or contracts are solely the responsibility of Four Rivers. The contractual obligations of Four Rivers are not the responsibility of the Board.
 - B. Four Rivers will include a report of all contracts over \$10,000.00 entered into by Four Rivers in the annual report in section 15A. The report shall include at a minimum the names of vendor, amount of contract, scope of work, length of the contract, date of Four Rivers board of directors approval, and status of contract.

7. Operational Powers. Subject to the conditions and provisions of this contract, Four Rivers shall be responsible for Four Rivers' operations. Four Rivers shall have all powers of an Oregon nonprofit corporation and a public charter school. Specific operational powers include, subject to ORS 338.115 and such other provisions of Oregon law as may apply, making all personnel decisions, including hiring, firing and discipline of teachers, supervisors and staff; making decisions to increase number of classrooms per grade level; contracting for goods and services necessary for the operation of Four Rivers; preparing a budget; procuring insurance and necessary bonds; acquiring facilities for school purposes; purchasing, leasing or renting furniture, equipment or supplies; retaining fees collected from students in accordance with law; organizing and carrying out fund-raising efforts; and accepting and expending gifts, donations or grants of any kind in accordance with such conditions prescribed by the donor as are consistent with law and not contrary to any of the terms of this contract.
8. Use of Appropriate Policies. In order to facilitate the most efficient and collaborative educational services for students and to maintain an effective relationship with the Board, Four Rivers shall adopt policies, rules and procedures as required by this contract and law.
9. Copies of Policies. Four Rivers will furnish to the ODE Deputy Superintendent or designee copies of all written policies and procedures it may adopt with respect to any matter relating to its operations and educational program as part of the annual report.
10. Waiver of Laws. Four Rivers may seek a waiver of laws pursuant to ORS 338.025.
11. Disclaimer. Four Rivers shall not in oral and written communications indicate that it speaks or acts on behalf of the Board, ODE Deputy Superintendent or the Oregon Department of Education when it makes references to the Board, ODE Deputy Superintendent or the Oregon Department of Education.
12. Requests and Reports.
 - A. Four Rivers shall provide any reports, formal or informal, written or oral requested in good faith and for a reasonable purpose by the Board, ODE Deputy Superintendent or designee. The Board, ODE Deputy Superintendent and the designee shall grant Four Rivers at least fifteen (15) business days to comply with any requests for any formal reports and fifteen (15) business days to comply with informal reports. The ODE Deputy Superintendent or designee shall respond to Four Rivers' requests for information connected to this charter within fifteen (15) business days of the request by either providing the requested information or an estimate of the amount of time required to respond to the request.
 - B. Four Rivers shall at least monthly report attendance data in writing to the ODE Deputy Superintendent or designee in accordance with the requirements of the ODE Deputy Superintendent.
13. Ex Officio Participation. Four Rivers shall permit Department staff or designee to attend and participate ex officio at all regular charter board meetings except for executive sessions of the Four Rivers board as described in ORS 192.660 et seq. Four Rivers may invite Department staff or designee to attend executive sessions as appropriate or necessary.

14. Education Program, Student Performance Standards, and Curriculum. Four Rivers shall comply with all state laws and rules that apply to charter schools pertaining to educational programs, pupil performance standards and curriculum.
- A. Education Program and Curriculum. Four Rivers shall implement the instructional programs as outlined in the Description of Education Program (Exhibit 1).
- (i) Four Rivers shall have the authority and responsibility of ensuring Four Rivers' educational program, subject to the conditions of this contract, is designed and implemented in a manner consistent with ORS chapter 338, including, without limitation, requirements regarding content standards, pursuant to ORS 329.045.
- B. Student Performance.
- (i) Four Rivers shall meet or exceed state standards as may be required by the Elementary and Secondary Education Act (ESEA/NCLB) or comparable ensuing assessment requirements adopted by the State Board of Education, the United States Department of Education, or the Oregon Legislature to implement ESEA/NCLB. If Four Rivers fails to meet standards, Four Rivers shall remedy the situation in the time and manner as required by law or regulation.
- (ii) Four Rivers shall meet or exceed annual student academic performance targets as described in Four Rivers Performance Framework (Exhibit 4).
- C. School Improvement Plans. If Four Rivers does not meet annual student performance targets required in 14B, Four Rivers shall improve school performance as described in this section.
- (i) If a reading and/or mathematics target is not met by July 1 of any year, Four Rivers shall submit a detailed written plan with an aligned budget and professional development to support improvement toward meeting the annual student performance target(s) in the Performance Framework (Exhibit 4). The plan shall include the use of formative assessments to monitor student progress. The plan will be submitted to the ODE Deputy Superintendent, or designee, no later than July 31 and approved by the ODE Deputy Superintendent by August 15. To monitor school improvement, Four Rivers shall submit quarterly formative data to ODE. Within fifteen (15) days, ODE will provide feedback to Four Rivers on the formative data and improvement plan.
- (ii) For purposes of Section 14 B and C, the parties agree the timelines are set to take into account the date the Oregon Department of Education distributes the official results of testing and to allow Four Rivers a reasonable time for staff input and board approval of the test scores and plan to be submitted to the ODE Deputy Superintendent, or designee. If the initial testing results are not distributed by July 1, the parties agree to mutually consent to a reasonable extension of the timeline herein.

- D. Required Instructional Time. Four Rivers will ensure it will annually adopt and implement a school calendar that establishes requirements for instructional time provided by a school during each day or during a year in accordance with ORS 338.115 and OAR 581-022-1620 that requires a minimum number of instructional hours annually. By October 15 of each year, Four Rivers will report to ODE the percent of the total students who are scheduled to receive annually the minimum hours of instructional time as required by OAR 581-022-1620. Four Rivers may include in its calculation of instructional time the following:
- (i) For kindergarten programs offering 900 hours or more of instructional time, up to 60 hours of recess;
 - (ii) For kindergarten programs offering less than 900 hours of instructional time, up to 30 hours of recess;
 - (iii) For grades 1-3, up to 60 hours of recess;
 - (iv) Up to 30 hours for staff professional development;
 - (v) Up to 30 hours for parent teacher conferences; and
 - (vi) For the 2015-16 school year, up to 14 hours for emergency school closures due to adverse weather conditions and facilities failure.
- E. Records. Four Rivers shall comply with all applicable federal and state laws concerning the maintenance, retention, and disclosure of all operational records and of student records.
- F. Nonreligious, Nondiscrimination Standards. The educational program of Four Rivers shall not violate ORS 659.850 and shall be nonreligious, nonsectarian and shall not discriminate against any student or staff on the basis of race, color, age, sex, national origin, marital status, religion, sexual orientation, or disability.
- G. Enrollment Requirements. Enrollment shall be open to any eligible child who resides within the Ontario School District boundaries. Additionally, enrollment shall be open to children not residing within the district in accordance with ORS 338.125. Four Rivers shall not limit student enrollment based on race, religion, sex, sexual orientation, ethnicity, national origin, disability, the terms of an individualized education program, income level, proficiency in the English language or athletic ability. Four Rivers must maintain an active enrollment of at least 25 students. Active enrollment for purposes of this contract shall mean "active roll" as that term is defined and used in OAR 581-023-0006 (generally the total number of eligible students enrolled in and regularly attending Four Rivers with less than ten (10) consecutive days of absences). The process of application, enrollment and admissions shall be governed by ORS 338.125.
- (i) Beginning in the 2016-17 school year, Four Rivers enrollment shall be limited to grades K-9. In each subsequent year of the contract, Four Rivers shall add a higher secondary grade until the enrollment is grades K-12 for the 2020-21 school year. Four Rivers shall notify the Board if a different timeline for adding grades is necessary. Four Rivers may not reduce grades without providing notice and explanation to the Board at least 90 days in advance of the change taking effect. Grade additions or reductions shall only be initiated on the first day of the Four Rivers school year.

- H. Student Registration. Four Rivers will ensure it completes a Student Registration Form, beginning, according to the Four Rivers calendar, on the first day of school of each school year and ending on the last day of school of each school year, for each student upon admittance to Four Rivers and update the form according to OAR 581-023-0006 when a student withdraws. A student whose withdrawal status can be determined within ten days shall be marked as withdrawn from the active roll on the school day following that determination. A student must be withdrawn from the active roll on the day following the tenth consecutive day of absence. Student enrollment shall be reported to the ODE Deputy Superintendent or designee not later than September 15 of any year.
- I. Education of Students under the Individuals with Disabilities Education Act ("IDEA"). The "resident school district", as defined in ORS 338.165, of any student eligible for special education and related services shall be responsible for providing any required special education and related services to such student. Four Rivers will comply with state and federal law concerning IDEA and all IDEA policies of Ontario School District.
- J. Enrollment of Special Education Students. Four Rivers will admit students without regard to their status as special education students. The student's IEP team shall determine modifications and accommodations as necessary. The parties intend by this process to ensure Four Rivers does not unintentionally discriminate against enrolling special education students or otherwise violate applicable laws.

15. Evaluation of Student Performance and Annual Report.

- A. Four Rivers shall provide to the ODE Deputy Superintendent or designee and parents and the community it serves the annual written report required by ORS 338.095 on or before December 1 following each school year, which will include a report of progress on the plan to improve student performance. The format and contents of the annual report and the plan to improve student performance will be determined by and agreed upon by the parties.
- B. Four Rivers shall administer all the State of Oregon assessments required for its students in accordance with ORS 329.485 and 338.115 and OAR 581-022-0615. Results of these assessments shall be made available to the parents of Four Rivers students and to the ODE Deputy Superintendent or designee within thirty (30) days of Four Rivers receipt of the results from the assessments. The ODE Deputy Superintendent may designate, and shall bear the entire cost of, an external entity to evaluate the success of the academic program of Four Rivers. Such evaluation shall be conducted within a mutually agreeable time period and in a manner so as to not interfere with the operation of the school or with performance of duties of Four Rivers staff. Four Rivers will cooperate fully in such assessment, including the provision of all requested data as long as providing such data does not violate any state and federal confidentiality and privacy laws.
- C. Members of the Board, the ODE Deputy Superintendent, or designee, may visit Four Rivers at any time during normal business hours for purposes of monitoring the progress of the implementation of this contract provided such visits do not interfere with the operation of the school or with performance of duties by Four Rivers staff,

unless the visit is regarding issues of health and safety. There shall be at least one annual on-site visit by the Board or the Board's designee to review compliance with the provisions of this contract and to review growth in student achievement.

16. Governance and Operation. Four Rivers shall govern and operate the charter school as set forth in this contract to the extent permissible under federal and state law.
- A. Corporate Status. Four Rivers is and shall remain for the term of this contract an Oregon nonprofit corporation. Four Rivers shall notify in writing the ODE Deputy Superintendent or designee of any changes to its Articles of Incorporation or Bylaws no later than thirty (30) days after making any changes to such documents. Any amendments will comply with this contract and federal and state law.
 - B. Nonreligious, Nonsectarian Status. Four Rivers agrees it shall operate in all respects, as a nonsectarian, nonreligious public charter school. Four Rivers shall not be affiliated with any nonpublic sectarian school or religious organization.
 - C. If Four Rivers provides daily food service, Four Rivers will ensure persons involved with the provision of the food service will possess the appropriate food handlers' certification.
 - D. Four Rivers will maintain a policy and process for complaints. Four Rivers will post the policy on the website and include a copy of the policy in communication to all parents of students attending in the 2016-17 school year and all school years going forward.
 - E. Four Rivers shall provide proof to the ODE Deputy Superintendent or designee all active Four Rivers board members have received board training and ethics training as part of its annual report. The Four Rivers board may use the Oregon Government Ethics Commission training programs. Each member of the Four Rivers governing board shall submit a signed acknowledgment of understanding provided by the Oregon Department of Education and consistent with ORS 338.095(5) within thirty (30) days of the beginning of his or her term.
 - F. Four Rivers will not knowingly allow an individual to serve on the Four Rivers board of directors for whom a criminal records check consistent with ORS 326.607 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.
 - G. Four Rivers will provide written notice to the Board of any legal action or suit filed against Four Rivers and/or Four Rivers board of directors within fifteen (15) days of being served.
17. Funding and Budget.
- A. Four Rivers shall enter into an agreement with the Ontario School District for funding equal to at least ninety percent (90%) for all Four Rivers students enrolled in kindergarten through eighth grade and at least ninety-five percent (95%) for all Four Rivers students enrolled in grades nine through twelve of the amount of Ontario School District' General Purpose Grant per ADMw as calculated under ORS 327.013.

The agreement shall be in accordance with ORS 338.155. The ODE Deputy Superintendent or designee, on request by Four Rivers, shall facilitate and mediate any disputes or concerns between Four Rivers and Ontario School District about funding so that Four Rivers shall receive funds within ten (10) days after Ontario School District receives funds from the State School Funds beginning with the first payment due to Four Rivers under this contract. Four Rivers shall provide a copy of this agreement and any amendments to this agreement to the ODE Deputy Superintendent or designee by July 1 of each year.

- B. Four Rivers shall operate on a July 1-June 30 fiscal year basis. On or before May 1 of each year, Four Rivers shall submit to the ODE Deputy Superintendent or designee Four Rivers' proposed budget for the upcoming school year. On or before July 1 of each year, Four Rivers shall submit to the ODE Deputy Superintendent or designee Four Rivers' budget for the upcoming school year approved by the Four Rivers board.
- C. It is the intent of the Board that Four Rivers receive a proportionate share of state, local and federal grant funding, to the extent that Four Rivers is entitled to the same, complies with the conditions and requirements of such grants and applicable law, and fulfills the reporting requirements for such funding. Direction of such federal and state resources or categorical aid shall be contingent on Four Rivers' compliance with federal and state statutes and regulations regarding entitlement to such resources. The Board will not interfere with, and this provision shall not be construed to limit, Four Rivers' ability to apply for grants available to charter schools and to retain the entire amount of such grants received less any administrative or other costs specifically permitted to be withheld from Four Rivers for such services provided to Four Rivers pursuant to state, federal or local law.
- D. Four Rivers shall act as its own fiscal agent.

18. Financial Records and Annual Audit. Four Rivers agrees to establish, maintain, and retain appropriate financial records relating to Four Rivers for seven (7) years, or for such longer time as required by law, and to make such records available to the ODE Deputy Superintendent within seven (7) business days upon written request. Four Rivers will retain a certified public accountant to conduct an annual municipal audit of Four Rivers in accordance with State law requirements pursuant to ORS 338.115. Four Rivers shall submit the audit and all management letters (i.e. SAS-114 letter and SAS-115 letter) to the ODE Deputy Superintendent or designee no later than December 1 of each contract year. The audit shall be submitted to the ODE Deputy Superintendent in accordance with the format of the State Chart of Accounts required of Oregon public school districts, so long as this is required by Oregon law. Additionally, Four Rivers shall provide quarterly written financial reports of Four Rivers to the ODE Deputy Superintendent or designee that track expenditures for the fiscal year within thirty (30) days of the end of each quarter and shall be subject to a review of its operations and finances by the Deputy Superintendent or its designee. Four Rivers must maintain a sound financial management system that meets the requirements of OAR 581-026-0200.

19. Termination.

- A. This contract may be terminated pursuant to ORS Chapter 338.105 by either party, and the charter terminated by the Board or Four Rivers in the manner described in ORS 338.105, and the Board may terminate the charter for any grounds stated in ORS 338.105, and either party may terminate this contract for any material and willful breach of this contract including, but not limited to, the following:
- (i) Either party's failure to meet the requirement of ORS chapter 338 except as provided in subparagraph (iii) below, provided, however, that any such failure by either party shall be due to such party's actions or inactions and not due to actions or inactions of the other party, or of the actions or inactions of any school district contracting with Four Rivers;
 - (ii) Four Rivers' failure to meet or exceed state standards as may be required by the Elementary and Secondary Education Act (ESEA/NCLB) or comparable ensuing assessment requirements adopted by the State Board of Education, the United States Department of Education, or the Oregon Legislature to implement ESEA/NCLB or failure to make reasonable progress towards meeting student performance standards as set forth in section 14B and C.
 - (iii) Four Rivers' failure to correct after notification by the Board, ODE Deputy Superintendent or designee a violation of a federal or state law that is described in ORS 338.115.
 - (iv) Four Rivers' failure to maintain insurance as described in this contract.
 - (v) Four Rivers' failure to maintain financial stability or to meet generally accepted standards of fiscal management provided that Four Rivers has failed to follow a plan to correct deficiencies as described at ORS 338.105(2)(b).
 - (vi) Four Rivers' insufficient enrollment of students below the minimum required by ORS 338.115.
 - (vii) Four Rivers' endangering the health or safety of the students enrolled in Four Rivers.
- B. In executing the obligations and rights of termination under ORS chapter 338.105, the parties agree to first make a good faith attempt to resolve any dispute regarding the operation of the contract in the following manner:
- (i) The party with a concern regarding the other party's compliance with the contract will notify the other party in writing of the concern.
 - (ii) The responding party shall submit a written response to the concern within thirty (30) days of the receipt of the same.
 - (iii) The termination provisions contained in ORS 338.105 may proceed if the parties are unable to agree in good faith to a resolution of the concern within thirty (30) days of the receipt of the response.

(iv) The timeframes set forth in sections (ii) and (iii) of this paragraph may be extended by mutual agreement of the parties.

C. The dispute resolution process set forth in this Section shall not be required prior to the exercise of any contractual right conferred upon either the Board or Four Rivers under this contract except the dispute resolution process shall be required for the contractual right of termination under Section 19A of this contract. The parties further agree the Board reserves the right, without exhausting the good-faith resolution process described in this Section, to immediately invoke the health and safety termination provisions of ORS 338.105 with respect to this contract.

D. Unemployment. Four Rivers shall comply with ORS 657.505(7)(a) and will be responsible for unemployment benefits.

20. Dissolution. Four Rivers may only terminate the charter or close the school at the end of a semester after notifying the ODE Deputy Superintendent at least 180 days prior to the proposed effective date of the termination or closure. In the event Four Rivers should permanently cease operations for whatever reason, including the nonrenewal or revocation of this Charter, the assets purchased with public funds under this contract shall be given to the Board and disbursed as set in policy by the Board. All student education records shall be transferred to Ontario School District as required by ORS 338.105.

21. Employment Matters.

A. Personnel. Four Rivers shall be the employer of personnel at the public charter school. However, Four Rivers may choose to enter into contracts to provide services to the charter school or to fulfill responsibilities of Four Rivers under this contract, in which case the people actually providing the services or fulfilling the responsibilities will be employees of such contractor. The Board, ODE Deputy Superintendent and Oregon Department of Education shall not be the employer of personnel at the public charter school and will not collectively bargain with Four Rivers employees. Employees of Four Rivers shall not be eligible for inclusion in any bargaining unit containing state employees. Four Rivers assumes sole responsibility for conducting appropriate criminal background checks for all Four Rivers staff members and Four Rivers assumes sole legal responsibility for all claims resulting from acts of Four Rivers staff except where the Board agrees to indemnify and hold harmless Four Rivers as provided in Section 22B(iii) of this contract. All background checks required by ORS 181.534, 326.603, 326.607, 342.223, 342.232 and 338.115 are to be completed no later than the first day of instruction of each year of this contract or prior to execution of any subcontract agreement.

B. Staff Licensure and Registration. Consistent with ORS 338.135, at least 50 percent of Four Rivers' full time equivalent of teachers and administrative staff must possess a valid Oregon teaching or administrative license. In addition, the remaining teaching and administrative staff must possess a valid Oregon registration. By the first instructional day of each year, Four Rivers shall submit to the ODE Deputy Superintendent or designee a written list of all teachers and administrators employed by Four Rivers designating the licenses, endorsements, degrees, and qualifications of the same. Four Rivers shall provide the same information to the ODE Deputy Superintendent or designee with respect to any new hires of teachers or

administrators it makes during the course of each year. All teaching and administrative staff must be licensed or registered prior to employment.

- C. Criminal Background Checks. Four Rivers shall comply with ORS 338.115 and shall not knowingly employ an individual for whom a criminal background investigation consistent with ORS 326.603 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 the first instructional day of each school year that Four Rivers operates as a public charter school under this agreement, Four Rivers shall provide to the ODE Deputy Superintendent or designee a list containing the names and job positions of all its employees. Such a list shall also indicate for each employee the date of initiation of the criminal background investigation required by Oregon law.
- D. Child Abuse Training and Prevention. In accordance with ORS 339.370, 339.372, 339.375 and 339.377, Four Rivers shall have a policy on the reporting of child abuse and shall provide training on the prevention and identification of child abuse to school employees and students. In addition, Four Rivers shall make the training available to Four Rivers board members, parents and legal guardians of students.
- E. Employee Records. Four Rivers shall be responsible for establishing and maintaining personnel records for its employees in compliance with all applicable federal and state laws concerning the maintenance, retention and disclosure of employee records. Four Rivers shall comply with ORS 342.850(8) and adopt rules governing access to personnel files.
- F. Public Employees Retirement System (PERS). Four Rivers shall participate consistent with ORS 338.135. All appropriate contributions will be made consistent with the applicable PERS policies, procedures, and regulations.

22. Insurance and Legal Liabilities. The parties agree the following provisions shall control any conflicting language contained in the Description of Educational Program materials:

- A. Insurance. Four Rivers shall at all times maintain and keep in force the following insurance:
 - (i) **Commercial General Liability Insurance** in an amount of not less than \$2,000,000 **combined** single limit per occurrence, \$2,000,000 general annual aggregate covering Four Rivers employees, board of directors, agents and volunteers against liability for damages because of personal injury, bodily injury, death, or damage to property, including the loss of use thereof. The minimum limits of liability may be satisfied by using a combination of commercial general liability insurance and commercial excess/umbrella liability insurance. Coverage to include but not be limited to contractual liability, employee benefits liability, professional liability, and teachers' liability. As provided in paragraph (vii) below, the State shall be named as an additional insured.
 - (ii) **Directors and Officers Liability Insurance** in an amount not less than \$1,000,000 each loss, \$1,000,000 each policy year covering Four Rivers, the governing board of Four Rivers, its officers and other employees, and its

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 contract. As provided in paragraph (vii) below, the State shall be named as an additional insured.

- (iii) **Automobile Liability Insurance** in an amount not less than \$1,000,000 combined single limit covering the employees, agents and volunteers of Four Rivers against liability for damages because of bodily injury, death, or damage to property, including the loss of use thereof arising out of the ownership, operation, maintenance, or use of any automobile in connection with charter school operations. The policy will include underinsured and uninsured motorist coverage at the limits equal to bodily injury limits.
- (iv) **Workers' Compensation Insurance** shall also be maintained according to State of Oregon statutes (ORS Chapter 656). Employers' Liability Insurance with limits of \$100,000 each accident, \$100,000 disease each employee, and \$500,000 each policy limit.
- (v) **Employee Dishonesty Insurance** will be in force covering all employees, agents and volunteers. The policy shall carry limits of no less than \$75,000. Coverage shall include faithful performance and loss of monies and securities.
- (vi) **Property Insurance** shall be required on all Four Rivers owned, buildings, personal property, and equipment. The insurance shall be written to cover the full replacement cost of the building and at least sufficient with respect to personal property and/or equipment so that losses shall be paid in full up to the face amount of the policy. If Four Rivers leases premises, Four Rivers or the owner shall provide the same all-risk coverage. If Four Rivers leases personal property or equipment acquired with public funds, Four Rivers shall provide the same all-risk coverage.
- (vii) The State shall be an additional insured on items (i) and (ii) of this paragraph and the policies shall provide for a thirty (30) days prior written notice to the ODE Deputy Superintendent or designee of cancellation or material change. Four Rivers must show proof of all the above insurance upon request by the Board.

B. Legal Liabilities and Indemnification. The parties agree that:

- (i) Four Rivers may sue or be sued as a separate legal entity apart from the Board and the Board has no responsibility to indemnify Four Rivers in any fashion with respect to Four Rivers activities except as provided in this contract.
- (ii) To the extent not covered by insurance or otherwise barred by the Oregon Tort Claims Act in ORS Chapter 30, Four Rivers agrees to indemnify and hold the Board, the Oregon Department of Education and the ODE Deputy Superintendent and their 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 Four Rivers (including after school use of buildings by outside groups), its faculty, students, patrons, employees, guests or agents; (2) civil rights violations, including Section 504 of the Rehabilitation Act of 1973, (3) 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 Four Rivers' operations. This indemnification shall not apply to any liability claims or demands resulting from the negligence or wrongful act or omission of the Board, Oregon Department of Education, ODE Deputy Superintendent or their agent or employee. Four Rivers agrees to indemnify, hold harmless and defend the Board, Oregon Department of Education and ODE Deputy Superintendent from all contract claims in which Four Rivers has obligated the Board, Oregon Department of Education or ODE Deputy Superintendent without the Board's, Department's or ODE Deputy Superintendent's prior written approval. This indemnification shall not apply to any damages incurred regarding any act or omission of Four Rivers 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) To the extent not covered by insurance or otherwise barred by the Oregon Tort Claims Act in ORS Chapter 30 or other law, the Board agrees to indemnify and hold Four Rivers, 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 civil rights, 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 Board's or Oregon Department of Education's operations. This indemnification shall not apply to any liability claims or demands resulting from the negligence or wrongful act or omission of Four Rivers or any Four Rivers 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 Board or Oregon Department of Education employee working at Four Rivers whose negligent or wrongful act or omission is caused or directed by Four Rivers. This indemnification shall not apply to any damages incurred regarding any act or omission of the Board or Oregon Department of Education that is later determined to be required by law or this Agreement. 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.
- (iv) This indemnification, defense and hold harmless obligation on behalf of Four Rivers and the Board and Oregon Department of Education 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.
- (v) Four Rivers is not operating as an agent, or under the direction and control, of the Board or the Oregon Department of Education except as required by law or this contract, and the Board assumes no liability for any loss or injury, except for any liability resulting from the negligence or wrongful act or

omission of the Board, the Oregon Department of Education, ODE Deputy Superintendent or their agent or employee, resulting from:

- (a) The acts or omissions of Four Rivers, its governing Board, trustees, agents, employees or volunteers;
- (b) The use and occupancy of the building occupied by Four Rivers or any matter in connection with the condition of such building; or
- (c) Any debt or contractual obligation incurred by Four Rivers.

23. School Location. Four Rivers shall be responsible for maintaining a location within the Ontario School District boundaries for the operation of the charter school. Before commencing operations of the charter school, Four Rivers shall ensure the location is in compliance with all applicable local, state, and federal laws and regulations, including but not limited to those relating to accessibility and student safety. Four Rivers shall ensure it remains in compliance with all such applicable laws during the term of this contract.

24. General Provisions.

- A. Entire Agreement. This contract, with Exhibits, contains the entire understandings of the parties, and all prior representations, understandings, and discussions are merged herein and superseded and canceled by this contract.
- B. Nonassignment. The parties may not assign any rights or benefits they are entitled to under this contract to any entity or individual. This does not limit the right of Four Rivers to enter into contracts and agreements to the full extent allowed under this contract and allowed to charter schools under Oregon law.
- C. Amendment. This contract may only be modified or amended by further written agreement executed by the parties hereto.
- D. Governing Law and Enforcement. This contract will be governed and construed according to the laws and regulations of the State of Oregon, including those changed subsequent to the execution of this agreement.
- E. 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) days after mailing when sent by mail, postage prepaid, to identified Four Rivers Governing Board Chairperson, and a copy to identified legal counsel at the Four Rivers legal address, and to the Oregon Department of Education, Office of the Deputy Superintendent, 255 Capitol Street NE, Salem, Oregon 97310, for notice to the Board.
- F. No Third Party Beneficiary. This contract shall not create any rights in any third parties who have not entered into this contract, nor shall any third party be entitled to enforce any rights or obligations that may be possessed by either party to this contract.

- G. Prior Actions. It is expressly agreed and understood as a condition precedent to this contract becoming effective on the effective date specified in the this contract, Four Rivers shall have taken, competed 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 so shall constitute grounds for the ODE Deputy Superintendent to declare this contract null and void.
- H. Four Rivers Authority to Enter Into Contract. Four Rivers expressly affirms the signatories on its behalf who sign below have the authority to enter into this contract on behalf of Four Rivers and the Board of Directors of Four Rivers has duly approved this contract. Four Rivers shall provide a copy of its written resolution authorizing Four Rivers to enter into this contract.
- I. 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.
- J. Incorporation of Description of Educational Program and Other Exhibits. The Exhibits mentioned herein are attached and incorporated by reference.
- K. Execution in Counterparts. This contract may be executed and delivered in counterparts, each of which, when so executed and delivered, shall be effective.
- L. Delegation. The parties agree and acknowledge the functions and powers of the Board may be exercised by the ODE Deputy Superintendent or designee. For purposes of this contract, the designee is the Director of the Oregon Charter School Program for the Oregon Department of Education. The parties agree and acknowledge the functions and powers of Four Rivers and Four Rivers' board of directors may be exercised by the Chair of the board of directors or the Administrator of Four Rivers. The parties will keep each other informed of the person's name and contact information for this delegation. Notwithstanding the above, any ultimate decision about renewal, non-renewal or termination of this contract may only be made by the Board and the board of directors of Four Rivers.

EXHIBIT DOCUMENTS:

EXHIBIT 1 – DESCRIPTION OF EDUCATIONAL PROGRAM

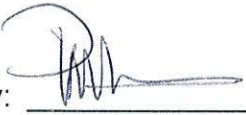
EXHIBIT 2 – ARTICLES OF INCORPORATION AND BYLAWS


EXHIBIT 3 – NONPROFIT ORGANIZATION AND EXEMPT ORGANIZATION

EXHIBIT 4 – FOUR RIVERS PERFORMANCE FRAMEWORK

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

FOUR RIVERS STATE BOARD OF EDUCATION

By: 
Board Chairperson

By: 
Board Chairperson

ATTEST:

By: 
Administration for Four Rivers

By: 
Deputy Superintendent of Public Instruction