CHARTER SCHOOL CONTRACT

This Charter School Contract is dated as of the 13th day of December, 2001, and is made and entered by and between the following parties:

Albany County School District Number 1, a body corporate and political subdivision of the State of Wyoming, organized pursuant to Wyoming Statutes Section 21-3-101 et. seq., (School District), and

Snowy Range Academy, Inc., a nonprofit corporation organized pursuant to the Wyoming Nonprofit Corporation Act (Academy or SRA),

both hereinafter referred to as the “Parties.”

I. RECITALS.

A. The Wyoming Legislature has enacted charter school legislation codified at Wyoming Statutes Sections 21-3-301 through 21-3-401 (Charter School Act).

B. On October 29, 2001, an Application was submitted by citizens of the School District for formation of Snowy Range Academy as a charter school to operate within the School District (Application). The Application is incorporated herein by reference as Exhibit A. Except as otherwise provided herein, the definitions used in the Application, found at Section 1.2 are adopted herein.

C. The Board of Trustees of the School District (School Board) has determined that the Application submitted to the School District for the formation of the Academy as a charter school complies with the purposes and requirements of the Charter Schools Act.

D. The Academy seeks approval of its Application, as amended herein, subject to certain waivers from Board policy and/or state law.

E. School District desires to approve the final Application as amended herein.

F. Wyoming Statutes § 21-3-304(g) gives to the School District the authority to waive locally imposed school district requirements on the Academy without seeking approval from the State Board.

G. Wyoming Statutes § 21-3-304(g) gives to the State Board of Education (State Board) the authority to waive state statutory requirements or rules promulgated by the State Board, except that the State Board shall not waive any statute or rule relating to the assessments or standards required to be administered by the Academy. W.S. § 21-3-
305 provides that requests for relief from state statutes and regulations shall be delivered by the School District to the State Board.

II. AGREEMENT.

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

1.00 Introduction.

1.01 Approval of Definitions and Rules of Construction. The definitions and rules of construction set forth in Section 1.0, Paragraph 1.2 of the Application are approved and adopted herein.

1.02 Accountability. The Academy shall operate under the auspices of, and accountable to, the School District and subject to all Board-approved policies and regulations unless specifically waived in writing by the School Board. The Academy agrees to participate in the School District's accountability process in accordance with School Board policy. All records established and maintained in accordance with the provisions of this Contract, Board policy, and federal and state law shall be open to inspection by the School District.

2.00 Mission Statement.

2.01 Approval. The Mission Statement set forth in Section 2.00 of the Application is hereby approved and accepted by the School District to the extent it is consistent with the principles of the declared purposes for enacting the Charter School Act as set forth at W.S. § 21-3-1301.

3.00 Description of Educational Program.

3.01 Approval. The educational program set forth in Section 3.0 of the Application is hereby approved and accepted by the School District subject to the conditions set forth below.

3.02 Waiver of Curriculum Requirements. The School District agrees to waive its curricular requirements, to the extent permitted by state law, but subject to the implementation by the Academy of its instructional programs as outlined in its Application, as amended herein. To the extent necessary to give effect to the foregoing, the School District agrees to waive any requirement that curriculum and instructional materials be approved by the School District prior to implementation by the Academy, provided that such curriculum and materials meet or exceed content standards adopted by the School District, and are consistent with or contemplated by the Application. Any changes to the curriculum not within the core knowledge framework must be approved by the School District. This waiver is based upon the following:
3.02.a The Academy shall have the authority and responsibility of implementing its educational program, subject to the conditions of this Contract, in a manner which is consistent with state law, including, without limitation, requirements regarding content and performance standards and School District benchmarks. References in this document to content standards shall encompass all District content and performance standards and benchmarks.

3.02.b The educational program and curriculum designed and implemented by the Academy shall meet any content standards lawfully adopted by the School District and shall be designed to enable each pupil to achieve such standards. The Academy agrees to comply with all requirements for State accreditation as contained in the Wyoming Department of Education Rules and Regulations. In addition, the Academy agrees to monitor the implementation of these requirements and to provide reports as requested to the District to confirm compliance.

3.02.c The Academy agrees to comply with all state statutory requirements concerning subjects of instruction, unless specifically waived by the State Board of Education.

3.02.d The Academy shall establish a process for resolving public complaints, including complaints regarding curriculum, which provides an opportunity to be heard and an appeal process similar to current School District policies and procedures, except that the final administrative appeal shall be heard by the Academy’s Board.

3.03 Nonreligious, Nonsectarian Status. The educational program of the Academy shall be nonreligious, nonsectarian, and shall not discriminate against any student on the basis of race, creed, color, sex, national origin, religion, ancestry, disability, or need for special education services.

3.04 Tuition and Fees. Tuition may not be charged to students who reside in the School District, other than for before-school programs, after-school programs, inter-session programs, or extended kindergartner programs administered by the Academy. Tuition and fees may only be charged to any student in accordance with School District policy and state law, or as established by the Academy in accordance with applicable law.

3.05 Participation in Non-Academic Activities of Other Schools. The Academy’s students may participate in non-academic, extra-curricular activities at other schools in the School District, provided that the prerequisites for participation are met, and there is space available in the desired activity or program. When such participation requires payment of a fee, the Academy’s student shall be responsible for payment of the fee. The Academy’s students shall not be eligible for enrollment in academic courses at District schools on a part-time basis, unless otherwise agreed with the School District.

4.00 Measurable Pupil Outcomes & Assessments.
4.01 Approval. The pupil performance standards and assessment set forth in Section 4.0 of the Application are hereby approved and accepted by the School District subject to the conditions set forth below.

4.02 Performance Assessment. The Academy agrees that assessment of student performance shall not be limited to the Academy’s analysis as set forth in the Application, and agrees to cooperate with School District administrators to coordinate testing with the School District’s assessment requirements. The Academy also agrees that the baseline data for evaluating student performance shall not be limited to the Academy’s testing and shall include all assessments included in the School District’s Comprehensive Assessment Plan.

4.03 Evaluation of Pupil Performance and Procedures for Corrective Action: The Board approves the Academy’s methods for evaluating pupil performance and procedures for corrective action contained in Section 4.0 of the Application, as amended herein, including compliance with School District policies and state rules and regulations for accreditation and subject to the conditions below and otherwise set forth in this Contract:

4.03.a Timeline. The Academy shall submit a timeline for pupil performance evaluations to the School District for approval on or before the opening date of the Charter School.

4.04 Record Keeping. The Academy agrees to comply with all record keeping requirements of the School Board and/or federal or state law and shall provide any reports, as necessary, to meet the School District’s reporting obligations to the Wyoming Department of Education. Student records include, without limitation, immunization records, class schedules, records of academic performance, disciplinary actions, attendance, and standardized test results and documentation required under federal and state law regarding education of students with disabilities.

The Academy shall comply with all School Board approved policies and regulations, and applicable federal and state laws, concerning the maintenance and disclosure of student records, including, without limitation, Wyoming’s Public Records Act found at W.S. 16-4-201 et seq., and the Family Educational Rights and Privacy Act of 1974, 20 U.S.C. § 1232g.

4.05 Individual Education Plans. Students with Individualized Education Plans (IEP) will not be exempted from District standards. The Academy, along with the aid of the District, will provide reasonable accommodation regarding the manner in which students with IEP’s are taught and assessed.

4.06 Education of Students with Disabilities. The Academy agrees to comply with all Board-approved policies and regulations and the requirements of federal and state law concerning the education of children with disabilities.

4.06.a The School District shall be provided the opportunity to
participate in the development and/or modification of any Individualized Education Program ("IEP") for special education students of the Academy. The Academy shall give the School District reasonable advance notice of the scheduling of any IEP meetings. The School District’s Director of Pupil Services, or designee, shall maintain the same administrative responsibilities and authority in the Academy as in all other School District special education programs and services.

4.06.b The Academy shall use School District special education forms and will document compliance with the requirements of federal and state law, including procedural due process.

4.06.c The School District may identify from time to time changes to the educational program of the Academy that (a) are reasonably necessary to comply with applicable law for educating students with disabilities, or (b) are reasonably determined to provide cost savings or other recognizable benefits in connection with educating students with disabilities. After good faith discussion of these changes with the Academy, the School District shall have the right to require any such changes which are necessary to comply with law, and shall have the right to request other changes on behalf of students with disabilities.

4.06.d Special education programs and services will be available to the student as part of the regular school day in accordance with the least restrictive environment mandate of federal and state law. Upon request from a parent, the staffing team will consider whether special education instruction and services can be provided after school hours so as not to interfere with the participation of the student in portions of the educational program at the Academy. If the multidisciplinary staffing team determines that this format will allow the student’s individual special education needs to be addressed in a manner consistent with federal and state law, services may be provided after school.

4.07 Academic Goals for the Academy. The Academy shall adopt goals that exceed those adopted by the District. The goal of the Academy shall be that the average WyCAS scores for all students who have attended the Charter School for a minimum of three years shall exceed 65% scoring advanced and proficient in reading, writing, and math.

Failure of the Academy to achieve the foregoing goal shall not in and of itself be considered a basis for revoking or refusing to renew the Charter School under W.S. § 21-3-309(c).

4.08 Assessment of Core Knowledge Program. The Academy shall adopt and implement the Accountability Plan set forth in Appendix B of the Application.

4.09 Student Assessment. The Academy shall provide written progress reports for students on a quarterly basis. The grading system adopted and used by the Academy shall comply
with the Standards adopted by the State Board, and followed by the School District.

4.10 Identification of Academically Low-Achieving and At-Risk Students. The Academy shall identify academically low-achieving and at-risk students and shall provide its educational program to these students in a manner that is reasonably designed to best serves their needs.

5.00 Governance.

5.01 Approval. The provisions for governance and operations of the Academy set forth in Section 5.0 of the Application are hereby approved and accepted by the School District subject to the conditions set forth below.

5.02 Elections. Governance procedures shall provide for democratic election of Governing Board members. The Nominating Committee for the Academy shall nominate a sufficient number of Community members to insure that there are at least two Community Members at all times. Voting for directors shall be conducted in such a way as to insure that the members are able to, and do, vote separately for Community Members.

5.03 Non-religious, Non-sectarian Status. The Academy agrees that it shall operate, in all respects, as a nonsectarian, nonreligious, non-home-based public school. The Academy shall not be affiliated with any nonpublic sectarian school or religious organization.

5.04 Commitment to Nondiscrimination. The Academy shall comply with all applicable federal, state, and local laws, rules, and regulations, including, without limitation, the constitutional provisions prohibiting discrimination on the basis of disability, age, race, creed, color, sex, national origin, religion, or ancestry.

5.05 Waivers of District Policies. Unless and until the Academy adopts its own set of written policies which are approved by the School Board, the Academy agrees that it shall comply with all School Board approved policies and regulations set forth in the ACSD#1 Policies as now in existence and as they may be amended in the future.

Notwithstanding the foregoing requirement, the following waivers of School District Policies are hereby approved contingent upon the Board of Education approving the specific wording of the replacement policies and provided that if the State Board of Education does not waive the corresponding law or regulation, the District’s waiver is rescinded:

5.05.a The Academy may adopt its own written attendance policy and is granted a waiver from the School District’s policy, so long as the Academy policy is in compliance with Wyoming’s compulsory attendance laws, including, without limitation, hour requirements and the distinction made between excused and unexcused absences.
5.05.b The Academy may adopt its own set of written policies concerning student conduct, dress code, and student discipline and is granted a waiver from corresponding School District policies, as long as the developed policies are in compliance with applicable federal and state laws, including, without limitation, the grounds and procedures established by state statute for suspending, expelling, or denying admission to a student. Pending adoption by the Academy of different policies for student conduct, dress code and/or discipline, the Academy hereby adopts the School District policies regarding such matters in the form and content of such policies as of the date of this Contract, as the policies of the Academy. The Academy intends to develop policies which provide that the Academy Directors will be delegated the same decision-making authority and responsibility as the District Board now possesses for making disciplinary decisions except that the District Board retains the right to review expulsion decisions and, if necessary, overrule the Academy’s Directors.

5.05.c The Academy may establish its own school calendar so long as the instructional program is in compliance with state law regarding minimum pupil-teacher contact hours and number of days in operation.

5.05.d The Academy may accept any student within Albany County and is granted a waiver from the School District attendance centers.

5.05.e The Academy is granted in general the “Delegation Waivers”, it being understood, that except as otherwise provided herein, the Academy’s Board of Directors shall be responsible for the direct operation and oversight of the Charter School.

5.05.f The School Board agrees to give the Academy notice of the adoption, amendment or repeal of all rules that apply to the Academy in accordance with W.S. § 16-3-103, and to provide the Academy with the reasonable opportunity to submit data, views or arguments regarding any such proposed rule.

5.06 Waivers of State Statutes and State Board of Education Policies. The School Board approves the Academy’s request for Waivers of State Statutes as set forth in Appendix D to the Application, which are all “Delegation Waivers”. The Academy shall provide a draft letter request to be signed by the Chairman of the School District requesting the Waivers from the State Board.

5.07 Open Meetings Law. The Academy agrees that its Board of Directors will comply with Wyoming’s Public Meetings Statutes found at W.S. 16-4-401 et. seq. Any language to the contrary in the Application is expressly rejected.

5.08 Gifts. The School District shall be given written notice of all accepted gifts, donations, and grants, and any conditions thereof, as part of its regular and normal reporting to the School District. All gifts, donations, and grants accepted by the Academy shall be for the benefit of
the Academy and shall not reduce funding by the School District hereunder.

5.09 Notice of Policies and Procedures. The Academy shall furnish to the Board copies of all written policies or procedures it may develop with respect to any matter relating to its operations and educational program upon adoption of such policies by the Academy’s Governing Board.

5.10 Conflict of Interest. Members of the Governing Board of the Academy shall comply with Board policies and regulations and state law regarding Board member ethics and conflict of interest.

5.11 Dissolution. In the event the Charter School should cease operations for whatever reason, including the non-renewal or revocation of its Charter, all assets of the Academy and the Charter School shall become the property of the School District. Such assets may be utilized by the District to satisfy any outstanding SRA liabilities. The Academy shall adopt Articles of Incorporation consistent with this requirement.

6.00 Employee Relations.

6.01 Approval. The Employee Relations section of the Academy set forth in Section 6.0 of the Application is hereby approved and accepted by the School District subject to the conditions set forth below.

6.02 Employment Matters: The policies and procedures set forth the Application, concerning employment matters such as employee relationships, job descriptions, and terms and conditions of employment are accepted by the School District; however, SRA employee handbooks, guidelines, etc. will be submitted to the District Board for approval. Academy policies and procedures, as approved by the District Board, shall supersede the requirements of any Board-approved policies or regulations, to the extent permitted by law, and subject to the following conditions in addition to all other provisions of this Contract:

6.02.a The School District agrees that the Academy may select its personnel directly without prior authorization from the Board, subject to compliance with all federal and state rules and regulations, including, without limitation, requirements concerning the recruitment of applicants and the use of background and criminal checks, unless a specific waiver is obtained from the State Board of Education or other proper authority.

6.02.b The Academy agrees to adopt personnel policies for its teachers which mirror the School District’s Personnel Policies found in Chapter VII of the Albany County School District One By-Laws and Policies of the Board of Education. Employment contracts will expressly provide: 1. right of employee to continued employment, 2. acknowledge that employee is not an Albany County School District One employee, 3. state that in no event shall the District owe any responsibility to the employee, and 4. covenant the employee to hold the District harmless.
6.02.c The School Board reserves the right to terminate the employment of any personnel for cause, after consultation with the Academy Directors. It is acknowledged, however, that this reservation does not in any manner change the nature of any Academy employees’ employment.

6.03 **Employee Compensation, Evaluation, and Discipline.** The School District agrees to waive all School Board-approved policies and regulations concerning the compensation, evaluation, promotion, discipline, and termination of the employment of the Academy’s employees subject to compliance with all state rules and regulations, unless specific waivers are obtained by the State Board of Education.

6.04 **Supervision and Responsibility.** The Principal shall be independently responsible for the supervision and evaluation of the teaching staff employed by the Academy. The Principal shall be responsible for evaluating the performance of the school’s teaching staff on an annual basis. The written results of such evaluation and the evaluation report shall be submitted to the School Board on or before April 1 of each year for its review. The School Board may make recommendations to the Academy Directors concerning any deficiencies, areas for growth, improvement, or remediation regarding its teaching staff. The Academy Directors shall be responsible for the evaluation of Charter School’s principal.

6.05 **Payroll.** The Academy shall be responsible for administering its own payroll.

6.06 **Benefits.** The Academy shall be responsible for administering any and all benefit programs for its employees.

6.07 **Equal Opportunity Employer.** The Academy affirms that it shall not discriminate against any employee on the basis of race, creed, color, sex, national origin, religion, ancestry, age, or disability in its recruitment, selection, training, utilization, termination, or other employment-related activities.

6.08 **Employee Welfare and Safety.** The Academy shall comply with all Board-approved policies and applicable federal and state laws, concerning employee welfare, safety, and health issues, including, without limitation, the requirements of federal law for a drug-free workplace, unless any such policies, laws or requirements are waived by the appropriate governmental authority.

6.09 **Employee Records.** The Academy shall comply with all Board-approved policies and regulations, and applicable federal and state laws, concerning the maintenance and disclosure of employee records. In the event the Academy ceases to operate, all employee records will be promptly transferred to the District.
6.10 **Employee Conflicts of Interest.** All Academy employees shall comply with the Board’s policy and regulation, and applicable state law, concerning employee actual and potential conflicts of interest.

6.11 **School District Teachers/Administrators.** Current teachers and administrators of the School District who are selected for employment by the Academy are eligible for an unpaid leave of absence from their employment with the School District, consistent with state law and School Board policies. The District will draft a policy allowing for up to a three-year leave to teach in the Academy and then to return to Albany County School District One if they wish.

6.12 **Status and Rights of School District Employees.** The rights and status of any teacher or administrator employed by the School District when hired by the Academy shall be set forth in the School District’s policies.

6.13 **Principal.** It is strongly recommended that the Academy’s Principal have administrative certification. In the event that the Principal is not certified, the Academy Board of Directors shall demonstrate to the satisfaction of the School Board that the Principal has an adequate level of proficiency in the due process procedures required by the Academy in addressing faculty and staff as well as student issues.

6.14 **Part Time Teachers.** The Academy shall obtain a temporary permit or other form of certification from the Professional Teaching Standards Board for any non-certified part time teacher.

6.15 **Special Education and Child Advocacy.** The Academy is not required to provide child advocates for students requiring an IEP.

7.00 **Health & Safety.**

7.01 **Approval.** The Health and Safety section of the Academy set forth in Section 7.0 of the Application is hereby approved and accepted by the School District subject to the conditions set forth below.

7.02 **Student Welfare and Safety.** The Academy shall comply with all School Board approved policies and regulations, and comply with all applicable federal and state laws concerning student welfare, safety, and health, including, without limitation, Board policies and laws addressing the reporting of child abuse, accident prevention and disaster response, and any state regulations governing the operation of school facilities (unless and to the extent that any such policies or regulations are waived in writing by the appropriate governmental authority). In any event, the District Superintendent will be notified of all accidents resulting in injury.

8.00 **Admissions Requirement.**
8.01 Approval. The Admissions Requirements section of the Academy set forth in Section 8.0 of the Application is hereby approved and accepted by the School District subject to the conditions set forth below.

8.02 Open Enrollment. Enrollment shall be open to any child who resides within the School District, subject to enrollment limitations set forth by the School Board in its approval of the Charter. For the first year of the Charter, the Academy will provide an educational program for grades K through 4 for a minimum of 81 and maximum of 348 full time equivalent students. Provided, however, that the Academy may open with fewer than 81 students but no fewer than 50 students, if it has sufficient resources to make up any resulting deficit. Enrollment decisions shall be made in a nondiscriminatory manner in accordance with School District policy, state law, and as specified in the Application. For all years of operation, students previously enrolled in the Charter School shall be entitled to re-enroll for the following school year provided that they remain in good standing with the Academy. Furthermore, siblings of students duly enrolled in the Charter School shall be given a preference for enrollment in the Charter School. Except for the first school year, all students enrolling in the Charter School will be subject to the School District’s open enrollment time lines.

8.03 Admissions. Students shall be considered for admission into the program as specified in the Application and without regard to race, creed, color, sex, national origin, religion, ancestry, disability, or need for special education services.

8.04 Non-Resident Students. Students who reside outside of the School District shall not be admitted to the Academy until all applicants who reside in the School District and who qualify for admission have been enrolled. Students who reside within Wyoming but not in Albany County must have an acceptable agreement with their district of residence and the School District in accordance with W.S. 21-4-502. If they reside outside of Wyoming they must pay tuition in accordance with W.S. 21-4-505.

8.05 Transfer of Students. Any transfer of students from the Academy to another school in the School District shall be approved in accordance with School District Policy.

9.00 Evidence of Sound Economic Plan, Proposed Budget for Term of Charter, Provision for Annual Audit, Displacement Plan.

9.01 Approval. The Evidence of Sound Economic Plan, Proposed Budget for Term of Charter, Provision for Annual Audit, Displacement Plan section of the Academy set forth in Section 9.0 of the Application are hereby approved and accepted by the School District subject to the conditions set forth below.

9.02 Funding.

9.02.a During the first year of this Contract for the first school year, the
School District shall provide funding to the Academy in accordance with Appendix E to the Application for each funded pupil enrolled in the Academy and in accordance with W.S. 21-3-314. For the second and subsequent years of this Contract, funding shall be on the same basis as set forth in Appendix E, and shall be based upon the same percentage of the School District’s Average Daily Membership, as defined in W.S. § 21-3-314, including arrangements for purchase of School District services. Enrollment shall be calculated in accordance with Wyoming Statutes, in the same manner as the data is calculated for the School District. Kindergarten students are funded at one-half the per pupil amount. So long as the Academy is not in material breach of this Contract, this funding will be made available to the Academy in installments consistent with the receipt of the funds by the School District from the State of Wyoming and the fiscal year, commencing on August 15, of the year in which the Charter School begins operation. The installments paid thereafter for such years will be pro rata so that they will reflect a pro-rata amount of the total annual funding received by the School District. The term “enrolled” as used in this provision shall mean enrolled as of the counting dates or periods and in accordance with the requirements of Wyoming Statutes, Title 21, Chapter 13, School Finance.

9.02.a.1 For the first school year, funding from the School District shall be initially determined based upon anticipated enrollment for that year which shall be provided to the District on or before March 1 of the preceding year and shall thereafter be adjusted as provided by Wyoming Statutes.

9.02.a.2 All subsequent years’ funding from the School District shall be determined by the Average Daily Membership of the Academy for the previous year. Provided, however, that should the Wyoming Legislature extend the double counting feature presently available for the Charter School’s first year of operation for new students transferring to the Charter School during the second and third years of its operation, the Academy’s funding for its Second and Third years shall be determined based upon anticipated enrollment for the following year as provided to the District on or before March 1 of the preceding year and thereafter adjusted as provided by Wyoming Statutes.

9.02.b During the first year of operation funding adjustments will be based on the ADM of the school on the 60th day. In addition, to the extent the School District experiences any reduction in state support by a legislative rescission or other action, proportionate reductions will be made to the Academy by adjustment or set off in subsequent months.

9.02.c The parties expressly recognize that the Academy will not have the substantial student base population to help fund and spread the risk of special education students who require expenditure of greater educational resources than the funding available for such students. Accordingly, the parties agree that the School District will be responsible for special education expenditures for Charter School students identified under the Federal
Individuals with Disabilities Education Act (IDEA). The School District and the Academy shall allocate costs of such special education students in accordance with the following:

9.02.c.1 The Academy shall be entitled to retain all of the per pupil funding allowable to the Academy, as set forth in Exhibit A. The School District shall be entitled to retain all other revenues received either by the School District or the Academy that are reasonably attributable to the education of special education students in the School District or the Academy, including, without limitation, the proportionate share of state and federal resources generated by the Academy’s students with the disabilities, or the staff serving them (but excluding any such funds obtained by the School through private grant or gift).

9.02.c.2 The Academy shall remain responsible for the cost, if any, of the portion of the Academy’s student’s IEP that is typically provided schools within the School District, including, without limitation, the classroom teacher, normal classroom supplies, and similar educational services provided to all students.

9.02.c.3 Provided that the Academy reasonably complies with, and follows the IEP of all students identified under IDEA, the School District shall be responsible for 100 percent of the total costs (the “excess IEP cost”) incurred annually to deliver the education described in the Academy’s students’ IEP over and above the costs incurred by the Academy in connection with the regular education program as described above, including, without limitation, costs of special education and related services, including transportation, where identified as a related service on a student’s IEP; costs of providing special equipment and materials necessary to assist the special education student; and legal expenses in connection with staffing and special education due-process hearings. The Academy will assure that District personnel, as appropriate, will participate in the development of all IEPs.

9.02.c.4 A student with a disability who resides in another school district and who requires special education services will be enrolled in the Academy only if the student’s special education needs can be appropriately addressed with the programs and services available at the Academy. The Academy must also meet the requirements of section 8.04 of this contract.

9.02.c.5 The School District shall provide the School with its good faith estimate of the Per Pupil Special Education Payment in connection with the preparation of the School’s budget each year.

9.02.c.6 The School District shall have complete responsibility and authority to deliver the services required in connection with the excess IEP cost, and the Academy shall cooperate fully with the School District in delivery of these services. The Academy and the School District shall cooperate in good faith to
determine which of the services required by the IEP should be delivered through regular education personnel and services provided by the Academy and which services should be provided by the School District. In making this determination, the parties shall consider the best interests of the child and the most cost-efficient and effective means of delivering the services. In the case of a dispute, the School District shall make the final decision regarding the delivery of special education services.

9.02.c.7 Related service providers, as defined by law, including school psychologists, speech/language specialists, occupational/physical therapists, and social workers, will be hired by the School District and assigned to the Academy in the same manner that is used for all schools within the School District. Special education teachers and para-professionals may be hired by the Academy, with the approval of the School District. Special education teachers are required to be appropriately licensed, in accordance with the requirements of state law, for the position to which they are being assigned.

9.03 Budget. The Academy’s Budget set forth as Appendix E of the Application is accepted by the School District, subject to the following:

9.03.a The per pupil funding for the first and subsequent school years shall be in accordance with W.S. 21-3-314.

9.03.b The Academy shall be responsible for all costs associated with its school operations, including the cost of contracting for goods and services. Services may be purchased by the Academy from the School District at the District’s costs. Applicable costs will be negotiated and determined on a yearly basis as part of the budgeting process.

9.03.c For school years after the first school year, the Academy shall submit to the Board its proposed budget for such school year for Board approval on or before March 1 immediately preceding such school year. The budget shall be prepared in accordance with the state-approved chart of accounts.

9.04 Annual Audit. The Academy agrees to maintain appropriate financial records in accordance with all applicable federal, state, and local laws, rules, and regulations, and make such records available to the School District, as requested, from time to time. The Academy agrees to enter into a joint contract with the District and the School District’s outside auditor for the Academy’s portion of the annual outside audit of financial and administrative operations and for the preparation of other reports deemed appropriate by the Board of Education. The results of the audit shall become a component unit of the School District and displayed separately with the report. Any additional cost associated with the audit of the Academy shall be borne by the Academy.

9.05 Overall Budget. Nothing contained in this Contract or in the Application or the budget attached thereto, shall be construed as requiring the Academy to meet its budget
projections for any specific line item. Rather, the parties acknowledge that the Academy is only required to meet its overall budget and that there is no requirement that individual line items of the budget be met, except to the extent that meeting any such individual line item may be required by statute or applicable regulation which has not otherwise been waived by the appropriate authority.

9.06 Contingency Reserves. The Academy shall be required to maintain a separate contingency reserve in accordance with School District policy with respect to its budgeting.

9.07 Indigent Students. The Academy shall waive all fees for indigent students in accordance with Board policy and applicable state and federal law.

In the event that the Academy operates a lunch program, it shall survey its student population for eligibility for free and reduced lunches under federal guidelines in accordance with State Board of Education regulations. On all fee lists and schedules, the School shall include notification of the policy of waiver of fees for indigent students. The School shall provide free and reduced priced meals to needy students in accordance with Board policy and applicable federal and state law if it operates a lunch program. In the event the Academy does not operate a lunch program, it shall make other suitable accommodation for needy students to insure that they have lunch.

9.08 Operational Powers. Subject to the above conditions, the Academy shall be fiscally responsible for its own operations within the limitations of any funding provided by the School District and other revenues derived by the Academy consistent with law, and shall have authority to independently exercise, also consistent with federal and state law, the following powers (including such other powers as provided for elsewhere in this Contract and in the Application to the extent consistent with this Contract): contract for goods and services; prepare a budget; select personnel and determine their compensation; procure insurance; lease facilities for school purposes; purchase, lease, or rent furniture, equipment, and supplies; accept and expend 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; and all activities necessary and appropriate to effect the foregoing. In exercising these powers, the Academy shall comply with all applicable Board-approved policies unless a specific waiver is obtained.

9.09 Debt. The Academy shall not enter into any agreement that gives rise to multiple-fiscal year direct or indirect debt or other financial obligation whatsoever on the part of the Academy without the prior express written consent of the School District. The Academy recognizes that any debt created by the Academy is not a debt of the District.

The Academy agrees to indemnify and hold harmless the School District from and against, and to reimburse the School District with respect to, any and all loss, damage, liability, cost and expense, including reasonable attorneys’ fees, incurred by School District by reason of or arising out of or in connection with any claim made by a creditor of the Academy against the School District.
9.10 **Annual Review.** The Academy shall be subject to an annual review of its operations and finances by the Board or a designee. The Academy shall provide to the School Board annually, a written report concerning its operations, including, without limitation, progress made towards its educational goals and objectives, policy development issues, student attendance and student discipline information, and personnel matters.

9.11 **Financial Reporting.** The Academy will provide the following information to the School District:

9.11.a The Academy shall provide to the School District, in a format consistent with the School District’s accounting system, all financial transactions to the twenty-fifth day of each month, not later than the last working day of the month.

9.11.b The Academy shall provide to the School District copies of reconciled bank statements for each month of operation by the last working day of the following month.

9.11.c The School District will provide to the Academy a financial report for the Academy for each month of operation not later than the fifth day of the following month.

9.11.d On or before the last day of July, the Academy shall provide the District with all previous fiscal year closing entries.

9.12 **Clarification for Use of District Services and Purchase Contracts.** If not prohibited by contract, the School District may allow the Academy to take advantage of any discounts available to the District for purchasing goods and services.

9.13 **Books, Software and Libraries.** Books, software and library resources acquired by a school within the District using ADM funding will not be available to the Charter School.

10.00 **Suspension & Expulsion Policy.**

10.01 **Approval.** The Suspension and Expulsion Policy section set forth in Section 10.0 of the Application is hereby approved and accepted by the School District subject to the conditions set forth below.

10.02 **Appeals to the School Board.** Suspensions and expulsions by the Academy shall be subject to administrative review by the School Board based on rules and regulations approved by the School Board. Any right of review to the School Board shall be limited to the record, if any, established by the Academy.

11.0 **Minimum Enrollment Requirements.**
10.01 Approval. The Minimum Enrollment Requirements section set forth in Section 10.0 of the Application is hereby approved and accepted by the School District subject to the conditions set forth below.

12.0 Evidence of Support.

12.01 Community Support: The School Board finds that sufficient support for the Academy exists, as evidenced by Charter Application and the Public Hearing held on the Charter Application on November 26, 2001.

12.02 Minimum Enrollment. On or before March 1, of the year during which the Academy is to open, but not later than March 1, 2003, the Academy shall provide evidence of an average daily membership enrollment of at least 81 for grades K-4, with class enrollment of no more than 18 students per class. Provided, however, the Academy may open with less than 81, but not less than 50 students if it can demonstrate that it has the resources to pay for any resulting deficit due to the lower than budgeted number of students.

In the event that the Academy can demonstrate sufficient interest, and financial support for grades 5-6, the Academy may also open with grades 5-6.

13.0 Legal Liability and Insurance Coverage.

13.01 Approval. The Legal Liability and Insurance Coverage section set forth in Section 10.0 of the Application is hereby approved and accepted by the School District subject to the conditions set forth below.

13.02 Insurance. It is agreed that during the term of this Contract, the Academy will maintain insurance coverage equivalent to the coverage purchased by the School District itself. The District must approve insurance contracts and be named as “Additional Insured” on such contracts.

13.03 Risk Management. The Academy agrees that it will coordinate all risk management activities through the School District’s risk management office. This will include the prompt reporting of any and all pending or threatened claims, filing of timely notices of claim, cooperating fully with the School District in the defense of any claims, and complying with the defense and reimbursement provisions of the Wyoming Governmental Immunity Act and the School District’s applicable insurance policies.

13.04 Compromise & Settlement. The Academy shall neither compromise, settle, negotiate, nor otherwise affect any disposition of potential claims asserted against it without the School District’s prior written approval.

13.05 Legal Liability. The Academy will be fully responsible for the legal liabilities of the Charter School. The District shall have not legal liability for the operation of the Charter
School. The Academy agrees to indemnify and hold harmless the District from and against any and all Charter School liabilities.

14.00 Transportation.

14.01 Approval. The Transportation section set forth in Section 10.0 of the Application is hereby approved and accepted by the School District subject to the conditions set forth below.

14.02 Transportation. If the Academy determines to provide transportation during the term of this Contract, the Academy may contract with the School District or an independent third party, subject to the approval of the School District for transportation services at cost, by separate written agreement.

The Academy shall provide equitable access to its program, and shall arrange for the reasonable transportation of students having difficulty with transportation. In the event that the Charter School incurs costs for such transportation, it may negotiate reimbursement from the School District consistent with funding provided by the State for such transportation.

15.00 Contracts.

15.01 Approval. The Contracts section set forth in Section 15.0 of the Application is hereby approved and accepted by the School District subject to the conditions set forth below.

15.02 Faith and Credit. The Academy agrees that it will not extend the faith and credit of the School District to any third person or entity. The Academy acknowledges and agrees that it has no authority to enter into a contract that would bind the School District and that except as provided in this Contract the Academy’s authority to contract is limited by the same provisions in law or Board policy that apply to the School District itself. The Academy also is limited in its authority to contract by the amount of funds obtained from the School District, as provided hereunder, plus any funds received by the Academy from other lawful sources. The Academy Directors are hereby delegated the authority to approve contracts to which the Academy is a party, subject to the requirements and limitations of the Wyoming Constitution, state law, Board-approved policies (including bid limits), and the provisions of this Contract.

The Academy agrees to indemnify and hold harmless the School District from and against, and to reimburse the School District with respect to, any and all loss, damage, liability, cost and expense, including reasonable attorneys’ fees, incurred by School District by reason of or arising out of or in connection with any claim made by a creditor of the Academy against the School District.

15.03 Term of Contracts. In addition to the requirements set forth in paragraph 15.1 of the Application, the Academy shall be subject to bidding requirements approved, adopted and
followed by the School District.

15.04 **Contract Language Protecting the District.** Any and all contracts executed by or on behalf of the Academy shall include the following language:

The undersigned understands and agrees that this contract is solely with Snowy Range Academy, Inc., a Wyoming nonprofit corporation, and that it is not with Albany County School District Number 1. As part of the consideration for entering into this contract with the Academy, the undersigned covenants and agrees that it will not seek to enforce this agreement against Albany County School District Number 1. The undersigned further covenants not to sue Albany County School District Number 1 as a result of entering into this Contract. In the event that the undersigned contracting party breaches this covenant, it agrees to indemnify and hold harmless the School District from any and all amounts the School District is obligated to pay as a result of such claims, including its reasonable attorneys’ fees and costs.

16.00 **Facilities and Potential Effects of the Charter School on the School District.**

16.01 **Approval.** The Facilities and Potential Effects of the Charter School on the School District section set forth in Section 16.3 of the Application is hereby approved and accepted by the School District subject to the conditions set forth below.

16.02 **Site.** If a School District site is not deemed available, the Academy shall obtain a suitable non-school District site for the school. Such site shall meet the requirements of the State and local laws and shall be submitted to the School District for approval, which approval shall not be unreasonably withheld or delayed, prior to execution by the Academy.

The Charter School may use the School District’s site on North 15th Street, provided that it can demonstrate the financial support to make all improvements thereon. Attached as Exhibit B is a preliminary estimate of the anticipated costs to make the improvements necessary for the site to be utilized by the Charter School.

17.00 **General Conditions to Opening the Charter School**

17.01 **State Funding.** The approval of this Contract, and the Charter School, is expressly conditioned upon present levels of State funding and existing state statutes. In the event that there is a reduction of funding, based on an ADM basis, as presently provided to the School District by the Wyoming State Legislature or other material revision in any state statute that substantially and negatively impacts the relationship of the District with the Academy, the School District shall have the option to cancel this Contract. Specifically, in the event that the Wyoming
State Legislature eliminates the double counting of students for the first year of operation of the
Charter School, the Academy shall not begin operation unless that source of funding is replaced
though an independent source.

17.02 Outside Funding. It understood by and between the Parties that the Academy
will require funding for its first years of operation in addition to the State funding which it has
contracted to receive through the School District. The Academy shall be required to demonstrate to
the satisfaction of the School Board that it has secured adequate additional resources prior to March
1 of the year in which it intends to open. Adequate additional resources shall include the funding
shall include the following:

17.02.a Operational Funding. The Charter School shall secure sufficient
funding apart from the School District to cover the Total Capital/Start-Up Costs as
set forth in Appendix E to Exhibit A, plus secure at least (a) 90 students (an Average
Daily Membership of 81 students), or at least an Average Daily Membership of 50
students together with additional outside funding of $5,113.79 for each Average
Daily Membership less than 81.

17.02.b Capital Facilities. The Charter School shall secure sufficient
resources and funding apart from the School District to comply with Section 16.00 of
this Contract.

17.03 Technology. No later than March 1 preceding the year in which the Charter
School is to open, the Academy shall develop a technology plan, including connectivity for all
classrooms, and shall secure funding to implement its technology plan.

18.00 General Provisions.

18.01 Term. The Charter and this Contract are effective as of the date first written
above for a period of five school years, and will terminate on July 31 following the fifth year of the
Charter School operation. The Charter may be renewed in accordance with the Charter School Act
by mutual written agreement of the parties. Although this Contract is for operation of the Academy
as a charter school in the School District for a period of five years, any financial commitment on the
part of the School District contained in this Contract is subject to annual appropriation by the State
of Wyoming, and the parties agree that the School District has no obligation to fund the financial
obligations under this Contract other than for the current year of the contract term, and that the
School District has not irrevocably pledged and held for payment sufficient cash reserves for funding
the Academy at or above the per pupil allocation or for providing services described herein for the
entire term of the Contract.

18.02 Termination. This Contract may be terminated, and the Charter revoked by the
Board, only for any of the grounds provided by state law, W.S. § 21-3-309(c), and/or for any
material breach of this Contract, upon thirty days' advance written notice being given to the

Snowy Range Academy Charter School Application
18.03 Notice of Breach. The School District shall give the Academy written notice of any purported material breach of this Contract and of the requirements for correction of same, and shall provide the Academy thirty (30) days in which to remedy or cure such breach or reach an agreement with the School District for a plan to remedy or cure such breach. If such breach has not been corrected within the time period specified by the School District in the notice of breach (but in no event less than thirty (30) days), the School District may terminate this Contract as provided herein. If the School District seeks to terminate this Contract on any grounds set forth in Wyoming Statutes, the School District shall likewise give the Academy written notice of the purported breach and of the requirements for correction of same, and shall provide the Academy thirty (30) days in which to remedy or cure such breach or reach an agreement with the School District for a plan to remedy or cure such breach. If such breach has not been corrected within the time period specified by the School District in the notice of breach (but in no event less than thirty (30) days), the School District may terminate this Contract as provided herein. Should the Academy choose to terminate this Contract and revoke its charter before the end of the contract term, it may do so with the Board’s approval, at any time, upon sixty days’ advance written notice.

18.04 Dissolution. In the event the Academy should cease operations for whatever reason, including the non-renewal or revocation of the Charter, it is agreed that the Board shall supervise and have authority to conduct the winding up of the business and affairs of the Academy; provided, however, that in doing so, the School District does not assume any liability incurred by the Academy beyond the funds allocated to it by the School District under this Contract. The School District’s authority hereunder shall include, but not be limited to, the return and/or disposition of any assets acquired by purchase or donation by the Academy during the time of its existence.

18.05 Return of Property. In the event of termination or dissolution, all property purchased in whole or in part with funding provided by the School District, including, but not limited to, real property, shall be returned to and shall remain the property of the School District. All assets loaned to the Academy will be returned to the lenders. Remaining assets shall be utilized to satisfy any remaining outstanding SRA liabilities. Any residue will accrue to the District.

18.06 Entire Agreement. This Contract, with attachments, contains all terms, conditions, and provisions hereof and the entire understandings 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.

18.07 Amendment. This Contract may only be modified or amended by further written agreement executed by the parties hereto.

18.08 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 days after mailing when sent by certified mail, postage prepaid.
to the Principal’s office and to its then legal counsel, in case of notice being sent to the Academy, or to the Office of the Albany County School District Number 1, 1948 E. Grand Avenue, Laramie, Wyoming, 82070, and its then legal counsel for notice to the School District.

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

18.10 Dispute Resolution. In the event any dispute arises between the School District and the Academy 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 Superintendent of the School District or his designee for review. Thereafter, representatives of the School Board and the Academy Directors shall meet and attempt in good faith to negotiate a resolution of the dispute. In the event these representatives are unable to resolve the dispute informally pursuant to this procedure, they shall submit the matter to the State Board of Education for facilitation, as provided by law. In the event the parties are unable to resolve the dispute through such facilitation, the dispute shall be referred to the School Board for its consideration. The determination of the School Board shall be definitive, subject, however, to the right of appeal to the State Board of Education, concerning those matters within its jurisdiction under the Charter School Act or to the Wyoming District Courts, as provided by law.

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

18.12 Waiver of Policies and Procedures. No provision of this Contract or of the Application shall be construed so as to preclude the Academy from seeking a waiver of any such policy or provision as contemplated by this Contract or as contemplated by law. In the event that any such waiver is obtained, any such waiver shall to the extent granted be controlling over any contrary provision of this Contract or of the Application.

18.13 Rules of Construction. This Contract shall be interpreted, whenever possible, as complementing, rather than overriding, the terms and provisions of the Application. However, to the extent of any inconsistencies, this Contract shall be controlling. The Contract shall also, to the extent possible, be interpreted as consistent with the provisions of the Wyoming Constitution and the Charter School Act.

18.14 Business Days. When any action required by this Contract falls on a Saturday, Sunday or legal holiday in the State of Wyoming, such action shall occur on the first succeeding day which is not a Saturday, Sunday or legal holiday in the State of Wyoming.

18.15 Third-Party Beneficiary. No third-party, whether a constituent of the School District, or otherwise, may enforce, or rely upon any obligation of, or exercise any right of, the
School District or of the School under this Contract. This Contract does not intend to create rights in favor of any third-party beneficiary.

18.16 Compliance with Administrative Procedures. The Academy Directors agree to follow and comply with the Wyoming Administrative Procedures Act (WAPA). Any hearings conducted by the Charter School shall be conducted pursuant to the procedures set forth in the WAPA.

18.17 Indemnification Procedures. When the Academy is required to indemnify the School District the following procedure shall apply. The School District shall (a) give the Academy prompt notice of any claim, demand, suit, proceeding or action ("Claim") by any person against the School District, (b) consult with the Academy as to the procedure to be followed in defending, settling, or compromising the Claim, (c) not consent to any settlement or compromise of the Claim without the written consent of the Academy (which consent, unless the Academy has elected to assume the exclusive defense of such Claim, shall not be unreasonably withheld or delayed), and (d) permit the Academy, if it so elects, to assume the exclusive defense of such Claim, all at the cost and expense of the Academy. If the School District shall (i) fail to notify or to consult with the Academy with respect to any Claim in accordance with subparagraph (a) or (b) above, or (ii) consent to the settlement or compromise of any Claim without having received the written consent of the Academy (unless, if the Academy refused to assume the exclusive defense of such Claim, or the consent of the Academy was unreasonably withheld or delayed), the Academy shall be relieved of its indemnification obligation with respect to such Claim. If the Academy shall elect to assume the exclusive defense of any Claim, it shall notify the School District in writing of such election, and the Academy shall not be liable hereunder for any fees or expenses of the School District’s counsel relating to such Claim after the date of delivery to the School District of such notice of election. In the event of such election, the School District shall cooperate with the Academy and provide it with access to all books and records of the School District relevant to the Claim. The Academy will not compromise or settle any Claim without the written consent of the School District (which consent shall not be unreasonably withheld or delayed). Notwithstanding the foregoing, to the extent required by applicable insurance policies, the parties shall share or give control thereof to any insurer with respect to such Claim.

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

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ALBANY COUNTY SCHOOL DISTRICT NO. 1

[Signature]
Chairman, Board of Trustees

Attest:

[Signature]
Secretary

SNOWY RANGE ACADEMY, INC.

[Signature]
Chairman, Board of Directors

Attest:

[Signature]
Secretary

Snowy Range Academy Charter School Application