

**CHARTER AGREEMENT**

*between*

**OREGON INTERNATIONAL SCHOOL  
A PUBLIC CHARTER SCHOOL**

*and*

**BAKER SCHOOL DISTRICT**

2022-2027

## **CHARTER SCHOOL CONTRACT**

THIS CONTRACT, dated this \_\_\_\_\_ day of \_\_\_\_, 2022, is made and entered into by and between the Baker School District (“District”) and Oregon International School a Public Charter School (“OIS”).

### **RECITALS**

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

WHEREAS, on November 21, 2019 a charter application (attached and incorporated as Exhibit A) was submitted by the OIS to the District for formation of the OIS as a charter school to operate within the School District; and

WHEREAS, on November 21, 2019 the District has determined that the application submitted by the OIS complies with the purposes and requirements of ORS Chapter 338; and

WHEREAS, on January 16, 2020 the Board held a public hearing on the provisions of the application in accordance with ORS Chapter 338 and evaluated the criteria set forth in of ORS Chapter 338;

WHEREAS, by resolution adopted January 16, 2020 the District Board granted the charter application and directed the District administration to begin and complete the negotiation and execution of a contract acceptable to the OIS and the District; and

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

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

## CONTRACT

1. Grant of Charter

The OIS is granted a charter in accordance with ORS Chapter 338 and the terms and conditions of this contract to operate a charter school as described herein.

2. Effective Date

This contract shall commence on day on this contract has been executed by both parties and shall expire at midnight on June 30, 2027.

3. Philosophy and Mission

The philosophy and mission of OIS, as described in Exhibit A, is hereby accepted by the District to the extent it is consistent with the purposes set forth in ORS Chapter 338.

4. Goals and Objectives

The goals and objectives set forth in the application in Exhibit A are hereby accepted by the District, subject to the conditions set forth in this contract.

5. Educational Program, Student Performance Standards and Curriculum

A. Age and Grade Range

The OIS may provide instruction to students in grades 9-12. Student placement shall be consistent with ORS Chapter 338, state law and OIS policy in the charter school selection process described in this agreement.

B. Curriculum

The District agrees to waive its curricular requirements, to the extent permitted by state law, but subject to the implementation by the OIS of its instructional programs as outlined in Exhibit A, and as amended herein.

- (i) The OIS shall have the authority and responsibility of designing and implementing its educational program, subject to the conditions of this contract, in a manner which is consistent with state law.

- (ii) The educational program and curriculum designed and implemented by the OIS shall meet or exceed any content standards adopted by the state and approved by the Oregon Department of Education (ODE) and shall be designed to enable each pupil to achieve such standards.
- (iii) The OIS agrees to comply with all state requirements concerning academic content and student achievement.
- (iv) The OIS agrees to obtain prior approval from the District before making a fundamental change to the educational program outlined in Exhibit A. The parties agree that Exhibit A sets forth the overall goals, standards and general operational policies of the OIS, and that Exhibit A is not a complete statement of each detail of the OIS's operation. To the extent that the OIS desires to implement specific programs, policies, procedures or other specific terms of operation that supplement or otherwise differ from those in Exhibit A, the OIS shall be permitted to implement such programs, policies, procedures and specific terms of operation, provided that they are consistent with the goals, standards and general operational policies set forth in Exhibit A, this Agreement and ORS chapter 338.
- (v) The OIS shall establish an administrative process for resolving public complaints against the OIS, including complaints regarding curriculum.

C. Extracurricular Activities

OIS students who participate in extracurricular activities of the District shall be subject to OSAA and the District's rules regarding fees, eligibility and conduct.

D. Records

- (i) The OIS shall comply with all record keeping requirements of federal and state law and shall provide any reports, as necessary, to meet the District's reporting obligations to the Oregon Department of Education. Student records include, without limitation, immunization records, class schedules, records of academic performance, disciplinary actions, attendance, documents required pursuant to the statewide assessment system under ORS 329.485(2) and any documentation required under federal and state laws regarding the education of students with disabilities.

- (ii) The OIS shall comply with all applicable federal and state laws, concerning the maintenance, retention and disclosure of student records, including, without limitation, the Oregon Public Records Law.

E. Nondiscrimination

The educational program of the OIS shall be nonreligious and nonsectarian. As provided in ORS 338.125(2), the OIS may not limit student admission based on race, religion, sex, gender identity, sexual orientation, ethnicity, national origin, disability, the terms of an individualized education program, income level, proficiency in the English language or athletic ability, but may implement a weighted lottery for historically underserved students as provided by and in compliance with law and may limit admission to students within a given age group or grade level.

F. Open Enrollment

- (i) The OIS may provide instruction to students in grades 9 through 12. Student enrollment will be limited as provided in Exhibit A, except as amended in this contract.
- (ii) The minimum enrollment will be 25 students according to ORS 338.115(5). In the event a student has been expelled, the OIS has the ability to fill this spot with the next student on the waiting list.
- (iii) If there are more eligible applicants for enrollment in the OIS than there are spaces available, successful applicants shall be selected by lottery which shall be open to all applicants. OIS may establish priority for enrollment as described at ORS 338.125(3).
- (iv) Using the lottery process, the OIS shall establish a waiting list, with priority on such waiting list for Baker School District students, who shall be offered the opportunity to enroll at the OIS if additional space later becomes available.
- (v) When a student is enrolled in the OIS, the OIS agrees to provide written notice of the student's enrollment to the District and to the student's resident school district, if different, within 10 days. The written notice must include the student's name, age and address and the name of the school in which the student was formerly enrolled.

- (vi) When a student withdraws from the OIS (for any reason other than graduation from high school), the OIS agrees to provide written notice of the student's withdrawal to the District and to the student's resident school district, if different, within 10 days. The written notice must include: (1) the student's name, age and address; (2) the reason the student is no longer enrolled; (3) if applicable, the name of the school in which the student will enroll, if known to the OIS; and (4) the last day on which the student was enrolled in the OIS.

G. Admission

Admission of students to the OIS shall be determined in accordance with Exhibit A, except as amended in this contract. The OIS will follow the admission and lottery policies contained in ORS Chapter 338. "Admission" means that the student has (1) enrolled with the OIS; (2) successfully completed the lottery if applicable; and (3) been formally accepted as an OIS student by the OIS.

H. Student Attendance, Conduct and Discipline

The OIS shall implement a system of uniform student discipline consistent with the state rules applicable to charter schools concerning conduct and discipline. The OIS shall comply with all state rules applicable to charter schools concerning student attendance, standards of conduct and discipline. The OIS shall notify its students of the student rights and responsibilities. The OIS shall maintain accurate enrollment data and daily records of student attendance and shall provide these data to the District on a monthly basis. The OIS shall maintain enrollment and attendance data on the District's student information system.

- (i) Student attendance at the OIS shall be in compliance with Oregon's compulsory attendance laws. The OIS may enforce such compulsory attendance laws in the same manner as the District and as set forth in ORS 339.080- 339.095 and ORS 339.990 and the Oregon Administrative Rules issued thereunder.
- (ii) Discipline involving suspension and expulsion shall be achieved according to Oregon law and OIS Code of Conduct. All expulsions will be reported to the District immediately.

I. Education Of Students With Disabilities

The OIS will comply with all District policies and regulations and the requirements of federal and state law concerning the education of children

with disabilities under the Individuals with Disabilities Education Act (“IDEA”). The District is responsible for special education services for students pursuant to ORS 338.165. The parties may negotiate the provisions of special education services pursuant to a separate agreement. Compliance by the OIS includes, but is not limited to, the following:

- (i) The OIS will comply with all District policies, state and federal regulations regarding discipline of special education students;
- (ii) The IEP team is determined by state and federal law. Any OIS IEP team must have a District representative in attendance, as well as appropriate District specialists;
- (iii) The student’s IEP team will determine the appropriate educational program and placement for the OIS student. The OIS shall abide by the IEP team’s decision on program and placement;
- (iv) The OIS staff will comply with training required by an IEP team for delivery of services to an OIS student;
- (v) The funds from the Oregon Department of Education representing the ADMw for special education for OIS special education students shall be retained by the District if the District provides such services, or paid to the OIS if the OIS provides such services as set forth in a separate agreement.
- (vi) The District has the discretion to determine the program or site location for provision of special education services;
- (vii) The OIS student’s IEP team may recommend any appropriate placement for the OIS student based on the student’s needs, whether in or out of the charter school. The OIS shall not change the student’s program without IEP team action;
- (viii) Special education transportation will only be provided to an OIS special education student if it is a related service on an OIS student’s IEP;
- (ix) The OIS will notify the District immediately if a new student may need special education services.

J. Tuition

The OIS may charge all OIS students reasonable fees for administrative costs related to student placement, textbooks, instructional materials,

after-school programs and student activities. The OIS will not charge tuition for programs, classes or courses of study which are part of the regular school program for students who are residents of Oregon. The OIS may charge tuition and fees for international students in compliance with state and federal law.

K. English as a Second Language

The OIS will provide any special services that are required for English as a second language students pursuant to federal law, and the District will fund the OIS the additional weight of the ADMw received for these services.

L. School Year; School Day; Hours of Operation

The OIS will establish its school year, school day and hours of operation in accordance with state law.

M. Alternative Education Model

Subject to applicable state and federal laws, the District shall allow the OIS to promote and implement learning situations that are flexible with regard to environment, time, structure and pedagogy. For purposes of state law, however, the OIS is not subject to ORS 336.615-336.665, "alternative education program".

6. Evaluation of Student Performance

The OIS shall pursue and make reasonable progress toward the achievement of the goals, objectives and student performance standards consistent with those set forth in Exhibit A. OIS students seeking a high school diploma will earn credits and meet the minimum requirements contained in ORS 329.451 for a high school diploma.

OIS students will participate in all Oregon statewide assessments. Achievement results for the OIS will be summarized annually and reported to parents and to the District.

7. Economic Plan, Budget and Annual Audit

A. Funding

- (i) For each year of this agreement, the District shall provide to the OIS the 100% ADM minimum amount required by ORS 338.155(2) for students in grades 9-12. For purposes of calculating additional weights, the District shall fund the OIS for its English as a Second Language students as provided in Section 5 M.
- (ii) Any financial commitment on the part of the District contained in this contract is subject to annual appropriation by the state and the parties agree that the District has no obligation to fund the OIS's operations except as expressly provided in this contract.

#### B. Budget

- (i) On or before April 1 of each year, unless an extension is agreed upon by the parties, the OIS shall submit to the District for its approval, the OIS's proposed budget for the upcoming school year.
- (ii) The OIS and the District may agree that the District shall provide for all services that the OIS may wish to purchase from the District.
- (iii) The OIS may request services and if the District wishes in its sole discretion to provide those services, the OIS shall pay the cost of those services as negotiated by the parties in a separate agreement.
- (iv) The cost of contracted services and payroll and associated payroll costs for District employees working at the OIS shall be charged against and deducted from the funding provided to the OIS from the District if agreed to as set forth above or if the District service was requested by the OIS.
- (v) The fiscal year of the OIS shall begin on July 1 of each year and end on June 30 of the subsequent year.

#### C. Financial Records, Audits and Accounting Reports

The OIS agrees to establish, maintain and retain appropriate financial records in accordance with all applicable federal, state and local laws, rules and regulations and may agree for the District to perform such duties. The OIS shall have an annual audit of its accounts in accordance with the Municipal Audit Law, ORS 297.405 to 297.555 and 297.998 and as described at subsection (vii) herein.

- (i) Financial Management. The OIS shall operate in accordance with GAAP or other generally accepted standards of fiscal management,

provided that the OIS's accounting method shall comply in all instances with applicable governmental accounting requirements. The OIS's budget and accounting system will be compatible with the District's budget and accounting system.

- (ii) Budget and Cash Flow. The OIS shall prepare and provide to the Board a copy of its annual budget and quarterly cash flow projections for each fiscal year by no later than April 1, unless an extension is agreed upon by the parties, immediately preceding such fiscal year.
- (iii) Distribution of Funds. The District shall distribute or make available for use by OIS the school year OIS funds as determined in paragraph 7.A., according to the District's receipt of the distribution from the State of Oregon and within 10 days of receiving payment from the State School Fund as required by ORS 338.155(8).

The District shall establish a similar distribution schedule in compliance with ORS 338.155(8) for all future school years that the OIS is in operation and provide written notification to the OIS of the distribution schedule.

- (iv) Other Sources of Funds for the OIS. The parties acknowledge that the OIS is or may be entitled to other state and federal sources of funds for schools which are not included in the per capita tuition payment described in this contract.
- (v) Outside Funding. The OIS may accept gifts, donations or grants pursuant to ORS Chapter 338, provided that no such gifts, grants or donations may be accepted if contrary to applicable law or to the terms of this contract. In the event that the OIS solicits funding from sources other than the District, it shall comply with all applicable state and federal laws regarding reporting of such charitable solicitations. The OIS shall annually report all gifts, donations and grants to the District by recording the same in the financial records required in paragraph 7.C. above.
- (vi) Statement of Management and Financial Controls. At all times, the OIS shall maintain appropriate governance and managerial procedures and financial controls. The OIS shall have an annual financial audit described in ORS 338.045(2) and ORS Chapter 297. The OIS and District may agree for the District to provide this service, in which event the OIS shall pay an agreed upon cost

of the audit to the District or have such costs deducted from the funding provided to the OIS from the District.

D. Building

OIS will be located at Baker High School. The OIS may change its physical location or obtain additional facilities provided that the OIS fulfills its obligations for occupancy and provides the information set forth in this section with respect to such new or additional facilities to the District.

8. Governance and Operation

The OIS shall govern and operate the charter school to the extent permissible under federal and state law and subject to all conditions of this contract. In addition, all provisions of this contract shall supersede and control over any conflicting language contained in Exhibit A.

A. Governing Board

The governing board of the OIS shall consist of the number of and qualifications for directors as consistent with its Articles of Incorporation or Bylaws. A person who is a member of the District's board may not also be a voting member of the governing body of the OIS but may be an ex-officio member as described in its Articles of Incorporation or Bylaws

B. Corporate Status

The OIS is and will remain an Oregon nonprofit corporation.

C. Conflict of Interest

The governing board and any employees of the OIS shall comply with regulations and state law regarding public employee ethics and conflicts of interest.

D. Nonreligious, Nonsectarian Status

The OIS agrees that it shall operate, in all respects, as a nonsectarian, nonreligious public school. The OIS shall not violate the Establishment Clause to the United States or Oregon Constitutions because of an affiliation with any nonpublic sectarian school or religious organization.

E. Nondiscrimination

The OIS shall comply with all applicable federal, state and local laws, rules and regulations regarding nondiscrimination, including, without limitation, statutory and constitutional provisions prohibiting discrimination on the basis of disability, age, race, creed, color, sex, national origin, religion, ancestry, marital status, political beliefs and/or affiliations, gender identity or sexual orientation.

F. Accountability

OIS shall be accountable to the state rules and regulations created for charter schools. All records established and maintained in accordance with the provisions of this contract, Board policy, and federal and state law may be open to inspection by or managed by the District.

G. Public Meetings

The OIS and its Board of Directors are subject to the provisions of Oregon Public Meetings Law, ORS 192.610 to 192.690.

H. Operational Powers

Subject to the conditions and provisions of this contract, any agreement which may be entered into between OIS and the District pursuant to Section 7 of this contract, and the OIS bylaws, the OIS through its Board of Directors shall be fiscally responsible for its own operations.

- (i) OIS Powers: The OIS shall have authority to exercise independently and/or may enter into agreements with the District to perform these duties, consistent with federal and state law, the following powers (including such other powers as provided for elsewhere in this contract): contract for goods and services necessary for the operation of the OIS; prepare a budget; procure insurance; lease facilities for school purposes; purchase, lease or rent furniture, equipment and supplies; retain fees collected from students in accordance with law; organize and carry out fundraising efforts; and 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. OIS shall have authority to enter into any agreement with the District all services that the OIS may wish to purchase from the District and if the District wishes in its sole discretion to provide those services, the OIS shall pay the cost of those services as negotiated by the parties in a separate agreement and as described at Section 7.

I. Bidding Requirements

Contractual services and purchases of supplies, materials and equipment shall be procured through a system of competitive bidding as required by state law.

J. Annual Report and Review

The OIS will report to the District at least annually on the performance of the school and its students and information the District deems necessary to show compliance with ORS 338 as required by ORS 338.095(2).

K. Term

The OIS charter and this contract are to be effective as of the date both parties approve and sign the contract, and will last until midnight on June 30, 2027, subject to subsection L , Termination. This contract may be renewed by joint agreement between the District and the OIS.

L. Termination

(ii) Grounds for Termination: The District may revoke the charter and terminate this contract on any of the following grounds:

- a) Failure to correct a violation of or failure to meet and sustain any terms of this contract or ORS Chapter 338.
- b) Failure to meet the requirements for student performance contained in Section 6 of this contract.
- c) Failure to correct a violation of any federal or state law.
- d) Failure to maintain insurance as described in this contract.
- e) Failure to maintain financial stability and failure to implement the plan to correct financial stability under ORS 338.105(2)(b).

(ii) Notice and Appeal: The District shall provide 60 days prior written notice of its intent to terminate the charter agreement. The OIS may appeal the District's decision to terminate the charter agreement directly to District Board. The OIS may respond to the allegations in the District's written notification by offering documentary evidence, testimony and oral argument. The Board's decision may be appealed to the Oregon Department of Education according to ORS 338.105.

(ii) OIS Decision to Terminate: Should the OIS 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 upon 180 days' advance written notice. Pursuant to ORS 338.105(7), the OIS's governing board may only terminate this charter, dissolve or close a public charter school at the end of a semester. In the event of termination, all assets not requiring return or transfer to donors or grantors or required for discharge of existing liabilities and operations of the OIS are required to be given to the State Board of Education pursuant to ORS 338.105(6).

N Dissolution

Upon dissolution of ORS, assets shall be returned or transferred to donors or grantors or used to discharge existing liabilities and obligations of the OIS. Assets purchased from public funds shall be given to the State Board of Education pursuant to ORS 338.105(6) with the recommendation by OIS that such assets be transferred to the District. All other assets shall be distributed to the District as provided in the OIS Articles of Incorporation or Bylaws. OIS student records shall belong to the District.

O Renewal

The contract renewal process will be governed by ORS 338.065.

9. Employment Matters

The District will serve as the employer for the staff at the OIS.

A. Hiring of Personnel

Hiring of personnel by the District will be at the sole discretion of the District, but the teaching and administrative staff at the OIS shall be licensed or charter school registered in accordance with ORS 338.135. For any individual hired as a teacher, the District shall retain in its records evidence of the teacher's certification, or other qualifications of the teacher.

B. Employee Compensation, Evaluation and Discipline

The District will make all decisions regarding compensation, evaluation, promotion, discipline and termination of employees working at the OIS. The District will be responsible for the supervision and evaluation of the teaching staff within the OIS.

C. Payroll

OIS employees will be paid through the payroll department of the District.

D. PERS

Pursuant to ORS Chapter 338, the OIS shall participate in the Public Employees Retirement System (PERS) for its own employees.

E. Employee Welfare and Safety

The OIS shall comply with District policies, and applicable federal and state laws, concerning employee welfare, safety and health issues.

F. Employee Records

The District shall be responsible for establishing and maintaining personnel records for its employees working at the OIS. The District on behalf of OIS shall comply with ORS 342.850(8) and adopt rules governing access to personnel files.

G. Licensure

Teachers employed by the OIS to work at the OIS shall be licensed or registered with TSPC to teach in Oregon.

H. Professional Development

The District shall provide professional development opportunities to OIS staff as provided for in state law.

I. TSPC Obligation

The District's administrator has all reporting obligations to TSPC regarding OIS licensed employees.

J. Criminal Background Checks

The OIS and District shall not knowingly employ any individual or allow an individual to volunteer for whom a criminal background investigation has not been initiated or who has been convicted of one or more offenses in state law.

10. Insurance and Legal Liabilities

A. Insurance

The District agrees that due to the manner in which OIS is operated connected to and with the District, including but not limited to, the District as employer and the District handling funds, assets and financial and contractual duties for OIS, OIS may operate under the insurance policies of the District if agreed upon by the insurer. The parties may agree to account for a cost to OIS associate with such coverage. If such coverage is not available, OIS agrees to secure and retain and provide proof of insurance as agreed upon with the District and to include coverage provided in Exhibit B.

- (i) Notification of Legal Claims: The OIS agrees to promptly report to the District any and all claims against the OIS, including tort claim notices and other formal demand letters.

B. Legal Liabilities

- (i) Non-Exemption: The OIS shall not be exempt from the following federal and state laws and District policies governing school districts:
  - a) Federal law.
  - b) ORS 30.260 to 30.300 (tort claims).
  - c) ORS 192.410 to 192.505 (Public Records Law).
  - d) ORS 192.610 to 192.690 (Public Meetings Law).
  - e) ORS chapters 279A, 279B and 279C (Public Contracting Code).
  - f) ORS 297.405 to 297.555 and 297.990 (Municipal Audit Law).
  - g) ORS 326.565, 326.575 and 326.580 (student records).
  - h) ORS 181A.195, 326.603, 326.607, and 342.223 (criminal records checks).

- i) ORS 392.045 (academic content standards and instruction).
- j) ORS 329.451 (high school diploma, modified diploma, extended diploma and alternative certificate).
- k) ORS 329.496 (physical education).
- l) The statewide assessment system developed by the Department of Education for mathematics, science and English under ORS 329.485 (2).
- m) ORS 336.840 (use of personal electronic devices).
- n) ORS 337.150 (textbooks).
- o) ORS 339.119 (consideration for educational services).
- p) ORS 339.141, 339.147 and 339.155 (tuition and fees).
- q) ORS 339.250(9) (prohibition on infliction of corporal punishment).
- r) ORS 339.326 (notice concerning students subject to juvenile court petitions).
- s) ORS 339.370 to 339.400 (reporting of abuse and sexual conduct and training on prevention and identification of abuse and sexual conduct).
- t) ORS 342.856 (core teaching standards).
- u) ORS chapter 657 (Employment Department Law).
- v) ORS 659.850, 659.855 and 659.860(discrimination).
- w) Health and safety statutes and rules.
  
- x) Any statute or rule that establishes requirements for instructional time provided by a school each day or during a year.
- y) Statutes and rules that expressly apply to public charter schools;
- z) Statutes and rules that apply to a special government body, as defined in ORS 174.117, or a public body, as defined in ORS 174.109;
- aa) ORS Chapter 338.
- bb) Oregon Administrative Rules developed by the Oregon Department of Education regarding ORS Chapter 338.
- cc) Any statute or rule that is listed in this charter agreement.

C. Waiver

The OIS may request waivers from regulations and/or state law by submitting the request, in writing, to the State Board of Education pursuant to ORS 338.025. The OIS will provide the District advance notice of its intention to seek a waiver.

D. Full Faith and Credit

The OIS agrees that it will not extend the faith and credit of the District to any third person or entity without District consent. The OIS acknowledges and agrees that it has no authority to enter into a contract that would bind the District without District consent. The OIS's governing board has the authority to approve contracts to which the OIS is a party and may delegate such approval to its designee subject to the requirements and limitations of the Oregon Constitution, state law, and the provisions of this contract. The OIS and the District will agree to the process of approval for contracts made on behalf of OIS.

E. Indemnification

(i) OIS Indemnifies District: To the extent not covered by insurance or otherwise barred by the Oregon Tort Claims Act in ORS Chapter 30, the OIS agrees to indemnify and hold the District, its Board, agents and employees harmless from all liability, claims and demands on account of injury, loss or damage, including, without limitation, claims arising from (1) the possession, occupancy or use of property of the OIS, its faculty, students, patrons, employees, guests or agents; (2) civil rights violations, bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever which arise out of or are in any manner connected with the OIS's operations. The OIS agrees to indemnify, hold harmless and defend the District from all contract claims in which the OIS has obligated the District without the District's prior written approval. This indemnification shall not apply to any liability claims or demands resulting from the negligence or wrongful act or omission of any District Board member, officer, or employee. This indemnification shall not apply to any liability claims or demands resulting from the negligence or wrongful act of any OIS employee or agent whose negligent or wrongful act or omission is caused or directed by the District. This indemnification shall not apply to any damages incurred regarding any act or omission of the OIS or OIS Board that is later determined to be required by law or this

contract. The foregoing provision shall not be deemed a relinquishment or waiver of any kind of applicable limitations of liability provided in the Oregon Tort Claims Act.

- (ii) District Indemnifies OIS: To the extent not covered by insurance or otherwise barred by the Oregon Tort Claims Act in ORS Chapter 30, District agrees to indemnify and hold the OIS, 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 violations, bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever which arise out of or are in any manner connected with District's operations. This indemnification shall not apply to any liability claims or demands resulting from the negligence or wrongful act or omission of any OIS Board member, officer, or employee. This indemnification shall not apply to any liability claims or demands resulting from the negligence or wrongful act of any District employee working at the OIS whose negligent or wrongful act or omission is caused or directed by the OIS. This indemnification shall not apply to any damages incurred regarding any act or omission of the District or District Board that is later determined to be required by law or this contract. The foregoing provision shall not be deemed a relinquishment or waiver of any kind of applicable limitations of liability provided in the Oregon Tort Claims Act.
- (iii) Survival of Indemnification: This indemnification, defense and hold harmless obligation on behalf of the OIS and the District shall survive the termination of this contract. Any indemnified party shall have the right, at its own expense, to participate in the defense of any suit, without relieving the indemnifying party of any of its obligations hereunder.

F. District Disclaimer of Liability

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

- (i) The acts or omissions of the OIS, its directors, trustees, agents or employees;

- (ii) Any debt or contractual obligation incurred by the OIS without the consent of the District.

## 11. Miscellaneous Provisions

### A. Entire Agreement

This contract, with attachments, contains all terms, conditions and provisions hereof and the entire understanding and all representations of understandings and discussions of the parties relating thereto, and all prior representations, understandings and discussions are merged herein and superseded and cancelled by this contract. Notwithstanding the foregoing the District and the OIS may enter into agreements for other services, and any such agreement will supplement this contract. If there is any inconsistency between this contract and other supplemental agreement(s) between the parties, this contract will supersede the supplemental agreements unless expressly provided for in the supplemental agreement.

### B. Governing Law

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

### C. Assignment

This contract may not be assigned or delegated by the OIS under any circumstances, it being expressly understood that the charter granted by this contract runs solely and exclusively to the OIS.

### D. Terms and Conditions of Application

The parties to this contract agree that the attached Exhibit A sets forth the overall goals, standards and general operational policies of the OIS, and that the application is not a complete statement of each detail of the OIS's operation. To the extent that the OIS desires to implement specific policies, procedures or other specific terms of operation that supplement or otherwise defer from those in the application, the OIS shall be permitted to implement such policies, procedures and specific terms of operation, provided that such policies, procedures and terms of operation are consistent with the goals, standards and general operational policies set forth in the application, this contract and ORS Chapter 338 and with District approval if required under Section 5 B (iv) of this contract.

E. Amendment

This contract may be modified or amended only by written agreement between the OIS and the District Superintendent or their designee.

F. Notice

Any notice required, or permitted, under this contract, shall be in writing and shall be effective upon personal delivery (subject to verification of service or acknowledgement of receipt) or three days after mailing when sent by certified mail, postage prepaid, to the OIS Board of Directors, or the office of the Superintendent of the District.

G. 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.

H. Dispute Resolution

In the event any dispute arises between the District and the OIS 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 District, or if applicable, the Executive Director and Board Chair of the OIS for review, and the parties will make a good faith attempt to resolve the dispute. If the District and the OIS are unable to resolve the dispute, either party may submit the matter to the District's Board for its consideration. The decision of the Board shall be final and binding on the parties; provided, however, the OIS may appeal to the State Board of Education concerning those matters within its jurisdiction under ORS Chapter 338.

I. Severability

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 of this contract.

J. Delegation

The parties agree and acknowledge that the functions and powers of the District Board may be exercised by Superintendent of the District, and the functions and powers of the OIS Board may be exercised by the Executive Director provided that any ultimate decision regarding renewal, non-renewal or revocation of this contract may be made only by the District Board and the OIS Board.

K. OIS Authority to Enter Into Contract

The OIS expressly affirms that the signatories on its behalf who sign below have the authority to enter into this contract on behalf of the OIS and that the Board of Directors of the OIS has duly approved of this contract. The OIS shall provide a copy of its written resolution authorizing the OIS to enter into this contract.

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

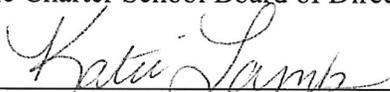
**BAKER SCHOOL DISTRICT**

Baker School District Board

By:   
Board Chair BSD

**OREGON INTERNATIONAL SCHOOL**

Oregon International School  
Public Charter School Board of Directors

By:   
Secretary/Treasurer, OIS Board

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**EXHIBIT A**  
**Baker OIS**  
**A Final Charter School Proposal**

## **EXHIBIT B**

### **INSURANCE**

- i. Provided by OIS: The OIS shall, at its own expense, secure and retain and provide proof of the following insurance and in the amounts set forth below:
  - a) Commercial General Liability Insurance in an amount of not less than \$1,000,000 combined single limit per occurrence/\$3,000,000 general annual aggregate covering the OIS, the governing board, employees and volunteers against liability for damages because of personal injury, bodily injury, death or damage to property including the loss of use thereof. Coverage to include, but not limited to, contractual liability, advertisers' liability, employee benefits liability, professional liability and teachers' liability;
  - b) Liability Insurance for Directors and Officers in an amount not less than \$1,000,000 each loss/\$3,000,000 annual aggregate covering the OIS, the governing board, employees and volunteers against liability arising out of wrongful acts and employment practices. Continuous "claims made" coverage will be acceptable, provided the retroactive date is on the effective date of the charter;
  - c) Automobile Liability Insurance in an amount not less than \$1,000,000 combined single limit covering the OIS, the governing board, employees and volunteers 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. The policy will include underinsured and uninsured motorist vehicle coverage at the limits equal to bodily injury limits;
  - d) Workers' Compensation Insurance shall also be maintained pursuant to Oregon laws (ORS Chapter 656). Employers' liability insurance with limits of \$100,000 each accident, \$100,000 disease each employee and \$500,000 each policy limit;
  - e) Honesty Bond to cover all employees and volunteers. Limits to be determined by the governing board, but no less than \$25,000. Coverage shall include faithful performance and loss of moneys and securities;

f) Property Insurance shall be required on all owned or leased buildings or equipment. The insurance shall be written to cover the full replacement cost of the building and/or equipment on an “all risk of direct physical loss basis,” including earthquake and flood perils.

(ii) Required Proof of Insurance: At any time upon the request of the District, the OIS shall provide the District with certificates of insurance or other satisfactory proof evidencing coverage in the types and amounts set forth herein. All such insurance policies shall contain a provision requiring notice to the District, at least 30 days in advance, of any material change, non-renewal or termination to the attention of the Superintendent of Baker School District