

CHERRY CREEK SCHOOL DISTRICT

RESOLUTION #98 APPROVAL OF AMENDMENT TO CHARTER SCHOOL CONTRACT

DATE: NOVEMBER 9, 1998

TO: BOARD OF EDUCATION

FROM: SUPERINTENDENT AND CHIEF FINANCIAL OFFICER

RECOMMENDATION:

It is the Administration's recommendation that the Board of Education approve the following resolution relative to the funding for the Cherry Creek Academy:

"WHEREAS the Cherry Creek School District No. 5 entered into a Charter School Contract dated July 21, 1995 with the Cherry Creek Academy (CCA), and

WHEREAS paragraph 7 of said contract provides in part that funding paid to CCA by the District shall be based on the number of students enrolled in the Academy as of the official enrollment count of each year, adjusted on a monthly basis based on actual enrollment each month; and

WHEREAS the District administration and CCA have determined that it is in the best interest of both parties to modify the funding section of the contract in such a manner as to delete any requirement to reduce funding in the event a student withdraws from the Academy and the vacancy caused thereby is not filled due to inadequate time remaining in the school year to provide for appropriate educational benefits for student relocation and assignment;

NOW THEREFORE BE IT RESOLVED that this amendment to Charter School Contract, amending paragraph 7 thereof relative to funding be approved and that the President of the Board of Education is hereby authorized and directed to execute the same and the Secretary of the Board of Education is authorized and directed to attest to the same on behalf of the District."

PERTINENT FACTS:

The current funding provisions require adjustments, based on monthly enrollments, in per-pupil revenue payments to CCA. As students withdrew from CCA, the practice has been to replace vacancies with students on the waiting list, thereby stabilizing total per-pupil revenue. CCA officials wish to discontinue this replacement practice in the later months of the school year, in consideration of the potential disruption to the learning process for the replacement student.

ALTERNATIVES CONSIDERED:

None.

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THIRD AMENDMENT TO CHARTER SCHOOL CONTRACT

THIS AMENDMENT, effective July 1, 1998, by and between the Cherry Creek School District No. 5 (herein District) and the Cherry Creek Academy, Inc., successor to the Cherry Creek Academy, for and on behalf of the Cherry Creek Academy Charter School (herein "CCA") amends and modifies that certain Charter School Contract dated July 21, 1995, by and between the parties hereto (herein "Contract") as amended by an Amendment to Charter School Contract dated October 19, 1995 (herein "First Amendment") and a Second Amendment dated March 11, 1997 (herein "Second Amendment").

RECITALS

WHEREAS, paragraph 7(a)(v) provides for certain monthly adjustments to the per pupil funding supplied to the CCA by the District; and

WHEREAS, the parties hereto have determined that under circumstances the pro rata adjustments provided in said paragraph 7 (a) (v) are not in either party's best interest and do not enhance the educational programs of either CCA or the District; and

WHEREAS the parties believe an amendment to said paragraph is necessary and appropriate;

NOW THEREFORE, in consideration of the premises, the mutual covenants herein contained and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged the parties hereto agree as follows:

AGREEMENT

(1) The provisions of paragraph 7(a) (v) of the Contract, and the First and Second Amendments to the extent affected, are hereby amended to read as follows:

7. Economic Plan, Budget and Annual Audit;

a. Funding

- (v) The funding of that portion of the per pupil operating revenue paid by the District to CCA commencing with the 1998-99 and subsequent school years shall be established based on the official student enrollment count for students enrolled in CCA for each year as approved and/or accepted by the State Auditor reduced by any appropriate proportionate reductions in state equalization support as a result of legislative action payable in 12 equal monthly payments. This amount shall not be increased or decreased due to any change in monthly enrollment during the then school year. Provided, however, the District reserves the right, upon 30 days prior written notice to CCA, to adjust the payments to be made to CCA in the event of a substantial reduction in the CCA monthly

student count as may be determined by the District in which event the pro rata share of funds shall be retained by the District. In the event the District should, for any reason, lose the state funding allocated to any student who has withdrawn from CCA, said funding shall be deducted from subsequent payment to CCA.

(2) Any provisions of the Contract or the First or Second Amendments in conflict with the foregoing provision of the amended paragraph 7(a) (v) are hereby amended to the extent necessary to not conflict with and conform hereto.

(3) In all other respects, the terms, covenants and conditions of the Contract and the First and Second Amendments shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals, effective the day and year first above written.

CHERRY CREEK ACADEMY, INC.

By _____
President

ATTEST:

Secretary

CHERRY CREEK SCHOOL DISTRICT NO. 5

By _____
President, Board of Education

ATTEST:

Secretary