

## CHARTER SCHOOL CONTRACT

THIS CHARTER SCHOOL CONTRACT ("Contract"), is entered into this 12 day of May, 2015, for a term commencing the first day of July, 2015, and is made and entered by and between the BOULDER VALLEY SCHOOL DISTRICT RE-2 ("School District") and PEAK TO PEAK CHARTER SCHOOLS, INC., a Colorado nonprofit corporation charter school ("Peak to Peak"), by its Board of Directors.

### RECITALS

WHEREAS, the Colorado General Assembly has enacted the Charter Schools Act ("Act"), C.R.S. §§ 22-30.5-101 et seq., for certain purposes as enumerated in § 22-30.5-102; and

WHEREAS, on May 26, 1998, an application was received from the Peak to Peak for the formation of a charter school within the School District; and

WHEREAS, the School District's Board of Education ("Board" or "Board of Education") determined that the application submitted to the School District for the formation of Peak to Peak as a charter school, as further amended herein, complied with the purposes and requirements of the Charter Schools Act; and

WHEREAS, on August 27, 1998, the School District conditionally granted the application and on May 13, 1999, approved a Charter School Contract for a five-year term ("Original Contract"); and

WHEREAS, the Charter School Contract was renewed for two additional five-year terms commencing on July 1, 2005 and then on July 1, 2010;

WHEREAS, on November 19, 2014 Peak to Peak timely filed a renewal application ("Renewal Application") (attached as Exhibit A) for a third renewal of the charter to commence as of July 1, 2015;

WHEREAS, Peak to Peak has achieved pupil performance standards, responsibly managed its funds, and met all other goals, objectives, content standards, applicable Federal requirements and other terms of the Charter School Contract; and

WHEREAS, on May 12, 2015, the Board considered the Renewal Application, found that renewal of the charter was in the best interests of the students, the School District, and the community and, therefore, approved the renewal of the charter under the terms set forth in this charter school contract.

NOW, THEREFORE, in consideration of the foregoing Recitals and their mutual covenants, the parties agree as follows:

## AGREEMENT

1.0 Renewal Application. The Board finds that the Renewal Application contains all information necessary to comply with the provisions of C.R.S. § 22-30.5-110(2). Unless otherwise specifically modified herein and pursuant to Paragraph 12.1, the Renewal Application, is incorporated into this Contract; provided, however, that all provisions of the Renewal Application that impose obligations on the School District are incorporated only to the extent expressly stated herein. This Contract shall consist of the text of this Contract agreement, all School District Policy, as defined in Paragraph 1.1 below, and all exhibits attached hereto.

1.1 School District Policy. The term "School District Policy" shall hereinafter mean the requirements of all School District policies and regulations that are in existence as of April 1, 2015, that are not waived by this Contract, plus all Peak to Peak policies that are adopted pursuant to this Contract in lieu of or in addition to any waived policies.

2.0 Mission Statement. The Mission Statement contained in the Peak to Peak Charter School Strategic Plan, incorporated by reference into the Renewal Application is accepted by the School District.

3.0 Goals and Objectives. The goals set forth in the Peak to Peak Charter School Strategic Plan, incorporated by reference into the Renewal Application are accepted by the School District, as amended by this Contract, and subject to the conditions set forth below:

3.1 Student Attendance, Conduct, and Discipline. Peak to Peak has adopted its own set of written standards of student conduct and discipline and the School District's student rights and responsibilities handbook.

3.1.1 Peak to Peak may adopt its own written attendance policy and shall be granted a waiver from the School District's policy, so long as Peak to Peak's policy is in compliance with Colorado's compulsory attendance laws, including, without limitation, hour requirements and the distinction made between excused and unexcused absences.

3.1.2 Peak to Peak has adopted and may revise its own set of written policies concerning standards of student conduct and student discipline and shall be granted a waiver from corresponding School District Policy so long as the 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; to the extent a policy is not in compliance with current law, that portion of the policy shall be governed by applicable law while all other policies remain in effect. Unless services are purchased from the School District, any general education services required by law to be provided to suspended or expelled students shall be the sole responsibility of Peak to Peak. Any special education and related services required by law to be provided to suspended or expelled students shall be the responsibility of the School District as a result of Peak to Peak's payment for those services as

provided in this Contract. The parties acknowledge that Peak to Peak is purchasing all general educational services required by law to be provided to suspended or expelled students as set forth under the section entitled "Miscellaneous Legal Obligations" on Exhibit C.

3.1.3 Peak to Peak's program, policies, and practices shall promote principles of nondiscrimination against and non-harassment of students. Peak to Peak will comply with all School District standards regarding school climate; will participate in Boulder Valley School District School Climate Survey; and will utilize the information obtained from the surveys to evaluate its school climate and its policies and procedures related to the same. During the Contract term, Peak to Peak will continue to implement and enforce anti-bullying and anti-harassment measures to promote a positive school climate for all students. Peak to Peak will incorporate in its public complaints policy (Policy KE) a mechanism for parents and students who are dissatisfied with any school climate issues to seek redress with the Peak to Peak Board. Peak to Peak's failure to implement and enforce anti-bullying and anti-harassment measures to promote a positive school climate for all students shall constitute a material breach of the contract.

3.2 Student Welfare and Safety. Peak to Peak shall comply with all School District Policy and with all applicable federal and state laws, concerning student welfare, safety, and health, including, without limitation, those addressing the reporting of child abuse, accident prevention and disaster response, crisis management plans, implementation of a Safe School Plan as required by C.R.S. § 22-32-109.1(2), and any state regulations governing the operation of school facilities.

3.3 Accountability and Accreditation. Peak to Peak shall operate under the auspices of, and be accountable to, the School District and the Board, and shall be subject to all School District Policy and state and federal law. Peak to Peak shall comply with the educational accountability provisions of Colorado law, as amended from time to time, including, without limitation, the Educational Reform Act, C.R.S. §§ 22-7-401 et seq.; the School Accountability Reporting Act, C.R.S. § 22-7-601 et seq.; the Colorado Educational Accountability Act of 2009, C.R.S. §§ 22-11-101 et seq. ("Accountability Act"); the Colorado State Board of Education's Accreditation Rules 1 CCR 301-1; and the terms of any Accreditation Contract between the School District and the Colorado State Board of Education ("State Board"), as amended from time to time. Peak to Peak shall provide an annual accountability report to the School District on or before October 15 of each year that shall include, but not be limited to, a School Improvement Plan, parent surveys evaluating Peak to Peak in its delivery of educational services, and student testing results on the CMAS and PARCC examinations and/or any other assessments required by state law or School District Policy.

3.3.1 Peak to Peak shall maintain a rating of average or above, as demonstrated on any school accountability report issued by the state or demonstrate longitudinal progress of students as measured by required assessments. If Peak to Peak receives a rating of low or below on any school accountability report issued by the state for two consecutive years following the commencement of the term of this Contract, the Board may deem that such ratings

constitute a material breach of this Contract, entitling the Board to seek appropriate relief, including termination or revocation or non-renewal of the Contract.

3.3.2 Peak to Peak agrees to comply with the applicable provisions of the federal No Child Left Behind Act, 20 U.S.C. §§ 6301 et seq., as amended, and its implementing regulations.

4.0 Community Support. The Board finds that sufficient support for the continuation of Peak to Peak as a charter school exists.

5.0 Educational Program, Pupil Performance Standards, and Curriculum. The educational program, pupil performance standards, and curriculum set forth in Peak to Peak's Unified Improvement Plan and Peak to Peak's Strategic Plan are hereby accepted, as amended and subject to the conditions set forth herein.

5.1 Curriculum. Peak to Peak's curriculum and instructional programs, as referenced in Peak to Peak's Unified Improvement Plan and Peak to Peak's Strategic Plan are approved, subject to amendment from time to time by Peak to Peak, with Board approval for any significant and material changes, and as may be required by applicable School District Policy.

5.1.1 Peak to Peak shall have the authority and responsibility for refining the design and implementation of its educational program, subject to the conditions of this Contract, in a manner that is consistent with state law, including, without limitation, requirements regarding content standards. By August 1 of each year, Peak to Peak will have available and provide to the Superintendent upon request a summary of its yearly curriculum plan for the ensuing school year in order to determine that the plan is consistent with the Renewal Application. The plan shall include a complete listing of all middle and high school program course description booklets with revisions marked to show any changes from the previous year and a summary of any material changes to the middle school and high school programs from the previous year for the ensuing school year. Prior to commencement of instructional programs in Peak to Peak based upon any curriculum or program delivery system materially different from the Renewal Application and approval in section 5.1 above, Peak to Peak shall provide written evidence reasonably acceptable to the School District of the complete scope and year-by-year sequence of such program of instruction. The School District shall have thirty days for review and to approve/disapprove commencing from the day of receipt (so long as this section and time period are referenced in the transmittal). If the School District disapproves of the material changes to the middle school or high school programs, it will provide Peak to Peak a written explanation of its disapproval, citing which state or School District standards are not met. If after thirty days the School District does not submit to Peak to Peak its disapproval, then the material changes to the program of instruction shall be deemed approved by the School District. The intent of this requirement is to ensure that students of Peak to Peak continue to have sound educational foundations that meet or exceed state-approved content standards for applicable courses. Peak to Peak's courses shall also meet or exceed the content standards of the School District, as approved from time to time by the Board of Education and shall be

implemented so as to allow for assessment of subject area proficiency in a manner and at times that are consistent with state law, as implemented by the School District.

5.1.2 Peak to Peak agrees to comply with all state statutory requirements concerning subjects of instruction, unless specifically waived by the State Board, including, without limitation, instruction in the areas of state and federal history and civil government, C.R.S. § 22-1-104; honor and use of the United States flag, C.R.S. § 22-1-106; the federal Constitution, C.R.S. § 22-1-108; and the effect of use of alcohol and controlled substances, C.R.S. § 22-1-110.

5.1.3 Peak to Peak may adopt its own postsecondary and workforce readiness program in compliance with C.R.S. § 22-7-1000 et seq.

5.1.4 Peak to Peak shall keep in force a process, approved by the School District, for resolving public complaints, including complaints regarding curriculum, that provides an opportunity to be heard and an appeal process similar to current School District policies and procedures (KE and KEC, together with supporting regulations), except that the final administrative appeal shall be heard by the Peak to Peak Board of Directors, rather than the Board.

## 5.2 Records.

5.2.1 Peak to Peak shall comply with all record-keeping requirements of the Board and/or federal or state law and shall provide any reports, as necessary, to meet the School District's reporting obligations to the State Board, Colorado Department of Education ("CDE"), and U.S. Department of Education. Peak to Peak shall submit necessary reports in accordance with a schedule of deadlines provided by the School District each year.

5.2.2 Peak to Peak shall comply with all School District Policy and applicable federal and state laws, concerning the maintenance, retention, and disclosure of student records, including, without limitation, the Colorado Open Records Act, C.R.S. §§ 24-72-204 et seq., and the Family Educational Rights and Privacy Act of 1974, 20 U.S.C. § 1232g. The Board, its Superintendent, and their designees (whom the School District has determined to have legitimate educational interests) shall have access to all records of the charter school in the same manner as they would have access to the records of any other public school in the School District. 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 the education of students with disabilities. Copies of a student's permanent cumulative education file will be forwarded by the School District to Peak to Peak by June 30 for those students who are registered by that time for the ensuing school year and within a reasonable time for students registering thereafter.

5.3 Nonreligious, Nonsectarian Status. The educational program of Peak to Peak shall be nonreligious, nonsectarian, and, consistent with applicable law and School District Policy, shall not discriminate against any student on the basis of race, creed, color, national origin, sex, marital status, sexual orientation, gender identity/expression, religion, ancestry, or disability.

5.4 Enrollment. Enrollment shall be open to any child who resides within the School District and to any child who resides outside the School District subject to compliance with Colorado open enrollment statutes, School District Policy, and this Contract. Peak to Peak shall submit the names, ages, grade levels, and addresses of all those students who have registered to enroll in Peak to Peak during the ensuing school year and by October 15 shall provide the same information for students who have been admitted and are in attendance. The School District and Peak to Peak agree that for the term of this Contract, Peak to Peak's total funded enrollment for purposes of the Public School Finance Act of 1994 or successor act ("Finance Act") and any allocation of state or local funds ("Funded Enrollment") shall be limited to 1,409 full-time equivalent students (Student FTEs). This limitation on the number of enrolled and funded students is acknowledged by the School District and Peak to Peak as necessary to ensure that Peak to Peak's enrollment does not exceed the capacity of Peak to Peak's facility and site. Peak to Peak and students enrolling in Peak to Peak are subject to and shall comply with School District Policy and Peak to Peak Regulation JECC-R regarding open enrollment. In recognition of Peak to Peak's agreement to the enrollment numbers herein, Peak to Peak may enroll students from its wait list up to the opening date of the enrollment count "window," as defined by CDE and the provisions of the Finance Act for purposes of determining eligibility for Peak to Peak funding under Section 7.1 below and may enroll students who will not be eligible for funding at Peak to Peak at any time thereafter for the remainder of the then current year. In the event Peak to Peak's enrollment drops during the school year, Peak to Peak may accept students to fill available positions in order to stay as close as possible to the enrollment limit. Peak to Peak shall coordinate the acceptance of all such students in advance with and on the dates authorized by the Superintendent or designee.

5.4.1 School Level Configurations. Within the Funded Enrollment, Peak to Peak's enrollment targets for Student FTEs are as follows: (a) elementary school target: 460 Student FTEs; (b) middle school target: 405 Student FTEs; and (c) high school target: 600 Student FTEs; provided, however, that the Funded Enrollment shall not exceed 1,409 during the Contract term.

5.4.2 Education Planning Meetings. Prior to recommending transfer to another School District school for a resident student who is struggling (with respect to academics, behavior, health issues, attendance, delinquency, etc.), Peak to Peak will schedule and attend an Education Planning Meeting with the School District to explore available options for supporting the student.

5.5 Admissions. In accordance with this Contract and subject to School District Policy regarding open enrollment procedures and eligibility criteria for admission into

school programs, students shall be considered for admission into Peak to Peak in the manner described in Peak to Peak's Policy JECC and Peak to Peak's procedure JECC-R as described on the attached Exhibit B. All admission and enrollment processes and decisions shall be made without regard to race, creed, color, national origin, sex, marital status, sexual orientation, gender identity/expression, religion, ancestry, or disability. Denial of admission shall be handled consistent with state law, this Contract, and School District Policy. Consistent with the above provisions of this Paragraph 5.5, Peak to Peak will follow School District Policy and Peak to Peak policy JECC-R as approved herein pertaining to lottery and open enrollment processes and timelines. In the event Peak to Peak or an affiliate entity operates an early childhood education or other program for pre-kindergarten students, such children shall not be given any preference for enrollment in Peak to Peak.

5.5.1 As with all other School District Policy that is adopted by this Contract, Peak to Peak will negotiate in good faith with the School District with regard to any substantive changes in such policies including Peak to Peak's and the School District's open enrollment policies and regulations that the School District or Peak to Peak wish to implement during the term of this Contract and that the School District or Peak to Peak wish to apply to Peak to Peak. See also Paragraph 8.7.3 below.

5.6 Education of Students with Disabilities. Peak to Peak agrees to comply with School District Policy and the requirements of federal and state law concerning the education of children with disabilities by providing special education and related services. Unless otherwise agreed in writing by the Board, Peak to Peak shall comply with this obligation by contracting with the School District to provide certain special education and related services as provided herein. Following enrollment of a District resident student, Peak to Peak and the School District shall determine whether the student has been identified as a child with disabilities. If so, the parties shall obtain a copy of the student's individualized education program ("IEP"). A properly constituted staffing team shall be convened to determine whether Peak to Peak is an appropriate placement for the student and, if so, what services are to be provided by Peak to Peak and what services will be provided by the District. Where a student's special education needs can be appropriately met by Peak to Peak certified staff, the student(s) needing such services will receive them, to the extent appropriate, on the Peak to Peak campus. To the extent that special education and related services are required pursuant to a student's IEP that cannot be provided by Peak to Peak, the School District will do so in a manner consistent with its approach for other schools of the School District. Funding and payment for special education services shall be in accordance with Paragraph 7.1.4 below.

5.6.1 If a student with disabilities who is not a resident of the School District applies for admission to Peak to Peak, enrollment acceptance is contingent upon an appropriate IEP team meeting being convened to determine if a free appropriate public education is available for the student at Peak to Peak. The student will not be accepted as a student at Peak to Peak if the IEP team finds that a free appropriate public education is not available for the student at Peak to Peak. If Peak to Peak and the School District determine that the non-resident student requires transportation as a related service, Peak to Peak shall be solely responsible for

arranging the financing and provision of said services. If the non-resident student with disabilities is one for whom tuition may be charged or excess costs collected, the School District is entitled to collect said monies and credit them to the overall School District cost of providing special education services.

5.6.2 Peak to Peak shall remain solely responsible for the costs of providing those services required under an IEP and that are typically provided by regular classroom teachers through the normal classroom program, including without limitation, the cost of the classroom teacher (subject to Section 7.1.4), typical classroom supplies and services, and supplies generally made available to all students. Peak to Peak and the School District shall both be responsible for ensuring that their respective employees properly carry out the applicable requirements of each IEP.

5.6.3 If, after enrolling a resident student and receiving per pupil revenue for the student, Peak to Peak determines that it is unable to provide a free and appropriate public education (FAPE), the student may return to another School District school and Peak to Peak shall be responsible for the actual costs incurred by the School District in providing the student with FAPE for the remainder of the school year, less any state and federal funding actually received by the School District for such student that would have otherwise gone to Peak to Peak for the provision of services to the student.

5.6.4 Section 504. As a recipient of federal funds, Peak to Peak is responsible for complying with the provisions of Section 504 of the Rehabilitation Act of 1973 as to students with disabilities who qualify for protections under that law. Peak to Peak shall comply with its obligations by identifying a Section 504 coordinator for the school who shall participate in any mandatory Section 504 trainings (at no cost) provided by the School District, and by developing a written Section 504 plan for any student eligible for such a plan. The District's Section 504 Coordinator may review Peak to Peak's referral process, evaluations, reevaluations, programming and provision of services for students eligible for protections under Section 504 and direct such changes as s/he may deem necessary, provided that the failure of the District's coordinator to direct any change shall not make the School District legally or financially responsible for Peak to Peak's noncompliance.

5.7 Education of English Language Learners. Peak to Peak agrees to comply with School District Policy and the requirements of federal and state law concerning the education of English Language Learners, including identification of and delivery of appropriate educational services. Unless otherwise agreed in writing by the Board, Peak to Peak shall comply with this obligation by contracting with the School District to provide certain English Language Learner services as provided herein. Funding and payment for English Language Learner services shall be in accordance with Paragraph 7.1.5 below.

5.8 Tuition and Fees. Tuition may not be charged to students who reside in the School District, other than for optional before- and after-school programs, intersession programs, pre-school programs, summer programs, extended day kindergarten, summer school,



and travel programs administered by Peak to Peak, consistent with the provisions of C.R.S. § 22-32-118. In the case of enrollment of a nonresident student with disabilities in Peak to Peak, the School District shall collect the tuition charge for the excess costs incurred in educating the child from the school district of residence pursuant to guidelines developed by CDE in accordance with C.R.S. § 22-20-109(5) and apply such amounts toward reducing the School District's overall cost of providing special education services. Student fees may be charged by Peak to Peak so long as such fees are in accordance with applicable Colorado law and regulations including, but not limited to, the provisions of C.R.S. §§ 22-32-110(1)(o) and (p) and 22-32-117 and School District Policy and regulations. Peak to Peak shall provide to the School District a schedule of all proposed fees for the ensuing year by May 1 of each year.

5.9 Enrollment in Selected Classes. Peak to Peak and School District students may apply for enrollment in individual middle and secondary classes at each other's schools on a space-available basis and subject to the other provisions of C.R.S. § 22-36-101 and School District Policy. Peak to Peak and the School District shall reimburse the other at the rate of one-fourteenth of Peak to Peak's gross per pupil funding, net of services purchased from the School District, per semester hour for each class taken.

5.10 Extracurricular and Interscholastic Activities. Subject to the provisions of C.R.S. § 22-32-116.5, the rules of the Colorado High School Activities Association ("CHSAA"), and this section 5.10, Peak to Peak students may try out for and participate in extracurricular and interscholastic activities offered by the School District that are not offered at Peak to Peak. The School District shall choose the school at which the student may participate. Among other factors, the school of participation shall be the school that offers the greatest number of activities in which the student wishes to participate and shall be at the school that would otherwise be the student's regular school of attendance in the School District unless otherwise approved by the Superintendent or designee for good cause, such as the distance from Peak to Peak to that school. To participate at another School District school, the student shall comply with all applicable laws and the then current rules, policies, and prerequisites of the School District, CHSAA, and the school of participation; all eligibility requirements; and all responsibilities and standards of conduct, including related classroom and practice requirements. Where such participation requires a fee, the Peak to Peak student or Peak to Peak shall be responsible for payment of a fee that shall be equal to 150 percent of the fee amount the school of participation would charge an enrolled student to participate in the activity. Under the same terms and conditions above, School District students similarly may try out for and participate in extracurricular and interscholastic activities offered by Peak to Peak that are not offered at the student's school of attendance.

6.0 Evaluation of Pupil Performance and Procedures for Corrective Action. The Board accepts Peak to Peak's established methods for evaluating pupil performance. The Board accepts Peak to Peak's use of multiple tools for assessment of student performance which shall include but not be limited to standardized achievement tests. Peak to Peak agrees to cooperate with School District administrators to coordinate testing and the reporting of test data with the School District's statistical reporting needs and to implement any testing requirements that may

be required to meet the School District's obligations under the provisions of federal and state law including, without limitation, the Accountability Act and the provisions of the No Child Left Behind Act, 20 U.S.C. § 6311(b)(3). Peak to Peak shall pay to the School District the pro-rata costs associated with all such tests and assessments such as, but not limited to, the cost of test booklets and scoring and tabulating results.

7.0 Economic Plan, Budget, and Annual Audit. The provisions of this Contract shall supersede and control over any conflicting language contained (or incorporated by reference) in the Renewal Application concerning budget and funding.

7.1 Funding Package.

7.1.1 Subject to the total Funded Enrollment in Section 5.4 and other provisions of this Contract including, without limitation, purchased services, and so long as Peak to Peak is a School District charter school located within its boundaries, the School District shall provide funding for each Funded Enrollment Student FTE enrolled in Peak to Peak during each fiscal year of the term of the charter (commencing with the 2015-2016 fiscal year) as follows: (a) 100 percent of the School District per pupil revenues ("PPR"), as defined by C.R.S. § 22-54-103(9.3); (b) 100 percent of the per pupil revenue attributable to the School District's November 1991 budget election; (c) a "fair share" per pupil attributable to the School District's November 1998 budget election; (d) a "fair share" per pupil attributable to the School District's November 2002 budget election; (e) 100 percent of the per pupil revenue attributable to the School District's November 2005 budget election; and (f) 100% of the per pupil revenue attributable to the net amount in excess of \$32,662,468.00 of the School District's November 2010 budget election. "Fair Share" shall be calculated in accordance with Exhibits C-1 and C-2 attached, subject to annual adjustment based upon School District student enrollment. The parties agree that the funding levels provided for in this Contract, including the purchased services under Exhibit C and allocated costs, comply with the financing guidelines of Colorado law. The term "enrolled" as used in this Contract shall be deemed to mean enrolled as of the counting dates or periods and in accordance with the requirements of the Finance Act or successor act and CDE regulations. Peak to Peak shall be subject to audit by CDE and by the School District of the count of students enrolled in Peak to Peak.

7.1.2 So long as Peak to Peak is not in material breach of this Contract, any funding provided by the School District hereunder will be made available to Peak to Peak throughout the year in equal monthly installments, commencing on July 1, 2015, for the first year and on July 1 in each year of the Contract thereafter, subject to the enrollment limits, adjustments or purchased services as provided in this Contract. The funding on July 1 will be based on the Board-approved Proposed Budget for the ensuing year. Funding will be adjusted after Board approval of the Revised Budget to reflect budgeted transfers. Funding again will be adjusted after the official October count. When adjustments in funding are made, based upon these adjustment dates, any increases or decreases shall apply to the total school year but shall be spread over the remaining months of the fiscal year.

7.1.3 To the extent the School District experiences any reduction or receives any increase in state equalization support by state audit attributable to Peak to Peak's enrollment or a legislative rescission or a modification to per pupil equalization funding, proportionate reductions or increases will be made to Peak to Peak's funding by adjustment or setoff in subsequent months. Adjustments may be accomplished by the School District upon thirty days' prior written notice. Further, if any significant alteration is made to the Finance Act, the parties shall reexamine and renegotiate in good faith the funding of Peak to Peak to take into consideration the changes in the Finance Act. The parties recognize and understand that under the current version of the Finance Act, neither Peak to Peak nor the School District will receive funding for students in the year of enrollment if the student first enrolls in Peak to Peak or the School District after the October 1 count date.

7.1.4 In consideration of the special education services to be provided by the School District under section 5.6 (Education of Students with Disabilities), Peak to Peak agrees that it will submit appropriate documentation to the School District's Director of Special Education regarding Peak to Peak's special education program, including the number of students with active IEPs at Peak to Peak and the number of special education staff at the school, including their qualifications and responsibilities.

7.1.4.1 Peak to Peak shall purchase Special Education-Central (including Administration) services (Exhibit C), but will not purchase the Special Education-Schools services (Exhibit C). Accordingly, the School District will deduct from the funding provided in this paragraph 7.1 the amount of the School District's average, per pupil Special Education-Central (including Administration) costs multiplied by Peak to Peak's total student funded enrollment. Peak to Peak shall receive, as a credit against such costs, a proportionate share of the categorical reimbursement funding provided to the School District by the federal and state governments for special education.

7.1.4.2 If Peak to Peak opts to purchase Special Education-Schools services (Exhibit C), then upon the submission (by April 1 of each year) of appropriate documentation by Peak to Peak to the School District's Director of Special Education regarding the number of special education staff at the school and their qualifications and responsibilities, the School District shall reimburse Peak to Peak for that portion of the salaries and benefits of those staff members at Peak to Peak who have been approved by the School District and Peak to Peak to provide special education services under this Contract, consistent with the students' IEPs. Such reimbursement shall be based upon the salary and benefits that such special education teacher(s) would receive if placed on the School District's adopted salary schedule based on actual teaching experience, or what Peak to Peak compensates, whichever is less.

7.1.4.3 After Peak to Peak has enrolled a student and is receiving per pupil revenue for the student, Peak to Peak is responsible for all actual costs (less any state and federal funding actually received by the School District for such student) associated with providing a free and appropriate public education (FAPE) to the student, even if the student is transferred mid-year into a more restrictive placement at another School District school ("IEP-

based Transfers”).

7.1.4.4 Peak to Peak shall create a Special Education Reserve Account of \$150,000. This account shall be maintained as a financial reserve for the purpose of meeting Peak to Peak’s obligations relating to Administrative Complaints (defined in Section 7.2.4) and IEP-based Transfers, but Peak to Peak is not relieved of its financial obligations to the District if the account is depleted.

7.1.5 English Language Learners (“ELL”). The School District will deduct from the funding provided in this Section 7.1 the amount of the School District’s average, per pupil ELL costs (Exhibit C) multiplied by Peak to Peak’s Funded Enrollment. Peak to Peak will receive, as a credit against such costs a proportionate share of the categorical reimbursement funding provided to the School District by the federal and state governments for English Language Learners and for English Language Proficiency Act (“ELPA”). In consideration of the English Language Learner services to be provided by the School District under Section 5.7 (Education of English Language Learners), Peak to Peak agrees it will submit appropriate documentation to the School District’s Assistant Superintendent of Instruction and Equity reflecting the number of current and newly enrolled students at Peak to Peak eligible to receive ELL services (notwithstanding previous waivers of such services) and the number of endorsed and/or licensed (as required by law) staff at the school to provide ELL services. The School District shall allocate funds back to Peak to Peak in the then current fiscal year for that portion of the salaries and benefits of those staff members at Peak to Peak who had been approved by the School District and Peak to Peak to provide ELL services. Reimbursement of the portion for Peak to Peak licensed certified or endorsed ELL teachers under this paragraph shall be based upon the salary and benefits that such ELL teacher(s) would receive if placed on the School District’s adopted salary schedule based on actual teaching experience, or what Peak to Peak compensates, whichever is less. “ELL services” shall apply to all students with ELL needs at Peak to Peak, notwithstanding any previous waivers of such services given by such students.

7.1.6 With respect to categorical programs other than special education, ELL, and ELPA, Peak to Peak may apply for state and federal funding, if any, to the extent that Peak to Peak is serving students who are eligible for such aid, complies with the conditions and requirements of such programs and applicable law, fulfills the reporting requirements under such programs, and is not receiving services under such programs from the School District.

7.1.7 The level of funding provided by the School District for Peak to Peak in section 7.1 above and the term of such funding is based upon the assumption that Peak to Peak will not be occupying existing or future School District-owned facilities. The level of funding shall be reopened and Peak to Peak and the District agree to negotiate in good faith a reduction in the total funding, provided for in this Contract, in any fiscal year that Peak to Peak is occupying School District facilities and is not making installment or rental payments at levels substantially the same as projected in Peak to Peak's budget, referred to in Section 7.2 below. Any facility constructed on the Peak to Peak campus by the District from the proceeds of the

bonded indebtedness approved in the November 2014 bond election shall not be considered "School District-owned facilities" for the purposes of this provision.

7.1.8 By June 30, 2015, and by the end of June each year thereafter during the term of the Contract, Peak to Peak's ending fund balance shall comply with the emergency reserve requirements of Article X, Section 20 of the Colorado Constitution ("TABOR Reserve"). Peak to Peak shall maintain a positive ending fund balance on a GAAP Basis, including any TABOR requirements.

7.2 Budget. Peak to Peak's annual budget is subject to the following:

7.2.1 The per pupil funding shall be determined in accordance with section 7.1 above.

7.2.2 Peak to Peak shall be responsible for all costs associated with its school operations, including the cost of contracting for goods and services and the cost of certain purchased services of the School District as set forth in Exhibit C, attached and incorporated by this reference. The services identified on Exhibit C as "purchased" shall be provided to Peak to Peak by the School District and purchased and paid for by Peak to Peak to the School District during the term of this Contract, as set forth on Exhibit C, at the School District's annually budgeted cost. For those services identified as "optional" on Exhibit C, Peak to Peak shall inform the School District by no later than April 1 of each year of the services it intends to purchase for the following fiscal year. If Peak to Peak does not purchase optional services, it shall be responsible for performing those activities or services itself in the same manner as is required by law of other schools in the School District, unless otherwise waived in writing by the Superintendent or designee. The School District shall provide Peak to Peak with access to projected service rates by May, after receipt of which Peak to Peak shall have five business days to withdraw its notice of intent to purchase particular optional services. Exhibit C includes a detailed description of each service and allocated cost charges together with cost estimates provided by the School District for the 2014-2015 fiscal year. This will be adjusted to reflect budgeted costs for each fiscal year. Costs of purchased services and central administrative overhead charges shall be reconciled annually to actual costs within 90 days after the end of each fiscal year to the extent required by C.R.S. § 22-30.5-112(2)(a.4). Any difference between the amount initially charged and the actual cost shall be paid to the owed party.

7.2.3 Subject to Paragraph 10.2.3, the School District will provide legal services through the School District's legal counsel for the defense of suits, actions, and claims against Peak to Peak for which the School District provides insurance coverage, if such insurance coverage is purchased by Peak to Peak, and in accordance with Paragraph 7.2.4. Legal services shall also be provided by the School District's in-house legal counsel in accordance with the legal services purchased by Peak to Peak under Exhibit C. Legal counsel shall not be provided for defense of matters involving disputes between Peak to Peak and the School District or where there exists a conflict of interest between the School District and Peak to Peak (as determined by counsel for the School District in reference to legal services purchased by Peak to

Peak from the School District, and as determined by insurance defense counsel as to legal services provided through the School District's insurance, if Peak to Peak purchases such insurance) then the School District, or the School District's insurance, as the case may be, will provide legal services through other counsel. The provision of a defense is conditioned upon prompt notification by Peak to Peak to the School District of all claims, including threatened or reasonably anticipated claims or actions; full cooperation with the School District and legal counsel in defending the claim and Peak to Peak not compromising, settling, negotiating, or otherwise similarly dealing with the claim without the express consent of the Board. The School District's counsel will consult with Peak to Peak prior to settling any claim hereunder. Peak to Peak acknowledges that in the event of a dispute between Peak to Peak and the School District, the School District's legal counsel will represent the School District and not Peak to Peak with respect to such dispute. However, any potential conflict arising from the representation of Peak to Peak by the School District's legal counsel shall be resolved in accordance with the Colorado Rules of Professional Conduct. Peak to Peak shall have access to legal consultation and advice where such assistance is requested through and approved by the School District's Superintendent or designee consistent with the foregoing and Peak to Peak's purchase of legal services from the School District. In other cases, legal services shall be provided at Peak to Peak's expense.

7.2.4 In further consideration of the funding provisions, the School District agrees that it will defend any state-level complaint, Office of Civil Rights (OCR) complaint or due process hearing request ("Administrative Complaints") related to an ELL student or a student with disabilities in attendance at Peak to Peak, to the extent of any alleged illegal actions or inactions against any such students by a School District employee or a Peak to Peak employee. The provision of a defense is conditioned upon prompt notification by Peak to Peak to the School District of Administrative Complaints, including threatened or reasonably anticipated Administrative Complaints; full cooperation with the School District and legal counsel in defending Administrative Complaints; and Peak to Peak not compromising, settling, negotiating, or otherwise similarly dealing with Administrative Complaints without the express consent of the Board or administration. Within ten days after the receipt of any Administrative Complaint that includes allegations against Peak to Peak and/or the School District employees, the parties will meet to explore efficiencies and to determine the course of action in providing a defense including, without limitation, the potential for a joint defense. The School District has the exclusive right to select legal counsel. With respect to any Administrative Complaints relating to a student with disabilities in attendance at Peak to Peak, Peak to Peak is responsible for payment of (1) all defense-related costs, including attorneys' fees and costs and expert witness fees; (2) any award relating to the provision of special education or related services, including without limitation, compensatory services, reimbursements and tuition costs; and (3) compromises and settlements. The School District will consult with Peak to Peak prior to settling any Administrative Complaint hereunder.

7.2.5 By May 1 of each year, Peak to Peak shall provide to the Board its proposed balanced budget for the upcoming fiscal year based upon such enrollment. The projected Peak to Peak balanced budget, when incorporated into the School District's budget and accepted by the Board for each fiscal year, will be attached and incorporated into this Contract as

an exhibit, and will be subject to adjustment based upon current state-funding data as it becomes available during the budget adoption process. The budget format used by Peak to Peak shall be consistent with the requirements of applicable Colorado law (currently form CDE-18). The budget may be modified prior to October 1 of each year so long as it continues to present a balanced financial plan, consistent with this Contract and state law, to provide the instructional services represented by Peak to Peak. Any material modifications to the budget shall be submitted to the Superintendent or designee.

7.3 Financial Records and Annual Audit. Peak to Peak shall establish, maintain, and retain 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; provided that, for those services that the School District agrees to perform under this Contract, the School District will maintain and make available such records upon Peak to Peak's request. Peak to Peak shall similarly make the records (except the personnel files, if any) of any of its supporting I.R.C. § 501(c)(3) organizations available to the School District upon request. Peak to Peak shall cooperate in an independent, outside audit by a certified public accountant of its and, if required by the School District, its supporting organization's financial and administrative operations on an annual basis. The Peak to Peak audit shall be performed by the School District's independent auditors in conjunction with the audit of the School District itself. The results of the audit shall be provided to the School District in written form within the same statutory time limits required of the School District and shall be published and posted as required by law. Any cost associated with the audit of Peak to Peak is included in the amount designated on Exhibit C for central administrative overhead costs. In the event Peak to Peak fails to provide the financial information to the School District in the form and on the dates provided for in this Contract or as otherwise required by the state or federal government, the School District may withhold twenty percent (20%) of any payment due Peak to Peak until such time as Peak to Peak complies with the financial reporting requirements.

8.0 Governance and Operation. The Renewal Application (and references incorporated therein) concerning the nature and extent of parental, professional educator, and community involvement in the governance and operation of Peak to Peak is accepted by the School District to the extent permissible under federal and state law and subject to all conditions of this Contract and School District Policy. In addition, the Renewal Application is amended as follows, which amendments and other provisions of this Contract shall supersede and control over any conflicting language contained (or incorporated by reference) in the Renewal Application:

8.1 Conflict of Interest. Members of the Peak to Peak Board of Directors and other committees of Peak to Peak that have been delegated the authority to make hiring or contracting recommendations shall comply with applicable state law and School District Policy regarding ethics and conflict of interest.

8.2 Nonreligious, Nonsectarian Status. Peak to Peak shall operate, in all respects, as a nonsectarian, nonreligious, non-home-based public school. Peak to Peak shall not

be affiliated with any nonpublic sectarian school or religious organization. Negotiation by Peak to Peak of an occupancy lease with or temporary use of a religious institution's facility shall not be construed as affiliation.

8.3 Commitment to Nondiscrimination. Peak to Peak shall comply with all applicable federal, state, and local laws, rules, and regulations and School District Policy, prohibiting discrimination on the basis of race, creed, color, national origin, sex, marital status, sexual orientation, gender identity/expression, religion, age, ancestry, or disability.

8.4 Accountability Committee. The Peak to Peak Board of Directors shall establish a school accountability committee that, unless determined by the School District to be exempt, shall have a composition of members consistent with the requirements of Colorado law and that will participate in the accountability process in accordance with School District Policy and state law. All records created and maintained in accordance with the provisions of this Contract, School District Policy, and federal and state law shall be open to inspection by the School District.

8.5 Open Meetings Law. Peak to Peak acknowledges and agrees that it is subject to the provisions of the Colorado Open Meetings Law, C.R.S. §§ 24-6-401 et seq., and that it will comply with the provisions of such law in connection with all of its activities. Public notice of all regular and special meetings of the Peak to Peak Board of Directors or other committees of Peak to Peak to which the Open Meetings Law applies shall be given and posted in accordance with law.

8.6 Indigent Students. Except for those programs described in section 5.8 above for which tuition may be charged, Peak to Peak shall waive all fees for indigent students in accordance with School District Policy and applicable federal and state law. Peak to Peak shall cooperate with the School District to survey (using the federal Free and Reduced Price Meal Application form) its student population for eligibility for free and reduced price meals under federal guidelines in accordance with State Board regulations. On all fee lists and schedules, Peak to Peak shall include notification of the policy of waiver of fees for indigent students.

8.7 Operational Powers. Subject to the conditions and provisions of this Contract, Peak to Peak shall be fiscally responsible for its own operations within the limitations of any funding provided by the School District and other revenues derived by Peak to Peak consistent with law.

8.7.1 To the extent consistent with federal and state law, Peak to Peak shall have authority to exercise independently the following powers (including such other powers as provided for elsewhere in this Contract and in the Renewal Application): purchase goods and services; prepare a proposed budget; select and hire personnel and determine their compensation; procure insurance at its expense; purchase, lease, or rent furniture, equipment, supplies, facilities, and transportation; retain fees collected from students in accordance with law; 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 or applicable School District Policy. If Peak to Peak applies for a competitive grant for which the School District is also eligible, then Peak to Peak shall notify the School District. If Peak to Peak applies for a grant that creates an obligation for the School District, then Peak to Peak shall obtain advance written approval from the School District and, if necessary, comply with applicable School District purchasing and accounting policies.

8.7.2 Peak to Peak shall comply with applicable provisions of Article X, Section 20 of the Colorado Constitution. Peak to Peak shall not have any authority to enter into any agreement or make any commitment that gives rise to a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever on the part of Peak to Peak or the School District without the prior express written consent of the School District.

8.7.3 In exercising its powers, Peak to Peak shall comply with all School District Policy, this Contract, and applicable law. All School District-approved policy changes and regulation changes will be made available to Peak to Peak when made available to other schools and in the same manner as for other schools within the School District. Peak to Peak 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 Peak to Peak Board of Directors. If the School District objects to such policy, the dispute resolution process of Section 12.9 shall apply. Peak to Peak agrees to comply with future Board policies unless Peak to Peak's Board reasonably believes that any such policy would materially interfere with essential elements of Peak to Peak's Renewal Application, as incorporated herein, and this Contract. In that case, the parties agree to negotiate in good faith about such policy. In the event the parties are unable to agree whether any such policies would materially interfere with essential elements of Peak to Peak's Renewal Application, as incorporated herein, and this Contract, as provided in this paragraph, the dispute resolution process of Section 12.9 shall resolve the issue. The new policy will become effective as to Peak to Peak only if, and when, the dispute resolution process determines that the new policy will not materially interfere with the essential elements of Peak to Peak's Renewal Application, as incorporated herein, and this Contract.

8.7.4 Peak to Peak shall clearly indicate to vendors and other entities and individuals outside the School District with which or with whom Peak to Peak desires to transact business that the obligations of Peak to Peak under any agreement are solely the responsibility of Peak to Peak and are not the responsibility of the School District.

8.7.5 All cash gifts or donations and all gifts or donations of property, having a reasonable value in excess of \$5,000, shall be reported by Peak to Peak to the School District by recording the same in the financial records required under section 7, above. Peak to Peak shall report to the Board of Education within fourteen days the acceptance of any gift or donation in excess of \$10,000 and shall obtain the prior approval of the Board of Education for any grant or any gift or donation that would involve any condition or obligation on the part of the School District beyond the normal accounting for use of grant funds within purchased services

and confirmation of Peak to Peak's charter school status and enrollment numbers. Grants and gifts to Peak to Peak and Peak to Peak's fund-raising activities shall be consistent with School District Policy, unless otherwise approved by the Board, but will not affect funding by the School District pursuant to this Contract. All non-consumable grants, gifts, and donations shall be considered the property of Peak to Peak for the exclusive use of Peak to Peak, unless otherwise provided in writing by the donor.

8.7.6 Peak to Peak shall have access to surplus personal property of the School District prior to the disposal of such property.

8.7.7 Unless otherwise agreed herein or in writing by the School District, Peak to Peak shall not have authority to enter into a contract or subcontract for the management or administration of its core instructional program or services, including special education and related services. This shall not prevent Peak to Peak from engaging contractors to teach selected, specific courses so long as the total fees paid to such contractors do not exceed 30 percent of Peak to Peak's per pupil revenues in any single year.

8.8 School Facility. Subject to the provisions of this Contract, Peak to Peak or any company on behalf of Peak to Peak including, without limitation, Prairie View, Inc., may contract in their discretion and consistent with School District Policy with third persons to acquire or lease land, buildings, and other facilities to be used as public school facilities for Peak to Peak. All such facilities shall be referred to as Peak to Peak Facilities hereunder and shall be located within the boundaries of the School District. During the term of this Contract, Peak to Peak and any company on behalf of Peak to Peak, including without limitation, Prairie View, Inc., will not establish any educational programs at any location other than at its current 35-acre campus located at 800 Merlin Drive, Lafayette, Colorado. The only exceptions are an early childhood educational program, not supported by public funds, operated by Peak to Peak and future athletic facilities.

8.8.1 Peak to Peak's school facilities shall comply at all times with all applicable federal, state, and local laws.

8.8.2 With the exception of 8.8.2.1 below, so long as Peak to Peak's charter is in effect and it is not in material breach of the Contract, it shall have the right to control the operation and use of any facilities acquired or leased by Peak to Peak. These rights shall include, without limitation, (a) scheduling of classes and events, (b) contracting for maintenance and upkeep, (c) subleasing or allowing after-hours use of portions of the land and buildings not needed for Peak to Peak's purposes, consistent with applicable laws and School District Policy, (d) retention of fees for subleases or after-hours use of the facility, (e) retention of revenues from Peak to Peak's own advertising or vending operations at the facility, and (f) all revenues derived from any telecommunications licensing pursuant to Peak to Peak policy/waiver DFB.

8.8.2.1 Peak to Peak agrees to allow the School District the right to rent, and retain the revenues generated thereby, Peak to Peak's facilities constructed with

School District bond funds. With respect to this provision, Peak to Peak will be treated like all other School District schools, including revenue-sharing and priority for Peak to Peak-sponsored use. The Parties agree to enter into a separate Memorandum of Understanding to memorialize the details of this arrangement, which shall be incorporated into this Contract by reference herein.

8.8.3 Upon request by Peak to Peak, the School District will reasonably assist Peak to Peak in obtaining an exemption from local property taxes for any land and buildings acquired or occupied by Peak to Peak.

8.8.4 Long-Range Facility Needs. When the School District considers the submittal of ballot issues to its voters regarding future tax increases for either bonded indebtedness or capital construction, it shall invite Peak to Peak to participate in discussions regarding such possible ballot issues to also meet the long-range capital facility needs of Peak to Peak no later than June 1 of the applicable election year. Peak to Peak may ask the School District to include the capital construction needs of the school in such question, and if it determines not to include the same Peak to Peak may request the School District to separately submit a question for the voters that includes capital construction needs of Peak to Peak in accordance with C.R.S. 22-30.5-404 and 405.

8.9 Waivers. Peak to Peak will be granted certain waivers from Board policies and regulations upon approval by the Board of acceptable replacements. The waivers from state law to be requested jointly and the waivers from Board policy are set forth in the attached Exhibits D and E, respectively, both of which are incorporated by this reference.

8.10 Bidding Requirements. Unless purchased from or through the School District, contractual services and purchases of supplies, materials, and equipment by Peak to Peak shall be procured through a system of competitive bidding, as required by School District Policy and state law. Purchases by Prairie View, Inc., shall not be deemed to be purchases by Peak to Peak.

8.11 Periodic Review of Progress. Peak to Peak shall be subject to a review of its operations and finances by the Board or a designee upon reasonable advance written notice. Peak to Peak shall, by October 15 of each year, provide to the School District a written report concerning its operations, including, without limitation, progress made towards achieving its educational goals and objectives, content standards, policy development issues, student performance standards, student attendance and discipline information, personnel matters, and other provisions of its Renewal Application.

8.12 Financial Reports. Unless provided by the School District as part of purchased Business Services, Peak to Peak shall be responsible for confirming with the School District, within twenty days following the end of each month, written revenue and expenditure reports with comparisons to budget and, on an annual basis, a financial statement that reports the

costs of administration, instruction, and other spending categories, consistent with the format required by state law.

8.13 Term. It is the intent of the Board of Education of the School District and Peak to Peak that this Contract be entered into as of the date first written above but to be effective for operation and funding purposes commencing July 1, 2015, through June 30, 2025. Although this Contract is for operation of Peak to Peak as a charter school in the School District for a period of ten years, any financial commitment on the part of the School District contained in this Contract is subject to annual appropriation by the Board of Education. The parties agree that the School District has no obligation to fund the financial obligations under this Contract other than for the then current year of the Contract term and that the School District has not irrevocably pledged and held for payment sufficient cash reserves for funding Peak to Peak or for providing services described herein for the entire term of the Contract. Peak to Peak may apply for renewal of the charter in accordance with C.R.S. § 22-30.5-110(2).

8.13.1 Contract Reopeners. The parties agree that new federal or state legislation significantly impacting this Contract, including changes to the Public School Finance Act, forms a sufficient basis for either party to seek to renegotiate the Contract provisions relating to funding received by Peak to Peak. In addition, on an annual basis the parties will review the percentage of Peak to Peak's students with IEPs as compared to the District's percentage, and if the Peak to Peak percentage is not at least forty percent (40%) then the parties will engage in a collaborative discussion to address any concerns, with the possibility of changing open enrollment procedures to mitigate the issues. If on July 1, 2020 the percentage of Peak to Peak's students with IEPs is less than thirty-seven percent (37%) of the District's percentage of students with IEPs, then the School District will first consider options such as changing open enrollment procedures to rectify any issues but then may seek to renegotiate the Contract provisions relating to the funding of special education services. Both parties shall engage in contract negotiations under this Section in good faith.

8.14 Termination.

8.14.1 This Contract may be terminated, and the charter revoked by the Board, for any of the grounds provided by state law, C.R.S. § 22-30.5-110(3), and/or for any material breach of this Contract. Peak to Peak shall first be given a reasonable opportunity to cure the breach after receiving written notice of the breach from the School District. Peak to Peak shall also give the School District written notice of any alleged material breach of this Contract by the School District. For this purpose, reasonable opportunity to cure shall mean cure within twenty-one days of the effective date of such notice, or in the case of breaches which cannot practically be cured within twenty-one days, commencement of the cure within twenty-one days and diligent pursuit of the cure to the satisfaction of the party alleging the breach, until the cure is complete. The parties shall exhaust the dispute resolution provisions set forth in section 12.9 in the event termination of the Contract is sought. Should Peak to Peak choose to terminate this Contract and revoke its charter before the end of the Contract term, it may do so only with the Board's prior written approval, except in the case of a material breach by the

School District. During the Contract term, Peak to Peak shall not become a State Charter School Institute school or program and shall remain a public school within and accountable to the School District and the Board. In the event of termination, all School District assets not requiring return or transfer to donors or grantors or required for discharge of existing liabilities and operations of Peak to Peak shall be returned to the School District. In the event Peak to Peak and any successor entity ceases to operate, and unless a donor or grantor specifically provides otherwise in writing, all gifts, donations, and grants shall be assumed to be made to the School District for the benefit of Peak to Peak and shall be included among the assets returned to the School District upon cessation of operations.

8.14.2 During the period after the School District gives Peak to Peak written notice of a termination or a material breach, in addition to any other rights, the School District shall also have the following additional rights and powers: to (a) require Peak to Peak to promptly take such actions as may be necessary to freeze bank accounts and other assets of Peak to Peak and/or to require School District approval of any expenditure or disposition of assets but only until such time as Peak to Peak may cure such breach, and (b) receive full and complete access to all Peak to Peak records, data, and information. In the event the School District exercises its remedies under this paragraph, it will, to the extent reasonably possible, endeavor to allow the charter school to continue operations until the matter is resolved or the charter is terminated and revoked.

8.14.3 Notwithstanding any other provision of this Contract, in the event of an emergency as defined by the Charter School Emergency Powers Act, C.R.S. 22-30.5-702 et seq., the procedures set forth in the Emergency Powers Act shall be followed.

8.15 Dissolution. In the event Peak to Peak should cease operations for whatever reason, including the nonrenewal or revocation of the charter, it is agreed that the Board shall supervise and have authority to conduct the closure of the business and affairs of Peak to Peak; provided, however, that in doing so, the School District does not assume any liability incurred by Peak to Peak 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 Peak to Peak during the time of its existence, consistent with any donor conditions.

8.16 Notification Provided to the School District.

Peak to Peak shall timely notify the School District in the following situations:

- a. The discipline of Peak to Peak employees arising from misconduct or behavior that may have resulted in harm to students or others, or that constituted violations of law;
- b. Any complaints filed against Peak to Peak by any governmental agency;

Peak to Peak shall immediately notify the School District of any of the following:

- a. Conditions that may cause Peak to Peak to vary from the terms of this Contract, applicable School District requirements, federal and/or state law;
- b. Circumstances requiring the closure of Peak to Peak, including, but not limited to, a natural disaster, such as an earthquake, storm, flood or other weather-related event, other extraordinary emergency, or destruction of or damage to the school facility;
- c. The arrest of any members of the Peak to Peak Board or Peak to Peak employees for a crime punishable as a felony or any crime related to the misappropriation of fund or theft;
- d. Misappropriation of funds;
- e. A default on any obligation, which shall include debts for which payments are past due by sixty (60) days or more; or
- f. Any change in its corporate status with the Colorado Secretary of State's Office or status as a Section 501(c)(3) corporation that is not cured within sixty (60) days of notice of the same.

8.17 Safety and Security and Crisis Communication. The School District and Peak to Peak shall collaborate on safety and security issues and on school crisis planning, including communication protocols and trainings.

9.0 Employment Matters. The parties agree that teachers and other staff employed by Peak to Peak are employees of Peak to Peak, and are not employees of the School District.

9.1 Hiring of Personnel. All persons who perform services for Peak to Peak shall be considered "at will" employees or volunteers of Peak to Peak. In the absence of the School District's prior written consent, Peak to Peak shall not knowingly hire any individual who has been nonrenewed or has been dismissed by the School District for performance or legal reasons. Otherwise, the School District agrees that Peak to Peak may select and hire 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 as provided by C.R.S. 22-30.5-110.5 and 110.7, unless a specific waiver is obtained from the State Board of Education or other proper authority. The School District shall endorse applications for alternative certification or licensing by Peak to Peak teachers, counselors, and administrators; provided, however, that Peak to Peak or the applicant shall be responsible for any costs associated with such application and approval process. Teachers at Peak to Peak shall not accrue credit in the School District toward non-probationary status. The Peak to Peak Board of Directors may terminate the employment of any of its personnel so long as such employees are not terminated for any reason prohibited by law. Peak to Peak shall comply with the No Child Left Behind Act including the requirement that certain employees be "highly qualified."

9.2 Employee Compensation, Evaluation, and Discipline. In addition to those waivers of policy identified in Exhibit E, the School District agrees to cooperate with Peak to

Peak in considering the waiver of other Board policies and regulations concerning the compensation, evaluation, promotion, discipline, and termination of employees at Peak to Peak, subject to compliance with all applicable state rules and regulations, unless specific waivers are obtained from the State Board. In all cases below, Board policies will remain in effect and be followed by Peak to Peak until the adoption by the Peak to Peak Board of Directors of replacement policies that are in compliance with applicable law and approved by the School District.

9.2.1 Peak to Peak shall be independently responsible for the supervision and evaluation of the teaching staff within Peak to Peak. Evaluations of the teaching staff shall be carried out in compliance with state requirements.

9.2.2 The Board of Directors of Peak to Peak shall be responsible for annually evaluating the performance of the school's Executive Principal. The written results of such evaluation and the evaluation report shall be submitted to the Superintendent on or before July 1 of each year.

9.2.3 Peak to Peak shall adopt its own written policies in compliance with federal and state law, concerning the recruitment, promotion, discipline, and termination of personnel; methods for evaluating performance; and a plan for resolving employee-related problems, including complaint and grievance procedures. Final administrative appeals in matters regarding employment and employee discipline shall be determined by Peak to Peak's Board of Directors and not by the School District's Board. Nothing in this paragraph 9.2.3 shall be construed to alter the at-will status of any employee of Peak to Peak.

9.2.4 Peak to Peak shall notify the School District and other appropriate authorities, in accordance with state law, of the discipline of employees at Peak to Peak arising from misconduct or behavior that may have resulted in harm to students or others or that may have constituted violations of law or School District Policy.

9.3 Payroll. If Payroll Services (as set forth in Exhibit C) are purchased by Peak to Peak from the School District, employees shall be paid through the Payroll Department of the School District, as part of Business Services, using its procedures for recording employee work hours, overtime, absences, leaves, vacation, and other adjustments, as contained in applicable School District Policy. If Payroll Services are not purchased by Peak to Peak from the School District, Peak to Peak shall be responsible for compliance with all federal and state laws and regulations concerning employee compensation, including, but not limited to, PERA and federal tax withholding and reporting.

9.4 Benefits. So long as Payroll Services (as set forth in Exhibit C) are purchased by Peak to Peak from the School District, Peak to Peak is participating in the School District employee benefit programs, participation is authorized by the provider of the respective School District benefit programs and is in compliance with eligibility requirements, then Peak to Peak employees may participate at their expense in such programs. Unless otherwise agreed in

writing, all benefit programs will be handled and administered by the School District for Peak to Peak consistent with the procedures utilized by and as part of the services purchased through the School District's Business Services Division. If Peak to Peak desires to participate in the School District benefit programs, but does not purchase Payroll Services from the School District, the School District agrees to engage in discussions with Peak to Peak to determine if a mutually beneficial arrangement can be agreed upon.

9.5 PERA Membership. All employees at Peak to Peak shall be members of the Public Employees' Retirement Association and subject to its requirements. Peak to Peak shall be responsible for the cost of the employer's share of any required contributions.

9.6 Equal Opportunity Employer. Peak to Peak affirms that, consistent with applicable law and School District Policy, it shall not discriminate against any employee on the basis of race, creed, color, national origin, sex, marital status, sexual orientation, gender identity/expression, religion, age, ancestry, or disability in its recruitment, selection, training, utilization, termination, or other employment-related activities.

9.7 Employee Welfare, Safety, and Training. Peak to Peak shall comply with all Board 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, and statutorily required training concerning the Child Protection Act of 1987, C.R.S. §§ 19-3-301 et seq.

9.8 Employee Records. Peak to Peak shall comply with all School District Policy, this Contract, and applicable federal and state laws, concerning the maintenance and disclosure of employee records, including, without limitation, the requirements of the Colorado Open Records Act, C.R.S. §§ 24-72-201 et seq.

9.9 Employee Conflicts of Interest. All employees at Peak to Peak shall comply with School District Policy and applicable state law concerning employee actual and potential conflicts of interest.

9.10 District Teachers. If current School District teachers are hired by Peak to Peak, they will be granted a one-year leave of absence from their employment with the School District. Such leave shall commence on the first day of services as a teacher for Peak to Peak. Upon the request of the teacher and the mutual agreement of the teacher and Peak to Peak, the teacher will be granted a second and a third consecutive one-year leave of absence from the School District while employed at Peak to Peak. Teachers who are granted a leave of absence must notify the School District by April 1 of the year of the leave of their intent to return to the School District. Teachers who desire to return to the School District after a one-, two-, or three-year leave of absence will be assigned to a position for which they possess the appropriate qualifications and certification. Current or future probationary teachers in the School District who are selected for positions at Peak to Peak shall not accrue years of service toward non-probationary status in the School District. However, salary increments or reductions will accrue



to the teacher while he/she is on leave under this provision. Teachers who do not request a second or a third year leave of absence or who complete three years leave of absence and do not return to the School District will no longer be considered employees of the School District for any purpose other than the protections under the Colorado Governmental Immunity Act.

9.10.1 The School District shall have no obligation for career longevity stipends for any current or former Peak to Peak teacher.

9.10.2 Peak to Peak's employees will not be eligible to participate in the School District's sick leave bank. Peak to Peak may establish its own sick leave bank.

9.11 Teacher Qualifications. Teachers shall be qualified to teach at Peak to Peak, subject to selection by the Peak to Peak Board of Directors, and shall possess one or more of the credentials outlined in Peak to Peak's replacement policy, GCA, Professional Staff Positions.

#### 10.0 Insurance and Legal Liabilities.

10.1 Insurance. If the Insurance Package (as set forth in Exhibit C) is not purchased by Peak to Peak from the School District, it is agreed that during the term of this Contract, Peak to Peak shall procure and maintain, at its expense, adequate insurance coverage through a carrier with an AM BEST "A" and VI Rating, which at a minimum shall include:

1. Comprehensive General Liability including Employment Practices Liability coverage – \$1,000,000 per occurrence/\$2,000,000 annual aggregate;
2. Umbrella, which attaches to the Comprehensive General Liability, Errors & Omissions, Directors & Officers and Educator's Liability (including molestation) coverages – \$7,000,000 annual aggregate;
3. Errors & Omissions – \$1,000,000 per occurrence/\$2,000,000 annual aggregate;
4. Directors & Officers – \$1,000,000 per occurrence/\$2,000,000 annual aggregate;
5. Educator's Liability, including molestation coverage with no exclusions or sublimit – \$1,000,000 per occurrence/\$2,000,000 annual aggregate;
6. Property – Replacement Cost;
7. Contents – Replacement Cost;
8. Workers Compensation – as required by law;
9. Unemployment insurance – as required by law;
10. Crime (Coverage for theft of money and securities)-\$50,000 per occurrence;
11. Hired and Non-owned Auto Liability Coverage – \$1,000,000 per accident. If Peak to Peak takes ownership of a vehicle(s) this coverage will be expanded to include owned vehicles.

All such insurance shall be subject to the approval of the District for adequacy of protection and shall name the District as an additional insured. By June 15 of each year, Peak to Peak shall provide the District with certificates of insurance evidencing all insurance coverages to be in

place for the upcoming fiscal year. Such certificates shall provide that thirty days' written notice will be given to the District should the policies be non-renewed, have a material reduction in coverage or policy limits as described above, exhaustion of policy limits, or cancellation for any reason. Peak to Peak shall also provide the District with a copy of the Additional Insured endorsement for each policy. Upon request, Peak to Peak shall provide the District with a full copy of each insurance policy. If Peak to Peak compromises, settles, negotiates, or otherwise affects any disposition of potential claims valued in excess of \$10,000 asserted against it, Peak to Peak shall provide written notice of such to the School District within five business days.

It is agreed that during the term of this Contract, if the Insurance Package (as set forth in Exhibit C) is purchased by Peak to Peak from the School District, Peak to Peak agrees that it will coordinate all risk management activities through the School District's risk management staff. 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 Colorado Governmental Immunity Act and the School District's applicable insurance policies. Peak to Peak shall not compromise, settle, negotiate or otherwise affect any disposition of potential claims asserted against it without the School District's prior written approval. So long as Peak to Peak is in compliance with these insurance and risk management requirements, the deductible portion of any insured claim shall be covered by the School District.

10.2 Legal Liabilities. Peak to Peak shall operate in compliance with all School District Policy and all applicable federal, state, and local laws, rules, and regulations, unless specifically waived as indicated in attached Exhibits D and E or unless such waiver is obtained from the proper authority pursuant to the procedures of paragraph 10.2.1 below subsequent to the execution of this Contract.

10.2.1 Waivers. Further waivers from specific Board policies or regulations and/or state law may be requested by Peak to Peak by submitting such a request, in writing, to the School District's Superintendent in compliance with state regulations. The request shall include the reasons why Peak to Peak is in need of or desires the waiver and alternative or substitute policies proposed, if any. The Superintendent shall have ten school days (or, if submitted during the months of June, July, or August, fifteen business days) to review the request and, thereafter, will present the matter before the Board at its next regular meeting. The Board shall have thirty calendar days to consider the matter prior to rendering a decision at a regular meeting. Waivers of Board policies and regulations may be granted only to the extent permitted by state law. In the event the School District policy or regulation from which Peak to Peak seeks a waiver is required by state law, or where Peak to Peak otherwise requests release from a state regulation, the School District agrees to jointly request such a waiver from the State Board, if the School District's Board first approves the request.

10.2.2 Faith and Credit. Peak to Peak agrees that it will not extend the faith and credit of the School District to any third person or entity. Peak to Peak acknowledges and agrees that it has no authority to enter into a contract or incur obligations that would bind the

School District, including, without limitation, any waiver or modification of the provisions of the Colorado Governmental Immunity Act and Peak to Peak agrees to include a statement to this effect in each contract it enters into with third parties. Peak to Peak acknowledges that its authority to contract is limited by the same provisions in law or School District Policy that apply to the School District itself, including but not limited to Article X, Section 20 ("TABOR"). Peak to Peak also is limited in its authority to commit its funds by the amount of funds obtained from and held on its behalf by the School District, as provided hereunder, or from other independent sources.

10.2.3 Indemnification. To the extent permitted by law and not covered by insurance or not otherwise barred by the Colorado Governmental Immunity Act, Peak to Peak and the School District agree to indemnify and hold the other and their respective board and employees harmless (to the extent of any funding that would otherwise have been made available to Peak to Peak under this Contract) from all liability, claims and demands on account of injury, loss, or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss, or damage or any other losses of any kind whatsoever that are proximately caused by the negligent or intentional acts of their respective employees. The foregoing provision shall not be deemed a relinquishment or waiver of any kind of applicable bar or limitation of liability provided by the Colorado Governmental Immunity Act or other law.

10.2.4 Indemnification by Independent Entities/Governmental Immunity. In the event Peak to Peak authorizes, with the School District's approval, another person or entity to operate a before- and/or after-school, preschool, day care, intersession, extended day kindergarten, or other program as an independent contractor that rents a portion of Peak to Peak's facility or charges Peak to Peak for services provided off-campus, such person or entity shall provide separate insurance coverage for general liability and errors and omissions with limits consistent with the School District insurance policies naming Peak to Peak, the School District, and the property owner as additional insureds. Such person or entity will also agree to indemnify and hold Peak to Peak, the School District, and the property owner harmless from all liability, claims, and demands on account of injury, loss, or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss, or damage, tort and civil rights claims, or any other losses of any kind whatsoever that arise out of or are in any manner connected with such person's or entity's operations. Nothing contained in this Contract shall be deemed a relinquishment or waiver by the School District or Peak to Peak of any kind of applicable limitations of liability provided by the Colorado Governmental Immunity Act.

11.0 Transportation. The School District and Peak to Peak acknowledge and agree that transportation will not be provided by the School District to students attending Peak to Peak, unless required as a related service by law and an IEP. If Peak to Peak subsequently determines to provide transportation during the term of this Contract, Peak to Peak may contract with the School District for transportation services at cost.

12.0 Miscellaneous Provisions.

12.1 Entire Agreement. With the exception of the Purchased Service Agreement dated May 14, 2013 [relating to information technology equipment and support], the Charter School Capital Construction Financing and Security Agreement [relating to the 2014 School District Bond Question] and the Memorandum of Understanding [referenced in Section 8.8.2.1 above], 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 charter contracts between the parties and any amendments or addendums thereto, and all prior representations, understandings, and discussions are merged herein and superseded and canceled by this Contract. All provisions of this Contract shall supersede and control over any conflicting or inconsistent language contained in the Renewal Application or Peak to Peak policies as provided herein and in accordance with Paragraphs 12.6 and 12.12. For purposes of all references in this Contract and the Renewal Application or state law or any understanding any party hereto may have, the Charter of Peak to Peak shall be this Contract and the Renewal Application, to the extent the Renewal Application is not superseded or modified by this Contract.

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

12.3 Notice. Any notice required, or permitted, under this Contract, shall be in writing and shall be effective upon transmission by facsimile or email (subject to transmission or delivery receipt) personal delivery (subject to verification of service or acknowledgment of receipt) or three days after mailing when sent by certified mail, postage prepaid, to Peak to Peak's President, in the case of notice being sent to Peak to Peak, or to the Office of the Superintendent for notice to the School District, to the following address:

Peak to Peak:

President  
Peak to Peak Charter Schools, Inc.  
800 Merlin Drive  
Lafayette, Colorado 80026  
Fax: (303) 453-4613

Email: [P2Pboard@googlegroups.com](mailto:P2Pboard@googlegroups.com)

With a copy to:

Executive Director of Education  
Executive Director of Operations  
Peak to Peak Charter Schools, Inc.  
800 Merlin Drive  
Lafayette, CO 80026

School District:

Superintendent  
Boulder Valley School District  
RE-2  
6500 East Arapahoe  
Boulder, Colorado 80303  
Fax: (720) 561-5134

Email: [superintendent@bvdsd.org](mailto:superintendent@bvdsd.org)

With a copy to:

Melissa Barber  
Legal Counsel  
Boulder Valley School District  
6500 Arapahoe, P.O. Box 9011  
Boulder, CO 80301

Fax: (303) 453-4613

Email: melissa.barber@bvsd.org

12.4 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.

12.5 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.

12.6 Interpretation. In the event of any disagreement or conflict concerning the interpretation or enforcement of this Contract, the Renewal Application, and School District Policy or other requirements, it is agreed that the provisions of this Contract and School District Policy shall control over the Renewal Application.

12.7 Standing and Capacity. The Peak to Peak Board of Directors shall have standing and capacity to enter into and enforce any of the terms of this Contract on behalf of Peak to Peak. Any action by Peak to Peak's Board of Directors on behalf of Peak to Peak shall be limited to enforcing the terms of this Contract and recovering the amounts provided for herein and shall not include any action or proceeding for other amounts or damages.

12.8 Assignment. Peak to Peak shall not assign its charter or any of its rights or obligations under this Contract to any person or entity without the prior written approval of the Board of Education.

12.9 Dispute Resolution. In the event any dispute arises between the School District and Peak to Peak concerning this Contract, including, without limitation, the interpretation of its terms, or the implementation of or waiver from any policies, regulations, or procedures, such dispute shall first be submitted in writing to the Superintendent of the School District or his or her designee for review. The Superintendent (or designee) shall provide a written advisory response to the Peak to Peak Board of Directors and the Board of Education within thirty days after receipt of a request for review of a matter. Within five business days after the advisory response from the Superintendent (or designee), if the matter remains unresolved, then representatives of the School District and Peak to Peak 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 within five business days after such meeting or if, as a result of the meeting either party in its discretion believes that resolution would be futile without the assistance of a neutral third party mediator, then the parties shall submit the matter to an independent mediator, after one party gives the other party written notice of its intent to mediate the dispute. Within ten calendar days following either party's request for mediation (the "moving party"), the parties shall agree upon a mediator or, if the parties are unable to agree upon a mediator within that time, the moving party shall obtain a list of five names from the

Judicial Arbiter Group (“JAG”), Denver, Colorado, and submit them to the other party (the “non-moving party”), who shall strike one, return the list to the moving party, and so forth, until one name remains. The remaining person shall be selected as the mediator. No persons who were rejected by either party prior to circulation of the JAG list of mediators shall be included on the JAG list. This striking process shall be completed within ten calendar days after delivery of the list to the non-moving party. The mediation shall be scheduled and concluded within thirty days of the mediator’s selection or as soon thereafter as possible, depending on the mediator’s schedule. The mediation process shall be closed to the public and all information submitted during mediation shall be confidential to the extent provided by law. At the conclusion of the mediation, if the dispute is still not resolved, the mediator shall make an advisory recommendation to the parties. The advisory decision of the mediator may be appealed to the State Board concerning those matters within its jurisdiction or the matter may be submitted to the appropriate court with respect to all matters not within the jurisdiction of the State Board.

12.9.1. In addition to the Dispute Resolution process set forth in paragraph 12.9 above, beginning with the conclusion of the 2012/2013 school year the parties agree that Peak to Peak shall have the option of submitting the following topic to advisory arbitration, in lieu of mediation: Using a three-year rolling average, a difference of more than one and one-half percent (1.5%) between the rate of increase in per pupil allocated (and reconciled) costs of services purchased by Peak to Peak (not including Special Education and English as a Second Language costs) and the rate of increase in per pupil funding as set forth in Paragraph 7.1.1. (For example, after averaging the costs and the revenues over the three-year period of school years 2010/2011, 2011/2012 and 2012/2013, a cost increase of 10% and a revenue increase of 9% would be viewed as a 1% difference and not subject to arbitration.) If the arbitrator renders an advisory opinion that the difference exceeded one and one-half percent (1.5%), then the sole available remedy would be that the amount of the difference exceeding one and one-half percent (1.5%) would be applied as a credit the fiscal year following the opinion. The arbitration process set forth in this paragraph shall only be initiated by Peak to Peak after the District’s Board has adopted the prior year’s audit (and, therefore, final reconciled costs are available) and after Peak to Peak has worked with the School District in good faith to analyze and agree on the nature of and basis for such cost increases. Notwithstanding the forgoing, Peak to Peak shall not be obligated to work with the School District in good faith for longer than three (3) months before it can proceed with the arbitration process set forth herein.

12.10 Mutual Cooperation, Good Faith, and Fair Dealing. The parties pledge to collaborate in good faith, through two-way communication and mutual respect, to attempt to informally and amicably resolve any issues that may arise between them. The parties shall abide by the covenant of good faith and fair dealing, otherwise implied by law, in the performance of this Contract. To promote their common goals within the School District, the parties agree to avoid publishing or dispensing disparaging or factually inaccurate information about the programs offered by the other.

12.10.1 The School District and Peak to Peak agree to develop and implement a system of regular communication relating to all aspects of the performance of this

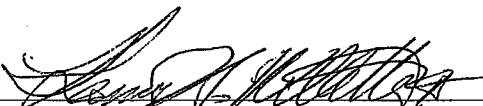
system of regular communication will take the form of a committee that meets at least once a semester (or more often if mutually agreed) and is comprised of senior officials of the School District and Peak to Peak, with the involvement of other knowledgeable representatives as appropriate based upon the subject matter under consideration at the meeting.

12.11 No Third Party Beneficiary. The enforcement of the terms and conditions of this Contract and all rights of action relating to such enforcement shall be strictly reserved to the School District and, subject to the provisions of section 12.7, Peak to Peak's Board of Directors. Nothing contained in this Contract shall give or allow any claim or right of action whatsoever by any other or third person. It is the express intent of the parties to this Contract that any person receiving services or benefits hereunder shall be deemed an incidental beneficiary only.


12.12 Order of Precedence. In the event of any disagreement or conflict concerning the interpretation of this Contract, the Renewal Application, School District Policy or other requirements, it is agreed that the interpretation that is most consistent with the express terms and conditions of this Contract, and then the interpretation that is most consistent with School District Policy, shall control.

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

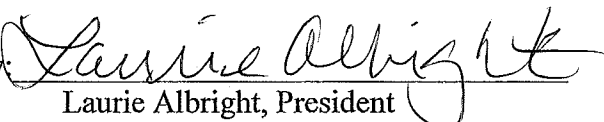
PEAK TO PEAK CHARTER SCHOOLS, INC.

By:   
Thomas H. Willetto II, President  
For the Peak to Peak Board of Directors

ATTEST:

  
Hank Dalton  
Secretary

BOULDER VALLEY SCHOOL DISTRICT RE-2

By:   
Laurie Albright, President  
Board of Education

BOULDER VALLEY SCHOOL DISTRICT RE-2

By Laurie Albright  
Laurie Albright, President  
Board of Education

ATTEST:

Sandra M Eicher  
Sandra M. Eicher, Secretary

Approved as to form:

Melissa Barber  
School District Attorney