



## **COLLABORATIVE AGREEMENT**

**For The**

## **LOWER PIONEER VALLEY EDUCATIONAL COLLABORATIVE**

**LOWER PIONEER VALLEY EDUCATIONAL COLLABORATIVE**

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***The Collaborative does not discriminate on the basis of race, sex, color, religion, sexual orientation, gender identity, age, disability, and national or ethnic origin in the administration of its educational policies, administrative policies, scholarship or loan programs, athletic and other school administered programs or in employment. The Board's policy of non-discrimination will extend to students, staff, the general public, and individuals with whom it does business.***

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## **PREAMBLE**

This Agreement for the Lower Pioneer Valley Educational Collaborative (hereinafter “this Agreement”) is entered into pursuant to the provisions of M.G.L. c. 40, § 4E and acts or amendments thereof, as they may from time to time be enacted by the legislature, as well as 603 CMR 50.00.

This Agreement replaces the original agreement dated August 17, 1988, as most recently amended on January 28, 2013, entered into by and between the member district school committees listed in Section I (hereinafter “member districts”). This Agreement will be effective upon the approval of the member district school committees and the Massachusetts Board of Elementary and Secondary Education (hereinafter “BESE”) as indicated on the signatory page.

### **SECTION I: MEMBERSHIP**

The membership of the Lower Pioneer Valley Educational Collaborative (hereinafter “the LPVEC” or “the Collaborative”), as of the effective date of this Agreement and as indicated by the signatures of the chairs of the school committees, shall include the seven (7) districts of AGAWAM, EAST LONGMEADOW, HAMPDEN-WILBRAHAM REGIONAL, LONGMEADOW, LUDLOW, SOUTHWICK-TOLLAND-GRANVILLE REGIONAL, and WEST SPRINGFIELD.

### **SECTION II: MISSION, OBJECTIVES, FOCUS, AND PURPOSE**

The mission of LPVEC is to help school districts serve all of their students more effectively, efficiently, and equitably. The primary purpose of the Collaborative is to accomplish this mission in the member districts, based on the premise that there are many things in education that can be done more effectively, efficiently, and equitably by pooling resources. The Collaborative will address itself to education broadly, supporting those programs and services which, in the discretion of the Board of Directors (hereinafter “the Board”), merit attention. The primary focus of the Collaborative will continue to be in the areas of career and technical education, special and alternative education, professional development, communication and technical assistance regarding educational improvement initiatives, and business and support services that benefit the member districts and the region.

In carrying out this mission, purpose, and focus, the LPVEC shall have the following objectives:

- A. Examine, develop, and provide cost-effective quality services and programs for low-incidence populations, particularly those most at risk of school failure as permitted by applicable laws and regulations related to educational collaboratives;
- B. Examine, develop, and provide staff development and other training/convening opportunities for educators including teaching staff, support personnel, administrators, and other members of the community;
- C. Explore, develop and provide other programs and services to meet the assessed needs of school districts, member communities, state agencies, and others, as permitted by applicable laws and regulations related to educational collaboratives; and
- D. To the extent permitted by applicable law, build and maintain the support of local, state and federal legislative bodies, state and federal agencies, national organizations, institutions of higher education, and non-profit agencies and foundations for the work of educational collaboratives in Massachusetts.

### **SECTION III: PROGRAMS AND SERVICES**

To the extent permitted by law and regulations, the LPVEC provides the following programs and services and also, upon approval of the Board, any additional programs and services which merit attention:

- Career and Technical Education
- Special and Alternative Education, Including Related, Therapeutic, Behavioral and Consultative Services
- School Transportation Services
- Municipal Medicaid Reimbursement
- Energy Management and Other Group Purchasing Services
- Staff/Professional Development
- Communication and Technical Assistance Regarding Educational Improvement Initiatives
- Grant Writing and Special Projects

### **SECTION IV: GOVERNANCE**

- A. Governance of the Collaborative is vested in a board composed of one representative of each member district, hereinafter referred to as "Board member(s)". Such person shall be a school committee member appointed annually by each member district. The Board is vested with all authority given it by M.G.L. c. 40, § 4E and all acts amendatory or supplementary thereof. The Commissioner of Elementary and Secondary Education shall appoint a voting member to the Board. In addition, superintendents from all member districts will serve in an advisory capacity to the Board.
- B. A quorum shall consist of a majority of the voting members of the Board and the Board may act by a simple majority of the Board members present and voting. A quorum is not needed to close the meeting.
- C. Meetings of the Board shall be held monthly from September to June, and at least once during the months of July and August.
- D. All business shall be conducted in accordance with Roberts' Rules of Order. The Executive Director or designee will act as executive secretary to the Board. The Executive Director of the Collaborative shall attend all meetings but shall not be entitled to a vote.
- E. The Board shall, annually during June, reorganize by electing a Chairperson, Vice-Chairperson, and Clerk. The Chairperson, with the concurrence of the Board, may appoint such committee(s) of the Board as will facilitate its work.
- F. The Board shall give public notice of the dates, times, and locations of all meetings in accordance with the Open Meeting Law, M.G.L. c. 30A, §§ 18-25.

### **SECTION V: CONDITIONS OF MEMBERSHIP**

Each member district shall have the following rights and responsibilities as a member of the LPVEC:

- A. Each Board member shall be entitled to a vote.
- B. Each Board member shall be responsible for providing timely information and updates to his/her respective school committee regarding collaborative activities as outlined in M.G.L. c. 40, § 4E and 603 CMR 50.04(2) and for providing other information as required or requested.
- C. Each Board member is expected to attend every Board meeting. When a Board member has missed one-half (1/2) of the meetings within a fiscal year, the Chair of the Board shall inform the Chair of the Board member's school committee of the absences. A Board member who misses more than two-thirds (2/3) of the Board meetings within a fiscal year will no longer be considered a representative on the Board. The Board will notify the respective member district that the seat will remain vacant until such

time as the member district, by appropriate vote, appoints a new representative or otherwise remediates the situation. When a seat becomes vacant, the member district shall automatically become an inactive member of the Board, shall not count towards a quorum, and shall not have voting rights on the Board, but shall continue to have all other rights and obligations of membership.

- D. No Board member shall serve as a member of the board of directors or as an employee of any related for-profit or non-profit organization as defined in M.G.L. c.40, § 4E, as most recently amended.
- E. No Board member shall receive an additional salary or stipend for his/her service as a Board member.
- F. No Board member shall delegate his/her powers or send a representative in his/her place as a voting Board member and no member district shall delegate the rights, responsibilities, or duties of its Board member to any other individual unless the member district is replacing the Board member with that individual.

## **SECTION VI: POWERS AND DUTIES OF THE BOARD**

The Board shall manage the Collaborative and shall be responsible for providing fiduciary and organizational oversight and accountability over the operation of the Collaborative. The Board shall be vested with all authority and responsibilities provided to it by M.G.L. c. 40, § 4E and 603 CMR 50.00 and all acts and regulations amendatory thereof, including, but not limited to, the following:

- A. It is the function and responsibility of the Board to formulate policy for the Collaborative, to hire all staff, and to ensure compliance with applicable state and federal laws and regulations, including M.G.L. c. 40, § 4E and 603 CMR 50.00, as well as with the terms of this Agreement.
- B. The Board shall be vested with the authority to enter into agreements with member districts, non-member districts, or other collaboratives to establish mutually-beneficial programs and services or pricing arrangements.
- C. The Board shall be responsible for:
  - 1. Ensuring adherence to this Agreement and progress toward achieving the purposes and objectives set forth in this Agreement;
  - 2. Determining the cost-effectiveness of programs and services offered by the Collaborative;
  - 3. Determining the appropriateness and cost-effectiveness of any borrowing, loans, or mortgages as further defined in Section VII G.; and
  - 4. Approving all expenditures including contracts, borrowing, and the purchase and sale of real property.
- D. The Board has standing to sue and be sued to the same extent as a city, town, or regional school district.
- E. The Board shall hire all employees of the Collaborative and ensure that all employees possess the necessary and required credentials and approvals, including those required by M.G.L. c. 71, § 38G and 603 CMR 7.00, M.G.L. c. 74 and 603 CMR 4.00 and all acts and regulations amendatory thereof.
- F. The Board shall select an Executive Director who shall manage the Collaborative on a day-to-day basis with responsibilities that include, but are not limited to, supervision of employees, implementation of the Board's policies, and such other powers and responsibilities as determined by the Board to the extent permitted by applicable law and regulations. The Board shall annually evaluate the Executive Director's performance and effectiveness.
- G. The Board shall also hire a Business Manager or an employee with responsibilities similar to those of a town accountant to oversee Collaborative finances, at least one Registered Nurse to support the Collaborative's programs, and a Treasurer who shall annually give bond consistent with the requirements

of M.G.L. Ch. 40, § 4E. The Board shall ensure that there is segregation of duties between the Executive Director, Treasurer, and Business Manager and that these employees shall not serve as a member of the board or as an employee of any related for-profit or non-profit organization as defined in M.G.L. Ch. 40, § 4E.

- H. The Board shall ensure that no employee of the Collaborative is an employee at any related for-profit or non-profit organization.
- I. The Board shall develop such policies as it deems necessary to support the operation of the Collaborative, including, but not limited to, policies relative to personnel, students, finance and internal controls, health and nursing, and any other policies required by state or federal law and regulation. The Board shall review the effectiveness of such policies to ensure currency and appropriateness. The Board may establish a subcommittee to advise and propose updates and policy changes to the full Board for approval.
- J. The Board shall ensure that the Collaborative completes and files an annual report and an annual independent audit as well as such other student, program, financial and staffing information, reports, or documents as the Department of Elementary and Secondary Education (hereinafter "DESE") deems necessary. The Board shall ensure that annual reports and annual independent audits are approved by the Board and then filed with appropriate governmental agencies and posted on the Collaborative's website consistent with the requirements of M.G.L. c. 40, § 4E and 603 CMR 50.00.

## **SECTION VII: FINANCE**

- A. **Fiscal Year.** The fiscal year of the Collaborative shall be July 1 to June 30 of the next calendar year.
- B. **LPVEC Fund.**
  - 1. The Board shall establish and manage a fund to be known as the LPVEC Fund.
  - 2. All monies received from member districts, non-member districts, and individuals, as well as all grants, gifts and/or contracts from the federal government, state government, charitable foundations, private corporations, or any other source, will be paid to the Board and deposited in the aforesaid fund.
  - 3. The treasurer, subject to the direction of the Board, shall receive and disburse all monies belonging to the Collaborative without further appropriation.
  - 4. All disbursements must be approved by the Board.
  - 5. The treasurer may make appropriate investments of Collaborative monies not immediately necessary for operations consistent with M.G.L. c. 44, § 55B.
- C. **Annual Budget.** The Board shall annually determine the Collaborative budget consistent with the timelines, terms, and requirements of M.G.L. Ch. 40, § 4E, which will be subject to the following procedures:
  - 1. The Collaborative's budget shall include all planned financial activity.
  - 2. All financial activity for the operation of the Collaborative, including local funding, shall be considered general fund activity with the exception of activities related to grants, gifts or contracts. Expenditures from grant funds, trust funds, and other funds not designated as general funds, that by law may be expended by the Board without further appropriation, shall be segregated in the budget.



3. The general fund budget shall segregate all operating expenditures, capital expenditures, debt service payments, and deposits to capital reserve. The general fund budget shall be classified into such line items as the Board shall determine.
4. The general fund budget shall delineate the tuition rates, fees-for-service, and any other charges to be paid by the member and non-member districts.
5. The charges for tuition-based programs provided by the Collaborative shall be assessed to member districts based upon the budgeted Collaborative costs to run the tuition program. The budgeted costs to run the tuition program will include all direct costs associated with the tuition program including, but not limited to, staffing, materials, supplies and space, plus agency-wide indirect costs which will contain budgeted capital expenses. Once the total budgeted costs of any tuition program have been established, it will be divided by the anticipated attendance. This will establish the tuition rate for member districts.

A surcharge of not more than twenty (20) percent for non-member districts may be added to the member district tuition rate for the purpose of offsetting the added costs related to serving non-member districts. The surcharge percent will be established and approved by the Board during the annual budgeting process.

These tuition rates will then be charged to the member district and non-member districts choosing to enroll in the tuition based program.

6. Fee-for-service (non-tuition) programs and services provided by the Collaborative shall be assessed to member and non-member school districts, communities, organizations, and/or individuals based upon the budgeted Collaborative costs to run the program or service. The budgeted costs to run the program or service will include all direct costs associated with the program or service including, but not limited to, staffing, materials, supplies and space, plus agency-wide indirect costs which will contain budgeted capital expenses. Once the total budgeted costs of any program or service have been established, it will be divided by the anticipated attendance/usage or charged in total to the contracting entity. This will establish the program or service rate for member and non-member districts, communities, organizations, and/or individuals.

A surcharge of not more than twenty (20) percent for non-member districts or other non-member contracting entities may be added to the fee-for-service, member district rate for the purpose of offsetting the added costs related to serving non-member districts. The surcharge percent for each year will be established and approved by the Board during the annual budgeting process.

These rates will then be charged to the member and non-member districts, communities, organizations, and/or individuals choosing to purchase the program/service.

Any federal, state, or foundation grant or contract obtained by the LPVEC for the use of providing programs or services will be applied against the cost of providing these programs and services to reduce or eliminate charges and/or fees. In some cases, the grants or contracts allow for no-cost programs and therefore are offered at no cost to member and non-member districts alike.

7. Services provided by the Collaborative through state and federal contracts shall be charged budgeted costs plus certified indirect cost rates. The indirect reimbursement received from state and federal contracts shall be used to offset the Collaborative's agency-wide, indirect costs used in calculating member and non-member district charges.

8. The proposed budget, which shall include all planned financial activity for the year, shall be discussed at a public meeting of the Board in the Spring and notice shall be provided to each member district at least one (1) week before the date of the Board meeting at which the proposed budget will be discussed.
9. The Board shall adopt the final budget by an affirmative majority vote at a subsequent meeting no earlier than ten (10) days after the Board meeting at which the Collaborative budget was first proposed, but no later than June 30 of the preceding year.

**D. Transmitting the Budget and Payment Terms.**

1. The Treasurer shall certify and transmit the budget and related tuition rates and fees for service for the upcoming fiscal year to each member district not later than June 30 of the preceding fiscal year.
2. Invoices for tuitions and fees for service shall be dated and sent to member and non-member districts per purchase agreements or upon delivery of services. Payments are due within thirty (30) days of the issuance of said invoices.

**E. Amendments to the Budget.**

1. Amendments to the budget, if necessary, will be made at a public meeting of the Board and must be approved by a majority vote of the Board to take effect. If the budget amendment results in increases in tuitions or fees for services, the following procedures shall be adhered to:
  - a) All Board members shall, within ten (10) working days of the public meeting at which the amendment was first proposed, report to their member districts the content of the proposed amendment.
  - b) All amendments shall be voted on by the Board at a second public meeting of the Board no earlier than thirty (30) working days after the Board meeting at which the amendment was first proposed; adoption shall require a majority vote.
  - c) The Treasurer shall certify and transmit the amended tuition rates and fees for service to each member district not later than ten (10) working days following the affirmative vote of the Board.

**F. Capital Reserve Fund.** The Collaborative may create a capital reserve fund to support costs associated with the acquisition, maintenance, and/or improvement of fixed assets, including real property, pursuant to a capital plan and subject to the following procedures:

1. A capital plan must be developed and approved by the Board.
2. Two-thirds (2/3) of the member districts must approve the establishment of the capital reserve fund and the request for approval must state the reason for the reserve and a limit on the balance that may be held in the reserve.
3. The establishment of a capital plan and a capital reserve fund shall be approved outside of the collaborative agreement process.
4. Deposits into the capital reserve fund shall be proposed and approved through the annual budget process.
5. Expenditures from the capital reserve fund must be authorized by the Board and may be used only for the project or purpose for which the account was established.

6. In the event that the purpose for which the capital reserve fund was created requires modification, the Board must revise its capital plan and provide notice to all member districts. If a member district does not vote to disapprove the revised capital plan within a 45-day period, that member district shall be deemed to have approved the revised capital plan. Two-thirds (2/3) approval of the member districts is required to revise the capital plan.

**G. Borrowing, Loans, and Mortgages:**

1. The Board may authorize the borrowing of funds or enter into short- or long-term agreements or mortgages and acquire or improve real property to support Collaborative operations subject to the following procedures:
  - a) All borrowing, loans, and mortgages shall be discussed at a public meeting of the Board;
  - b) The Board shall investigate options related to borrowing, loans, and mortgages in order to determine that the terms related to any borrowing, loans, and mortgages are the most favorable available at the time of the application;
  - c) The Board shall determine, at a public meeting through a majority vote, that the terms related to borrowing, loans, and mortgages are cost-effective; and
  - d) The borrowing, loan, or mortgage is necessary to carry out the purposes for which the Collaborative has been established, is in the best interests of the Collaborative and its member districts, and is consistent with the terms of this Agreement.
2. In the event that such borrowing, loan, or mortgage is for the acquisition or improvement of real property:
  - a) The Board shall discuss its intent to apply for a real estate mortgage at a public meeting of the Board prior to the meeting of the Board at which the final vote is taken;
  - b) The Board shall provide notice to each member district within thirty (30) calendar days of applying for real estate mortgages; and
  - c) The Board shall approve such action by a majority vote.

**H. Surplus Funds.** As defined in 603 CMR 50.00, unexpended general funds at the end of the fiscal year plus any previous year's surplus funds, as determined through the financial statements, will be considered cumulative surplus.

1. The determination of cumulative surplus shall not include funds deposited in a capital reserve fund as provided for in 603 CMR 50.07(10), funds deposited in trust in accordance with M.G.L. c. 32B, § 20, nor any amounts prepaid for tuition or services in accordance with M.G.L. c. 40, § 4E.
2. The Board will retain no more than twenty-five (25) percent in cumulative surplus in accordance with 603 CMR 50.03(5)(b)10.
3. On an annual basis, after the Board has discussed the audit results of the previous fiscal year, the Board shall approve, by majority vote, the final dollar amount of the cumulative surplus.
4. The Board shall determine whether such final dollar amount of surplus funds is within the established twenty-five (25) percent limit and whether the funds will be retained by the Collaborative, or whether all or some portion will be refunded to the member districts or credited to support programs and services offered to member districts.
5. In the event an amount is to be refunded or credited to the member districts, each member district's share will be apportioned based on utilization of the services that generated the surplus as noted in Section VII. C. 5. and C. 6.

## **SECTION VIII: PROCEDURE FOR AMENDING THE COLLABORATIVE AGREEMENT**

In accordance with Chapter 40, §4E, this Agreement of the Lower Pioneer Valley Educational Collaborative may be amended from time to time, pursuant to the following procedures:

- A. Any member district, Board member, or the Executive Director may propose an amendment to this Agreement consistent with *Robert's Rules of Order* pertaining to new business.
- B. The proposed amendment shall be presented in writing to the Executive Director of the Collaborative and the Chair of the Board no less than twenty (20) working days prior to a meeting of the Board at which it shall first be discussed. No less than ten (10) working days prior to the Board meeting at which the amendment is first discussed, the Executive Director shall cause copies thereof to be sent to all Board members and the Chairs of the member district school committees and/or charter school boards together with notice as to the time and place of the first reading of the amendment.
- C. Following the first reading of any proposed amendment and any changes as requested by the Board, the Executive Director shall submit the proposed amendment to DESE for initial review.
- D. Following DESE review, the Executive Director shall make such changes as DESE requires.
- E. No less than ten (10) working days prior to the Board meeting at which the revised amendment will be discussed, the Executive Director shall cause copies thereof to be sent to all Board members and the Chairs of the member district school committees together with notice as to the time and place of the second reading of the amendment.
- F. The proposed amendment shall be read a second time at the next regular meeting subsequent to DESE review, at which time, in order to be approved, there must be a majority vote of the Board in favor of the amendment. Following approval by the Board, the amended agreement shall be submitted by the Chair of the Board to the member district school committees for a vote to approve the amended agreement.
- G. Once a majority of all member districts have approved and signed the amended agreement, the Collaborative shall submit the signed amended agreement in accordance with 603 CMR 50.00 to the Commissioner of Elementary and Secondary Education for approval.
- H. No amendment to this Agreement shall be effective until approved and authorized by a majority of the member districts and by the BESE.

## **SECTION IX: PROCEDURE FOR ADMITTING NEW MEMBERS**

A school district, through a vote of its school committee or charter school board, may become a member of the Collaborative consistent with the following terms:

- A. At least 180 days prior to the beginning of a new fiscal year, the prospective member district or charter school shall submit to the Chair of the Board and the Executive Director of the Collaborative notification of intent to join the Collaborative and a copy of the school committee/charter school board minutes that indicates an affirmative vote of the committee/charter school board to seek membership in the Collaborative.
- B. Upon receipt of the prospective member district's notification of intent to join the Collaborative and the minutes, the Board will consider the request.
- C. Upon a majority affirmative vote of the Board, this Agreement shall be amended to add the new member district. This Agreement shall be amended consistent with Section VIII of this agreement.

- D. The authorizing votes may provide for the deferral of the admission of a new member district until July 1 of the subsequent fiscal year.
- E. Admission of a new member district to the Collaborative shall become effective only after approval by the current member districts and the applicant school committee or charter school board of an amendment to this Agreement, agreeing to be bound by all the terms and conditions thereof, and approval by BESE, consistent with Section VIII of this Agreement.

The new member district school committee or charter school board may be admitted to the Collaborative as of July 1<sup>st</sup> of any fiscal year provided that all required approvals, including that of BESE, are obtained by the preceding April 30<sup>th</sup> of the fiscal year prior to the fiscal year in which the new member district school committee or charter school board is to be admitted to the Collaborative.

### **SECTION X: METHOD OF WITHDRAWAL**

- A. A member district may withdraw from the LPVEC as of July 1st in any year provided that such member district provides written notice to every other member district that is party to this Agreement, as well as to the Executive Director of the Collaborative and the Board, of such intent at least 180 days before the end of such fiscal year and provided that BESE has approved the withdrawal by April 30th of the fiscal year in which the withdrawal is to occur.
- B. Written notification of a member district's intent to withdraw from the Collaborative at the end of a fiscal year shall include the following:
  - 1. Notification addressed to the Chair of the Board and the Executive Director that the member district has voted to withdraw from the Collaborative with the effective date of withdrawal; and
  - 2. A copy of the minutes from the school committee or charter school board meeting at which the member district voted to withdraw from the Collaborative.
- C. Withdrawal of a member district requires an amendment to the Collaborative Agreement and approval by the member district school committees and BESE, 603 CMR 50.03(4).
- D. Upon withdrawal, a former member district shall not be entitled to any assets or a portion of any assets of the Collaborative, including any surplus funds that may have been carried over from prior years nor any capital reserve fund that may have been established by the Board.
- E. The withdrawing member district will continue to be liable to the Collaborative for its pro-rata share of any debts, claims, demands, or judgments against the Collaborative incurred during said member district's membership. The pro-rata share is determined by dividing the total student enrollment of the withdrawing member district by the sum of the total student enrollment of all member districts; the enrollment figures will be based on the numbers of students at the end of the fiscal year of withdrawal.
- F. Upon withdrawal, the withdrawing member district will be reimbursed any funds prepaid to the Collaborative by the member district for tuition or services under M.G.L. c. 40, § 4E.
- G. The withdrawal of any member district(s) at any time shall not affect the status of this Agreement and the same shall remain in full force and effect until specifically changed or amended by the Board and approved by the member districts and BESE, consistent with Section VIII of this Agreement.
- H. If, after the withdrawal of a member district(s), less than two member districts remain, the Board will initiate termination proceedings as provided in Section XI.

## **SECTION XI: TERMINATION OF AGREEMENT**

- A. A member district may request that the Board initiate proceedings to terminate this Agreement by giving notice to all other member districts and the Executive Director at least twelve (12) months before the end of the current fiscal year.
- B. Within thirty (30) days of a request that the Board initiate termination proceedings, the Board shall discuss the request to terminate the Collaborative and determine next steps. A two-thirds (2/3) vote of the Board is required in order to initiate termination proceedings. Should the Board vote to initiate termination proceedings, notice must be provided to all member districts within ten (10) working days of such vote. This Agreement shall only be terminated at the end of a fiscal year.
- C. This Agreement shall be terminated at the end of any fiscal year following votes in favor of termination by two-thirds (2/3) of the member district school committees and/or charter school boards.
- D. Following the affirmative votes of the member districts to terminate this Agreement, the Executive Director shall inform DESE and the member and non-member districts who are served by the Collaborative in writing 180 days prior to the effective date of any termination.
- E. Following the affirmative votes of the member districts to terminate the Collaborative agreement, a final independent audit will take place and will be provided to all Board members and member districts as well as to DESE, including an accounting of assets and liabilities (debts and obligations) of the Collaborative and the proposed disposition of same.
- F. Prior to termination, the Board shall:
  - 1. Determine the fair market value of all assets for the Collaborative, including, but not limited to, real estate, capital property, equipment and supplies owned by the Collaborative;
  - 2. Determine the process for the appropriate disposition of federal/state funds;
  - 3. Identify the member district responsible for maintaining all fiscal records;
  - 4. Identify the member district(s) responsible for maintaining student, employee, and program records;
  - 5. Determine the means of meeting all liabilities (debts and obligations) of the Collaborative, including obligations for post-employment benefits. All liabilities must be met before any monies are distributed to member districts;
  - 6. Distribute surplus funds or capital reserve funds to the member districts with each member district's share to be determined by dividing the total student enrollment of each member district by the sum of the total student enrollment of all member districts, using the numbers of students at the end of the fiscal year of termination; and
  - 7. Ensure the appropriate disposition of all assets of the Collaborative, including any unencumbered funds held by the Collaborative and any capital property and real estate owned by the Collaborative. Unless the Board determines otherwise, all assets shall be sold and the monies shall be distributed to the member districts according to the terms set forth in Section XI. F. 6.
- G. Following the affirmative vote of the member districts to terminate the Collaborative agreement, the Board shall notify DESE of the official termination date of the Collaborative and shall submit the documentation required by 603 CMR 50.11 to DESE.
- H. Should DESE revoke and/or suspend approval of this Agreement, the Board will follow all instructions from DESE and Sections XI. D. through XI. G., inclusive, shall be implemented to the extent these procedures are consistent with the order of DESE terminating this Agreement.

**SECTION XII: DISPOSITION OF ASSETS**

So long as the Collaborative exists, a member district withdrawing from the Collaborative shall not be entitled to any assets of the Collaborative; rather, all assets shall remain in the Collaborative. Upon termination, all unencumbered funds and all equipment and supplies shall be divided among districts who were members of the Collaborative during the previous fiscal year based upon the terms set forth in Section XI. F. 7.

**SECTION XIII: INDEMNIFICATION**

Neither the Executive Director, the Treasurer, the Business Manager, nor any Board member shall be liable to the Collaborative or to any member district thereof for any act or omission of the Executive Director, Treasurer, Business Manager, or any Board member or be held personally liable in connection with affairs of the Collaborative, except only liability arising out of his/her own willful misfeasance, bad faith, gross negligence, or reckless disregard of duty to the Collaborative or its member districts. Neither the Executive Director, the Treasurer, the Business Manager, nor any Board member, nor member district shall be personally liable for any debt, claim, demand, judgment, decree, liability or obligation of any kind of, against or with respect to the Collaborative, or arising out of any action taken or omitted for or on behalf of the Collaborative, and the Collaborative shall be solely liable therefore and resort shall be had exclusively to the Collaborative property for the payment or performance thereof and each Board member, member district, and any Executive Director, Treasurer, or Business Manager shall be entitled to full indemnity and full reimbursement out of Collaborative property including, without limitation, fees and disbursements of counsel, if, contrary to the provisions hereof, such Board member, Executive Director, Treasurer, Business Manager, or member district shall be held personally liable. Any person dealing with the Collaborative shall be informed of the substance of this provision except that any such person need not be informed of the indemnification contained herein and, where the Board deems it appropriate, documents or instruments executed by or by authority of the Board shall contain reference hereto. The Executive Director, Treasurer, Business Manager and their legal representatives, and each Board member and his/her legal representatives, and each member district and its legal representatives shall be indemnified by the Collaborative against all liabilities and expenses, exclusive of amounts paid to the Collaborative including judgments, fines, penalties, amounts paid in settlement and counsel fees, incurred in reasonable settlement of any action, suit or proceeding to which such Board member, member district or Executive Director or Treasurer or Business Manager or his/her/its legal representatives may be made a party or otherwise involved by reason of his/her/its capacity as member of the Board or Executive Director, Treasurer, Business Manager, or member district, except only liabilities and expenses arising out of his/her/its own willful misfeasance, bad faith, gross negligence or reckless disregard of duty to the Collaborative as finally adjudged in such action, or without final adjudication, as determined by independent counsel for the Collaborative. Said right of indemnification shall be in addition to any other rights to such member of the Board or Executive Director, Treasurer, Business Manager, or member district may be entitled as a matter of law or which may be lawfully granted to him/her/it.

This Agreement has been approved by duly authorized votes at public meetings held by the individual school committees and charter school boards whose Chairpersons have signed below.

**ACCEPTANCE OF AGREEMENT**

**FIRST READING**

\_\_\_\_\_

\_\_\_\_\_

**SECOND READING**

\_\_\_\_\_

\_\_\_\_\_

**Chair, Board of Directors**

**Date**

